

# Lady Margaret Hall

Annual Report and Financial Statements

Year ended 31 July 2018

**LADY MARGARET HALL**  
**Annual Report and Financial Statements**  
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## LADY MARGARET HALL

### Governing Body, Officers and Advisers

Year ended 31 July 2018

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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, known as Fellows, who served in office as Trustees during the year, or subsequently, are detailed below.

During the year, the activities of the Governing Body were carried out through ten main committees. The membership of these committees for the academic year 1 October 2017 to 30 September 2018 is also shown below for each Fellow.

- (1) Finance Committee
- (2) Investment Committee
- (3) Academic Policy Committee
- (4) Development Committee
- (5) Remuneration Committee
- (6) Strategy Committee
- (7) Equality Committee
- (8) Garden Committee
- (9) Buildings Committee
- (10) Statutes Committee

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Mr Alan Rusbridger, Principal		•	•	•	•		•	•	•	•	•
Professor Aziz Aboobaker											
Professor Anna Sapir Abulafia		•							•		
Professor Robert Adlington											
Professor Nigel Arden											
Mr Bart Ashton	(from 1 Sept 17)	•						•	•	•	
Professor Helen Barr				•	•		•	•			•
Dr Jo Begbie				•							
Dr Amin Benaissa				•							
Professor Philip Biggin		•									
Professor Sanja Bogojevic									•		
Professor Michael Broers											
Dr Ann Childs											
Professor Paul Chleboun											
Dr Xon de Ros											
Rev'd Dr Allan Doig				•				•		•	
Dr Ana Domingos	(from 1 July 18)										
Dr Hanne Eckhoff	(from 1 Aug 17)										
Dr Vanessa Ferreira	(from 20 April 18)										

## LADY MARGARET HALL

### Governing Body, Officers and Advisers

Year ended 31 July 2018

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Dr Mike Fraser	(from 6 Oct 17)										
Professor Antony Galione				•							
Professor Christine Gerrard										•	
Professor Vincent Gillespie											
Professor José Goicoechea											
Professor Christina Goldschmidt											
Professor Gianluca Gregori		•									
Professor Nicholas Hankins				•						•	
Professor Robin Harding											
Professor Li He											
Professor Todd Huffman					•						
Professor Kyle Jaros											
Dr Varun Kanade	(from 1 Sept 17)										
Professor Marie-Chantal Killeen											
Dr Jochen Koenigsmann											
Professor Christina Kuhn				•							
Mr Andrew Macdonald		•	•	•	•		•	•		•	•
Professor David Macdonald					•						
Professor Ewan McKendrick						•					
Dr Mary MacRobert	(retired 30 Sept 17)										
Professor Michael Monoyios			•								
Professor Pawan Mudigonda											
Professor Jill O'Reilly											
Professor Gascia Ouzounian											
Dr Katrina Palmer	(from 1 Sept 18)										
Mr Tim Pottle		•			•						
Dr Natalie Quinn	(from 4 Sept 17)										
Dr Sophie Ratcliffe											
Professor Hiram Samel	(resigned 30 Aug 18)		•						•		
Professor Dominic Scott									•		
Professor Helen Scott	(from 1 <sup>st</sup> Oct 17)										
Dr Fiona Spensley		•		•			•	•			
Professor Robert Stevens											•
Dr James Studd											
Dr Grant Tapsell					•						
Professor Adrian Thomas											
Professor Jan Westerhoff											

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### Governing Body, Officers and Advisers

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Investment Committee, Development Committee, Strategy Committee, Buildings Committee and Garden Committee have appropriately qualified external members. The Remuneration Committee consists of six individuals, only one of whom can be a Fellow who does not receive pecuniary emolument from the College, and at least five external members who receive no remuneration of any kind from the College.

### COLLEGE SENIOR STAFF

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

A Mr Alan Rusbridger	<i>Principal</i>
B Prof Helen Barr	<i>Vice-Principal</i>
C Mr Andrew Macdonald	<i>Treasurer</i>
D Dr Fiona Spensley	<i>Senior Tutor (replaced by Dr David Harris with effect from October 2018)</i>
E Rev'd Dr Allan Doig	<i>Tutor for Graduates (replaced by Dr Fiona Spensley with effect from October 2018)</i>
F Mr Bartholomew Ashton	<i>Domestic Bursar</i>
G Mr Tim Pottle	<i>Development Director</i>
H Ms Jo Murray	<i>Head of Communications</i>

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**COLLEGE ADVISERS**

**Auditor**

Critchleys Audit LLP  
Beaver House  
23-38 Hythe Bridge Street  
Oxford  
OX1 2EP

**Bankers**

Barclays Bank plc  
Level 4  
Apex Plaza  
Forbury Road  
Reading  
RG1 1AX

**Solicitors**

Mills & Reeve LLP  
Botanic House  
98-100 Hills Road  
Cambridge  
CB2 1PH

**Surveyors**

Carter Jonas  
Anchor House  
269 Banbury Road  
Summertown  
Oxford  
OX2 7LL

**College address**

Norham Gardens  
Oxford  
OX2 6QA

**Website**

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

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**Year ended 31 July 2018**

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The Members of the Governing Body present their Annual Report for the year ended 31 July 2018 under the Charities Act 2011 together with the audited financial statements for the year.

**REFERENCE AND ADMINISTRATIVE INFORMATION**

The Principal and Fellows of the College of the Lady Margaret in the University of Oxford, which is known as Lady Margaret Hall, (“the College”) is an eleemosynary chartered charitable corporation aggregate. It was founded as Lady Margaret Hall Oxford in 1878 by a group led by the Reverend Edward Talbot. It was incorporated in 1913 under the Companies Acts and later, in response to a petition dated 17 March 1926 from Cyril Bailey and Lynda Grier, under a Royal Charter of His Majesty King George V.

The College registered with the Charities Commission on 6 July 2011 (registered number 1142759).

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 2-5.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing documents**

The College is governed by its Charter of 17 March 1926 and Supplemental Charters of 31 December 1953, 23 December 1960, 1 June 1978 and 7 June 2012 and Statutes last amended 15 February 2012.

**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 Chancellor of The University of Oxford. The Governing Body is self-appointing.

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 ten main committees.

**Recruitment and training of Members of the Governing Body**

New Members of the Governing Body, apart from the Principal, Treasurer, Development Director, Senior Tutor and Tutor for Graduates, are elected on the basis of the association of a College Fellowship with a post in the Collegiate University. They are inducted into the workings of the College, including Governing Body policy and procedures, by the Principal, Senior Tutor and Treasurer.

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 (and University, in some cases) and receive no 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, members of which are independent or 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, and other criteria include: other colleges’ policies on remuneration; principles of equality and fairness; and trends in remuneration in other academic institutions in the UK and internationally and in the relevant levels of the UK public and private sectors.

The remuneration of senior College staff is proposed by the College’s Salaries Committee, taking account as far as possible remuneration levels in other Oxford colleges, reviewed by the Remuneration Committee and then approved by Governing Body.

**Organisational management**

The members of the Governing Body meet at least 6 and up to 9 times a year. The work of developing their policies and monitoring the implementation of these is carried out by ten main Committees:

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**Finance Committee** - is responsible for the financial administration of the College.

**Investment Committee** - considers all business relating to the College's investments (including those of trust funds).

**Academic Policy Committee** – advises on:

- a) academic policy, general teaching needs, admissions policy, and elections to professorial and supernumerary fellowships;
- b) the filling of tutorial and research fellowships.

**Development Committee** - is responsible for implementing, monitoring, and reviewing the College's fund-raising objectives and alumni relations objectives. It provides guidance to the Development Office on priorities in achieving these objectives, and keeps under review the resources necessary, including staff and finances, to achieve them.

**Remuneration Committee** - acts as an independent body to review and make recommendations to Governing Body on proposed changes to the level of remuneration and direct and indirect benefits for the Principal and Fellows of the College.

**Strategy Committee** – advises on major strategic issues, especially those which do not fall within the remit of any one other main committee.

**Equality Committee** - is responsible for the development, implementation, monitoring, prioritisation and review of policies, procedures and practice to support the College's Equality Policy in relation to staff, students, visitors, and others closely associated with the College.

**Garden Committee** - advises on all matters concerning the College gardens.

**Buildings Committee** - advises on all matters concerning new buildings.

**Statutes Committee** - advises on all matters concerning the College Charter and Statutes.

The day-to-day running of the College is delegated to the Principal, supported by College senior staff. The Principal attends all meetings of the Governing Body's main committees, apart from Remuneration Committee.

### **Group structure and relationships**

The College also administers many special trusts, as detailed in Notes 18 and 19 to the financial statements.

The College also has three wholly owned non-charitable subsidiaries: LMH Hospitality Services Limited, Lady Margaret Hall Properties Limited and Lady Margaret Hall Trading Limited. LMH Hospitality Services Limited is the vehicle for the trading activities of the College, Lady Margaret Hall Trading Limited is the vehicle for managing new capital building projects, and Lady Margaret Hall Properties Limited was the vehicle for managing the letting of rooms in the College's properties but has been dormant since 1 August 2010. The subsidiaries' aims, objectives and achievements are covered in the relevant sections of this report.

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.

### **Fund-raising**

The College has a professional alumni engagement team which has fund-raising within its remit. During the financial year, the College has worked with a fund-raising consultant to review the College's fund-raising operation, and devise and test a fund-raising case for support based on the College's strategy. The College also worked with a fund-raising consultant to oversee the telephone campaigns and provide supervision of student callers. The College subscribes to and has adhered to the Fundraising Regulator's Code of Fundraising Practice during the financial year.

