



St Hugh's College

Annual Report and Financial Statements

Year ended 31 July 2020

ST HUGH'S COLLEGE
Annual Report and Financial Statements
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ST HUGH'S COLLEGE
Governing Body, Officers and Advisers
Year ended 31 July 2020

MEMBERS OF THE GOVERNING BODY

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

		Finance Committee	Investment Committee	Academic Committee	Risk Committee	Remuneration Committee
Dame Elish Angiolini (Principal)		•	•	•	•	
Professor A L Harris						
Professor A W Moore					•	
Professor G S Garnett						
Dr T M Kuhn						
Professor J T Chalker	Resigned as Trustee on 1 February 2020					
Professor K R Plunkett						
Professor M B Giles						
Professor J S Getzler			•			
Professor L L Wong						
Professor G A Stellardi				•		
Professor P J Mitchell						
Professor P D McDonald						
Mrs S J Vainker						
Professor S R Duncan						
Professor R K Westbrook		•		•	•	
Professor S Pařeta						
Professor R G Grainger						

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		Finance Committee	Investment Committee	Academic Committee	Risk Committee	Remuneration Committee
Professor C J Stevens						
Professor M R Macnair						
Professor C Wilson						
Professor T C B Rood				•		
Professor A Harnden						
Dr N E R Perkins				•		
Professor T C Powell						
Professor J Martin						
Professor C Capelli			•			
Professor D P Marshall		•				
Professor R Perera						
Mr P R C Marshall						
Professor E E Leach				•		
Professor G Loutzenhiser						
Professor S J Conway						
Professor P Blunsom	Resigned as Trustee on 31 October 2019					
Professor R Baker						
Professor E Mann		•				
Dr T Sanders		•				

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		Finance Committee	Investment Committee	Academic Committee	Risk Committee	Remuneration Committee
Ms V C Stott	Resigned 5 November 2019	•	•	•	•	
Dr J Parkin						
Professor EM Husband		•				
Professor C Ballentine						•
Professor D Biro						
Professor D Doyle						
Professor Eidenmüller						•
Professor Jérusalem						
Professor H Oberhauser						
Professor E Saupe						
Professor E Morisi				•		
Professor M McMahon			•			
Professor T D Cousins						
Professor R Cont		•		•		
Dr D F Taylor						
Professor B Kornmann				•		
Mr H W Myring	Started on 17 February 2020	•	•	•	•	

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

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External Committee Members		Finance Committee	Investment Committee	Academic Committee	Risk Committee	Remuneration Committee
Mr T P Roberts	Appointed 29 April 2015; Renewed 13 June 2018		•			
Mr J Digges	Appointed 29 April 2015; Renewed 13 June 2018		•			
Ms R Emerson	Appointed 13 June 2018		•			
Mrs J Lambert	Appointed 19 May 2015; Renewed 14 June 2017 Ended 30 September 2019					•
Dame Frances Cairncross	Appointed 1 April 2018					•
Dr T Power	Appointed 1 April 2018					•
Mr K Knott	Appointed 1 March 2020					•

COLLEGE SENIOR STAFF

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

Dame Elish Angiolini	Principal
Professor A Moore	Vice Principal
Ms V C Stott (until 5 November 2019)	Bursar
Mr K Knott (6 November 2020-16 February 2020)	Acting Bursar
Mr H W Myring (from 17 February 2020)	Bursar
Professor R Westbrook	Senior Tutor

Mr Jeremy Weeks	College Accountant
Mrs Sarah Carthew (until 31 March 2020)	Director of Development
Mr Bruce Lawrence (from 18 May 2020)	Director of Development
Mrs Rahele Mirnateghi	Domestic Bursar

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COLLEGE ADVISERS

Investment Managers BlackRock Advisors (UK) Limited Murray House 1 Royal Mint Court London EC3N 4HH	 Oxford University Endowment Management Limited King Charles House Park End Street Oxford OX1 1JD
Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU	
Bankers Barclays Bank PLC P O Box 299 Birmingham B1 3PF	
Auditors Critchleys Audit LLP Beaver House 23-38 Hythe Bridge Street Oxford OX1 2EP	

College Address

St Margaret's Road

Oxford

OX2 6LE

Website www.st-hughs.ox.ac.uk

ST HUGH'S COLLEGE
Report of the Governing Body
Year ended 31 July 2020

The members of the Governing Body present their Annual Report for the year ended 31 July 2020 under the Charities Act 2011 together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

St Hugh's College in the University of Oxford, which is known as St Hugh's, ("the College") is an eleemosynary chartered charitable corporation aggregate. The College was opened in 1886 by Miss Elizabeth Wordsworth under the title of St Hugh's Hall as a society for women students to study for Oxford examinations. The College registered with the Charities Commission on 6th January 2011 (registered number 1139717).

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 1 to 5.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its Charter, Statutes and Bylaws dated 28 June 1926 and last amended in February 2018.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who was The Rt Hon Lord Brown of Eaton-under-Heywood, PC during the year 2019/20. The Governing Body is self-appointing, and has such powers as are conferred on it by the College's Charter and subject thereto and to the Statutes, has the entire direction and management of the affairs of the College.

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

Recruitment and training of members of the Governing Body

New members of the Governing Body are normally recruited through a joint appointment process with the University of Oxford in the case of academics, which includes open advertisement of the posts and a professional selection and appointment process. In the case of posts funded solely by the College, recruitment is also through open advertisement of the post followed by a professional selection and appointment process, including external representatives as appropriate. Recommendations of appointment panels in both cases are confirmed by paper vote at Governing Body. New members of the Governing Body are inducted into the workings of the College, including Governing Body policy and procedures, through meetings with the Principal, the Senior Tutor and the Bursar and the provision of a comprehensive set of reference documents. Trustee training is also provided by the University for new members of the Governing Body.

Remuneration of members of the Governing Body and Senior College Staff

Members of the Governing Body are primarily Fellows and are teaching and research employees of the College or University and they receive no remuneration or benefits from their trusteeship of the College. Those trustees that are also employees of the College including the Principal and Bursar receive remuneration for their work as employees of the College, which is based on the advice of the College's Remuneration Committee. The members of the College's Remuneration Committee are Fellows not in receipt of remuneration from the College

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and external advisors. Where possible, remuneration is set in line with that awarded through the national salary settlement for Higher Education.

The remuneration of senior College staff, with the exception of the Principal and Bursar, is set in accordance with the salary scale adopted for that purpose. The remuneration of the Principal and Bursar is set by the College's Remuneration Committee.

Organisational management

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 main Committees:

- The Finance Committee

Responsibility for advising the Governing Body on all matters of financial policy and practice, and in particular on the financial implications of any proposals under consideration; presenting annual statements of accounts for the preceding year; approval of budgets and review of monthly management accounts; annual review of all charges made by the College; review of policy relating to conferences; review of salaries for all College employees and others paid by the College.

- The Investment Committee

Responsibility for review and provision of advice to the Governing Body, through Finance Committee, on the investments of the College and the appropriate level of income drawdown.

- The Academic Committee

Responsibility for general planning in academic matters; the appropriateness of the existing establishment of Tutors and Lecturers to the current academic needs of the College; recommending the use of funds available for the purpose of research; presentation to the Governing Body of annual reports from Junior Research Fellows and Career Development Fellows; general responsibility for the supervision of studies.

- The Risk Committee

Responsibility for the review, monitoring and reporting of major risks to the College, and recommendation to the Governing Body of actions to mitigate those risks.

- The Remuneration Committee

Review and recommendation to the Governing Body through Finance Committee, of remuneration and conditions of employment of members of the Governing Body and advice to Finance Committee on the framework of pay and conditions of senior non-academic staff whose detailed pay and conditions are determined by the Principal and Bursar.

The day-to-day running of the College is delegated to the Principal, supported by the Bursar and the Senior Tutor.

Group structure and relationships

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

The College also has two wholly owned non-charitable subsidiaries: St Hugh's Conferences Limited, whose annual profits are donated to the College under the Gift Aid Scheme, and St Hugh's Estates Limited, which

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undertakes some of the College's building works. The trading activities of St Hugh's Conferences Limited primarily comprise revenue from the letting of the College facilities when not in use by the College. The subsidiaries' aims, objectives and achievements are covered in the relevant sections of this report.

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

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The College's Objects are:

- To provide for members of the University of Oxford the protection and training of an Academic House, conducted according to the principles of the Church of England, but with full provision for the liberty of those who are not members.
- To do all such other things as are incidental or conducive to advancing education, learning and research in Oxford or elsewhere

The Governing Body has considered the Charity Commission's guidance on public benefit. In keeping with its objects, the College admits as students those who have the highest potential to benefit from the education provided by the College and the University and recruits as academic staff those who are able to contribute most to the academic excellence of the College and University. In the case of both students and academic staff, recruitment is regardless of financial, social, religious or ethnic background.

