

# Oriel College



## Trustees' Annual Report & Financial Statements

Year ended 31 July 2017



Registered charity number: 1141976

# **ORIEL COLLEGE**

## **Annual Report and Financial Statements**

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# **ORIEL COLLEGE**

## **Report of the Governing Body**

The Members of the Governing Body present their Annual Report for the year ended 31 July 2017 under the Charities Act 2011 (as amended) together with the audited financial statements for the year.

Oriel College was founded by Edward the Second by a Royal Charter, dated 1326. Its full corporate designation was confirmed by Letters Patent granted by James the First in 1603. The College is a registered Charity (registered number 1141976).

## **OBJECTS AND ACTIVITIES**

### **Charitable Objects and Aims**

Today the College exists to promote undergraduate and graduate education, research and advanced study within the University of Oxford. The College also provides accommodation, advice and resources to its students.

The College's objects as approved by the Charity Commission are those in the Founding Charter of 1326 and summarized as:

'A college of scholars studying sacred theology, civil and canon law and useful knowledge'

In 2009, the Governing Body agreed the following as a modern iteration of its purposes:

- Providing a University education in a college conducted in accordance with the traditions of its foundation
- The advancement of education and learning and the promotion of research
- The advancement of public education, heritage and culture, in particular by the maintenance of articles of historic or aesthetic interest, and the conservation of the College and its grounds
- Other charitable purposes for the benefit of the public

The College has various permanently endowed trust funds held for special purposes in connection with the maintenance and development of College facilities and for scholarships, bursaries, prizes and other educational purposes.

### **Public Benefit**

The College provides public benefit in accordance with its founding principles and in 2016/17 spent almost £8.7m providing teaching, research and associated facilities.

Statutory guidance provided by the Charity Commission under the Charities Act 2011 states that there must be an identifiable benefit or benefits arising from the work of all charities and such benefits must be to the public in general or a sufficient section of the public. The Governing Body confirms that it has taken note of the Charity Commission's guidance on public benefit and the advancement of education when reviewing the College's aims and objectives and in planning future activities.

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## **Report of the Governing Body**

The students and academic staff of the College are the primary beneficiaries being directly engaged in education and research. The College provides higher education to graduates and undergraduate students in conjunction with Departments and Faculties of the University of Oxford. The tutorial system underpins the teaching of undergraduates at Oriel. Tutorials are held at least once a week with groups of two to three students discussing a topic in depth with a Fellow of the College or a College Lecturer. As well as the members of the College (students and academics), there are many other beneficiaries of Oriel's educational resources. These include visiting students, visiting academics and researchers from worldwide educational institutions and members of the public.

### **Strategic Aims**

The College's strategic aim is to maintain and enhance its standing within the University of Oxford as a world-class college in the context of a world-class university.

A strategy review initiated in 2014/15 identified the nine major strategic aims set out below:

- Attract high potential applicants from a wide range of backgrounds
- Provide teaching and support that enables all students to perform at their best
- Foster a welcoming and supportive community
- Support researchers in a world-class environment
- Maintain a skilled workforce
- Develop the quality and potential of the College's buildings and facilities
- Maintain financial stability and resource our priorities
- Promote a connected alumni community
- Support the College with efficient and responsive administrative systems and maintain high standards of academic self-governance

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **ACHIEVEMENTS AND PERFORMANCE**

#### **Outreach and Admissions**

Due to a combination of factors, the admissions round completed during the year (for admission in 2017) saw a 35% increase in direct applications to the College over the previous year. The proportion of UK-domiciled undergraduates at Oriel who are from state schools has increased in recent years. In addition to the outreach activities outlined below, improvements to the website and social media, significant increase in footfall at open days and greater awareness of the College's academic achievements all seem to have played a part.

The College's outreach programme supports potential applicants from schools and areas that are currently under-represented at the University. Work is focused on the College's linked areas of Dudley, Kensington and Chelsea, Richmond upon Thames, Walsall, Wolverhampton and Worcestershire. Funding from a donor enabled the College to host a series of Year 12 Study Days as well as two Diversity Days aimed at Year 11 and 12 pupils.

The College played a leading role in the Pathways programme, a collaborative project run across almost all Oxford colleges with support from the Sutton Trust. The College's Outreach Officer co-ordinated the programme for 2016-17, and Oriel hosted the Pathways Administrator.

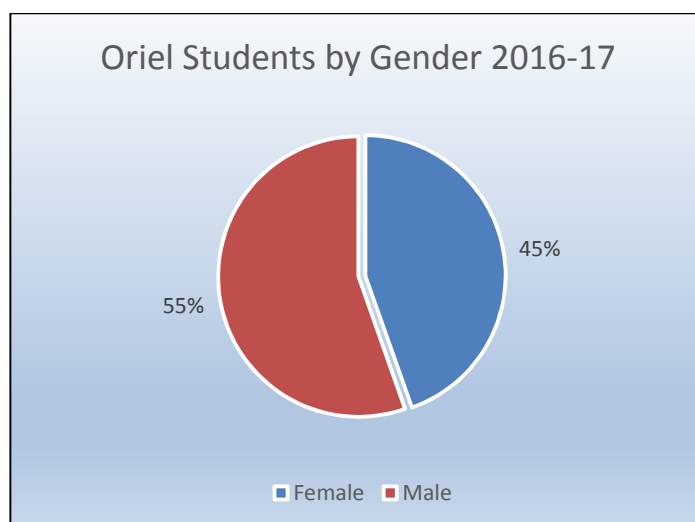
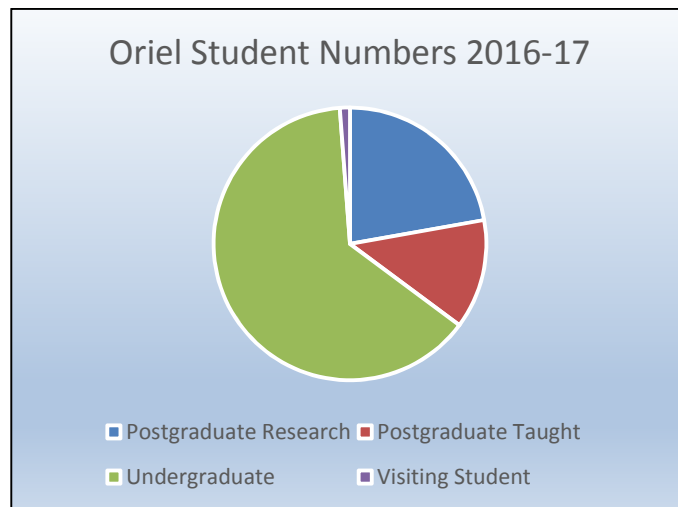
#### **Student Numbers and Achievements**

324 undergraduate (2016; 325) and 179 graduate (2016; 172) students were in residence during the year. Of the graduate student population, 66 were taking taught courses and 113 undertaking research. Graduates represent a significant part of the College's contribution to the educational activities of the collegiate university and to the intellectual and social life of the College. In addition, the College had six visiting students (2016: 4) from Barnard, Columbia and Notre Dame Universities and the Erasmus programme.

Undergraduate students performed well this year with 93% of students getting a 2.1 or above in their final examination. Of these 29% achieved a First during final examinations. Strong performances were achieved in History, Modern Languages (and their joint schools) and Physics. Seven undergraduates received University Prizes for their achievement. In the First Public Examinations undertaken 22% achieved Distinctions. At 31<sup>st</sup> July 2017, 24 DPhil students had successfully completed their doctorates this academic year.

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## Report of the Governing Body



### Student Financial Support

The College contributed £82k towards Oxford Opportunity Bursaries for undergraduate students. The College continued its support for an undergraduate from the developing world by participating in the Reach Oxford scheme under which it pays college and university fees. Junior members contribute to a fund to cover living costs so the student is fully funded for his or her course in Oxford. A second overseas student was supported through their course by alumni donations. Generous prizes (funded by the Oriel Society) were awarded for the best performances by undergraduates in First Public Examinations in addition to the College prizes awarded for first class results in all Public Examinations.

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## **Report of the Governing Body**

Financial assistance grants totalling £50k were awarded to students these included grants made to students with exceptional needs, which meant they did not have to take paid work during vacations allowing them to concentrate on their studies.

Over 100 students benefited from receiving Travel Grants from the College, which totalled £35k in the year. These bursaries were awarded to assist with the costs of travel related to the pursuit of students' academic objectives.

### **Advanced Academic Activity**

The College continues to provide and promote advanced academic activity. Research budgets, sabbatical leave, major research leave and office resources are provided. Amongst the achievements during the year were:

- Dr Bruno Currie, Tutorial Fellow in Classics, published his book *Homer's Allusive Art*, with Oxford University Press in October 2016.
- Emeritus Fellow in Philosophy Professor David Charles was awarded an Honorary Degree by the National Technical University of Athens in November 2016.
- Dr Teresa Bejan, Tutorial Fellow in Politics, published her book, *Mere Civility: Disagreement and the Limits of Toleration*, with Harvard University Press in January 2017.
- In February 2017, Professor Richard Scholar, Tutorial Fellow in French, published a revised edition of his book *Montaigne and the Art of Free Thinking* (Peter Lang Oxford).
- In April 2017, Professor Lyndal Roper was shortlisted for the Wolfson History Prize for her book *Martin Luther: Renegade and Prophet*.
- Professor Yadvinder Malhi, Jackson Senior Research Fellow in Biodiversity and Conservation, was elected as a Fellow of the Royal Society in May 2017.
- Professor Ian Horrocks, Fellow in Computer Science, co-authored a new book, *An Introduction to Description Logic*, which was published by Cambridge University Press in May 2017. On the 3<sup>rd</sup> September, he was awarded an honorary doctorate from the University of Oslo, in recognition of the impact of his research.
- Professor Annette Volting, Tutorial Fellow in Modern Languages, published a new book, *The Daughter Zion Allegory in Medieval German Religious Writing*, with Routledge in June 2017.
- Professor John Armour, Hogan Lovells Professor in Law and Finance, was elected Fellow of the British Academy in July 2017.

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## **Report of the Governing Body**

### **Extra-Curricular Activities**

Students continue to take part in a wide range of extra-curricular activities.

The College supported the undergraduate student community as they staged a number of plays and concerts during 2016/17. The Oriel Drama Society put on production of *The Taming of the Shrew*, 13<sup>th</sup> -15<sup>th</sup> June, in First Quad. The students also organised an Arts Week within the college and produced their own newspaper 'The Poor Print', which included articles on all aspects of student life and several investigative pieces covering subjects such as the homelessness, and the international debate on historical monuments. The Poor Print also hosted its first careers event for students in cooperation with Corpus Christi College, featuring talks by Oriel and Corpus Christi alumni who work in the media.

