

Balliol College
Annual Report and Financial Statements
for the year ended 31 July 2019

Registered Charity No. 1144032

Balliol College
Annual Report and Financial Statements
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Governing Body, Officers and Advisers

Year ended 31 July 2019

The Members of the Governing Body present their Annual Report for the year ended 31 July 2019 under the Charities Act 2011 together with the audited consolidated financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Master and Scholars of Balliol College in the University of Oxford, which is known as Balliol College (“the College”), are a charitable body having that name. The College was founded in the 13th century and is registered with the Charity Commission for England and Wales (registered number 1144032).

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 4 to 7.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its Statutes originally granted in 1282, and subsequently approved by the foundation deed of 1284. In their most recent version they stand as approved by Her Majesty in Council, 9 April 2008, in accordance with the 1923 Oxford and Cambridge Act. The process of registering as a charity revealed that the Statutes required a number of amendments and the revised statutes are now with the Privy Council for review.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, which are as made from time to time by order of Her Majesty in Council in accordance with the Universities of Oxford and Cambridge Act 1923. The Governing Body holds to itself the responsibilities for the ongoing strategic direction of the College, for its administration and for the management of its finances and assets. It meets regularly under the chairmanship of the Master and is advised by a range of committees. The College enjoys the unique privilege of electing its own Visitor, a post currently occupied by the Right Honourable Lord Reed, PC.

Recruitment and training of Members of the Governing Body

New Members of the Governing Body (Trustees) are recruited as Fellows, and are inducted into the workings of the College according to the nature of their Fellowship and by attending Governing Body meetings. The duties and responsibilities of Trustees are explained fully to incumbent Fellows and form part of the induction process.

Remuneration of Members of the Governing Body and Senior College Staff

Members of the Governing Body are primarily teaching and research employees of the College or University and receive no remuneration or benefits from their trusteeship of the College. There are also five trustees who work on management and fundraising, the Master, Senior Tutor/Academic Registrar, Development Director and Domestic Bursar who all work full-time, and the Finance Bursar who is part-time.

Trustees that are also employees of the College receive remuneration for their work as employees of the College which is set based on the advice of the College’s Remuneration Committee. The Remuneration Committee consists of four external members and four internal members and is chaired by the Visitor. Remuneration is normally set in line with that awarded to the University’s academic staff.

Organisational management

The Governing Body understands the importance of being kept informed on current issues in the sector, and charity regulation and legislation form a regular part of Governing Body business. A College office of Fellow for Charity Matters is in place to facilitate this. A code on the Handling of Conflict of Interests is available to all Fellows.

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

- Tutorial Board meets once a term and includes all the College's Tutorial Fellows, those with personal tutor roles in relation to undergraduates and members of the Academic Progress Committee. Tutorial Board has the power to decide many matters of academic policy but for several years much of this work has been delegated to the Academic Committee and it has now further delegated decisions about the academic progress of individual students to an Academic Progress Committee.
- Academic Committee concentrates on academic policy and meets weekly during term. It has an approximately equal number of College Officers and non-officers as its membership. Full Academic Committee, which meets approximately once a term, includes student representation.
- Academic Progress Committee deals with decisions about the progress of individual students and can apply academic disciplinary measures. Its membership consists of the Master, Vice-Master (Academic), Senior Tutor, Dean and Chaplain, four Tutorial Fellows and, ex officio, the Praefectus and Domestic Bursar.
- Executive Committee deals primarily with the College's budget and its administration and meets weekly during term. It also has an approximately equal number of College Officers and non-officers as its membership and includes student representation.
- Remuneration Committee, with an external chair and four other external members, alongside four internal members, meets termly in order to give oversight and counsel to the College's Governing Body with respect to the pay and benefits of its trustees and officers.

Most other committees in College are sub-committees of either the Academic Committee or Executive Committee. There are however two important exceptions, and both of them report direct to meetings of the Governing Body (referred to as College Meeting within the College):

The Chapel and Patronage Committee oversees the College Chapel and the several ecclesiastical livings for which the College retains a historic responsibility.

The Nominating Committee makes recommendations to College Meeting on who are to be College Officers and what the membership of committees should be.

The day-to-day running of the College is overseen by the Master. Academic matters are delegated primarily to the Academic Registrar and Senior Tutor and administrative and financial matters to the Finance Bursar and Domestic Bursar.

Group structure and relationships

The College administers many special trusts and has one wholly owned non-charitable subsidiary, Balliol College Developments Limited, which is a company providing building contractor, conference and other event services on College premises whose annual profits 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.

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MEMBERS OF THE GOVERNING BODY

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

The activities of the Governing Body are carried out through five main committees. Most other committees in the College are sub-committees of either the Academic Committee or Executive Committee. The membership of the five main College committees are shown below:

Fellow	Date of appointment / resignation	Tutorial Board	Academic Committee	Academic Progress Committee	Executive Committee	Remuneration Committee
Dame Helen Ghosh (Master)		•	•	•	•	•
Prof Miguel Ballester		•				
Prof William Barford		•				
Prof James Belich						
Prof Martin Burton						
Dr Daniel Butt		•		•		
Dr Coralía Cartis		•	•			
Dr Adam Caulton		•		•		
Prof Robin Choudhury						
Mr Richard Collier					•	•
Prof Martin Conway		•				
Prof Edith Elkind					•	
Prof Timothy Endicott		•				
Prof Robert Field	Retired 30 September 2019	•				
Mr James Forder		•			•	
Prof Brian Foster						
Dr John-Paul Ghobrial		•	•			

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Year ended 31 July 2019

Fellow	Date of appointment / resignation	Tutorial Board	Academic Committee	Academic Progress Committee	Executive Committee	Remuneration Committee
Dr Helen Gittos		•				
Prof Sir Charles Godfray	Appointed 1 October 2019					
Prof Ian Goldin						
Prof Leslie Green						
Prof Freddie Hamdy						
Dr Sudhir Hazareesingh		•				
Prof P Howard						
Prof Andrew Hurrell						
Dr Alexander Kaiserman		•				
Dr Adrian Kelly		•		•		
Revd Canon Bruce Kinsey				•		
Dr Elizabeth Kiss	Appointed 1 December 2018					
Dr Grant Lamond		•			•	
Dr Elena Lombardi		•		•		
Prof Jason Lotay	Appointed 1 January 2019					
Dr David Lucas		•				•
Prof Andre Lukas		•		•		
Dr Sophie Marnette		•				
Prof Tom Melham		•			•	
Prof Chris Minkowski						
Dr Derek Moulton		•				
Prof Thomas Noe						
Mr Richard Norman						
Prof Dominic O'Brien		•			•	
Prof Dermot O'Hare		•	•	•		

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Fellow	Date of appointment / resignation	Tutorial Board	Academic Committee	Academic Progress Committee	Executive Committee	Remuneration Committee
Mr Richard Ovenden						
Dr Sandra Paoli						
Prof Seamus Perry		•				
Dr SM Peterson						
Dr Rachel Quarrell		•			•	
Dr Armin Reichold		•				
Dr Matthew Robinson		•				
Dr Sebastian Shimeld		•	•			•
Dr Simon Skinner		•		•		
Prof Adam Smyth		•	•			
Prof Jin-Chong Tan		•		•		
Prof Rosalind Thomas		•				
Prof Nick Trefethen					•	
Dr Nicola Trott			•	•	•	
Prof Peter Tufano						
Dr Lisa Walker		•	•			
Prof Stefano Zacchetti					•	
Prof Manuela Zaccolo		•			•	

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COLLEGE SENIOR STAFF

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

Dr Nicola Trott	Academic Registrar and Senior Tutor
Mr Richard Collier	Finance Bursar
Mrs Frances Wright	Domestic Bursar

COLLEGE ADVISERS

Investment managers

Commonfund Capital, Inc, 15 Old Danbury Road, P.O.Box 812, Wilton, CT, USA

Cordea Savills LLP, Lansdowne House, 57 Berkeley Square, London, W1J 6ER

Credit Suisse (UK) Limited, One Cabot Square, London. E14 4QJ

OU Endowment Management, King Charles House, Park End Street, Oxford OX1 1JD

Oxford Investment Partners, Towers Watson Ltd, 21 Tothill Street, London, SW1H 9LL

Partners Capital LLP, 5th Floor, 5 Young Street, London, W8 5EH

Ruffer LLP, 80 Victoria Street, London. SW1E 5JL

Vanguard Asset Management Ltd, 4th Floor, The Walbrook Building, 25 Walbrook, London, EC4N 8AF

Independent auditors

Crowe UK LLP, Aquis House, 49-51 Blagrove Street, Reading, RG1 1PL

Bankers

HSBC Bank Plc, Hanborough House, Wallbrook Court, North Hinksey Lane, Oxford. OX2 0QS

Solicitors

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

College address

Balliol College, Broad Street, Oxford, OX1 3BJ

Website

www.balliol.ox.ac.uk

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Report of the Governing Body

Year ended 31 July 2019

OBJECTIVES AND ACTIVITIES

Charitable objects and aims

The College's objects are to advance education, religion, learning and research, and to be a College within the University of Oxford.

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 provide for members of the University of Oxford a college wherein they may participate in the educational facilities offered by, and study for degrees in, the University of Oxford.
- To do all such other things as are incidental or conducive to advancing education, learning and research in Oxford or elsewhere.
- The aims set for the College's subsidiary are to help finance the achievement of the College's aims as above.