The College's aims for the public benefit are:

- To advance education, learning and research, in particular by providing, in conjunction with the University of Oxford, an education for 424 undergraduate and 457 graduate students. This education is recognised internationally as being of the very highest standard and develops students academically, personally and socially, preparing them to play a full and effective role in society. In particular, the College provides:
 - teaching facilities and individual or small-group teaching, together with academic, pastoral and administrative support;
 - IT and other administrative support;
 - welfare services, including the availability of the Chaplain to assist every member of the College; and
 - residential, social, cultural, musical, recreational and sporting facilities to enable students to realise as much as possible of their academic and personal potential whilst studying at the College.
- To advance research by providing:
 - Official Fellowships, Career Development Fellowships, and Junior and Senior Research Fellowships to outstanding academics, to enable them to develop their research work and disseminate their research in the public domain; and
 - facilities and grants to assist with the pursuit of research, including grants for attendance at national and international academic conferences and assistance with the costs of research trips and research materials.

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There are no geographical restrictions to those who may benefit from the College's aims and objects. Students and academic staff of the College are drawn from across the UK and internationally;

There are no age restrictions in the College's objects but students of the College are predominantly between 18 and 24 years old; and

There are no religious restrictions in the College's objects and members of the College have a wide variety of faith traditions or none.

In order to raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to the College, the College operates an extensive outreach programme as part of University-wide initiatives to widen access. This programme is the responsibility of the Senior Tutor and includes an extensive programme of visits by schools and other groups to the College, open days, events for teachers, as well as visits to schools and guidance and information on the College website for prospective applicants.

St. Hugh's College is committed to anti-racist values and affirms this commitment in a spirit of humility, fully acknowledging that the College has to do far more to support and protect Black and all BAME students and staff. The College aims to address and eradicate racial discrimination and racial inequality in its many forms wherever it occurs within the College community.

The College has a Strategic Framework, which sets out its ambitions for growth under four categories (strategic goals). These are Academic Vision; Financial Sustainability; Heritage and Estate; and Community. Progress toward the goals set out in the Strategic Framework is monitored by the Governing Body.

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

Activities and Objectives of the College

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

The focus of the College is strongly academic and students need to satisfy high academic entry requirements.

In order to assist undergraduates entitled to financial support, the College provides, through a scheme operated in common with the University and other Colleges, bursary support for those of limited financial means. For the academic year 2018/19, the number of awards made was 96 including 19 Crankstart (formerly 'Moritz-Heyman') awards. The average value of the awards was £2,411. The scheme is approved by the Office of Fair Access and provides benefits at a substantially higher level than the minimum OFFA requirement.

To support the costs of graduate students, the College provides some financial support. This includes a number of scholarships to fund fees and living costs and 'top-up' funding to fill shortfalls in students' funding packages, and a grant scheme to assist with the purchase of books and equipment, attendance at conferences and travel grants. The total amount expended by the College in 2019/20 for this purpose was £105,353.

The College also makes awards for academic development and has various scholarships and prizes available to reward academic excellence. During the year the College awarded £24,144 to its Undergraduates.

In addition to its other programmes, the College operates a scheme for all students in financial hardship and provides access to hardship schemes operated by the University. For the academic year 2019/20 the College awarded £37,843 of hardship loans and grants and provided £95,086 of free vacation residence. A programme to encourage legacies to be made to the College is in place and annual fundraising campaigns focus on the provision of support for students suffering financial hardship.

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Value for Money

The Governing Body of St Hugh's College has considered the processes in place during the financial period ending 31 July 2020 and is satisfied that, with regard to public and publically accountable funds, the processes for achieving economy, efficiency and effectiveness were appropriate.

In making this confirmation, members of the Governing Body are cognisant of their obligations as Charity trustees to ensure that funds are correctly applied, in line with the objects of the College.

ACHIEVEMENTS AND PERFORMANCE

The COVID-19 pandemic has had a significant and far-reaching impact on all aspects of College life. When lockdown measures were announced by the Government, all students who were able to were advised to travel home, and the majority of staff stayed away from College. St Hugh's did not see the return of its student body for the remainder of the academic year and most of on-site activity ceased. The College operated with a skeleton staff servicing the site and supporting the small minority of students who remained.

During this significant period of upheaval St Hugh's adapted incredibly effectively to online teaching and remote working in order that it could continue to provide an extremely high level of education to undergraduate students and to offer an environment for research and teaching, alongside providing pastoral and administrative support for undergraduate students, graduate students, Fellows, lecturers and tutors.

Teaching and the normal academic function of the College moved fully online for Trinity Term 2020. Students and tutors adapted extraordinarily well to the considerable challenges: among them, video call tutorials and meetings, dealing with multiple time zones; reading lists of digital materials; the use of IT equipment to replace the white-board function; a digital and physical postal service from the Library; virtual Open Day videos; and remote examinations.

The Coronavirus pandemic continues into 2020/21 and the College will feel both the ongoing financial and societal impacts well beyond the next academic year, but it looks forward to welcoming back the student body for the new academic year and St Hugh's is reassured that it is able to adapt and change to the circumstances as they present themselves.

Degrees 2019-20

115 students completed undergraduate degrees; around 170 graduate students completed taught degrees and 29 completed research degrees.

Student Recruitment and Widening Participation

The College continues to work with schools and colleges to encourage able students to consider Oxford and St Hugh's. Tutors and current students work together with the College's Outreach Officer to visit schools and colleges and arrange visits to St Hugh's. This year we have been pleased with our progress in building relationships with hard-to-contact schools, and developing a multi-layered approach to outreach work. St Hugh's coordinates a broad range of outreach and recruitment activities to encourage applications from academically-able students from all backgrounds, particularly those traditionally under-represented at the University. Activities include three annual open days and visits to and from schools in the College's link region (Kent), featuring admissions talks, academic taster sessions and College tours. The College also continues to develop its collaborations with partners such as Target Oxbridge, The Brilliant Club, Oxford Pathways, and Universify, to broaden the scope of its outreach and recruitment activities. The College continues to work with 'Teach First', offering bursaries to St Hugh's students and alumni who join the programme and encouraging them to return to St Hugh's with their pupils.

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Early-Career Development

The College continues its drive to recruit early-career academics. This year, we recruited to the Mary R Emerson Career Development Fellowship in Engineering Science; the post, which includes an outreach element, will be filled from October 2020. The Development Office continues to raise funds to support further posts of this kind.

Research Environment

The College continues to provide funding and assistance to its Fellows to enable them to continue to produce world-class research, ranging from attendance at conference events to providing research assistance, periods of sabbatical leave for specific projects, and the opportunity to hold academic networking events in College. A seed-donation has enabled us to extend the range of these grants. This year also saw the first Belcher Visiting Fellow in Victorian Studies, Professor Martin Hewitt; the second Belcher Visiting Fellow will join the College in January 2021, and the three subsequent Visiting Fellows have already been secured.

Library

Although the Library was closed once Coronavirus lockdown restrictions were imposed, the Librarian continued to work closely with Fellows to strengthen and update the collection with relevant textbooks and other key works for undergraduate and graduate students. Some subject areas have seen an increase in spend due to the arrival of new Fellows.

Noteworthy progress has been made with the reclassification project and new refinements in the classification system have improved users' ease of access. The project is currently focussed on the Social Sciences section.

The Library continues to strive to improve its services for all students. The upgrade of the self-issue and security system was implemented in 2019/20 and enables the Library to provide enhanced book circulation and management as well as a much fuller service to readers.

When it reopens for the new academic year and providing the Government restrictions allow, the Library will continue to hosts termly exhibitions which are opportunities to showcase material from the archive and the rare books collection.

Chapel

The Chapel continues to provide for religious worship, and offers an opportunity for students to join its vibrant Choir. The Choir contains approximately twenty-five undergraduate, graduate, and staff singers each year, presenting a popular extracurricular activity, and a support to the Chapel's main services and events. A smaller Chapel Chamber Choir has recently been assembled, providing a well-trained sub-group of singers for special occasions.

A Chapel Music Tutor gives overall musical guidance, especially to our three Organ Scholars and four Choral Award holders. A professional voice teacher is in regular engagement with our singers.

The main Chapel services are Choral Evensongs, with guest speakers on Sunday evenings during Full Term at 6.15pm, followed by drinks and a meal in the Dining Hall. A wide variety of speakers visit us from the University, religious sectors, and the national media, drawing strong crowds.

Occasional services including Eucharists, Baptisms, and Weddings occur regularly. The largest single event of each academic year continues to be the annual Advent Carol service, which requires a move to Maplethorpe Hall for a capacity crowd.

