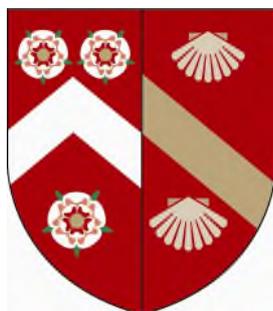


Charity Registration Number: 1139726



Wadham College

Annual Report and Financial Statements

Year ended 31 July 2018



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INVESTMENT MANAGERS:**Blackrock Investment Management (UK) Limited**

12 Throgmorton Avenue
London, EC2N 2DL

Oxford University Endowment Management Limited

King Charles House, Park End Street
Oxford, OX1 1JD

LAND AGENTS:**Carter Jonas**

269 Banbury Road, Summertown
Oxford, OX2 7LL

Whirledge & Nott

Maplestead Hall, Little Maplestead
Halstead, Essex, CO9 2SL

SOLICITORS:**Freeths Solicitors**

5000 Oxford Business Park South
Oxford, OX4 2BH

Knights Solicitors

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

AUDITORS:**Critchleys Audit LLP**

Beaver House, 23-38 Hythe Bridge Street
Oxford, OX1 2EP

BANKERS:**Barclays Bank plc**

4th floor, Apex Plaza, Forbury Road
Reading, RG1 1AX

Lloyds Bank plc

Carfax
Oxford, OX1 4AA

COLLEGE ADDRESS:**Wadham College**

Parks Road
Oxford, OX1 3PN

www.wadham.ox.ac.uk

The officers and senior staff to whom the day to day management is delegated to is as follows:

Warden: Lord Macdonald QC

Development Director: Ms Julie Hage

Sub-Warden: Professor Colin Mayer

Domestic Bursar: Mrs Frances Lloyd

Senior Tutor: Dr Caroline Mawson

Finance Bursar: Dr Peter Alsop

College Accountant: Mr Vincent Skeffington

Academic Administrator: Dr Michael Froggatt

TRUSTEES' REPORT

The Governing Body of Wadham College ("the College") present their annual report for the year ended 31st July 2018 under the Charities Act 2011 together with the audited consolidated financial statements for that year.

REFERENCE AND ADMINISTRATIVE DETAILS

Wadham College registered as a charity (Registration No: 1139726) ("the Charity") with the Charity Commission on the 6th January 2011. Before this date it was an unregistered charity.

The Governing Body is the Board of Trustees of the Charity. Members of the Governing Body act in their capacity as Charity Trustees. The present Trustees and those who served during the year are listed on pages 11 and 12.

OBJECTIVES

The College, working with the University, provides an education aimed at offering outstanding students from all backgrounds the opportunity to fulfil their maximum potential and seeks to advance world-leading research. The education provided to undergraduates and graduate students is recognised internationally as being of the highest standard. The education provided develops students academically and advances their leadership qualities and inter-personal skills, and prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group tutorials, as well as pastoral, administrative and academic support through its undergraduate and graduate advisory systems; and
- social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

The College advances research through:

- the payment of stipends and supporting the costs of Fellows and others acting on behalf of the College to carry out research;
- providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of a permanent academic post;
- supporting research work pursued by its Tutorial Fellows through sabbatical leave, special leave and "buy-outs" promoting interaction across disciplines, providing facilities and providing grants for attendance at national and international conferences, research trips and research materials;
- encouraging and sponsoring visits from outstanding academics from other parts of the United Kingdom and abroad; and encouraging the dissemination of research undertaken by members of the College through seminars and lectures and the publication of papers in academic journals or other suitable means.

The College maintains an extensive Library and Archive (including important special collections), so providing a valuable resource for students and Fellows of the College and others by arrangement.

The College does not consider that any detriment or harm arises from carrying out the College's aims, and is not aware of views among others that such detriment or harm might arise.

The resident members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in education, learning or research. Beneficiaries also include students and academic staff from other colleges and the University of Oxford more widely, visiting academics from other higher education institutions and alumni of the College who have an opportunity to use its academic facilities, and visiting schoolchildren to attend educational events at the College. The general public are also able to attend various educational activities in the College such as concerts, exhibitions and have access to its gardens and historic buildings.

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

- There are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- There are no age restrictions in the College's objects but students of the College are predominantly between 18 and 24 years old; and
- There are no religious restrictions in the College's objects.

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Wadham College was founded by Nicholas and Dorothy Wadham in 1610. The Governing Body of the College comprises the Warden and Fellows. This Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, the Bishop of Bath and Wells. The College Statutes are as made from time to time by order of Her Majesty in Council in accordance with the Universities of Oxford and Cambridge Act 1923. The Governing Body holds to itself the responsibilities for the ongoing strategic direction of the College, for its administration and for the management of its finances and assets. It meets up to three times each term under the chairmanship of the Warden and is advised by a range of committees, the principal ones being the Academic Policy Committee (to advise on all academic related issues), the Finance Committee (to advise on financial and other general matters), the Investment Committee (to advise on investment issues) and the Risk and Audit Committee (to advise on risk management and the financial audit).

CORPORATE GOVERNANCE

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly. The Governing Body is ultimately responsible for the Risk Assessment and Risk Management of the College. To assist with this process there is a Risk & Audit Committee, attended by two independent external members. This Committee undertakes regular reviews of identified risks and mitigation plans, and of the effectiveness of systems in place for the assessment and management of material areas of risk within the College.

INVESTMENT COMMITTEE, INVESTMENT OBJECTIVES AND PERFORMANCE

The Trustees have determined that the endowments shall be invested, taking advice from the investment committee, and the investment performance shall be assessed on the basis of total return. The Investment Committee is chaired by the Warden and comprises Fellows, and old members of the college with extensive investment experience. The Committee meets termly and is responsible for advising on the implementation of the investment objectives and strategy as agreed by the Trustees.

The investment objectives are:

- to preserve the value of the endowments in real terms, while producing sufficient total return to allow annual withdrawals from the endowments to support the activities of the College,
- to maximise the total return over the long term, while taking on a level of risk acceptable to the trustees of the College.

In pursuit of these investment objectives, the College has adopted a spending rate of 3.5% based on the average value of endowment funds for the preceding three years. The College attempts to mitigate the effects of risk through a strategy of managed diversification, by investing in a range of different asset classes.

The College is an educational charity that relies upon investment income to achieve its charitable purpose, and the trustees are under a legal obligation to have primary regard to this purpose in their management of its financial affairs. Nevertheless, it does not seek to maximise investment income irrespective of wider concerns. The College does not invest directly in organisations and funds the primary purposes or actions of which are unacceptable to the College on ethical grounds or may unduly alienate the College's stakeholders. The College generally makes indirect financial investments via managed funds and trackers, and accepts that most reputable diversified investments will include some companies that may not meet the College's ethical criteria for direct investment. However, the College seeks to avoid funds that place particular emphasis on organisations or sectors in which the College would avoid investment on ethical grounds.

This year the College did not make new financial investments and also did not liquidate any funds as is allowed under the total return spending policy. The value of investments at the year-end was £95.3m (2017: £90.9m). Total return (capital appreciation plus income) was 7.5% (2017: 10.9%). The FTSE All-Share Index (for total return in GBP) achieved 4.7% for the same period. The investments of the College at the year-end comprised £43.1m (2017: £40.1m) in tracker and actively managed asset funds, £29.2m (2017: £27.8m) in the Oxford Endowment Fund and £23.0m (2017: £22.9m) in Property. The Trustees are satisfied with the outcome of the investment performance for the year.

The specific funds held by the College at the year-end, were:

- Oxford Endowment Fund
- BlackRock Investment Management
 - Aquila Emerging Markets Fund
 - iShare Japan Index Fund
 - iShare MSCI Pacific Index Fund ex-Japan
 - Charitrak UK Equities Fund
 - iShare Europe ex-UK Index Fund
 - iShare North America Index Fund
 - BGF China Fund
- Charities Property Fund,
- Lothbury Property fund.

The College's direct property holdings comprise farms in Essex, Lincolnshire, Derbyshire and land on the Isle of Wight (currently used for a Solar Farm, and grazing); a small number of commercial properties; and houses used either for staff, Fellows or rented commercially.

FUNDRAISING

Over the past year, we have received a generous £5.2m in gifts from alumni, friends, Fellows and staff to support the College's strategic vision for widening access to Oxford and Wadham. In addition, many donors have also pledged to extend their support by setting up a regular donation and the number of regular donors has grown in recent years, with 1500 alumni committed to monthly or annual gifts to Wadham. More alumni and friends made a gift to Wadham than ever before and 22% of our alumni made a donation.