Activities and objectives of the College

The College exists to advance education at both undergraduate and graduate levels; to facilitate and to encourage scholarship and research at the very highest levels; to promote excellence in learning; to maintain a chapel and chaplaincy, and to serve as patron to its numerous livings.

Public benefit

The College remains committed to the aim 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.

Education and learning

The College draws on its endowments and other income to provide undergraduate education in a wide range of subjects, within the context of the University of Oxford, to students recruited to the College on the basis of their academic record and promise. Balliol employs Tutors and Lecturers to teach and advise them; administrative and welfare staff to support them; and offers an array of academic and other educational facilities, including a Library, musical and theatrical spaces, diverse sporting facilities, and multiple environments for recreation, reflection, self-improvement, and debate. Graduate students have access to the same College facilities and services. To advance the education of its students the College offers a wide range of bursaries and scholarships, many established by endowment, and operates a generous programme of hardship grants, awarded on the basis of financial need by a Student Finance Committee. The oldest college in continuous existence on the same site in the University of Oxford, Balliol occupies a beautiful and historic site in the middle of the city with buildings dating from the fifteenth century. The College is normally open daily to the public, with access to the grounds and (as practicable) to the main public spaces. A brief history to the College is available to visitors.

Numerous Balliol events are also open to the public, including services in Chapel, occasional lectures and talks, and, every Sunday evening during term a concert in the College Hall, continuing a tradition of Balliol concerts that began in 1885. Balliol has long sought to make a contribution to the wider educational world. It appoints (normally from among its Fellowship) a representative on the Court of the University of Bristol; Trustees to Blundell's School and to Ludlow College; Trustees to the Keith Rae Trust; Trustees to the Balliol Society (which supports the College's charitable activities); Trustees to the Balliol Educational Trust; and Trustees to the Chalet Trust.

Research

The College materially supports the research of its academic staff by a programme of sabbatical leave from tutorial duties, and by making available reasonable funds to support academic pursuits, and to subsidise research and publication (Statutes VIII.5). The Balliol Interdisciplinary Institute ("BII") was established in

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September 2010 to cultivate and support interdisciplinary research, straddling the humanities, the social sciences and the physical and medical sciences. The Institute gives senior members and graduate students the opportunity to propose and develop advanced research that requires contributions from more than one discipline.

At its annex in Holywell Manor, the College offers an academically stimulating home to a large and international community of graduate research students, admitted to their courses from a distinguished application by the University of Oxford, and a large number of PGT students on taught graduate courses. Graduate supervision is frequently undertaken by Fellows of the College. Holywell Manor offers a popular space for recreation, intellectual exchange, and debate.

The work of Balliol research students is additionally supported by a generous programme of graduate scholarships, many established by endowment, and the College makes numerous additional financial awards on the basis of unexpected hardship, administered by its Student Finance Committee. The College contributes to the research activity of the University by (for example) hosting the Oxford Internet Institute, and by administering the Numata Fund which supports Buddhist studies in Oxford.

The College has large and distinguished research collections under its curatorship, which it is pleased to make as fully available as possible. Its extensive collections of medieval and modern literary, political, and scientific papers are cared for in its specially constructed Historic Collections Centre at St Cross, Holywell. The Centre also houses the College's extensive Archives, a valuable source for historians of the nation as well as of Balliol and the University of Oxford. The College also cares for numerous paintings, especially portraits of former members; some pieces of silver, also mostly commemorative; and various objets d'art. The College has published several catalogues of its diverse holdings, in print and latterly on-line, and cataloguing continues. Bona fide researchers, including interested members of the public, are welcome to consult material in the College's care by appointment. The College has a liberal policy of lending items to exhibitions upon request.

Numerous scholarly projects have come to fruition with the College's ready collaboration, including (among others) editions of several medieval texts, editions of the poets Browning, Arnold, Clough, and Hopkins, and many other books and articles that demonstrate Balliol's ambitions to facilitate and extend scholarship and learning.

Religion

The College maintains a Chaplaincy by Statute (VII.8), the Chaplain normally being a resident Fellow of the College. The Chapel offers services throughout the academic term which are open to the public. The College retains its position as Patron of twenty livings across England, a role which it assumes with proper diligence and care, keeping in close and supportive contact with its parishes, welcoming their representatives periodically to the College, and offering assistance in their activities as requested.

FUTURE PLANS

The core elements of the College's future plans are as follows;

- To continue its principal activity to provide, promote and engage in education, learning and research.
- To continue those activities which support the public benefit aims.
- To improve the quality of all its provisions made by the College to its students, Fellows and others.
- To conduct development activities in order to secure the long-term future of the College.

As part of the College's plans to improve the quality of its provisions made to its students, construction has commenced of over 200 study bedrooms for students on the Master's Field. Approximately 140 of these rooms will be in addition to the number currently available allowing Balliol to offer accommodation to all its undergraduates for all their time at Oxford.

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ACHIEVEMENTS AND PERFORMANCE

Selected highlights of the 2018/19 year

A year-long redecoration of the Master's Lodgings - the final phase of which has taken in the College Office, freshly painted for the first time in decades - is drawing to a conclusion. During this period, we have completed one block of the Master's Field Project, refurbished the JCR, and conserved and re-installed a stained-glass window in the Chapel. The Porters' Lodge is the next area of the main site targeted for improvement and we are now well into the second half of a ten-year programme of refurbishments.



Exterior of Block A at the Master's Field, the first of ten blocks to be completed as part of the development. Photograph by Rob Judges.

Along similarly refreshing and refurbishing lines, the Master and Fellows have recently held a series of 'consilia' - single-issue governing body meetings - to discuss academic strategy, for the medium and longer term. Having spent much time in recent years on the Master's Field and other capital assets, it was a welcome change to focus specifically on people, on academic subjects, and on intellectual resources. We are part-way through a review of our programme for early career academics. We have committed to electing new Honorary Fellows, in pride of whose achievements we hope to reflect something of the range of our old membership. There has been some overlap in our discussion of academic strategy for undergraduates with the business of a newly formed Access & Equality Working Group, on which student members (graduate and undergraduate) are in the majority: one outcome is that we have taken steps to address our historic gender imbalance (making necessarily small but we hope effective shifts in order to attract more applications from women). Another is that we have decided to bolster our single-Tutor subjects, by seeking to appoint a second Tutorial Fellow in both Biological Sciences and Computer Science. In the wake of various changes, we have also affirmed our commitment to Engineering Science as a 3-Tutor subject. All three of these undergraduate disciplines are as it happens areas of growth for the University at large, and we have had an immediate and enthusiastic endorsement by the relevant departments of the plan to expand in Biology, and will be going ahead with that proposal at the start of the next academic year. These are the investments we think are necessary to keep pace in these fields, as also with the other admitting colleges, and with the access schemes - developed in colleges and now being embraced by the University - to increase the diversity of its intake from UK applicants. A big stride in that same direction for Balliol is that we have agreed to join forces with the first set of colleges to participate in the Opportunity Oxford programme, aimed at attracting and retaining those who come to us from under-represented backgrounds. (Measures of how we are doing can be found in the second of the now annual university-wide Admissions Statistical Report.)

This is but one of the many, often collaborative, ways in which we are further developing our outreach to schools and students, academies and teachers, from running our own Floreat access programme for Year 12s to contributing to the digital outreach portal Oxplore, for which this past year Balliol students have made a video and joined an online event, to putting on a women-only PPE Taster Day (a first for us, devised to take on the challenge we face from the relative dearth of female applicants to one of Oxford's key degree courses). That last occasion was planned with a significant anniversary in mind. In September

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we are proud to be hosting Balliol women to a '40 Years On' event - the 40 in question marking the time since the College went mixed at undergraduate level - and by a curious, almost uncanny, coincidence, in this anniversary year we have for the first time ever made a (slight) majority of our offers of undergraduate places to women. One visible sign of this historic moment is that the alumnae who come back in September will see a change to the line-up of pictures in Hall, the route to the re-hang having been led, most ably and appropriately, by a new portrait of Professor Frances Kirwan (1981) DBE FRS, Tutorial Fellow in Mathematics 1986-2017 and now the first woman (and fourth Balliolian) Savilian Professor of Geometry.



Portrait of Professor Frances C. Kirwan DBE FRS (Emeritus Fellow)
by Nina Mae Fowler, oil on canvas.

The year has not just looked unreflectingly forward, then. Attention has been paid to the history of the College and, on a memorable occasion recently, the history of History itself, or rather its quintessentially Balliol incarnation, in the shape of former Fellows Cobb and Keen. But, as our previous Master Andrew Graham has reminded us, this history can also be bang up-to-date, including as it does the founding role the College has had in the origins of the Oxford Internet Institute. And Balliol's past is itself a matter for contemporary debate. A piece written by the current Master in consultation with a number of Fellows explores the College's multi-faceted and changing relationship with colonialism, and is to go online as the Balliol entry for an Oxford-wide project on this often hotly contested ground.

Meanwhile the College's social calendar has marked time in more light-hearted ways, with a Christmas Quiz in the Library, with the unexpected visit to the Garden Quad of the English rugby team, then in the midst of the Six Nations Championship, and with a June Ball, enjoyed by a 1,000 or so members and guests at the start of the first heatwave of the summer.

