



# Lincoln College

Annual Report and Financial Statements

Year ended 31 July 2019

**LINCOLN COLLEGE**  
**Annual Report and Financial Statements**  
**Contents**

---

	Page
Governing Body, Officers and Advisers	2
Report of the Governing Body	6
Independent Auditor's Report	29
Consolidated Statement of Financial Activities	37
Consolidated and College Balance Sheets	38
Consolidated Statement of Cash Flows	39
Notes to the Financial Statements	40

# LINCOLN COLLEGE

## Governing Body, Officers and Advisers

Year ended 31 July 2019

### MEMBERS OF THE GOVERNING BODY

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

		(1) FC	(2) ST	(3) DC	(4) PC	(5) SLAC	(6) WC	(7) JRC	(8) H& SC	(9) NC
Professor Donald Bers	Newton-Abraham Visiting Professor Appointed 1 April 2019									
Professor Paul Bottomley	Newton-Abraham Visiting Professor Appointed 3 September 2018 Left 8 March 2019									
Dr Samuel Brewitt-Taylor	Deputy Fellow for Schools Liaison									
Prof Pedro Carvalho										
Prof Radu Coldea			•							
Prof Roel Dullens					•					
Dr Louise Durning	Senior Tutor Retired August 2019	•	•		•		•	•		
Prof Nigel Emptage										
Prof Stefan Enchelmaier	Associate Fellow for Alumni Relations	•								
Prof Matthew Freeman										
Prof Simon Gardner	Retired 30 September 2018									
Dr Perry Gauci	Associate Fellow for Alumni Relations; Dean of Degrees; Editor of the Record									•
Ms Susan Harrison	Development Director	•		•	•	•				
Dr Barbara Havelková	Resigned August 2019									
Prof David Hills	Fellow for Alumni Relations; Car Parking Ombudsman	•								
Prof Çiğdem İşsever	Fellow for Schools Liaison Resigned May 2019		•		•					•
Dr Jody LaPorte										
Dr Daniel McCann	Resigned April 2019									
Prof Peter McCullough	Sub-Rector; Steward of Common Room; Fellow Archivist; Garden Master	•	•	•	•	•	•	•		•
Dr Timothy Michael	Senior Dean	•	•				•	•	•	
Dr Matthew Moore				•						
Dr Edward Nye										
Dr Daniela Omlor	Harassment Adviser			•			•			
Dr Aleksei Parakhonyak		•								

# LINCOLN COLLEGE

## Governing Body, Officers and Advisers

Year ended 31 July 2019

Dr Alexander Prescott-Couch										
Prof Nicholas Proudfoot										
		(1) FC	(2) ST	(3) DC	(4) PC	(5) SLAC	(6) WC	(7) JRC	(8) H& SC	(9) NC
Dr Alexis Radisoglou										
Prof Jordan Raff										
Prof Roland (Bert) Smith										
Mr Alex Spain	Bursar	•	•	•	•	•	•	•	•	
Dr Maria Stamatopoulou	Fellow Librarian					•				
Dr Paul Stavrinou	Secretary to the Governing Body				•					
Prof Margaret Stevens										
Dr Andreas Telefantos	Appointed 1 September 2018									
Dr Ioannis Vakonakis	Harassment Adviser; Website Fellow		•				•			
Prof David Vaux										
Dr Dominic Vella			•							
Dr Qian Wang		•								
Prof Michael Willis	Senior Treasurer of Amalgamated Clubs; Welfare Dean	•	•		•		•	•		
Dr Lucy Wooding				•						
Prof Henry Woudhuysen	Rector	•	•	•	•	•	•	•		•

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

1. Finance Committee
2. Senior Tutor's Committee
3. Domestic Committee
4. Planning Committee
5. Senior Library & Archive Committee
6. Welfare Committee
7. Junior Relations Committee
8. Health & Safety Committee
9. Nominations Committee

## **LINCOLN COLLEGE**

### **Governing Body, Officers and Advisers**

**Year ended 31 July 2019**

---

Mr Stephan Chambers, Senior Research Fellow of the College and Director, The Marshall Institute for Philanthropy and Social Entrepreneurship, London School of Economics and Political Science (but not a member of the Governing Body), is a member of the Finance Committee.

Mr Richard Hardie, Senior Adviser to UBS AG UK and Ms Sophie Warrick, Managing Director at J P Morgan are members of the Planning Committee.

### **COLLEGE STAFF**

Senior members of staff who were not trustees but who undertook important roles in the management of the College during the year were:

Mrs Celia Harker	Accountant
Mr Richard Little	Admissions Officer
Ms Michele McCartney	Domestic Operations Manager
Rev'd Dr Melanie Marshall	Chaplain & Student Welfare Coordinator
Miss Lucy Matheson	Librarian
Mr Julian Mitchell	Clerk of Works
Ms Katie Osmon	Schools Liaison Officer
Ms Lisa Stokes-King	Academic Administrator
Ms Nina Thompson	Human Resources Manager
Ms Jemma Underdown	Academic Administrator
Mr Michael White	IT Officer

### **ALUMNI REPRESENTATIVES AND ADVISERS**

An alumnus of the College attended Governing Body meetings as representative of the College's alumni. This person was Mr Max Thorneycroft, a partner in the law firm Jones Day.

Two alumni of the College served as members of the Finance Committee. In 2018-19 these were Mr Christopher FitzGerald, formerly partner in the legal practice Slaughter and May and then General Counsel to NatWest Group Plc and Mr Hugh Sloane, co-founder of the investment manager Sloane Robinson.

In 2018-19, the Chairman of the Remuneration Committee was Professor Keith Gull CBE, a Wellcome Trust Principal Research Fellow and Professor of Molecular Microbiology at the Sir William Dunn School of Pathology and former Principal of St Edmund Hall, Oxford. The other members of the Committee were Professor Peter Cook, a former Professorial Fellow, Ms Sheona Wood, alumna and Partner in the legal practice DW Fishburns, Professor Jan Palmowski, alumnus and Pro-Vice Chancellor at Warwick University and Dr Wendy Piatt, alumna and former Director of the Russell Group of UK Universities.

13 alumni served as members of the Development Committee, meeting three times during the year.

54 alumni served as members of the Rector's Council, meeting in June 2019 to receive reports from College officers and to offer strategic advice to the Rector.

## **LINCOLN COLLEGE**

**Governing Body, Officers and Advisers**

**Year ended 31 July 2019**

---

### **COLLEGE ADVISERS**

#### **Investment managers**

Partners Capital, 5 Young Street, London W8 5EH

#### **Investment property managers**

Laws and Fiennes, Warren Lodge, Banbury, Oxfordshire, OX15 5EF

#### **Auditor**

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

#### **Bankers**

Lloyds TSB, Carfax Oxford, 1-5 High Street, Carfax, Oxford, OX1 4AA

#### **Solicitors**

Knights, Midland House, West Way, Oxford, OX2 0PH

#### **College address**

Lincoln College, Turl Street, Oxford, OX1 3DR

#### **Website**

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

## **REFERENCE AND ADMINISTRATIVE INFORMATION**

Lincoln College ('the College') is an eleemosynary chartered charitable corporation. The full corporate designation of the College is 'The Warden or Rector and Scholars of the College of the Blessed Mary and All Saints, Lincoln, in the University of Oxford, commonly called Lincoln College'. The College was founded by Richard Fleming, Bishop of Lincoln, under a Royal Charter of King Henry VI, dated 13 October 1427, and a Deed of Foundation of 1429. The corporation comprises the Rector and Fellows.

The names of all Members of the Governing Body at the date of this report and of those in office during the year, together with details of the senior staff and advisers of the College, are given on pages 2 to 5.

The College registered with the Charities Commission on 3 December 2010. Its registered number is 1139261.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing documents**

The College is governed by its Statutes, dating from 1478, and most recently updated in 2003.

### **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, the Bishop of Lincoln. The Governing Body is a self-appointing corporate body. Membership is subject to review and renewal every seven years and lapses with retirement from office. New members of the Governing Body are elected when they are appointed to Tutorial, Professorial or Official Fellowships with the College. Tutorial and Professorial Fellows are elected on the basis of their experience of and contribution to education and research in their field of study. College Officers appointed as Official Fellows are elected for the professional and/or administrative skills and qualifications that will enable them to contribute to the Governing Body's management of the College. Some Tutorial Fellows and all Professorial Fellows hold their College posts in conjunction with posts held at Oxford University. Other Tutorial Fellows and those College Officers who have been appointed to specific administrative or managerial roles in the College are College-only appointees.

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

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

New Members of the Governing Body are recruited when they join the College as Tutorial, Professorial or Official Fellows. Recruitment to these posts may be in one of two ways. If the post is one that is jointly appointed by the College and by Oxford University (as is the case for some Tutorial Fellows and all Professorial Fellows), the recruitment exercise will have been conducted jointly by the College and the relevant department of the University, with representatives of both entities serving on the selection panel. If the post is one whose appointment is solely at the discretion of the College (as is the case for some Tutorial Fellows and Official Fellows such as the Senior Tutor, the Bursar and the Development Director), the recruitment process will have been managed entirely by the Rector and Fellows of the College, aided by expert advisers from outside the College.

New Fellows are formally elected to the Governing Body as soon as is practicable after appointment to their Fellowship and they take the College oath at the first available meeting of the Governing Body. Induction into the workings of the College, including Governing Body policy and procedures, is by means of meetings with senior colleagues and by receipt of 'Notes for New Fellows'; this document serves as a manual for senior members of the College. The College Statutes stipulate that new Fellows do not vote at Governing Body meetings during their first year in office: they therefore do not become trustees of the charity until they have been in post for one year. New Trustees are provided with guidance documents issued by the Charity Commission and trustee training sessions are made available to members of the Governing Body.

### **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 receive no remuneration or benefits from their trusteeship of the College. Those trustees that are also employees of the College receive remuneration for their work as employees of the College that is based on the advice of the College's Remuneration Committee, members of which are not in receipt of remuneration from the College. Where possible, remuneration is set in line with that awarded to the University's academic staff.

The remuneration of senior College staff is set by the Remuneration Committee in line with University pay-scales.

### **Organisational management**

The members of the Governing Body meet at least nine times each year. The work of developing the Governing Body's policies and monitoring their implementation is carried out by a number of Committees, of which some are Committees of the Governing Body and others are Committees overseeing particular functions of the College. The principal Committees of the Governing Body are:

*Finance Committee:* an advisory Committee of the Governing Body whose remit covers matters relating to finance, accounting, investments, estates, premises and risk management; chaired by the Rector, convened by the Bursar; membership includes two alumni representatives with especial experience of investments and of financial management; student representatives attend for Unreserved Business; meets at least six times per annum.

*Senior Tutor's Committee:* an advisory Committee of the Governing Body whose remit covers matters relating to the academic work of the College (both education and research); chaired by the Rector, convened by the Senior Tutor; student representatives attend for Unreserved Business; meets at least six times per annum.

*Planning Committee:* an advisory Committee of the Governing Body whose remit covers College strategy; chaired by the Rector, convened by the Bursar, and including up to two alumni representatives; student representatives attend for Unreserved Business; meets at least twice per annum.

*Domestic Committee:* an advisory Committee of the Governing Body, chaired by the Rector and convened by the Domestic Operations Manager. This Committee's remit covers all domestic operations within the College. Student representatives attend for Unreserved Business. The Committee meets at least six times per annum.

*Senior Library and Archives Committee:* an advisory Committee, chaired alternately by the Fellow Archivist and Fellow Librarian and co-convened by the Librarian and the Archivist. This Committee's remit covers all matters relating to the Senior Library and the Archive and the Committee meets at least three times per annum.



**LINCOLN COLLEGE**  
**Report of the Governing Body**  
**Year ended 31 July 2019**

---

*Junior Relations Committee:* chaired by the Rector, convened by the Senior Dean; members include representatives of the student common rooms, the Chaplain and the College's Doctor and Nurse, together with other College officers; meets at least three times per annum.

*Welfare Committee:* chaired by the Rector, convened by the Welfare Dean; members include representatives of the student common rooms, the Chaplain and the College's Doctor and Lodge Manager together with some College officers; meets at least three times per annum.

*Health and Safety Committee:* chaired by the Bursar, convened by the Domestic Operations Manager; membership includes members of staff and student representatives; meets at least three times per annum.

Other committees with specific functions within the College are:

*Equality Committee:* chaired by the Bursar, convened by the Human Resources Manager; membership includes members of staff and student representatives.

*Development Committee:* chaired by an alumnus, convened by the Development Director; remit covers alumni relations and fund-raising; membership includes a number of alumni and College Officers.

*Remuneration Committee:* an advisory committee of the Governing Body, whose remit extends to making recommendations in respect of the remuneration and benefits of members of the Governing Body and nominated College Officers in which some discretion or judgement is required; the chairman and all members are external to the College (that is, none is a trustee or an employee of the College); meets once per annum or more frequently if so required.

Implementation of the Governing Body's policies and decisions is undertaken by College Officers, chief among whom are the Rector, the Bursar, the Senior Tutor, the Senior Dean, and the Domestic Operations Manager. The Officers are assisted by members of the College's staff.

### **Group structure and relationships**

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

There are two charitable bodies which are constituted independently of the College and whose objects are solely for the benefit of the College and its members. These are the Lincoln College Michael Zilkha Trust (registered charity number 1095113) whose object is to support the educational and/or research activities of the Fellows of Lincoln College; and the Lincoln 2027 Trust (registered charity number 1136816) whose object is to raise and accumulate funds to provide new and substantial financial support for the College.