Many students took part in a wide variety of sports at college and university level. Financial support was provided through the provision and maintenance of the Sports Ground at Bartlemas and the boathouse and boat fleet. A new Men's First VIII boat was purchased with the support of a large number of generous donors.

The Women's First VIII claimed Head of the River in this year's Torpids and the Women's Second VIII got blades as they moved up into Division III.

The Choir continued to flourish under the direction of Dr David Maw, Director of Music, and toured Italy in July 2017. A new CD was recorded during the year and will be released for sale in late 2017. The Visiting Musician for the 2016-17 academic year, acclaimed mezzo-soprano Dame Sarah Connolly, gave two Masterclasses and performed a concert at the Holywell Music Room.

Oriel students held the inaugural Equality Fest in May this year, and all College members were invited to join in the equality-themed events and discussions.

### **Buildings and Facilities**

An updated College Masterplan was adopted by the Governing Body during the year and a five-year plan for capital and maintenance works with budget allocations and funding options has been prepared. This will enable more effective planning for improving, maintaining and conserving first class teaching, accommodation and conference facilities at the College.

A number of projects were completed during 2016/17 alongside a substantial repair and maintenance programme. These include:

- A full student staircase refurbishment
- Completion of the Graduate (MCR) Common Room and Bar renovation



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## **Report of the Governing Body**

- The refurbishment of commercial office space in 16 King Edward Street, Oxford currently occupied by the Bursary, Development Office and other support functions
- The installation of new heating in graduate and undergraduate accommodation on the College's 'Island Site'

The College continues to plan for the redevelopment and refurbishment of the kitchen, hall and bar facilities as part of the 'Brewhouse Yard Project'. Plans have been delayed due to extensive discussions with Historic England and Oxford City Council. These have now been completed and detailed design work has resumed with a view to submitting a planning application in late 2017 or early 2018.

### Carbon Reporting/Energy Efficiency

The College continues to take its carbon footprint very seriously. It is a fundamental part of every maintenance and refurbishment project we undertake in college. Energy efficiencies are at the forefront of our planning and specification discussions on all projects. This continued process will assist in reducing our carbon output and reducing energy bills, year on year. In addition, a specific budget has been set aside to target particular carbon reduction projects with the heaters in the Island Site being replaced in 2016/17.

In terms of overall performance, the College has continued to make progress in its targeted reduction of carbon emissions with total carbon emissions reported reducing from 1,596kg CO<sub>2</sub> in 2010/11 to 1,1946kg CO<sub>2</sub> in 2016/17 (15/16 1,242kg).

The projects and refurbishments the College is now planning will enable further reductions in the carbon footprint and energy consumption whilst adding to our facilities.

### Development and Alumni Relations

In August 2012, the College launched Phase Two of the 2026 Campaign, seeking to raise £25m in new gifts and pledges by 31st July 2017, overseen by the Development Director, Mr Sean Power. As of the end of the financial year £24.7 million has been raised, just short of the £25 million target. It is anticipated that this target will be reached in the first few months of the next financial year.

Phase Two of the 2026 Campaign has marked a step change in fundraising success for Oriel College; the impact of the funds raised will be detailed in a Campaign Report to be published in the course of the coming year. This year £2.57 million (£815k; 2015/16) has been raised in non-legacy new gifts and pledges, with a further £1.26 million received in legacy gifts.

Specific aims remain the further development of the College site and facilities; increased funding to enable Oriel to continue to attract the best fellows and lecturers; further endowment of bursaries; and other support for undergraduate and graduate students.

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## **Report of the Governing Body**

### Major Donations

Major donations have proved essential to the success of fundraising efforts this year. A total of 23 organisations or individuals have made gifts of £10k or more between 1st August 2016 and 31st July 2017, compared to 11 last year. Those who donate £20k or more to the College over their lifetime are admitted to the membership of the Raleigh Society; those who give over £100k are admitted to the Provost's Court. There are currently 174 members of the Raleigh Society.

### Gifts made in Wills

Legacies continue to provide an important source of funds for Oriel. All those who formally pledge a legacy to the College are invited to join the Adam de Brome Society. There were eight new legacy pledges made this year (14; 2016), bringing the total of known pledges to 288. This year over £1.26 million has been received by the College in legacy gifts (£2.15 million; 2015/16).

### Encouraging Wider Support

In 2012 the 1326 Society was established to encourage regular giving to the College. Full Members give £1,326 a year; Young Members give £132.60 a year. Membership for this year stands at 156. The College received donation from 910 individuals in the past year, from an alumni base of circa 6,000.

The Campaign Board met twice during the year and gives overall support and strategic direction. The Development Committee of fellows and alumni continues to oversee the fundraising effort on behalf of the Governing Body and provides advice and other direct assistance to the Development Director and his team. The coming year will see a period of planning for future fundraising endeavours, in particular a new campaign which will focus on both existing and emerging needs of the College, looking towards its 700<sup>th</sup> anniversary in 2026.

### Alumni Relations

Over 40 events were organised for alumni during the year at the College, other locations in the UK and in other parts of the world. Overseas events included receptions and dinners in Hong Kong and Singapore. The Development Director also visited alumni in New York, Atlanta, Los Angeles, San Francisco and Toronto.

The Oriel News, our alumni magazine, published two issues this year, and the new design of the annual *Oriel Record* publication was very well received. Regular news updates were also provided to alumni via e-mail and social media.

A survey of alumni was launched towards the end of the year and a very high participation rate was achieved. The feedback from the survey is being used to plan the alumni relations strategy for the next five years.

### Commercial Activity

The College welcomed two major summer school programmes and increased the number of conference bookings. Attendance at one of the summer schools was negatively affected by terrorist incidents in the UK and Europe.

The gross conference income for 2016/17 amounted to £1.46m an increase of 3% (2015; £1.42m).

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## **Report of the Governing Body**

### **Other Charitable Activity**

The College is open to guided tours and individual visitors at specified times. The College has been pleased to continue its association with St Clements School, for which it provides facilities for the operation of a Forest School at Bartlemas.

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## **Report of the Governing Body**

### **FINANCIAL REVIEW**

#### **Treasurer's Report**

The Statement of Financial Activities on page 33 shows total income for the year of £12.6m (2016: £12.6m) and total expenditure £11.2m (2016: £10.8m) giving an operating surplus of £1.3m (2016: £1.7m). After a gain on investments of £8.3m (2016: £4.1m), the net movement in funds is £9.6m (2016: £5.7m).

Endowment funds increased by just over 13.4% from £69.5m to £78.8m.

Investment income of £3.6m (2016: £4.2m) on a gross asset base of £94.8m (2016: £90.6m) gave a gross yield of 3.8% (2016 4.9%).

The draw on the endowment this year amounted to £2.3m, this is reviewed annually by the College's Investment Advisory Committee and ratified by the Finance & Estates Committee as prudent and an appropriate balance between current needs and protection of future value. During the year, it was agreed to reduce this draw in from 2017/18 from 3.5% to 3.4% measured over a rolling five-year period.

The College's property portfolio in south London and central Oxford performed well. Desktop valuations have been completed based on market data and the advice of the College's agents, Bells and Cluttons. The next external valuations are due in 2018. Within the investment expenditure line it should be noted that £733k relates to interest payable (2015/16: £822k).

The property owned by the subsidiary, Tean Limited was sold during the year with a gain on sale of £1.8m recognised in the accounts. The College's rental income in 2016/17 reduced as a result of the new leases effective from 2015/16, and the sale of the property in February 2017. Commercial rental income reduced from £2,465k in 2015/16, to £1,715k in 2016/17 as indicated in note 4 of the accounts.

In a challenging external environment, a balanced operating budget has been set for 2017/18. This assumes a draw of 3.4% from endowment funds. However, additional expenditure of £250k per annum was agreed to fund a five-year programme to bring the maintenance of the College's buildings up to date.

#### **Investment Policy, Objectives and Performance**

Endowment assets are invested in land and property, equities, fixed income securities and cash deposits. During 2016/17 the amount invested in land and property decreased in total value to £32.6m from £36.5m as a result of the disposal referred to above partly offset by an acquisition and valuation gains.

Investment in securities increased from £54.1m to £62.2m. The increase comprised £3m of net purchases and £5.3m of valuation gains.

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

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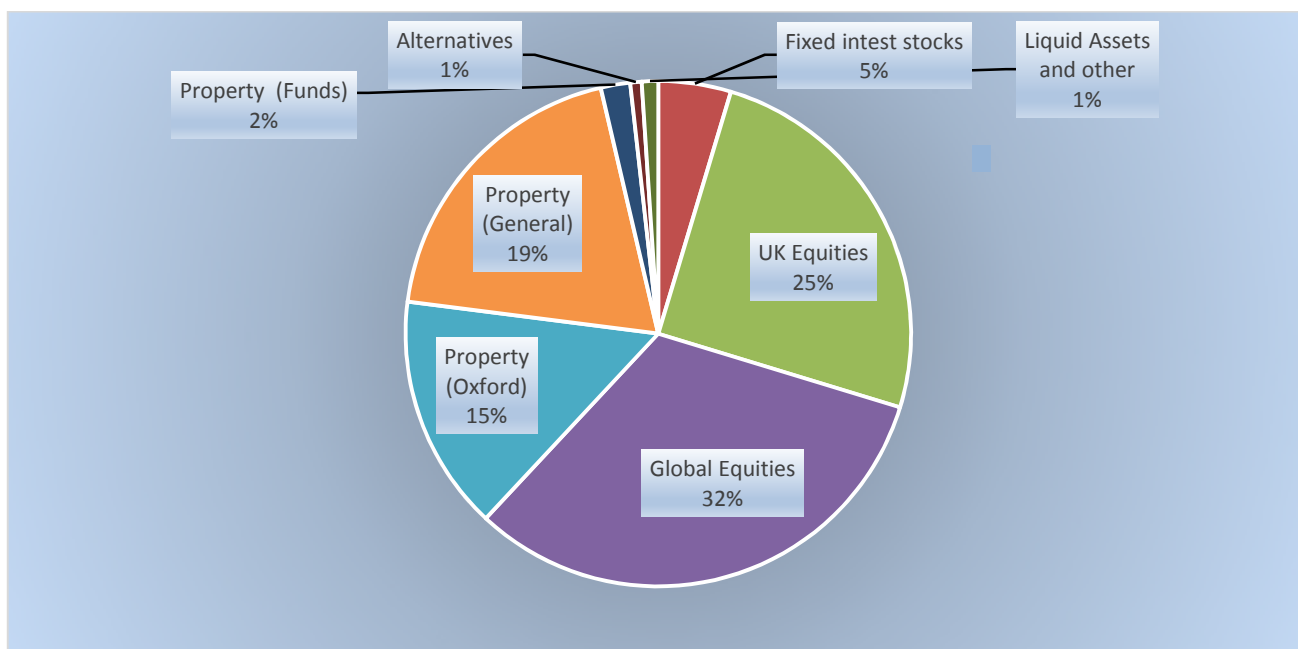
## Report of the Governing Body

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

The College’s two principal fund managers, Sarasin & Partners and Baillie Gifford manage the security portfolios. Additional investments are held with Blackrock, OUEM and Charles Stanley.