In Memoriam

The most significant memorial of the year was to commemorate, in a Service of Reconciliation in Chapel for Remembrance Sunday on 11 November 2018, the centenary of the Armistice. A parallel event was held in the College Library, where a display of First World War material was introduced with a reading by the Fellow Librarian. Nor did we forget World Holocaust Memorial Day, on Sunday 27 January, for which the Chapel held a service and heard an address by Foundation Fellow Dame Stephanie Shirley, herself a Kindertransportee. Our individual losses, several of which are acknowledged with obituaries in the Annual Record, included from the Fellowship those of Paul Streeten and Julia Hore. The memorial service for Julia, held in Chapel on 15 January 2019, at which the College was honoured to host her family and friends, brought together no fewer than four Masters past and present, a smattering of Senior Tutors, and many other Officers and Fellows of the College, chief among them the Revd Douglas Dupree, our former Chaplain, who had travelled from Florida to make the address that is included in the Record.

Academic appointments

The past year has seen the addition to the Fellowship of the Warden of Rhodes House (the latest in an almost unbroken run for Balliol, but the first woman to occupy the role), Professorial Fellow Elizabeth Kiss (1983); the Tutor in Mathematics to succeed Frances Kirwan, Professor Jason Lotay; Miriam Backens as a Career Development Fellow in Computer Science; Research Fellows in Astrophysics (Rehan Deen), Zoology

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(Nuno Faria), and Classical Indology (Aleksandra Restifo); the Visiting Fellows appointed to the George Eastman and John G Winant university professorships (Kenneth Suslick and Stephen Skowronek respectively), and the Visiting Fellows and Lecturers whom Balliol appoints with funds donated by, and now in memory of, Oliver Smithies (this year, Bruce Chapman, Mairi McLaughlin and Tehila Sasson). We were also glad to host Ruth Perry from MIT, who was on her second exchange visit to Balliol.

Sadly, in addition to having said goodbye to all our visitors, we end this academic year with the major loss, after 18 years at Balliol, of Robert Field, Lubbock Fellow and Professor of Engineering Science, who is retiring from his post as Tutor in Engineering. We regret also the departures of Scot Peterson from his Research Fellowship, held since 2016, and of Stefan Sienkiewicz, for five years a Career Development Fellow in Ancient Philosophy. Without meaning to be careless, we have been unfortunate enough to lose two CDFs in Computer Science in the course of the year: Ohad Kammar, to a position at Edinburgh, and Miriam Backens, after just two terms, to a permanent appointment at Birmingham. Finally, Gijsbert Werner, Research Fellow in the Sciences, has taken up a position at The Hague. We wish them all well.

Select honours and distinctions to Balliol Old Members:

It is not often that the Balliol year brings an accession, but May Day 2019 saw the occasion of the Japanese imperial transition, when our alumna and Honorary Fellow became Her Majesty The Empress Masako of Japan. To continue the regal theme, the Governing Body also congratulated those listed in both the New Year Honours -

Martin Taylor (1970), Vice Chairman of the Board, RTL Group and Member, Financial Policy Committee: Commander of the British Empire (CBE), for services to the economy;

Professor John Birney FRS (1992) (known as Ewan), Joint Director, European Bioinformatics Institute: Commander of the British Empire (CBE), for services to Computational Genomics and Leadership across the life sciences;

Professor John (Christopher) McCrudden (Junior Research Fellow in Law 1977-1980), Professor of Human Rights and Equality Law, Queen's University Belfast: Commander of the British Empire (CBE), for services to human rights law;

James Richardson (1985), Chief Economist, National Infrastructure Commission: Companion of the Order of the Bath (CB), for public service

- and the Queen's Birthday Honours 2019:

Professor Peter Donnelly, FRS FMedSci (1980 and Honorary Fellow), Chief Executive, Genomics plc, and Professor of Statistical Science, University of Oxford: Knighthood (Knight Bachelor), for services to the understanding of human genetics in disease (and we had already saluted Sir Peter for the successful financing of his data science company);

The Hon Sir Michael Burton, QC (1965), President, Investigatory Powers Tribunal: Knight Grand Cross of the Order of the British Empire (GBE), for services to the rule of law;

Ian Davis (1969), Chairman, Rolls-Royce Holdings plc: Knighthood (Knight Bachelor), for services to business;

Jane Edmondson (1979), Officer of the Order of the British Empire (OBE), for services to international development;

Daniel Snow (1998), Journalist, Historian and Presenter: Member of the Order of the British Empire (MBE), for services to history.

Also rare in the Balliol annals is the successful conclusion of a 25-year diplomatic mission: for United Nations mediator Matt Nimetz (1960) the ratification of the North Macedonia name agreement in January 2019 was the crowning achievement of a commission that began, under President Clinton, in 1994. Slightly less rare, though still remarkable, is the case of a former student becoming Prime Minister of the United Kingdom, but July 2019 has of course seen just that, with the appointment to that office of Boris

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Johnson (1983). In the cabinet reshuffle that has followed, two more alumni have taken up positions in the new government: Jo Johnson (1991) as Minister of State at the Departments for Education and for Business, Energy and Industrial Strategy, and Robin Walker (1997) as Parliamentary Under Secretary of State at the Office of the Secretary of State for Scotland. And, a notable first for the College, and one that arises as the Court approaches its tenth anniversary, the Right Honourable Lord Reed (1978 and Visitor of Balliol) has been appointed President of the Supreme Court of the United Kingdom.



Lord Reed. Photograph by Stuart Bebb.

Other recognitions of distinction to Balliol alumni we were pleased to applaud included: the appointment as a Member of the Order of Canada (CM), for his commitment as a public servant and educator who has enriched Canada's media landscape, of the Hon John F. Godfrey (1965); the Canadian Association of Former Parliamentarians' Lifetime Achievement Award to the Hon Bob Rae (1969); the election as a Fellow of the Royal Society of New Zealand of Professor David Williams (1969); the Royal Society Mullard Award to Professor Hagan Bayley FRS (1970 and Honorary Fellow); the Royal Academy of Engineering's Silver Medal to Professor Paul Newman (1991) 'for an outstanding personal contribution to UK engineering'; the Nigerian Healthcare Excellence Award (NHEA) for Life Time Achievement to Emeritus Professor Oladapo Olujimi Akinkugbe (1962 and Honorary Fellow); the appointment of Tamara Finkelstein (1986) as Permanent Secretary at Defra, where she succeeds fellow-alumna Clare Moriarty (1982); the Alistair Horne Visiting Fellowship at St Antony's College, Oxford, awarded to Farrah Jarral (2000); the appointment of Hayley Hooper (2008) as Fellow, Tutor in Law and Associate Professor in Law at Harris Manchester College, Oxford; the University of Sydney appointments for Balliol alumni Tim Soutphommasane (2004) - as the university's first Professor of Practice (Sociology and Political Theory) - and Dr Frances Flanagan (2005), as a Postdoctoral Fellow; and the NERC Impact Award runner-up prize awarded to Professor Paul Williams (1995).



Farrah Jarral. Photograph by Johanna Hayward (2000)

Not a small part of the pleasure we take in congratulating Old Members lies in the sheer variety, as well as scale, of their accomplishments: in the past twelve months, Martin Edwards (1974) has won the Crime Writers' Association Dagger in the Library award, Joey Goldman (2012) and George Corfield (2011)

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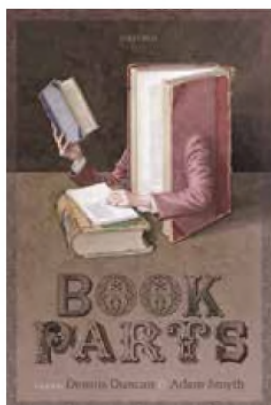
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have won the final of BBC2's Only Connect (29 April 2019) - the same Joey who captained Balliol to victory in the 2016-17 University Challenge - and Chris Beeley (1997) has won bronze medals in both the 5k and 1500m at the 2018 British Transplant Games. Kieran Hodgson (2006) even managed to pull off a comedy performance about Brexit at the Edinburgh Fringe - with Ted Heath (1935) as a sidekick.

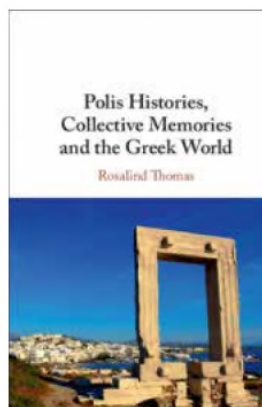
Among the former Fellows who have enjoyed success this past year are Professor David Wallace (quondam Tutorial Fellow), appointed to the A.W. Mellon Chair in History and Philosophy of Science and in Philosophy, at Pittsburgh; Tom Douglas (previously a Junior Research Fellow), awarded an ERC Consolidator Grant, and Jonathan Meakins (erstwhile Nuffield Professor of Surgery and Professorial Fellow), recipient of an honorary degree from Western University, Canada.