The Alumni Engagement Team is overseen by the Development Director who reports to the Principal. The College Development Committee meets three times a year. These meetings are reported to and discussed by the Governing Body of the College. The College did not receive any complaints relating to fund-raising during the year.



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The College has an approved and published *Policy on fundraising with and responding to people in vulnerable circumstances* which accords to the Fundraising Regulator's Code of Fund-raising practice. Under the policy, incidents are reported to the College's Development Committee and noted by Governing Body.

**OBJECTIVES AND ACTIVITIES**

**Charitable Objects and Aims**

The College's Object is: "To advance education and research, in particular by providing for members of the University of Oxford a college conducted according to the principles of the Church of England, but with full provision for the liberty of those who are not members of that Church."

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

- to provide a collegiate educational experience that is the best of its kind in the world for students meeting its high academic requirements from any part of or social group in the UK and across the world, of any age, of any faith or none.
- to provide Research Fellowships to outstanding academics predominantly at the early stages of their careers.
- to support research work pursued by its Fellows, lecturers and students and to encourage visits from outstanding academics from abroad.
- to encourage the dissemination of research undertaken by members of the College to other academics and the general public.
- to maintain and make available to students and Fellows of the College its extensive Library (including important special collections). On a discretionary basis, the College makes its library available to members of other Colleges and the University of Oxford more widely, external scholars and researchers.

The College remains committed to providing public benefit, with the members of the College, both students and academic staff, who are directly engaged in education and/or research, being the primary beneficiaries.

Beneficiaries also include: students and academic staff from other Colleges in Oxford and the University of Oxford more widely, visiting academics from other higher education institutions and visiting schoolchildren and alumni of the College who have an opportunity to attend educational events at the College and use its facilities. The general public are also able to attend various educational activities in the College such as exhibitions in the library or Conversations with the Principal, and benefit from the general research output from members of the College including in Medicine, Science, Public Policy, Arts and Culture.

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

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects but students of the College are predominantly between 18 and 27 years old;
- to raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to the College, the College operates an extensive outreach programme as part of University-wide initiatives to widen access;
- there are no religious restrictions in the College's objects and members of the College have a wide variety of faith traditions or none.

The focus of the College is strongly academic and students need to satisfy high academic entry requirements, in line with the University and other colleges in the University of Oxford.

The College uses a range of measures to monitor its success, including:

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- Number at each level of undergraduate degree passes, aiming at least for 2.1.
- Number and level of graduate degree passes, both doctorates and taught courses.
- Proportion of undergraduates and graduates applying to LMH as their first choice college.
- Awards for academic staff.

**Students' fees, grants and outreach**

The College charges the following fees:

- a) Tuition fees to undergraduates entitled to student finance at externally regulated rates (with those undergraduate fees being paid by grant funding through arrangements approved by the Government), and to graduate students;
- b) College fees, determined annually, to graduates, Overseas undergraduates and any Home/EU undergraduates not studying for their first degree; and
- c) Accommodation and meal charges at reasonable rates.

In order to assist undergraduates entitled to student support, the College provides, through a scheme operated in common with the University and other Colleges, bursary support for those of limited financial means. For the academic year 2017-18, the number of awards made was 81, out of a Home/EU undergraduate population of 375, with a total value of £238,000, of which £105,000 was provided by the College. The scheme is approved by the Office of Fair Access and provides benefits at a substantially higher level than the minimum OFFA requirement.

The College also has various scholarships and prizes available to reward undergraduate academic excellence and provided £34,000 for this purpose in 2017-18.

To support the costs of graduate students, the College provides substantial financial assistance. This includes scholarships of £221,000 in the academic year 2017-18.

The College also makes awards for academic development and provided £19,000 in academic development grants, covering both graduates and undergraduates, in 2017-18.

In addition to its other programmes, the College operates a hardship scheme for all students in financial hardship and provided £13,000 under this heading in 2017-18. The College also provides access to hardship schemes operated by the University.

The College's outreach programme includes an extensive programme of visits by schools to the College, open days and summer schools, admissions symposia for teachers, as well as visits to schools and guidance and information on the College website for prospective applicants. In agreement with the other Oxford colleges as an outreach initiative, the College has particular links with prospective applicants from the London Borough of Haringey and Gloucestershire, Herefordshire, Ceredigion, Monmouthshire and Powys.

In 2016-17, the College operated the first Foundation Year under a four-year pilot project. The Foundation Year is a one year academic and personal preparation for up to 12 students from any part of the UK who may not have the grades to make a competitive application for an undergraduate degree course for socio-economic reasons. The aim is for these students to make an application for an undergraduate degree course at the University of Oxford during the Foundation Year, though progression to the degree course is not automatic. Students who have achieved academically in a disadvantaged context and entirely within the state sector are the targets for the programme and students are selected on the basis of a range of financial, social and cultural indicators. In 2017-18, the second cohort of 11 Foundation Year students successfully completed the course, while 7 of the first cohort of 10 returned to LMH as undergraduates in the University.

**Activities and objectives of the College**

The College's overarching objective is to provide a collegiate educational experience that is the best of its kind in the world. The objectives set for the College's subsidiaries are to help finance the achievement of the College's aims as above. The College's principal activity is the advancement of education and research.

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The College provides, in conjunction with the University of Oxford, an education for some 400 undergraduate and 220 graduate students, which is recognised internationally as being of the highest standard. This education develops students academically and advances their communication and interpersonal skills, and so prepares them to play full and effective roles in society.

In particular, the College provides:

- teaching facilities, individual or small-group tuition, as well as academic support through its tutorial and graduate advisory systems;
- IT and other administrative support, and welfare services, including the availability of the Chaplain to assist every member of the College of every religious belief and none; and
- social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

The College advances research through:

- providing Research Fellowships to outstanding academics predominantly at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- supporting research work pursued by its Fellows, lecturers and students through promoting interaction within and across disciplines, by such means as providing seminar rooms and common rooms in which researchers can exchange ideas, and organising a research fair; allowing paid sabbatical leave for its tutors; and providing facilities and grants for national and international conferences, research trips and research materials;
- encouraging visits from outstanding academics from abroad by providing academic associations with the College; and
- encouraging the dissemination of research undertaken by members of the College to other academics and the general public through the publication of papers in academic journals and books, through presentation at conferences, through media appearances and press articles and other suitable means.

The College maintains an extensive Library (including important special collections), so providing a valuable resource for students and Fellows of the College. On a discretionary basis, the College makes its library available to members of other Colleges and the University of Oxford more widely, external scholars and researchers.

**ACHIEVEMENTS AND PERFORMANCE**

The College's key achievements in 2017-18 were:

<b>Key Goals</b>	<b>Achievements 2017-2018</b>
Academic: undergraduate mission	<ul style="list-style-type: none"> <li>• We recruited 123 undergraduates plus 11 Foundation Year students, who all completed the course with Distinction.</li> <li>• We have recruited excellent new tutors: 3 new Fellows and 8 Stipendiary Lecturers.</li> <li>• 7 of the first cohort of 10 Foundation Year students returned to LMH as undergraduates. Application numbers continued to increase, and the third cohort was recruited for 2018-19.</li> <li>• A report on Year 1 of the Foundation Year was presented to Governing Body and the central University. An external review was also carried out in May 2018 and was published on-line.</li> <li>• We recruited 23 Visiting Students starting in Michaelmas Term 2018 and 9 starting in Hilary Term 2019. This totals 26 FTE Visiting Students for the year.</li> </ul>
Academic: postgraduate mission	<ul style="list-style-type: none"> <li>• 119 new graduates (227 in total) were recruited for 2018-19.</li> <li>• 207 graduates selected LMH as first choice college, but only 37 of the accepted graduates came from this pool.</li> <li>• 88 graduates were housed on site. This year the College also leased 9 rooms for graduates in an off-site building.</li> <li>• The Graduate Officer made a welcome video for graduates.</li> <li>• An Instagram tour of the MCR, was created to showcase graduate life and the facilities for students.</li> </ul>
Academic: teaching and research mission	<ul style="list-style-type: none"> <li>• The Research Fair took place in May 2018.</li> <li>• Academic prizes for undergraduates, graduates and tutors were all publicised.</li> <li>• Common Rooms at the Cutting edge is a series of talks bringing together SCR and MCR members.</li> <li>• A Fellows' Assistant was appointed in the Academic Office.</li> </ul>
Community and identity	<ul style="list-style-type: none"> <li>• Provision, structure and attention to the welfare of students has been transformed with additional posts and new processes. A new microsite devoted to wellbeing was launched on the main website.</li> <li>• Governing Body agreed a new 5-year College Strategy 2018-23 during the year.</li> <li>• Attendance at Open Days increased again. In 2015 550 students attended, rising to 1,036 students in 2018.</li> </ul>

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	<ul style="list-style-type: none"> <li>• Communications publicised the academic and community life of LMH across five social media platforms.</li> </ul>
College environment	<ul style="list-style-type: none"> <li>• In May the College launched an Employee Assistance Programme (EAP) for all academic and non-academic employees.</li> <li>• Wellness Weeks have continued across all communities.</li> <li>• Commercial events have generated £1.8m in income, with work completed to grow that further during 2018-19.</li> <li>• A new working group including staff and students has been established to prioritise and steer matters relating to sustainability, and initial metrics have been discussed by the group.</li> <li>• An improved wild flower meadow, a new lawn and renovated flower beds have contributed to the development of the College's gardens. The introduction of a biodiversity walk and leaflet has also been popular with visitors.</li> <li>• The College founded a shared ICT services company with St. Antony's and St Hugh's.</li> </ul>
Alumni engagement	<ul style="list-style-type: none"> <li>• The case for support, based on the new strategy, has been designed and tested with a number of the College's closest alumni.</li> <li>• A full event programme of both College events, and events for alumni all over the world, was undertaken.</li> <li>• Work practices within the Development team have been reviewed and improved. This work will continue into 2018-19.</li> <li>• The Annual Fund target was achieved (£634k)</li> <li>• Fundraising for the Foundation Year Pilot Project was completed.</li> </ul>
Conferences and other Commercial Developments	<ul style="list-style-type: none"> <li>• The conference business turnover increased to £1.8m.</li> <li>• The conference team and academic officer developed various Summer Academic Programmes, widening participation internationally.</li> </ul>
Finances, Endowment, Estate and Governance	<ul style="list-style-type: none"> <li>• The College generated a cash surplus to repay £0.6m of its outstanding debt.</li> <li>• The College upgraded its data protection policies under GDPR regulations.</li> </ul>

**FINANCIAL REVIEW**

The financial results for 2017-18 show a net movement in funds of £1.799m, increasing the Funds of the College to £66.480m.