The College has two wholly owned non-charitable subsidiaries. These are: Lincoln College Enterprises Limited, which undertakes major building and refurbishment works relating to the College's premises; and Lincoln College Trading Limited, which undertakes the College's conference business and catering / accommodation services provided to non-College members. Annual profits of the subsidiaries are donated to the College under the Gift Aid Scheme.

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.

### **OBJECTIVES AND ACTIVITIES**

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

The College's objects are

## LINCOLN COLLEGE

### Report of the Governing Body

Year ended 31 July 2019

---

- I the advancement of education, study, and research in particular through the provision, support and maintenance of a college in Oxford;
- II the advancement of religion, including the provision and support of a chapel in accordance with the principles of the Church of England.

The aims set for the College's subsidiaries are to help to finance the achievement of the College's objects.

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

- to admit students and to appoint academic staff solely on the basis of academic merit and potential, without regard to sex, gender, ethnic origin, religion, disability, previous educational experience or financial circumstances;
- to provide financial support to students, both from its own resources and in conjunction with the wider collegiate University;
- to honour the College's commitment to participation in bursary schemes organised in the name of Oxford University (e.g. the Oxford Bursary);
- to commit resources to programmes of outreach and access, initiated both by the College and by the University;
- to welcome members of the public as visitors to the College and to its events and facilities;
- to preserve and share its heritage.

The College takes very seriously its commitment to provide financial support for its students. In 2018-19 the College maintained an extensive programme of financial support for undergraduate and postgraduate students, in the form both of bursaries (to assist with living costs), hardship support (to assist with unexpected financial difficulties) and scholarships (awarded in recognition of particular academic merit) amounting to more than £884,320. This support from the College was given in addition to any support students may have derived from government-sponsored sources such as the Student Loans Company. Lincoln participated in the University's fee-waiver programme subsidising undergraduate tuition. Sixty-one undergraduate students received bursaries of up to £3,700 each via the Oxford Bursary Schemes: in total, Lincoln students received approximately £138,700 via these Schemes, with the College's contribution to the Scheme amounting to £69,350. The College notes in particular the generosity of alumni that has made possible additional support for undergraduates from less-privileged backgrounds: the first Cuthbert Bursaries were awarded in 2012-13, and they were joined in the following year by three further endowed bursary schemes – the Kingsgate, Henrey and Blackstaffe; in 2014-15 by the Bearley Bursaries and the Mary Kift Legacy; and in 2015-16 by the Millerchip and Featherstone Bursaries.

Thirty undergraduates received support from these endowed schemes during 2018-19, to a total of £36,342. The College made additional grants and loans totalling £38,386 to undergraduates who experienced varying degrees of financial hardship. Scholarships, prizes and academic grants were awarded to undergraduate students to reward academic excellence and to encourage academic endeavour: in 2018-19, the total awarded was £32,420.

In 2018-19, 183 post-graduate students were the recipients of scholarships, studentships and bursaries amounting to £666,845. Lincoln now has an extensive programme of graduate scholarships and grants. However, it continues to be challenging to provide sufficient funding for graduates in Humanities and Social Sciences. In the year 2018-19 the College has substantially increased its graduate funding through the Kingsgate Graduate Fund which in the last year started funding three students for their doctoral degrees.

## **LINCOLN COLLEGE**

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

**Year ended 31 July 2019**

---

The financial support provided by the College through bursaries and scholarships enables the College to admit students of the highest academic ability who would not otherwise have been able to study in the College.

Although the primary beneficiaries of the College's work are its resident members, both students and academic staff directly engaged in education, learning and research, other beneficiaries also include: students and academic staff from other colleges and of Oxford University as a whole; visiting academics from other universities; schoolchildren visiting the College for introductory sessions; and alumni of the College and other visitors, including members of the general public, who may attend educational events such as concerts, exhibitions and Chapel services and have access to the gardens and historic buildings. During 2018-19, the College hosted a number of events for the benefit of the wider public, including the annual Wesley lecture and the week-long programme of exhibitions and performances under the auspices of the Turl Street Arts Festival; it participated again in the Oxford Open Doors programme, the Oxford Lieder Festival and the Oxford Literary Festival. Regular Chapel services were open to members of the public and the College admitted visitors and tourists without charge. Opening the College to other students, prospective students and academic staff in addition to the public enables the College's facilities to be of benefit to the public.

#### **Outreach**

The College maintained its commitment to programmes of outreach designed to improve access to Oxford University. The College has a full-time Schools Liaison Officer, whose role is to encourage applications to Oxford, particularly from our link regions of Lincolnshire, the South West of England and the North East.

The Schools Liaison Officer, together with Fellows and Tutors of the College, undertook a programme of events including visits to schools and residential and day visits by school parties to the College during which the Schools Liaison Officer met approximately 12,125 students. In 2018-19, 76 events were organised in Oxford and in our link regions of Lincolnshire and the South West of England; many of these events involved contact with more than one school. The College also hosted a number of participants in the UNIQ summer schools for Year 12 secondary school pupils, took part in several Pathways Programme events alongside other colleges, and participated actively in Open Days organised by the collegiate University. In 2018-19, the College's expenditure on activities associated with the admission of new students was £153,705, of which £60,679 was spent specifically on the outreach activities here described.

The College is not aware of any detriment or harm arising from carrying out its charitable objects. There are no geographical restrictions in the College's objects: students and academic staff are drawn from around the world. There are no age restrictions in the College's objects (though it is to be noted that most students of the College are aged between 18 and 25). The College's objects do not imply any restrictions as to religious behaviour or belief.

#### **Activities and Objectives of the College**

The principal focus of the College's activities is on its academic work: that is, high-quality research and the education of new generations of students, both in a wide range of subject areas. The College maintains and develops the experience of a residential community whose senior and student members are engaged in the pursuit of academic excellence. To this end, the College provides facilities for study in the form of teaching and seminar rooms, lecture theatres, computer facilities and co-operative access to the laboratories, libraries and other facilities provided by Oxford University. The extensive Library and Archive constitute a valuable resource for members of the College and for others by arrangement. The College also provides a sufficient number of study bedrooms to accommodate many tutors and the majority of its students as well as facilities

consistent with the provision of an all-round education (a sports ground, a boathouse and spaces for music, art and drama).

## **ACHIEVEMENTS AND PERFORMANCE**

During the year 2018-19, Lincoln College has registered significant achievements consistent with its two charitable objects.

### **Students**

In conjunction with Oxford University, Lincoln College provides an education, internationally recognised as being of the highest standard, for 640 undergraduate and postgraduate students from all over the world. This education develops students' academic abilities, interpersonal skills and leadership qualities and prepares them for full and effective roles in society. The College provides teaching facilities together with academic, administrative and pastoral support to its undergraduate and postgraduate students.

The College continued in its principal work of preparing students for examination in a range of subjects and at various levels at Oxford University. Undergraduate numbers totalled approximately 321, spread over three or four years of study, in line with Lincoln's long-standing policy of providing full tutorial provision, pastoral care and residential accommodation for this number of students. Much of the education provided to undergraduate students is via the tutorial system, by which students meet their tutors individually or in small groups on a weekly basis during Term for in-depth discussion of pieces of prepared work. In addition to tutorials, the College also provides classes and seminars in conjunction with departments of the University. Eighty-eight undergraduate students in their third or fourth year of study completed the Final Honours School in 2018, with thirty-one being placed in the First Class and fifty-two being awarded a 2:1 degree. Ninety students in their first year of study passed the First Public Examination at Oxford University; twenty-six gained results indicating special merit (that is, a Distinction in Prelims or a First Class in Moderations).

Post-graduate students numbered approximately 319 throughout the year, with two-thirds of students undertaking lengthy programmes of research (leading, for example, to doctorate-level degrees) and, one-third undertaking shorter, structured courses of tuition leading to examination. Each postgraduate student is assigned a College advisor who provides academic advice and pastoral support; and the College-appointed Tutor for Graduates maintains overall oversight of postgraduates' welfare and academic progress. Forty-two students were awarded the degree of DPhil during the year; and of the seventy-three students who passed examinations for their post-graduate qualifications in the summer of 2018, twenty-five achieved special merit (Distinction).

The College continued to encourage education in its broadest sense, supporting its student members in a wide range of cultural and sporting activities and in service to others. Forty-five members of College received awards from the College's Blues Fund, which not only rewards students for representing University teams, but helps them to fulfil their aspirations in sports, including rowing, tennis, rugby, badminton, cycling and swimming, to name but a few. The Lincoln College Boat Club had a solid showing both on the women's and men's side over the year, with one of the men, Benjamin Landis, racing in the Blue Boat in the Boat Race and one of the women, Elizabeth Keech racing in the Osiris boat. The College had eight Lincoln Boat Club teams competing in Vllls week in Trinity term. The College also fielded teams in inter-collegiate football, rugby, netball, cricket, lacrosse, tennis and volleyball. The Turl Street Arts Festival, now in its 22nd year, saw a variety of cultural events. Lincoln's student-run charity, VacProj, organised and paid for holidays for underprivileged Oxfordshire children: this was its 49<sup>th</sup> year of operation. Many of these activities received financial support from the Annual Fund Working Group of students, College Officers and Trustees of the Old Members' Exhibition Trust, which distributed just over £35,000 of alumni donations to support students' activities during the year.

## LINCOLN COLLEGE

### Report of the Governing Body

Year ended 31 July 2019

---

#### Fellows and Lecturers

The College advances research by:

- Paying stipends to Fellows and supporting the costs of their research through sabbatical and special leave;
- Making funds available to Fellows for attendance at international and national conferences, for research trips and for research materials; and hosting academic conferences and lectures in the College;
- Sponsoring visits by academic researchers from all over the world;
- Providing research fellowships to outstanding (mainly) young academics to enable them to establish a research profile as a prelude to obtaining a permanent academic (teaching, research and administrative) post.

At the start of the academic year, the College welcomed the new Hanbury Fellow in Law, Dr Andreas Telvantos. The College was also able to continue to support emerging researchers in the field of Architectural History through the election of Dr Karl Kinsella to a Shuffrey Junior Research Fellowship. During the year Prof Cigdem Issever, Dr Barbara Havelkova and Dr Alexis Radisoglou have departed to take up positions in other colleges and universities.

In July 2019 Dr. Louise Durning retired from her role as Fellow and Senior Tutor. The College is grateful for her dedicated service. Dr. Durning was succeeded in August 2019 by Dr. Lydia Matthews who joins the College as a Fellow and Senior Tutor and who will serve on the Governing Body.

In September 2019 new Fellows who will be joining the College are Dr. J P Park, the June and Simon Li Fellow and Tutor in the History of Art, Dr. Harriet Soper, the Simon and June Li Fellow and Tutor in English Literature and Dr. Gabrielle Watson, the Shaw Foundation Fellow and Tutor in Law. All three of these new Fellows will join the Governing Body as Trustees.

Prof Donald Bers, the current Newton-Abraham Visiting Fellow will depart in September to be succeeded by Prof Alan Garfinkel, who is arriving on 1 October 2019 and staying until 31 March 2020.

Senior members of the College combined their teaching and educational duties with research work of the highest quality in 2018-19. There follows a representative list of notable research achievements by Fellows and academic researchers associated with the College:

#### Fellows' Research and Teaching News

**Peter Atkins (Chemistry)** has published a version of his *Physical Chemistry* text (OUP) in which thermodynamics is developed from a molecular viewpoint. This being the International Year of the Periodic Table, he has contributed to various events in the UK and to a celebration in St Petersburg of the 150th anniversary of Mendeleev's formulation of the table.

**Samuel Brewitt-Taylor (History)** has published his book *Christian Radicalism in the Church of England and the Invention of the British Sixties, 1957-1970: The Hope of a World Transformed* (OUP 2019). The book was

## LINCOLN COLLEGE

### Report of the Governing Body

Year ended 31 July 2019

---

reviewed in *The Times Literary Supplement*, and was shortlisted for the Ecclesiastical History Society's first book prize. He has also written two follow-up articles introducing a new 'post-secular' interpretation of post-war British secularization.

**Radu Coldea (Physics)** has commenced a new €2.5M five-year Advanced Grant from the European Research Council to explore emergent properties of quantum materials in the presence of strong electron correlations. This involves advanced methods of novel materials synthesis in large single crystal form and neutron scattering experiments to probe the static and dynamical properties of the electronic magnetic moments. Their current focus is the study of spin waves with topological properties in layered honeycomb magnets where the spin and orbital motion of electrons are strongly entangled. He has given invited lectures on research in his group at the Institut d'Études Scientifique de Cargèse, Corsica, and at the Kavli Institute for Theoretical Physics at the University of California, Santa Barbara.

**Cristina Dondi (History)** had an exhibition at the Correr Museum in Venice, 'Printing Revolution 1450-1500: Fifty Years that Changed Europe', which closed on 30 April 2019 with almost 200,000 visitors. Presentations about the exhibition were given to various seminars and events, such as Venice in Peril, and the Oxford Literary Festival. On 14 August 2019 a special programme on the 15cBOOKTRADE project, filmed at Lincoln College and the Bodleian Library, was broadcast on Superquark, an Italian TV documentary series on science and technology.

Following the exhibition the research goes on and the network of contributing libraries and editors continues to grow. The number of Material Evidence in Incunabula (MEI) records reached 47,000, and over 18,000 former owners, both private and institutional, have been traced and their dispersed libraries reconstructed. Grants were received from the Helen Hamlyn Trust, the Polonsky Foundation, and the Rothschild Foundation Hanadiv Europe.