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While the Chapel is historically a Church of England foundation, careful efforts to welcome and cater for all College constituents, regardless of viewpoint, continue to be given increasing attention. Services with the University Catholic Chaplaincy, and interfaith events with speakers from non-Christian religions take place each term. Interfaith services with Muslim, Jewish, and other religious communities have proven to be particularly popular, with substantial crowds in attendance who dine in College afterwards. A Multi-faith Prayer and Quiet Room exists to complement the Chapel, offering a space for those of any religious viewpoint or none an alternative room for prayer, contemplation, or healthy quiet time.

Recent popular additions to Chapel activities have included College fine artists' exhibitions and musical concerts. All financial gifts from weekly congregations are given to a different registered charity at the conclusion of each Term.

During the COVID-19 pandemic, which especially affected Trinity Term 2020, the Chapel quickly adapted and moved all of its usual services to pre-recorded online versions easily located on its dedicated Facebook page and YouTube channel.

Development

The College's development work, alumni engagement activities and events programme have been severely transformed and impacted due to the COVID-19 pandemic, associated travel restrictions and social distancing measures. Pre-pandemic, fundraising from our major donors and prospects overseas remained a priority for the Future Project until it was postponed earlier this year to be reviewed in one year's time. The November 2019 Direct Mail campaign raised a record amount of over £60,000 whilst the annual telethon, which raised over £170,000 last year, was cancelled this year due to the pandemic. In May, the College welcomed our new Director of Development following the departure of the previous Director in March. Despite the pandemic, the Development Team has continued to engage and fundraise from alumni and friends of the College with significant gifts having been received to support the Discretionary Fund, Chemistry and Modern Languages. We also received further instalments of donations to fund the Oxford University China Centre, the Fangda Law CDF, Graduate Scholarships and Outreach. The COVID-19 College Support Fund, launched in May, has raised over £33,000 from 183 donors.

Successful in-person events were held until March 2020 with the College hosting well-attended Reunion Dinners for those who matriculated between 1992-95 and 2002-05, in addition to annual events including the Jubilee Lunch, Law Society Dinner and Donors' Dinner. Other successes included the latest instalment of the Business Breakfast Series, the Bletchley Park Symposium co-organised with the Alumni Association Committee and visits to the Tutankhamun exhibition at the Saatchi Gallery and the 'Troy: myth and reality' exhibition at the British Museum. St Hugh's also held its latest regional event for alumni in York in February 2020. In-person events from April were cancelled or postponed due to COVID-19, including the Garden Party, and we do not plan on resuming in-person events for the remainder of 2020. As a result, we have moved our events programme online where possible and enhanced our online engagement and communications. We hosted our first 'Virtual' Afternoon Tea for Donors in July for a record number of attendees. We were also delighted that Professor Michael McMahon, Professor of Economics and Senior Research Fellow at St Hugh's, joined us to give an online lecture on 'Covid and the Economy' in July which was attended by over 170 alumni and friends, a record number for this format of event. Alumni have been kept informed about College news and online events through emails and increased activity on the College's social media accounts.

Conferences and Bed & Breakfast

The College's commercial activities started off successfully with a plan for increased revenue from Summer School contracts as well as repeat bookings. The budget forecast looked promising and as of March 2020 the College was not far from reaching its annual target. Unfortunately, due to the COVID-19 pandemic and

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subsequent Government restrictions, all of the commercial bookings for the remainder of the year were either cancelled or deferred. The Conference Team has been working hard to offer new dates to existing clients wherever possible. This will mostly be reflected in the 2020/21 Annual Report.

The College is hopeful that its strong core relationships with its clients will support future commercial income. The College is working hard to ensure that the College, as a community, continues to be as safe, warm and welcoming as ever and it continues to work hard towards its commercial sustainability and to welcoming guests and visitors once again, as and when allowed.

At this stage it is anticipated that conferences and events will take place again from Easter 2021 onwards. However, this will very much depend on Government restrictions that are in place and the needs of the College at any particular time.

Catering

The Catering department continues to deliver excellent quality meals for St Hugh's students, Fellows and staff, as well as for visitors. The feedback on service and quality continues to be positive with the Team looking to enhance the student experience wherever possible by working closely with the student representatives. The Wordsworth Tea Room continues to be very popular amongst College students and the China Centre staff.

The contract with a new food procurement agency has proved to be a great success in the first couple of years of the agreement and in light of this, the College has extended the contract for another couple of years. The first six months of 2019-2020, delivered over 5% savings on total food costs.

Unfortunately, due to the COVID-19 pandemic and the subsequent Government restrictions, all purchasing and service delivery of the Catering Department ceased. Instead, the focus has been to plan for the new academic year with adaptation around the catering outlets in order to be able to provide a safe environment for all our community that is in line with Government requirements and adapted for social distancing.

Strategy and Planning Horizon

The Governing Body has continued to keep operational and strategic plans under review. Prior to the impact of the COVID-19 pandemic, St Hugh's made good progress towards its long term target of retained surplus of 5% of income. However, the impact of the pandemic has been substantial on the College's finances and with uncertainty around its commercial activities, increases in pension contributions and other unavoidable core costs, the target was not achieved this year, and next year's budget suggests a significant deficit despite substantial savings being achieved. The budget round has seen managers propose tight financial controls in each of their areas, and the income targets for all discretionary income lines have been set to a stretch level. Establishing the financial recovery and returning to a sustainable surplus will be the target of future budget rounds and be a fundamental requirement of any future strategic plan.

The College's strategic and financial framework is due to be reviewed in the forthcoming year.

FINANCIAL REVIEW

Total income excluding donations decreased by £1.2m (2019: £0.9m increase).

Total expenditure has decreased by £1.7m (12%). £1m associated with the decrease in the provisions for the USS & OSPS pension schemes, and £0.7m due to reduced activities as a result of the COVID-19 pandemic.

Total bank borrowings reduced from £1.3m to £1m. The College had two loans from Barclays which are repayable by instalments of currently £0.26m per annum.

Reserves policy

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

Total funds of the College and its subsidiaries at the year-end amounted to £69.4m (2019: £73.4m). This includes endowment capital of £34.9m (2019: £39.1m) and unspent restricted income funds totalling £4.3m (2019: £4m). Free reserves at the year-end amounted to £6.5m (2019: £5.3m), representing retained unrestricted income reserves excluding an amount of £22.9m (2019: £25.1m) for the book value of tangible fixed assets less associated funding arrangements.

Designated reserves at the year-end comprised £2.1m (2019: £2.4m) for Scholarships, Lectureships and for General Educational purposes. All Designated funds are capital funds where only the income is treated as expendable.

Risk management

The College has on-going processes, which operate throughout the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiaries in undertaking their activities. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College Committee. Financial risks are assessed by the Finance Committee and investment risks are monitored by the Investment Committee. In addition, the Head of Estates and relevant staff meet regularly to review health and safety issues. Training courses and other forms of career development are available, when requested, to members of staff to enhance their skills in risk-related areas.

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

Investment policy, objectives and performance

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

- maintaining (at least) the value of the investments in real terms;
- producing a consistent and sustainable funding to support expenditure; and
- delivering these objectives within acceptable levels of risk.

To meet these objectives the College's investments as a whole are managed on a total return basis, maintaining diversification across a range of asset classes in order to produce an appropriate balance between risk and return. In line with this approach, the College statutes allow the College to invest permanent endowments to maximise the related total return and to make available for expenditure each year an appropriate proportion of the unapplied total return.

The investment policy and strategy are set by the Governing Body as advised by the Investment Committee and performance is regularly monitored by the Investment Committee. At the year end, the College's long term investments, combining the securities and property investments, totalled £93.1m (2019: £95.9m). The overall

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total investment return was -0.1% (2019: 6%) over the year investment returns on the portfolio were significantly affected by the Covid-19 pandemic and fluctuations in the markets.

The carrying value of the preserved permanent capital and the amount of any unapplied total return available for expenditure was taken as the open market values of these funds as at 31 July 2020 together with the original gift value of all subsequent endowment received.

On the total return basis of accounting, it is the Governing Body's policy to extract as income 3.77% (plus costs) of the value of the relevant investments. However, to smooth and moderate the amounts withdrawn this 3.77% is calculated on the average of the year end values in each of the last five years.

The equivalent of 3.77% of the opening value of the securities and property investments, plus costs, was extracted as income on the total return basis in the year. The Governing Body keeps the level of income withdrawn under review to balance the needs and interests of current and future beneficiaries of the College's activities.

Within the College's holdings of securities and investments, this income extraction policy is not applied to: one holding of shares in Oxford University's Endowment Management's Oxford Endowment Fund nor to the joint equity properties which are listed in Note 27 of the financial statements. Any income distributions issued by these investments are treated as income as they are received.