Total Incoming Resources were £10.470m (£11.371m in 2016-17) including donations of £1.603m and investment income of £0.894m. Incoming resources excluding these two items came to £7.973m, an increase of 9.4% on the previous year. Academic income and residential income from members was up 7.4% year-on-year, while another strong performance from conferences saw trading income grow 22.3%.

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#### **Year ended 31 July 2018**

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The resources expended in achieving this income of £7.973m were £10.966m, being Total Resources Expended of £11.076m, less investment management expenses of £0.11m. These resources expended were 11.9% higher than the previous year's equivalent figure.

Scholarships, prizes and grants awarded to students increased to £0.274m, up 4.2%, while bursaries and hardship awards reduced to £0.118m, down 10.6%. Expenditure on maintaining the College's buildings included a Conditions Survey by the College Surveyor on all the buildings excluding the new accommodation blocks completed in the last ten years. The Conditions Survey showed that expenditure on the fabric of the buildings needs to increase by approximately 50% or £0.250m in 2018-19. The College applied to the College Contributions Scheme for support for these additional costs, receiving £0.175m in support.

The incoming resources of £7.973 m, less the resources expended of £10.966m, gives an "operating deficit" of £2.993m. The College covers this deficit in three ways: (1) using donations to Unrestricted Funds of £0.557m; (2) drawing on Endowment Funds and designated capital funds within Unrestricted Funds under a sustainable spending rule for £1.475m; and (3) drawing on Restricted Funds, where both income and capital are available for spending, for £0.547m.

After these draw downs and donations, the operating deficit is reduced to £0.414m. The deficit is calculated after a depreciation charge of £1.206m. Adding back this non-cash item gives an "operating cash flow" of £0.792m. The College repaid £0.6m of its outstanding debt.

In 2017-18 the "total return" achieved on investments was £3.189m, net of investment expenses of £0.11m (£0.107m in 2016-17), which was more than sufficient to cover the amounts withdrawn of £1.475 m.

The net movement in funds of £1.799m comprises the deficit of £0.414m, the "total return" on investments of £3.189m, new donations received for Endowment Funds of £0.164m and for Restricted Funds of £882m, less amounts withdrawn from Endowments of £1.475m and from Restricted funds of £0.547m.

#### **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 and its subsidiaries at the year-end amounted to £66.480m (2017: £64.681). This includes endowment capital of £38.122m and unspent restricted income funds totalling £1.757m. Unrestricted reserves at the year end were £26.601m (2017: £26.419m), of which £21.381m is designated to cover the £33.412m net book value of fixed assets net of their associated funding arrangements. A further £7.188m is designated as capital fund and a reserve of £1.257m reflects the provision for future payments to fund the pension scheme deficits.

At the year end, general Unrestricted Funds were negative £0.711m but offset by a cash balance of £0.928m, making a net overall positive position of £0.217m. After bearing the burden of financing the new buildings, the College's strategy is to restore its reserves through accumulating positive surpluses after servicing loan repayments. The College considers this an acceptable position, both because its revenue streams are highly unlikely to experience a sudden shortfall, and also because the College would be able to remove the "capital funds" designation from part of its Unrestricted Funds, thereby freeing such funds to cover any shortfall.

#### **Risk management**

The College has on-going processes which operated throughout 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 Principal, the Treasurer or the Domestic Bursar. Financial risks are assessed by the Finance Committee and investment risks are monitored by the Investment Committee. In addition, the Domestic 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.

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

The principal risks and uncertainties faced by the College and its subsidiaries that have been identified are categorised as follows:

- Governance risks – e.g. inappropriate organisational structure, difficulties recruiting trustees with relevant skills, conflict of interest;
- Operational risks - e.g. service quality and development, contract pricing, employment issues; health and safety issues; site and property security; fraud and misappropriation; loss of equipment; protection of personal data;
- Financial risks - e.g. accuracy and timeliness of financial information, adequacy of reserves and cash flow, diversity of income sources, investment management;
- External risks - e.g. public perception and adverse publicity, demographic changes, government policy; and
- Compliance with law and regulation- e.g. breach of trust law, employment law, and regulative requirements of particular activities such as fund-raising.

Strategies for managing the risks identified by the College as described above include, for example:

- Establishing the appropriate committees responsible for formulating recommendations to Governing Body;
- Providing appropriate training to all members of staff and at the induction of new Fellows;
- Ensuring accountability of College Officers to the appropriate committee and for the committees in turn to be accountable to the Governing Body;
- Developing and implementing key policies across the main areas of activity of the College, including, for example, admissions policy, health & safety policy, and information security policy; and
- Ensuring the appropriate insurance policies are in place and reviewed regularly.

### **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 on a total return basis, maintaining 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 total return and to make available for expenditure each year an appropriate proportion of the unapplied total 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.

At the year end, the College's long term securities investments totalled £43.457m and the College also held property investments of £1.65m. The total securities investment return was 7.1% in the year to 30 June 2018, somewhat below both the relevant benchmark return of 7.9% and the target total return of 7.6%. The portfolio was positioned somewhat defensively in the current period of market uncertainty.

On the total return basis of investing, it is the Governing Body's policy to extract as income up to 4% (plus costs) of the value of the relevant investments. However, a formula is applied to smooth and moderate the amounts withdrawn.

The equivalent of 4.0% of the opening value of the securities and property investments, plus costs, was extracted as income on the total return basis in the year. The Governing Body will keep the level of income

**LADY MARGARET HALL**  
**Report of the Governing Body**  
**Year ended 31 July 2018**

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withdrawn under review to balance the needs and interests of current and future beneficiaries of the College's activities.



**LADY MARGARET HALL**  
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**FUTURE PLANS**

The College's future plans have been set out in a new Strategic Plan for 2018-2023, replacing the previous LMH 2010-2015 Vision and Strategy document which set out key goals for that five year period.

Specific objectives have been agreed for the academic year 2018-19 to ensure that the College continues to enhance its ability to provide a first-class education, and specific objectives, leading from these, have been agreed for the separate departments within the College.

The College's objectives for 2018-19 are summarised as follows:

Key Goals	Objectives 2018-2019
Academic distinction: undergraduate mission	<ul style="list-style-type: none"> <li>• Promote high academic performance from students through provision of targeted support and ongoing consultation with students.</li> <li>• Meet or exceed target of 95% of undergraduate students achieving at least an upper second class degree.</li> <li>• Recruit 125 very able undergraduates plus up to 12 Foundation Year students.</li> <li>• Recruit excellent new tutors for vacancies.</li> <li>• Improve systems for feedback between students and Tutors and explore best practice in interdisciplinary teaching.</li> <li>• Fully staff the Study Skills Centre and extend its range to non-traditional students and overseas students.</li> <li>• Recruit 29 full-year-equivalent visiting students.</li> </ul>
Academic distinction: postgraduate mission	<ul style="list-style-type: none"> <li>• Recruit 135 post-graduate students and increase overall numbers to 235.</li> <li>• Redesign post-graduate offering and scholarships to attract and support well-qualified graduate students.</li> <li>• Monitor numbers of post-graduate students selecting LMH as first choice college.</li> <li>• Provide practical support for post-graduate students who are not offered accommodation in College..</li> </ul>
Academic distinction: Teaching and research mission	<ul style="list-style-type: none"> <li>• Support Fellows and other academic staff in their primary missions of teaching and research.</li> <li>• Develop a more active research strategy, including expansion of externally funded Research Fellowships which would integrate with College through providing teaching and provide better career development opportunities.</li> <li>• Develop administrative support for Fellows and improve budgeting.</li> <li>• Run the annual LMH Research Fair.</li> <li>• Increase visibility of academic publications on the new website and increase the number and quality of LMH's research dissemination and profile-raising events.</li> </ul>
Health, Wellbeing and Welfare	<ul style="list-style-type: none"> <li>• Develop innovative ways to improve the wellbeing and welfare of the LMH community.</li> <li>• Continue to develop, review and invest in the student welfare system ensuring that students</li> </ul>