Our hard-working and articulate student callers reached out to our alumni on the Telephone Campaign, asking for support for the College's greatest needs and securing vital funds for access work, student support and hardship grants. Over the past year, a total of £748k in unrestricted funding was received for the Wadham Fund.

The Access to Excellence programme – the College's strategy for institutional development and income generation for the next decade – is designed to support the entire educational journey from talented pre-16 pupils through to a place at Wadham and beyond, and we are delighted that this strategy continues to receive generous support. With the aim to raise £40m by 2020, we are delighted that £35m has been given or pledged towards this target over the past six years.

Alumni from all over the world have made significant donations and pledges towards the five-step Access to Excellence programme, donating to our outreach programmes, on-course student support, graduate scholarships and funding for Fellowships. Significant donations and pledges of £12.5m have been made to support the College's development appeal: the College is building the first-ever dedicated Access Centre in Oxford, the Dr Lee Shau Kee Building, and a fully accessible Undergraduate Centre, the William Doo Undergraduate Centre.

We were saddened to hear of the death of Paul Briggs (Mathematics, 1949) and we are very grateful for his generous legacy. Legacies continue to play a vital part and on average 20% of donations we receive are from bequests. Indeed, we are proud to have one of the largest legacy-societies in Oxford. The 1610 Society recognises and thanks all donors who have made a significant contribution or pledged to leave a gift to Wadham in their will. There are now over 410 members of the Society and we owe a huge thanks to the 1610 Society Committee, led by our visionary President, Colin Drummond, for their excellent work to engage alumni. The 1610 Committee organised a successful event at the Royal Society in London to inspire more alumni to leave a bequest to the College.

On behalf of everyone at Wadham, we would like to thank all our benefactors warmly for their trust and generosity. Their support, encouragement and friendship make a genuine difference to sustaining and widening access to education and research at Wadham.

PRINCIPAL ACTIVITIES DURING THE YEAR

Fellowship Research and Teaching

At the end of July 2018, the College had 68 Fellows who were members of the Governing Body, 30 Emeritus Fellows, 25 Honorary Fellows and 14 Foundation Fellows. During the 2017-18 academic year, the College paid for teaching relief totalling over 2,400 hours (up from 1,800 hours in the previous year), including cover for around 30 terms of leave (a little under half of this being sabbatical leave), and employed 49 College lecturers.

The publication record of the College's Fellows remains impressive. The following names but a few of the awards bestowed upon the Fellowship:

- Dr Tarun Khaitan was awarded a four-year Future Fellowship from the Australian Research Council and the 2018 Letten Prize, and his was research cited by Indian Supreme Court in its landmark ruling decriminalizing gay sex;

- Professor Giulia Zanderighi left her Wadham Tutorial Fellowship to take up Directorship of the Max Planck Institute for Physics;
- Dr Monika Gullerova, incoming Tutorial Fellow in Medicine, was applauded for her outstanding contribution to UK/Slovakian diplomatic relations;
- Dr Carolin Duttlinger and Dr Peter Thonemann won Oxford Student Union prizes for 'Outstanding Pastoral Support' and 'Most Acclaimed Lecturer' respectively;
- Professor Alex Halliday left College to head up Columbia University's Earth Institute;
- Senior Research Fellow Ursula Martin was awarded an honorary degree by the University of London;
- Professorial Fellow Fiona Powrie was elected as a Governor of The Wellcome Trust;
- Tutorial Fellow Philip Bullock was appointed the Director of Oxford University's TORCH centre; and
- Professorial Fellow Edmund Herzig was appointed the Director of Oxford's Ertegun Scholarship Programme.

The College supports studies at undergraduate and graduate level, and for visiting students, across a wide range of courses, and offers just over 200 graduate and undergraduate degree courses including: Biochemistry; Biological Sciences; Chemistry; Classics; Economics & Management; Engineering; English and Joint Schools; History and Joint Schools; History of Art; Human Sciences; Law; Maths and Joint Schools; Medicine; Modern Languages and Joint Schools; Oriental Studies & Joint Schools; Philosophy, Politics & Economics; Experimental Psychology; and Physics & Joint Schools

Outreach and Access

The College ran 144 Access events involving over 5,400 students from over 455 schools in 2017-18, and, including partnered activities with other Colleges and university departments, contributed overall to 195 Access events involving over 8,000 students. The aim of these events is to raise the aspirations of young people aged 10 to 18 and to encourage them to consider applying to highly selective universities in the UK, including Oxford. The events and sessions are tailored to the age group, for example, Year 13s receive support on writing personal statements and preparing for Oxbridge interview whilst for Year 9/10 the focus is showing the benefits of university, supporting A-level choices and highlighting the range of university courses available.

In addition to the day-to-day events that the College runs, the Access team again welcomed students to UNIQ Engineering, Classics and Biological Sciences summer schools and PROMYS (for Maths). 2017-18 also saw the significant expansion of the College's pre-16 sustained scheme with students from Luton – all involved coming from 'widening participation' backgrounds. The project involves 50 pupils from Year 10 and 11 attending state schools in Luton.

We continue to host events for educational/charitable third parties – including the Brilliant Club, IntoUniversity and Target Oxbridge – and continue to co-sponsor the IntoUniversity Centre in Islington. The College hosted a second Social Mobility Summit and published an Impact Report in June with the Bridge Group. As part of the Access to Excellence, we are continuing to improve the monitoring and evaluation of our events and programmes and improve the targeting of our work.

In the undergraduate admissions process (Oct-Dec 2017) we received 74 applications from applicants with an overall 'access flag' (representing 10% of the total field of applicants to the college). The success rate for these applicants was 25% at Wadham; with the movement of candidates between colleges, 28% of Wadham's 'flagged' applicants were offered places across the University. We made offers to a total of 68 male applicants and 88 female applicants; male and female applicants achieved an equal success rate. Finally, we received 65 applications and made 12 offers to applicants with a registered disability, a success rate of 18%.

On the graduate side, the generosity of donors has allowed the College to award 17 scholarships for graduates starting their courses at Wadham from October 2018:

- The Oxford-Hackney BCL Scholarship;
- The Peter Carter Graduate Scholarship in Law and Taught Graduate Scholarship in Law;
- The Donner Canadian Foundation Scholarship in Law;
- The Clarendon-Monkton Scholarship;
- The Wadham Michell RCUK studentship in Social Sciences;
- The Water Conservators Scholarship;
- The FirstRand African Studies Scholarship;
- The Beit Trust Wadham Scholarships (2 scholarships);
- The John Brookman Scholarship;
- The Dalitz Graduate Scholarship;
- The Murray-Classics Scholarship;
- The David Richards Scholarship in Economics;
- The David Richards Scholarship in Physics;
- The Wadham Kalisher Scholarship;
- The Oxford-Dr H Y Mok Graduate Scholarship; and
- Four awards for students in Centres for Doctoral Training.

Student Numbers

The College had 690 students registered as on-course in December 2017: 19% on postgraduate research courses, 12% on postgraduate taught courses, 65% on undergraduate courses, and 4% registered visiting students. Some 24% of Wadham's undergraduate students on course in 2017-18 identified themselves as BME.

At the start of the 2017-18 academic year, the College welcomed 137 undergraduate students and 107 graduate students (103 new graduates in the previous year). Of these graduates 69 were reading for taught degrees and 38 for research degrees. The College also continued to engage in a number of student exchange programmes that enrich its vibrant scholarly community.

In the admissions round for entry in October 2018 (and deferred entry in 2019) the College received 778 applications from prospective undergraduates (88% of these students applied directly to Wadham, 12% were allocated to the College). 66% of these applicants were based in the UK, 13% applied from elsewhere in the EU, and 21% applied from the rest of the world. Following thorough evaluation of applications across the University, and in compliance with the University's Common Framework on Admissions, the College selected 384 candidates for interview over two weeks in December 2017. Following this process, offers were made to 156 students (including offers for deferred entry in October 2019), with 135 new undergraduate students thus starting October 2018.

The graduate admissions process runs across the academic year, with applications arriving at the College from November through to September. Before the admissions cycle began this year, the University reduced the College's allocation to better align with our intake. Therefore, the number of graduate applications considered by the College for admission in October 2018 fell by 26% to 243. The percentage of applicants naming Wadham as their first-choice college rose from 38% to 42%. The College's graduate intake at Michaelmas 2018 was 99 (100 counting the Diploma in Legal Studies exchange student).

