



St Edmund Hall

Annual Report and Financial Statements

Year ended 31 July 2019

St Edmund Hall
Annual Report and Financial Statements
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St Edmund Hall

Governing Body, Officers and Advisers

Year Ended 31 July 2019

MEMBERS OF THE GOVERNING BODY

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

Trustee	Notes	(1)	(2)	(3)	(4)
Professor David Bannerman					
Dr Joanna Bell	Appointed 10 October 2019				
Professor Roger Benson					
Professor Adrian Briggs					
Professor Peter Bruce					
Ms Eleanor Burnett	Appointed 10 October 2019				
Professor Maia Chankseliani			•		
Professor Gordon Clark		•	•	•	•
Mr Simon Costa	Demitted 14 November 2018	•	•	•	•
Professor Nicholas Cronk	Demitted 30 September 2019				
Professor Nicholas Davidson		•			
Professor Stuart Ferguson	Demitted 31 October 2019		•	•	•
Professor Jason Gaiger					
Professor Michael Gill					
Professor Leslie Goldberg				•	
Professor Paul Goulart					
Professor Keith Gull	Demitted 30 September 2018	•	•	•	•
Professor Heidi Johansen-Berg					•
Professor Paul Johnson					
Professor Andrew Kahn					
Professor Aileen Kavanagh	Demitted 30 September 2019				
Professor Henrike Lähnemann					
Professor David Manolopoulos		•			
Professor Erica McAlpine					
Professor Philip Mountford					
Professor Karma Nabulsi		•			
Professor Luc Nguyen					
Professor Mauro Pasta					
Professor Ian Pavord					

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Governing Body, Officers and Advisers

Year Ended 31 July 2019

Professor Philipp Podsiadlowski			•		
Professor David Priestland			•		
Professor Climent Quintana-Domeque	Demitted 31 August 2018				
Professor Oliver Riordan		•			
Professor Peter Rothwell					
Professor Jeffrey Tseng					
Professor Dimitrios Tsomocos					
Professor Richard Walker		•			
Professor Robert Whittaker		•	•	•	•
Professor Robert Wilkins		•	•		
Professor Richard Willden		•		•	
Professor Mark Williams	Appointed 01 January 2019				
Professor Wes Williams			•		
Professor Kathy Willis	Appointed 1 October 2018	•	•	•	•
Professor Jonathan Yates				•	
Professor Linda Yueh					•
Professor Amy Zavatsky					•

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

- (1) Academic Committee
- (2) Finance Committee
- (3) General Purpose & Bursarial Committee
- (4) Development Committee

The Remuneration Committee is comprised solely of independent members, as follows:-

Mr Peter Johnson (Chair)	Appointed Chair 01 October 2019
Sir Jon Shortridge (Chair)	Demitted 30 September 2019
Professor Derrick Wyatt	
Ms Carolyn Davies	
Mr Robert Price	
Ms Mary Waldner	Appointed 01 October 2019
Dr Mark Pobjoy	

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Governing Body, Officers and Advisers

Year Ended 31 July 2019

COLLEGE SENIOR STAFF

The senior staff of the College to whom day-to-day management was delegated during the year were as follows:-

A. Professor Keith Gull	<i>Principal (01 August-30 September 2018)</i>
B. Professor Kathy Willis	<i>Principal (from 01 October 2018)</i>
C. Professor Robert Whittaker	<i>Vice Principal (from 01 October 2018)</i>
D. Professor Robert Wilkins	<i>Senior Tutor</i>
E. Mr Simon Costa	<i>Senior Bursar (Estates & Finance) Demitted 14 November 2018</i>
F. Professor Stuart Ferguson	<i>Acting Finance Bursar (MT 2018)</i>
G. Professor Gordon Clark	<i>Interim Finance Bursar (from 01 January 2019)</i>
H. Ms Eleanor Burnett	<i>Finance Bursar (from 23 September 2019)</i>
I. Mr Luke Bradshaw	<i>Academic Registrar</i>
J. Dr Charlotte Sweeney	<i>Domestic Bursar (from 15 October 2018)</i>
K. Ms Janet Lambert	<i>College Accountant</i>

COLLEGE ADVISERS

Investment Managers

Oxford University Endowment Management, Oxford

Various other fund managers

Investment Property Managers

Cluttons Styles & Whitlock, Oxford

Auditor

Crowe U.K. LLP, Reading

Bankers

RBS/NatWest PLC, Oxford

Solicitors

Blake Morgan LLP, Oxford

Darbys Solicitors LLP, Oxford

Farrer & Co., London

Surveyors

Cluttons Styles & Whitlock, Oxford

College Address

St Edmund Hall, Queen's Lane, Oxford OX1 4AR

Website

www.seh.ox.ac.uk

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Report of the Governing Body

Year Ended 31 July 2019

The Members of the Governing Body present their Annual Report for the year ended 31 July 2019 under FRS 102, together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Principal, Fellows and Scholars of St Edmund Hall in the University of Oxford, which is known as St Edmund Hall (the “College” or the “Hall”), is an eleemosynary chartered charitable corporation aggregate. It was incorporated under a Royal Charter dated 15 February 1957, although the Hall has been in existence since the 13th Century.

The College registered with the Charities Commission on 13 August 2010 (registered number 1137470).

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The College is governed by its Statutes dated 12 April 2017.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Chancellor of The University of Oxford. The Governing Body is self-appointing: new members are generally elected according to the nature of their Fellowships at the College; retirements generally occur on the same basis.

The Governing Body determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the Principal and is advised by its four core Committees and the Remuneration Committee.

Recruitment and Training of Members of the Governing Body

New members of the Governing Body are recruited as Fellows and are inducted into the workings of the College according to the nature of their Fellowships and by attending Governing Body meetings.

The Governing Body understands the importance of being kept informed on current issues in the sector and on regulatory requirements; it offers a formal programme for Trustee training to new Fellows offered by the Conference of Colleges.

Organisational Management

The Governing Body meets 10 times per year. The work of developing its policies and monitoring the implementation of these is carried out by its four core Committees:

- The Academic Committee – which oversees admissions, the provision of tuition and supervision, and the creation of certain Fellowships.
- The Finance Committee – which oversees charges, budgets, accounts, investments, and the estate.
- The General Purpose & Bursarial Committee – which oversees room provision, maintenance and building works, and health and safety.
- The Development Committee – which oversees fundraising.