FUTURE PLANS

The College's future plans as agreed by the Governing Body are set out in the College's Strategic Framework. This Strategic Framework is due for review in the coming year, but the core elements of this are:

- to balance a thriving culture of research, scholarship and intellectual custodianship with a commitment to teaching at the highest level;
- to recruit the best minds and nurture the next generation of academics;
- to ensure the College retains sufficient working capital to ensure its sustainability;
- to establish a fundraising programme to renew and preserve the College's estate;
- to increase our endowment to a sustainable level, endowing and protecting Fellowships and increasing bursary, scholarship and hardship funding for students, particularly at graduate level;
- to ensure our links with alumni maintains a relevant and enduring relationship; and
- to improve diversity in the College community, in particular addressing the under-representation of women and ethnic minorities on the Governing Body.

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

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

Charity law requires the Governing Body to prepare financial statements for each financial year. *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;
- 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 4th November 2020 and signed on its behalf by:

Principal

Dame Elish Angiolini

ST HUGH'S COLLEGE
Report of the Auditors
Year ended 31 July 2020

Independent auditor's report to the Governing Body of St Hugh's College

Opinion

We have audited the financial statements of St Hugh's College (the "Charity") for the year ended 31 July 2020 which comprise the Statement of Accounting Policies, the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 29. 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 Charity's affairs as at 31 July 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

ST HUGH'S COLLEGE
Report of the Auditors
Year ended 31 July 2020

Matters on which we are required to report by exception

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

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

Responsibilities of the Governing Body

As explained more fully in the Governing Body responsibilities statement set out on page 16, the Governing Body is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the College's Governing Body in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Governing Body those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and its Governing Body, for our audit work, for this report, or for the opinions we have formed.

Critchleys Audit LLP (Statutory Auditor)
23-28 Hythe Bridge
Oxford
OX1 2EP

Date:

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

ST HUGH'S COLLEGE
Statement of Accounting Policies
Year ended 31 July 2020

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its wholly owned subsidiaries, St Hugh's Conferences Limited and St Hugh's Estates Limited. No separate SOFA has been presented for the College alone, as currently permitted by the Charity Commission on a concessionary basis. A summary of the results and financial position of the charity and each of its material subsidiaries for the reporting year are in note 11.

2. Basis of accounting

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

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

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

3. Accounting judgements and estimation uncertainty

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

4. Income recognition

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

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

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

b. *Income from donations, grants and legacies*

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

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

ST HUGH'S COLLEGE
Statement of Accounting Policies
Year ended 31 July 2020

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

c. Investment income

Interest on bank balances is accounted for on an accrual basis with interest recognised in the period to which the interest relates. Income from fixed interest debt securities is recognised using the effective interest rate method.

Dividend income and similar distributions are recognised on the date the share interest becomes ex-dividend or when the right to the dividend can be established. Income from investment properties is recognised in the period to which the rental income relates.

5. Expenditure

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

Grants awarded that are not performance-related are charged as an expense as soon as a legal or constructive obligation for their payment arises. Grants subject to performance-related conditions are expensed as the specified conditions of the grant are met.

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

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

6. Leases

Leases of assets that transfer substantially all the risks and rewards of ownership are classified as finance leases. The costs of the assets held under finance leases are included within fixed assets and depreciation is charged over the shorter of the lease term and the assets' useful lives. Assets are assessed for impairment at each reporting date. The corresponding capital obligations under these leases are shown as liabilities and recognised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. Lease payments are apportioned between capital repayment and finance charges in the SOFA so as to achieve a constant rate of interest on the remaining balance of the liability. Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Rentals payable under operating leases are charged in the SOFA on a straight line basis over the relevant lease terms. Any lease incentives are recognised over the lease term on a straight line basis.

ST HUGH'S COLLEGE
Statement of Accounting Policies
Year ended 31 July 2020

7. Tangible fixed assets

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

Expenditure on the acquisition or enhancement of land and on the acquisition, construction and enhancement of buildings which is directly attributable to bringing the asset to its working condition for its intended use and amounting to more than £10,000 together with expenditure on equipment costing more than £10,000 is capitalised. Where a part of a building or equipment is replaced and the costs capitalised, the carrying value of those parts replaced is derecognised and expensed in the SOFA.

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

8. Depreciation

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

Freehold properties, including major extensions	50 years
Building improvements	15 years
Equipment	3-10 years

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

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

9. Investments

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

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

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

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

10. Other financial instruments

a. Cash and cash equivalents

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

b. Debtors and creditors

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

11. Stocks

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

12. Foreign currencies

The functional and presentation currency of the College and its subsidiaries is the pound sterling. Transactions denominated in foreign currencies during the year are translated into pounds sterling using the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into pounds sterling at the rates applying at the reporting date. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates at the reporting date are recognised in the income and expenditure section of the SOFA.

13. Total Return Investment accounting

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

14. Fund accounting

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

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

Restricted funds comprise gifts, legacies and grants where the donors have specified that the funds are to be used for particular purposes of the College. They consist of *either* gifts where the donor has specified that both the capital and any income arising must be used for the purposes given *or* the income on gifts where the donor has required or permitted the capital to be maintained and with the intention that the income will be used for specific purposes within the College's objects.

Permanent endowment funds arise where donors specify that the funds are to be retained as capital for the permanent benefit of the College. Any part of the total return arising from the capital that is allocated to

ST HUGH'S COLLEGE
Statement of Accounting Policies
Year ended 31 July 2020

income will be accounted for as unrestricted funds unless the donor has placed restrictions on the use of that income, in which case it will be accounted for as a restricted fund.

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

15. Pensions

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

St Hugh's College
Consolidated Statement of Financial Activities
For the year ended 31 July 2020

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2020 Total £'000	2019 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:						
Teaching, research and residential	1	6,625	-	-	6,625	7,712
Other Trading Income	3	698	-	-	698	1,373
Donations and legacies	2	334	471	192	997	1,979
Investments						
Investment income	4	2,164	13	670	2,847	2,779
Total return allocated to income	13	1,066	-	(1,066)	-	-
Other income	5	494	-	-	494	17
Total income		11,381	484	(204)	11,661	13,860
EXPENDITURE ON:						
Charitable activities:						
Teaching, research and residential		10,796	174	-	10,970	12,650
Generating funds:						
Fundraising		616	-	-	616	852
Trading expenditure		815	-	-	815	600
Investment management costs		203	-	38	241	220
Total Expenditure		12,430	174	38	12,642	14,322
Net Income/(Expenditure) before gains		(1,049)	310	(242)	(981)	(462)
Net gains/(losses) on investments	11	950	(78)	(3,930)	(3,058)	3,148
Net Income/(Expenditure)		(99)	232	(4,172)	(4,039)	2,686
Transfers between funds	18	-	-	-	-	-
Net movement in funds for the year		(99)	232	(4,172)	(4,039)	2,686
Fund balances brought forward	18	30,275	4,032	39,106	73,413	70,728
Funds carried forward at 31 July		30,176	4,264	34,934	69,374	73,414

St Hugh's College
Consolidated and College Balance Sheets
As at 31 July 2020

	Notes	2020 Group £'000	2019 Group £'000	2020 College £'000	2019 College £'000
FIXED ASSETS					
Tangible assets	10	23,971	26,392	23,971	26,392
Other Investments	11	93,078	95,839	93,078	95,839
Total Fixed Assets		117,049	122,231	117,049	122,231
CURRENT ASSETS					
Stocks		155	160	155	159
Debtors	14	1,144	1,248	1,106	1,073
Cash at bank and in hand		5,235	5,665	5,231	5,665
Total Current Assets		6,534	7,073	6,492	6,897
LIABILITIES					
Creditors: Amounts falling due within one year	15	1,996	2,392	1,910	2,204
NET CURRENT ASSETS/(LIABILITIES)		4,538	4,681	4,582	4,693
TOTAL ASSETS LESS CURRENT LIABILITIES		121,587	126,912	121,631	126,924
CREDITORS: falling due after more than one year	16	50,773	51,037	50,773	51,037
Provisions for liabilities and charges		-	-	-	-
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		70,814	75,875	70,858	75,887
Defined benefit pension scheme liability	17	1,440	2,462	1,440	2,460
TOTAL NET ASSETS/(LIABILITIES)		69,374	73,413	69,418	73,427
FUNDS OF THE COLLEGE					
Endowment funds		34,934	39,106	34,934	39,106
Restricted funds		4,264	4,032	4,264	4,032
Unrestricted funds					
Designated funds		2,137	2,384	2,137	2,384
Fixed asset designated fund		22,935	25,095	22,935	25,095
General funds		6,544	5,258	6,588	5,272
Pension reserve		(1,440)	(2,462)	(1,440)	(2,462)
		69,374	73,413	69,418	73,427

The financial statements were approved and authorised for issue by the Governing Body of St Hugh's College on the

Trustee:

Trustee:

St Hugh's College
Consolidated Statement of Cash Flows
For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Net cash provided by (used in) operating activities	24	<u>(2,870)</u>	<u>(509)</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		2,847	2,779
Proceeds from the sale of property, plant and equipment		5	5
Purchase of property, plant and equipment		(41)	(394)
Proceeds from sale of investments		550	-
Purchase of investments		<u>(849)</u>	<u>(3,821)</u>
Net cash provided by (used in) investing activities		<u>2,512</u>	<u>(1,431)</u>
Cash flows from financing activities			
Repayments of borrowing		(261)	(2,083)
Receipt of endowment		192	609
Net cash provided by (used in) financing activities		<u>(69)</u>	<u>(1,474)</u>
Change in cash and cash equivalents in the reporting period		<u>(427)</u>	<u>(3,414)</u>
Cash and cash equivalents at the beginning of the reporting period		5,665	9,079
Change in cash and cash equivalents in the reporting period		(430)	(3,414)
Cash and cash equivalents at the end of the reporting period	25	<u>5,235</u>	<u>5,665</u>

St Hugh's College
Notes to the financial statements
For the year ended 31 July 2020

1 INCOME FROM CHARITABLE ACTIVITIES	2020	2019
	£'000	£'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	1,865	1,829
Tuition fees - Overseas students	1,522	1,402
Other fees	51	47
Other HEFCE support	221	202
Other academic income	67	83
College residential income	2,899	4,149
Total Teaching, Research and Residential	6,625	7,712
Total income from charitable activities	6,625	7,712

The above analysis includes £3,387k (2019: £3,433k) received from Oxford University from publicly accountable funds under the CFF Scheme

Under the terms of the undergraduate student support package offered by Oxford University to students from lower income households, the college share of the fees waived amounted to £0k (2019: £7k). These are not included in the fee income reported above.

2 DONATIONS AND LEGACIES	2020	2019
	£'000	£'000
Donations and Legacies		
Unrestricted funds	334	400
Restricted funds	471	970
Endowed funds	192	609
	997	1,979

3 INCOME FROM OTHER TRADING ACTIVITIES	2020	2019
	£'000	£'000
Subsidiary company trading income	698	1,373
	698	1,373

4 INVESTMENT INCOME	2020	2019
	£'000	£'000
<i>Unrestricted funds</i>		
Other property income	-	-
Other investment income	2,114	1,912
Bank interest	50	83
	2,164	1,995
<i>Restricted funds</i>		
Other investment income	13	15
	13	15
<i>Endowed funds</i>		
Other investment income	670	769
	670	769
Total Investment income	2,847	2,779

5 OTHER INCOME	2020	2019
	£'000	£'000
Other Income	494	17
	494	17

£474k (2019: nil) relates to government grant income received through the Coronavirus Job Retention Scheme.

St Hugh's College
Notes to the financial statements
For the year ended 31 July 2020

6 ANALYSIS OF EXPENDITURE

	2020	2019
	£'000	£'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	5,594	5,356
Other direct costs allocated to:		
Teaching, research and residential	2,535	3,059
Support and governance costs allocated to:		
Teaching, research and residential	2,841	4,235
Total charitable expenditure	<u>10,970</u>	<u>12,650</u>
Expenditure on raising funds		
Direct staff costs allocated to:		
Fundraising	381	399
Trading expenditure	142	165
Investment management costs	-	-
Other direct costs allocated to:		
Fundraising	151	349
Trading expenditure	140	159
Investment management costs	-	-
Support and governance costs allocated to:		
Fundraising	84	104
Trading expenditure	533	276
Investment management costs	241	220
Total expenditure on raising funds	<u>1,672</u>	<u>1,672</u>
Total expenditure	<u>12,642</u>	<u>14,322</u>

The 2020 resources expended of £11,318k (2019: £14,322k) represented £11,106k (2019: £14,154k) from unrestricted funds, £174k (2019 : £132k) from restricted funds and £38k (2019 : £36k) from endowed funds.

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

The teaching and research costs include College Contribution payable of £19k (2019 - £19k).

St Hugh's College
Notes to the financial statements
For the year ended 31 July 2020

7 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	2020 Total £'000
Financial administration	321	223	544
Human resources	14	127	141
IT	29	222	251
Depreciation	492	1,970	2,462
Bank interest payable	-	1,295	1,295
Other finance charges	-	(1,021)	(1,021)
Governance costs	2	25	27
	858	2,841	3,699

	Generating Funds £'000	Teaching and Research £'000	2019 Total £'000
Financial administration	307	245	552
Human resources	14	128	142
IT	47	232	279
Depreciation	230	922	1,152
Bank interest payable	-	1,322	1,322
Other finance charges	-	1,365	1,365
Governance costs	2	21	23
	600	4,235	4,835

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

	2020 £'000	2019 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	27	23
	27	23

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

8 GRANTS AND AWARDS

2020
£'000

2019
£'000

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

Unrestricted funds

Grants to individuals:

Scholarships, prizes and grants

Bursaries and hardship awards

Total unrestricted

	124	187
	121	138
	245	325

Restricted funds

Grants to individuals:

Scholarships, prizes and grants

Bursaries and hardship awards

Total restricted

	81	54
	1	1
	82	55

Total grants and awards

	327	380
--	------------	------------

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £105k (2019: £100k). Some of those students also received fee waivers amounting to £0k (2019: £0k).

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

St Hugh's College
Notes to the financial statements
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9 STAFF COSTS

	2020	2019
	£'000	£'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	5,213	5,198
Social security costs	419	424
Pension costs:		
Defined benefit schemes	752	691
Defined contribution schemes	5	11
Movement in pension provisions	(1,021)	1,337
	5,368	7,661

	2020	2019
The average number of employees of the College, excluding Trustees, on a full time equivalent basis was as follows.		
Tuition and research	25	25
College residential	84	84
Fundraising	6	6
Support	13	13
Total	128	128

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

University Lecturers	27	27
CUF Lecturers	9	9
Other teaching and research	3	3
Other	2	2
Total	41	41

Redundancy payments are accounted for in the period in which the employee was informed of the decision. Where redundancy costs are uncertain, the figure in the accounts represents a best estimate. These costs will be met from unrestricted funds.

The following information relates to the employees of the College excluding the College Trustees. Details of the remuneration and reimbursed expenses of the College Trustees is included as a separate note in these financial statements.

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

	2020	2019
£60,001-£70,000	4	4
£70,001-£80,000	1	-
£90,001-£100,000	-	1

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

5	5
£'000	£'000

The College contributions to defined contribution pension schemes totalled

64	60
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St Hugh's College
Notes to the financial statements
For the year ended 31 July 2020

10 TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At start of year	38,891	3,328	42,219
Additions	25	16	41
Disposals	-	-	-
At end of year	38,916	3,344	42,260
Depreciation and impairment			
At start of year	13,209	2,618	15,827
Depreciation charge for the year	977	161	1,138
Depreciation on disposals	-	-	-
Impairment	1,324	-	1,324
At end of year	15,510	2,779	18,289
Net book value			
At end of year	23,406	565	23,971
At start of year	25,682	710	26,392
College			
Cost			
At start of year	38,891	3,328	42,219
Additions	25	16	41
Disposals	-	-	-
At end of year	38,916	3,344	42,260
Depreciation and impairment			
At start of year	13,209	2,618	15,827
Charge for the year	977	161	1,138
On disposals	-	-	-
Impairment	1,324	-	1,324
At end of year	15,510	2,779	18,289
Net book value			
At end of year	23,406	565	23,971
At start of year	25,682	710	26,392

The College has made an impairment to freehold land and buildings during the year which relates to specific costs previously incurred for a specific building project. The costs are deemed to no longer result in a future economic benefit, in connection to the project.

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.

St Hugh's College
Notes to the financial statements
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11 OTHER INVESTMENTS

All investments are held at fair value.

	2020	2019
	£'000	£'000
Group investments		
Valuation at start of year	95,794	88,825
New money invested	150	2,843
Amounts withdrawn	(550)	-
Reinvested income	699	978
Investment management fees	-	-
(Decrease)/increase in value of investments	(3,058)	3,148
Group investments at end of year	93,035	95,794
Investment in associates	43	45
College investments at end of year	93,078	95,839

Group investments comprise:	Held outside the UK	Held in the UK	2020	Held outside the UK	Held in the UK	2019
	£'000	£'000	Total	£'000	£'000	Total
			£'000			£'000
Equity investments	31,764	30,512	62,276	31,578	34,468	66,046
Global multi-asset funds	-	-	-	-	-	-
Property funds	-	2,045	2,045	-	4,472	4,472
Fixed interest stocks	-	20,374	20,374	-	21,636	21,636
Alternative and other investments	-	4,429	4,429	-	1,318	1,318
Fixed term deposits and cash	-	3,911	3,911	-	2,322	2,322
Total group investments	31,764	61,271	93,035	31,578	64,216	95,794

North Oxford Shared College Services Limited

The College owns 33.3% of the issued share capital of North Oxford Shared College Services Limited. The company provides IT services to the College. The company was incorporated 20 July 2017 in England & Wales. This investment is not consolidated on the basis of materiality.