During the 2017-18 academic year Wadham students sat 1,963 separate examinations and a total of 116 undergraduate students completed their Finals exams, the sixth highest number of any Oxford college. Following these examinations, the College awarded prizes to departing students and nominated continuing students to undergraduate scholarships and exhibitions in recognition of their academic achievement. Wadham was placed 8th out of 30 undergraduate colleges on the 2017-18 interim 'Norrington table', which ranks undergraduate degree results across Oxford colleges.

Student Financial Support

The College and University continue to work hard to provide a range of financial support for those students adversely affected by the introduction of the new fees regime in 2012/13. The cost to the College for its share of the Oxford Bursary Scheme and Fee Waivers administered by the University totalled £124k for the year. In addition, the College made discretionary grants and loans of £30k to those students facing unforeseen financial hardship. A range of other financial support was provided for students, including £85k to assist those living out of College with rent and £37k for students to attend extra-curricular academic courses and pursue academic related projects.

New Building Development Projects

During the course of the year the College has continued to put considerable effort into progressing its two major building development projects. The new quad for student accommodation on Iffley Road has made very significant progress, and a "Topping Out" ceremony to mark completion of the physical structure was held on 11th October 2018. The project continues to progress on programme and in line with budgets. The aim is for the first students to take occupation at the start of the 2019-20 academic year.

Work on the Dr Lee Shau Kee Building and the William Doo Undergraduate Centre in the Back Quad is now well under way. Planning permission was obtained, the design and build contract has been awarded, and work on site began during the summer of 2018. These fully accessible buildings are intended to inspire and facilitate the College's outreach work, and to improve facilities for undergraduate students. The aim is for completion before the start of the 2020-21 academic year.

Planning Permission for the redevelopment of a College property at Aristotle House in Oxford was also finalised, this to be pursued when suitable financial arrangements are secured. The existing building has been leased to MakeSpace Oxford, who manage it so as to provide affordable office space in support of local social enterprises.

PUBLIC BENEFIT

The Trustees believe that by putting well over £10mIn a year into teaching and research, support for students from financially disadvantaged backgrounds and the maintenance of important historic buildings, the Charity provides substantial public benefit. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the College's aims and objectives and in planning future activities. The Trustees remain committed to the aim of providing public benefit in accordance with its founding principles and in line with the Charity Commission's guidelines.

FINANCIAL REVIEW

The audited accounts have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland using the Statement of Recommended Practice "Accounting and Reporting by Charities" Charities SORP (FRS 102). The accounts include all operational and investment income, and donations together with expenditure for both Wadham College and its subsidiary and affiliate companies.

This year's reported financial performance was again influenced by major capital expenditure on building development work. Approaching half of the £30mIn 30 year Bond secured in 2016 for the Iffley Road accommodation block has now been expended. A smaller £5mIn 30 year bond was also sold during the year in support of development of the William Doo Undergraduate Centre and Dr Lee Shau Kee Building. Both projects are progressing satisfactorily.

Total charitable income and donations for the year were £14.7mIn (2017: £12.9mIn), the rise largely being due to receipt of generous donations towards the building developments. Underlying

this is a small increase in the revenues from teaching, research and residential (including conferences) to £6.9mIn (2017: £6.7mIn), and a slight reduction in investment income of £2.6mIn (2017: £2.7mIn).

Total operating expenditure for the year was £12.1mIn (2017: £11.9), which includes some pre-planning permission spend on development of the Dr Lee Shau Kee Building and the William Doo Undergraduate Centre. Other development project costs have been capitalised from the date of planning approval, and are reflected in a rise in Tangible Assets on the Balance Sheet to £43.8mIn (2017: £36.2mIn).

On a consolidated basis, net income before gains was £2.6mIn (2017: £1.0mIn), which includes donations shortly to be spent on the development projects. Additionally, there were capital gains of £4.4mIn in the endowment investments (2017: £7.5mIn), despite increased volatility in equity markets, and largely flat property valuations. Net Income was £7.0mIn, (2017: £8.4mIn) and there were no other recognised gains and losses. As a result, £138.0mIn of funds were carried forward at the end of this year (2017: £131.0mIn). Under the new SORP, the total net assets include a liability provision relating to the pension scheme. This year the provision is £1.3mIn (2017: £1.4mIn), though small year-to-year differences are likely to be "noise" resulting from the required computation method. It is noted that there are ongoing negotiations on the funding of the USS pension deficit. This might cause an increase in the pension recovery plan provision in 2018-19.

The Trustees are satisfied with the financial outcome for the year.

POLICY FOR HOLDING CASH AND RESERVES

The policy is to maintain a combination of cash and free reserves, so that the combination of these holdings will enable the College to continue to operate effectively and meet its short-term financial obligations in the event of unexpected revenue shortfall. This would provide a temporary buffer to allow the College to operate normally for a period of time. Over the next 2 years, the building development projects will result in elevated levels of College expenditure, and the cash holding is also being maintained at a higher level to reflect this.

The "free reserves" at the year-end, under the revised FRS 102 standard (prior to providing for the pension fund liability), amounted to a deficit of £16.6mIn (2017: deficit £17.2mIn). This figure represents unrestricted funds after deducting those fixed assets funded from unrestricted funds. After allowing for the buildings under construction and associated financing arrangements, this figure is £ 5.1 mIn. The free reserves of £5.1mIn represent between 5 and 6 months' expenditure.

PLANS FOR THE FUTURE

The Trustees have identified three strategic goals to focus on in the medium term. These are making the College a beacon for fair access, creating an innovative learning environment, and creating a hub for world leading research. Practical measures to achieve these goals include increasing access initiatives, providing further student accommodation, fundraising for bursaries and student support, expanding the number of graduate scholarships and securing teaching posts. The Trustees continue to strive to make the College a centre of excellence in both education and research and they have no plans to change this fundamental objective. The Trustees will look to foster closer collaboration with the University in all of its activities.

RECRUITMENT AND TRAINING OF NEW TRUSTEES

Appointment to the College's Governing Body is on the basis that those elected are eligible and willing to act as Charity Trustees. The majority of new members, who are normally academics, hold joint posts with the University of Oxford. A transparent and professional selection process is followed for all appointments. An induction program setting out the responsibilities and duties of being a Charity Trustee is provided to all new appointees.

TRUSTEES AND COMMITTEE MEMBERSHIP

All Trustees are members of the Governing Body, which is advised by a range of committees. The principal ones being Finance Committee (FC), Academic Policy Committee (APC), Risk & Audit Committee (RA), Investment Committee (IC), Development Committee (DC) and Remuneration Committee (RC). The list below provides the names and committee memberships of the Trustees.

The Trustees, all of whom held office during the year unless otherwise stated were:

Lord	Ken	Macdonald	APC	RA	DC	FC	IC	RC
Dr	Peter	Alsop	APC	RA	DC	FC	IC	RC
Prof	Nicholas	Athanasou						
Prof	Michael	Bannon						
Dr	Esther	Becker	Resigned 30/9/17					
Prof	Paul	Beer						
Prof	Alan	Beggs						
Dr	Christina	Benninghaus	Start date 01/09/2017					
Prof	Ben	Berks						
Dr	Scott	Blumenthal	Start date 01/10/2017					
Prof	Dominic	Brookshaw						
Prof	Philip	Bullock						
Prof	Martin	Bureau				FC		
Mr	Oliver	Butler	Start date 01/09/2017					
Prof	Philip	Candelas						
Prof	Alfonso	Castrejón-Pita						
Prof	Eric	Clarke						
Dr	Emma	Cohen						
Prof	David	Conlon	APC					
Prof	Darren	Dixon						
Prof	Carolin	Duttlinger						
Prof	Andrew	Farmery						
Dr	Jane	Garnett			DC			
Dr	Sebastian	Gehrig	Resigned 31/08/2017					
Dr	Lydia	Gilday						
Dr	Jane	Griffiths				FC		
Dr	Monika	Gullerova	Start date 08/01/2018					
Ms	Julie	Hage			DC			
Prof	Alexander	Halliday	Resigned 31/3/18					
Prof	Edmund	Herzig			DC			RC
Prof	Stephen	Heyworth						RC
Dr	Margaret	Hillenbrand	APC					
Prof	Christina	Howells	Retired 30/9/17					
Prof	Laura	Hoyano						
Dr	Matthew	Kempshall						
Dr	Tarunabh	Khaitan						
Dr	Sandy	Kilpatrick						
Prof	Karl	Kügler						