Performance of the managers and the asset allocation is reviewed at each meeting of the Investment Advisory Committee. The contract with each manager is reviewed by the Investment Advisory Committee every five years with the next review set for 2018.

The current asset allocation is shown below:



Note: Oxford property includes strategic assets adjacent to the College, which are being held for the long term.

The College employs Cambridge Associates LLP to report quarterly on investment performance. The reports are considered by the Investment Advisory Committee and each fund manager presents to the Committee at least annually. Fund managers are benchmarked against the recognised indices.

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## Report of the Governing Body

The gross figures for investment performance are as follows:

	Start of year A	New investments disposals B	Unrealised gains C	End of year D	Realised Gains E	Income F	Income Yield G	Capital return H	Total return I
	£'000	£'000	£'000	£'000		£'000	%	%	%
Property	36,480	-5,069	1,185	32,596	1,807	1,731	5.01%	8.20%	13.21%
Equities bonds and cash	54,070	3,055	5,341	62,215	0	1,867	3.21%	9.41%	12.62%
Total	90,550	-2,014	6,526	94,811	1,807	3,598	3.84%	8.93%	12.77%

The total return exceeded the strategic objective of inflation (RPI for the period of 2.8%) plus 4% by 5.97%.

### RISK MANAGEMENT

The major risks to which the College and its subsidiaries are exposed, identified by the Governing Body, have been reviewed and systems established to mitigate them. When it is not able to address risk issues using internal resources, advice is obtained from external professionals with specialist knowledge. The process for identification and management of risk is reviewed annually by the Audit Committee.

The risk register was comprehensively updated in 2014 to include an assessment of gross and net risks the College faces. Following the review all risks have been allocated to risk managers and are assessed by the relevant committee on a termly basis.

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

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## **Report of the Governing Body**

The major risks and the steps taken to mitigate them have been identified in the following table:

<b>Risk</b>	<b>Mitigation</b>
<b>Health and Safety and welfare of students</b>	Compliance with, and regular review of, health and safety legislation by the Health and Safety Committee. Trained decanal team. Awareness sessions.
<b>Failure to attract and retain high quality undergraduate and graduate students Failure to attract students from diverse ethnic and social backgrounds.</b>	Professional outreach and admissions staff. Extensive programme of events and visits including 'Exploring Oxford Days' aimed at under-represented groups.
<b>Fire and flood</b>	Insurance. Fire detection and prevention systems all under regular review.
<b>Investment asset allocation fails to deliver required endowment drawdown income level</b>	Investment Advisory Committee in place meeting bi-annually to review. Long term leases on many investment properties and regular dividends from investment securities.
<b>Systems failures (including bought-in systems)</b>	Backups onsite and offsite. Continual development of systems documentation and disaster recovery procedures; Regular reviews of current industry standards and good practice.
<b>Failure to set and communicate an appropriate financial strategy</b>	Budget setting with a five-year horizon in place. Finance and Estates Committee meets three times per term with a full annual review of budget and results.
<b>Reputation</b>	Identification and management of risks. Appropriate professional advice.

The College continues to test its Business Continuity Plan. During the year scenario planning sessions were held using examples of a major IT security failure and major boiler breakdown. This followed sessions focussed on major fire and terrorist incidents held in previous years.

### **RESERVES POLICY**

The College has sufficient reserves to be managed efficiently and to ensure uninterrupted services.

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

The reserves the College holds are assessed as part of the ongoing financial risk review. A monthly cash flow forecast is also produced and assessed for risks to income over the following 12-month period.

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## **Report of the Governing Body**

Total funds of the College and its subsidiary at the year-end amounted to £92.8m (2015/16: £83.1m), of which £3.6m (2015/16: £4.9m) are considered to be available reserves.

The designated reserves are detailed at the foot of note 18 of the accounts with a description of each area in note 19. This is due to these funds being earmarked for very specific projects to which the College is committed over the short term (such as the maintenance of the College's property and major building projects).

The Finance and Estates Committee has conducted a review of the financial risks facing the College in light of its investment portfolio and other financial risks.

The reserves policy is being reviewed by the College to enable an appropriate benchmark to be set for the level of free reserves. This will be agreed during 2017/18.



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## **Report of the Governing Body**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

#### **CORPORATE STATUS**

Oriel College of the University of Oxford (“the College”), is an eleemosynary chartered charitable corporation aggregate. Having been first established as Tackley’s Inn in 1324; it was founded by Edward the Second by a Royal Charter, dated 1326, issued to Adam de Brome. Its full corporate designation and title to its property and other assets were confirmed by Letters Patent granted by James the First in 1603. The College consists of the Provost and Fellows (‘Scholars’) and is governed by its statutes dated 21 January 1326 as amended up to 10 July 2008. The College registered with the Charity Commission on 31 March 2011 (registered number 1141976).

#### **GOVERNING BODY**

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, Her Majesty the Queen. It determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the Provost. The Members of the Governing Body are the College’s charity trustees under charity law. The members of the Governing Body who served in office during the year or subsequently are detailed below:

Ms Moira Wallace, OBE, Provost	Professor Lars Fugger
Professor Andrew Boothroyd	Professor Ian Horrocks
Dr Michael Spivey	Professor Nicholas Eyre
Professor Annette Volging	Dr Kevin Maloy
Professor David Hodgson, Vice-Provost	Ms Sandra Robertson
Professor Lynne Cox	Dr William Wood
Professor Pedro Ferreira (resigned September 2016)	Dr Max Crispin (resigned September 2017)
Professor Teresa Morgan	Dr Yakov Kremnitzer
Professor Brian Leftow	Dr Mungo Wilson
Dr Oliver Pooley	Dr Kathryn Murphy
Dr Bruno Currie	Professor James Sparks
Dr John Huber	Mr Sean Power
Professor Richard Scholar	Professor Lyndal Roper
Mr Wilf Stephenson, Treasurer	Dr Paul Yowell
Professor Yadvinder Malhi	Dr Justin Coon
Dr Kristine Krug	Dr Francesco Manzini (resigned December 2016)
Dr Ian Forrest	Professor Hindy Najman
Dr Christopher Bowdler	Dr Teresa Bejan
Ms Juliane Kerkhecker	Dr Luca Castagnoli
Professor Michael Devereux	Dr Maike Bublitz
Dr Christopher Conlon	Dr Patrick Farrell
Ms Lucinda Ferguson	Dr Julien Devriendt (appointed October 2017)
Professor Philip Stier (resigned September 2016)	Dr Andrew Wells (appointed October 2017)
Professor John Armour	Dr Víctor Acedo Matellán (appointed October 2017)
Dr Julia Mannherz	
Professor Gonzalo Rodriguez Pereyra	

# **ORIEL COLLEGE**

## **Report of the Governing Body**

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

Members of the Governing Body are elected on the recommendation of appointment committees, which normally include external members. Most are selected for their outstanding academic achievements and teaching abilities. Others are selected for specific management roles. Extensive references are taken prior to appointment.

All new fellows receive a comprehensive briefing on the governance of the College and their duties as trustees and further training has been arranged to ensure that all fellows are fully aware of their responsibilities.

### **ORGANISATIONAL MANAGEMENT**

The members of the Governing Body normally meet 10 times a year. The work of developing their policies and monitoring the implementation of these is carried out by five principal standing or governance committees (and a number of other committees covering specific areas of the College's activities). The principal management and strategy committees are the Finance and Estates Committee (advised by the Investment Advisory Committee), the General Purposes Committee and the Education Committee all chaired by the Provost.

The principal governance committees are the Audit Committee and the Remuneration Committee. The Development Committee covers the responsibilities previously held by the Trustees of the Oriel College Development Trust, which was merged with the College in 2011. All have an external chairman and a majority of external members or, in the case of the Remuneration Committee, all the members not being remunerated by the College.

The members of committees are detailed below:

#### **Finance and Estates Committee**

The Finance and Estates Committee is the standing committee of the Governing Body with responsibility for considering, acting and reporting on any matter pertaining to the financial affairs and estates of the College.

The Committee is chaired by the Provost with the Vice Provost, Treasurer and Development Director as permanent members. There are an additional four fellows who sit on the Committee, at year end:

Dr Coon, Dr Bowdler, Prof Devereux, and Ms Kerkhecker.

The external member is:

Mr. John Shannon (Former Treasurer, Oriel College Development Trust)

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## **Report of the Governing Body**

### **General Purposes Committee**

The General Purposes Committee is the standing committee of Governing Body with responsibility for reviewing and making recommendations on all business of the College not specifically the responsibility of other standing or ad hoc committees.

The Committee is chaired by the Provost with the Vice Provost, Senior Tutor, Senior Dean, Tutor for Admissions and the Treasurer as permanent members.

There are an additional two fellows who were members of the Committee at year end:

Mr Power and Dr Wood.

### **Education Committee**

The Education Committee is a standing committee which considers academic vacancies or impending vacancies and all matters of education policy and strategy which may be referred to it by the Governing Body or any Trustee.

The Committee is chaired by the Provost with the Vice Provost, Senior Tutor, Senior Dean, Tutor for Admissions and the Tutor for Graduates as permanent members.

There are additional fellows who sit on the Committee, at year-end:

Dr Spivey, Dr Maloy, Dr Currie, Prof Cox and Dr Yowell.

In addition, the Treasurer and Academic Registrar attend all meetings.

### **Audit Committee**

The Audit Committee exists to review, on behalf of the College, the effectiveness of the external audit, the financial statements, internal controls and overall financial governance. The Chairman has access to the Provost at all times and may address the Governing Body on any matters of concern as the Committee requires. The Committee reports annually to the Governing Body on the financial statements and its work during the year.

Its external members are:

Mr. Strone Macpherson (former Chairman, Close Brothers plc.), Chairman

Mr. John Shannon (former Treasurer, Oriel College Development Trust)

Mr. Tim Budden (Finance Director, Grosvenor Indirect Investments, Grosvenor Group)

Mr. Ian Thompson (former Bursar, Wadham College)

The Governing Body member is Prof Armour.