Boathouse Consortium Limited

The College owns 33.3% of the issued share capital of Boathouse Consortium Limited. The company owns a boathouse that is utilised by the College. The company was incorporated 28 February 1989 in England & Wales. This investment is not consolidated on the basis of materiality.

12 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in St Hugh's Conferences Limited, a company providing conference and other event services on the College premises, and 100% of the issued share capital in St Hugh's Estates Limited, a company providing design and build construction services to the College. The results of both subsidiary companies are incorporated into the group financial statements of St Hugh's College. Both subsidiary companies are registered in England and Wales

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

	Parent College		Conference		Estates	
	2020	2019	2020	2019	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000
Income	10,872	12,493	688	1,364	-	-
Expenditure	(11,920)	(13,239)	(597)	(521)	(5)	(2)
Donation to College under gift aid	91	-	(91)	(249)	-	-
Result for the year	(957)	(746)	-	594	(5)	(2)
Total assets	123,541	129,129	225	319	-	-
Total liabilities	(54,123)	(55,987)	(225)	(319)	(18)	(13)
Net funds at the end of year	69,418	73,142	-	-	(18)	(13)
Registered Company number			5670486		7797621	
			£		£	
Authorised. Allotted and Fully paid Issued Share Capital						
1 ordinary shares of £1 each			1		1	

St Hugh's College
Notes to the financial statements
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13 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns with effect from 15 May 2002. The investment return to be applied as income is calculated as 3.77% (2019: 3.77%) (plus costs) of the average of the year-end values of the relevant investments in each of the last 5 years. The preserved (frozen) value of the invested endowment capital represents its open market value at 31 July 2002 together with all subsequent endowments valued at date of gift.

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
At the beginning of the year:					
Gift component of the permanent endowment	14,737	-	14,737	-	14,737
Unapplied total return	-	11,708	11,708	-	11,708
Expendable endowment				12,661	12,661
Total Endowments	14,737	11,708	26,445	12,661	39,106
Movements in the reporting period:					
Gift of endowment funds	192	-	192	-	192
Recoupment of trust for investment	-	-	-	-	-
Allocation from trust for investment	-	-	-	-	-
Investment return: total investment income	-	352	352	318	670
Investment return: realised and unrealised gains and losses	-	(2,658)	(2,658)	-1,272	(3,930)
Less: Investment management costs	-	-	-	(38)	(38)
Other transfers	-	-	-	-	-
Total	192	(2,306)	(2,114)	(992)	(3,106)
Unapplied total return allocated to income in the reporting period	-	(659)	(659)	-	(659)
Expendable endowments transferred to income	-	-	-	(407)	(407)
	-	(659)	(659)	(407)	(1,066)
Net movements in reporting period	192	(2,965)	(2,773)	(1,399)	(4,172)
At end of the reporting period:					
Gift component of the permanent endowment	14,929	-	14,929	-	14,929
Unapplied total return	-	8,743	8,743	-	8,743
Expendable endowment	-	-	-	11,262	11,262
Total Endowments	14,929	8,743	23,672	11,262	34,934

A comparative note for 2018/19 figures is shown in **note 29 a**

14 DEBTORS

	2020 Group £'000	2019 Group £'000	2020 College £'000	2019 College £'000
Amounts falling due within one year:				
Trade debtors	450	516	413	354
Loans repayable within one year	28	41	28	41
Prepayments and accrued income	608	623	607	610
Other debtors	9	6	9	6
Amounts falling due after more than one year:				
Loans	49	62	49	62
	1,144	1,248	1,106	1,073

St Hugh's College
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15 CREDITORS: falling due within one year

	2020	2019	2020	2019
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bank loans	263	260	263	260
Trade creditors	330	484	322	484
Amounts owed to Group undertakings	-	-	120	133
Taxation and social security	115	235	121	124
Accruals and deferred income	717	971	691	846
Other creditors	571	442	393	357
	1,996	2,392	1,910	2,204

Deferred Income included within Accruals and Other Income

Balance brought forward	864	674	654	464
Vacation Residence Students Allowances	14	14	14	14
Graduate Rents	33	33	33	33
Visitors	31	31	31	31
CFF	82	82	82	82
Other	30	30	30	30
Balance carried forward	1,054	864	844	654

16 CREDITORS: falling due after more than one year

	2020	2019	2020	2019
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bank loans	773	1,037	773	1,037
Bond	50,000	50,000	50,000	50,000
	50,773	51,037	50,773	51,037

The College has two bank loans with an element that is due in more than one year

Loan 1 : £385k (2019: £599k) repayable quarterly LIBOR +0.5% - end date 27/3/2023. This loan is secured on various of the College's properties.

Loan 2 : £388k (2019 : £438k) repayable quarterly LIBOR +0.275% - end date 14/3/2028

On the 25th September 2017 a £50m Private Placement issue was completed, with Pension Insurance Corporation.

Series A Senior Unsecured Notes are for £25m borrowed for a term of 45 years at 2.56% repayable on 19th October 2061

Series B Senior Unsecured Notes are for £25m borrowed for a term of 50 years at 2.57% repayable on 19th October 2066

17 PROVISIONS FOR PENSION LIABILITIES

	2020	2019	2020	2019
	Group	Group	College	College
	£'000	£'000	£'000	£'000
At start of year	2,461	1,098	2,461	1,096
Charged in the Statement of Financial Activities	(1,021)	1,364	(1,021)	1,364
Settled in the year	-	-	-	-
At end of year	1,440	2,462	1,440	2,460

The above provision relates to an estimate of the share of liabilities arising from the underfunding of defined benefit pension schemes.

St Hugh's College
Notes to the financial statements
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18 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2019 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2020 £'000
Endowment Funds - Permanent						
Bursaries	625	11	-	(8)	(63)	565
Fellowships and lectureships	16,863	314	-	(380)	(1,695)	15,102
General educational purposes	1,696	29	-	(13)	(170)	1,542
Library	508	9	-	(23)	(51)	443
Other purposes	3,060	79	-	(108)	(308)	2,723
Prizes	211	4	-	(3)	(21)	191
Scholarships	3,482	98	-	(124)	(350)	3,106
Endowment Funds - Expendable						
Bursaries	149	3	-	(4)	(15)	133
Chapel	292	5	-	(8)	(29)	260
Fellowships and lectureships	1,456	25	-	(37)	(146)	1,298
General educational purposes	9,637	235	(38)	(324)	(969)	8,541
Library	52	1	-	(3)	(5)	45
Other purposes	477	39	-	(31)	(48)	437
Scholarships	598	10	-	-	(60)	548
Total Endowment Funds - College	39,106	862	(38)	(1,066)	-3,930	34,934
Endowment funds held by subsidiaries	-	-	-	-	-	-
Total Endowment Funds - Group	39,106	862	(38)	(1,066)	(3,930)	34,934
Restricted Funds						
Aung San Suu Kyi Summer School	6	-	-	-	-	6
Burma Exchange Programme	11	-	-	-	-	11
Italian Pavia Exchange Programme	18	-	-	-	-	18
Bursaries	351	28	(10)	-	(26)	343
Capital projects fund	79	-	(30)	-	-	49
Career development fellowships	246	50	(3)	-	-	293
China Studies building	-	76	(76)	-	-	-
College prizes	15	-	(1)	-	-	14
Fellowships	2	1	-	-	-	3
Lecture series	37	-	-	-	-	37
Refurbishment and development of buildings	46	9	(1)	-	-	54
Scholarships	235	11	(28)	-	-	218
Legacy -Student Support	1,028	9	(25)	-	(52)	960
Futures Project	1,958	300	-	-	-	2,258
Total Restricted Funds - College	4,032	484	(174)	-	(78)	4,264
Restricted funds held by subsidiaries	-	-	-	-	-	-
Total Restricted Funds - Group	4,032	484	(174)	-	(78)	4,264
Unrestricted Funds						
Designated funds	2,384	40	(48)	-	(239)	2,137
Fixed asset designated fund	25,095	-	(2,462)	302	-	22,935
General funds	5,259	10,275	(10,943)	764	1,189	6,544
Pension reserve	(2,462)	-	1,022	-	-	(1,440)
Total Unrestricted Funds - College	30,276	10,315	(12,431)	1,066	950	30,176
Unrestricted funds held by subsidiaries	-	-	-	-	-	-
Total Unrestricted Funds - Group	30,276	10,315	(12,431)	1,066	950	30,176
Total Funds	73,414	11,661	(12,643)	-	(3,058)	69,374

A comparative note for 2018/19 figures is shown in **note 29 b**

St Hugh's College
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19 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

Bursaries, Fellowships and Lectureships, Library, Prizes, Scholarships	A consolidation of gifts and donations where income, but not capital, can be used for the payment of bursaries, the cost of fellowships and lectureships, the running costs of the library and for student prizes and scholarships.
General Educational Purposes	Capital balance of past donations where related income, but not the original capital, can be used for the general educational purposes of the charity
Other purposes	A consolidation of gifts and donations where income, but not capital, can be used for a variety of educational purposes such as lectures and student support.