Prof	Sallie	Lamb							
Prof	Susan	Lea						RC	
Mrs	Frances	Lloyd		RA	DC	FC			
Dr	Paul	Martin							
Prof	Ursula	Martin							
Dr	Caroline	Mawson	APC		DC	FC		RC	
Prof	Colin	Mayer	APC	RA	DC	FC	IC	RC	
Dr	Emily	McLaughlin	Start date 01/09/2017						
Dr	Jack	Miller	Start date 01/10/2017						
Dr	Ian	Moore	Resigned 15/6/2018						
Dr	Sara	Motta							
Prof	Ankhi	Mukherjee							
Prof	Alexander	Paseau							
Prof	Cláudia	Pazos-Alonso							
Dr	Athena	Picarelli	Resigned 30/9/2017						
Prof	Fiona	Powrie						RC	
Dr	Andrew	Princep	Start date 25/10/2017						
Prof	Paolo	Radaelli							
Prof	Stephan	Rauschenbach	Start date 01/09/2017						
Prof	Alexander	Ritter						RC	
Prof	Sakura	Schafer-Nameki							
Prof	Nathalie	Seddon							
Dr	Jonathan	Service	Resigned 30/9/2017						
Prof	Ekaterina	Shamonina							
Prof	Richard	Sharpe							
Dr	Thomas	Simpson							
Dr	Tom	Sinclair	APC						
Dr	Sandy	Steel	APC						
Dr	Judy	Stephenson						IC	
Dr	Candadi	Sukumar	Retired 30/9/2017						
Prof	Christopher	Summerfield				FC			
Dr	Oren	Sussman				FC	IC		
Dr	Mark	Thompson	APC		DC				
Dr	Peter	Thonemann	APC		DC				
Dr	Olivia	Vázquez-Medina							
Mr	Samuel	Williams							
Prof	Giulia	Zanderighi							
Prof	Francesco	Zanetti						IC	

Trustee Remuneration Disclosure

The Trustees of Wadham College, namely the Warden and Governing Body Fellows of the College, receive no remuneration for their acting as Trustees. However, their position on Governing Body is by virtue of their being Warden and Fellows. Fellows are generally involved in teaching or research, or together with the Warden are officeholders of the College, and are therefore employed in an academic or professional capacity by the College and/or the University, and receive salaries and allowances under contracts of employment. The College has adopted

the University of Oxford's pay grades and an independent Remuneration Committee advises on all issues of pay and allowances for Fellows. The majority of Tutorial Fellows' teaching posts are joint appointments with the University. The Trustees have agreed to use the framework set out in Note 22 to the accounts for their disclosure of remuneration.

The Trustees of the College fall into the following classes of Fellowships: Professorial, Official, Senior Research, Junior Research and those by Special Election. The College's administration is delegated to College Officers who are Official Fellows. This category includes the Finance Bursar, Domestic Bursar, Senior Tutor and Development Director. The College's Head of House, who has administrative duties, is also a Trustee, but does not hold a Fellowship.

Certain classes of Fellowships are provided with a Housing Allowance (disclosed within the salary figures below) or can elect to live rent free in College. All Fellows may eat at Common Table free of charge, as can all other employees who are entitled to meals while at work.

Some Trustees, in their role as Fellow, are entitled to additional allowances for work carried out a part-time College Officer. Such posts include: Sub-Warden, Dean, Welfare Dean, Tutor for Graduates, Tutor for Undergraduates, Tutor for Access, Director of Music, Fellow Librarian and Keeper of the Gardens. These amounts are included within the remuneration in note 22. The total remuneration and taxable benefits to Trustees was £1.8mIn (2016: £1.8mIn).

A total of 76 Trustees served for at least part of the financial year, and at the end of the year 68 Trustees were in place. Of the total, 55 Trustees received remuneration under a contract of employment for work for the College and 21 Trustees received no remuneration.

No Fellow claimed any expenses for work as a Trustee.

Related party Transactions with Trustees

Certain Trustees, as a result of their employment as a Fellow, are eligible to apply to join the College's Joint Equity Housing Scheme or to apply for a housing loan. Both initiatives are provided by the College in order to assist with the purchase of suitable accommodation in the Oxford area. Housing assistance is not an automatic right. Each application is looked at on its own merits by an independent committee who assess the benefits to the College in providing housing assistance. No Fellows joined or exited from these schemes, and participation in each scheme remained at three during the year.

Statement of Accounting and Reporting Responsibilities

The Governing Body, who are Trustees for the purposes of Charity Law, is responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Governing Body to prepare financial statements for each financial year. Under that law the Governing Body has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Governing Body is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 group will continue in business.

The Governing Body are responsible for keeping adequate accounting records that are sufficient to show and explain the College's and group's transactions and disclose with reasonable accuracy at any time the financial position of the College and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the College and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved on behalf of the Trustees on

Lord Macdonald QC.

Independent auditor's report to the members of the Governing Body of Wadham College**Opinion**

We have audited the financial statements of Wadham College (the "Charity") for the year ended 31 July 2017 which comprise the Statement of Accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and charity's affairs as at 31 July 2017 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Members of the Governing Body

As explained more fully in the statement of Accounting and Reporting Responsibilities, set out on page 14, the Members of the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Critchleys Audit LLP

Statutory Auditor

Oxford

Date:

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

STATEMENT OF ACCOUNTING POLICIES**Basis of preparation**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments at market rates prevailing at the balance sheet date. The statements are in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (the Charities SORP FRS 102) issued in 2014.

The financial statements consolidate the accounts of the College and its subsidiary undertaking Wadham College Services Limited on a line by line basis. The accounts of the affiliated student bodies (the Student Union and the Middle Common Room) have not been consolidated because the College does not control these activities.

The College has an investment in an associated undertaking, Boathouse Consortium Limited. This investment is included in the consolidated financial statements using equity accounting.

The Accounting Policies remain unchanged from the prior year and are set out below:

Income and endowments

Donations, legacies and other forms of voluntary income are accounted for when receivable. Student fee income and charges are accounted for on an accruals basis. The College accounts for its investment income on a total return basis, which allows the College to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised the total return shall be an 'unapplied total return' and remain as part of the permanent endowment. The College has adopted a 3.5% total return rate, on a three year rolling average.

Expenditure

Expenditure classified as charitable activities included only direct costs associated with those activities. All other administrative and overhead costs incurred by the College which are not directly attributable either to fund generation or governance are allocated on the basis of staff involvement in those areas.

Classification of funds

The College's endowed funds are capital funds where normally only the income arising may be applied, in certain cases for restricted purposes. These endowments are either permanent or expendable, depending on whether the trustees have authority to spend the capital.

The College's restricted funds have arisen from restrictions specified by the donors. Both income and capital can be used for restricted purposes.

The College's unrestricted funds represent accumulated income from the College's activities and other sources that are available for the general purposes of the College.

Tangible fixed assets

Tangible fixed assets are stated at cost and are depreciated on a straight-line basis over the following periods:

Freehold buildings	- 50 years
Building improvements	- 50 years
Equipment	- 5 years
Freehold land	is not depreciated.

The cost of major renovation projects which increase the service potential of buildings is capitalised and depreciated over applicable periods. Certain historic College buildings are included at a net value of £1 as, due to their age, their historic cost would be difficult to ascertain and they would also now be fully depreciated.

The College operates a “de minimis” limit of £5k for capitalisation of expenditure on building improvements and for equipment. Works of art and other valuable artefacts that can be regarded as inalienable are not included in the financial statements.

Stocks

Stocks are stated at the lower of their cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Maintenance of premises

The cost of routine corrective maintenance is charged to the Statement of Financial Activities in the period it is incurred.

Provisions

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation, and a reliable estimate can be made of the obligation.

Pension Fund provisions

Under the Charities SORP FRS 102, a pension fund deficit is recognised, the effect of which is to make a more conservative statement of the funds of the college.

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates of exchange or, where there are related forward foreign exchange contracts, at contract rates. The resultant exchange differences are included in the Statement of Financial Activities for the year.

Taxation status

As a charity within the meaning of the Charities Act 2011, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The College is subject to VAT on its non-charitable activities.

College Contribution Scheme

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. Contribution is calculated annually in accordance with regulations made by the University’s Council and is accounted for in the period to which it relates.

Investments

Investments are stated at market value at the Balance Sheet date. The Statement of Financial Activities shows net investment gains and losses arising from revaluation of the investment portfolio and disposals throughout the year.