# **ORIEL COLLEGE**

## **Report of the Governing Body**

In addition, the Provost, Treasurer and Financial Controller attend all meetings.

### **Investment Advisory Committee**

The Investment Advisory Committee consists of fellows and members of the College with relevant expertise. The Committee meets at least twice a year to review investment performance and advice on investment strategy and reports annually to the Governing Body. It is also consulted by the Treasurer on matters that arise during the year.

Its external members are:

Mr. John Cook, Chairman

Mr. Charles Skinner (Chief Executive, Restore plc.)

Mr. Mark Tyndall (former Chief Executive, Artemis Investment Management LLP)

Mr. Jonathan Lane (former Chairman, Shaftsbury plc.)

Mr. Ewen Cameron Watt (formerly at Blackrock Investment Institute)

The Governing Body members are the Provost, Treasurer, Development Director and Dr Bowdler.

In addition to the Investment Advisory Committee, a Property Panel provides expert advice on strategy and management of the College's property portfolio.

Its external members are:

Mr. Robin Goodchild, (former International Director and Head of European Strategy, La Salle Investment Management)

Mr. Jonathan Lane, (former Chairman, Shaftsbury plc.)

The Governing Body member is the Treasurer, and the Master of Works attends all meetings.

### **Development Committee**

The Development Committee consists of fellows and members of the College. The Committee meets at least once a term to review progress with development objectives and the performance of the Development Office. It also gives advice and support to the Development Director and his team.

Its external members during the year were:

Mr. Geoffrey Austin

Ms. Caroline Knight

The Governing Body members are the Provost, Vice Provost, Treasurer, Development Director, and Ms. Kerkhecker.

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **Remuneration Committee**

The Remuneration Committee consists of up to three independent members, a professorial fellow and a member of another college. The Committee meets twice a year to review matters of remuneration policy and any significant remuneration issues raised by members or by the Governing Body.

At present its external members are:

Mr. John Church (Bursar, Pembroke College)

Professor Mark Philp (Emeritus Fellow)

Ms. Sheila Forbes (former Principal, St Hilda's College).

The Governing Body member is Professor Devereux (Chair).

Meetings are attended by the Provost, Treasurer, HR Manager and the Financial Controller.

### **GROUP STRUCTURE AND RELATIONSHIPS**

The College administers a number of charitable trusts, as detailed in Note 19 of the financial statements.

The College currently has four wholly owned non-charitable subsidiaries: Land, Estates and Property Limited, Tean Limited, Moody Print Holdings and Oriel College Conferences Limited, whose annual profits are donated to the College under the Gift Aid Scheme.

The objective of the College's subsidiaries is to help finance the achievement of the College's aims and objectives as set out above.

The subsidiaries activities are as follows:

**Oriel College Conferences Limited:** Runs the commercial conference activity of the College

**Land, Estates and Property Limited:** Owns a number of investment properties in South London and provides design and construction services

**Tean Limited** Owned an investment property in Cheltenham, Gloucestershire.  
Dormant at year end.

**Moody Print Holdings Limited** Owns an investment property in Stourbridge, West Midlands

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

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **OFFICERS AND SENIOR STAFF**

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

Moira Wallace OBE – Provost

Professor D Hodgson – Vice Provost

Mr W Stephenson – Treasurer

Ms J Kerkhecker – Senior Tutor

Mr S Power – Development Director

Dr O Pooley – Senior Dean

Mr K Melbourne – Domestic Bursar

Mrs R Breward – Academic Registrar

Mr R Noonan – Master of Works

Mr O Sladen – Financial Controller

Mrs S Moore – Human Resources Manager

Dr Bruno Currie – Tutor for Admissions

Dr John Huber – Tutor for Graduates

The remuneration of senior college staff is set by reference to nationally agreed pay scales and local conditions.

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **PRINCIPAL ADVISERS AND BANKERS**

#### **Auditors**

Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London EC1M 7AD

#### **Bankers**

Child and Co  
49 Charing Cross, Admiralty Arch  
London SW1A 2DX

#### **Investment Managers**

Sarasin & Partners LLP, Juxon House  
100 St Pauls Churchyard  
London EC4M 8BU

Baillie Gifford & Co Limited  
Calton Square, 1 Greenside Row  
Edinburgh EH1 3AN

Blackrock Charities and Endowments team  
12 Throgmorton Avenue  
London  
EC2N 2DL

Charles Stanley  
25 Luke Street  
London  
EC2A 4AR

#### **Investment Property Managers (South London)**

Bells Commercial Ltd  
Golding House, 130-138 Plough Road  
Clapham Junction  
London SW11 2AA

#### **Investment Property Advisors**

Cluttons  
Seacourt Tower  
West Way  
Oxford OX2 0JJ

Alder King  
Brunswick House  
Gloucester Business Park  
Gloucester GL3 4AA

Savills  
Wytham Court  
11 West Way  
Oxford OX2 0QL

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **Legal Advisers**

Knights  
Midland House  
Westway  
Oxford OX2 0PH

Farrer and Co  
66 Lincolns Inn Fields  
London  
WC2A 3LH

Blake Morgan (Employment Law)  
Seacourt Tower  
Westway  
Oxford OX2 0FB

### **PR Advisors**

Teamspirit  
78 Cowcross Street  
London  
EC1M 6EJ

### **Address**

Oriel College  
Oriel Square  
Oxford OX1 4EW

### **Website**

[www.riel.ox.ac.uk](http://www.riel.ox.ac.uk)  
Twitter: [@OrielOxford](https://twitter.com/OrielOxford) (<https://twitter.com/OrielOxford>)  
Facebook: [www.facebook.com/OrielCollegeOxford/](http://www.facebook.com/OrielCollegeOxford/)



# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

#### **Trustees' Responsibilities Statement**

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year. The trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees 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 charity 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 trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- 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 trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity and group's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Governing Body on 9 November 2017 and signed on its behalf by:

Moira Wallace OBE  
**Provost**

# ORIEL COLLEGE

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

### Opinion

We have audited the financial statements of Oriel College for the year ended 31 July 2017 which comprise the Group Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Group Charity Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

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

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters which 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### 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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

# ORIEL COLLEGE

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

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 24, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and the parent charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

# ORIEL COLLEGE

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Kingston Smith LLP, Statutory Auditor**

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

Date:

**Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.**

# ORIEL COLLEGE

## Statement of Accounting Policies

Year ended 31 July 2017

### 1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Cash Flow Statement comprising the consolidation of the College and with its wholly owned subsidiaries Land Estates and Property Ltd, Tean Ltd, Moody Print Holdings Limited and Oriel College Conferences Limited. No separate SOFA has been presented for the College alone as permitted by paragraph 397 of the Charities SORP 2005. The results of the subsidiaries as included in the consolidated income, expenditure and results of the College are disclosed in note 13.

### 2. Basis of accounting

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

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

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

### 3. Incoming resources from fee income, HEFCE support and other charges for services

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

### 4. Incoming resources from donation and legacies

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

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

Voluntary income which is subject to specific wishes of the donor is credited to the relevant restricted fund or, where the donation, grant or legacy is required to be held as capital, to the endowment funds. Where donations are received otherwise than in cash, they are valued at the market value of the underlying assets received at the date of receipt.

# ORIEL COLLEGE

## Statement of Accounting Policies

Year ended 31 July 2017

### 5. Investment income

Interest on bank balances and fixed interest securities is accounted for in the period to which the interest relates. Dividend income and similar distributions are accounted for in the period in which they become receivable. Income from investment properties is accounted for in the period to which the rental income relates.

### 6. Expenditure

Expenditure is accounted for on an accruals basis. Indirect expenditure is apportioned to expenditure categories based on the estimated amount attributable to that activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

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

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

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

### 7. Leases

Rentals payable under operating leases are charged in the SOFA on a straight-line basis over the relevant lease terms.

### 8. Tangible fixed assets

Expenditure on the acquisition or enhancement of land and on the acquisition, construction and enhancement of buildings which is directly attributable to bringing the asset to its working condition for its intended use and amounting to more than £10,000 together with expenditure on equipment costing more than £5,000 are capitalised and carried in the balance sheet at historical cost.

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

### 9. Intangible assets

Positive goodwill arising on consolidation is capitalised, classified as an asset on the balance sheet and amortised over its estimated useful life of 13 years. This length of time is presumed to be the maximum useful life of goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed

# ORIEL COLLEGE

## Statement of Accounting Policies

Year ended 31 July 2017

for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

### 10. Depreciation

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

Freehold land and buildings	50 years
Leasehold properties	50 years or period of lease if shorter
Major refurbishments	30 years
Capital Building Items	5 years
IT Equipment	3 years
Vehicles	3 years

Freehold land is not depreciated. The costs of maintenance are charged in the Statement of Financial Activities in the period in which it is incurred.

### 11. Investments

Investment properties are valued as individual investments at their market values as at the balance sheet date. Purchases and sales of investment properties are recognised on completion.

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

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

### 12. Stocks

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

### 13. Foreign currencies

The functional and presentation currency of the College and its subsidiaries is in pounds sterling and rounded to the nearest pound.

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



## Statement of Accounting Policies

Year ended 31 July 2017

### 14. Fund accounting

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

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

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

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

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

### 15. Pension costs

The costs of retirement benefits provided to employees of the College through two multi-employer defined pension schemes are accounted for as if these were defined contribution schemes in accordance with the requirements of FRS 102. The College's contributions to these schemes are charged in the period in which the salaries to which the contributions relate are payable.

### 16. Accounting Judgements and Estimation Uncertainty

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised.

The following judgements and estimates are considered by the Governing Body to have most significant effect on amounts recognised in the financial statements. The College participates in a multi-employer defined benefit pension plan, the Universities Superannuation Scheme ("USS"). In the judgement of the Governing Body there is insufficient information about the assets and liabilities to be able to reliably

## ORIEL COLLEGE

### Statement of Accounting Policies

Year ended 31 July 2017

account for its shares of the defined benefit obligations and plans' assets in the financial statements and therefore the plan is accounted for as defined contribution schemes (see note 22).

The College does however recognize its share of the deficit plan currently in place (see note 22).

The College carries investment property at fair value in the balance sheet, with changes in fair value being recognised in the income and expenditure section of the SOFA. Independent valuations are obtained to determine fair value at the balance sheet date. Properties have been valued individually on the basis of fair value in accordance with the Royal Institution of Chartered Surveyors ("RICS") Valuation – Professional Standards UK, revised April 2015.