Select honours and distinctions to current Balliol Fellows and tutors:

It is not quite an imperial transition, but the annual changeover of Proctors as senior officers of the University is attended by a certain amount of ceremony, and this year it was Balliol's turn to witness the admission of Professor Sophie Marnette, Dervorguilla Fellow and Tutor in French, as Junior Proctor, in the Sheldonian Theatre, on 13 March 2019. Richard Ovenden, Bodley's Librarian and Professorial Fellow, joined those of our alumni listed in the Queen's Birthday Honours, receiving an OBE for services to libraries and archives. In the course of the year, we were proud to learn that two early career Fellows, Adam Nahum (2002) and Ohad Kammar, had been appointed University Research Fellows at the Royal Society, Ohad also going on to receive a Distinguished Paper Award; that Nick Trefethen, Professor of Numerical Analysis and Professorial Fellow, was awarded honorary degrees by both the University of Fribourg and the University of Stellenbosch; and that Vicky Neale, Whitehead Lecturer in Mathematics and Supernumerary Fellow, won a Suffrage Science award. Vicky's latest exploit has been to join the Big Internet Math-Off 2019. Major achievements in their respective fields were chalked up by Professor Dermot O'Hare (1978), SCG Fellow and Tutor in Inorganic Chemistry, who with the University signed a new seven-year agreement for the SCG-Oxford Centre of Excellence for Chemistry, of which he is founder; by Professors David Lucas and Dominic O'Brien, who are Leader and Co-director respectively of sections of the Technology Hub now centred on Oxford which is seeking to meet the enormous and enormously complex challenge of quantum computing; by Professor Adam Smyth, A.C. Bradley-J.C. Maxwell Fellow and Tutor in English Literature, who brought out two publications in one year, an edited collection of Book Parts and an intriguing collage work 13 March 1911 based around the date of his grandfather's birth; and by Professor Rosalind Thomas, Dyson-Macgregor Fellow, Jowett Lecturer and Tutor in Ancient History, who launched her most recent work of scholarship, Polis Histories, Collective Memories and the Greek World (CUP, 2019) at a College party on 25 April. The published output of Fellows ranged as widely as the woes of Emmanuel Macron (Sudhir Hazareesingh (1981), in the TLS) and the vibrational communication of courting planthoppers (Alice Cicirello, in PLOS Biology).



New books by Rosalind Thomas and Adam Smyth.



Balliol College

Report of the Governing Body

Year ended 31 July 2019

Select achievements of Balliol students

Every year the College helps many students on their way to doing projects, near and far, academic and non-academic, for a multitude of different purposes. Last year we made 160 grants totalling £50,465.75. We also had a number of pleasant surprises in the educational activities of our undergraduates, as, for instance, prizes to Jesse Sigal, for a functional programming paper, and to Andreea-Maria Oncescu (Engineer and Lubbock Scholar), at a poster competition held during the 45th Maurice Lubbock Memorial Lecture on 22 May 2019. Another undergraduate Engineer, Arman Karshenas, won Best Therapeutics Project award and a gold medal with an Oxford team in the International Genetically Engineered Machine competition; and Stefan Constantin-Buliga represented Oxford University in the world finals of the International Collegiate Programming Contest 2019. Balliol graduates also took home plenty of honours. Second-year BPhil Philosophy student Maya Krishnan landed that most coveted of Oxford prizes, election to a Fellowship by Examination at All Souls. DPhil candidate Andrey Levitskiy of the Faculty of Medieval and Modern Languages gained a Vice-Chancellor's Public Engagement with Research Award. A best poster prize went to doctoral Engineer Barbara Souza. And Law graduate Talita de Souza Dias was awarded the Journal of International Criminal Justice Prize 2018.



DPhil student Andrey Levitskiy (right) with Professor Patrick Grant, Pro-Vice-Chancellor (Research) of the University of Oxford, receiving a Vice-Chancellor's Public Engagement with Research Award, in the Early Career Researcher category. Photograph by Joe Singh, snaprockandpop.

Away from the library, the lab and the laptop, competitive sport and mind sport saw Balliol students rowing, and playing chess, football and rugby, at inter-collegiate and Varsity level. Preparations for this year's Summer Eights were captured in this Boat Club video. But our Floreat and Cadle Fund grants show that the full range of sporting and cultural recreation extends to dozens of different interests. These are valuable for themselves but also for their contribution to the all-round health and wellbeing of the Balliol community, which we have been actively trying to promote and enhance.

Donor relations

Gifts large and small have been gratefully received. The College's Impact Report 2019, though it necessarily covers giving in the previous year, shows how vital these are. The twelve current students who took part in the spring telethon at the end of Hilary Term 2019 were delighted to speak to hundreds of Old Members, and over 130 gifts were made. And on 14 May the Master welcomed alumni and friends to the beautiful Leathersellers' Hall in London for the inaugural 1263 Circle drinks reception. With thanks to our donors, Floreat Domus.

Donations and legacies received in the year amounted to £11m (2018: £2m) given by 2,630 donors (2018: 2,293) of whom the vast majority were past or present Balliol members. The College's approach to fundraising is in accordance with its charitable objectives. It employs staff on permanent and temporary contracts to build and deepen relationships with prospective donors and subsequently to solicit donations. No professional third-party agencies were employed to directly solicit donations. Through regular staff training, including with current students who participate in telephone fundraising campaigns as temporary employees, the College ensures it protects vulnerable people and others from unreasonable intrusion,

persistent approaches or undue pressure to give, in the course of or in connection with fundraising for the charity.

The College adheres to the Fundraising Regulator's Code of Fundraising Practice (as amended) and has adopted and published policies on matters including gift acceptance; fundraising from and working with vulnerable people; and data protection. These policies are reviewed annually by the College's Development Committee, which is chaired by the Master and meets termly to govern fundraising practice, including the oversight of formal complaints of which none were received this year (2018: none).

FINANCIAL REVIEW

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 subsidiary at the year-end amounted to £151m (2018: £139m). This includes endowment capital of £126m and unspent restricted income funds totalling £3m. Free reserves at the year-end amounted to £8m (2018: £3m), representing retained unrestricted income reserves excluding an amount of £23m for the book value of tangible fixed assets funds (less allocated bond funding associated with the assets under construction) and the pension funding agreement reserve.

Risk management

The College has on-going processes which operated throughout the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiary in undertaking their activities. The College considers its principal risks to be the health and safety risks in operating a large site, the protection of sensitive data and the recruitment and retention of high calibre staff. 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. Financial risks are assessed by the Executive Committee and investment risks are monitored by the Investment Committee. Training courses and other forms of career development are available to members of staff to enhance their skills in risk-related areas.

The Governing Body, 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.

Investment policy, objectives and performance

The Investment Committee continues to review the strategy that the College has put in place: generation of income, risk reduction, diversification and the building of returns which reflect Balliol's financial requirements, and which has been revised with external investment consultants Lane, Clark & Peacock.

To meet these objectives the College's investments are managed on a total return basis, maintaining diversification across a range of asset classes in order to produce an appropriate balance between risk and return. Under the total return accounting basis, it is the Governing Body's policy to extract as income 3.5% of the value of the endowment. However to smooth and moderate the amounts withdrawn this 3.5% is calculated on the weighted and indexed average of the endowment over a four year period using the value as at the 31 March each year.

In December 2015 the College issued a private placement bond to fund the development of additional student accommodation around the Mater's Field. The placement, of £35m, at a fixed rate of 3.37% for a period of 45 years, was invested in low-risk investments with the aim of drawing down capital when the funds are required for the project.

Balliol College

Report of the Governing Body

Year ended 31 July 2019

The College's invested assets, generated a total gross return during the year to 31 July 2019 of 6.5% (2018: 9%). The greater part of the endowment is invested in well-diversified holdings in the capital markets; 24% is in a multi-asset class portfolio with Partners Capital, 20% is held with Oxford University Endowment Management, 20% in low-cost equity trackers with Vanguard, 6% with Towers Watson, consisting largely of maturing private equity investments, 8% in UK property by means of units in the Charities Property Fund and 7% is held with an Absolute return manager, Ruffer, whilst 15% of the portfolio is invested with Credit Suisse to fund the construction project.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

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

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

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

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

Approved by the Governing Body on 13th November 2019 and signed on its behalf by:

Dame Helen Ghosh, Master.

Balliol College

Report of the Independent Auditor

Year ended 31 July 2019

Opinion

We have audited the financial statements of Balliol College for the year ended 31 July 2019 which comprise the Consolidated Statement of Financial Activities, Consolidated and College Balance Sheet, Consolidated 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 July 2019 and of the group's incoming resources and application of resources, including its income and expenditure 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 group 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 group's or the parent 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.

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 by the parent charity; 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, 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 group's and the parent 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 151 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.

Use of our report

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.

Crowe U.K. LLP
Statutory Auditor
Reading
15 November 2019

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.

Balliol College

Statement of Principal Accounting Policies

Year ended 31 July 2019

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 subsidiary Balliol College Developments Limited. No separate SOFA or statement of cash flows have been presented for the College alone as currently permitted by FRS102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

A summary of the results and financial position of the charity and its subsidiary for the reporting year are set out in note 11.

1. 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.

2. Accounting judgments and estimation uncertainty

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

Recognition of legacies: Before legacies are recognised in the financial statements, the Governing Body has to exercise judgment 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.

Investments: The investments held by the College are included at fair value. These valuations are based on information prepared by the relevant investment managers.

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.

Liability for the deficit recovery plans associated with multi-employer pension schemes: 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-

Balliol College

Statement of Principal Accounting Policies

Year ended 31 July 2019

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.

3. Basis of consolidation

The consolidated statement of financial activities, the consolidated balance sheet and the consolidated cash flow statement include the financial statements of the College and its subsidiary made up to 31 July 2019, using uniform accounting policies. Intra group transactions are eliminated fully on consolidation.