Recognition of liabilities accounting policy

Liabilities are recognised when there is a legal and constructive obligation committing the College to the expenditure.

Pension Costs

Contributions to the pension schemes provided for employees of the College are charged to the Statement of Financial Activities over the period during which the College benefits from the employees’ services.

Wadham College
Consolidated Statement of Financial Activities
For the year ended 31 July 2018

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2018 Total £'000	2017 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:	1					
Teaching, research and residential		6,643	-	-	6,643	6,415
Other Trading Income	3	264	-	-	264	281
Donations and legacies	2	748	4,283	150	5,181	3,549
Investments						
Investment income	4	85	-	2,493	2,578	2,654
Total return allocated to income	14	3,227	-	(3,227)	-	-
Other income		-	-	-	-	-
Total income		10,967	4,283	(584)	14,666	12,899
EXPENDITURE ON:						
	5					
Charitable activities:						
Teaching, research and residential		10,708	432	-	11,140	10,917
Generating funds:						
Fundraising		818	-	-	818	747
Investment management costs		134	-	-	134	266
Total Expenditure		11,660	432	-	12,092	11,930
Net Income/(Expenditure) before gains		(693)	3,851	(584)	2,574	969
Net gains/(losses) on investments	11, 12	-	-	4,406	4,406	7,465
Net Income/(Expenditure)		(693)	3,851	3,822	6,980	8,434
Transfers between funds	19	490	(490)	-	-	-
Net movement in funds for the year		(203)	3,361	3,822	6,980	8,434
Fund balances brought forward	19	17,638	10,191	103,174	131,003	122,569
Funds carried forward at 31 July		17,435	13,552	106,996	137,983	131,003

Wadham College
Consolidated and College Balance Sheets
As at 31 July 2018

	Notes	2018 Group £'000	2017 Group £'000	2018 College £'000	2017 College £'000
FIXED ASSETS					
Tangible assets	9	43,832	36,236	43,832	36,236
Property investments	11	23,026	22,930	23,026	22,930
Other Investments	12	72,362	67,977	72,362	67,977
Total Fixed Assets		139,220	127,143	139,220	127,143
CURRENT ASSETS					
Stocks		535	543	535	543
Debtors	15	2,944	3,212	2,972	6,340
Cash at bank and in hand		34,072	32,905	33,136	32,251
Total Current Assets		37,551	36,660	36,643	39,134
LIABILITIES					
Creditors: Amounts falling due within one year	16	2,439	1,401	1,531	3,875
NET CURRENT ASSETS/(LIABILITIES)		35,112	35,259	35,112	35,259
TOTAL ASSETS LESS CURRENT LIABILITIES		174,332	162,402	174,332	162,402
CREDITORS: falling due after more than one year	17	35,000	30,000	35,000	30,000
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		139,332	132,402	139,332	132,402
Defined benefit pension scheme liability	18	1,349	1,399	1,349	1,399
TOTAL NET ASSETS/(LIABILITIES)		137,983	131,003	137,983	131,003
FUNDS OF THE COLLEGE					
Endowment funds	19	106,996	103,174	106,996	103,174
Restricted funds		13,552	10,191	13,552	10,191
Unrestricted funds					
General funds		18,784	19,037	18,784	19,037
Pension reserve	23	(1,349)	(1,399)	(1,349)	(1,399)
		137,983	131,003	137,983	131,003

The financial statements were approved and authorised for issue by the Governing Body of Wadham College on 30 November 2018

Trustee:

Trustee:

Wadham College
Consolidated Statement of Cash Flows
For the year ended 31 July 2018

	Notes	2018 £'000	2017 £'000
Net cash provided by (used in) operating activities	26	<u>1,830</u>	<u>(2,815)</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		2,578	2,654
Proceeds from the sale of property, plant and equipment		-	
Purchase of property, plant and equipment		(8,391)	(13,901)
Proceeds from sale of investments		-	11,136
Purchase of investments		-	(292)
Net cash provided by (used in) investing activities		<u>(5,813)</u>	<u>(403)</u>
Cash flows from financing activities			
Repayments of borrowing		-	
Cash inflows from new borrowing		5,000	30,000
Receipt of endowment		150	687
Net cash provided by (used in) financing activities		<u>5,150</u>	<u>30,687</u>
Change in cash and cash equivalents in the reporting period		<u>1,167</u>	<u>27,469</u>
Cash and cash equivalents at the beginning of the reporting period		32,905	5,436
Cash and cash equivalents at the end of the reporting period	27	<u>34,072</u>	<u>32,905</u>

Wadham College
Notes to the financial statements
For the year ended 31 July 2018

1 INCOME FROM CHARITABLE ACTIVITIES

	2018	2017
	£'000	£'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	1,944	1,898
Tuition fees - Overseas students	791	731
Other fees	138	124
Other HEFCE support	259	257
Other academic income	179	224
College residential income	3,332	3,181
Total income from charitable activities	6,643	6,415

The above analysis includes £3043k received from Oxford University from publicly accountable funds under the CFF Scheme (2017: £2886k).

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 £8k (2017: £24k). These are not included in the fee income reported above.

2 DONATIONS AND LEGACIES

	2018	2017
	£'000	£'000
Donations and Legacies		
Unrestricted funds	748	944
Restricted funds	4,283	1,918
Endowed funds	150	687
	5,181	3,549

3 INCOME FROM OTHER TRADING ACTIVITIES

	2018	2017
	£'000	£'000
Subsidiary company trading income	264	281
	264	281

4 INVESTMENT INCOME

	2018	2017
	£'000	£'000
<i>Unrestricted funds</i>		
Bank interest	85	34
	85	34
<i>Endowed funds</i>		
Agricultural rent	259	242
Commercial rent	200	220
Equity dividends	2,034	2,158
	2,493	2,620
Total Investment income	2,578	2,654

Wadham College
Notes to the financial statements
For the year ended 31 July 2018

5 ANALYSIS OF EXPENDITURE

	2018	2017
	£'000	£'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	5,024	4,994
Other direct costs allocated to:		
Teaching, research and residential	4,375	4,248
Support and governance costs allocated to:		
Teaching, research and residential	1,741	1,675
Total charitable expenditure	<u>11,140</u>	<u>10,917</u>
Expenditure on raising funds		
Direct staff costs allocated to:		
Fundraising	524	473
Other direct costs allocated to:		
Fundraising	232	216
Investment management costs	134	265
Support and governance costs allocated to:		
Fundraising	62	58
Investment management costs	-	1
Total expenditure on raising funds	<u>952</u>	<u>1,013</u>
Total expenditure	<u>12,092</u>	<u>11,930</u>

The 2017 resources expended of £11930k represented £11489k from unrestricted funds, £441k from restricted funds and £0k 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 £0k (2017 - £60k).

Wadham College
Notes to the financial statements
For the year ended 31 July 2018

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2018 Total £'000
Financial and Domestic administration	20	635	-	-	655
Human resources	5	140	-	-	145
IT	35	278	-	-	313
Depreciation	-	720	-	-	720
Loss/(profit) on fixed assets	-	-	-	-	-
Other finance charges	-	(50)	-	-	(50)
Governance costs	2	18	-	-	20
	62	1,741	-	-	1,803

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2017 Total £'000
Financial and Domestic administration	21	642	-	-	663
Human resources	7	145	-	-	152
IT	29	237	-	-	266
Depreciation	-	725	-	-	725
Loss/(profit) on fixed assets	-	-	-	-	-
Bank interest payable	-	-	-	-	-
Other finance charges	-	(90)	-	-	(90)
Governance costs	2	16	-	-	18
	59	1,675	-	-	1,734

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

Governance costs comprise:

	2018 £'000	2017 £'000
Auditor's remuneration - audit services	20	18
	20	18

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.

Wadham College
Notes to the financial statements
For the year ended 31 July 2018

7 GRANTS AND AWARDS	2018 £'000	2017 £'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	266	252
Bursaries and hardship awards	82	68
Total unrestricted	<u>348</u>	<u>320</u>
Restricted funds		
Grants to individuals:		
Scholarships, prizes and grants	316	320
Bursaries and hardship awards	116	121
Total restricted	<u>432</u>	<u>441</u>
Total grants and awards	<u>780</u>	<u>761</u>

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £116k (2017: £121k). Some of those students also received fee waivers amounting to £8k (2017: £24k).