Before legacies are recognised in the financial statements, the Governing Body has to exercise judgement as to what constitutes sufficient evidence of entitlement to the bequest. Sufficient entitlement has been determined to exist once notification of payment has been received from the executor(s)

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

#### **17. Cash and cash equivalents**

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

# ORIEL COLLEGE

## Consolidated Statement of Financial Activities For the year ended 31 July 2017

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2017 Total £'000	2016 Total £'000
<b>INCOME AND ENDOWMENTS FROM:</b>						<b>Restated</b>
<b>Charitable activities:</b>	1					
Teaching, research and residential		5,389	-	-	<b>5,389</b>	5,534
<b>Other Trading Income</b>	3	387	-	-	<b>387</b>	418
<b>Donations and legacies</b>	2	1,582	412	1,071	<b>3,065</b>	2,333
<b>Investments</b>						
Investment income	4	1,115	2,483	-	<b>3,598</b>	4,198
Other income		146	-	-	<b>146</b>	83
<b>Total income</b>		<b>8,619</b>	<b>2,895</b>	<b>1,071</b>	<b>12,585</b>	12,566
<b>EXPENDITURE ON:</b>						
<b>Charitable activities:</b>	5					
Teaching, research and residential		6,135	2,480	-	<b>8,615</b>	8,406
<b>Generating funds:</b>						
Fundraising		481	-	-	<b>481</b>	425
Trading expenditure		39	-	-	<b>39</b>	39
Investment management costs		1,594	508	20	<b>2,122</b>	2,006
<b>Total Expenditure</b>		<b>8,249</b>	<b>2,988</b>	<b>20</b>	<b>11,257</b>	10,876
<b>Net Income/(Expenditure) before gains</b>		<b>370</b>	<b>(93)</b>	<b>1,051</b>	<b>1,328</b>	<b>1,690</b>
Net gains/(losses) on investments		95	-	8,240	8,335	4,061
<b>Net Income/(Expenditure)</b>		<b>465</b>	<b>(93)</b>	<b>9,291</b>	<b>9,663</b>	<b>5,751</b>
<b>Net movement in funds for the year</b>		<b>465</b>	<b>(93)</b>	<b>9,291</b>	<b>9,663</b>	<b>5,751</b>
Fund balances brought forward	18	<b>11,092</b>	<b>2,595</b>	<b>69,505</b>	<b>83,192</b>	77,441
<b>Funds carried forward at 31 July</b>		<b>11,557</b>	<b>2,502</b>	<b>78,796</b>	<b>92,855</b>	<b>83,192</b>

*n.b. Investment income of £2,483k credited to restricted funds was generated by Endowed Funds.*

# ORIEL COLLEGE

## Consolidated Balance Sheet

As at 31 July 2017

	Notes	2017 Group £'000	2016 Group £'000	2017 College £'000	2016 College £'000
<b>FIXED ASSETS</b>			Restated		Restated
Intangible assets	10	-	-	-	-
Tangible assets	9	8,792	8,755	8,817	8,780
Property investments	11	32,596	36,480	30,379	28,334
Other Investments	12	62,215	54,070	70,102	58,852
<b>Total Fixed Assets</b>		<b>103,603</b>	<b>99,305</b>	<b>109,298</b>	<b>95,966</b>
<b>CURRENT ASSETS</b>					
Stocks		306	311	306	311
Debtors	14	1,653	1,201	2,067	2,127
Investments		-	-	-	-
Cash at bank and in hand		2,112	765	1,353	646
<b>Total Current Assets</b>		<b>4,071</b>	<b>2,277</b>	<b>3,726</b>	<b>3,084</b>
<b>LIABILITIES</b>					
Creditors: Amounts falling due within one year	15	(1,717)	(5,344)	(8,441)	(2,377)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>2,354</b>	<b>(3,067)</b>	<b>(4,715)</b>	<b>707</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>105,957</b>	<b>96,238</b>	<b>104,583</b>	<b>96,673</b>
<b>CREDITORS: falling due after more than one year</b>	16	<b>(12,500)</b>	(12,500)	<b>(12,500)</b>	(12,500)
Provisions for liabilities and charges	17	-	-	-	-
<b>NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY</b>		<b>93,457</b>	<b>83,738</b>	<b>92,083</b>	<b>84,173</b>
Defined benefit pension scheme liability	22	(602)	(546)	(602)	(546)
<b>TOTAL NET ASSETS/(LIABILITIES)</b>		<b>92,855</b>	<b>83,192</b>	<b>91,481</b>	<b>83,627</b>
<b>FUNDS OF THE COLLEGE</b>					
Endowment funds		78,796	69,505	78,090	70,699
Restricted funds		2,502	2,595	1,808	1,918
Unrestricted funds					
Designated funds		4,899	3,101	4,942	3,140
Designated Fixed Asset Funds		3,058	3,058	3,077	3,077
General funds		3,600	4,933	3,564	4,793
		<b>92,855</b>	<b>83,192</b>	<b>91,481</b>	<b>83,627</b>

The financial statements were approved and authorised for issue by the Governing Body of Oriel College on 8th November 2017

Trustee:

Trustee:

# ORIEL COLLEGE

## Consolidated Statement of Cash Flows For the year ended 31 July 2017

	Notes	2017 £'000	2016 £'000
<b>Net cash provided by (used in) operating activities</b>	26	<u>(4,825)</u>	<u>(3,587)</u>
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		3,598	4,198
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(511)	(82)
Proceeds from sale of investments		16,963	9,376
Purchase of investments		(14,949)	(11,398)
<b>Net cash provided by investing activities</b>		<u>5,101</u>	<u>2,094</u>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		-	(858)
Cash inflows from new borrowing		-	-
Receipt of endowment		1,071	1,938
<b>Net cash provided by financing activities</b>		<u>1,071</u>	<u>1,080</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>1,347</u>	<u>(413)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		765	1,178
<b>Change in cash and cash equivalents due to exchange rate movements</b>		-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	26	<u>2,112</u>	<u>765</u>

# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

### 1 INCOME FROM CHARITABLE ACTIVITIES

	2017 £'000	2016 £'000
<b>Teaching, Research and Residential</b>		
Unrestricted funds		
Tuition fees - UK and EU students	1,828	1,932
Tuition fees - Overseas students	258	292
Other fees	42	24
Other academic income	79	150
College residential income	<u>3,182</u>	<u>3,136</u>
	<b>5,389</b>	<b>5,534</b>
<b>Total Teaching, Research and Residential</b>	<b>5,389</b>	<b>5,534</b>
<b>Total income from charitable activities</b>	<b>5,389</b>	<b>5,534</b>

The above analysis includes £2,086k received from Oxford University from publicly accountable funds under the CFF Scheme (2016: £1571k).

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 £19k (2016: £28k). These are not included in the fee income reported above.

### 2 DONATIONS AND LEGACIES

	2017 £'000	2016 £'000
<b>Donations and Legacies</b>		
Unrestricted funds	1,582	168
Restricted funds	412	227
Endowed funds	<u>1,071</u>	<u>1,938</u>
	<b>3,065</b>	<b>2,333</b>

### 3 INCOME FROM OTHER TRADING ACTIVITIES

	2017 £'000	2016 £'000
Subsidiary company trading income	375	407
Other trading income	<u>12</u>	<u>11</u>
	<b>387</b>	<b>418</b>

### 4 INVESTMENT INCOME

	2017 £'000	2016 £'000 Restated
<i>Unrestricted funds</i>		
Agricultural rent	-	
Commercial rent	477	1,151
Other property income	-	
Equity dividends	597	775
Other investment income	24	25
Bank interest	17	38
Other interest	-	
	<u>1,115</u>	<u>1,989</u>
<i>Restricted funds</i>		
Agricultural rent	-	
Commercial rent	1,238	1,314
Other property income	16	155
Equity dividends	1,209	684
Other investment income	20	56
	<u>2,483</u>	<u>2,209</u>
<b>Total Investment income</b>	<b>3,598</b>	<b>4,198</b>

# ORIEL COLLEGE

## Notes to the Financial Statements For the year ended 31 July 2017

5 ANALYSIS OF EXPENDITURE	2017 £'000	2016 £'000
<b>Charitable expenditure</b>		
Direct staff costs allocated to:		
Teaching, research and residential	3,969	3,870
Other direct costs allocated to:		
Teaching, research and residential	3,168	3,214
Support and governance costs allocated to:		
Teaching, research and residential	1,478	1,322
<b>Total charitable expenditure</b>	<u>8,615</u>	<u>8,406</u>
<b>Expenditure on raising funds</b>		Restated
Direct staff costs allocated to:		
Fundraising	332	320
Trading expenditure	17	16
Investment management costs	58	53
Other direct costs allocated to:		
Fundraising	134	93
Trading expenditure	-	-
Investment management costs	1,284	1,212
Support and governance costs allocated to:		
Fundraising	15	12
Trading expenditure	22	23
Investment management costs	780	741
<b>Total expenditure on raising funds</b>	<u>2,642</u>	<u>2,470</u>
<b>Total expenditure</b>	<u>11,257</u>	<u>10,876</u>

The 2017 resources expended of £11,257k represented £8,249k from unrestricted funds, £2,988k from restricted funds and £20k 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 £58k (2016 -27k)

# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

### 6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	2017 Total £'000
Financial administration	13	439	452
Human resources	-	156	156
IT	8	294	302
Depreciation	22	427	449
Bank interest payable	596	137	733
Other finance charges	144	-	144
Investment Management	18	-	18
Governance costs	16	25	41
	<b>817</b>	<b>1,478</b>	<b>2,295</b>

	Generating Funds £'000	Teaching and Research £'000	2016 Total £'000
Financial administration	12	420	432
Human resources	-	132	132
IT	4	234	238
Depreciation	20	416	436
Bank interest payable	692	69	761
Other finance charges	(24)	(42)	(66)
Investment Management	55	-	55
Governance costs	17	32	49
	<b>776</b>	<b>1,261</b>	<b>2,037</b>

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 the relevance to each activity

	2017 £'000	2016 £'000
<b>Governance costs comprise:</b>		
Auditor's remuneration - audit services	22	32
Auditor's remuneration - tax advisory services	13	11
Legal and other fees on constitutional matters	6	6
	<b>41</b>	<b>49</b>

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.



# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

### 7 GRANTS AND AWARDS

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

#### **Unrestricted funds**

Grants to individuals:

Scholarships, prizes and grants

Bursaries and hardship awards

#### **Total unrestricted**

#### **Restricted funds**

Grants to individuals:

Scholarships, prizes and grants

Bursaries and hardship awards

#### **Total restricted**

#### **Total grants and awards**

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £83k (2016: £83k). Some of those students also received fee waivers amounting to £16k (2016: £28k).