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Report of the Governing Body

Year Ended 31 July 2019

In addition, the Remuneration Committee advises on the remuneration of the Principal and Fellows of the College, including matters such as salaries, benefits, allowances, expenses, and pensions.

The key management personnel are the College Officers set out on page 4. The day-to-day running of the College is overseen by the Principal. Academic matters are delegated primarily to Prof Robert Wilkins (Senior Tutor), supported by Mr L Bradshaw (Academic Registrar). Administrative and financial matters are delegated primarily to Ms Eleanor Burnett (Finance Bursar), supported by Ms J Lambert (College Accountant); Ms Burnett is a member of all four core Committees, and she attends the Remuneration Committee as its Secretary. Domestic and estates matters are delegated primarily to Dr Charlotte Sweeney (Domestic Bursar), supported by Mr S Lloyd (Estates Manager).

Group Structure and Relationships

The College also administers many special trusts, as detailed in Notes 17 and 18 to the financial statements.

The College also has three wholly-owned subsidiaries, all of which are dormant: St Edmund Hall Enterprises Ltd, St Edmund Hall Trading Ltd, St Edmund Hall Design & Build Ltd.

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

Risk Management

The College is engaged in risk assessment on an ongoing basis. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College Committee, chaired by the Principal or one of the Bursars. Financial risks are assessed by the Finance Committee and investment risks are monitored by the Investment Sub-Committee. In addition, the Domestic Bursar and domestic staff heads meet regularly to review health and safety issues. The College uses the services of external consultants from Peninsula who visit the site and carry out Health and Safety audits three times a year and provide reports with action plans. There is also a Health and Safety committee with representation across the departments. During the financial year, the Domestic Bursar initiated drop in sessions twice per term for anyone to come and give H&S concerns.

Training courses and other forms of career development are available, as required, to members of staff to enhance their skills in risk-related areas.

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

These particular risks have been identified by the College:

- The potential impact of the UK leaving the European Union on students, academics and funding. The decision to leave the EU may have a significant adverse impact on research funding and on the College's ability to attract EU students and EU academics. The Governing Body is monitoring this area closely.
- The potential impact of the Teaching Excellence Framework on College funding and its academic reputation. An inappropriate application of the TEF may lead to the reputation of the College's teaching being damaged. There are controls in place in relation to the application of funding.
- The impact of reduced government funding on teaching and research. Reduced government funding risks eroding the quality of teaching and research and risks damaging Oxford University's and the College's ability to compete internationally for the best academics and the best students. The Governing Body, with the University, is considering this impact.

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Report of the Governing Body

Year Ended 31 July 2019

- The long-term rental stream from College-owned shops on Oxford High Street.
- Long-term adverse investment returns which could reduce the College's income and threaten its ability to service the loan or invest in its capital infrastructure.

Budget Planning

As part of the budget planning process, the College's Finance Committee has established a set of principles underpinning the annual budget planning process. Those principles were accepted by the Governing Body of the College. The Governing Body may vary these principles year-to-year but are likely to focus upon the following issues.

- No, or limited, increases in costs and charges to students;
- An agreed reduction in the annual spend rule transfer from 4.0% to 3.5% over five years; and
- Zero-based budgeting – in the first instance, each budget holder is required to plan for no increase in budgeted expenditure
- Year-on-year priorities including maintenance and development of the College's estate as well as its loan commitments

Fundraising

St Edmund Hall fundraises via face-to-face meetings, correspondence, telephone and online. All fundraising is carried out by staff or members of the College (including current students).

Fundraising activity is managed on a day-to-day basis by the Development and Alumni Relations Office. This office comprises of five full time employees, including the Fellow responsible for fundraising activity. The Office is overseen by the College Principal and reports to the Development Committee and the Governing Body.

Fundraising activity is predominantly carried out to members of the College (alumni). The College does not carry out any fundraising with members of the general public.

No complaints were received in relation to the College's fundraising activity in 2018/19.

In 2018/19 the College employed Buffalo Fundraising (Registered in England Number 5602547) as its fundraising consultant and as a data processor.

In line with data and fundraising regulation and best practice the College updated its privacy statement in 2017/18 and carried out a personal information campaign to enable College Members to update their contact permissions. Members can update their permissions at any time.

OBJECTIVES AND ACTIVITIES

Charitable Object and Aims

The College's charitable object, as specified in the Statutes, is to promote the advancement of university education, learning and research as a College in the University of Oxford (including maintaining its historic buildings and other patrimony, and pastoral care of its students).

The Governing Body is mindful of the long-standing requirement to provide public benefit and of the disclosure requirements of the Charities Act 2011. In this connection, the Governing Body, through the College's senior

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Report of the Governing Body
Year Ended 31 July 2019

staff, has monitored closely the general and supplemental guidance produced by the Charity Commission, and in particular its public benefit guidance on advancement of education and on fee-charging.

Accordingly, the College engages in activities to achieve its objects including:

- Carrying out education and research activities jointly with the University, involving payment of salaries and the provision of infrastructure including office space and administrative support;
- Supplementing the education provided jointly with the University with tutorial teaching provided by College-only appointed teachers, and by provision of its own Library and IT facilities, and welfare, social, cultural and recreational facilities, to enable each of its students to realise their academic and personal potential to their fullest extent;
- Supplementing the research activities it promotes jointly with the University by providing College-only funded research Fellowships, and by providing an environment for interaction between researchers and facilities for visiting researchers, including access to a valued library;
- Admitting undergraduate and graduate students without any restriction subject only to satisfaction of publicized academic criteria; Home/EU undergraduate students are eligible for Student Loans under the national scheme, and for Oxford Bursaries on a means-tested basis;
- Providing various forms of financial assistance to both undergraduate and graduate students through prizes, scholarships, and grants, to allow them to pursue projects which further their studies, and to provide targeted support in cases of hardship;
- Supporting a number of access-related activities, ensuring that the information needed to apply for admission to the University is disseminated as effectively as possible;
- Maintaining and enhancing its buildings, fabric and grounds to ensure they are fit-for-purpose for teaching and accommodation of current and future generations of undergraduate and graduate students;
- Providing and supporting a Chapel affiliated with the Church of England and through the holding of regular services and associated events that are open to the public;
- Employing a Chaplain to provide ministry to all students without regard to religious affiliation, and supporting a Chapel Choir;
- Employing welfare officers to provide counselling and pastoral care to members of the College.