The above costs are included within the charitable expenditure on Teaching and Research. Grants to other institutions comprise £0

Wadham College
Notes to the financial statements
For the year ended 31 July 2018

8 STAFF COSTS

	2018	2017
	£'000	£'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	5,186	5,067
Social security costs	443	423
Pension costs as paid :		
Defined benefit schemes	754	771
Pension Provision	(74)	(141)
	<u>6,309</u>	<u>6,120</u>

	2018	2017
The average number of employees of the College, excluding Trustees, on a full time equivalent basis was as follows.		
Tuition and research	5	5
College residential	80	79
Fundraising	7	7
Support	36	34
Total	<u>128</u>	<u>125</u>

The average number of employed College Trustees during the year was as follows.		
University Lecturers	23	21
CUF Lecturers	15	15
Other	35	33
Total	<u>73</u>	<u>69</u>

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 through 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:

£60,001-£70,000	2	2
	<u>2</u>	<u>2</u>

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

In defined benefits schemes	2	2
In defined contribution schemes	-	0
	<u>2</u>	<u>2</u>

The College contributions to defined contribution pension schemes totalled	Nil	Nil
	<u>Nil</u>	<u>Nil</u>

Wadham College
Notes to the financial statements
For the year ended 31 July 2018

9 TANGIBLE FIXED ASSETS

Group and College	Leasehold land and buildings £'000	Freehold land and buildings £'000	Assets Under Construction £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At start of year	-	32,592	13,806	1,853	48,251
Additions	-	-	8,313	-	8,313
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
At end of year	-	32,592	22,119	1,853	56,564
Depreciation and impairment					
At start of year	-	10,396	-	1,619	12,015
Depreciation charge for the year	-	597	-	120	717
Depreciation on disposals	-	-	-	-	-
Impairment	-	-	-	-	-
At end of year	-	10,993	-	1,739	12,732
Net book value					
At end of year	-	21,599	22,119	114	43,832
At start of year	-	22,196	13,806	234	36,236

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

10 HERITAGE ASSETS

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.

Wadham College
Notes to the financial statements
For the year ended 31 July 2018

11 PROPERTY INVESTMENTS

Group and College	Agricultural	Commercial	Other	2018	2017
	£'000	£'000	£'000	Total £'000	Total £'000
Valuation at start of year	17,804	3,138	1,988	22,930	32,693
Additions and improvements at cost	41	6	31	78	301
Disposals/Transfers		-		-	(9,750)
Revaluation gains/(losses) in the year	10	6	2	18	(314)
Valuation at end of year	17,855	3,150	2,021	23,026	22,930

A formal valuation of the agricultural properties was prepared by Whirledge and Nott as at 31 July 2018 and 31 July 2017.

A formal valuation of the commercial and other properties was prepared by Carter Jonas as at 31 July 2018 and 31 July 2017.

12 OTHER INVESTMENTS

All investments are held at fair value.

	2018 £'000	2017 £'000
Group investments		
Valuation at start of year	67,926	61,541
New money invested		
Amounts withdrawn	-	(1,394)
(Decrease)/increase in value of investments	4,388	7,779
Group investments at end of year	72,314	67,926
Investment in subsidiaries	48	51
College investments at end of year	72,362	67,977

Group investments comprise:	Held outside the UK	Held in the UK	2018 Total £'000	Held outside the UK	Held in the UK	2017 Total £'000
	£'000	£'000	£'000	£'000	£'000	£'000
Global multi-asset funds	41,067	29,217	70,284	38,203	27,840	66,043
Property funds	-	2,030	2,030	-	1,883	1,883
Fixed interest stocks	-	-	-	-	-	-
Alternative and other investments	-	-	-	-	-	-
Fixed term deposits and cash	-	-	-	-	-	-
Total group investments	41,067	31,247	72,314	38,203	29,723	67,926

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13 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Wadham College Services Limited, a company providing conference and other event services on the College premises, and 100% of the issued share capital in Wadham College Design and Build Limited, a company providing design and build construction services to the College.

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

	Parent College	Wadham College Services Ltd	Wadham College Design and Build	Subsidiary Name 3	Subsidiary Name 4
	£'000	£'000	£'000	£'000	£'000
Income	14,402	264	6,418	-	-
Expenditure	(11,828)	(242)	(6,296)	-	-
Donation to College under gift aid	-	(22)	(122)	-	-
Result for the year	2,574	-	-	-	-
Total assets	175,863	931	1,031	-	-
Total liabilities	(37,880)	(931)	(1,031)	-	-
Net funds at the end of year	137,983	-	-	-	-

14 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College with effect from 1st August 2008. The return to be applied as income is calculated as 3.5% (2017: 3.5%) of the average of the year-end values of the relevant balances in each of the last three years. The preserved (frozen) value of the invested endowment capital represents its open market value in 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	41,028		41,028		41,028
Unapplied total return		54,447	54,447		54,447
Expendable endowment				7,699	7,699
Total Endowments	41,028	54,447	95,475	7,699	103,174
Movements in the reporting period:					
Gift of endowment funds	122		122	28	150
Recoupment of trust for investment		-	-		-
Allocation from trust for investment	-	-	-		-
Investment return: total investment income		2,307	2,307	186	2,493
Investment return: realised and unrealised gains and losses		4,077	4,077	329	4,406
Less: Investment management costs					
Other transfers					
Total	122	6,384	6,506	543	7,049
Unapplied total return allocated to income in the reporting period		(2,986)	(2,986)	(241)	(3,227)
Expendable endowments transferred to income					
		(2,986)	(2,986)	(241)	(3,227)
Net movements in reporting period	122	3,398	3,520	302	3,822
At end of the reporting period:					
Gift component of the permanent endowment	41,150		41,150		41,150
Unapplied total return		57,845	57,845		57,845
Expendable endowment				8,001	8,001
Total Endowments	41,150	57,845	98,995	8,001	106,996

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15 DEBTORS

	2018	2017	2018	2017
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	387	264	331	230
Amounts owed by College members	109	65	109	65
Amounts owed by Group undertakings	-	-	84	3,162
Other debtors	2,196	2,631	2,196	2,631
Amounts falling due after more than one year:				
Loans	252	252	252	252
	2,944	3,212	2,972	6,340

16 CREDITORS: falling due within one year

	2018	2017	2018	2017
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Trade creditors	1,206	366	297	2,780
Amounts owed to College Members	246	126	246	126
Taxation and social security	135	54	140	136
College contribution	-	60	-	60
Accruals and deferred income	83	75	79	53
Other creditors	769	720	769	720
	2,439	1,401	1,531	3,875

17 CREDITORS: falling due after more than one year

	2018	2017	2018	2017
	Group	Group	College	College
	£'000	£'000	£'000	£'000
30 Year Senior Note Bonds	35,000	30,000	35,000	30,000
	35,000	30,000	35,000	30,000

The 30 year unsecured Senior Note Bonds comprise:
£30m 2.88% Senior Bond Note due 1 August 2046
£5m 2.64% Senior Bond Note due 8 June 2048

18 PROVISIONS FOR LIABILITIES AND CHARGES

	2018	2017	2018	2017
	Group	Group	College	College
	£'000	£'000	£'000	£'000
At start of year	1,399	1,490	1,399	1,490
Charged in the Statement of Financial Activities	(50)	(91)	(50)	(91)
At end of year	1,349	1,399	1,349	1,399