Dr Dondi also ran the third Summer School in the History of Libraries in College, this year, centred on the new areas of historical investigation which the project has opened up, namely 'the knowledge economy'. This summer school covered the economic aspects of the printing revolution, and was held in conjunction with the Medieval and Modern Coin Department of the Ashmolean Museum.

**Roel Dullens (Chemistry)** has been teaching all the physical chemistry tutorials for the Lincoln Chemistry undergraduates. In terms of research, his group have continued to work on the structure and dynamics of colloidal materials. This resulted in publications on the behaviour grain boundaries in two-dimensional colloidal crystals (*European Physical Journal B*, 2019) and on the synthesis of colloidal SU-8 polymer rods that can be simultaneously imaged and optically manipulated in 3D (*Advanced Materials*, 2019). They also published articles on a range of other topics, including the transport of colloidal rods and spheres in optical landscapes. Finally, Dr. Dullens has been awarded the 2019 Corday-Morgan Prize from the Royal Society of Chemistry and given a number of invited lectures, including talks at the ninth International Conference on Multiscale Materials Modeling in Osaka and at the International Conference on Transport Phenomena in Complex Environments in Erice (Italy).

**Nigel Emptage (Biomedical Sciences)** was this year elected to Academia Europea. Showcasing the lab's work at research meetings around the world, Professor Emptage spoke at the world's foremost neurochemistry conference, ISN. He also enjoyed his 'annual typhoon moment' on a trip to Deagu, South Korea, where he was speaking at the International Brain conference, IBRO. Typhoon Tapah provided the

excitement of on this occasion, giving the 5,000 delegates an unequivocal reason to be inside listening to the science.

Lincoln's Medical and Biomedical students achieved a glorious crop of first-class degrees; half of the cohort, in fact. He is proud and delighted for them.

**Stefan Enchelmaier (Law)** after a year as Assessor and a term's sabbatical, has resumed his teaching for both College and Faculty. The manuscript which he mentioned in the last annual report, *The Magical Mystery of Words: 'Direct Effect' and All That*, will not be published as an article, but will instead be extended to be a monograph. It formed the basis of a lecture at Stockholm University in November. What is more, he wrote a piece on the development over time of the jurisprudence on the EU's internal market. This will be published by the Collège d'Europe, where he presented his findings in February 2019. In March, Professor Enchelmaier contributed an overview of 'Legal Commentaries – Law and its literature from a comparative perspective: English Law', to a seminar on legal literature at the University of Münster. He is currently developing this into an article, to be published next year. Brexit was another topic on which he delivered presentations to the Lincoln Leads series organised by the MCR, and to the Bodley Club at Merton College. He also participated in radio programmes on the subject and briefed a number of journalists. Shortly before the end of the period under review, Professor Enchelmaier addressed the newly constituted Internal Market Committee of the European Parliament on potential amendments to the legislation concerning the free movement of goods. In College, Professor Enchelmaier has assumed the role of Data Protection Officer in April, a job he finds very interesting and rewarding.

**Alan Garfinkel (Computer Science)** joins us from UCLA's Department of Medicine as the Newton-Abraham Visiting Professor. His work applying mathematical modeling to understand cardiac arrhythmias is resulting in new approaches to anti-arrhythmia drug strategies, currently being pursued. His text, *Modeling Life: The Mathematics of Biological Systems*, was published by Springer in 2017.

**Perry Gauci (History)** has published his work *Revisiting the Polite and Commercial People* (OUP, 2019), a tribute to Paul Langford which he co-edited with Professor Elaine Chalus of the University of Liverpool. A splendid launch took place in the Langford Room in April, attended by over 100 of the former Rector's family, students, colleagues, and friends. The book features articles from 13 scholars, all of them either former students or colleagues, who combine to pay rich tribute to Paul Langford's commanding impact on his field in the 30 years since the appearance of his seminal *A Polite and Commercial People*. More locally, the event highlighted his enduring contribution to the success of the subject at Lincoln, and the current History group were well represented at this memorable event.

Aside from publication, it was a very busy year for Faculty duties, with his appointment as Secretary of the Final Honour School. Students are rightfully and blissfully unaware of the challenges of examining, but he has come away with a deepened respect for colleagues who work all year round on this vital part of the academic mission.

**David Hills (Engineering)** is continuing his studies of the problem of 'fretting fatigue' - the propensity of components in engineering assemblies to suffer tiny amounts of movement which damage the surfaces and promote the nucleation of cracks, which may subsequently grow to catastrophic levels. These occur in the roots of fan blade roots in gas turbines for example (and in a number of other places). We are developing a complicated laboratory test apparatus to study the crack nucleation and propagation problem, and, with colleague Dr Matthew Moore (Darby Fellow) we are studying mathematically the conditions for slip to

occur. That work will also enable careful matching between laboratory experiment and prototype. The goal is to achieve greater structural integrity of the engine.

**Karl Kinsella (History of Architecture)** joined Lincoln in October 2018 having taught at the University of York's Art History department for two years. This year has been a great opportunity to focus on researching medieval architecture. To that end, Dr Kinsella has just completed his monograph on architectural drawings of the twelfth century. He has also co-edited a volume on the meaning of architecture in text and image during the Middle Ages. His chapter on the use of architecture to teach during the twelfth century has just been published in a collection entitled *Horizontal Learning within High Medieval Religious Communities*.

The great opportunity a research fellowship provides is having the time to examine manuscripts and other primary sources. To that end, he is currently writing this while the sound of Munich's church bells drifts through the State Library's windows as he examines four manuscripts containing texts for his next major project on architecture and liturgy in the twelfth and thirteenth centuries.

This year he also had the chance to discuss medieval architecture in both good and quite tragic contexts. He represented at and answered questions on the subject at the Bodleian's late-night event on 'Thinking 3d'. Less happily, he also appeared on radio stations to discuss the history of Nôtre-Dame Cathedral after the fire that destroyed a large amount of the building's fabric.

**Jody LaPorte (Politics, Philosophy and Economics)** was on medical leave for 2018-19. However, she had in the previous year laid the foundations for instituting stability within PPE by streamlining administrative issues, by ensuring that students had academic support, and by communicating academic expectations. This year, PPE tutors turned their attention to new initiatives to engage students beyond tutorials and across subjects. They introduced a 'policy challenge' exercise for the freshers during 0th week and a termly PPE pub night that brings students and tutors together for some lighter discussion.

On the research side, Dr LaPorte continued working on her book manuscript in between medical treatments. She examines the political effects of corruption in post-Soviet Eurasia. She also worked on political science research methods, particularly the use of qualitative data in making causal claims. Dr LaPorte's co-authored article on overcoming 'missing data' in qualitative research was accepted by *Sociological Methods and Research*. It conceptualizes different reasons why evidence may not be forthcoming and develops new tools for making causal inferences in data-poor environments.

**Peter McCullough (English)** is the Sub-Rector and this year was delighted to be back teaching after two years' research leave. During his absence, the early modern papers had been in the expert hands of Dr Ben Higgins, a talented Shakespearean much loved by students and colleagues alike. His research time has been devoted to an unexpected spin-off from his biography of Lancelot Andrewes – a fresh look at his Cambridge contemporary Edward Kirke, long held to be the 'E.K.' of Edmund Spenser's *The Shepheardes Calender*.

**Tim Michael (English)** Dr Michael's research for the past year has centred on perhaps the three most formidable satirists in English: Alexander Pope, Charles Churchill, and Lord Byron. The work on Pope is for a new scholarly edition of the poet's late prose; the work on Churchill part of a larger project on literature and politics in the 1760s; and the work on Byron part of a seminar he was invited to lead at the annual conference of the North American Society for the Study of Romanticism in August. Dr Michael continues to teach the 'Romantic', 'Victorian', and 'Modern' papers to Lincoln College's undergraduates and to supervise DPhil students working in those periods. He also continues to serve as Senior Dean of the College.



## LINCOLN COLLEGE

### Report of the Governing Body

Year ended 31 July 2019

---

**Matthew Moore (Mathematics)** has been working with long-term collaborators on boundary layers on free surfaces, inspired by the jets and drops formed during splashing problems (think inkjet printing or waves crashing into a sea wall). He has spoken on related work in the field at conferences in Vienna and Durham, and travelled to UEA and Imperial to give seminars. He has also been involved in projects interested in modelling how robotic fish swim, how silicon can clog up channels in the huge furnaces in which it is extracted, and how coffee rings form on curved substrates. The last project has been conducted alongside Lincoln's Dominic Vella.

In another Lincoln collaboration, Dr. Moore has continued his work with Professor David Hills and his engineering group, where they look at different analytical approaches to contact mechanics (think turbine blades). They have a number of publications in the works, and he finds it particularly pleasing to have such a fruitful collaboration develop through the Lincoln SCR.

**Fabio Morabito (Music)** has completed in the last year the work for the volume *Antoine Reicha and the Making of the Nineteenth-Century Composer*, a collection of essays he has edited for international publisher Brepols. Reicha (1770-1836) was a contemporary of Beethoven and professor of composition at the Paris Conservatoire. The book uses this figure and his extensive pedagogical writings (a system for would-be composers) as a springboard for broader reflections. Contrary to stereotypical conceptions of composition as the result of inspiration and invention, the authors of the essays wish to tease out the self-consciousness that accompanied musicians when crafting their image and presenting themselves to the public in this period.

Lincoln College had a most positive year of Chapel music. In June, the Chapel Choir closed in Trinity Term in really good shape, which promises to attract new and high-quality choristers next year. The Lincoln College Choir Tour to the US in April was also a success. The choristers kept a high standard of music-making and focus throughout an intense eight days of rehearsals, concerts, and transfers.

**Alexander Prescott-Couch (Philosophy)** has continued a number of research projects in the philosophy of social science, political philosophy, and the history of German philosophy. He has completed two papers on democracy and the public sphere and a paper on Nietzsche's genealogy. Another paper "Democracy and Contemporary Media" will be forthcoming in an edited collection regarding information warfare. In conjunction with philosophers and social scientists at Harvard University, he has also begun a research project "The Limits to Interventionist Approaches to Inequality Research" that considers the way in which assumptions about causation end up structuring what kind of causes of inequality are the focus of attention in social scientific research. In developing this work, Dr. Prescott-Couch has given presentations at conferences in New York, Arizona, Providence, and Oxford. In addition to research, Dr. Prescott-Couch has expanded his teaching at Lincoln. Beyond teaching ethics and political philosophy, he now regularly provides tutorials the philosophy of social science as well as Post-Kantian philosophy.

**Bert Smith (Classical Archaeology)** has finished his first year of a three-year Leverhulme Major Research Fellowship working on a project called 'The Greek East under Rome: A visual history'. His exhibition on 'Antinous: boy made god' ran for five months in the Ashmolean, and he put on an Antinous seminar series in the Classics Faculty.

Professor Smith gave talks in Boston, Brussels, Diyarbakir, London, New York, and Oxford this year, and his publications included papers on 'The long lives of Roman statues' and 'Diadems, royal hairstyles, and the Berlin Attalos'. He participated in a conference in Tokyo, visited the Miho Museum near Kyoto to examine a Hellenistic bronze statue and Bactrian artefacts, and made a research trip to northern Greece to see new sites and museums in Macedonia and Thessaly.

## LINCOLN COLLEGE

### Report of the Governing Body

Year ended 31 July 2019

---

He also directed a two-month summer campaign of research and excavation at Aphrodisias in SW Turkey, where six Lincoln persons were part of the team: one colleague (Josh Thomas), two recent doctoral students (Hugh Jeffery and Christian Niederhuber), and three graduates (Brandon MacDonald, Greg Morton, and Hannah Watkins). Both the results and the participants were of high calibre.

**Aleksei Parakhonyak (Economics)** is teaching Microeconomics for first and second years in the College, while in the department he is teaching Microeconomic Analysis and MPhil Microeconomics courses. He continues his collaboration with Nick Vikander on studying capacity constraints. They received a grant from Independent Research Fund, Denmark to fund this project. Now they are developing new lines of their research, including lab experiments testing their theoretical hypotheses. During this year they were able to show that in the presence of social learning capacity, constrained trial sales, under certain conditions, can represent a form of optimal information design, i.e. profit maximizing release of information about product quality.

**Paul Stavrinou (Engineering)** became secretary of Governing Body in addition to his role as Engineering Tutor. He is also engaged with new laboratories in China, at the University's research centre in Suzhou, which are progressing well. Indeed, preliminary work on new soluble semiconducting materials is already underway and by the end of the year Dr. Stavrinou hopes to have a full complement of equipment and researchers in place. He also finished several new publications on materials and devices and was pleased with the progress of work on metallic solar cells.

**Andreas Televantos (Law)** has been focussed on a book project, which examines the genesis of modern commercial legal rules in the legal, political economic, and even religious thought of the late eighteenth and early nineteenth centuries. As part of this project, Dr. Televantos travelled to the US where he read the papers and notes of Lord Eldon, a particularly influential Lord Chancellor whose judgments are still regularly cited in English courts. The monograph will be published by Oxford University Press, and will have implications for historians, modern legal practitioners, and law reformers.

Beyond this, he also presented a paper in London, co-authored with Professor Ben McFarlane, on the structure of modern English private law, to be published next year in the inaugural volume of *Oxford Studies in Private Law Theory*. He wrote a short article for the *Cambridge Law Journal* commenting on a recent Court of Appeal decision concerning trusts of land.