Public Benefit

The College is committed to the aims of providing public benefit in accordance with its objects, and has continued to conduct its affairs during the year to 31 July 2019 in furtherance of these aims. The Trustees confirm that they have complied with the duty in Section 17 (5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit.

More specifically, the College's public benefit activities include the following:

- The College admits students those who have the highest potential for benefitting from the education provided by the College and University and employs academic staff who are best able to contribute to the academic excellence of the College, regardless of financial, geographical, ethnic, social, age or religious background.
- The College provides accommodation and meals to students at rates that are as reasonable as finances allow, and it offers accommodation to all first and final year undergraduates, and to all first year graduates. The College provides a substantial subsidy for student meals and other activities.

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Year Ended 31 July 2019

- In order to assist undergraduates entitled to financial support, the College provides funds to the Oxford Bursary scheme. In addition, the College provides a significant number of academic and academic-related awards, including book, equipment and writing-up support, and funding for individual and group non-academic pursuits through our Masterclass and Amalgamated Clubs funds. Further, the College operates a targeted Hardship Scheme, which makes awards to undergraduates and graduates who face unexpected financial issues.
- The College operates an outreach programme to raise educational aspirations within schools, and to attract outstanding applicants who might not otherwise have considered applying to the College; each year we engage with around 3,000 students distributed in around 100 schools. It employs a full-time Schools Liaison Officer, and the programme involves visits by schools to the College, open days, and guidance and information to applicants and teachers.
- The College takes part annually in 'Oxford Open Doors', including opening the College library to the public and offering guided tours of the College's facilities and runs its own 'Access Hall areas' weekend where the College is opened to the public to view talks, displays and guided tours around the College site.
- The College makes many of its talks and lectures available to the public in the form of videos on its YouTube channel, www.youtube.com/StEdmundHall.
- During term-time, the Chapel hosts Sunday services that are open to the public, and other services at College events and other occasions. The Choir has also sung at venues around the country, and visited Pontigny in France, where St Edmund is buried. In addition, the College hosts, free of charge, a number of concerts by both College musicians and other Oxford-based ensembles. The College maintains its long-standing policy of not charging members of the public who wish to visit.

ACHIEVEMENTS AND PERFORMANCE

During the academic year 2018-19, 114 undergraduates passed final examinations of which 35, representing many disciplines, achieved First Class degrees. Both Final Honours students and those in earlier years won many individual prizes and awards and a full list of these is presented in the annual Hall Magazine. The graduate population of the College has been maintained with a thriving Middle Common Room. The College now exhibits a good balance of Masters and DPhil students and reflects Oxford's Academic Divisions and their expertise and position as world-class research groupings within the University.

The talents of the Fellowship were recognised in many ways: Professor Andrew Kahn was elected as a British Academy Fellow; William R Miller (Honorary Fellow) was honoured by Queen Elizabeth II on September 11th with the Winston S Churchill Lifetime Achievement Award for Philanthropy & Business; Professor Heidi Johansen-Berg continued to lead the newly-established Wellcome Centre for Integrative Neuroimaging which won one of the Vice-Chancellor's Awards for Public Engagement in recognition of its success in building capacity, including establishing an ambassador scheme and involving a wide variety of students, staff and researchers in public engagement activities such as school roadshows; Professor Hugh Jenkyns was elected to the membership of Academia Europea; Dr Alex Lloyd received a Teaching Excellence Award from Oxford's Humanities' Division in recognition of her quality teaching and the important contribution she makes to the teaching of German and finally, Dr Emily Winkler was awarded an Early Career Development Research Grant by the AHRC.

Various appointments have been taken up: Professor Peter Bruce was appointed as Physical Secretary and Vice President of the Royal Society, Professor Wes Williams was announced as the new Knowledge Exchange Champion at The Oxford Research Centre and Professor Andrew Kahn became Senior Editor of the New Oxford Research Encyclopaedia of Literature. Professor Dimitrios Tsomocos was appointed member of the Research Advisory Board of the Central Bank of the Russian Federation and Professor Michael Mingos was appointed a consultant to the University of Hong Kong for 2019.

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Other recognitions: Professor Eleanor Stride was announced as one of the top 100 most influential women in the Engineering Sector by Inclusive Boards in partnership with the *Financial Times* and Dr Linda Yueh's book *The Great Economists* was named by *The Times* as one of the Best Business Books of 2018.

The College's students continue to impress with non-academic activities, and this year the College saw an inspiring series of performances in music, drama, art, writing and sport. Students at the College won 15 Full Blues this year with an overall total of 24 Full Blues and 9 Half Blues. There were particular successes in rugby, rowing and cricket.

The College continues to receive generous support in the form of donations, legacies and gifts-in-kind to advance the Charitable Objectives & Aims. In 2018-19 cash gifts received totalled £5.6m, (of which £1.2m were legacy bequests accrued in 2017-18). Our events for alumni and supporters had an overall attendance of 1,690 and, following a promotional campaign to promote legacy giving, an additional 60 people informed the College that they intend to make a bequest to the College in their Will.

FINANCIAL REVIEW

The College continues to operate in difficult financial conditions, requiring the setting of tight budgets without adversely affecting the standard of education, learning and research it provides and promotes – and it has continued with its policies of maximising income and controlling expenditure. During 2018-19, expenditure increased by 6.1% to £10.5m (2017-18: £9.9m). Before accounting for donations and legacies, the College's 2018-19 operating loss before investment gains was £1.0m (2017-18: £0.5m). Donations and legacies for 2018-19 were £4.4m (2017-18: £6.9m). Investment gains for 2018-19 were £5.7m (2017-18: £3.9m). The College's net assets at 31 July 2019 had increased by 10.0% to £89.1m (31 July 2018: £80.9m). In June 2017, the College issued a debt private placement of £20.2 million, of which £20.0 million was invested with Oxford University Endowment Management; the Governing Body operates this portion of the College's endowment as a ring-fenced investment, the future yields from which will be used solely to help permanently secure the College's academic, financial, and physical assets.

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. The College's free reserves at the year-end amounted to £2.3m (2018: £5.7m), representing retained unrestricted income reserves excluding an amount of £17.3m for the book value of fixed assets less associated funding arrangements. The net book value of fixed assets is disclosed as a designated fund. Endowment funds at year-end total £65.1m and restricted funds £1.4m. These are detailed further in note 17.