Endowment Funds - Expendable:

Bursaries, Fellowships and Lectureships, Library, Chapel, History, Scholarships	A consolidation of gifts and donations where either income, or income and capital, can be used for the payment of bursaries, the cost of fellowships and lectureships, the running costs of the library and for student prizes and scholarships.
General Educational Purposes	Capital balance of past donations where related income, or income and capital, can be used for the general educational purposes of the charity
Other purposes	A consolidation of gifts and donations where either income, or income and capital, can be used for a variety of educational purposes such as travel grants, prizes and student support.

Restricted Funds:

Student support	A consolidation of gifts and donations where both income and capital can be used for student support.
Refurbishment and development of buildings Futures Project	A consolidation of gifts and donations where both income and capital can be used for the refurbishment and development of buildings.
Capital projects fund	A consolidation of gifts and donations which are being released into unrestricted funds in line with the depreciation of the project that they were raised to finance.
China Studies building	A consolidation of gifts and donations where both income and capital can be used to finance the construction of a China studies building. As the building was completed in 2015 further donations are transferred to unrestricted funds.
Career development fellowships	A consolidation of gifts and donations where both income and capital can be used for career development fellowships.
Lecture series	A gift to be used to provide a series of lectures over a 10 year period.
Bursaries, Scholarships, Fellowships	A consolidation of gifts to be used to fund bursaries, shcolarships and fellowships
Aung San Suu Kyi Summer School	A consolidation of gifts to fund a summer school for Burmese students
College Prizes	A consolidation of gifts to fund a named prize in Chemistry
Futures Project	A project to raise funds for the redevelopment of the site around the Wolfson Building in the North West corner of the College site

Designated Funds

Bursaries, Fellowships and Lectureships, Scholarships	Unrestricted Funds allocated by the Fellows for future costs of bursaries fellowships and lectureships and scholarships.
General educational purposes	Unrestricted Funds allocated by the Fellows for future general educational purposes of the charity
Other purposes	Unrestricted Funds allocated by the Fellows for a variety of future costs such as the gardens, the library, prizes and student hardship.

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

St Hugh's College
Notes to the financial statements
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20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2020 Total £'000
Tangible fixed assets	23,971			23,971
Other investments	53,880	4,264	34,934	93,078
Net current assets	4,538			4,538
Long term liabilities	(50,773)			(50,773)
Defined benefit pension scheme liability	(1,440)			(1,440)
	<u>30,176</u>	<u>4,264</u>	<u>34,934</u>	<u>69,374</u>
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019 Total £'000
Tangible fixed assets	26,393			26,393
Other investments	52,701	4,032	39,106	95,839
Net current assets	4,681			4,681
Long term liabilities	(51,037)			(51,037)
Defined benefit pension scheme liability	(2,462)			(2,462)
	<u>30,276</u>	<u>4,032</u>	<u>39,106</u>	<u>73,414</u>

St Hugh's College
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21 TRUSTEES' REMUNERATION

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

Trustees of the College fall into the following categories:

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

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

All Official Tutorial Fellows are eligible for a Housing Allowance, which is disclosed within the salary figures below.

The College has a Remuneration Committee which makes recommendations to Governing Body on pay and benefits which are outside of external scales. The composition of the Remuneration Committee is set out in pages 2-4 of the section, Governing Body, Officers and Advisers.

Remuneration paid to Trustees

Range	Number of Trustees/Fellows	2020		2019	
		Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £
£5,000-£5,999	2		11,536	1	5,386
£11,000-£11,999				2	21,458
£12,000-£12,999	1		12,044		
£13,000-£13,999				1	13,314
£18,000-£18,999	1		18,137		
£20,000-£20,999				1	20,387
£21,000-£21,999	2		42,810	1	21,242
£22,000-£22,999	3		68,021	3	67,061
£23,000-£23,999	1		23,363	15	349,028
£24,000-£24,999	17		411,994	3	72,098
£26,000-£26,999	1		26,694		
£29,000-£29,999				1	29,395
£30,000-£30,999	1		30,012		
£45,000-£45,999				1	45,318
£46,000-£46,999	1		46,297		
£50,000-£50,999	2		100,736		
£51,000-£51,999	1		51,521		
£47,000- £47,999				1	47,966
£48,000- £48,999				1	48,728
£50,000-£50,999				1	50,633
£56,000-£56,999				5	282,226
£57,000-£57,999				1	57,094
£58,000-£58,999	6		352,207	1	58,207
£59,000-£59,999	1		59,841		
£60,000-£60,999	1		60,705		
£68,000-£68,999				1	68,661
£70,000-£70,999	1		70,795		
£114,000-£114,999				1	114,639
£131,000-£131,999	1		131,879		
£134,000-£134,999				1	134,259

12 Trustees are not employees of the College and do not receive remuneration.

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

Other transactions with Trustees

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

See also note 27 Related Party Transactions

Key management remuneration

The total remuneration paid to key management was £512k (2019: £499k).

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22 PENSION SCHEMES

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 each scheme are held in separate trustee-administered funds. USS and OSPS are contributory mixed benefit schemes (i.e. they provide benefits on a defined benefit basis – based on length of service and pensionable salary – and on a defined contribution basis – based on contributions into the scheme). Both are multi-employer schemes and the College is unable to identify its share of the underlying assets and liabilities relating to defined benefits of each scheme on a consistent and reasonable basis. Therefore, in accordance with the accounting standard FRS 102 paragraph 28.11, the College accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the Income and Expenditure Account represents the contributions payable to the schemes in respect of the accounting period. In the event of the withdrawal of any of the participating employers in USS or OSPS, 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.

The College has also made available the National Employment Savings Trust for employees who are eligible under automatic enrolment regulations to pension benefits but not eligible for either USS or OSPS.

Actuarial valuations

Qualified actuaries periodically value USS and OSPS defined benefits 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 were:

	USS	OSPS
Date of valuation:	31/03/2018	31/03/2019
Date valuation results published:	16/09/2019	19/06/2020
Value of liabilities:	£67.3bn	£848m
Value of assets:	£63.7bn	£735m
Funding surplus / (deficit):	(£3.6bn) ^a	(£113m) ^b
Principal assumptions:		
• Discount rate	CPI - 0.73% to CPI - 2.52 % a	Gilts +0.5% to 2.25% b
• Rate of increase in salaries	n/a	RPI
• Rate of increase in pensions	CPI c	Average RPI/CPI d
Assumed life expectancies on retirement at age 65:		
• Males currently aged 65	24.4 yrs	21.7 yrs
• Females currently aged 65	25.9 yrs	24.4 yrs
• Males currently aged 45	26.3 yrs	23.0 yrs
• Females currently aged 45	27.7 yrs	25.8 yrs
Funding Ratios:		
• Technical provisions basis	95%	87%
• Statutory Pension Protection Fund basis	76%	74%
• 'Buy-out' basis	56%	60%
Employer's contribution rate (as % of pensionable salaries):	21.1% increasing to 23.7% by 01/10/2021 e	19% e
Effective date of next valuation:	31/03/2020	31/03/2022

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Notes to the financial statements
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22 PENSION SCHEMES (continued)

- a. The discount rate (forward rates) for the USS valuation was:
- | | |
|--------------|---|
| Years 1-10: | CPI + 0.14% reducing linearly to CPI – 0.73% |
| Years 11-20: | CPI + 2.52% reducing linearly to CPI + 1.55% by year 21 |
| Years 21 +: | CPI + 1.55% |
- b. The discount rate for the OSPS valuation was:
- | | |
|------------------|--|
| Pre-retirement: | Equal to the UK nominal gilt curve at the valuation date plus 2.25% p.a. at each term. |
| Post-retirement: | Equal to the UK nominal gilt curve at the valuation date plus 0.5% p.a. at each term. |
- c. Pensions increases (CPI) for the USS valuation were:
- Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
- d. Increases to pensions in payment for the OSPS valuation were:
- RPI inflation is derived from the geometric difference between the UK nominal gilt curve and the UK index-linked curve at the valuation date, less 0.3% p.a. at each term. CPI inflation is derived from the RPI inflation assumption, less the Scheme Actuary's best estimate of the long-term difference between RPI and CPI inflation as applies from time to time (1.0% p.a. as at 31 March 2019).
- For pension increases linked to inflation, a pension increase curve is constructed based on either the RPI, CPI or the average of the RPI and CPI inflation curves described above, adjusted to allow for the different maximum and minimum annual increases that apply, and the Scheme Actuary's best estimate of inflation volatility as applies from time to time.
- e. The USS and OSPS employer contribution rates include provisions for the cost of future accrual of defined benefits, deficit contributions, administrative expenses and defined contributions.