4. Investment in subsidiary undertakings

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the trustees when there has been an indication of potential impairment.

5. Incoming resources from fee income, Office for Students' support and other charges for services

Fees receivable, Office for Students support and charges for services and use of the premises, less any scholarships, bursaries or other allowances granted by the College, but including contributions received from restricted funds, are accounted for in the period in which the related service is provided.

6. Incoming resources from donations and legacies

Voluntary income is accounted for when the College has entitlement to the funds, the amount can be reliably quantified and receipt is probable.

Voluntary income received for the general purpose of the College is credited to unrestricted funds.

Voluntary income which is subject to specific wishes of the donor is 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 voluntary income is received otherwise than in cash, it is valued at the market value of the underlying assets received at the date of receipt.

7. Investment income

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

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

8. Expenditure

Expenditure is accounted for on an accruals basis. Indirect expenditure is apportioned to expenditure categories 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.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the College and its subsidiary are excluded from trading income and expenditure.

9. Tangible fixed assets

Major expenditure on the acquisition, construction or enhancement of land and buildings and expenditure on equipment costing more than £10,000 is capitalised and carried in the balance sheet at historical cost. The cost of tangible fixed assets is their purchase cost together with any incidental expenses of acquisition.

Balliol College

Statement of Principal Accounting Policies

Year ended 31 July 2019

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

10. 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 land and buildings, including major extensions	50 years
Building improvements	10 - 30 years
Kitchen equipment	5 years

A full year's depreciation is charged in year of purchase, unless the asset is under construction, in which case depreciation is charged from the month in which the asset is brought into economic use. Freehold land is not depreciated.

The costs of maintenance are charged in the Statement of Financial Activities in the period in which it is incurred.

11. Investments

Listed investments are valued at their mid-market values as at the balance sheet date. Investments such as hedge funds and private equity funds which have no readily identifiable market value are included at the most recent valuations from their respective managers.

Gains and losses arising on the investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

12. Stocks

Stocks are valued at the lower of cost and net realisable value, cost being the purchase price on a first in, first out basis.

13. Foreign currencies

Transactions denominated in foreign currencies during the year are translated at prevailing rates of exchange at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates applying at the Balance Sheet date or, where there are related forward foreign exchange contracts, at the contract rates. The resulting exchange differences are taken to the Statement of Financial Activities.

14. Total Return investment accounting

The College statutes authorise the College to adopt a 'total return' basis for the investment of its endowment. The College can invest its endowments without regard to the capital/income distinctions of trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year.

15. Fund accounting

The total funds of the College and its subsidiaries 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.

Balliol College

Statement of Principal Accounting Policies

Year ended 31 July 2019

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. Expendable endowment funds are similar to permanent endowment in that they have been given, or the College has determined based on the circumstances that they have been given, for the long term benefit of the College. However, the Governing Body may at their discretion determine to spend all or part of the capital. Any income arising from the capital will be accounted for as unrestricted funds unless the donor has placed restricted the use of that income, in which case it will be accounted for as a restricted fund.

16. Pension costs

The costs of retirement benefits provided to employees of the College through two multi-employer defined benefit pension schemes (the Universities Superannuation Scheme 'USS' and the University of Oxford Staff Pension Scheme 'OSPS') are accounted for as if these were defined contribution schemes in accordance with the requirements of FRS102. The College's contributions to these schemes are charged in the period in which the salaries to which the contributions relate are payable. Both schemes have agreed deficit funding plans in place to and a liability has been recognised based on assumptions on the increase in pay levels and changes in staff numbers.

17. Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as either financial assets or financial liabilities. The College and Group only have financial assets and liabilities that are classified as basic financial instruments. Most basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, which is not materially different to amortised cost.

The long-term bond, entered into in December 2015, is subsequently measured at amortised cost using the effective interest method.

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

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019 Total £'000	2018 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:						
Teaching, research and residential	1	6,206	-	-	6,206	5,842
Other trading income	3	1,717	-	-	1,717	2,043
Donations and legacies	2	6,888	1,300	2,370	10,558	2,267
Investments						
Investment income	4	348	-	2,278	2,626	2,463
Total return allocated to income	12	1,261	2,761	(4,022)	-	-
Other income		129	221	-	350	227
Total income		16,549	4,282	626	21,457	12,842
EXPENDITURE ON:						
Charitable activities:						
Teaching, research and residential		10,458	3,387	-	13,845	12,001
Raising funds:						
Fundraising		488	-	-	488	480
Trading expenditure		1,330	-	-	1,330	1,210
Total expenditure		12,276	3,387	-	15,663	13,691
Net (expenditure) / income before gains		4,273	895	626	5,794	(849)
Net gains on investments	10	682	-	5,915	6,597	7,889
Net (expenditure) / income		4,955	895	6,541	12,391	7,040
Transfers between funds	16	283	(283)	-	-	-
Net movement in funds for the year		5,238	612	6,541	12,391	7,040
Fund balances brought forward	16	17,856	2,331	119,127	139,314	132,274
Funds carried forward at 31 July		23,094	2,943	125,668	151,705	139,314

The notes on pages 27 to 43 are an integral part of these financial statements.

Balliol College
Consolidated and College Balance Sheets
As at 31 July 2019

	Note	2019 Group £'000	2018 Group £'000	2019 College £'000	2018 College £'000
FIXED ASSETS					
Tangible assets	9	41,160	23,045	41,160	23,045
Investments	10	139,176	149,014	139,176	149,014
Total fixed assets		180,336	172,059	180,336	172,059
CURRENT ASSETS					
Stocks		51	41	51	41
Debtors	13	7,316	1,184	7,536	1,438
Cash at bank and in hand		3,973	4,694	2,778	3,607
Total current assets		11,340	5,919	10,365	5,086
LIABILITIES					
Creditors: Amounts falling due within one year	14	2,850	2,475	2,025	1,792
NET CURRENT ASSETS		8,490	3,444	8,340	3,294
TOTAL ASSETS LESS CURRENT LIABILITIES		188,826	175,503	188,676	175,353
CREDITORS: Amounts falling due after more than one year	15	34,728	34,725	34,728	34,725
NET ASSETS BEFORE PENSION LIABILITY		154,098	140,778	153,948	140,628
Defined benefit pension scheme liability	21	2,393	1,464	2,393	1,464
TOTAL NET ASSETS		151,705	139,314	151,555	139,164
FUNDS OF THE COLLEGE					
Endowment funds	16	125,668	119,127	125,668	119,127
Restricted funds	16	2,943	2,331	2,943	2,331
Unrestricted funds					
Designated funds	16	15,170	15,246	15,170	15,246
General funds	16	10,317	4,074	10,167	3,924
Pension reserve	21	(2,393)	(1,464)	(2,393)	(1,464)
TOTAL FUNDS		151,705	139,314	151,555	139,164

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

Dame Helen Ghosh, Master

Richard H Collier, Finance Bursar

The notes on pages 27 to 43 are an integral part of these financial statements.

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

		2019	2018
	Note	£'000	£'000
Cashflows from operating activities:			
Net cash used in operating activities	23	<u>(2,327)</u>	<u>47</u>
Cash flows from investing activities			
Dividends and interest from investments		2,656	2,492
Purchase of property, plant and equipment		(19,316)	(8,702)
Proceeds from sale of investments		21,413	14,413
Purchase of investments		(5,517)	(7,860)
Net cash used in investing activities		<u>(764)</u>	<u>343</u>
Cash flows from financing activities			
Receipt of endowment		2,370	981
Net cash provided by financing activities		<u>2,370</u>	<u>981</u>
Change in cash and cash equivalents in the reporting year		<u>(721)</u>	<u>1,371</u>
Cash and cash equivalents at the beginning of the reporting year		4,694	3,323
Cash and cash equivalents at the end of the reporting year	24	<u>3,973</u>	<u>4,694</u>

The notes on pages 27 to 43 are an integral part of these financial statements.

Balliol College
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	1,807	1,828
Tuition fees - Overseas students	1,093	918
Other fees	-	15
Other HEFCE support	226	236
Other academic income	96	116
College residential income	2,984	2,729
	<u>6,206</u>	<u>5,842</u>
Total teaching, research and residential	<u>6,206</u>	<u>5,842</u>
Total income from charitable activities	<u>6,206</u>	<u>5,842</u>

The above analysis includes £3,124k received from the University of Oxford from publicly accountable funds under the CFF Scheme (2018: £2,899k).

Under the terms of the undergraduate student support package offered by the University of Oxford to students from lower income households, the College share of the fees waived amounted to £1k. These are not included in the fee income reported above.