Investment Policy, Objectives and Performance

The objective of the College's investment strategy is to preserve and grow the real value of the endowment over the long-term:

- Paying due regard to the policies of the Governing Body, including maintaining a sustainable balance between income and expenditure
- Being prudent as regards relevant market risks and the obligations on the College to honour the terms and conditions of long-term commitments including loans
- Observing the requirements of UK trust law and the Charities Act, and relevant UK government treaty obligations
- Formal acknowledgement of changing expectations as regards the College's ethical and ESG commitments.

The investment policy, objectives and performance of the College are monitored by the Investment Sub-committee which reports through the Finance Committee to Governing Body. At year end, the College's long-term investments including securities and property totalled £75.4 million.

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Report of the Governing Body

Year Ended 31 July 2019

FUTURE PLANS: STRATEGIC REVIEW

Over the past year the Governing Body has been engaged in developing a 10-year strategy for the College. Five key areas of the College's activities were examined, namely: teaching and research; access, equality and diversity; culture; estates; and finance. All members of the Governing Body contributed to discussion and development of the strategy. Consultation and feedback on this document were provided by staff, students and alumni. The final version of the College strategy was launched on 1st October 2019 and provides a road-map for our collective direction in these key areas over the next decade. The strategy document is published on the College's website.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

Charity law requires the Governing Body to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

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

- Select the most suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue to operate.

The Governing Body is responsible for keeping proper accounting records that are sufficient to show and explain the College's transactions and disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with FRS102. They are also responsible for safeguarding the assets of the College and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Governing Body on 6 November 2019 and signed on its behalf by:

Professor Kathy Willis
Principal

St Edmund Hall

Independent Auditor's Report to the Members of the Governing Body of St Edmund Hall

Year Ended 31 July 2019

Independent Auditor's Report to the Trustees of St Edmund Hall

Opinion

We have audited the financial statements of St Edmund Hall for the year ended 31 July 2019 which comprise Statement of Financial Activities, Balance sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2019 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees 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 trustees 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 we do not express any form of assurance conclusion thereon.

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Independent Auditor's Report to the Members of the Governing Body of St Edmund Hall

Year Ended 31 July 2019

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees 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 the trustees 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 trustees 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 trustees 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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. This description forms part of our auditor's report.

Crowe U.K. LLP

Statutory Auditor

Reading

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

1. Scope of the Financial Statements

The financial statements present the Statement of Financial Activities (SOFA), the Balance Sheet and the Statement of Cash Flows.

2. Basis of Accounting

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

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

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

3. Accounting Judgements and Estimation Uncertainty

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

The Governing Body, in applying the accounting policies, has included an estimate for the College's share of the USS and OSPS pension scheme liabilities, and an estimate of the useful economic life of its buildings. Otherwise no judgements were required that have a significant effect on the amounts recognised in the financial statements.

4. Income Recognition

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

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

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

b. Income from donations, grants and legacies

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

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

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

St Edmund Hall
Statement of Accounting Policies
Year Ended 31 July 2019

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.

5. Investment Income

Interest on bank balances is accounted for in the period to which the interest relates.

Dividend income and similar distributions are recognised in the period in which they become receivable.

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

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

Donations received for the general purpose of the College are credited to unrestricted funds.

Donations that are subject to specific wishes of the donor 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 otherwise than in cash, they are valued at the market value of the underlying assets received at the date of receipt.

6. 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 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.

7. Tangible Fixed Assets

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

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

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.

St Edmund Hall
Statement of Accounting Policies
Year Ended 31 July 2019

8. Depreciation

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

Freehold properties, including major extensions	50 years
Leasehold properties	50 years or period of lease if shorter
Building improvements	50 years
Equipment	4-8 years

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

The cost of major renovation projects that increase the service potential of buildings is capitalised and depreciated over applicable periods.

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

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

10. Other Financial Instruments

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.

Debtors and creditors

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

11. 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.

12. Foreign Currencies

The functional and presentation currency of the College 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.

13. Fund Accounting

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

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

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

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

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

St Edmund Hall
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
INCOME AND ENDOWMENTS FROM:						
Charitable activities:						
Teaching, research and residential	1	6,370	-	-	6,370	6,396
Public worship		-	-	-	-	-
Heritage		-	-	-	-	-
Other Trading Income	3	840	-	-	840	912
Donations and legacies	2	364	412	3,656	4,432	6,895
Investments						
Investment income	4	1,282	7	974	2,263	2,065
Total return allocated to income	13	401	974	(1,375)	-	-
Other income		10	-	-	10	22
Total income		9,267	1,393	3,255	13,915	16,290
EXPENDITURE ON:						
Charitable activities:						
Teaching, research and residential		7,487	1,148	15	8,650	8,091
Generating funds:						
Fundraising		541	8	-	549	520
Trading expenditure		767	-	-	767	747
Investment management costs		539	-	-	539	547
Total Expenditure		9,334	1,156	15	10,505	9,905
Net Income/(Expenditure) before gains		(67)	237	3,240	3,410	6,385
Net gains/(losses) on investments	11	1,184	19	4,456	5,659	3,944
Net Income/(Expenditure)		1,117	256	7,696	9,069	10,329
Transfers between funds	17	1,404	(1,040)	(364)	-	-
Other recognised gains/losses						
Movement on Defined Benefit Pension Schemes Liability		(907)	-	-	(907)	(28)
Net movement in funds for the year		1,614	(784)	7,332	8,162	10,301
Fund balances brought forward	17	20,921	2,220	57,772	80,913	70,612
Funds carried forward at 31 July		22,535	1,436	65,104	89,075	80,913

St Edmund Hall
Balance Sheet
As at 31 July 2019

		2019	2018
	Notes	£'000	£'000
FIXED ASSETS			
Tangible assets	9	17,299	15,657
Heritage assets	10	-	-
Property investments	10	3,114	2,789
Other Investments	11	75,433	73,630
Total Fixed Assets		95,846	92,076
CURRENT ASSETS			
Stocks		168	175
Debtors	14	1,942	2,877
Investments		-	-
Cash at bank and in hand		14,757	8,169
Total Current Assets		16,867	11,221
LIABILITIES			
Creditors: Amounts falling due within one year	15	1,485	1,127
NET CURRENT ASSETS/(LIABILITIES)		15,382	10,094
TOTAL ASSETS LESS CURRENT LIABILITIES		111,228	102,170
CREDITORS: falling due after more than one year	16	20,275	20,286
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		90,953	81,884
Defined benefit pension scheme liability	21	1,878	971
TOTAL NET ASSETS/(LIABILITIES)		89,075	80,913
FUNDS OF THE COLLEGE			
Endowment funds		65,104	57,772
Restricted funds		1,436	2,220
Unrestricted funds			
Designated funds		22,089	16,177
General funds		2,324	5,715
Revaluation reserve		-	-
Pension reserve	21	(1,878)	(971)
		89,075	80,913