Sensitivity of actuarial valuation assumptions

Surpluses or deficits which arise at future valuations may impact on the company's future contribution commitment. The sensitivities regarding the principal

Assumption	USS	
	Change in assumption	Impact on USS liabilities
Initial discount rate	increase by 0.1%	decrease by £1.2bn
Asset values	reduce by 10%	increase by £8.4bn
RPI inflation	increase by 0.1%	increase by £3.3bn
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £1.6bn

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22 PENSION SCHEMES (continued)

Assumption	OSPS	
	Change in assumption	Impact on OSPS technical provisions
Valuation rate of interest	decrease by 0.25%	increase by £45m
Rate of pension increases	increase by 0.25%	increase by £40m

Deficit Recovery Plans

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

	OSPS	USS
Finish Date for Deficit Recovery Plan	30/01/2028	31/03/2028
Average staff number increase	0%	0%
Average staff salary increase	2.00%	2.00%
Average discount rate over period	1.25%	1.25%
Effect of 0.5% change in discount rate	£0.01m	£0.02m
Effect of 1% change in staff growth	£0.01m	£0.2m

A provision of £1.442m has been made at 31 July 2020 (2019: £2.462m) 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.

St Hugh's College
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22 PENSION SCHEMES (continued)

Pension charge for the year

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

Scheme	2020 £000's	2019 £000's
Universities Superannuation Scheme	443	395
University of Oxford Staff Pension Scheme	309	296
Other schemes – contributions	5	11
Total	757	702

Included in other creditors are pension contributions payable of £0m (2019: £0m).

23 TAXATION

The College is able to take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. No liability to corporation tax arises in the College's subsidiary companies because the directors of these companies have indicated that they intend to make donations each year to the College equal to the taxable profits of the company under the Gift Aid scheme. Accordingly no provision for taxation has been included in the financial statements.

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

	2020 Group £'000	2019 Group £'000
Net income/(expenditure)	(4,039)	2,686
Elimination of non-operating cash flows:		
Investment income	(2,847)	(2,779)
(Gains)/losses in investments	3,058	(3,148)
Endowment donations	(192)	(609)
Depreciation	2,462	1,152
(Surplus)/loss on sale of fixed assets	-	-
Decrease/(Increase) in stock	5	(7)
Decrease/(Increase) in debtors	104	1,065
(Decrease)/Increase in creditors	(399)	(233)
(Decrease)/Increase in provisions	-	-
(Decrease)/Increase in pension scheme liability	(1,022)	1,364
Net cash provided by (used in) operating activities	(2,870)	(509)

25 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £'000	2019 £'000
Cash at bank and in hand	5,235	5,665
Total cash and cash equivalents	5,235	5,665

26 FINANCIAL COMMITMENTS

	2020 £'000	2019 £'000
Minimum lease payments under non-cancellable operating lease commitments in respect of equipment for the 2020 and 2019 financial year on leases expiring:		
Within one year	10	10
Between two and five years	20	20
Over five years	-	-
	30	30

Total lease payments recognised as an expense for the year ended 31 July 2020 £10k (2019: £10k).

St Hugh's College
Notes to the financial statements
For the year ended 31 July 2020

27 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £0k (2019: £0k).

28 RELATED PARTY TRANSACTIONS

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. For reporting purposes, the University and the other colleges are not treated as related parties as defined in FRS 102

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

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

	2020	2019
	£'000	£'000
Total College's share of current net book value of properties owned jointly with Trustees		
Professor G Garnett	51	51
Professor K Plunkett	220	220
Professor J Martin	204	204
Dr N Perkins	-	208
Professor C Capelli	224	224
Professor C Stevens	223	223
Dr J Parkin	210	210
Professor R Perera - Salazar	-	173
Professor D Doyle	-	169
Dr T Sanders	155	155
Professor E Saupe	150	-
	1,437	1,837

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

29 CONTINGENT LIABILITIES

There are no contingent liabilities requiring disclosure (2019: £Nil)

30 ADDITIONAL PRIOR YEAR COMPARATIVES

a STATEMENT OF TOTAL RETURN
2018/19 comparative

	Permanent Endowment	Unapplied	Total	Expendable	Total
	Trust for	Total	Total	Endowment	Endowments
	Investment	Return	£'000	£'000	£'000
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	14,128	-	14,128	-	14,128
Unapplied total return	-	11,180	11,180	-	11,180
Expendable endowment	-	-	-	12,254	12,254
Total Endowments	14,128	11,180	25,308	12,254	37,562
Movements in the reporting period:					
Gift of endowment funds	609	-	609	-	609
Recoupment of trust for investment	-	-	-	-	-
Allocation from trust for investment	-	-	-	-	-
Investment return: total investment income	-	343	343	426	769
Investment return: realised and unrealised gains and losses	-	856	856	415	1,271
Less: Investment management costs	-	-	-	(36)	(36)
Other transfers	-	-	-	-	-
Total	609	1,199	1,808	805	2,613
Unapplied total return allocated to income in the reporting period	-	(671)	(671)	-	(671)
Expendable endowments transferred to income	-	-	-	(398)	(398)
	-	(671)	(671)	(398)	(1,069)
Net movements in reporting period	609	528	1,137	407	1,544
At end of the reporting period:					
Gift component of the permanent endowment	14,737	-	14,737	-	14,737
Unapplied total return	-	11,708	11,708	-	11,708
Expendable endowment	-	-	-	12,661	12,661
Total Endowments	14,737	11,708	26,445	12,661	39,106

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b ANALYSIS OF MOVEMENTS ON FUNDS
2018/19 comparative

	At 1 August 2018 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2019 £'000
Endowment Funds - Permanent						
Bursaries	600	12	-	(7)	20	625
Fellowships and lectureships	16,352	355	-	(397)	553	16,863
General educational purposes	1,620	33	-	(12)	55	1,696
Library	502	10	-	(21)	17	508
Other purposes	3,013	76	-	(131)	102	3,060
Prizes	194	13	-	(3)	7	211
Scholarships	3,027	453	-	(100)	102	3,482
Endowment Funds - Expendable						
Bursaries	145	3	-	(4)	5	149
Chapel	285	6	-	(9)	10	292
Fellowships and lectureships	1,393	59	-	(43)	47	1,456
General educational purposes	9,412	255	(36)	(312)	318	9,637
Library	52	1	-	(3)	2	52
Other purposes	400	90	-	(27)	14	477
Scholarships	567	12	-	-	19	598
Total Endowment Funds - College	37,562	1,378	(36)	(1,069)	1,271	39,106
Endowment funds held by subsidiaries	-	-	-	-	-	-
Total Endowment Funds - Group	37,562	1,378	(36)	(1,069)	1,271	39,106
Restricted Funds						
Aung San Suu Kyi Summer School	6	-	-	-	-	6
Burma Exchange Programme	11	-	-	-	-	11
Italian Pavia Exchange Programme	18	-	-	-	-	18
Bursaries	293	66	(16)	-	8	351
Capital projects fund	109	-	(30)	-	-	79
Career development fellowships	139	127	(20)	-	-	246
China Studies building	-	1	(1)	-	-	-
College prizes	18	-	(3)	-	-	15
Fellowships	1	1	-	-	-	2
Lecture series	37	-	-	-	-	37
Refurbishment and development of buildings	19	29	(2)	-	-	46
Scholarships	81	189	(35)	-	-	235
Legacy -Student Support	1,026	10	(25)	-	17	1,028
Futures Project	1,396	562	-	-	-	1,958
Total Restricted Funds - College	3,154	985	(132)	-	25	4,032
Restricted funds held by subsidiaries	-	-	-	-	-	-
Total Restricted Funds - Group	3,154	985	(132)	-	25	4,032
Unrestricted Funds						
Designated funds	2,317	47	(59)	-	79	2,384
General funds	28,793	(47)	1,423	1,069	1,773	33,011
Pension Reserve	(1,098)	-	(1,364)	-	-	(2,462)
Total Unrestricted Funds - College	30,012	0	-	1,069	1,852	32,933
Unrestricted funds held by subsidiaries	-	-	-	-	-	-
Total Unrestricted Funds - Group	30,012	-	-	1,069	1,852	32,933
Total Funds	70,728	2,363	(168)	-	3,148	76,071