As regards teaching, Dr. Televantos gave tutorials in Land Law and Trusts to undergraduates from Lincoln and other colleges. Much of the year was spent writing two courses of undergraduate lectures, one on the creation of trusts, the other on the law of mortgages.

**Joshua Thomas (Classical Archaeology)** is the Lavery-Shuffrey Early Career Fellow in Roman Art and Archaeology at Lincoln. During a term of sabbatical leave in Michaelmas, he completed the manuscript of his first monograph, which examines the intersection of art and science in the Hellenistic world. Work also continued on several other research projects: he has an article on the botanical illustrations of the Vienna Dioskourides manuscript coming out in this year's edition of the *Journal of Roman Studies*, and he is currently putting the final touches to a new article on the famous Alexander Mosaic from Pompeii. On the teaching side, he delivered revision lectures in Greek Art and Archaeology for the Classics Faculty, and taught a range of tutorial papers to an excellent cohort of CAAH undergraduates. He was also invited to deliver a lecture in Tokyo in June. His summer vacation was again spent in Aphrodisias in SW Turkey, where he began a new research project on a remarkable set of figured console blocks from the Hadrianic Baths.

**Angela Trentacoste (Classical Archaeology)** has been researching the archaeology of animals and the ZooMWest ERC. She had four co-authored papers published last autumn on topics including late prehistoric agriculture, fish processing/consumption in Mediterranean antiquity, and infant human bones (which are sometimes found mixed in with animal remains). Thus far 2019 has through an on-going collaboration with colleagues in Chemistry and the Research Laboratory for Archaeology and the History of Art produced an article on the detection of polyphenols in pig bones; she travelled to Athens for an invited lecture on 'cattle and connectivity' at the American School of Classical Studies. More recently, Dr. Trentacoste contributed to the catalogue of the stunning 'Last Supper in Pompeii' exhibition at the Ashmolean.

As always, the summer was filled with fieldwork: first, a new project in Sardinia at Roman Tharros, where she directs the recovery of plant and animal remains. Then she logged hundreds of miles on Italian trains, travelling the length of the peninsula to collect animal bones and study material.

**Dr. John Vakonakis (Biochemistry)** has this year been engaged with projects on understanding the centriole 'nano-machines' in animal cells, and on visualising how the malaria parasite modifies the red blood cell it invades, both of which projects are in a data-accumulation phase. His group also have a number of research stories nearing completion, which they hope to finalise and publish in 2019-20.

**David Vaux (Medical Sciences)** has this year continued studies of the membrane network that infiltrates the nucleus in many human cell types, uncovering some of the molecular machinery that determines when and where new parts of this dynamic structure will be made. Together with their recent demonstration that a modified enzyme called a fusion kinase is responsible for the increased abundance of this network in one type of thyroid cancer, Professor Vaux's group now have the clues needed to mount a determined assault on the underlying regulatory mechanisms. These regulatory mechanisms are important in the normal cellular ageing process, the cyclic behaviour of reproductive tissue, and the abnormal growth of tumour cells; so this is a goal worth chasing.

Professor Vaux's research interest in the mechanisms underlying the loss of brain cells in neurodegenerative diseases like Alzheimer's Disease remains a constant, enhanced this year by excellent collaborations with a chemist (Tim Donohoe, Oxford) and a theoretical physicist (Chiu Fan Lee, Imperial College, London). Synthetic chemistry has provided fluorescent viscosity probes that reveal details of a process called liquid-liquid phase separation that seems key to early amyloid assembly, while a novel software tool for large-scale 3D particle tracking enables them to visualise and measure the larger scale 'gelling' of late stage amyloid formation. Efforts are now underway to transfer these methods first to a cellular context, and ultimately to in vivo studies.

**Dominic Vella (Mathematics)** has been continuing to study how thin elastic objects deform. In this area, the classic understanding is that curving an object in one direction makes it much harder to deform in the other: this is why one makes sure to bend the crust of a slice of pizza slightly to stop it drooping under its weight. Professor Vella's group has studied the limits of this 'curvature-induced rigidity' but have also shown that other deformation modes exist that appear to contravene the classic understanding. The examples they have studied, together with other classes of the same phenomenon from recent engineering applications, are considered in a review article published in *Nature Reviews Physics* this year. Professor Vella has given talks on this work in Beijing and Shanghai, as well as at the London International Youth Science Forum. His group have also been working to understand how elastic objects are deformed by surface tension, focussing in particular on how insects exploit liquids and (at the same time) protect themselves from the unwanted effects

## LINCOLN COLLEGE

### Report of the Governing Body

Year ended 31 July 2019

---

of liquids. This work has been published in *Physical Review Letters* and *Physical Review Fluids*, and through talks given in Bad Honnef (Germany) and Brussels.

**Michael Willis (Chemistry)** Dr Willis' research in the general area of synthetic organic chemistry continues to move forward. This year his group have begun to focus more on organosulfur chemistry from both preparative and application perspectives. A series of reagents based on their chemistry have been launched commercially; this will significantly help with the uptake of the methods they are developing. Other highlights this year include the publication of the 140th research paper from the group, as well as lecturing at the international symposium on organosulfur chemistry in Tokyo.

**Nigel Wilson (Classics)** Mr. Wilson's work continues on a new edition of the *Bibliotheca* of Photius, one of the most important texts of Byzantine literature which is of great value to classicists and theologians because it summarises many important works that are no longer extant. He has also become involved in working on a palimpsest manuscript in Vienna that contains part of a text by the leading ancient grammarian Herodian. It was first examined some fifty years ago, with tantalising results, but now with multi-spectral imaging much more can be read.

**Lucy Wooding (History)** has this year published pieces on religious imagery in fifteenth- and sixteenth-century England, and on John Jewel, the Elizabethan Bishop of Salisbury. She continues to progress her book, *Tudor England*. This year she also taught a Masters and a bridge paper for the History and English joint degree on late medieval religious writing.

**Henry Woudhuysen (English)** The final play in the Arden Shakespeare Third Series for which Professor Woudhuysen was responsible as General Editor, *All's Well That Ends Well*, edited by Suzanne Gossett and Helen Wilcox, has been published. He was involved in the production of that volume and also in the two volumes published by the Malone Society, both edited by Chiaki Hanabusa. These supply the first scholarly, colour photo-facsimiles of the 1604 and 1616 versions of Christopher Marlowe's play *Doctor Faustus*. He gave the second Zeidberg Lecture at the Huntington Library in California on the trade in second-hand books in England during the sixteenth and seventeenth centuries. He also spoke on editing Alexander Pope's letters in Oxford, on Samuel Johnson in Geneva, and, looking at his negligence about recording time, in London. Professor Woudhuysen appeared on panels in Venice about incunabula and in Oxford about 'Digitizing the Stage'. A piece describing early collectors of Samuel Johnson's literary remains (manuscripts, books he owned, and letters) was published in the journal *Poetica*.

### The Chapel

The College Chapel provides a focus for worship according to the rites of the Church of England. Occasional offices (marriage, baptism, confirmation) were performed less often during the past year owing to the extensive renovations to Chapel fabric that placed the Chapel beyond use except in full term. Regular services continued during term-time, including: Mass (three times per week); the daily office; and Choral Evensong on Sunday evenings. Chapel services are open to the public and are advertised on the website as well as within College. Improvements to service books, minor chapel furnishings and other resources continue on a rolling basis; fellowship after services is facilitated by hospitality offered by the Chaplain.

## **LINCOLN COLLEGE**

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

**Year ended 31 July 2019**

---

Support for the worshipping life of the College is provided by the Choir and Organists. Six Choral Scholarships (for Lincoln members) and two Choral exhibitions (for students of other Colleges) were awarded for the academic year 2018-19. Members of the Choir receive professional singing lessons, helping maintain its reputation as one of Oxford's best mixed-voice student Choirs. In 2019, the Choir toured to the US. For the year 2019-20, one undergraduate organ scholars will be in post and assistance from a graduate chapel precentor will be required; a new Junior organ scholar is sought for 2020 entry.

The Chapel is undergoing major renovation. Works commenced in September 2017 and are expected to continue throughout 2019 and summer 2020.

#### **Premises**

The College has continued to pay considerable attention to the maintenance and enhancement of its physical resources in pursuit of its charitable objects. There was significant expenditure on the restoration of the chapel and works in the Chapel will continue throughout the coming year. The College is also undertaking a programme of maintenance of its buildings and is implementing the recommendations of an external review of maintenance required until 2027. Total spending on repairs and renewals was £0.757 million, as compared with the previous year (2018: £0.621 million); this category of expenditure still represents a significant proportion (8.3%) of the College's total operational expenditure.

During the year, the College progressed with the renovation of student accommodation in the Mitre, Turl Yard and in four of the Turl Street houses. The College also progressed its other major project: the conversion of a former bank premises on the High Street to become a restaurant and residential accommodation.

#### **Development and Fund-raising**

Legacies and donations contributed £6.166 million to the College's funds in 2018-19 (2018: £3.898 million). In addition, the College received pledges to the value of £1.052 million, with future bequest pledges of £1.664 million also received. Of particular note were a number of new donations to scholarships and bursaries. A major new initiative to support graduate students studying for the DPhil degree with full scholarships, to be known as the Kingsgate Graduate Scholarships, was established with a donation of £1.5m. In addition, significant sums were received for new and existing scholarships funds, including the Elman Poole Masters Scholarships, The Robert and Lisette Henrey undergraduate bursaries, the Millerchip Family undergraduate bursaries, the Forrest undergraduate bursaries, the '1972' undergraduate bursaries, and the David Goldey graduate scholarship. In addition, a number of foundations continue to provide annual support for scholarships to graduate students and for undergraduate bursaries. Overall, more than £700,000 was received in support of endowed teaching Fellowships, and £200,000 for annual teaching and research costs. The Annual Fund received unrestricted donations of £119,100 during the year; the Fund is used to support projects benefiting current students, including the refurbishment of student accommodation. A further £140,467 was received for student hardship support and activities, teaching, and heritage projects. In total, 17% (2018: 19%) of all alumni made a donation in the financial year 2018-19.

The College's fundraising strategy is determined by the Governing Body, and aims to seek funds in its core objectives of education and research. Fundraising is led by the Development Director, who reports to the Rector and Governing Body. The Development Office team of five (including the Development Director) is responsible for both fundraising and alumni relations activity within Lincoln College. Fundraising activity is directed at alumni of the College, and Trusts and Foundations with objectives allied to the College, and uses direct mail, email and social media, telephone and face-to-face approaches to discuss fundraising opportunities with supporters and potential supporters. The College uses a contractor, Rux-Burton Associates,

to provide support with a two-week telephone campaign each year, and ensures that this agreement is GDPR-compatible. The Development Office is also responsible for producing College publications, and for organizing a wide range of events both in Oxford and overseas. The staff of the Development Office periodically support other aspects of the College, and in the past year have been involved in refreshing the branding and redevelopment of the College website. Lincoln College is registered with the Fundraising Regulator. In the past year no complaints have been received about fundraising activity or about personnel.

The financial performance of the College is discussed in the 'Financial Review' below and in the section entitled 'Investment Policy, Objectives and Performance'.

## **FINANCIAL REVIEW**

The College derives income to support its regular operations in pursuit of its objectives from three principal sources:

- income in respect of tuition, being fees paid by students (or their sponsors, or government) and money received from external sources to fund Fellowships and studentships;
- revenue from the College's domestic (accommodation and catering) activities, as provided both to College members and to non-members of College;
- returns generated by the College's pool of investments.

The College also receives a number of donations and legacies each year, some of which are used to fund regular operations, but the larger share of which is used to increase endowment funds and to fund major items of capital expenditure.

In 2018-19 the total income was £15.065 million (2018: £12.881 million) of which £6.166 million was in the form of donations and legacies (2018: £3.898 million).

The College spends money on five areas of activity:

- academic activities (education, study and research, including personnel costs and expenditure on supporting infrastructure);
- support for students (in the form of scholarships, bursaries and expenditure on facilities and activities for students' benefit);
- provision of accommodation and catering services to members and non-members of College;
- buildings' repair and maintenance;
- management (including the costs of fund-raising, investment management and governance).

In 2018-19, the total expenditure was £12.966 million (2018: £10.957 million). Therefore, the total of net income before investment gains was £2.099 million (2018: £1.924 million).

The College's annual Financial Plan is structured such that all operating expenditure should be met from the three sources of operating income, with the proviso that the sum derived from the College's endowment should be no more than a fixed percentage of the value of those endowment funds. The Governing Body has decided, for the time being, that the percentage of funds drawn be fixed at 3.0%. From 2013-14 the College has presented its Accounts on a total return accounting basis. The Governing Body will keep the level of income withdrawn from endowment funds under review in order to balance the needs and interests of current beneficiaries of the College's activities with those of future beneficiaries.

In 2018-19, income in the form of tuition fees showed an increase to £2.134 million (2018: £2.059 million). The College continued to benefit from privately sourced funds in support of student scholarships, with substantial and generous donations from the Sloane Robinson Foundation, the Keith Murray Award Fund, the Polonsky Foundation, the Berrow Foundation and the Lord Crewe Trust.

**LINCOLN COLLEGE**  
**Report of the Governing Body**  
**Year ended 31 July 2019**

---

Income from domestic activities decreased by 2% to £3.143 million. The College has a provision on its balance sheet of £2.644 million (2018: £1.402 million) for deficits in its USS and OSPS pension plan. The College will make annual incremental payments to the USS and OSPS pension plans that will reduce the provision over time.