**LADY MARGARET HALL**  
**Report of the Governing Body**  
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	<p>who need support receive help in a timely and appropriate manner.</p> <ul style="list-style-type: none"> <li>• Publicise academic, cultural, musical, intellectual and sporting endeavour.</li> <li>• Maintain Investors in People (IiP) Silver accreditation and start preparations in pursuit of a possible Gold award.</li> <li>• Continue to run and develop College welfare weeks.</li> </ul>
A Diverse/Inclusive College	<ul style="list-style-type: none"> <li>• Continue the Foundation Year pilot, fully evaluate its effectiveness and communicate that evaluation, aiming for the continuation of the initiative with other colleges from 2020/21.</li> <li>• Improve contextual candidate data for admissions rounds and evaluation.</li> <li>• Further engage students in outreach and engagement activities.</li> <li>• Continue the use of social media and use other innovative ways to reach the widest possible pool of capable potential candidates.</li> <li>• Ensure that the College remains an inclusive environment for everyone in the LMH Community.</li> </ul>
Strengthening the LMH Community	<ul style="list-style-type: none"> <li>• Implement a new internal communications strategy.</li> <li>• Strengthen LMH's claim to be a first choice Oxford college for students, academics and staff.</li> <li>• Continue to improve internal and external communication by redesigning the College intranet, organising profile-raising events and developing the College's digital presence.</li> <li>• Become a leading college in student-staff collaboration.</li> </ul>
Alumni engagement	<ul style="list-style-type: none"> <li>• Design and launch the new fund-raising strategy.</li> <li>• Run a full events programme during the year.</li> <li>• Establish a system to recruit, monitor and motivate alumni volunteers to support students and younger alumni in the early stages of their careers and in supporting access.</li> <li>• Focus and improve the alumni engagement programme.</li> <li>• Raise £0.55m in unrestricted gifts.</li> </ul>
Conferences and other Commercial Developments	<ul style="list-style-type: none"> <li>• Continue the growth of the Conference Business, raising turnover to £2.2m and net income to £1m.</li> <li>• Develop the Summer Academic Programmes in August and September, widening participation internationally.</li> <li>• Improve current offering to customers and potential customers, whilst protecting the interests of students and academics.</li> </ul>
Finances, Endowment, Estate and Governance	<ul style="list-style-type: none"> <li>• Set up the College Strategy implementation working group and reporting systems to Governing Body.</li> <li>• Achieve 2018-19 budget or better.</li> </ul>

	<ul style="list-style-type: none"><li>• Meet all loan repayments and build up College Reserves.</li><li>• Implement a new accounting system to simplify management accounts and improve efficiency.</li><li>• Implement a new HR system.</li><li>• Improve ICT system security and reach in the College through infrastructure upgrades.</li><li>• Maintain data protection and compliance under GDPR regulations.</li><li>• Agree targets for the priorities set out in the College's 2018 Sustainability Framework and continue efforts to operate sustainably in all areas, working with staff and students.</li><li>• Develop the gardens, including the new biodiversity walk.</li><li>• Encourage Near Miss reporting following incidents and minimise risks of and occurrence of any accidents.</li></ul>
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## **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 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; and
- 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 28 November 2018 and signed on its behalf by:

**Mr. Alan Rusbridger**  
**Principal**

## **LADY MARGARET HALL**

### **Report of the Auditor to the Members of the Governing Body of Lady Margaret Hall**

#### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOVERNING BODY OF LADY MARGARET HALL**

##### **Opinion**

We have audited the financial statements of Lady Margaret Hall (the "Charity") for the year ended 31 July 2018 which comprise the Statement of Accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and the related notes numbered 1 to 31. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the Charity's affairs as at 31 July 2018 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Governing Body use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governing Body have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

##### **Other information**

The Governing Body are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

##### **Matters on which we are required to report by exception**

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

- sufficient accounting records have not been kept;

## **LADY MARGARET HALL**

### **Report of the Auditor to the Members of the Governing Body of Lady Margaret Hall**

- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

#### **Responsibilities of the Governing Body**

As explained more fully in the Governing Body responsibilities statement set out on page 18, the Governing Body is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governing Body is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governing Body either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

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 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.

*Critchleys Audit LLP (Statutory Auditor)*

*23-28 Hythe Bridge*

*Oxford*

*OX1 2EP*

*Date:*

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

## **1. Scope of the financial statements**

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its wholly owned subsidiaries LMH Hospitality Services Limited and Lady Margaret Hall Trading Limited. The subsidiaries have been consolidated from the date of their formation being the date from which the College has exercised control through voting rights in the subsidiaries. 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 material subsidiaries for the reporting year are 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 financial statements have been prepared on a going concern basis and on the historical cost basis, except for the measurement of investments and certain financial assets and liabilities at fair value with movements in value reported within the Statement of Financial Activities (SOFA). The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

## **3. Accounting judgements and estimation uncertainty**

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

The College 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.

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

In the view of the Governing Body, no assumptions concerning the future or estimation uncertainty 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.

## **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, Office for Students support and other charges for services**

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

**b. Income from donations, grants and legacies**

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

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

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

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

**c. Investment income**

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

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.

**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 ~~is~~ 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. Tangible fixed assets**

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

Expenditure on the acquisition or enhancement of land and on the acquisition, construction and enhancement of buildings which is directly attributable to bringing the asset to its working condition for its intended use and amounting to more than £5,000 together with expenditure on equipment costing more than £5,000 is capitalised.



**LADY MARGARET HALL**  
**Statement of Accounting Policies**  
**Year ended 31 July 2018**

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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.

**7. 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	40 years
Building improvements	10 - 40 years
Equipment	3 - 10 years

Freehold land is not depreciated. The costs of maintenance are 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.

**8. 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.

**9. 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 at 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.

**10. 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.

**11. Foreign currencies**

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

**LADY MARGARET HALL**  
**Statement of Accounting Policies**  
**Year ended 31 July 2018**

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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.

**12. Total Return investment accounting**

The College statutes authorise the College to adopt a 'total return' basis for the investment of its permanent endowment. The College can invest its permanent endowments without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can be either be retained for investment or release to income at the discretion of the Governing Body.

**13. 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. 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 should 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.

**14. 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.

**Lady Margaret Hall**  
**Consolidated Statement of Financial Activities**  
**For the year ended 31 July 2018**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2018 Total £'000	2017 Total £'000
<b>INCOME AND ENDOWMENTS FROM:</b>						
<b>Charitable activities:</b>						
Teaching, research and residential	1	6,643	-	-	6,643	6,188
Public worship		-	-	-	-	-
Heritage		-	-	-	-	-
<b>Other Trading Income</b>	3	1,306	-	-	1,306	1,068
<b>Donations and legacies</b>	2	557	882	164	1,603	3,083
<b>Investments</b>						
Investment income	4	148	-	746	894	999
Total return allocated to income	13	1,168	-	(1,168)	-	-
Other income		24	-	-	24	33
<b>Total income</b>		<b>9,846</b>	<b>882</b>	<b>(258)</b>	<b>10,470</b>	11,371
<b>EXPENDITURE ON:</b>						
<b>Charitable activities:</b>						
Teaching, research and residential		8,957	547	-	9,504	8,503
<b>Generating funds:</b>						
Fundraising		555	-	-	555	540
Trading expenditure		907	-	-	907	759
Investment management costs		18	-	92	110	107
<b>Total Expenditure</b>		<b>10,437</b>	<b>547</b>	<b>92</b>	<b>11,076</b>	9,909
<b>Net Income/(Expenditure) before gains</b>		<b>(591)</b>	<b>335</b>	<b>(350)</b>	<b>(606)</b>	<b>1,462</b>
Net gains/(losses) on investments	10, 11	398	-	2,007	2,405	3,904
<b>Net Income/(Expenditure)</b>		<b>(193)</b>	<b>335</b>	<b>1,657</b>	<b>1,799</b>	<b>5,366</b>
<b>Transfers between funds</b>	18	375	(348)	(27)	-	-
<b>Other recognised gains/losses</b>						
Gains/(losses) on revaluation of fixed assets		-	-	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes		-	-	-	-	-
<b>Net movement in funds for the year</b>		<b>182</b>	<b>(13)</b>	<b>1,630</b>	<b>1,799</b>	<b>5,366</b>
Fund balances brought forward	18	26,419	1,770	36,492	64,681	59,315
<b>Funds carried forward at 31 July</b>		<b>26,601</b>	<b>1,757</b>	<b>38,122</b>	<b>66,480</b>	<b>64,681</b>

**Lady Margaret Hall**  
**Consolidated and College Balance Sheets**  
**As at 31 July 2018**

	Notes	2018 Group £'000	2017 Group £'000	2018 College £'000	2017 College £'000
<b>FIXED ASSETS</b>					
Tangible assets	9	33,412	34,047	33,411	34,047
Heritage assets	10	-	-	-	-
Property investments	10	1,650	1,650	1,650	1,650
Other Investments	11	43,457	41,580	43,461	41,584
<b>Total Fixed Assets</b>		<b>78,519</b>	<b>77,277</b>	<b>78,522</b>	<b>77,281</b>
<b>CURRENT ASSETS</b>					
Stocks		190	185	190	185
Debtors	14	1,553	1,239	1,017	576
Investments		904	1,329	904	1,329
Cash at bank and in hand		928	607	639	523
<b>Total Current Assets</b>		<b>3,575</b>	<b>3,360</b>	<b>2,750</b>	<b>2,613</b>
<b>LIABILITIES</b>					
Creditors: Amounts falling due within one year	15	3,033	3,199	2,211	2,456
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>542</b>	<b>161</b>	<b>539</b>	<b>157</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>79,061</b>	<b>77,438</b>	<b>79,061</b>	<b>77,438</b>
<b>CREDITORS: falling due after more than one year</b>	16	<b>11,325</b>	11,925	<b>11,325</b>	11,925
Provisions for liabilities and charges	17	-	-	-	-
<b>NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY</b>		<b>67,736</b>	<b>65,513</b>	<b>67,736</b>	<b>65,513</b>
Defined benefit pension scheme liability	22	1,256	832	1,256	832
<b>TOTAL NET ASSETS/(LIABILITIES)</b>		<b>66,480</b>	<b>64,681</b>	<b>66,480</b>	<b>64,681</b>
<b>FUNDS OF THE COLLEGE</b>					
<b>Endowment funds</b>		<b>38,122</b>	<b>36,495</b>	<b>38,122</b>	36,492
<b>Restricted funds</b>		<b>1,757</b>	<b>1,766</b>	<b>1,757</b>	1,770
<b>Unrestricted funds</b>					
General funds		(711)	(1,291)	(711)	(1,291)
Designated funds		28,568	28,543	28,568	28,542
Revaluation reserve		-	-	-	-
Pension reserve	22	(1,256)	(832)	(1,256)	(832)
		<b>66,480</b>	<b>64,681</b>	<b>66,480</b>	<b>64,681</b>