2 DONATIONS AND LEGACIES

	2019	2018
	£'000	£'000
Donations and legacies		
Unrestricted funds	6,888	419
Restricted funds	1,300	867
Endowment funds	2,370	981
	<u>10,558</u>	<u>2,267</u>

3 OTHER TRADING INCOME

	2019	2018
	£'000	£'000
Conference, catering and trading income	1,717	2,043
	<u>1,717</u>	<u>2,043</u>

4 INVESTMENT INCOME

	2019	2018
	£'000	£'000
<i>Unrestricted funds</i>		
Bank interest	15	7
Other investment income	333	3
	<u>348</u>	<u>10</u>
<i>Endowment funds</i>		
Other investment income	2,278	2,453
	<u>2,278</u>	<u>2,453</u>
Total investment income	<u>2,626</u>	<u>2,463</u>

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

5 ANALYSIS OF EXPENDITURE	2019 £'000	2018 £'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	6,604	5,464
Other direct costs allocated to:		
Teaching, research and residential	3,994	3,573
Support and governance costs allocated to:		
Teaching, research and residential	3,247	2,964
Total charitable expenditure	13,845	12,001
Expenditure on raising funds		
Direct staff costs allocated to:		
Fundraising	324	296
Trading expenditure	1,075	876
Other direct costs allocated to:		
Fundraising	153	172
Trading expenditure	224	250
Support and governance costs allocated to:		
Fundraising	11	12
Trading expenditure	31	84
Total expenditure on raising funds	1,818	1,690
Total expenditure	15,663	13,691

The resources expended in 2018 represented £10,194k from unrestricted funds, £3,497k from restricted funds and £nil from endowment funds.

In July 2019, the University of Oxford's Council approved a policy to establish Scheme 7 of a contribution scheme under Statute XV. This is a contribution fund 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. As at 31 July 2019, it is probable that a contribution of £71k will be paid to the University of Oxford for this scheme. No charge was levied in the year ended 31 July 2018 as the scheme was not in operation in that financial year.

Foreign exchange gains of £28k (2018: £1k) are reflected in 'Other income'.

Balliol 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	34	651	685
IT	8	156	164
Depreciation	-	1,120	1,120
Loss/(profit) on fixed assets	-	81	81
Other finance charges	-	1,214	1,214
Governance costs	-	25	25
	42	3,247	3,289

	Generating Funds £'000	Teaching and Research £'000	2018 Total £'000
Financial administration	90	519	609
IT	6	116	122
Depreciation	-	965	965
Other finance charges	-	1,340	1,340
Governance costs	-	24	24
	96	2,964	3,060

Financial administration, IT and human resources costs are attributed according to the estimated staff time spent on each activity. Depreciation costs 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 type of work undertaken.

	2019 £'000	2018 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	25	24
	25	24

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 in note 20.

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

7	GRANTS AND AWARDS	2019	2018
		£'000	£'000

During the year the College funded research awards and bursaries to students from its restricted and unrestricted funds as follows:

Unrestricted funds

Grants to individuals:

Scholarships, prizes and grants	181	149
Bursaries and hardship awards	139	111
Total unrestricted	320	260

Restricted funds

Grants to individuals:

Scholarships, prizes and grants	977	766
Bursaries and hardship awards	113	96
Total restricted	1,090	862

Total grants and awards

1,410	1,122
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The above costs are included within expenditure on charitable activities.

Included within the above is the cost to the College of the Oxford Bursary scheme. The College paid £92k in relation to this scheme in the year (2018: £93k).

8	STAFF COSTS	2019	2018
		£'000	£'000

The aggregate staff costs for the year were as follows.

Salaries and wages	6,377	5,825
Social security costs	516	482
Pension costs: Defined benefit schemes	1,694	805
Pension costs: Defined contribution schemes	66	-
	8,653	7,112

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

	2019	2018
	Number	Number
Tuition and research	28	28
College residential	109	104
Fundraising	8	6
Support	10	14
Total	155	152

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

	2019	2018
	Number	Number
Associate Professor Tutorial Fellow (University)	20	21
Associate Professor Tutorial Fellow (College)	14	10
Other teaching and research	2	8
Other	6	5
Total	42	44

The following information relates to the employees of the College, excluding the College Trustees. Details of the remuneration of the College Trustees is disclosed in note 20.

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

£60,001-£70,000	3	3
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The number of the above employees with retirement benefits accruing was as follows:

In defined benefit schemes	3	3
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Details of the pension schemes are included in Note 21.

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

9 TANGIBLE ASSETS	Assets under the course of construction £'000	Freehold land, buildings and equipment £'000	Total £'000
Group and College			
Cost			
At start of year	9,997	19,820	29,817
Additions	18,427	889	19,316
Disposals	-	(645)	(645)
Assets brought into use	(13,988)	13,988	-
At end of year	14,436	34,052	48,488
Depreciation and impairment			
At start of year	-	6,772	6,772
Depreciation charge for the year	-	1,120	1,120
Depreciation on disposals	-	(564)	(564)
Impairment	-	-	-
At end of year	-	7,328	7,328
Net book value			
At end of year	14,436	26,724	41,160
At start of year	9,997	13,048	23,045

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.

Houses and flats belonging to the College are intrinsically linked to the College so it is not considered appropriate to give a separate valuation of these properties.

A construction project involving the development of student rooms on the Master's Field site is ongoing. As individual blocks are brought into use the cost of the relevant blocks are transferred from 'assets under construction' to 'Freehold land and buildings' and are depreciated in accordance with the estimated useful economic life of the buildings.

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

10 INVESTMENTS

All investments are held at fair value.

	2019	2018
	£'000	£'000
Group investments		
Valuation at start of year	149,014	148,954
New money invested	5,517	7,860
Amounts withdrawn	(21,952)	(15,689)
Increase in value of investments	6,597	7,889
Group investments at end of year	139,176	149,014
Investment in subsidiaries	-	-
College investments at end of year	139,176	149,014

Group investments comprise:	Held outside	Held in	2019	Held outside	Held in	2018
	the UK	the UK	Total	the UK	the UK	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Equity investments	24,935	728	25,663	23,133	1,226	24,359
Global multi-asset funds	14,758	5,376	20,134	12,582	5,216	17,798
Property funds	2,199	13,365	15,564	1,143	13,546	14,689
Fixed interest stocks	52,816	9,570	62,386	51,977	16,321	68,298
Alternative and other investments	7,777	2,707	10,484	7,428	2,235	9,663
Fixed term deposits and cash	2,392	2,553	4,945	1,687	12,520	14,207
Total group investments	104,877	34,299	139,176	97,950	51,064	149,014

11 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Balliol College Developments Limited (Company number 04495361), a company providing building contractor, conference and other event services on the College premises.

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

	Balliol College	Balliol College Developments Limited
	£'000	£'000
Income	21,457	19,547
Expenditure	(15,663)	(19,397)
Net gains / (losses) on investments	6,597	-
Result for the year	12,391	150
Total assets	190,701	1,430
Total liabilities	(39,146)	(1,280)
Net funds at the end of year	151,555	150

During the year Balliol College Developments Limited charged Balliol College £18,473k (2018: £6,657k) for the cost for the development for the Master's Field. Balliol College charged Balliol College Developments Limited £967k (2018: £1,227k) for the use of College facilities and the use of College staff for Balliol College Developments Limited's conference and catering activities. At the year end the amount owing to Balliol College by Balliol College Developments Limited was £456k (see note 13). (2018: £514k).

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

12 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns. The investment return to be applied as income is calculated as 3.5% of the weighted average of the value of the relevant investments as at 31 March in each of the last four years. The preserved (frozen) value of the invested endowment capital represents its open market value in 2012 together with all subsequent endowments valued at the date of gift.

	Permanent Endowment Unapplied	Expendable Endowment	Total Endowments
Trust for Investment	Total Return	Total	
£'000	£'000	£'000	£'000
At the beginning of the year:			
Gift component of the permanent endowment	1,462	-	1,462
Unapplied total return	-	435	435
Expendable endowment	-	-	117,230
Total Endowments	1,462	435	119,127
Movements in the reporting year:			
Gift of endowment funds	-	-	2,370
Investment return: total investment income	-	36	2,242
Investment return: realised and unrealised gains and losses	-	93	5,822
Other transfers	-	-	-
Total	-	129	10,434
Unapplied total return allocated to income in the reporting period	-	(63)	63
Expendable endowments transferred to income	-	-	(4,022)
	-	(63)	(3,959)
Net movements in reporting year	-	66	6,475
At end of the reporting year:			
Gift component of the permanent endowment	1,462	-	1,462
Unapplied total return	-	501	501
Expendable endowment	-	-	123,705
Total Endowments	1,462	501	125,668

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

13 DEBTORS

	2019	2018	2019	2018
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	196	354	134	285
Amounts owed by College members	146	153	146	153
Amounts owed by Group undertakings	-	-	456	514
Prepayments and accrued income	6,800	486	6,800	486
Other debtors	174	191	-	-
	<u>7,316</u>	<u>1,184</u>	<u>7,536</u>	<u>1,438</u>

14 CREDITORS: Amounts falling due within one year

	2019	2018	2019	2018
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Trade creditors	420	783	297	242
Amounts owed to College members	250	125	250	125
Taxation and social security	238	134	238	235
College contribution	76	-	76	-
Accruals and deferred income	1,043	662	341	419
Other creditors	823	771	823	771
	<u>2,850</u>	<u>2,475</u>	<u>2,025</u>	<u>1,792</u>

15 CREDITORS: falling due after more than one year

	2019	2018	2019	2018
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bond notes	34,728	34,725	34,728	34,725
	<u>34,728</u>	<u>34,725</u>	<u>34,728</u>	<u>34,725</u>

In December 2015 the College entered into an unsecured note purchase agreement for £35m at a fixed rate of 3.37% with interest being payable half-yearly. The notes are due for repayment after 45 years, in December 2060.