Endowment total return allocated to income was £3.019 million in 2018-19 (£2.916 million in 2018). In addition, certain unrestricted and restricted donations may fund operating expenditure.

**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; 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 £160.623 million (2018: £156.548 million). This includes endowment capital of £127.174 million and unspent restricted income funds totalling £6.112 million (2018: £3.935 million). Free reserves at the year-end amounted to £5.885 million (2018: £6.920 million), representing retained unrestricted income reserves excluding an amount of £22.932 million for the book value of tangible fixed assets less associated funding arrangements and £1.164 million of designated reserves.

Free reserves at the year-end were £5.885 million (2018: £6.920 million). This amount represents approximately 5 months' expenditure and is in line with the College's policy on reserves.

**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 it and its subsidiaries in undertaking its activities. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College committee, chaired by the Rector or the Bursar. Financial and investment risks are assessed and monitored by the Finance Committee. In addition, the Domestic Operations Manager and domestic staff heads meet regularly to review health and safety issues. Training courses and other forms of career development are available, when requested, to members of staff to enhance their skills in risk-related areas.

The Governing Body, who have ultimate responsibility for managing any risks faced by the College, have reviewed the processes in place for managing risk and the principal identified risks to which the College and its subsidiaries are exposed and have concluded that adequate systems are in place to manage these risks. The College has identified specific risks, assessed the impact of the risk and the probability of the event occurring and reviewed measures to manage the risks. The principal categories of risks and uncertainties faced by the College and its subsidiaries are:

Risk	Description	Management of Risk
Reputation	Impairment of College's standing	The College has a comprehensive Governance structure with multiple committees reporting to the Governing Body; it regularly reviews its strategic planning; seeks to maintain the highest academic standards and is careful in its operational

		management
Statutory and regulatory risks	Impact of governmental, regulatory and University bodies on the College's activities. Substantially increased regulation	The College is actively involved with the Conference of Colleges to participate in policy-making. It is vigilant in corporate governance. Governing Body, advised by its Committees reviews and implements policies. Officers are focused on regulation. External advisers are retained where appropriate
Funding and financial risks	Impact of external developments on tuition funding, impact of market movements on financial returns and on endowment funding of operational activities, impact of shared pension obligations	The College maintains high academic standards and a substantial endowment to protect tuition funding. Diversification of investments and monitoring of prudent risk parameters reduce risks in financial returns. The College monitors developments in the USS pension scheme and its views are solicited by the relevant authorities.
IT risks	Disruption of activities and loss of data due to impairment of IT capability or data breach	Effective integration with University IT infrastructure. Additional measures were undertaken in 2018-19 to strengthen information security.
Other operational risks	Operational risks, including security and human resources, insurance, maintenance and risk of recession impacting conference income	Regular review of operational plans, specialist external advice, compliance with established procedures as well as investment in resources

### **Investment policy, objectives and performance**

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

- maintaining and then growing the value of the investments in real (spending-power) terms;
- producing a consistent and sustainable amount to support regular expenditure;
- 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 (that is, income and capital taken together), maintaining diversification across a range of asset classes in order to produce an appropriate balance between risk and return. This approach is consistent with the College Statutes, which 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. Investment strategy, policy and performance are monitored by the Finance Committee. Individual members of the Finance Committee bring to it significant investment expertise.

At the end of July 2019, the Group's long-term investments, combining the property assets and the pool of securities and other investments, totalled £140.754 million (2018: £132.690 million) of which £8.377 million comprised the independently constituted Lincoln 2027 Trust and £1.748 million the Lincoln College Michael Zilkha Trust.



**LINCOLN COLLEGE**  
**Report of the Governing Body**  
**Year ended 31 July 2019**

---

The College aims to achieve a long-term return of 4% above inflation (as measured by the Consumer Price Index). The net return on the College's endowment and long-term investments (that is, income plus capital gain less management fees) was +6.2% (2018: +8.5%). This return comprised:

	Property Investments	Securities and Other Investments	Total
Net returns	+ 3.0%	+ 8.9%	+ 6.2%

Valuations of Property Investments are determined by the College's Land Agents, Laws and Fiennes, who in turn take advice from such advisers as Cluttons (for commercial and London residential properties), Breckon & Breckon (for local residential properties) and Carter Jonas (for agricultural properties). With the assistance of these advisers, the College undertakes a full-scale market-based revaluation of a portion of the Property portfolio every year so that over three years all the properties have been subject to such a market-based revaluation.

Day-to-day management of most of the Securities and Other Investments was delegated to an external manager, Partners Capital. Non-endowed capital that is required for expenditure in the short-term is invested in a passive investment fund managed by The Vanguard Group. The carrying value of the preserved permanent capital and the amount of any unapplied total return available for expenditure was taken as the open-market values of these funds as at 1 August 2002 together with the original gift value of all subsequent endowment received.

## **FUTURE PLANS**

The College's future plans towards the achievement of its Objects are set out in the College's Strategic Plan as periodically agreed by the Governing Body. Achievements in respect of the Strategic Plans are monitored each year in Michaelmas Term by the Governing Body, advised by the Planning Committee; and the Plan is formally reviewed approximately every five years.

The College's Strategic Plan for 2017-2022 is summarised below.

### **A. Teaching and learning**

We shall advance education, study, and research by:

- Competing locally, nationally and internationally for the best students
- Maintaining a student body of about 600, equally divided between undergraduates and graduates
- Committing the College to providing the best possible education for our students through the undergraduate tutorial system and the role of graduate advisers
- Enhancing our programmes to widen participation and to increase access
- Monitoring and developing our welfare provision for students
- Ensuring that we recruit and seek to retain the best teachers and researchers as Fellows

We shall advance education, study and research by:

- Developing our access and outreach work in Lincolnshire, Somerset and the North East
- Monitoring equality and diversity in admissions and in extending our outreach strategy
- Encouraging excellence among our students by reviewing our policies and practices relating to academic discipline and rewarding outstanding performance

- Raising funds for graduate students, especially in the Humanities and Social Sciences
- Reviewing our provision of graduate accommodation

#### **B. College finance and management**

The College depends upon a combination of fees, residential and other domestic income and drawdown from its endowment to finance its operations. Given that fees in particular are unlikely to rise significantly over the five-year period, the College will prioritise controlling its expenditure and growing its endowment. We shall ensure the College is run in the most efficient and effective way by:

- Rewarding our staff in line with the University's cost of living adjustments and the recommendations of the Living Wage Foundation
- Reviewing the management, processing and security of our data
- Agreeing and implementing a five-year plan for the College's budget

We shall seek to increase the College's endowment by

- Managing our investment assets, and implementing our securities investment strategy with the intention, by 2022, of growing the College's endowment by 25%; this should allow the current pattern of spending on established commitments to be maintained
- Seeking further improvements: in the service and working conditions of administrative and domestic staff; in operating efficiencies; and in generating income from external sources
- Maintaining our commitment to the 3% drawdown so that the lasting growth of the endowment can continue in real terms
- Using the Road to 2027 Campaign to increase engagement with old members and to pave the way for a new campaign that will take the College from 2022 to its 600<sup>th</sup> anniversary in 2027

We shall use the drawdown from the College's endowment to:

- Support our students, our Fellows and staff, our buildings and their contents
- From our own resources to finance all College fellowships, to support all our students according to their needs, to maintain our buildings and to catalogue, conserve and display our historic collections
- Make sure that our Fellows and staff are appropriately remunerated

#### **C. Buildings and maintenance**

We shall ensure that:

- All long-standing issues with maintenance and appearance have been resolved

In particular, we shall:

- Complete work on the Mitre and on the High Street part of the NatWest building
- Complete work on the restoration of the Chapel, the Beckington Room and the Hall and undertake necessary renovation of the Rector's lodgings
- Initiate a five-year rolling plan for the maintenance of all our buildings

#### **D. The University and the wider world**

We shall play as full a part as possible in the University's life and work by:

- Encouraging and supporting Fellows who take on positions in the University
- Engaging closely in the running of the Conference of Colleges
- Developing strategic alliances with other colleges, especially the Turl Street colleges

## **LINCOLN COLLEGE**

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

**Year ended 31 July 2019**

---

We shall enhance our engagement with local, national and international audiences by:

- Developing the Library and Archive through the Lincoln Unlocked programme
- The online cataloguing of the Senior Library and of the Archive
- Making as much as possible of our historic collections available online
- Initiating historical projects in relation to the College's 600<sup>th</sup> anniversary
- Participating in local cultural initiatives, such as the Oxford Literary Festival and the Oxford Lieder Festival, through the use of the College's performance spaces

We shall renew the way in which College presents itself to the world by:

- Redesigning and bringing consistency to all our internal and external documents and signage
- Redesigning our website
- Enhancing our engagement with our alumni, both nationally and internationally, through a well-organised and diverse programme of events and publications and maintain an extensive programme of communications through print, email and social media

We shall seek to achieve all these aims by:

- Prudent management of the College's finances
- Growing our endowment
- Drawing on the advice and experience of our old members through participation in events, fundraising and advisory committees

## **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 has 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 it is satisfied that they give a true and fair view of the state of affairs of the College and of its net income or expenditure for that period. In preparing these financial statements, the Governing Body is required to:

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

**LINCOLN COLLEGE**  
**Report of the Governing Body**  
**Year ended 31 July 2019**

---

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 it to ensure that the financial statements comply with the Charities Act 2011. It is 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 13 November 2019 and signed on its behalf by:

H.R. Woudhuysen  
Rector

## **LINCOLN COLLEGE**

### **Independent Auditor's Report to the Members of the Governing Body of Lincoln College**

#### **Opinion**

We have audited the financial statements of Lincoln College (the "Charity") for the year ended 31 July 2019 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 notes to the financial statements. 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 and charity's affairs as at 31 July 2019 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 Members of the Governing Body's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Members of 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 Members of 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.

## **LINCOLN COLLEGE**

### **Independent Auditor's Report to the Members of the Governing Body of Lincoln College**

#### **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;
- 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 Members of the Governing Body**

As explained more fully in the Statement of Accounting and Reporting Responsibilities, set out on page 25, the Members of the Governing Body are 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 Members of the Governing Body are 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 Members of 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 this report**

This report is made solely to the College's Governing Body, as a 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 Members of 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's Governing Body as a body, for our audit work, for this report, or for the opinions we have formed.

Critchleys Audit LLP  
Statutory Auditor  
Oxford

Date:

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

**1. Scope of the financial statements**

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its wholly owned subsidiaries Lincoln College Trading Limited and Lincoln College Enterprises Limited together with Lincoln 2027 Trust and Lincoln College Michael Zilkha Fund. 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 is in note 13.

**2. Basis of accounting**

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

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

The 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 two multi-employer defined benefit pension plans. In the judgement of the Governing Body there is insufficient information about the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets in the financial statements and therefore the plan is accounted for as a defined contribution scheme (see note 23).

The College carries investment property at fair value in the balance sheet, with changes in fair value being recognised in the income and expenditure section of the SOFA. Valuations of Property Investments are determined by the College's Land Agents, Laws and Fiennes, who in turn take advice from such advisers as Cluttons (for commercial and London residential properties), Breckon & Breckon (for local Oxford residential properties) and Carter Jonas (for agricultural properties). With the assistance of these advisers, the College undertakes a market-based revaluation of a portion of the Property portfolio each year with the balance being estimated valuations undertaken by the College's Land Agent. In 2018-19 the College's Agricultural properties were independently valued by Carter Jonas and its other properties were valued by its Land Agent after consultation with the above-mentioned advisers.

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.

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

#### **4. Income recognition**

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

##### **a. Income from fees, Office for Students support and other charges for services**

Fees receivable, 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 College has entitlement to the resource, the amount can be reliably measured and the economic benefit to the College of the donation or grant is probable. Donations and grants subject to performance-related conditions are recognised as and when those conditions are met. Donations and grants subject to other specific conditions are recognised as those conditions are met or their fulfilment is wholly within the control of the College and it is probable that the specified conditions will be met.

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

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

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

##### **c. Investment income**

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

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

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

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

#### **5. Expenditure**

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

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

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

#### **6. Tangible fixed assets**

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

The College capitalises expenditure on buildings where there is a significant improvement in their useful life. The College capitalises expenditure on equipment costing more than £1,000.

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 buildings, including major extensions	50 years
Leasehold properties	50 years or period of lease if shorter
Building improvements	20 - 50 years
Equipment	3 - 15 years

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

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

#### **8. Heritage Assets**

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

assets would be impracticable and the cost of obtaining such valuations would outweigh the benefits to the users of these financial statements.

#### **9. Investments**

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

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

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

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

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

#### **Other financial instruments**

##### **a. Cash and cash equivalents**

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

##### **b. Debtors and creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors (excluding any amounts that are classed as concessionary loans) 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.

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 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 of the College. They consist of either gifts where the donor has specified that both the capital and any income arising must be used for the purposes given or the income on gifts where the donor has required or permitted the capital to be maintained and with the intention that the income will be used for specific purposes within the College's objects.