The financial statements were approved and authorised for issue by the Governing Body of Lady Margaret Hall on 28 November 2018

Trustee:

Trustee:

**Lady Margaret Hall**  
**Consolidated Statement of Cash Flows**  
**For the year ended 31 July 2018**

	Notes	2018 £'000	2017 £'000
<b>Net cash provided by (used in) operating activities</b>	25	<u>(128)</u>	<u>1,097</u>
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		894	999
Proceeds from the sale of property, plant and equipment		203	208
Purchase of property, plant and equipment		(740)	(4,451)
Proceeds from sale of investments		6,348	1,502
Purchase of investments		(5,820)	(1,286)
<b>Net cash provided by (used in) investing activities</b>		<u>885</u>	<u>(3,028)</u>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(600)	(600)
Cash inflows from new borrowing		-	-
Receipt of endowment		164	304
<b>Net cash provided by (used in) financing activities</b>		<u>(436)</u>	<u>(296)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>321</u>	<u>(2,227)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		607	2,834
<b>Change in cash and cash equivalents due to exchange rate movements</b>		-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	26	<u>928</u>	<u>607</u>

**Lady Margaret Hall**  
**Notes to the financial statements**  
**For the year ended 31 July 2018**

**1 INCOME FROM CHARITABLE ACTIVITIES**

	<b>2018</b>	2017
	<b>£'000</b>	£'000
<b>Teaching, Research and Residential</b>		
Unrestricted funds		
Tuition fees - UK and EU students	1,725	1,755
Tuition fees - Overseas students	825	669
Other fees	372	311
Other HEFCE support	210	124
Other academic income	278	314
College residential income	3,233	3,015
	<u>6,643</u>	<u>6,188</u>
<b>Total Teaching, Research and Residential</b>	<u>6,643</u>	<u>6,188</u>
<b>Total income from charitable activities</b>	<u>6,643</u>	<u>6,188</u>

The above analysis includes £2,760k received from Oxford University from publicly accountable funds under the CFF Scheme (2017 £2,548k)

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 £7k (2016 £21k). These are not included in the fee income reported above.

**2 DONATIONS AND LEGACIES**

	<b>2018</b>	2017
	<b>£'000</b>	£'000
<b>Donations and Legacies</b>		
Unrestricted funds	557	1,372
Restricted funds	882	1,407
Endowed funds	164	304
	<u>1,603</u>	<u>3,083</u>

**3 INCOME FROM OTHER TRADING ACTIVITIES**

	<b>2018</b>	2017
	<b>£'000</b>	£'000
Subsidiary company trading income	1,306	1,068
Other trading income	-	-
	<u>1,306</u>	<u>1,068</u>

**4 INVESTMENT INCOME**

	<b>2018</b>	2017
	<b>£'000</b>	£'000
<i>Unrestricted funds</i>		
Agricultural rent	-	-
Commercial rent	-	-
Other property income	19	-
Equity dividends	-	-
Income from fixed interest stocks	-	-
Interest on fixed term deposits and cash	-	-
Other investment income	129	166
Bank interest	-	-
Other interest	-	3
	<u>148</u>	<u>169</u>
<i>Endowed funds</i>		
Agricultural rent	-	-
Commercial rent	-	-
Other property income	-	-
Equity dividends	746	830
Income from fixed interest stocks	-	-
Interest on fixed term deposits and cash	-	-
Other investment income	-	-
Bank interest	-	-
Other interest	-	-
	<u>746</u>	<u>830</u>
<b>Total Investment income</b>	<u>894</u>	<u>999</u>

**Lady Margaret Hall**  
**Notes to the financial statements**  
**For the year ended 31 July 2018**

**5 ANALYSIS OF EXPENDITURE**

	<b>2018</b>	2017
	<b>£'000</b>	£'000
<b>Charitable expenditure</b>		
Direct staff costs allocated to:		
Teaching, research and residential	4,598	4,162
Public worship	-	-
Heritage	-	-
Other direct costs allocated to:		
Teaching, research and residential	2,263	2,428
Public worship	-	-
Heritage	-	-
Support and governance costs allocated to:		
Teaching, research and residential	2,643	1,913
Public worship	-	-
Heritage	-	-
<b>Total charitable expenditure</b>	<u>9,504</u>	<u>8,503</u>
<b>Expenditure on raising funds</b>		
Direct staff costs allocated to:		
Fundraising	343	294
Trading expenditure	-	-
Investment management costs	-	-
Other direct costs allocated to:		
Fundraising	207	244
Trading expenditure	562	492
Investment management costs	110	107
Support and governance costs allocated to:		
Fundraising	5	2
Trading expenditure	345	267
Investment management costs	-	-
<b>Total expenditure on raising funds</b>	<u>1,572</u>	<u>1,406</u>
<b>Total expenditure</b>	<u>11,076</u>	<u>9,909</u>

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 (2017 - £nil).

**6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

	Generating Funds £'000	Teaching and Research £'000	<b>2018 Total £'000</b>
Financial administration	146	443	<b>589</b>
Domestic administration	40	118	<b>158</b>
Human resources	-	132	<b>132</b>
IT	-	220	<b>220</b>
Depreciation	159	1,046	<b>1,205</b>
Loss/(profit) on fixed assets	-	(33)	<b>(33)</b>
Bank interest payable	5	270	<b>275</b>
Other finance charges	-	425	<b>425</b>
Governance costs	-	22	<b>22</b>
	<u>350</u>	<u>2,643</u>	<u>2,993</u>

**Lady Margaret Hall**  
**Notes to the financial statements**  
**For the year ended 31 July 2018**

	Generating Funds £'000	Teaching and Research £'000	2017 Total £'000
Financial administration	89	270	359
Domestic administration	38	112	150
Human resources	-	156	156
IT	-	215	215
Depreciation	140	869	1,009
Loss/(profit) on fixed assets	-	(35)	(35)
Bank interest payable	1	275	276
Other finance charges	-	34	34
Governance costs	2	17	19
	<b>270</b>	<b>1,913</b>	<b>2,183</b>

Financial and domestic administration, IT and human resources costs are attributed according to the estimated staff time spent on each activity. Depreciation costs and profit or loss on disposal of fixed assets are attributed according to the use made of the underlying assets. Interest and other finance charges are attributed according to the purpose of the related financing.

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.

	2018 £'000	2017 £'000
<b>Governance costs comprise:</b>		
Auditor's remuneration - audit services	22	19
Auditor's remuneration - assurance services other than audit	-	-
Auditor's remuneration - tax advisory services	-	-
Auditor's remuneration - other services	-	-
Legal and other fees on constitutional matters	-	-
Other governance costs	-	-
	<b>22</b>	<b>19</b>

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

**7 GRANTS AND AWARDS**

	2018 £'000	2017 £'000
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During the year the College funded research awards and bursaries to students from its funds as follows:

**Unrestricted funds**

Grants to individuals:		
Scholarships, prizes and grants	-	-
Bursaries and hardship awards	105	105
Grants to other institutions	-	-
<b>Total unrestricted</b>	<b>105</b>	<b>105</b>

**Endowment and Restricted funds**

Grants to individuals:		
Scholarships, prizes and grants	274	263
Bursaries and hardship awards	13	27
Grants to other institutions	-	-
<b>Total restricted</b>	<b>287</b>	<b>290</b>

**Total grants and awards**

	<b>392</b>	<b>395</b>
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The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £105k (2017 £105k) Some of those students also received fee waivers amounting to £7k (2017) £21k.