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

16 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						
War Memorial Fund 1919	1,897	36	-	(63)	93	1,963
Endowment Funds - Expendable						
General Fund	37,940	850	-	(1,261)	1,856	39,385
700th Anniversary Fund	12,146	228	-	(403)	592	12,563
Alfred Douglas Stone Fund	774	15	-	(26)	38	801
Andrew Graham Fellow in Economics	1,614	35	-	(54)	79	1,674
Asoke Kumar Sarkar Fell in Class Indol	1,310	25	-	(43)	63	1,355
Career Development Endowment Fund	2,144	302	-	(80)	117	2,483
Classics Fellowship Fund	3,163	99	-	(106)	156	3,312
Dervorguilla Fund	5,703	107	-	(189)	279	5,900
Dyson Fellowship in Greek Culture 1960	749	14	-	(25)	37	775
Endowment Fund 1904	2,917	54	-	(96)	142	3,017
Foley-Bejar Scholarship Fund	2,162	40	-	(71)	105	2,236
History Fellowships Fund	3,684	74	-	(122)	180	3,816
James Beeland Rogers Jr Endowment Fund	1,088	50	-	(37)	55	1,156
John Henry Jones Scholarship Fund	1,771	33	-	(59)	86	1,831
Jowett Centenary Fund	2,572	63	-	(88)	129	2,676
Jowett Fellowship Fund	959	18	-	(32)	47	992
JT Hamilton Legacy Fund	968	18	-	(32)	47	1,001
Leveson Gower Bequest 1979	755	14	-	(25)	37	781
Lilian Margaret Gregson Fund	894	21	-	(30)	44	929
Management Studies Fellowship Fund	1,085	20	-	(36)	54	1,123
Maurice Lubbock Memorial Fund	-	1,407	-	(46)	67	1,428
Mr Snell's Trust	876	16	-	(29)	43	906
Oxford Internet Institute Fund	4,147	77	-	(137)	202	4,289
Oxford-Rhodes-Balliol Scholarship	1,183	22	-	(39)	57	1,223
Roy Skinner Fund	1,207	22	-	(40)	59	1,248
Victor Hugo Fund 2008	714	13	-	(24)	35	738
War Memorial Appeal Fund 1947	1,004	19	-	(33)	49	1,039
William Westerman Fund	1,057	20	-	(35)	52	1,094
Yehan Numata Fund for Buddhist Studies	3,171	60	-	(105)	154	3,280
Other Fellowship funds	4,135	240	-	(142)	209	4,442
Other student support funds	9,464	241	-	(316)	464	9,853
Other purpose funds	5,874	395	-	(198)	288	6,359
Total Endowment Funds - Group and College	119,127	4,648	-	(4,022)	5,915	125,668
Restricted Funds						
Unspent income from Trust funds and restricted revenue gifts	2,327	1,311	(3,173)	2,441	-	2,906
Other operational funds	4	210	(214)	37	-	37
Total Restricted Funds - Group and College	2,331	1,521	(3,387)	2,478	-	2,943
Restricted funds held by subsidiaries	-	-	-	-	-	-
Total Restricted Funds - Group	2,331	1,521	(3,387)	2,478	-	2,943
Unrestricted Funds						
General	3,924	14,213	(10,272)	1,620	682	10,167
Fixed asset designated fund	15,246	-	-	(76)	-	15,170
Pension reserve	(1,464)	-	(929)	-	-	(2,393)
Total Unrestricted Funds - College	17,706	14,213	(11,201)	1,544	682	22,944
General	150	1,075	(1,075)	-	-	150
Total Unrestricted Funds - Group	17,856	15,288	(12,276)	1,544	682	23,094
Total Funds	139,314	21,457	(15,663)	-	6,597	151,705

The total return applied to income, as shown on the Consolidated Statement of Financial Activities under incoming resources, is included within the transfers column.

Balliol College
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17 FUNDS OF THE COLLEGE DETAILS

The following is a summary of the origins and purposes of each of the Funds. Only Funds which have a capital value in excess of £1m are separately identified.

Endowment Funds - Permanent:

War Memorial Fund 1920

Capital balance of past donations to the War Memorial Fund 1920 where the related income, but not the original capital, can be used for the restricted purpose of the charity

Endowment Funds - Expendable:

General Fund

Capital balance of a consolidation of past gifts, donations and bequests where related income, or income and capital, can be used for the restricted purpose of the charity

700th Anniversary Fund

Capital balance of the 1963 appeal to celebrate the 700th anniversary of the College

Alfred Douglas Stone Fund

Established in 2004 to support College expenditure on student financial aid

Andrew Graham Fellow in Economics

Established in 2011 to support College expenditure on a fellowship in economics

Asoke Kumar Sarkar Fellowship Fund

Established in 2014 to fund a research fellowship in Classical Indology

Career Development Endowment Fund

Established to support the costs of Career Development Fellows. During the year the James Irvine Fund was transferred into the Career Development Endowment Fund, as its purposes align with that Fund.

Classics Fellowship Fund

As a result of an appeal to support College expenditure on classics fellowships

Dervorguilla Fund

Capital balance of gifts and donations to the 1980's Lady Dervorguilla Appeal

Dyson Fellowship in Greek Culture 1960

Established to support the a Fellowship in Greek culture

Endowment Fund 1904

Capital balance of the endowment appeal of 1904

Foley-Bejar Scholarship Fund

Established in 2001 to support College expenditure on student financial aid

History Fellowships Fund

As a result of an appeal to support College expenditure on history fellowships

James Beeland Rogers Jr Schol Fund

Established in 1991 to support College expenditure on student financial aid

John Henry Jones Scholarship

Established in 2016 to support graduate scholarships

Jowett Centenary Fund

Capital balance of gifts and donations to the 1990's appeal to celebrate the Jowett centenary

Jowett Fellowship Fund

Established in 1907 to support College expenditure on fellowships

JT Hamilton Legacy Fund

Gift in 2004 to support College expenditure on student financial aid

Leveson Gower Bequest 1979

Established to support the study of Classics

Lilian Margaret Gregson Fund

From a gift to support students of the College

Management Studies Fellowship Fund

From a gift in 1996 for the support of management studies in the College and University

Maurice Lubbock Memorial Fund

To support Engineering and Management studies

Mr Snell's Trust

Established in 1677 to foster the connection between Glasgow and College

Oxford Internet Institute Fund

From a gift in 2001 to support the Oxford Internet Institute which is located in the College

Oxford-Rhodes-Balliol Scholarship

Established in 2017 to support graduate Rhodes scholars coming to the College

Roy Skinner Fund

From a gift in 2001 to support College expenditure on student financial aid

Victor Hugo Fund

Established to support a Fellowship in Modern Languages

War Memorial Appeal Fund 1947

As a result of an appeal in 1947 in memory of Balliol men who died during the War to support expenditure on scholarships and fellowships

William Westerman Fund

Established in 2010 to support the Pathfinder Programme for visits by students to North America and Australasia

Yehan Numata Fund for Buddhist Studies

Established in 1990 for the support of Buddhist studies in the College and University

Other Fellowship funds

A consolidation of various funds established for the support of fellowships

Other student support funds

A consolidation of various funds established for the support of student financial aid

Other purpose funds

A consolidation of various funds established for the support of College expenditure on the library, sport and the general academic purposes at the College

Restricted Funds:

Trust Funds accumulated balances

Accumulated cash balances of all the other Trust Funds held and administered by College

Other operational funds

Various cash balances held by College from restricted purpose gifts

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.

Balliol College
Notes to the financial statements
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18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019 Total £'000
Tangible fixed assets	41,160	-	-	41,160
Other investments	10,565	2,943	125,668	139,176
Net current assets	8,490	-	-	8,490
Long term liabilities and pension liability	(37,121)	-	-	(37,121)
	<u>23,094</u>	<u>2,943</u>	<u>125,668</u>	<u>151,705</u>

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2018 Total £'000
Tangible fixed assets	23,045	-	-	23,045
Other investments	27,556	2,331	119,127	149,014
Net current assets	3,444	-	-	3,444
Long term liabilities and pension liability	(36,189)	-	-	(36,189)
	<u>17,856</u>	<u>2,331</u>	<u>119,127</u>	<u>139,314</u>

19 FINANCIAL INSTRUMENTS

	2019 Group £'000	2018 Group £'000	2019 College £'000	2018 College £'000
Financial assets at fair value through Statement of Financial Activities:				
Fixed asset investments	139,176	149,014	139,176	149,014
Financial instruments that are debt instruments measured at settlement value:				
Trade debtors	196	354	134	285
Amounts owed by College members	146	153	146	153
Amounts owed by Group undertakings	-	-	456	514
Other debtors and accrued income	6,800	486	6,800	486
Financial liabilities measured at settlement value:				
Trade creditors	(420)	(783)	(297)	(242)
Amounts owed to College members	(250)	(125)	(250)	(125)
College contribution	(76)	-	(76)	-
Other creditors	(823)	(771)	(823)	(771)
Accruals	(1,043)	(662)	(341)	(419)
Financial liabilities measured at amortised cost:				
Bond notes	(34,728)	(34,725)	(34,728)	(34,725)
	<u>108,978</u>	<u>112,941</u>	<u>110,197</u>	<u>114,170</u>

The fair values of the assets held at fair value through the Statement of Financial Activities are determined using valuations provided by the relevant investment managers.

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20 TRUSTEES' REMUNERATION

The trustees of the college comprise the Governing Body, being Fellows who are teaching and research employees of the College, or Professorial Fellows with a College association, and who sit on the Governing Body by virtue of their employment or association with the College.

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.