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

# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

### 8 STAFF COSTS

	2017	2016
The aggregate staff costs for the year were as follows.	<b>£'000</b>	£'000
Salaries and wages	<b>4,205</b>	4,045
Social security costs	<b>330</b>	296
Pension costs:		
Defined benefit schemes	<b>364</b>	308
Defined contribution schemes	<b>173</b>	170
	<b>5,072</b>	4,819

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

	2017	2016
Tuition and research	<b>25</b>	22
College residential	<b>83</b>	83
Fundraising	<b>6</b>	6
Support	<b>14</b>	14
Total	<b>128</b>	125

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

	2017	2016
University Lecturers	<b>20</b>	20
CUF Lecturers	<b>10</b>	10
Other teaching and research	<b>13</b>	13
Other	<b>3</b>	3
Total	<b>46</b>	46

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	<b>1</b>	-
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The number of the above employees with retirement benefits accruing was as follows:

In defined benefits schemes	<b>68</b>	68
In defined contribution schemes	<b>95</b>	82

# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

### 9 TANGIBLE FIXED ASSETS

<b>Group</b>	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	<b>Total £'000</b>
<b>Cost</b>					
At start of year	-	12,090	19	875	<b>12,984</b>
Additions	-	475	-	36	<b>511</b>
<b>At end of year</b>	<b>-</b>	<b>12,565</b>	<b>19</b>	<b>911</b>	<b>13,495</b>
<b>Depreciation and impairment</b>					
At start of year	-	3,404	19	807	<b>4,230</b>
Depreciation charge for the year	-	420	-	53	<b>473</b>
<b>At end of year</b>	<b>-</b>	<b>3,824</b>	<b>19</b>	<b>860</b>	<b>4,703</b>
<b>Net book value</b>					
<b>At end of year</b>	<b>-</b>	<b>8,741</b>	<b>-</b>	<b>51</b>	<b>8,792</b>
At start of year	-	8,686	-	68	<b>8,755</b>
<b>College</b>	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	<b>Total £'000</b>
<b>Cost</b>					
At start of year	-	12,121	19	873	<b>13,013</b>
Additions	-	474	-	36	<b>510</b>
<b>At end of year</b>	<b>-</b>	<b>12,595</b>	<b>19</b>	<b>909</b>	<b>13,523</b>
<b>Depreciation and impairment</b>					
At start of year	-	3,409	18	806	<b>4,233</b>
Charge for the year	-	420	-	53	<b>473</b>
<b>At end of year</b>	<b>-</b>	<b>3,829</b>	<b>18</b>	<b>859</b>	<b>4,706</b>
<b>Net book value</b>					
<b>At end of year</b>	<b>-</b>	<b>8,766</b>	<b>1</b>	<b>50</b>	<b>8,817</b>
At start of year	-	8,712	1	67	<b>8,780</b>

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.

# ORIEL COLLEGE

## Notes to the Financial Statements For the year ended 31 July 2017

### 10 INTANGIBLE ASSETS

<b>Group</b>	<b>2017</b>	2016
	£'000	£'000
<b>Cost</b>		
At start of year	482	482
<b>At end of year</b>	<b>482</b>	<b>482</b>
<b>Depreciation and impairment</b>		
At start of year	482	445
Depreciation charge for the year	-	37
<b>At end of year</b>	<b>482</b>	<b>482</b>
<b>Net book value</b>		
<b>At end of year</b>	<b>-</b>	<b>-</b>
At start of year	-	38

This represents consolidated good will

### 11 PROPERTY INVESTMENTS

<b>Group</b>	Agricultural	Commercial	Other	<b>2017</b>	2016
	£'000	£'000	£'000	<b>Total</b>	Total
	£'000	£'000	£'000	<b>£'000</b>	£'000
Valuation at start of year	256	16,474	19,750	<b>36,480</b>	40,149
Additions and improvements at cost	-	969	812	<b>1,781</b>	556
Disposals	-	(6,850)	-	<b>(6,850)</b>	(3,541)
Revaluation gains/(losses) in the year	(94)	403	876	<b>1,185</b>	(684)
<b>Valuation at end of year</b>	<b>162</b>	<b>10,996</b>	<b>21,438</b>	<b>32,596</b>	<b>36,480</b>
<b>College</b>				<b>2017</b>	2016
	Agricultural	Commercial	Other	<b>Total</b>	Total
	£'000	£'000	£'000	<b>£'000</b>	£'000
Valuation at start of year	256	11,623	16,455	<b>28,334</b>	31,992
Additions and improvements at cost	-	139	812	<b>951</b>	602
Disposals	-	-	-	<b>-</b>	(3,540)
Revaluation gains/(losses) in the year	(94)	402	786	<b>1,094</b>	(720)
<b>Valuation at end of year</b>	<b>162</b>	<b>12,164</b>	<b>18,053</b>	<b>30,379</b>	<b>28,334</b>

Desktop valuations were completed at year end.

A formal valuation is undertaken every four years with the next formal valuations due in 2018/19

# ORIEL COLLEGE

## Notes to the Financial Statements For the year ended 31 July 2017

### 12 OTHER INVESTMENTS

All investments are held at fair value.

	<b>2017</b>	2016
	<b>£'000</b>	£'000
<b>Group investments</b>		
Valuation at start of year	<b>54,070</b>	44,318
New money invested	<b>13,168</b>	10,842
Amounts withdrawn	<b>(10,113)</b>	(5,836)
(Decrease)/increase in value of investments	<b>5,341</b>	4,746
Amounts transferred to investments in subsidiaries	<b>(251)</b>	
<b>Group investments at end of year</b>	<b>62,215</b>	54,070
Investment in subsidiaries	<b>7,887</b>	4,782
<b>College investments at end of year</b>	<b>70,102</b>	58,852

During the year the investment in Moody Print holdings moved from a 33% share to full ownership with the legacy received for the final shares. This is indicated above as a transfer to investments in subsidiaries.

<b>Group investments comprise:</b>	Held outside the UK £'000	Held in the UK £'000	<b>2017 Total £'000</b>	Held outside the UK £'000	Held in the UK £'000	2016 Total £'000
Equity investments	29,928	15,044	<b>44,972</b>	22,577	12,607	35,184
Global multi-asset funds	648	8,726	<b>9,373</b>	768	8,837	9,605
Property funds	-	1,788	<b>1,788</b>	-	1,476	1,476
Fixed interest stocks	-	4,399	<b>4,399</b>	-	6,013	6,013
Alternative and other investments	-	692	<b>692</b>	-	1,366	1,366
Fixed term deposits and cash	-	991	<b>991</b>	-	426	426
<b>Total group investments</b>	<b>30,576</b>	<b>31,639</b>	<b>62,215</b>	<b>23,345</b>	<b>30,725</b>	<b>54,070</b>

# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

### 13 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Oriel College Conferences Limited, a company providing commercial conference and other event services on the College premises. IN addition a 100% of the issued share capital in Land, Estates and Property Limited, a company providing design and build construction services to the College. The College also holds 100% of the issued share capital of Tean Limited, a property development company.

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

	Parent College	Oriel College Conference Limited	Land, Estates and Property	Tean Limited	Moody Print Holdings
	£'000	£'000	£'000	£'000	£'000
Income	9,883	375	653	2,856	61
Expenditure	(10,802)	(65)	(625)	(404)	(38)
Gains/(losses) on property revaluation	8,766	-	90	1,807	-
Donation to College under gift aid	-	(310)	(28)	(2)	(242)
Result for the year	<u>7,847</u>	<u>-</u>	<u>90</u>	<u>4,257</u>	<u>(219)</u>
Total assets	113,024	73	1,861	7,336	558
Total liabilities	(21,543)	(73)	(411)	(3)	(3)
Net funds at the end of year	<u>91,481</u>	<u>-</u>	<u>1,450</u>	<u>7,333</u>	<u>555</u>

### 14 DEBTORS

	2017 Group £'000	2016 Group £'000	2017 College £'000	2016 College £'000
<b>Amounts falling due within one year:</b>		Restated		Restated
Trade debtors	217	140	207	90
Amounts owed by College members	82	78	82	78
Amounts owed by Group undertakings	-	-	434	976
Loans repayable within one year	10	5	2	5
Prepayments and accrued income	1,344	978	1,342	978
<b>Amounts falling due after more than one year:</b>				
Loans	-	-	-	-
	<u>1,653</u>	<u>1,201</u>	<u>2,067</u>	<u>2,127</u>

# ORIEL COLLEGE

## Notes to the Financial Statements For the year ended 31 July 2017

### 15 CREDITORS: falling due within one year

	<b>2017</b>	2016	<b>2017</b>	2016
	<b>Group</b>	Group	<b>College</b>	College
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
		<b>Restated</b>		<b>Restated</b>
Bank loans	-	2,675	-	-
Trade creditors	<b>444</b>	482	<b>431</b>	481
Amounts owed to College Members	<b>43</b>	40	<b>43</b>	40
Amounts owed to Group undertakings	-	-	<b>6,778</b>	-
Taxation and social security	<b>102</b>	109	<b>97</b>	103
Accruals and deferred income	<b>958</b>	1,689	<b>950</b>	1,429
Other creditors	<b>170</b>	349	<b>142</b>	324
	<u><b>1,717</b></u>	<u>5,344</u>	<u><b>8,441</b></u>	<u>2,377</u>

Included in other creditors are pension contributions payable of £43k.

### 16 CREDITORS: falling due after more than one year

	<b>2017</b>	2016	<b>2017</b>	2016
	<b>Group</b>	Group	<b>College</b>	College
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Bank loans	<b>12,500</b>	12,500	<b>12,500</b>	12,500
	<u><b>12,500</b></u>	<u>12,500</u>	<u><b>12,500</b></u>	<u>12,500</u>

The College has a £12.5m bullet loan at a fixed rate of 5.13% maturing in 2038.