The above provision relates to USS and OSPS Pension deficits

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19 ANALYSIS OF MOVEMENTS ON FUNDS	At 1 August 2017 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2018 £'000
Endowment Funds - Permanent						
<i>Teaching and Scholarship Funds</i>	-					-
Dr Wills' Pension Fund	842	20	-	(26)	36	872
Sir Algernon Methuen's Bequest	2,119	51	-	(66)	91	2,195
Dr David T Wylie's Bequest	1,005	24	-	(31)	43	1,041
The Lee Shau Kee Benefaction	713	17	-	(22)	31	739
The Law Fellowship Support Fund	2,097	51	-	(66)	90	2,172
The Von Bothmer Benefaction	2,661	64	-	(83)	114	2,756
A F Thompson History Fellowship	3,190	95	-	(100)	137	3,322
The Knowles/Williams J R F	1,046	27	-	(33)	45	1,085
The Hackney/Stow Law Fellowship	1,993	50	-	(62)	85	2,066
Engineering Fellowship	894	25	-	(28)	38	929
Forrest/Derow Classics Fellowship	2,648	71	-	(83)	114	2,750
Hutcheson Bequest	767	18	-	(24)	33	794
M Benham Biology Fellowship	899	22	-	(28)	39	932
M Benham Mathematics Fellowship	899	22	-	(28)	38	931
English Teaching Fund Fellowship	1,264	31	-	(40)	54	1,309
Roger Penrose Maths Fellowship	1,204	29	-	(38)	52	1,247
Lee Placito Fellowship in Medicine	646	15	-	(20)	28	669
David Richards Chemistry Fellowship	660	16	-	(21)	28	683
David Richards Economic History JRF	1,343	32	-	(42)	57	1,390
David Richards Economics Fellowship	659	16	-	(21)	29	683
David Richards Graduate Scholarship Chemistry	601	14	-	(19)	26	622
David Richards Graduate Scholarship Climate	1,201	29	-	(38)	52	1,244
David Richards Graduate Scholarship Economics	600	15	-	(19)	26	622
David Richards Graduate Scholarship History	1,201	29	-	(38)	52	1,244
David Richards Physics Fellowship	660	16	-	(21)	28	683
Dowding Humanities Scholarship	596	14	-	(19)	26	617
Mok Medical	509	175	-	(16)	22	690
<i>College Buildings & Facilities</i>						
R H Robbins Garden Fund	844	20	-	(26)	36	874
<i>College Corporate Capital</i>	46,776	1,133	-	(1,466)	2,002	48,445
127 Funds below £600k	14,938	287	-	(462)	625	15,388
Endowment Funds - Expendable						
The General Benefactions Fund	7,699	214	-	(241)	329	8,001
	-	-	-	-	-	-
Total Endowment Funds - College	<u>103,174</u>	<u>2,643</u>	<u>-</u>	<u>(3,227)</u>	<u>4,406</u>	<u>106,996</u>
Endowment funds held by subsidiaries	-	-	-	-	-	-
Total Endowment Funds - Group	<u>103,174</u>	<u>2,643</u>	<u>-</u>	<u>(3,227)</u>	<u>4,406</u>	<u>106,996</u>
Restricted Funds						
Building Projects	5,615	3,272		(390)		8,497
52 Other Funds	4,576	1,011	(432)	(100)		5,055
Total Restricted Funds - College	<u>10,191</u>	<u>4,283</u>	<u>(432)</u>	<u>(490)</u>	<u>-</u>	<u>13,552</u>
Restricted funds held by subsidiaries	-	-	-	-	-	-
Total Restricted Funds - Group	<u>10,191</u>	<u>4,283</u>	<u>(432)</u>	<u>(490)</u>	<u>-</u>	<u>13,552</u>
Unrestricted Funds						
General funds	19,037	7,743	(11,886)	3,717		18,611
Pension reserve	(1,399)		50			(1,349)
Total Unrestricted Funds - College	<u>17,638</u>	<u>7,740</u>	<u>(11,660)</u>	<u>3,717</u>	<u>-</u>	<u>17,435</u>
Unrestricted funds held by subsidiaries	-	-	-	-	-	-
Total Unrestricted Funds - Group	<u>17,638</u>	<u>7,740</u>	<u>(11,660)</u>	<u>3,717</u>	<u>-</u>	<u>17,435</u>
Total Funds	<u>131,003</u>	<u>14,666</u>	<u>(12,092)</u>	<u>-</u>	<u>4,406</u>	<u>137,983</u>

The College has agreed to list individually all those Permanent Endowment Funds with a balance greater than £600k at the year-end. The College also had 17 Permanent Endowment Funds with a balance between £250k and £600k and 110 Funds with a balance below £250k.

The Total Return Spending Rule transfer amounted to £3,23m.

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20 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:	<p>* A consolidation of gifts and donations where income, but not capital, can be used for the general purposes of the charity</p> <p>* Capital balance of past donations where related income, but not the original capital, can be used for [restricted purpose] of the charity</p> <p>* The above funds listed are to secure teaching posts in a variety of subjects, and to maintain the College Garden.</p>
Endowment Funds - Expendable:	<p>* A consolidation of gifts and donations where either income, or income and capital, can be used for the general purposes of the charity</p> <p>* Capital balance of past donations where related income, or income and capital, can be used for restricted purpose] of the charity</p>
Restricted Funds:	<p>* A consolidation of gifts and donations where both income and capital can be used for restricted purposes</p> <p>* The Buildings Fund is the major source of financing for the Graduate Centre and refurbishment of Staircase 9, construction of which has now been completed.</p>
Unrestricted Funds	<p>* 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.</p>

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2018 Total £'000
Tangible fixed assets	35,335	8,497	-	43,832
Property investments	-	-	23,026	23,026
Other investments	-	-	72,362	72,362
Net current assets	18,449	5,055	11,608	35,112
Long term liabilities	(36,349)	-	-	(36,349)
	<u>17,435</u>	<u>13,552</u>	<u>106,996</u>	<u>137,983</u>
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2017 Total £'000
Tangible fixed assets	30,621	5,615	-	36,236
Property investments	-	-	22,930	22,930
Other investments	-	-	75,809	75,809
Net current assets	18,416	4,576	4,435	27,427
Long term liabilities	(31,399)	-	-	(31,399)
	<u>17,638</u>	<u>10,191</u>	<u>103,174</u>	<u>131,003</u>

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22 TRUSTEES' REMUNERATION

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

Trustees of the college fall into the following categories:

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

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

All Official and Research Fellows are eligible for a Housing Allowance, which is disclosed within the salary figures below. Twelve trustees live in College or property owned by the College.

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 pp 10-11 of the section, Trustees and Committee Membership..

Remuneration paid to trustees

Range	Number of Trustees/Fellows	2018	Number of Trustees/Fellows	2017
		Gross remuneration, taxable benefits and pension contributions £		Gross remuneration, taxable benefits and pension contributions £
£0-£2999	2	2,127		
£3,000-£3,999			1	3,695
£4,000-£4,999	2	8,927		
£5,000-£5,999	1	5,524		
£7,000-£7,999	1	7,374		
£9,000-£9,999	1	9,109	0	-
£10,000-£10,999	3	32,248	3	31,628
£11,000-£11,999	2	22,808	2	23,522
£12,000-£12,999	1	12,588		
£13,000-£13,999	1	13,621	1	13,211
£14,000-£14,999	1	14,706		
£15,000-£15,999	2	30,439	1	15,339
£17,000-£17,999			1	17,993
£18,000-£18,999	1	18,177		
£19,000-£19,999	1	19,592	1	19,987
£20,000-£20,999	2	41,110	1	20,279
£21,000-£21,999			13	282,961
£22,000-£22,999	9	199,918	2	45,789
£23,000-£23,999	4	92,590		
£24,000-£24,999	1	24,624	1	24,624
£30,000-£30,999	1	30,203	0	-
£33,000-£33,999			1	33,124
£34,000-£34,999	2	68,549	1	34,364
£35,000-£35,999	1	35,591		
£36,000-£36,999			0	-
£39,000-£39,999	1	39,818	1	39,818
£42,000-£42,999			0	-
£43,000-£43,999			2	87,004
£44,000-£44,999	1	44,242		
£46,000-£46,999			0	-
£48,000-£48,999			0	-
£50,000-£50,999			1	50,234
£51,000-£51,999	1	51,712		
£52,000-£52,999			1	52,468
£53,000-£53,999			4	214,930
£54,000-£54,999	3	163,969	2	109,426
£55,000-£55,999	2	110,815	1	55,211
£56,000-£56,999			1	56,133
£57,000-£57,999	2	114,385	1	57,428
£58,000-£58,999	1	58,413		
£62,000-£62,999			0	-
£87,000-£87,999			0	-
£88,000-£88,999			0	-
£89,000-£89,999			1	89,416
£90,000-£90,999	1	90,936		
£92,000-£92,999			2	185,661

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£93,000-£93,999			1	93,992
£94,000-£94,999	2	188,838		
£95,000-£95,999	1	95,601		
£108,000-£108,999			0	-
£115,000-£115,999			1	115,640
£117,000-£117,999	1	117,606		
Total	<u>55</u>	<u>1,766,160</u>	<u>48</u>	<u>1,773,877</u>

21 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 30 Related Party Transactions

Key management remuneration

The total remuneration paid to key management was £553k (2017: £533k). Key management are considered to be the Warden, Finance Bursar, Domestic Bursar, Senior Tutor and Development Director.