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



**Lady Margaret Hall**  
**Notes to the financial statements**  
**For the year ended 31 July 2018**

**8 STAFF COSTS**

The aggregate staff costs for the year were as follows.	<b>2018</b>	2017
	<b>£'000</b>	£'000
Salaries and wages	<b>5,203</b>	4,442
Social security costs	<b>331</b>	355
Pension costs:		
Defined benefit schemes	<b>655</b>	293
Defined contribution schemes	<b>31</b>	18
Other benefits	<b>-</b>	-
	<b>6,220</b>	5,108

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

	<b>2018</b>	2017
Tuition and research	<b>23</b>	16
College residential	<b>63</b>	58
Public worship	<b>-</b>	-
Heritage	<b>-</b>	-
Fundraising	<b>5</b>	3
Support	<b>23</b>	22
Total	<b>114</b>	99

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

University Lecturers	<b>25</b>	22
CUF Lecturers	<b>10</b>	10
Other teaching and research	<b>2</b>	-
Other	<b>7</b>	8
Total	<b>44</b>	40

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	<b>1</b>	1
£70,001-£80,001	<b>1</b>	1

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

In defined benefits schemes	<b>2</b>	2
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**9 TANGIBLE FIXED ASSETS**

Group and College	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Total £'000
<b>Cost</b>					
At start of year	-	37,989	620	3,383	<b>41,992</b>
Additions	-	555	-	185	<b>740</b>
Disposals	-	(188)	-	-	<b>(188)</b>
<b>At end of year</b>	<b>-</b>	<b>38,356</b>	<b>620</b>	<b>3,568</b>	<b>42,544</b>
<b>Depreciation and impairment</b>					
At start of year	-	6,557	494	894	<b>7,945</b>
Depreciation charge for the year	-	991	20	194	<b>1,205</b>
Depreciation on disposals	-	(18)	-	-	<b>(18)</b>
Impairment	-	-	-	-	-
<b>At end of year</b>	<b>-</b>	<b>7,530</b>	<b>514</b>	<b>1,088</b>	<b>9,132</b>
<b>Net book value</b>					
<b>At end of year</b>	<b>-</b>	<b>30,826</b>	<b>106</b>	<b>2,480</b>	<b>33,412</b>
At start of year	-	31,432	126	2,489	<b>34,047</b>

**Lady Margaret Hall**  
**Notes to the financial statements**  
**For the year ended 31 July 2018**

No fixed assets are held under finance leases (2017: nil)

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 PROPERTY INVESTMENTS**

Group				2018	2017
	Agricultural £'000	Commercial £'000	Other £'000	Total £'000	Total £'000
Valuation at start of year	-	-	1,650	<b>1,650</b>	1,650
Additions and improvements at cost	-	-	-	-	-
Disposals	-	-	-	-	-
Revaluation gains/(losses) in the year	-	-	-	-	-
<b>Valuation at end of year</b>	<b>-</b>	<b>-</b>	<b>1,650</b>	<b>1,650</b>	<b>1,650</b>
<b>College</b>					
	Agricultural £'000	Commercial £'000	Other £'000	2018 Total £'000	2017 Total £'000
Valuation at start of year	-	-	1,650	<b>1,650</b>	1,650
Additions and improvements at cost	-	-	-	-	-
Disposals	-	-	-	-	-
Revaluation gains/(losses) in the year	-	-	-	-	-
<b>Valuation at end of year</b>	<b>-</b>	<b>-</b>	<b>1,650</b>	<b>1,650</b>	<b>1,650</b>

The College holds one property investment. A formal valuation was carried out in February 2013 where the property was valued at £1,650,000. In the opinion of the Trustees the property value has not materially changed.

**11 OTHER INVESTMENTS**

All investments are held at fair value.

	2018 £'000	2017 £'000
<b>Group investments</b>		
Valuation at start of year	<b>41,580</b>	37,892
New money invested	<b>163</b>	290
Amounts withdrawn	<b>(1,475)</b>	(1,395)
Reinvested income	<b>894</b>	996
Investment management fees	<b>(110)</b>	(107)
(Decrease) / increase in value of investments	<b>2,405</b>	3,904
<b>Group investments at end of year</b>	<b>43,457</b>	41,580
Investment in subsidiaries	<b>4</b>	4
<b>College investments at end of year</b>	<b>43,461</b>	41,584

Group investments comprise:	2018		2018 Total £'000	2017		2017 Total £'000
	Held outside the UK £'000	Held in the UK £'000		Held outside the UK £'000	Held in the UK £'000	
Equity investments	10,920	12,616	<b>23,536</b>	8,564	14,195	22,759
Global multi-asset funds	-	333	<b>333</b>	-	-	-
Property funds	-	6,014	<b>6,014</b>	-	6,634	6,634
Fixed interest stocks	-	989	<b>989</b>	-	-	-
Alternative and other investments	1,941	6,343	<b>8,284</b>	1,912	4,568	6,480
Fixed term deposits and cash	3,621	680	<b>4,301</b>	5,286	421	5,707
<b>Total group investments</b>	<b>16,482</b>	<b>26,975</b>	<b>43,457</b>	<b>15,762</b>	<b>25,818</b>	<b>41,580</b>

**Lady Margaret Hall**  
**Notes to the financial statements**  
**For the year ended 31 July 2018**

**12 PARENT AND SUBSIDIARY UNDERTAKINGS**

The College holds 100% of the issued share capital in LMH Hospitality Services Limited, a company providing conference and other event services on the College premises, and 100% of the issued share capital in Lady Margaret Hall Trading Limited, a company providing design and build construction services to the College.

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

	LMH Hospitality Services Ltd £'000	LMH Trading Ltd £'000
Income	1,308	102
Expenditure	(498)	(72)
Donation to College under gift aid	(810)	(30)
Result for the year	<u>-</u>	<u>-</u>
Total assets	1,433	132
Total liabilities	(1,429)	(132)
Net funds at the end of year	<u>4</u>	<u>-</u>

**Associate undertaking**

The College holds 33.33% of the share capital in North Oxford Colleges Shared Services Limited, a company providing IT and administrative services to its affiliated entities. The turnover for this company was £108k (2017 £0) with £0 profit (2017 £0).

**13 STATEMENT OF INVESTMENT TOTAL RETURN**

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns with effect from 1st August 2005. The investment return to be applied as income is calculated according to the sustainable spending rule, as follows:

**(a) Income on funds held for general purposes**

This currently permits the transfer in each year of up to: (70% of the previous financial year's transfer + 3%) + (30% of 4% of the value of the endowments as at close of business on 31 July in the previous year).

**(b) Income on funds held for specific purposes**

This currently permits the transfer in each year of up to: (70% of the previous financial year's transfer + 3%) + (30% of 4% of the value of the endowments as at close of business on 31 July in the previous year), only to the extent expended for that purpose in the period.

The preserved (frozen) value of the invested endowment capital represents its open market value in July 2003 together with all subsequent endowments valued at date of gift.

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
<b>At the beginning of the year:</b>					
Gift component of the permanent endowment	9,527	-	9,527	-	9,527
Unapplied total return	-	6,657	6,657	-	6,657
Expendable endowment	-	-	-	20,308	20,308
<b>Total Endowments</b>	<b>9,527</b>	<b>6,657</b>	<b>16,184</b>	<b>20,308</b>	<b>36,492</b>
<b>Movements in the reporting period:</b>					
Gift of endowment funds	1	-	1	163	164
Recoupment of trust for investment	-	-	-	-	-
Allocation from trust for investment	-	-	-	-	-
Investment return: total investment income	-	346	346	400	746
Investment return: realised and unrealised gains and losses	-	930	930	1,077	2,007
Less: Investment management costs	-	(42)	(42)	(50)	(92)
Other transfers	-	(15)	(15)	(12)	(27)
<b>Total</b>	<b>1</b>	<b>1,219</b>	<b>1,220</b>	<b>1,578</b>	<b>2,798</b>
Unapplied total return allocated to income in the reporting period	-	(497)	(497)	(619)	(1,116)
Expendable endowments transferred to income	-	-	-	(52)	(52)
	-	(497)	(497)	(671)	(1,168)
<b>Net movements in reporting period</b>	<b>1</b>	<b>722</b>	<b>723</b>	<b>907</b>	<b>1,630</b>
<b>At end of the reporting period:</b>					
Gift component of the permanent endowment	9,528	-	9,528	-	9,528
Unapplied total return	-	7,379	7,379	-	7,379
Expendable endowment	-	-	-	21,215	21,215
<b>Total Endowments</b>	<b>9,528</b>	<b>7,379</b>	<b>16,907</b>	<b>21,215</b>	<b>38,122</b>

**Lady Margaret Hall**  
**Notes to the financial statements**  
**For the year ended 31 July 2018**

**14 DEBTORS**

	<b>2018</b>	2017	<b>2018</b>	2017
	<b>Group</b>	Group	<b>College</b>	College
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
<b>Amounts falling due within one year:</b>				
Trade debtors	632	242	421	155
Amounts owed by College members	190	99	190	99
Amounts owed by Group undertakings	-	-	188	-
Loans repayable within one year	-	-	-	-
Prepayments and accrued income	666	898	153	322
Other debtors	65	-	65	-
<b>Amounts falling due after more than one year:</b>				
Loans	-	-	-	-
	<b>1,553</b>	<b>1,239</b>	<b>1,017</b>	<b>576</b>

**15 CREDITORS: falling due within one year**

	<b>2018</b>	2017	<b>2018</b>	2017
	<b>Group</b>	Group	<b>College</b>	College
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Bank overdrafts	-	-	-	-
Bank loans	600	600	600	600
Obligations under finance leases	-	-	-	-
Trade creditors	639	233	537	217
Amounts owed to College Members	-	-	-	-
Amounts owed to Group undertakings	-	-	-	432
Taxation and social security	270	281	264	290
College contribution	-	-	-	-
Accruals and deferred income	1,159	1,744	445	574
Other creditors	365	341	365	343
	<b>3,033</b>	<b>3,199</b>	<b>2,211</b>	<b>2,456</b>

**16 CREDITORS: falling due after more than one year**

	<b>2018</b>	2017	<b>2018</b>	2017
	<b>Group</b>	Group	<b>College</b>	College
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Bank loans	11,325	11,925	11,325	11,925
Obligations under finance leases	-	-	-	-
Other creditors	-	-	-	-
	<b>11,325</b>	<b>11,925</b>	<b>11,325</b>	<b>11,925</b>

**Bank loans**

(a) An unsecured new buildings bank loan originally for £6m is repayable at £300,000 per annum over 20 years from February 2010. The balance outstanding at the year-end is £3.525m of which £1.270m incurs interest at a fixed-rate of 3.7% per annum for the remainder of the loan term and £2.255m incurs interest at a fixed rate of 2.58% per annum above bank base rate.