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

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

## **14. Pension costs**

The College participates in Universities Superannuation Scheme and the University of Oxford Staff Pension Scheme. These schemes are hybrid pension schemes, providing defined benefits (for members), as well as defined contribution benefits. The assets of the schemes are each held in a separate trustee-administered fund. Because of the mutual nature of the schemes, the assets are not attributed to individual Colleges and scheme-wide contribution rates are set. The College is therefore exposed to actuarial risks associated with other Universities and Colleges employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the College therefore accounts for the schemes as if they were wholly defined contribution schemes. As a result, the amount charged to the profit and loss account represents the contributions payable to each scheme. Since the College has entered into agreements (the Recovery Plans) that determine how each employer within the schemes will fund the overall deficit, the college recognises a liability for the contributions payable that arise from the agreements (to the extent that they relate to the deficit) and therefore an expense is recognised.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents an industry-wide scheme such as Universities Superannuation Scheme or one for employers in the same locality such as the University of Oxford Staff Pension Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The trustees are satisfied that Universities Superannuation Scheme and the University of Oxford Staff Pension Scheme both meet the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plans in existence at the date of approving the financial statements.

Lincoln College  
Consolidated Statement of Financial Activities  
For the year ended 31 July 2019

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2019 Total £'000	2018 Total £'000
<b>INCOME AND ENDOWMENTS FROM:</b>						
Charitable activities:	1					
Teaching, research and residential		5,714	-	-	5,714	5,607
Other Trading Income	3	246	-	-	246	237
Donations and legacies	2	914	3,464	1,788	6,166	3,898
Investments						
Investment income	4	427	114	2,398	2,939	3,139
Total return allocated to income	14	2,025	994	(3,019)	-	-
Other income		-	-	-	-	-
<b>Total income</b>		<b>9,326</b>	<b>4,572</b>	<b>1,167</b>	<b>15,065</b>	<b>12,881</b>
<b>EXPENDITURE ON:</b>						
Charitable activities:	5					
Teaching, research and residential		9,308	1,841	34	11,183	9,496
Generating funds:						
Fundraising		609	-	-	609	581
Trading expenditure		237	-	-	237	229
Investment management costs		407	17	513	937	651
<b>Total Expenditure</b>		<b>10,561</b>	<b>1,858</b>	<b>547</b>	<b>12,966</b>	<b>10,957</b>
<b>Net Income/(Expenditure) before gains</b>		<b>(1,235)</b>	<b>2,714</b>	<b>620</b>	<b>2,099</b>	<b>1,924</b>
Net gains/(losses) on investments	11,12,16	(2,354)	213	4,117	1,976	7,998
<b>Net Income/(Expenditure)</b>		<b>(3,589)</b>	<b>2,927</b>	<b>4,737</b>	<b>4,075</b>	<b>9,922</b>
Transfers between funds	19	750	(750)	-	-	-
<b>Net movement in funds for the year</b>		<b>(2,839)</b>	<b>2,177</b>	<b>4,737</b>	<b>4,075</b>	<b>9,922</b>
Fund balances brought forward	19	30,176	3,935	122,437	156,548	146,626
<b>Funds carried forward at 31 July</b>		<b>27,337</b>	<b>6,112</b>	<b>127,174</b>	<b>160,623</b>	<b>156,548</b>

**Lincoln College**  
**Consolidated and College Balance Sheets**  
**As at 31 July 2019**

	Notes	2019 Group £'000	2018 Group £'000	2019 College £'000	2018 College £'000
<b>FIXED ASSETS</b>					
Tangible assets	9	30,924	27,577	30,924	27,577
Heritage assets	10	-	-	-	-
Property investments	11	62,332	62,261	62,332	62,261
Other Investments	12	78,422	70,429	68,299	59,478
<b>Total Fixed Assets</b>		<b>171,678</b>	<b>160,267</b>	<b>161,555</b>	<b>149,316</b>
<b>CURRENT ASSETS</b>					
Stocks		128	141	128	141
Debtors	15	1,542	1,535	1,967	1,606
Investments	16	6,489	7,000	6,489	7,000
Cash at bank and in hand		16,331	20,926	15,902	20,817
<b>Total Current Assets</b>		<b>24,490</b>	<b>29,602</b>	<b>24,486</b>	<b>29,564</b>
<b>LIABILITIES</b>					
Creditors: Amounts falling due within one year	17	2,160	1,390	2,167	1,362
<b>NET CURRENT ASSETS</b>		<b>22,330</b>	<b>28,212</b>	<b>22,319</b>	<b>28,202</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>194,008</b>	<b>188,479</b>	<b>183,874</b>	<b>177,518</b>
<b>CREDITORS: falling due after more than one year</b>	18	<b>30,741</b>	<b>30,529</b>	<b>30,741</b>	<b>30,529</b>
<b>NET ASSETS BEFORE PENSION ASSET OR LIABILITY</b>		<b>163,267</b>	<b>157,950</b>	<b>153,133</b>	<b>146,989</b>
Defined benefit pension scheme liability	23	(2,644)	(1,402)	(2,644)	(1,402)
<b>TOTAL NET ASSETS</b>		<b>160,623</b>	<b>156,548</b>	<b>150,489</b>	<b>145,587</b>
<b>FUNDS OF THE COLLEGE</b>					
Endowment funds	19	127,174	122,437	117,049	111,484
Restricted funds	19	6,112	3,935	6,112	3,935
Unrestricted funds	19				
Designated funds		24,096	24,658	24,096	24,658
General funds		5,885	6,920	5,876	6,912
Pension reserve	23	(2,644)	(1,402)	(2,644)	(1,402)
		<b>160,623</b>	<b>156,548</b>	<b>150,489</b>	<b>145,587</b>

The financial statements were approved and authorised for issue by the Governing Body of Lincoln College on 13th November 2019

Trustee:

Trustee:

**Lincoln College**  
**Consolidated Statement of Cash Flows**  
**For the year ended 31 July 2019**

	Notes	2019 £'000	2018 £'000
<b>Net cash provided by (used in) operating activities</b>	24	<u>269</u>	<u>(1,006)</u>
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		2,939	3,139
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(4,014)	(1,036)
Proceeds from sale of investments		691	1,215
Receipt from/(purchase) of current asset investments		529	10,000
Purchase of fixed asset investments		(6,797)	(1,296)
<b>Net cash provided by (used in) investing activities</b>		<u>(6,652)</u>	<u>12,022</u>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		-	(5,000)
Cash inflows from new borrowing		-	5,000
Receipt of endowment		1,788	1,324
<b>Net cash provided by (used in) financing activities</b>		<u>1,788</u>	<u>1,324</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(4,595)</u>	<u>12,340</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		20,926	8,586
<b>Cash and cash equivalents at the end of the reporting period</b>	25	<u>16,331</u>	<u>20,926</u>



Lincoln College  
Notes to the financial statements  
For the year ended 31 July 2019

1 INCOME FROM CHARITABLE ACTIVITIES

	2019 £'000	2018 £'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	1,548	1,532
Tuition fees - Overseas students	586	527
Other fees	61	55
Other Office for Students support	204	216
Other academic income	172	76
College residential income	3,143	3,201
	<u>5,714</u>	<u>5,607</u>
Total Teaching, Research and Residential		

The above analysis includes £1,515k received from Oxford University from publicly accountable funds under the CFF Scheme (2018: £1,461k).

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 £1k (2018: £15k). These are not included in the fee income reported above.

2 DONATIONS AND LEGACIES

	2019 £'000	2018 £'000
Donations and Legacies		
Unrestricted funds	914	847
Restricted funds	3,464	1,727
Endowed funds	<u>1,788</u>	<u>1,324</u>
	<u>6,166</u>	<u>3,898</u>

3 INCOME FROM OTHER TRADING ACTIVITIES

	2019 £'000	2018 £'000
Subsidiary company trading income	246	237
	<u>246</u>	<u>237</u>

4 INVESTMENT INCOME

	2019 £'000	2018 £'000
<i>Unrestricted funds</i>		
Agricultural rent	5	3
Commercial rent	40	336
Other property income	234	229
Equity dividends and fixed interest	6	1
Bank interest	142	204
	<u>427</u>	<u>773</u>
<i>Restricted funds</i>		
Agricultural rent	7	6
Commercial rent	71	60
Other property income	9	5
Equity dividends and fixed interest	27	27
	<u>114</u>	<u>98</u>
<i>Endowed funds</i>		
Agricultural rent	174	176
Commercial rent	1,673	1,754
Other property income	219	159
Equity dividends and fixed interest	332	179
	<u>2,398</u>	<u>2,268</u>
	<u>2,939</u>	<u>3,139</u>
Total Investment income		

Lincoln College  
Notes to the financial statements  
For the year ended 31 July 2019

5	ANALYSIS OF EXPENDITURE	2019	2018
		£'000	£'000
	Charitable expenditure		
	Direct staff costs allocated to:		
	Teaching, research and residential	5,724	4,081
	Other direct costs allocated to:		
	Teaching, research and residential	3,436	3,096
	Support and governance costs allocated to:		
	Teaching, research and residential	2,023	2,319
	<b>Total charitable expenditure</b>	<b>11,183</b>	<b>9,496</b>
	Expenditure on raising funds		
	Direct staff costs allocated to:		
	Fundraising	376	376
	Trading expenditure	127	125
	Investment management costs	-	-
	Other direct costs allocated to:		
	Fundraising	199	171
	Trading expenditure	110	104
	Investment management costs	559	572
	Support and governance costs allocated to:		
	Fundraising	34	34
	Trading expenditure	-	-
	Investment management costs	378	79
	<b>Total expenditure on raising funds</b>	<b>1,783</b>	<b>1,461</b>
	<b>Total expenditure</b>	<b>12,966</b>	<b>10,957</b>

The 2018 expenditure of £10957k represented £8611k from unrestricted funds, £1781k from restricted funds and £565k from endowed funds.

The College is liable to be assessed for Contribution under the provisions of Statute XV of the University of Oxford. The Contribution Fund is used to make grants and loans to colleges on the basis of need. Contributions are calculated annually in accordance with regulations made by the Council of the University of Oxford. For the year ended 31 July 2018 no Contribution was collected.

The teaching and research costs include College Contribution payable of £65k (2018 - £1k).

Lincoln College  
Notes to the financial statements  
For the year ended 31 July 2019

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	2019 Total £'000
Financial administration	19	525	544
Domestic administration	-	193	193
Human resources	-	74	74
IT	14	124	138
Depreciation	-	667	667
Loss/(profit) on fixed assets	-	-	-
Bank and loan interest payable	377	382	759
Other finance charges	-	29	29
Governance costs	2	29	31
	<u>412</u>	<u>2,023</u>	<u>2,435</u>

	Generating Funds £'000	Teaching and Research £'000	2018 Total £'000
Financial administration	19	516	535
Domestic administration	-	182	182
Human resources	-	73	73
IT	14	133	147
Depreciation	-	734	734
Loss/(profit) on fixed assets	-	-	-
Bank interest payable	78	630	708
Other finance charges	-	27	27
Governance costs	2	24	26
	<u>113</u>	<u>2,319</u>	<u>2,432</u>

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.

	2019 £'000	2018 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	25	26
Auditor's remuneration - tax advisory services	6	-
	<u>31</u>	<u>26</u>

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

**Lincoln College**  
**Notes to the financial statements**  
**For the year ended 31 July 2019**

7	GRANTS AND AWARDS	2019 £'000	2018 £'000
	During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:		
	<b>Unrestricted funds</b>		
	Grants to individuals:		
	Scholarships, prizes and grants	84	11
	Bursaries and hardship awards	79	81
	<b>Total unrestricted</b>	<b>163</b>	<b>92</b>
	<b>Restricted funds</b>		
	Grants to individuals:		
	Scholarships, prizes and grants	633	636
	Bursaries and hardship awards	151	156
	<b>Total restricted</b>	<b>784</b>	<b>792</b>
	<b>Total grants and awards</b>	<b>947</b>	<b>884</b>

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £79k (2018: £81k).

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

8	STAFF COSTS	2019 £'000	2018 £'000
	The aggregate staff costs for the year were as follows.		
	Salaries and wages	4,504	4,165
	Social security costs	384	372
	Pension costs:		
	Defined benefit schemes - contributions paid in the year (note 23)	692	665
	Defined benefit schemes - movement in provision (note 23)	1,213	(67)
	Other benefits	139	139
		<b>6,932</b>	<b>5,274</b>
	The average number of employees of the College, excluding Trustees, on a full time equivalent basis was as follows.	2019	2018
	Tuition and research	15	15
	College residential	68	68
	Fundraising	5	5
	Support	12	12
	<b>Total</b>	<b>100</b>	<b>100</b>
	The average number of employed College Trustees during the year was as follows.		
	University Lecturers	14	14
	CUF Lecturers	10	9
	Other teaching and research	9	8
	Other	3	4
	<b>Total</b>	<b>36</b>	<b>35</b>

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.

There were no employees (excluding the College Trustees) during the year whose gross pay and benefits (excluding employer NI and pension contributions) exceeded £60,000

**Lincoln College**  
**Notes to the financial statements**  
**For the year ended 31 July 2019**

**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	4,612	29,073	-	1,548	35,233
Additions	-	3,992	-	22	4,014
Disposals	-	-	-	(581)	(581)
<b>At end of year</b>	<b>4,612</b>	<b>33,065</b>	<b>-</b>	<b>989</b>	<b>38,666</b>
<b>Depreciation and impairment</b>					
At start of year	461	5,770	-	1,425	7,656
Depreciation charge for the year	93	554	-	20	667
Depreciation on disposals	-	-	-	(581)	(581)
<b>At end of year</b>	<b>554</b>	<b>6,324</b>	<b>-</b>	<b>864</b>	<b>7,742</b>
<b>Net book value</b>					
At end of year	4,058	26,741	-	125	30,924
At start of year	4,151	23,303	-	123	27,577

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 HERITAGE ASSETS**

Lincoln College has a large, diverse, valuable collection of antiquarian (pre-1830) printed books including 48 books printed before 1501 (primarily important early editions of classical or theological texts). It also has a valuable collection of sixteenth-century books and Hebrew books. The College archives contain valuable documents including the College charter from Henry VI (1427), a confirmation foundation charter from Edward IV (1461/62) as well as the College's statutes signed by Thomas Rotherham, the Bishop of Lincoln, who was the College's second founder (1469).