23 PENSION SCHEMES

Pension Scheme Provisions

Wadham College is a member of the Universities Superannuation Scheme (USS) and University of Oxford Staff Pension Scheme (OSPS), these are multi-employer pension schemes both of which are in deficit. Wadham College has recognised a provision for its commitments under the agreed deficit reduction plans for each scheme, in calculating these provisions Wadham College has estimated that salary expense will increase at 2.0% p.a. and the liability is discounted at a 15 year corporate bond rate of 1.95% (2017: 1.55%). A sensitivity analysis to changes in salary and discount rate changes is shown below.

Pension Schemes

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

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

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

Actuarial valuations

Qualified actuaries periodically value the USS and OSPS schemes using the 'projected unit method', embracing a market value approach. The resulting levels of contribution take account of actuarial surpluses or deficits in each scheme. The financial assumptions were derived from market conditions prevailing at the valuation date. The results of the latest actuarial valuations and the assumptions which have the most significant effect on the results of the latest valuations and the determination of the contribution levels are for the two schemes shown in the following table.

	USS	OSPS
Date of valuation:	31/03/2014	31/03/2016
Date valuation results published:	24/07/2015	28/04/2017
Value of liabilities:	£46.9bn	£661m
Value of assets:	£41.6bn	£/528m
Funding surplus / (deficit):	(£5.3bn) ^a	(£133m) ^b
Principal assumptions:		
• Investment return	5.2%pa ^c	-
• Rate of interest (periods up to retirement)	-	'Gilts' + 1.2%pa
• Rate of interest (periods up after retirement)	-	'Gilts' + 1.2%pa
• Rate of increase in salaries	RPI + 1%pa ^d	RPI + 1%pa
• Rate of increase in pensions	CPI pa ^d	Average
Mortality assumptions:		
• Assumed life expectancy at age 65 (males)	24.2 yrs	22.4 yrs
• Assumed life expectancy at age 65 (females)	26.3 yrs	24.7 yrs
Funding Ratios:		
• Technical provisions basis	89%	80%
• Statutory Pension Protection Fund basis	82%	67%
• 'Buy-out' basis	54%	42%
• Estimated FRS 102 Total Funding level	77%	82%
Recommended employer's contribution rate (as % of pensionable salaries):	18% ^e	23% decreasing
OSPS rate 23% decreasing to 19% from 01/08/2017		
Effective date of next valuation:	31/03/2017	31/03/2019

a. USS's actuarial valuation as at 31 March 2014 takes into account the revised benefit structure effective 1 April 2016 agreed both by the Joint Negotiating Committee and the Trustee in July 2015 following the Employers' consultation which concluded in June 2015. Key changes agreed include: for Final Salary section members, the benefits built up to 31 March 2016 were calculated as at that date using pensionable salary and pensionable service immediately prior to that date and going forwards will be revalued in line with increases in official pensions (currently CPI); all members accrue a pension of 1/75th and a cash lump sum of 3/75ths of salary each year of service in respect of salary up to a salary threshold, initially £55,000 p.a., with the threshold applying from 1 October 2016; member contributions are 8% of salary; a defined contribution benefit for salary above the salary threshold at the total level of 20% of salary in excess of the salary threshold; and optional additional contributions payable into the defined contribution section from 1 October 2016 of which the first 1% of salary is matched

by the employer. Further details about the changes may be reviewed on USS' website, www.uss.co.uk. For the period up to 1 April 2016 the employer deficit contribution was 0.7% p.a. of salaries based on the assumptions made. After allowing for those changes, the actuary established a long term employer contribution rate of 18% pa of salaries for the period from 1 April 2016 to 31 March 2031. On the assumptions made and with the salary threshold and defined contribution section implemented this gives rise to deficit contributions of at least 2.1% p.a. of salaries. At 31 March 2018 USS reported that the estimated funding deficit was £8.4 bn (88% funded).

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

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

d. USS' actuary has assumed that general pay growth will be CPI in year 1, CPI + 1% in year 2 and RPI + 1% pa thereafter. It is assumed that CPI is based on the RPI assumption (market derived price inflation of 3.6% p.a less an inflation risk premium) less RPI/CPI gap of 0.8% p.a.

e. As noted above (note a) the USS employer contribution rate is 18% of salaries from 1 April 2016. The total employer contributions include provisions for the cost of future accrual of defined benefits (DB) (net of member contributions to the DB section), deficit contributions, administrative expenses of 0.4% of salaries and from the implementation of the salary threshold the employer contribution towards defined contribution benefits including employer matching contributions and certain investment management costs relating to the DC section. The 2017 actuarial valuation of USS has been undertaken but this has not been formally completed. The 2017 valuation has set out the challenges currently facing the scheme and the likelihood of significant increases in contributions being required to address these challenges. In the judgement of the College as the 2017 valuation has not been formally completed, and there remains various stages of consultation around the key factors specifically relating to the funding of the past deficit, including the level of contributions required, the period of the recovery plan and the level of asset performance over the period, it remains appropriate to continue to account for the past deficit obligation in accordance with the plan agreed after the 2014 actuarial valuation. However, there is a significant risk that the year-end provision as calculated will not reflect the position following the final outcome of negotiations, potentially by a very significant amount depending upon what is finally agreed as regards future deficit contributions and their duration. The College expects to have greater clarity in this respect during the next financial year.

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

Sensitivity of actuarial valuation assumptions

Surpluses or deficits which arise at future valuations may impact on Wadham College's future contribution commitment. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Assumption	USS	
	Change in assumption	Impact on USS liabilities
Initial discount rate	increase / reduce by 0.25%	decrease / increase by £0.8bn
Discount rate in 20 years' time	increase / reduce by 0.25%	decrease / increase by £1.1bn
RPI inflation	increase / reduce by 0.1%	increase / decrease by £0.8bn
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £0.5bn

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

Deficit Recovery Plans

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

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	OSPS	USS
Finish Date for Deficit Recovery Plan	30/06/2027	31/03/2031
Average staff number increase	0%	0%
Average staff salary increase	2.00%	2.00%
Average discount rate over period	1.75%	1.90%
Effect of 0.5% change in discount rate	£20k	£20k
Effect of 1% change in staff growth	£79k	£44k

A provision of £1.349m has been made at 31 July 2018 (2017: £1.399m) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown.

Pension charge for the year

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

Included in other creditors are pension contributions payable of £nil (2017: £nil).

A copy of the full actuarial valuation report and other further details on the scheme are available on the relevant website: www.uss.co.uk, www1.admin.ox.ac.uk/finance/epp/pensions/schemes/osps

Scheme	2018 £000's	2017 £000's
Universities Superannuation Scheme	416	382
University of Oxford Staff Pension Scheme	289	298
Other schemes – contributions		
Total	705	680

24 TAXATION

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

25 FINANCIAL INSTRUMENTS

The College held no Financial Instruments

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

	2018 Group £'000	2017 Group £'000
Net income/(expenditure)	6,980	8,434
Elimination of non-operating cash flows:		
Investment income	(2,578)	(2,654)
(Gains)/losses in investments	(4,406)	(7,465)
Endowment donations	(150)	(687)
Depreciation	720	725
(Surplus)/loss on sale of fixed assets	-	-
Decrease/(Increase) in stock	8	(14)
Decrease/(Increase) in debtors	268	(819)
(Decrease)/Increase in creditors	1,038	(244)
(Decrease)/Increase in provisions	-	-
(Decrease)/Increase in pension scheme liability	(50)	(91)
Net cash provided by (used in) operating activities	1,830	(2,815)

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27 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018	2017
	£'000	£'000
Cash at bank and in hand	34,072	32,905
Total cash and cash equivalents	<u>34,072</u>	<u>32,905</u>

28 FINANCIAL COMMITMENTS

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

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29 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £5,000k (2017 - £500k).

30 RELATED PARTY TRANSACTIONS

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

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

The following trustees had housing loans outstanding from the College at the year-end:

	2018	2017
	£'000	£'000
C Summerfield	62	62
T Simpson	90	90
D Brookshaw	100	100
	<u>252</u>	<u>252</u>

Interest is charged on the above loans at 3% per annum. All loans are repayable on sale of the property or on the departure of the trustee from the College if earlier.

The College also has properties owned jointly with Trustees under Joint Equity Ownership Agreements between the Trustee and the College. The value of the College's share of these properties is:

	2018	2017
	£'000	£'000
A Castrejon-Pita	279	275
C Summerfield	212	209
N Seddon	225	230
Total net book value of properties owned jointly with trustees	<u>716</u>	<u>714</u>

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

31 CONTINGENT LIABILITIES

There are no Contingent Liabilities that require disclosure.

32 POST BALANCE SHEET EVENTS

There are no Post Balance Sheet Events that require disclosure