The financial statements were approved and authorised for issue by the Governing Body of St Edmund Hall on 6th November 2019

Trustee:

Trustee:

St Edmund Hall
Statement of Cash Flows
For the Year Ended 31 July 2019

	Notes	2019 £'000	2018 £'000
Net cash provided by (used in) operating activities	24	<u>2,999</u>	<u>2,387</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		2,263	2,065
Purchase of property, plant and equipment		(2,205)	(1,238)
Proceeds from sale of investments		3,811	3,982
Purchase of investments		(280)	(4,612)
Net cash provided by (used in) investing activities		<u>3,589</u>	<u>197</u>
Change in cash and cash equivalents in the reporting period		<u>6,588</u>	<u>2,584</u>
Cash and cash equivalents at the beginning of the reporting period		8,169	5,585
Change in cash and cash equivalents in the reporting period		6,588	2,584
Cash and cash equivalents at the end of the reporting period	25	<u>14,757</u>	<u>8,169</u>

St Edmund Hall
Notes to the financial statements
For the Year Ended 31 July 2019

1 INCOME FROM CHARITABLE ACTIVITIES

	2019	2018
	£'000	£'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	1,746	1,796
Tuition fees - Overseas students	1,109	1,055
Other fees	706	708
Other HEFCE support	177	179
Other academic income	124	147
College residential income	<u>2,508</u>	<u>2,511</u>
	6,370	6,396
Restricted funds		
Other academic income	-	-
College residential income	<u>-</u>	<u>-</u>
	6,370	6,396
Total Teaching, Research and Residential	6,370	6,396
Total income from charitable activities	6,370	6,396

The above analysis includes £1,860k received from Oxford University from publicly accountable funds under the CFF Scheme (2018: £1,875k).

Under the terms of the undergraduate student support package offered by Oxford University to students from lower income households, the college share of the fees waived amounted to £7k (2018: £7k). These are not included in the fee income reported above.

2 DONATIONS AND LEGACIES

	2019	2018
	£'000	£'000
Donations and Legacies		
Unrestricted funds	364	3,490
Restricted funds	412	327
Endowed funds	<u>3,656</u>	<u>3,078</u>
	4,432	6,895

3 INCOME FROM OTHER TRADING ACTIVITIES

	2019	2018
	£'000	£'000
Conference and Function Income	840	910
Other trading income	-	2
	<u>840</u>	<u>912</u>

4 INVESTMENT INCOME

	2019	2018
	£'000	£'000
<i>Unrestricted funds</i>		
Commercial rent	181	241
Other property income	12	12
Equity dividends	1,034	899
Bank interest	51	11
Other interest	4	3
	<u>1,282</u>	<u>1,166</u>
<i>Restricted funds</i>		
Bank interest	7	3
	<u>7</u>	<u>3</u>
<i>Endowed funds</i>		
Equity dividends	974	896
	<u>974</u>	<u>896</u>
Total Investment income	2,263	2,065

St Edmund Hall
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	3,963	3,879
Other direct costs allocated to:		
Teaching, research and residential	3,081	2,882
Support and governance costs allocated to:		
Teaching, research and residential	1,606	1,356
Total charitable expenditure	8,650	8,117
Expenditure on generating funds		
Direct staff costs allocated to:		
Fundraising	310	319
Trading expenditure	314	332
Other direct costs allocated to:		
Fundraising	126	112
Trading expenditure	313	301
Investment management costs	28	36
Support and governance costs allocated to:		
Fundraising	113	90
Trading expenditure	140	115
Investment management costs	511	511
Total expenditure on raising funds	1,855	1,816
Total expenditure	10,505	9,933

The 2018 resources expended of £9,933k represented £8,966k from unrestricted funds, £956k from restricted funds and £11k from endowed funds.

The College is liable to be assessed for contributions under the provisions of Statute XV of the University of Oxford. The Contribution Fund is used to make grants and loans to colleges on the basis of need. Contributions are calculated annually in accordance with regulations made by the Council of the University of Oxford.

The teaching and research costs include College Contribution payable of £0k (2018: £6k).

	2019	2018
	Total	Total
	£'000	£'000
Included within the resources expended above are:		
Employee termination payments	143	8

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2019 Total £'000
Financial administration	169	771	-	-	940
Human resources	17	68	-	-	85
IT	37	216	-	-	253
Depreciation	30	533	-	-	563
Bank interest payable	511	-	-	-	511
Other finance charges	-	-	-	-	-
Governance costs	-	18	-	-	18
	764	1,606	-	-	2,370

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2018 Total £'000
Financial administration	128	562	-	-	690
Human resources	15	57	-	-	72
IT	33	202	-	-	235
Depreciation	27	496	-	-	523
Bank interest payable	511	-	-	-	511
Other finance charges	2	22	-	-	24
Governance costs	-	17	-	-	17
	716	1,356	-	-	2,072

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

St Edmund Hall
Notes to the financial statements
For the Year Ended 31 July 2019

	2019 £'000	2018 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	18	17
	<u>18</u>	<u>17</u>

Auditor's remuneration for audit services is shown including irrecoverable VAT and disbursements.

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

7 GRANTS AND AWARDS	2019 £'000	2018 £'000
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During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:

Unrestricted funds		
Grants to individuals:		
Scholarships, prizes and grants	176	159
Bursaries and hardship awards	117	130
Total unrestricted	<u>293</u>	<u>289</u>
Restricted funds		
Grants to individuals:		
Scholarships, prizes and grants	180	164
Bursaries and hardship awards	46	30
Total restricted	<u>226</u>	<u>194</u>
Total grants and awards	<u>519</u>	<u>483</u>

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £92k (2018: £100k). Some of those students also received fee waivers amounting to £1k (2018: £7k).

8 STAFF COSTS	2019 £'000	2018 £'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	4,566	4,263
Social security costs	366	366
Pension costs:		
Defined benefit schemes	576	573
	<u>5,508</u>	<u>5,202</u>

The average number of employees of the College, excluding Trustees, was as follows.