### 17 PROVISIONS FOR LIABILITIES AND CHARGES

None

# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

### 18 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2016 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2017 £'000
<b>Endowment Funds - Permanent</b>						
Fellowship endowments						
Ancient History (Nancy Turpin)	598				71	669
Biochemistry (Moody)	910				107	1,017
Biochemistry (Ron Bancroft Teaching Fund)	865	26			77	968
Chemistry (Todd)	614				73	687
Classics (Monro)	667				79	746
Computation (Missys and Accenture)	533				63	596
Early Modern History (Elliot)	1,175				139	1,314
Economics (MacPherson)	627				74	701
Engineering (T.I. Group)	606				71	677
English Fellowship	386	6			46	438
Environmental Science (Jackson)	1,314				155	1,469
French (Orielensis)	478	12			57	547
General Teaching	1,144	22			139	1,305
History (Catto/Larsen)	1,700				201	1,901
Humanities	497	5			59	561
Humanities (Turpin)	437				52	489
Law (Benn)	468	4			55	527
Maths (Harris)	591				70	661
Medicine (Laing)	1,057	9			126	1,192
Modern History (Rothmans/Cowen)	855				101	956
Modern History (De Beers)	1,253				148	1,401
Philosophy (Orielenses)	1,156	1			137	1,294
Physics (Rhodes)	1,215				144	1,359
Turpin JRF Fund	623				75	698
Teaching Fund Ancient Greek Philosophy (Niarchos)	216	200			22	438
Other fellowship endowments < £350,000)	1,632	4			193	1,829
Scholarship endowments	774	41		(5)	93	903
Basil Reeve Scholarship Fund	960	31			113	1,104
Prize fund endowments	76	15		5	11	107
Hardship endowments	571				67	638
Hargreaves Library	472				56	528
Lee Seng Tee building fund	1,005				119	1,124
Other buildings and residences endowments < £350,000	973	13			116	1,102
Bursary endowments (capital funds)	3,046	66		(6)	363	3,469
<b>Endowment Funds - Expendable</b>						
College fund	36,665	513	(20)	6	4,366	41,530
Turpin JRF Fund	1,187				140	1,327
Expendable Fellowship funds	9				2	11
Expendable hardship funds	96				11	107



# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

Expendable building funds	6	74		5	<b>85</b>
Expendable bursary funds	20	26		5	<b>51</b>
Fellowship - Philosophy of Religion	1,176			139	<b>1,315</b>
Fellowship - Classics Mason	761			89	<b>850</b>
Other Expendable Endowment	82	3		10	<b>95</b>
Trust funds held by College	9			1	<b>10</b>
<b>Total Endowment Funds - Group</b>	<b>69,505</b>	<b>1,071</b>	<b>(20)</b>	<b>0</b>	<b>8,240</b>
<b>Restricted Funds</b>					
Bursary income funds	<b>416</b>	112	(130)		<b>398</b>
Fellowships	<b>29</b>	919	(913)		<b>35</b>
Scholarships	<b>3</b>	63	(55)		<b>11</b>
Prize funds	<b>3</b>	3	(3)		<b>3</b>
Student Financial Assistance	<b>12</b>	21	(18)		<b>15</b>
College fund	<b>0</b>	1,264	(1,264)		<b>0</b>
(Rhodes) Building (restricted funds)	<b>1,693</b>	6	(203)		<b>1,496</b>
Buildings	<b>3</b>	92	(92)		<b>3</b>
Pantin Library project	<b>326</b>		(17)		<b>309</b>
Outreach	<b>9</b>		(9)		<b>0</b>
Other restricted funds received during the year	<b>101</b>	415	(284)		<b>232</b>
<b>Total Restricted Funds - Group</b>	<b>2,595</b>	<b>2,895</b>	<b>(2,988)</b>	<b>-</b>	<b>2,502</b>
<b>Unrestricted Funds</b>					
Designated funds					
Barclays loan repayment fund	373	98			<b>471</b>
Annual Fund designated fund	119		(41)		<b>78</b>
Residential Room Refurbishment Fund	100		(52)		<b>48</b>
Building Refurbishment Fund	0			41	<b>41</b>
Chapel Refurbishment Fund	0				<b>-</b>
Brewhouse Yard Project	2,451		(178)	1,836	<b>4,204</b>
Website development fund	0				<b>-</b>
Fixed asset designated fund (Rhodes Building)	3,058				<b>3,058</b>
College sports activities	23				<b>23</b>
IT developments	0				<b>-</b>
Carbon reduction measures	20		(20)		<b>-</b>
Organ refurbishment	11			11	<b>22</b>
Art fund	4			8	<b>12</b>
					<b>-</b>
General funds	4,933	8,521	(7,958)	(1,896)	<b>3,600</b>
<b>Total Unrestricted Funds - Consolidated</b>	<b>11,092</b>	<b>8,619</b>	<b>(8,249)</b>	<b>-</b>	<b>95</b>
<b>Total Funds</b>	<b>83,192</b>	<b>12,585</b>	<b>(11,257)</b>	<b>-</b>	<b>8,335</b>

Endowment Funds generated income of £2,483k. This has been allocated to the relevant restricted fund.

# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

### 19 FUNDS OF THE COLLEGE DETAILS

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

#### **Endowment Funds - Permanent:**

Fellowship endowments

Capital funds allocated towards the teaching costs of the College. Income is used to support academic activities in the related areas

Scholarship endowments

Capital funds allocated towards helping students with their living costs. Income is used from the funds to support the activities in the related subject areas

Prize fund endowments

Capital funds allocated towards student prizes. Income is used from the funds on an annual basis

Hardship endowments

Capital funds allocated to help with students on low incomes. Income is used from the funds on an annual basis

Buildings and residences endowments

Capital funds given towards maintaining the buildings and facilities. Income is used from the funds on an annual basis

Bursary endowments (capital funds)

Capital funds providing support to students. Income is transferred to restricted bursary funds and either spent or earmarked for use in future years

#### **Endowment Funds - Expendable:**

College capital

A consolidation of gifts, legacies and donations where either income, or income and capital can be used for the general purposes of the charity

Expendable student financial assistance funds

Capital balance of past donations where related income, or income and capital, can be used to aid students through financial assistance

Trust funds held by College

Charitable trust funds administered by the college

#### **Restricted Funds:**

Bursary income funds

Income generated from the permanent fund is used to fund bursaries to students. Unspent money is carried forward

Fellowships

Income generated from the permanent fund is used to fund academic subject activity

Scholarships

Income generated from the permanent fund is used to fund scholarships in the year

Prize funds

Income generated from the permanent fund is used to fund prizes in the year

Student Financial Assistance

Income generated from permanent fund is used for financial assistance to students

College fund

Income generated from the permanent fund is used to fund college activity

# ORIEL COLLEGE

## Notes to the Financial Statements For the year ended 31 July 2017

Rhodes Building (restricted funds)	Restricted donations towards the refurbishment of the Rhodes Building
Pantin Library	The College library was refurbished in 2013. The building works were capitalised leading to a reducing restricted funds in the accounts
Buildings	Restricted donations towards maintaining the fabric of the college buildings
Other restricted funds received during the year	Sundry restricted gifts in the year funding various one off items of revenue activity
<b>Designated Funds:</b> Rhodes building fund	Unrestricted Funds allocated by the Fellows to part pay for the refurbishment of the Rhodes Building completed in the Autumn of 2014 and now being depreciated
Barclays loan repayment fund	The College has a £12.5m 30 year bullet loan from Barclays. This fund is designed to build an amount to repay the capital due at the end of the loan period
Annual Fund	Unrestricted funds allocated by the Fellows towards unfunded academic activity (for example student residential revision weekends)
Residential room refurbishment Fund	Unrestricted funds which have been allocated towards the refurbishment of college accommodation to ensure that students and conference guest rooms are furnished to an appropriate high standard
Building maintenance funds	Designation of various unrestricted legacies towards future capital building projects
Brewhouse designated fund	Designation of various unrestricted donations received towards the proposed refurbishment of two staircases, the College catering facilities and the hall
Sportsfund	Designation of unspent funds supporting student sports activities. This will allow for additional resources to be spent on sports in 17/18.
Carbon reduction measures	A fund created in 2015/16 to allocate a small amount of unrestricted funding towards carbon reduction measures. These were allocated during 2016/17
Art fund	A small amount of unrestricted income has been put aside for future art purchases for the College
Organ refurbishment fund	A small amount of unrestricted income has been put aside towards the refurbishment of the chapel organ

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

# ORIEL COLLEGE

## Notes to the Financial Statements For the year ended 31 July 2017

### 20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	<b>2017 Total £'000</b>
Tangible fixed assets	8,792	-	-	<b>8,792</b>
Property investments	-	-	32,596	<b>32,596</b>
Other investments	12,185	2,502	47,528	<b>62,215</b>
Net current assets	(6,920)	-	8,672	<b>1,752</b>
Long term liabilities	(2,500)	-	(10,000)	<b>(12,500)</b>
	<u>11,557</u>	<u>2,502</u>	<u>78,796</u>	<u><b>92,855</b></u>

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	<b>2016 Total £'000</b>
	<b>Restated</b>			
Tangible fixed assets	8,756	-	-	<b>8,756</b>
Property investments	-	-	36,482	<b>36,482</b>
Other investments	18,452	2,595	33,023	<b>54,070</b>
Net current assets	(13,616)	-	10,000	<b>(3,616)</b>
Long term liabilities	(2,500)	-	(10,000)	<b>(12,500)</b>
	<u>11,092</u>	<u>2,595</u>	<u>69,505</u>	<u><b>83,192</b></u>

# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

### 21 TRUSTEES' REMUNERATION

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

Trustees of the college fall into the following categories:

- Tutorial Fellow
- Other Teaching Fellow
- Non Tutorial Fellow

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

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

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

#### Remuneration paid to trustees

Range	2017	2016
	Number of Trustees/Fellows	Number of Trustees/Fellows
£0- £999	10	11
£1,000-£1,999	2	
£5,000-£5,999	1	
£9,000-£9,999		1
£11,000-£11,999	1	1
£14,000-£14,999	1	
£15,000-£15,999		
£17,000-£17,999	2	1
£19,000-£19,999	1	2
£20,000-£20,999	1	11
£21,000-£21,999	9	1
£22,000-£22,999	1	0
£23,000-£23,999	1	0
£24,000-£24,999	1	1
£26,000-£26,999	1	0
£27,000-£27,999	1	
£28,000-£28,999		2
£30,000-30,999	1	0
£33,000-£33,999		1
£37,000-£37,999		1
£39,000-£39,999		1
£40,000-£40,999	1	
£43,000-£43,999		1
£48,000-£48,999		1
£49,000-£49,999		1

# ORIEL COLLEGE

## Notes to the Financial Statements

### For the year ended 31 July 2017

£50,000-£50,999	1	
£51,000-£51,999		1
£52,000-£52,999	1	
£53,000-£53,999	5	1
£54,000-£54,999	1	
£57,000-£57,999		1
£58,000-£58,999		1
£71,000-£71,999		1
£72,000-£72,999	1	
£80,000-80,999		1
£83,000-83,999		1
£95,000-£95,999		1
£97,000-£97,999	2	
£98,000-£98,999		1
£106,000-£106,999		1
£107,000-£107,999	1	
	<hr/>	<hr/>
Total	47	47

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

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

## 22

### Other transactions with trustees

Total expenses of £41,728 were paid to 44 trustees (2016: £33,605 to 46 trustees). Of this total, £176 (2016: £477) was reimbursed travel costs, £41,552 (2016: £33,127) was reimbursed book, research and entertainment allocations.