Trustees of the college fall into the following categories:

Head of House
Professorial Fellow
Tutorial Fellow
Research Fellow
Non-Research Fellow

There are also four trustees who work on management and fundraising: the Head of House, Senior Tutor and Development Director, who all work full-time, and the Finance Bursar who is part-time.

Some trustees, particularly tutorial fellows, are eligible for college housing schemes. **Fourteen** trustees live in houses owned by the College. Fellows may be eligible for a housing allowance which is disclosed within the salary figures below. In addition, some trustees receive additional allowances for additional work carried out as part time college officers, e.g. Tutor for Admissions, Vice Masters. These amounts are included within the remuneration figures disclosed.

Some trustees, together with other employees, are eligible for private health insurance as part of their package of remuneration and all trustees may eat at common table, as can all other employees who are entitled to meals whilst working.

The College has a Remuneration Committee which makes recommendations to Governing Body on pay and benefits which are outside of external scales. The Remuneration Committee consists of both external and internal members. Its membership is disclosed in the Report of the Governing Body.

20 trustees (2018: 15 trustees) are not employees of the college and do not receive remuneration.

Other transactions with trustees

No trustee claimed expenses for any work performed in discharge of duties as a trustee

Additional information regarding trustees is included in the Related Party Transactions note.

Key management remuneration

The total remuneration paid to key management (Group and College) was £504k (2018: £354k).

Key management are considered to be the Head of House, Senior Tutor, Domestic Bursar, Development Director and Finance Bursar.

Balliol College
Notes to the financial statements
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20 TRUSTEES' REMUNERATION (continued)

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	20	-	15	-
£1,000-£1,999	1	1,138	1	1,497
£2,000-£2,999	1	7,098	-	-
£9,000-£9,999	-	-	1	9,440
£10,000-£10,999	-	-	1	10,606
£11,000-£11,999	1	11,684	3	34,698
£12,000-£12,999	8	96,918	2	25,128
£13,000-£13,999	-	-	4	52,708
£14,000-£14,999	-	-	-	-
£15,000-£15,999	-	-	1	15,704
£20,000-£20,999	2	41,288	1	20,503
£22,000-£22,999	-	-	2	45,452
£23,000-£23,999	-	-	1	23,736
£24,000-£24,999	-	-	1	24,774
£25,000-£25,999	2	50,270	1	25,557
£26,000-£26,999	4	106,098	1	26,567
£28,000-£28,999	-	-	1	28,335
£30,000-£31,999	1	30,937	1	30,000
£31,000-£31,999	1	31,920	-	-
£32,000-£32,999	-	-	1	32,738
£33,000-£33,999	-	-	1	33,413
£36,000-£36,999	1	36,808	1	36,854
£37,000-£37,999	2	74,459	-	-
£38,000-£38,999	-	-	1	38,628
£43,000-£43,999	-	-	1	43,267
£44,000-£44,999	-	-	1	44,118
£45,000-£45,999	2	90,722	1	45,777
£46,000-£46,999	1	46,330	2	93,201
£47,000-£47,999	-	-	1	47,837
£49,000-£49,999	2	99,750	-	-
£50,000-£50,999	-	-	2	101,324
£51,000-£51,999	1	51,008	1	51,079
£52,000-£52,999	1	52,281	-	-
£58,000-£58,999	1	58,083	2	117,239
£59,000-£59,999	2	119,208	1	59,410
£60,000-£61,999	1	60,748	-	-
£65,000-£65,999	1	65,673	-	-
£67,000-£67,999	-	-	1	67,873
£79,000-£79,999	1	79,657	-	-
£85,000-£85,999	-	-	1	85,775
£89,000-£89,999	2	179,029	2	178,733
£93,000-£93,999	-	-	1	93,830
£96,000-£96,999	-	-	1	96,848
£98,000-£98,999	1	98,370	-	-
£102,000-£102,999	1	102,834	-	-
£106,000-£106,999	-	-	1	106,779
£129,000-£129,999	1	129,250	-	-
Total	62	1,721,561	59	1,749,428

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Notes to the financial statements
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21 PENSION SCHEMES

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

As a result, the amount charged to the Statement of Financial Activities 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. In OSPS, the amount of any pension funding shortfall in respect of any withdrawing participating employer will be charged to that employer.

In addition, where there is an agreed deficit recovery plan, the College has recognised a liability for contributions payable for the agreed plan. The movement in this liability is charged or credited to the Statement of Financial Activities.

The College has made available a National Employment Savings Trust ('NEST'), a defined contribution scheme, 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.

Assumption	USS	OSPS
Date of valuation	31 March 2017	31 March 2016
Date valuation results published	28 January 2019	28 April 2017
Value of liabilities	£67.5bn	£661m
Value of assets	£60.0bn	£528m
Funding surplus/(deficit) (see notes a and b below)	(£7.5bn)	(£133m)
Principal assumptions:		
Investment return (see note c below)	CPI - 0.53% to CPI - 1.32% pa	-
Rate of interest (periods up to retirement)	-	Gilts + 1.2% pa
Rate of interest (periods after retirement)	-	Gilts + 1.2% pa
Rate of increase in salaries (see note d below)	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 years	22.4 years
Assumed life expectancy at age 65 (females)	26.0 years	24.7 years
Funding ratios:		
Technical provisions basis	89%	80%
Statutory Pension Protection Fund basis	72%	67%
Buy-out' basis	48%	42%
Estimated FRS102 Total funding level	77%	82%
Recommended employer's contribution rate (as % pf pensionable salaries) (see notes e and f below)	18% increasing to 24.2% by 1 April 2020	23% decreasing to 19% from 1 August 2017
Effective date of next valuation	31 March 2018	31 March 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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Notes to the financial statements
For the year ended 31 July 2019

21 PENSION SCHEMES (continued)

- 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 University's future contribution commitment. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

USS scheme

Assumption	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%	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

OSPS scheme

Assumption	Change in assumption	Impact on OSPS technical provisions (from 80% funded at 31st March 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 FRS102, the College has recognised a liability for the contributions payable for the agreed deficit funding plans with both USS and OSPS. The principle assumptions used in these calculations are tabled below:

Assumption	USS	OSPS
Finish date for the deficit recovery plan	31st March 2034	30th June 2027
Average staff number increase	0-1%	0-2%
Average staff salary increase	2%	2%
Average discount rate over period	1.58%	1.58%
Effect of 0.5% change in discount rate	£68k	£16k
Effect of 1% change in staff growth	£133k	£47k

A provision of £2.4m has been made at 31 July 2019 (2018 - £1.5m) 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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21 PENSION SCHEMES (continued)

Pension charge for the year

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

	2019	2018
Scheme		
Universities Superannuation Scheme ('USS')	1,238	528
University of Oxford Staff Pension Scheme ('OSPS')	521	229
National Employment Savings Trust ('NEST')	1	-
	<u>1,759</u>	<u>757</u>

Included in other creditors and accruals are pension contributions payable of £nil (2018: £nil).

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 liability to corporation tax arises in the College's subsidiary company because the directors of this company 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.

23 RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019	2018
	Group	Group
	£'000	£'000
Net income / (expenditure) for the reporting year	12,391	7,040
Adjustments for the elimination of non-operating cash flows:		
Investment income	(2,626)	(2,463)
(Gains)/losses in investments	(6,597)	(7,889)
Endowment donations	(2,370)	(981)
Depreciation	1,120	965
Impairment of fixed assets	-	107
Loss on the disposal of fixed assets	81	-
(Increase) / decrease in stock	(10)	(7)
Decrease/ (increase) in debtors	(5,623)	3,536
Increase / (decrease) in creditors	1,307	(261)
Net cash (used in) / provide by operating activities	<u>(2,327)</u>	<u>47</u>

24 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019	2018
	£'000	£'000
Cash at bank and in hand	3,973	4,694
Total cash and cash equivalents	<u>3,973</u>	<u>4,694</u>

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

25 CAPITAL COMMITMENTS

During the financial year ending 31 July 2018, Balliol College Developments Limited entered into a contract for the development of additional student accommodation at the Master's Field site. At the year end the capital commitment amounted to £18m (2018: £36m).

26 RELATED PARTY TRANSACTIONS

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

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.

Two trustees had loans outstanding from the College of £150k under the Joint Equity Housing Scheme at the year end. The loans are repayable on the departure of the trustee from the College and are included in fixed asset investments. In addition, one trustee has a short term loan from the College for the development of a property. At the year end £8k (2018: £23k) was outstanding and is included in 'Amounts owed by College members'. Trustee loans are subject to interest charged by the College.

Nursery facilities are made available to Trustees for a fee on the same basis as other College staff.

27 CONTINGENT LIABILITIES

There are no contingent liabilities that require disclosure.

28 POST BALANCE SHEET EVENTS

As set out in the Principal Accounting Policies, the College accounts for its agreed contributions towards the deficit recovery plans for USS and OSPS. Discussions have been ongoing during the period in respect of the actuarial valuation of the USS scheme and the deficit recovery plan. Since the balance sheet date, a new Schedule of Contributions based on the 2018 actuarial valuation, has been agreed. If the new Scheme of Contributions had been agreed by or on 31 July 2019, the pension scheme provision in respect of the USS scheme would have amounted to £1,728k, £664k lower than the provision included in these financial statements.

This adjustment will be reflected in the College's Financial Statements for the year ended 31 July 2020.