	2019	2018
Tuition and research	37	36
College residential	78	82
Fundraising	6	7
Support	10	9
Total	<u>131</u>	<u>134</u>

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

University Lecturers	24	23
CUF Lecturers	4	4
Other	4	3
Total	<u>32</u>	<u>30</u>

St Edmund Hall
Notes to the financial statements
For the Year Ended 31 July 2019

9 TANGIBLE FIXED ASSETS

	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At start of year	-	21,655	-	1,347	23,002
Additions	-	2,115	-	90	2,205
Disposals	-	-	-	-	-
At end of year	-	23,770	-	1,437	25,207
Depreciation and impairment					
At start of year	-	6,375	-	970	7,345
Depreciation charge for the year	-	450	-	113	563
Depreciation on disposals	-	-	-	-	-
At end of year	-	6,825	-	1,083	7,908
Net book value					
At end of year	-	16,945	-	354	17,299
At start of year	-	15,280	-	377	15,657

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

10 PROPERTY INVESTMENTS

	Agricultural £'000	Commercial £'000	Other £'000	2019 Total £'000	2018 Total £'000
Valuation at start of year	-	2,789	-	2,789	2,789
Additions and improvements at cost	-	-	-	-	-
Disposals	-	-	-	-	-
Revaluation gains/(losses) in the year	-	325	-	325	-
Valuation at end of year	-	3,114	-	3,114	2,789

A formal valuation of the commercial properties was prepared by Cluttons Styles & Whitlock (Chartered Surveyors) and other properties by Berrys (Chartered Surveyors and Valuers) as at 31 July 2019, the basis being market value.

11 OTHER INVESTMENTS

All investments are held at fair value.

	2019 £'000	2018 £'000
College investments		
Valuation at start of year	73,630	69,056
New money invested	280	4,612
Amounts withdrawn	(3,811)	(3,982)
(Decrease)/increase in value of investments	5,334	3,944
College investments at end of year	75,433	73,630
Investment in subsidiaries	-	-
College investments at end of year	75,433	73,630

College investments comprise:

	Held outside the UK £'000	Held in the UK £'000	2019 Total £'000	Held outside the UK £'000	Held in the UK £'000	2018 Total £'000
Global multi-asset funds	-	75,247	75,247	-	73,449	73,449
Alternative and other investments	186	-	186	181	-	181
Total College investments	186	75,247	75,433	181	73,449	73,630

12 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in St Edmund Hall Enterprises Ltd, St Edmund Hall Trading Ltd and St Edmund Hall Design & Build Ltd. None of these companies is trading.

St Edmund Hall
Notes to the financial statements
For the Year Ended 31 July 2019

13 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns with effect from 17th June 2015. The investment return to be applied as income is calculated as 3.9% (2018: 4%) of the average of the values of the relevant investments in each of the last 3 years measured quarterly. The preserved (frozen) value of the invested endowment capital represents its open market value in 2015 together with all subsequent endowments valued at date of gift.

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
At the beginning of the year:					
Gift component of the permanent endowment	47,256	-	47,256	-	47,256
Unapplied total return	-	9,724	9,724	-	9,724
Expendable endowment	-	-	-	792	792
Total Endowments	47,256	9,724	56,980	792	57,772
Movements in the reporting period:					
Gift of endowment funds	3,618	-	3,618	38	3,656
Allocation from trust for investment	-	-	-	(15)	(15)
Investment return: total investment income	-	946	946	28	974
Investment return: realised and unrealised gains and losses	-	5,322	5,322	41	5,363
Other transfers	(198)	-	(198)	(166)	(364)
Total	3,420	6,268	9,688	(74)	9,614
Unapplied total return allocated to income in the reporting period	-	(1,375)	(1,375)	-	(1,375)
Net movements in reporting period	3,420	4,893	8,313	(74)	8,239
At end of the reporting period:					
Gift component of the permanent endowment	50,676	-	50,676	-	50,676
Unapplied total return	-	14,617	14,617	-	14,617
Expendable endowment	-	-	-	718	718
Total Endowments	50,676	14,617	65,293	718	66,011

14 DEBTORS

	2019 Group £'000	2018 Group £'000	2019 College £'000	2018 College £'000
Amounts falling due within one year:				
Trade debtors	375	411	375	411
Amounts owed by College members	108	61	108	61
Loans repayable within one year	203	201	203	201
Prepayments and accrued income	1,153	2,184	1,153	2,184
Other debtors	103	20	103	20
Amounts falling due after more than one year:				
Loans	-	-	-	-
	1,942	2,877	1,942	2,877

15 CREDITORS: falling due within one year

	2019 Group £'000	2018 Group £'000	2019 College £'000	2018 College £'000
Trade creditors	737	513	737	513
Amounts owed to College Members	188	141	188	141
Taxation and social security	144	131	144	131
College contribution	11	11	11	11
Accruals and deferred income	237	239	237	239
Other creditors	168	92	168	92
	1,485	1,127	1,485	1,127

16 CREDITORS: falling due after more than one year

	2019 Group £'000	2018 Group £'000	2019 College £'000	2018 College £'000
Bank loans	20,234	20,234	20,234	20,234
Other creditors	41	52	41	52
	20,275	20,286	20,275	20,286

During 2016-17, the College issued a debt private placement of £20.2 million, of which £20.0 million was invested with Oxford University Endowment Management; the interest rate is 2.525% fixed, and the maturity is 50 years, being repayable in June 2067.