(c) A further unsecured new buildings bank loan facility of £6m was agreed in June 2014 which was fully drawn down in the year ended at 31 July 2016. This is a term loan for a maximum of 10 years. £3m is repayable by final maturity, the balance being repayable in 40 quarterly instalments with a balance outstanding at the year end of £5.4m. The interest has been fixed at 1.66% above base rate.

(b) A third unsecured loan of £3m was drawn down by July 2016. £1m of the loan was to repay the £1m bullet loan due for repayment in June 2016. The additional £2m covers the cost of the kitchen refurbishment project. This is a bullet loan where the entire capital balance falls due in June 2021. Interest is fixed at 1.61% above base rate.

**17 PROVISIONS FOR LIABILITIES AND CHARGES**

At 31 July 2018 there were no provisions for liabilities and charges.

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**18 ANALYSIS OF MOVEMENTS ON FUNDS**

	At 1 August 2017 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2018 £'000
<b>Endowment Funds - Permanent</b>						
General purpose funds	6,172	132	(16)	(227)	355	6,416
Tutorial and research fellowship funds	7,325	157	(19)	(232)	421	7,652
Student support funds	2,366	51	(6)	(42)	136	2,505
Other purpose funds	321	7	(1)	(11)	18	334
<b>Endowment Funds - Expendable</b>						
General purpose funds	6,634	110	(14)	(191)	297	6,836
Tutorial and research fellowship funds	6,846	191	(18)	(305)	393	7,107
Student support funds	6,112	249	(16)	(168)	352	6,529
Other purpose funds	716	13	(2)	(19)	35	743
<b>Total Endowment Funds - College</b>	<b>36,492</b>	<b>910</b>	<b>(92)</b>	<b>(1,195)</b>	<b>2,007</b>	<b>38,122</b>
Endowment funds held by subsidiaries	-	-	-	-	-	-
<b>Total Endowment Funds - Group</b>	<b>36,492</b>	<b>910</b>	<b>(92)</b>	<b>(1,195)</b>	<b>2,007</b>	<b>38,122</b>
<b>Restricted Funds</b>						
Buildings funds	(3)	377	-	(374)	-	-
Tutorial and research fellowship funds	718	298	(302)	8	-	722
Student support funds	921	142	(187)	18	-	894
Other restricted funds	134	65	(58)	-	-	141
Transfers from specific purpose endowments for spending:						
<i>Applied total return</i>	-	-	-	-	-	-
<i>Other transfers</i>	-	-	-	-	-	-
<b>Total Restricted Funds - College</b>	<b>1,770</b>	<b>882</b>	<b>(547)</b>	<b>(348)</b>	<b>-</b>	<b>1,757</b>
Restricted funds held by subsidiaries	-	-	-	-	-	-
<b>Total Restricted Funds - Group</b>	<b>1,770</b>	<b>882</b>	<b>(547)</b>	<b>(348)</b>	<b>-</b>	<b>1,757</b>
<b>Unrestricted Funds</b>						
General funds	(1,291)	8,530	(8,788)	838	-	(711)
Fixed Asset Designated funds	21,627	-	(1,206)	960	-	21,381
Designated capital funds	6,915	148	(18)	(255)	398	7,188
Designated other funds	-	-	-	-	-	-
Revaluation reserve	-	-	-	-	-	-
Pension reserve	(832)	-	(425)	-	-	(1,257)
<b>Total Unrestricted Funds - College</b>	<b>26,419</b>	<b>8,678</b>	<b>(10,437)</b>	<b>1,543</b>	<b>398</b>	<b>26,601</b>
Unrestricted funds held by subsidiaries	-	-	-	-	-	-
<b>Total Unrestricted Funds - Group</b>	<b>26,419</b>	<b>8,678</b>	<b>(10,437)</b>	<b>1,543</b>	<b>398</b>	<b>26,601</b>
<b>Total Funds</b>	<b>64,681</b>	<b>10,470</b>	<b>(11,076)</b>	<b>-</b>	<b>2,405</b>	<b>66,480</b>

**19 FUNDS OF THE COLLEGE DETAILS**

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

**Endowment Funds - Permanent:**

General purpose funds

A consolidation of gifts and donations where income, but not capital, can be used for the general purposes of the charity

Tutorial and research fellowship funds, student support funds and other purpose funds

Capital balance of past donations where related income, but not the original capital, can be used for named specific purposes of the charity

**Endowment Funds - Expendable:**

General purpose funds

A consolidation of gifts and donations where either income, or income and capital, can be used for the general purposes of the charity

Tutorial and research fellowship funds, student support funds and other purpose funds

Capital balance of past donations where related income, or income and capital, can be used for named specific purposes of the charity

**Restricted Funds:**

Tutorial and research fellowship funds, student support funds and other purpose funds

A consolidation of gifts and donations where both income and capital can be used for named restricted purposes

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**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 capital funds	Unrestricted Funds allocated by the Trustees for the purpose of preserving the capital and maintaining a long-term income stream in support of the College's activities
Other designated funds	Unrestricted Funds allocated by the Trustees for other purposes

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

**20 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2018 Total £'000
Tangible fixed assets	33,410	-	-	33,410
Property investments	-	-	1,650	1,650
Other investments	6,989	-	36,472	43,461
Net current assets	(1,217)	1,757	-	540
Pension deficit liability	(1,256)	-	-	(1,256)
Long term liabilities	(11,325)	-	-	(11,325)
	<u>26,601</u>	<u>1,757</u>	<u>38,122</u>	<u>66,480</u>

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2017 Total £'000
Tangible fixed assets	34,047	-	-	34,047
Property investments	-	-	1,650	1,650
Other investments	10,430	-	34,842	45,272
Net current assets	(4,985)	1,770	-	(3,215)
Pension deficit liability	(1,148)	-	-	(1,148)
Long term liabilities	(11,925)	-	-	(11,925)
	<u>26,419</u>	<u>1,770</u>	<u>36,492</u>	<u>64,681</u>

**21 TRUSTEES' REMUNERATION**

The trustees of the college comprise the governing body, primarily fellows who are teaching and research employees of the college and who sit on governing body by virtue of their employment.

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 scales and often are joint arrangements with the University of Oxford.

The College has a Remuneration Committee. The role of the Committee is to act as an independent body to review and make recommendations to Governing Body on proposed changes to the level of remuneration and direct and indirect benefits for the Principal and Fellows of the College. The Committee consists of three individuals, only one of whom can be a Professorial Fellow, Supernumerary Fellow or other Fellow who does not receive pecuniary emolument from the College and at least two external members of the College whom the College's Governing Body believes would be suitable members of the Committee and who receive no remuneration of any kind from the College.

Trustees of the college fall into the following categories:

- Principal
- Official Fellows
- Professorial Fellows
- Supernumary Fellows
- Domus Fellows

There are four trustees (Principal, Treasurer, Development Director and Senior Tutor) who work full time on management and fundraising.

Some trustees are eligible for college housing schemes. Eight trustees lived in college accommodation in the year. Others may be eligible for a housing allowance which is disclosed within the salary figures below. Details of trustees who live in houses owned jointly with the college are provided in note 30.

Some trustees receive additional allowances for additional work carried out as part time college officers (for example, Vice-Principal, Dean). These amounts are included within the remuneration figures below.

The total remuneration and benefits shown below is £1,521k (2016: £1,358k). The total of pension contributions is £216k (2016: £174k).

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**Remuneration paid to trustees**

Range	2018		2017	
	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £
£0 - £999	12	987	9	-
£6,000 - £6,999			1	6,994
£8,000 - £8,999	1	8,993	1	8,540
£9,000 - £9,999	1	9,695	1	9,130
£10,000 - £10,999	2	21,643	2	23,273
£11,000 - £11,999	4	47,466	2	24,599
£12,000 - £12,999	3	37,158	1	14,134
£14,000 - £14,999				-
£15,000 - £15,999	1	15,287	1	15,613
£17,000 - £17,999			1	17,324
£18,000 - £18,999	1	18,739		-
£19,000 - £19,999	2	39,827	2	39,549
£20,000 - £20,999			1	20,412
£21,000 - £21,999	9	194,346	8	170,576
£22,000 - £22,999			1	22,698
£23,000 - £23,999			1	23,799
£29,000 - £29,999	1	29,843		-
£34,000 - £34,999			1	34,627
£43,000 - £43,999	1	43,735	1	43,502
£45,000 - £45,999	1	45,783	1	45,845
£48,000 - £48,999			1	48,236
£51,000 - £51,999			1	51,846
£53,000 - £53,999	4	214,503	3	160,330
£57,000 - £57,999	1	57,346	1	57,099
£59,000 - £59,999			2	118,433
£61,000 - £61,999	1	61,260		-
£62,000 - £62,999	1	62,854		-
£65,000 - £65,999	1	65,331		-
£73,000 - £73,999			1	74,239
£75,000 - £75,999	1	75,348		-
£82,000 - £82,999			1	82,160
£83,000 - £83,999	1	83,157	1	83,509
£84,000 - £84,999	1	84,717		-
£85,000 - £85,999	1	85,092		-
£86,000 - £86,999	1	86,142		-
£91,000 - £91,999			1	91,859
£93,000 - £93,999	1	93,421	1	93,518
£97,000 - £97,999	1	97,608		-
£139,000 - £139,999			1	139,566
<b>Total</b>	<b>54</b>	<b>1,580,280</b>	<b>49</b>	<b>1,521,410</b>

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**

Fellows also receive reimbursement of personal expenses necessarily incurred in connection with their services to the College as Trustees. During the year a total of £0 (2017 - £0) was reimbursed to zero (2017 - zero) of the Trustees.