The College has a collecting policy for the acquisition, preservation, management, and disposal of heritage assets. The College subscribes to the Oxford Conservation Consortium, a charity providing programmes of collection care within the historic library and archive collections of its 14 members, all colleges, of the University of Oxford. The College takes in heritage material relating to its buildings, societies, estates, members, and activities, in addition to those produced by the College itself in the course of its administration. It takes in archives, publications and artefacts where these contribute to an appreciation of the College and its history, or where these reflect significant work carried out by College members, providing that they should not be more fittingly in another repository.

Lincoln College employs professional staff with recognized qualifications to manage and preserve its heritage assets, including a Librarian, Archivist, and Clerk of Works. Heritage assets are stored securely following British Standards and internationally published guidelines for environment and storage. Work is carried out following international standards for cataloguing description. The Archive collection includes information about the historic acquisition of heritage assets. Heritage assets are available for research use by members of the College and members of the public free of charge by appointment. Contact details for the relevant members of staff for the collections are available on the College website. The Archon repository code for Lincoln College is GB: 456.

There have been no material acquisitions or disposal of heritage assets in the last 5 years.

Lincoln College  
Notes to the financial statements  
For the year ended 31 July 2019

11 PROPERTY INVESTMENTS

Group and College	Agricultural £'000	Commercial £'000	Other £'000	2019 Total £'000	2018 Total £'000
Valuation at start of year	13,614	37,677	10,970	62,261	57,813
Additions and improvements at cost	-	3,131	-	3,131	528
Disposal proceeds	-	(121)	-	(121)	(527)
Revaluation gains/(losses) in the year	113	(3,052)	-	(2,939)	4,447
Valuation at end of year	<u>13,727</u>	<u>37,635</u>	<u>10,970</u>	<u>62,332</u>	<u>62,261</u>

Property valuations at 31 July 2019 have been provided by the College's external land agent (FRICS) from Laws & Fiennes on the basis of market value, except for agricultural and land property for which an independent valuation has been carried out by Carter Jonas.

12 OTHER INVESTMENTS

All investments are held at fair value.

	2019 £'000	2018 £'000
<b>College investments</b>		
Valuation at start of year	59,476	56,529
New money invested	3,300	562
Amounts withdrawn	(215)	(496)
Reinvested income	272	50
Investment management fees	(327)	(104)
(Decrease)/increase in value of investments	5,791	2,935
<b>External investments at end of year</b>	<u>68,297</u>	<u>59,476</u>
Investment in subsidiaries	2	2
<b>College investments at end of year</b>	<u>68,299</u>	<u>59,478</u>
<b>Group investments</b>		
Valuation at start of year	70,429	66,798
New money invested	3,300	562
Amounts withdrawn	(221)	(543)
Reinvested income	366	206
Investment management fees	(349)	(145)
(Decrease)/increase in value of investments	4,897	3,551
<b>Group investments at end of year</b>	<u>78,422</u>	<u>70,429</u>
<b>Group investments comprise:</b>		
	2019 Total £'000	2018 Total £'000
Equity investments	48,787	38,887
Credit and Government Bonds	20,933	18,552
Alternative and other investments	6,361	11,616
Fixed term deposits and cash	2,341	1,374
<b>Total group investments</b>	<u>78,422</u>	<u>70,429</u>

**Lincoln College**  
**Notes to the financial statements**  
**For the year ended 31 July 2019**

**13 PARENT AND SUBSIDIARY UNDERTAKINGS**

The College holds 100% of the issued share capital in Lincoln College Trading Limited, a company providing conference and other event services on the College premises, and 100% of the issued share capital in Lincoln College Enterprises Limited, a company providing design and build construction services to the College. In addition the consolidated accounts include Lincoln 2027 Trust and Lincoln College Michael Zilkha Fund which are separate registered charities with charity numbers 1136816 and 1095113 respectively.

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

	Parent College £'000	Lincoln College Trading Ltd £'000	Lincoln College Enterprises £'000	Lincoln 2027 Trust £'000	Lincoln College Michael Zilkha Fund £'000
Income	14,842	246	3,128	94	35
Expenditure	(12,888)	(237)	(3,058)	(22)	(41)
Investment gains/losses	2,870	-	-	(971)	77
Donation to College under gift aid	78	(8)	(70)	-	-
Result for the year	<u>4,902</u>	<u>1</u>	<u>-</u>	<u>(899)</u>	<u>71</u>
Total assets	186,041	76	859	8,377	1,748
Total liabilities	(35,552)	(66)	(858)	-	-
Net funds at the end of year	<u>150,489</u>	<u>10</u>	<u>1</u>	<u>8,377</u>	<u>1,748</u>

**14 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 1 August 2013. The investment return to be applied as income is calculated as 3% (2017: 3%) of the average of the year-end values of the relevant investments at the end of the last 3 years. The preserved (frozen) value of the invested endowment capital represents its open market value in 1 August 2002 together with all subsequent endowments valued at date of gift.

	Total return not applied £'000	Permanent Endowment Unapplied Trust for Investment £'000	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		37,982		37,982		37,982
Unapplied total return			56,869	56,869		56,869
Funds not subject to total return	248			248		248
Expendable endowment					27,338	27,338
<b>Total Endowments</b>	<u>248</u>	<u>37,982</u>	<u>56,869</u>	<u>95,099</u>	<u>27,338</u>	<u>122,437</u>
<b>Movements in the reporting period:</b>						
Gift of endowment funds		895		895	893	1,788
Investment return: total investment income			1,933	1,933	465	2,398
Investment return: realised and unrealised gains and losses	(69)		4,332	4,263	(146)	4,117
Less: Investment management costs			(413)	(413)	(100)	(513)
Other transfers				-		-
<b>Total</b>	<u>(69)</u>	<u>895</u>	<u>5,852</u>	<u>6,678</u>	<u>1,112</u>	<u>7,790</u>
Unapplied total return allocated to income in the reporting period			(2,562)	(2,562)	(457)	(3,019)
Expendable endowments transferred to income				-	(34)	(34)
			(2,562)	(2,562)	(491)	(3,053)
<b>Net movements in reporting period</b>	<u>(69)</u>	<u>895</u>	<u>3,290</u>	<u>4,116</u>	<u>621</u>	<u>4,737</u>
<b>At end of the reporting period:</b>						
Gift component of the permanent endowment		38,877	-	38,877		38,877
Unapplied total return			60,159	60,159		60,159
Funds not subject to total return	179			179		179
Expendable endowment					27,959	27,959
<b>Total Endowments</b>	<u>179</u>	<u>38,877</u>	<u>60,159</u>	<u>99,215</u>	<u>27,959</u>	<u>127,174</u>

Lincoln College  
Notes to the financial statements  
For the year ended 31 July 2019

15	DEBTORS		2019	2018	2019	2018
			Group £'000	Group £'000	College £'000	College £'000
	Amounts falling due within one year:					
	Trade debtors		515	396	453	355
	Amounts owed by College members		32	15	32	15
	Amounts owed by Group undertakings		-	-	416	99
	Loans repayable within one year		-	3	-	3
	Prepayments and accrued income		168	303	239	316
	Amounts falling due after more than one year:					
	Loans		827	818	827	818
			<b>1,542</b>	<b>1,535</b>	<b>1,967</b>	<b>1,605</b>
16	CURRENT ASSET INVESTMENTS					
		Group and College	Deposits £'000	Other short term £'000	2019 Total £'000	2018 Total £'000
	Valuation at start of year		7,000	-	7,000	17,000
	Additions		-	4,471	4,471	-
	Net movement on deposits		(5,000)	-	(5,000)	(10,000)
	Revaluation gains/(losses) in the year		-	18	18	-
	Valuation at end of year		<b>2,000</b>	<b>4,489</b>	<b>6,489</b>	<b>7,000</b>
17	CREDITORS: falling due within one year		2019	2018	2019	2018
			Group £'000	Group £'000	College £'000	College £'000
	Trade creditors		769	506	810	485
	Taxation and social security		9	19	-	23
	College contribution		65	-	65	-
	Accruals and deferred income		939	488	914	477
	Other creditors		378	377	378	377
			<b>2,160</b>	<b>1,390</b>	<b>2,167</b>	<b>1,362</b>
18	CREDITORS: falling due after more than one year		2019	2018	2019	2018
			Group £'000	Group £'000	College £'000	College £'000
	Bank loans		5,000	5,000	5,000	5,000
	Notes		25,641	25,429	25,641	25,429
	Other creditors		100	100	100	100
			<b>30,741</b>	<b>30,529</b>	<b>30,741</b>	<b>30,529</b>

£5,000,000 (2018 £5,000,000) of the bank loans is repayable in 2041. This loan is unsecured.

This loan is included at amortised cost as they are classified as basic financial instruments.

On January 12, 2017 the College issued Notes for an aggregate principal amount of £20,000,000. An additional £5,000,000 was issued in February 2018. The Notes pay interest semi-annually at a fixed rate of 0.9% per annum until January 2019 and thereafter at a fixed rate of 2.78% per annum. The Notes are due for repayment on 12 January, 2057. The Notes are measured at amortised cost under the effective interest method.



**Lincoln College**  
**Notes to the financial statements**  
**For the year ended 31 July 2019**

**19 ANALYSIS OF MOVEMENTS ON FUNDS**

	At 1 August 2018 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2019 £'000
<b>Endowment Funds - Permanent</b>						
General Endowment	54,309	1,106	(237)	(1,567)	2,478	56,089
Montgomery Estate	839	17	(3)	(24)	39	868
Nuffield Research Trust Fund	1,720	34	(7)	(49)	79	1,777
Paul Shuffrey Bequest	9,411	192	(41)	(277)	431	9,716
Other Fellowships	18,448	1,029	(81)	(459)	842	19,779
Poisonsky (Hansard)	248	-	-	-	(69)	179
Student Support	9,774	443	(43)	(183)	447	10,438
Others	350	7	(1)	(3)	16	369
<b>Endowment Funds - Expendable</b>						
General Endowment	7,160	147	(31)	(203)	327	7,400
Bequests and legacies	9,225	1,082	(40)	(254)	421	10,434
<b>Total Endowment Funds - College</b>	<b>111,484</b>	<b>4,057</b>	<b>(484)</b>	<b>(3,019)</b>	<b>5,011</b>	<b>117,049</b>
<b>Endowment funds held by subsidiaries</b>						
Lincoln 2027 Trust	9,276	94	(22)	-	(971)	8,377
Lincoln College Michael Zilkha Fund	1,677	35	(41)	-	77	1,748
<b>Total Endowment Funds - Group</b>	<b>122,437</b>	<b>4,186</b>	<b>(547)</b>	<b>(3,019)</b>	<b>4,117</b>	<b>127,174</b>
<b>Restricted Funds</b>						
Income - endowment funds	91	18	(1,011)	994	-	92
Scholarship and grants	-	522	(522)	-	-	-
Berrow Foundation Building	243	5	(1)	-	10	257
EPA Alfred Street	-	750	-	(750)	-	-
Other restricted funds	3,601	2,283	(324)	-	203	5,763
<b>Total Restricted Funds - College and Group</b>	<b>3,935</b>	<b>3,578</b>	<b>(1,858)</b>	<b>244</b>	<b>213</b>	<b>6,112</b>
<b>Unrestricted Funds</b>						
General	6,912	7,237	(8,623)	2,753	(2,403)	5,876
Fixed asset designated	23,577	-	(667)	22	-	22,932
Other designated	1,081	63	(29)	-	49	1,164
Pension reserve	(1,402)	-	(1,242)	-	-	(2,644)
<b>Total Unrestricted Funds - College and Group</b>	<b>30,168</b>	<b>7,300</b>	<b>(10,561)</b>	<b>2,775</b>	<b>(2,354)</b>	<b>27,328</b>
<b>Unrestricted funds held by subsidiaries</b>	<b>8</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9</b>
<b>Total Unrestricted Funds - Group</b>	<b>30,176</b>	<b>7,301</b>	<b>(10,561)</b>	<b>2,775</b>	<b>(2,354)</b>	<b>27,337</b>
<b>Total Funds - Group</b>	<b>156,548</b>	<b>15,065</b>	<b>(12,966)</b>	<b>-</b>	<b>1,976</b>	<b>160,623</b>

**20 FUNDS OF THE COLLEGE DETAILS**

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

**Endowment Funds - Permanent:**

General Endowment A consolidation of gifts and donations where income, but not capital, can be used for the general purposes of the College; includes the foundation capital of the College.

Montgomery Estate

A fund established by Mrs Gertrude Montgomery in 1977 where income, but not capital, can be used to fund the teaching of Classics and/or German.

Nuffield Research Trust Fund

A fund established by Viscount Nuffield in 1948 where income, but not capital, can be used to support medical research, specifically to fund the emoluments payable to the College's nominated medical research Fellow(s).

Paul Shuffrey Bequest

A fund established by Paul Shuffrey in 1955 where income, but not capital, can be used to fund the study of Architecture, Classics, History of Art or similar areas of study at the discretion of the Rector of the College.