St Edmund Hall
Notes to the financial statements
For the Year Ended 31 July 2019

17 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2018 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2019 £'000
Endowment Funds - Permanent						
General Fund	30,036	26	-	(419)	3,060	32,703
Scholarships, Grants & Awards Funds	5,900	562	-	(1)	319	6,780
Bursary & Hardship Funds	1,629	120	-	(50)	88	1,787
General Fellowship Funds	8,717	2,927	-	(96)	491	12,039
Claude Jenkins Benefaction	1,683	63	-	(63)	91	1,774
William Miller Fellowship Fund	2,677	99	-	(149)	142	2,769
Fellowship in Geology Fund	1,916	72	-	(72)	104	2,020
Dr Emden Trust	1,636	62	-	(62)	88	1,724
Other Funds	2,786	632	-	(965)	32	2,485
Endowment Funds - Expendable						
General Fund	23	-	-	-	-	23
Scholarships, Grants & Awards Funds	279	46	(7)	55	15	388
Bursary & Hardship Funds	89	3	-	(3)	5	94
Other Funds	401	18	(8)	86	21	518
Total Endowment Funds - College	57,772	4,630	(15)	(1,739)	4,456	65,104
Restricted Funds						
Scholarships, Grants & Award	391	10	(180)	137	9	367
Bursary & Hardship	154	39	(68)	29	4	158
General Fellowship	54	-	(321)	552	2	287
Other permanent	1,556	370	(284)	(1,114)	2	530
Claude Jenkins Benefaction	-	-	(63)	63	-	-
William Miller Fellowship Fund	7	-	(99)	97	-	5
Fellowship in Geology Fund	-	-	(72)	72	-	-
Dr Emden Trust	-	-	(62)	62	-	-
Other expendable	58	-	(7)	36	2	89
Total Restricted Funds - College	2,220	419	(1,156)	(66)	19	1,436
Unrestricted Funds						
Designated funds	16,177	794	(1,312)	5,246	1,184	22,089
General funds	5,715	8,072	(8,022)	(3,441)	-	2,324
Revaluation reserve	-	-	-	-	-	-
Pension reserve	(971)	-	-	-	(907)	(1,878)
Total Unrestricted Funds - College	20,921	8,866	(9,334)	1,805	277	22,535
Total Funds	80,913	13,915	(10,505)	-	4,752	89,075

18 FUNDS OF THE COLLEGE

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

Endowment Funds - Permanent

General Fund	To generate income for the general purposes of the charity.
Scholarships, Grants & Award Funds	To generate income to fund scholarships, grants and awards.
Bursary & Hardship Funds	To generate income for bursary and hardship awards.
General Fellowship Funds	To generate income for the funding of teaching fellowships.
Claude Jenkins Benefaction	To generate income to fund a St Edmund Hall Junior Research Fellowship.
William Miller Fellowship Fund	Capital balance of past donations where related income, but not the original capital, can be used to fund a Fellowship in Biochemistry, a Junior Research Fellowship in Life Sciences or Physical Sciences and three graduate scholarships.
Fellowship in Geology Fund	To generate income to fund a Fellowship in Geology.
Dr Emden Trust	To generate income for the maintenance of the Libraries, Chapels and Gardens.
Other Funds	To generate income to fund a variety of College expenditure.

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Endowment Funds - Expendable

General Fund	To generate income for the general purposes of the charity.
Scholarships, Grants & Award Funds	To generate income to fund scholarships, grants and awards.
Bursary & Hardship Funds	To generate income for bursary and hardship awards.
Other Funds	To generate income to fund a variety of College expenditure.

Restricted Funds

Scholarships, Grants & Award Funds	Gifts, donations and unspent income to fund scholarships, grants and awards.
Bursary & Hardship	Gifts, donations and unspent income to fund bursary and hardship awards.
General Fellowship	Gifts and donations for the funding of teaching fellowships.
Other	Gifts and donations to fund a variety of College expenditure.
General Fellowship Funds	Income not spent to fund future fellowship costs.
Claude Jenkins Benefaction	Income not spent to fund a St Edmund Hall Junior Fellowship.
William Miller Fellowship Fund	Capital balance of past donations where related income, but not the original capital, can be used to fund a Fellowship in Biochemistry, a Junior Research Fellowship in Life Sciences or Physical Sciences and three graduate scholarships.
Fellowship in Geology Fund	Income not spent to fund a Fellowship in Geology.
Dr Emden Trust	Income not spent to fund future expenditure on the maintenance of the Libraries, Chapels and the Gardens.
Other Funds	Income not spent to fund a variety of College expenditure.

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019 Total £'000
Tangible fixed assets	17,299	-	-	17,299
Property investments	-	-	3,114	3,114
Other investments	13,443	-	61,990	75,433
Net current assets	13,946	1,436	-	15,382
Long term liabilities	(22,153)	-	-	(22,153)
	<u>22,535</u>	<u>1,436</u>	<u>65,104</u>	<u>89,075</u>
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2018 Total £'000
Tangible fixed assets	15,657	-	-	15,657
Property investments	-	-	2,789	2,789
Other investments	18,647	-	54,983	73,630
Net current assets	7,874	2,220	-	10,094
Long term liabilities	(21,257)	-	-	(21,257)
	<u>20,921</u>	<u>2,220</u>	<u>57,772</u>	<u>80,913</u>

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20 TRUSTEES' REMUNERATION

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

Trustees of the college fall into the following categories:

Head of House
 Professorial Fellow
 Official Fellow
 Fellow by Special Election
 Research Fellow

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

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

The College has a Remuneration Committee which makes recommendations to Governing Body on pay and benefits which are outside of external scales. The composition of the Remuneration Committee is set out in page 3 of the section, Governing Body, Officers and Advisers.

Remuneration paid to Trustees

Range	Number of Trustees/Fellows	2019	Number of Trustees/Fellows	2018
		Gross remuneration, taxable benefits and pension contributions £		Gross remuneration, taxable benefits and pension contributions £
£4,000-£4,999	1	1,794	1	4,400
£6,000-£6,999	1	6,003		
£13,000-£13,999	1	13,593		
£14,000-£14,999			1	14,621
£16,000-£16,999	1	16,563		
£18,000-£18,999			1	18,227
£19,000-£19,999	1	19,901	1	19,521
£20,000-£20,999			2	41,608
£21,000-£21,999			3	65,277
£22,000-£22,999			2	45,352
£23,000-£23,999	7	163,801	3	70,205
£24,000-£24,999	5	122,419	2	48,692
£25,000-£25,999	4	101,031	1	25,827
£26,000-£26,999	1	26,993	3	79,851
£28,000-£28,999	2	57,167		
£30,000-£30,999			1	30,781
£31,000-£31,999	1	31,335		
£32,000-£32,999	1	32,130	1	32,094
£33,000-£33,999			1	33,136
£43,000-£43,999			1	43,682
£44,000-£44,999	1	44,708		
£45,000-£45,999			1	45,238
£46,000-£46,999	1	46,030		
£47,000-£47,999	1	47,319		
£54,000-£54,999			1	54,976
£56,000-£56,999	1	56,695		
£57,000-£57,999	1	57,031	1	57,592
£59,000-£59,999			1	59,045
£96,000-£96,999			1	96,344
£106,000-£106,999	1	106,419		
£122,000-£122,999			1	122,596
£164,000-£164,999	1	164,724		
Total	33	1,115,656	30	1,009,065

10 Trustees are not employees of the college and do not receive remuneration.

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

Other transactions with Trustees

Fellows also receive reimbursement of personal expenses necessarily incurred in connection with their services to the College as Trustees. No Fellow claimed any expenses for work as a Trustee.