See also note 29 Related Party Transactions

**Key management remuneration**

The total remuneration, including pension contributions, paid to key management was £642k (2017: £630k)

Key management are considered to be the College Officers:

- Principal
- Vice Principal
- Treasurer
- Development Director
- Senior Tutor
- Tutor for Graduates
- Domestic Bursar
- Head of Communications

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**22 PENSION SCHEMES**

The college participates in two principal pension schemes for its staff - the Universities Superannuation Scheme (USS) and the University of Oxford Staff Pension Scheme (OSPS). The assets of the schemes are each held in separate trustee-administered funds. USS and OSPS schemes are contributory mixed benefit schemes (i.e. they provide benefits on a defined benefit basis - based on length of service and pensionable salary and on a defined contribution basis - based on contributions into the scheme). Both are multi-employer schemes and the college is unable to identify its share of the underlying assets and liabilities relating to defined benefits of each scheme on a consistent and reasonable basis. Therefore, in accordance with the accounting standard FRS 102 paragraph 28.11, the college accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the Income and Expenditure Account represents the contributions payable to the schemes in respect of the accounting period.

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

The College has made available the National Employment Savings Trust for non-employees who are eligible under automatic enrolment regulations to pension benefits.

**Actuarial valuations**

Qualified actuaries periodically value the USS and OSPS schemes 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 two schemes shown in the following table.

	<u>USS</u>	<u>OSPS</u>
Date of valuation:	31 March 2014	31 March 2016
Date valuation results published:	24 July 2015	28 April 2017
Value of liabilities:	£46.9bn	£661m
Value of assets:	£41.6bn	£528m
Funding surplus / (deficit):	(£5.3bn) [a]	(£133m) [b]
Principal assumptions:		
· Investment return	5.2%pa [c]	-
· Rate of interest (periods up to retirement)	-	'Gilts' + 1.2%pa
· Rate of interest (periods up after retirement)	-	'Gilts' + 1.2%pa
· Rate of increase in salaries	RPI + 1%pa [d]	RPI + 1%pa
· Rate of increase in pensions	CPI pad	Average RPI/CPI pa
Mortality assumptions:		
· Assumed life expectancy at age 65 (males)	24.2 yrs	22.4 yrs
· Assumed life expectancy at age 65 (females)	26.3 yrs	24.7 yrs
Funding Ratios:		
· Technical provisions basis	89%	80%
· Statutory Pension Protection Fund basis	82%	67%
· 'Buy-out' basis	54%	42%
· Estimated FRS 102 Total Funding level	77%	82%
Recommended employer's contribution rate (as % of pensionable salaries):	18% [e]	23% decreasing to 19% from 01/08/2017 [f]
Effective date of next valuation:	31 March 2017	31 March 2019

a. 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 were 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 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 are 8% of salary; a defined contribution benefit for salary above the salary threshold at the total level of 20% 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 matched by the employer. Further details about the changes may be reviewed on USS' website, [www.uss.co.uk](http://www.uss.co.uk). For the period up to 1 April 2016 the employer deficit contribution 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 2018 USS reported that the funding deficit was £8.4bn (88% funded).

b. OSPS' actuarial valuation as at 31 March 2016 identified a required long-term employer contribution rate of 17.3% of total pensionable salaries, with a funding deficit of £133 m. The valuation results reflect a number of changes to benefits that were agreed following an Employers' consultation in early 2017, including from 1 April 2017 a change in indexation based on the average of RPI and CPI, from 1 October 2017 a defined contribution section for new entrants and from 1 April 2018 breaking the final salary link for certain members and increased employee contributions. The actuary has certified that the recovery plan should eliminate the deficit by 30 June 2027. The next triennial valuation is due with an effective date of 31 March 2019.



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c. USS' actuary has assumed that the investment return is 5.2% in year 1, decreasing linearly to 4.7% over 20 years.

d. USS' actuary has assumed that general pay growth will be CPI in year 1, CPI + 1% in year 2 and RPI + 1% 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.

e. As noted above (note a) the USS employer contribution rate is 18% of salaries from 1 April 2016. Prior to that date it was 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. The 2017 actuarial valuation of USS has been undertaken but this has not yet been formally completed. The 2017 valuation has set out the challenges currently facing the scheme and the likelihood of significant increases in contributions being required to address these challenges. In the judgement of the College, as the 2017 valuation has not formally completed, and there remains various stages of consultation around the key factors specifically relating to the funding of the past deficit, including the level of contributions required, the period of the recovery plan and the level of asset performance over the period, it remains appropriate to continue to account for the past deficit obligation in accordance with the plan agreed after the 2014 actuarial valuation. However, there is a significant risk that the year-end provision as calculated will not reflect the position following the final outcome of negotiations, potentially by a very significant amount depending upon what is finally agreed as regards future deficit contributions and their duration. The college expects to have greater clarity in this respect during the next financial year.

f. As noted above (note b), the OSPS employer contribution rate required for future service benefits in the defined benefit section alone is 17.3% of total pensionable salaries from 1 April 2018. The employer contribution rate was 23% from 1 August 2016 to 31 July 2017. It was agreed that employer contribution rate would be 19% for both defined benefits members and defined contributions members who join on or after 1 October 2017. Part of contribution for defined contribution members would be paid to the defined benefit section to cover the deficit recovery plan, the provision of ill-health and death-in service benefits and the expenses of administering the defined contribution 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

<u>Assumption</u>	<u>Change in assumption</u>	<u>Impact on USS liabilities</u>
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

OSPS

<u>Assumption</u>	<u>Change in assumption</u>	<u>Impact on OSPS technical provisions</u> (from 80% funded at 31/03/2016)
Valuation rate of interest	decrease by 1.0%	68%
Rate of pension increases	increase by 1.0%	69%
Life expectancy	more prudent assumption (life expectancy increases by 3 years)	72%

**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:

	<u>OSPS</u>	<u>USS</u>
Finish Date for Deficit Recovery Plan	30 June 2027	31 March 1931
Average staff number increase	0%	0%
Average staff salary increase	2.00%	2.00%
Average discount rate over period	2.00%	2.00%
Effect of 0.5% change in discount rate	£5k	£22k
Effect of 1% change in staff growth	£60k	£48k

A provision of £1,257k has been made at 31 July 2018 (2017: £832k) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown.

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**Pension charge for the year**

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

Scheme	2018 £000's	2017 £000's
Universities Superannuation Scheme	372	480
University of Oxford Staff Pension Scheme	710	-187
Other schemes – contributions	31	18
<b>Total</b>	<b>1,113</b>	<b>311</b>

Included in other creditors and accruals are pension contributions payable of £89k (2017: £79k).

**23 TAXATION**

The College is able to take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. No liability to corporation tax arises in the College's subsidiary 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.

**24 FINANCIAL INSTRUMENTS**

There are no items held at fair value within the financial statements.

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

	2018 Group £'000	2017 Group £'000
<b>Net income/(expenditure)</b>	1,799	5,366
Elimination of non-operating cash flows:		
Investment income	(894)	(999)
(Gains)/losses in investments	(2,405)	(3,904)
Endowment donations	(164)	(304)
Depreciation	1,205	1,009
(Surplus)/loss on sale of fixed assets	(33)	(35)
Decrease/(Increase) in current asset investments	425	(308)
Decrease/(Increase) in stock	(5)	(1)
Decrease/(Increase) in debtors	(314)	432
(Decrease)/Increase in creditors	(166)	157
(Decrease)/Increase in provisions	-	-
(Decrease)/Increase in pension scheme liability	424	(316)
<b>Net cash provided by (used in) operating activities</b>	<b>(128)</b>	<b>1,097</b>

**26 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2018 £'000	2017 £'000
Cash at bank and in hand	928	607
Notice deposits (less than 3 months)	-	-
Bank overdrafts	-	-
<b>Total cash and cash equivalents</b>	<b>928</b>	<b>607</b>

**27 FINANCIAL COMMITMENTS**

At 31 July 2018 the College had no annual commitments under non-cancellable operating leases (2017: nil).

**28 CAPITAL COMMITMENTS**

The College had no capital commitments at 31 July 2018.

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**29 RELATED PARTY TRANSACTIONS**

The College is part of the collegiate University of Oxford. Material interdependencies between the University and of the College arise as a consequence of this relationship. For reporting purposes, the University and the other Colleges are not treated as related parties as defined in FRS 102.

Members of the Governing Body, who are the trustees of the College and related parties as defined by FRS 102, receive remuneration and facilities as employees of the College. Details of these payments and reimbursed expenses as trustees are disclosed separately in these financial statements.

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

	<b>2018</b>	2017
Trustee	<b>£'000</b>	£'000
Dr A Aboobaker	272	172
Prof J Goicoechea	130	135
Prof N Hankins	105	109
Prof BT Huffman	111	114
Prof R Harding	295	302
Prof H Scott	201	-
Total net book value of properties owned jointly with trustees	<u>1,114</u>	<u>832</u>

All joint equity properties are subject to sale on the departure of the trustee from the College.

**30 CONTINGENT LIABILITIES**

There are no contingent liabilities which require disclosure.

**31 POST BALANCE SHEET EVENTS**

There are no post balance sheet events that require disclosure.