Other Fellowships

A consolidation of gifts and donations where income, but not capital, can be used to support a number of named Fellowships dedicated to research and teaching at Lincoln College.

Student Support

A consolidation of gifts and donations where income, but not capital, can be used to fund scholarships, exhibitions, prizes and other forms of support for students at Lincoln College.

**Endowment Funds - Expendable:**

General Endowment A consolidation of gifts and donations where either income or income and capital can be used for the general purposes of the College.

**Lincoln College**  
**Notes to the financial statements**  
**For the year ended 31 July 2019**

Legacies and Bequests	A consolidation of legacies and bequests made over to Lincoln College, of which either income or income and capital can be used for the general purposes of the College.
Lincoln 2027 Trust	An independent charity (registered no.1136816) established by Trust Deed dated 18th December 2009 with the object of raising, investing and accumulating funds to provide new and substantial support to Lincoln College.
Lincoln College Michael Zilkha Fund	An independent charity (registered no. 1095113) established by Trust Deed in 2002 whose object is to support the educational and/or research activities of the Fellows of Lincoln College.
<b>Restricted Funds:</b>	
Income, Endowment funds	Income generated by endowment funds which can be used for the specific purposes for which the endowment funds were established.
Berrow Foundation Building	Funds received for the Berrow Foundation Building. Amounts are transferred to the fixed asset designated fund once they have been expended on the building.
EPA Alfred Street	Donations received for the building which has already been constructed. The amounts are then transferred to unrestricted funds.
Scholarships and grants	Funds received for scholarships and other forms of support for students that have been expended during the year.
<b>Designated Funds</b>	
Fixed asset designated	Unrestricted funds which are represented by the fixed assets of the College and which are therefore not available for expenditure on the College's general 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.	

**21 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019 Total £'000
Tangible fixed assets	30,924	-	-	30,924
Property investments	9,493	-	52,839	62,332
Other investments	1,164	6,020	71,238	78,422
Net current assets	19,141	92	3,097	22,330
Long term liabilities	(33,385)	-	-	(33,385)
	<u>27,337</u>	<u>6,112</u>	<u>127,174</u>	<u>160,623</u>
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2018 Total £'000
Tangible fixed assets	27,577	0	0	27,577
Property investments	8,875	0	53,386	62,261
Other investments	1,081	3,844	65,504	70,429
Net current assets	24,574	91	3,547	28,212
Long term liabilities	(31,931)	0	0	(31,931)
	<u>30,176</u>	<u>3,935</u>	<u>122,437</u>	<u>156,548</u>

**Lincoln College**  
**Notes to the financial statements**  
**For the year ended 31 July 2019**

**22 TRUSTEES' REMUNERATION**

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

Trustees of the college fall into the following categories:

Head of House  
 Professorial Fellow  
 Official Fellow  
 Darby Fellow  
 Research Fellow

No trustee receives any remuneration for acting as a trustee. However, those trustees who are also employees of the college receive salaries for their work as employees. These salaries are paid on external academic and academic-related scales and often are joint arrangements with the University of Oxford.

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

The College has a Remuneration Committee which makes recommendations to Governing Body on pay and benefits which are outside of external scales. The composition of the Remuneration Committee is set out in page 4 of the section, Governing Body, Officers and Advisers.

**Remuneration paid to trustees**

Range	2019		2018	
	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £
£0,000-£1,999	2	1,387	2	1,473
£2,000-£2,999	1	2,950		
£11,000-£11,999	1	11,594		
£15,000-£15,999			2	31,052
£17,000-£17,999	1	17,321		
£21,000-£21,999	1	21,878		
£24,000-£24,000			1	24,757
£25,000-£25,999	2	50,876	3	79,646
£26,000-£26,999			3	82,615
£27,000-£27,999	1	27,114	1	28,316
£28,000-£28,999			3	88,326
£29,000-£29,999				
£30,000-£30,999	4	121,403		
£31,000-£31,999	4	125,953	1	31,163
£33,000-£33,999	1	33,531		
£34,000-£34,999	1	34,779		
£35,000-£35,999	1	35,233	2	70,486
£39,000-£39,999			1	39,866
£40,000-£40,999			1	40,837
£41,000-£41,999	1	41,830		
£42,000-£42,999			1	42,046
£44,000-£44,999	1	44,349		
£45,000-£45,999			1	45,495
£47,000-£47,999	2	94,998		
£49,000-£49,999			1	49,631
£54,000-£54,999			1	54,626
£55,000-£55,999	1	55,717		
£56,000-£56,999			1	56,542
£58,000-£58,999	1	58,826		
£59,000-£59,999			1	59,844
£60,000-£60,999	1	60,274	2	121,312
£61,000-£61,999			1	61,687
£63,000-£63,999	1	63,453	1	63,475
£64,000-£64,999	1	64,897	1	64,043
£68,000-£68,999	1	68,749		
£69,000-£69,999	1	69,499		
£72,000-£72,999	1	72,005		
£86,000-£86,999			1	86,090
£87,000-£87,999	1	87,250		
£96,000-£96,999			1	96,181
£97,000-£97,999	1	97,755		
£98,000-£98,999	1	98,577		
£104,000-£104,999			1	104,346
£130,000-£139,000			1	130,404
£139,000-£139,999	1	139,992		
<b>Total</b>	<b>36</b>	<b>1,602,189</b>	<b>35</b>	<b>1,554,258</b>

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

All trustees, together with other senior employees, are eligible for private health insurance as part of their package of remuneration.

#### Other transactions with trustees

No fellow claimed any expenses for work as a trustee.

See also note 28 Related Party Transactions

#### Key management remuneration

The total key management compensation (including employers' national insurance) was £543k (2018: £534k).

Key management are considered to be the Rector, Bursar, Development Director, Senior Tutor and Domestic Operations Manager.

## 23 PENSION SCHEMES

The company 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 company 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 company 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.

#### Schemes accounted for under FRS 102 paragraph 28.11 as defined contribution schemes

##### 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.

	USS	OSPS
Date of valuation:	31/03/2017	31/03/2016
Date valuation results published:	28/01/2019	28/04/2017
Value of liabilities:	£67.5bn	£661m
Value of assets:	£60.0bn	£528m
Funding surplus / (deficit):	(£7.5bn)	(£133m)
Principal assumptions:		
• Investment return	CPI - 0.53% to CPI - 1.32%pa <sup>c</sup>	-
• Rate of interest (periods up to retirement)	-	'Gills' + 1.2%pa
• Rate of interest (periods up after retirement)	-	'Gills' + 1.2%pa
• Rate of increase in salaries	CPI + 2%pa	RPI + 1%pa
• Rate of increase in pensions	CPI pa	Average RPI/CPI pa
Mortality assumptions:		
• Assumed life expectancy at age 65 (males)	24.5 yrs	22.4 yrs
• Assumed life expectancy at age 65 (females)	26.0 yrs	24.7 yrs
Funding Ratios:		
• Technical provisions basis	89%	80%
• Statutory Pension Protection Fund basis	72%	67%
• 'Buy-out' basis	48%	42%
• Estimated FRS 102 Total Funding level	77%	82%
Recommended employer's contribution rate (as % of pensionable salaries):	18% increasing to 24.2% by 01/04/20	23% decreasing to 19% from 01/08/2017 <sup>d</sup>
Effective date of next valuation:	31/03/2018	31/03/2019

a. USS's actuarial valuation as at 31 March 2017 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 but will increase in stages from 1 April 2019 to a level of 11.7% from 1 April 2020; a defined contribution benefit for salary above the salary threshold at the total level of 20% of salary in excess of the salary threshold. Further details about the benefits 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 an employer contribution rate of 18% pa of salaries for the period from 1 April 2016 to 31 March 2019, 19.5% from 1 April to 30 September 2019, 22.5% from 1 October 2019 to 31 March 2020 and a long term rate of 24.2%. On the assumptions made and with the salary threshold and defined contribution section implemented this gives rise to deficit contributions of at least 5% p.a. of salaries from 1 April 2020. At 31 March 2019 USS reported that the estimated funding deficit was £5.7bn (92% funded).

**Lincoln College**  
**Notes to the financial statements**  
**For the year ended 31 July 2019**

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.

c. USS' actuary has assumed that the investment return is CPI -0.53% in year 1, decreasing linearly to CPI - 1.32% over 10 years, CPI + 2.56% from year 11 reducing linearly to CPI + 1.7% by year 21, remaining at CPI + 1.7%.

d. USS' actuary has assumed that general pay growth will be CPI + 2 in year 1, CPI + 2 in year 2 and 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 1.0% p.a.

e. The total USS employer contribution rate of 18% of salaries 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 was the fourth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £60.0 billion and the value of the scheme's technical provisions was £67.5 billion indicating a shortfall of £7.5 billion and fund ratio of 89%.

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:

Assumption	USS Change in assumption	Impact on USS liabilities
Initial discount rate	increase / reduce by 0.25%	decrease / increase by £3.3bn
Asset Values	reduce by 10%	decrease / increase by £6.0bn
RPI inflation	increase / reduce by 0.25%	increase / decrease by £3.3bn
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £1.6bn
Assumption	OSPS Change in assumption	Impact on OSPS technical provisions
Valuation rate of interest	decrease by 1.0%	(from 80% funded at 31/03/2016) 68%
Rate of pension increases	increase by 1.0%	69%
Life expectancy	more prudent assumption (life expectancy increases by 3 years)	72%

**Lincoln College**  
**Notes to the financial statements**  
**For the year ended 31 July 2019**

	OSPS	USS
Finish Date for Deficit Recovery Plan	30/06/2027	30/03/2034
Average staff number increase	2.00%	2.50%
Average staff salary increase	2.00%	2.00%
Average discount rate over period	1.25%	1.60%

A provision of £2,644,000 has been made at 31 July 2019 (2018: £1,402,000) for the present value of the estimated future deficit funding element of the contributions

**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 allowances for the deficit recovery plan

**Other schemes**

Contribution of £9k (2018 - £9k) were paid to other schemes

**24 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 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATIONS**

	2019 Group £'000	2018 Group £'000
Net income/(expenditure)	4,075	9,922
Elimination of non-operating cash flows:		
Investment income	(2,939)	(3,139)
(Gains)/losses in investments	(1,976)	(7,998)
Endowment donations	(1,788)	(1,324)
Depreciation	667	734
(Surplus)/loss on sale of fixed assets	-	-
Decrease/(increase) in stock	13	-
Decrease/(increase) in debtors	(7)	264
(Decrease)/Increase in creditors	982	575
(Decrease)/Increase in pension scheme liability	1,242	(40)
Net cash provided by (used in) operating activities	<u>269</u>	<u>(1,006)</u>

**25 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2019 £'000	2018 £'000
Cash at bank and in hand	16,331	12,833
Overnight and notice deposits (less than 3 months)	-	8,093
Total cash and cash equivalents	<u>16,331</u>	<u>20,926</u>

**26 FINANCIAL COMMITMENTS**

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

	£'000	£'000
Land and buildings	416	416
expiring within one year	-	416
expiring between two and five years	-	-
	<u>416</u>	<u>832</u>

**27 CAPITAL COMMITMENTS**

The College had contracted commitments at 31 July for tangible fixed asset projects totalling £10.5m (2018 - £0m).  
The College had contracted commitments at 31 July for investment property projects totalling £3.5m (2018 - £0m).

**28 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

**Lincoln College**  
**Notes to the financial statements**  
**For the year ended 31 July 2019**

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 loans outstanding at 31 July with the balances were as follows:

	2019 £'000	2018 £'000
Dr Radu Coldea	108	108
Dr Roel Dullens	108	108
Prof C Issever	118	118
Dr D Omlor	117	117
Dr A Parakhonyak	120	120
Dr Maria Stamatopolou	110	110
Prof Michael Willis	117	117

Interest is charged on the above loans. All loans are repayable on the departure of the trustee from the College.

In addition the following trustees had interest free capital expenditure loans outstanding from the College at the start and/or end of the year.

	2019 £'000	2018 £'000
Dr Roel Dullens	2.8	2.8
Dr Perry Gauci	0.8	0.8
Dr K Kinsella	1.4	-
Prof. D Hills	0.8	-
Dr D McCann	2.4	1.3
Dr Matthew Moore	1.4	1.4
Dr Edward Nye	1.1	1.1
Dr Fabio Morabito	1.5	1.5
Dr Timothy Michael	0.8	0.8
Dr A Parakhoniak	0.3	0.3
Dr Maria Stamatopolou	0.8	0.8
Dr Ioannis Vakonakis	3.3	0.8
Prof David Vaux	2.2	1.4
Dr Vella	1.0	-
Prof Michael Willis	4.2	2.6
Dr L Wooding	0.5	0.5
Prof Henry Woudhuysen	0.8	-

**29 CONTINGENT LIABILITIES**

The College has no material contingent liabilities

**30 POST BALANCE SHEET EVENTS**

There are no post balance sheet events that require disclosure.

**31 FINANCIAL INSTRUMENTS**

The financial statements include the following items

	Total Group £'000	2019 Gains / (losses) £'000	Interest (expense) £'000	Total Group £'000	2018 Gains / (losses) £'000	Interest (expense) £'000
<i>Financial assets measured at fair value through statement of financial activities</i>						
Fixed assets: other investments	78,422	4,897		70,429	3,551	
Current assets: other investments	4,489	18				
<i>Financial liabilities measured at amortised cost</i>						
Creditors: amounts falling due after more than one year	30,741		(759)	30,529		(708)