See also note 27 Related Party Transactions

Key management remuneration

The total remuneration paid to key management was £611k (2018: £472k).

Key management are considered to be the Principal, Senior Tutor, Senior Bursar (Estates & Finance), Academic Administrator & Registrar, Domestic Bursar and College Accountant.

21 PENSION SCHEME PROVISIONS

The College is a member of the Universities Superannuation Scheme (USS) and University of Oxford Staff Pension Scheme (OSPS), which are multi-employer pension schemes both of which are in deficit. The College has recognised a provision for its commitments under the agreed deficit reduction plans for each scheme; in calculating these provisions the College has estimated that salary expense will increase at 3.5% p.a. and the liabilities are discounted at a 15 year corporate bond rate of 1.6% (2018: 2.2%) and 1.25% (2018: 1.95%) respectively.

PENSION SCHEMES

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

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

However, in OSPS the amount of any pension funding shortfall in respect of any withdrawing participating employer will be charged to that employer.

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

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.

	<u>USS</u>	<u>OSPS</u>
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) a	(£133m) b
Principal assumptions:		
- Investment return	CPI - 0.53% to CPI - 1.32% c	-
- Rate of interest (periods up to retirement)	-	'Gilts' + 1.2%pa
- Rate of interest (periods up after retirement)	-	'Gilts' + 1.2%pa
- Rate of increase in salaries	CPI + 2%pa d	RPI + 1%pa
- Rate of increase in pensions	CPI pa d	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 01/04/2020 e	23% decreasing to 19% from 01/08/2017 f
Effective date of next valuation:	31/03/2018	31/03/2019

a. USS' 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 were 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. 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).

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- 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 contributions 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 a funding 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:

<u>Assumption</u>	<u>USS Change in Assumption</u>	<u>Impact on USS Liabilities</u>
Initial discount rate	increase/ reduce by 0.25%	decrease/ increase by £3.3bn
Asset values	reduce by 10%	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

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

Deficit Recovery Plans

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

	<u>OSPS</u>	<u>USS</u>
Finish Date for Deficit Recovery Plan	30/06/2027	31/06/2034
Average staff number increase	0%	0%
Average staff salary increase	3.50%	3.50%
Average discount rate over period	1.25%	1.60%
Effect of 0.5% change in discount rate	£12k	£57k
Effect of 1% change in staff growth	£53k	£125k

A provision of £1,878k has been made at 31 July 2019 (2018: £971k) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

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Pension Charge for the Year

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

Scheme	2018/19 £000s	2017/18 £000s
Universities Superannuation Scheme	309	314
University of Oxford Staff Pension Scheme	262	256
Other Schemes - contributions	5	3
Total	576	573

These amounts include £4.9k (£2018: £3.7k) contributions payable to defined contribution schemes at rates specified in the rules of those plans

22 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 provision for taxation has been included in the financial statements.

23 FINANCIAL INSTRUMENTS

The financial statements include the following in respect of financial instruments:

	2019 Group £'000	2018 Group £'000	2019 College £'000	2018 College £'000
Financial assets measured at fair value	75,433	73,630	75,433	73,630
Financial liabilities measured at fair value	(1,878)	(971)	(1,878)	(971)
Financial assets measured at amortised cost	15,546	8,862	15,546	8,862
Financial liabilities measured at amortised cost	(21,760)	(21,413)	(21,760)	(21,413)

Financial assets measured at amortised cost comprise cash and cash equivalents, deposits and other short term investments, fees receivable, trade debtors, amounts owed by group undertakings and other debtors excluding prepayments. Financial assets measured at fair value relate to listed investments.

Financial liabilities measured at amortised cost comprise bank loans and overdraft, other loans, trade creditors, other creditors, and accruals excluding deferred income. Financial liabilities measured at fair value relate to the pension liability.

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

	2019 Group £'000	2018 Group £'000
Net income/(expenditure)	8,162	10,301
Elimination of non-operating cash flows:		
Investment income	(2,263)	(2,065)
(Gains)/losses in investments	(5,659)	(3,944)
Depreciation	563	523
Decrease/(Increase) in stock	7	5
Decrease/(Increase) in debtors	935	(1,948)
(Decrease)/Increase in creditors	347	(513)
(Decrease)/Increase in pension scheme liability	907	28
Net cash provided by (used in) operating activities	<u>2,999</u>	<u>2,387</u>

25 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £'000	2018 £'000
Cash at bank and in hand	14,757	8,169
Total cash and cash equivalents	<u>14,757</u>	<u>8,169</u>

26 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £649k (2018: £0k).

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27 RELATED PARTY TRANSACTIONS

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

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

The number of loans outstanding at 31 July with the balances in the following bands were as follows:

	2019	2018
	£'000	£'000
£90,000 - £100,000	2	2

Interest is charged on the above loans at 1% above the Bank of England base rate per annum. All loans are repayable on the 10th anniversary of the loan being made or upon any of the following events if earlier:

- 1 At any time, at the request of the recipient Fellow (partial repayments being allowed, subject to a minimum of £10,000.
- 2 If the recipient Fellow makes any payment of principal on the first mortgage (other than by monthly payments on a repayment mortgage).
- 3 Upon the sale of the property for any reason.
- 4 If the recipient Fellow ceases to reside in the property.
- 5 When the recipient Fellow ceases to be a Governing Body Fellow for any reason.
- 6 Upon the recipient fellow's retirement.
- 7 Within one year of the recipient Fellow's death.
- 8 If the recipient Fellow declares bankruptcy.

- 9 Upon any breach of the terms of the loan. For the avoidance of doubt, a reduction in the market value of the property will not in itself constitute a breach or default event.

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

	2019	2018
	£'000	£'000
Total net book value of properties owned jointly with Trustees	-	-

28 CONTINGENT LIABILITIES

There are ongoing negotiations on the funding of the USS pension deficit. This might cause an increase in the pension recovery plan provision in 2018/19.

29 POST BALANCE SHEET EVENTS

As set out in Note 21 in respect of the USS pension scheme, a new Schedule of Contributions based on the 2018 actuarial valuation has been agreed. This results in a decrease of £593k in the provision for the Obligation to fund the deficit on the USS pension which would instead be £796k. This adjustment will be reflected in the University's Financial Statements for the year ended 31 July 2020.