Each Fellow gets a research & book allocation which totals £1,680.

Any travel fees claimed under this allowance, e.g. to attend a conference are still allocated here rather than travel  
Trustees can carry forward underspends/pre spend to the following years allocation

See also note 29 Related Party Transactions

### Key management remuneration

The total remuneration paid to key management was £410k (2016: £359k).

# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

### 23 PENSION SCHEMES

#### Pension Scheme Provisions

Oriel College is a member of the Universities Superannuation Scheme (USS) a multi-employer pension scheme which is in deficit. Oriel College has recognised a provision for its commitments under the agreed deficit reduction plans for each scheme, in calculating these provisions the Oriel 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 1.90% (2016: 3.25%).

#### Pension Schemes

The Oriel College participates in the Universities Superannuation Scheme (USS). The scheme is a contributory defined benefit scheme (i.e. they provide benefits based on length of service and pensionable salary) and until April 2016 were contracted out from the State Second Pension Scheme. The assets of USS are held in separate trustee-administered funds. The schemes are multi-employer schemes and the Oriel 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, the Oriel College accounts for the scheme as if they were defined contribution schemes. As a result, the amount charged to the Statement of Comprehensive Income represents the contributions payable to the schemes in respect of the accounting period.

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

In addition, Oriel College has both a defined contribution scheme for salaried staff with Royal London and has made available the National Employment Savings Trust for casual non-employees who are eligible under automatic enrolment regulations to pension benefits.

#### Actuarial valuations

Qualified actuaries periodically value the USS scheme 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 valuation and the determination of the contribution level are for the two schemes shown in the following table.

	USS
Date of valuation:	31/03/14
Date valuation results published:	24/07/15
Value of liabilities:	£46.9bn
Value of assets:	£41.6bn
Funding surplus / (deficit):	(£5.3bn) <sup>a</sup>
Principal assumptions:	
• Investment return	5.2%pa <sup>c</sup>
• Rate of interest (periods up to retirement)	-
• Rate of interest (periods up after retirement)	-
• Rate of increase in salaries	RPI + 1%pa <sup>d</sup>
• Rate of increase in pensions	CPI pa <sup>d</sup>
Mortality assumptions:	
• Assumed life expectancy at age 65 (males)	24.2 yrs
• Assumed life expectancy at age 65 (females)	26.3 yrs
Funding Ratios:	
• Technical provisions basis	89%
• Statutory Pension Protection Fund basis	82%
• 'Buy-out' basis	54%
• Estimated FRS 102 Total Funding level	77%
Recommended employer's contribution rate (as % of pensionable salaries):	18% <sup>e</sup>
Effective date of next valuation:	31/03/17

# ORIEL COLLEGE

## Notes to the Financial Statements

### For the year ended 31 July 2017

- 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](http://www.uss.co.uk). For the period up to 1 April 2016 the employer deficit contribution was 0.7% p.a. of salaries based on the assumptions made. After allowing for those changes, the actuary established 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 2016 USS reported that the funding deficit was £10.0 bn (83% funded). The valuation as at 31 March 2017 is underway.
- b. USS' actuary has assumed that the investment return is 5.2% in year 1, decreasing linearly to 4.7% over 20 years.
- c. 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.
- d. As noted above (note a) the USS employer contribution rate is 18% of salaries from 1 April 2016. Prior to that date it was 16% of salaries. 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.

#### Sensitivity of actuarial valuation assumptions

Surpluses or deficits which arise at future valuations may impact on Oriel 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



# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

### Deficit Recovery Plans

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

	USS
Finish Date for Deficit Recovery Plan	31/03/31
Average staff number increase	1%
Average staff salary increase	2.44%
Average discount rate over period	1.90%
Effect of 0.5% change in discount rate	£19k
Effect of 1% change in staff growth	£39k

A provision of £602k has been made at 31 July 2016 (2016: £546k) 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 the Oriel 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 £43k.

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](http://www.uss.co.uk)

## 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(ies) because the directors of this/these company(ies) 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.

# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

### 25 FINANCIAL INSTRUMENTS

The financial statements include the following in respect of items held at fair value:

	<b>Group</b>	Group	<b>College</b>	College
	<b>2017</b>	2016	<b>2017</b>	2016
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
<b>Financial assets at fair value through statement of financial activities</b>				
<b>Investments</b>				
Cash	2,112	765	1,353	646
Other investments	62,215	54,070	67,552	58,852
<b>Total financial assets at fair value</b>	<b>64,327</b>	<b>54,835</b>	<b>68,905</b>	<b>59,498</b>
<b>Financial assets measured at amortised cost</b>				
Trade debtors	217	140	207	90
Amounts owed by college members	82	78	82	78
Amounts owed by subsidiary undertakings	0	0	434	976
Accrued income	1,213	978	1,213	978
Other debtors	0	0		0
<b>Total financial assets that are debt instruments</b>	<b>1,512</b>	<b>1,196</b>	<b>1,936</b>	<b>2,122</b>
<b>Financial liabilities that are debt instruments measured at amortised cost</b>				
Bank loans - including more than 1 year	12,500	15,175	12,500	12,500
Trade creditors	444	482	431	481
Amounts owed to college members	43	40	43	40
Amounts owed to subsidiary undertakings		0	2,673	0
Accruals and deferred income	958	1,689	950	1,429
Other creditors	170	349	142	324
<b>Total financial liabilities</b>	<b>14,115</b>	<b>17,735</b>	<b>16,739</b>	<b>14,774</b>

# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

26 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH FLOW FROM OPERATIONS	2017 Group £'000	2016 Group £'000 Restated
<b>Net income/(expenditure)</b>	9,663	5,751
Elimination of non-operating cash flows:		
Investment income	(3,598)	(4,198)
(Gains)/losses in investments	(6,276)	(4,061)
Endowment donations	(1,071)	(1,938)
Depreciation	473	461
Amortisation of intangible assets		37
(Surplus)/loss on sale of fixed assets	-	(42)
Decrease/(Increase) in stock	5	(1)
Decrease/(Increase) in debtors	(452)	(377)
(Decrease)/Increase in creditors	(3,625)	781
(Decrease)/Increase in provisions	56	-
(Decrease)/Increase in pension scheme liability	-	
<b>Net cash provided by (used in) operating activities</b>	<b><u>(4,825)</u></b>	<b><u>(3,587)</u></b>

27 ANALYSIS OF CASH AND CASH EQUIVALENTS	2017 £'000	2016 £'000
Cash at bank and in hand	2,112	765
<b>Total cash and cash equivalents</b>	<b><u>2,112</u></b>	<b><u>765</u></b>

## 28 FINANCIAL COMMITMENTS

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

## 29 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £0k (2016 - £350k).

# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

### 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 College has properties with the followings net book values owned jointly with trustees under joint equity ownership agreements between the trustee and the College.

	<b>2017</b>	2016
	<b>£'000</b>	£'000
£354,000-£355,000	1	1
£327,000-£328,000	1	1
£278,000-£279,000	1	1
£256,000-£257,000	0	0
£210,000-£211,000	1	1

All joint equity properties are subject to sale on the departure of the trustee from the College. The trustees pay rent to the College on the College owned share of the properties at the assessed current market rate.

During the year the College charged a total of £61k (2016: £68k to Oriel College Conference Limited for management charges a 100% subsidiary of the College

The College was due a gift aid donations of £310k relating to the 2017 financial year (2016: £333k). At year end a balance of £37k was owed to the College

During the year the College charged a total of £4k (2016: £2k to Land, Estates and Property Limited for management charges a 100% subsidiary of the College

The College is due a gift aid donation of £27k (2016: £-) which is outstanding at year end

During the year the College charged a total of £14k (2016: £22k to Tean Limited for management charges a 100% subsidiary of the College

### 31 CONTINGENT LIABILITIES

None

### 32 POST BALANCE SHEET EVENTS

There are no post balance sheet events that require disclosure.

### 33 PRIOR YEAR ADJUSTMENTS

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# ORIEL COLLEGE

## Notes to the Financial Statements

For the year ended 31 July 2017

**A Correction of Investment management fees being netted off against dividend income and over accrual of dividend income due 2015/16.**

<b>Effect on the Consolidated SoFA</b>	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	<b>2016 Total £'000</b>
Total income as previously stated	8,357	2,436	1,938	12,731
Over accrued dividend income	-260			-260
Investment management fees netted from dividend income	95			95
Net Income/(Expenditure) restated	<b>8,192 0</b>	<b>2,436 0</b>	<b>1,938 0</b>	<b>12,566</b>
Total expenditure as previously stated	8,038	2,682	61	10,781
Investment management fees netted from dividend income	95			95
Net Income/(Expenditure) restated	<b>8,133 0</b>	<b>2,682 0</b>	<b>61 0</b>	<b>10,876</b>

<b>Effect on the consolidated balance sheet</b>	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	<b>2016 Total £'000</b>
Net Funds 2016/17 as originally stated	11,352	2,595	69,505	83,452
Over accrual of dividend income	-260			-260
Net Funds restated	<b>11,092</b>	<b>2,595</b>	<b>69,505</b>	<b>83,192</b>

In 2016 cash transferred from Baillie Gifford (received August 2016) were recognised in error as accrued income (the dividend income having been received directly into the College's Baillie Gifford bank account).

Previously investment management receipts from Sarasins had been netted off against dividend income. A prior year adjustment has been made at 31 July 2016 to recognise both the actual income due and the true portfolio management costs.

# ORIEL COLLEGE

## Notes to the Financial Statements For the year ended 31 July 2017

### B Effect on the balance sheet of revised presentation of conference deposits at year end and dividend accrued income

	2016 Group £'000	Adjustment Dividends	Adjustment Conference Deposits	2016 Restated Group £'000
<b>DEBTORS</b>				
Amounts falling due within one year:				
Trade debtors	140			140
Amounts owed by College members	78			78
Loans repayable within one year	5			5
Prepayments and accrued income	930	-260	308	978
Other debtors	-			
	<b>1,153 #</b>	<b>(260) #</b>	<b>308 #</b>	<b>1,201</b>

### CREDITORS: falling due within one year

	2016 Group £'000	Adjustment Dividends	Adjustment Conference Deposits	2016 Group £'000 Restated
Bank loans	2,675			2,675
Trade creditors	482			482
Amounts owed to College Members	40			40
Taxation and social security	109			109
Accruals and deferred income	1,381		308	1,689
Other creditors	349			349
	<b>5,036</b>		<b>308</b>	<b>5,344</b>

Previously conference deposits paid in advance at year end were netted off against accrued income. With FRS102 netting off items of this nature is no longer allowed and a prior year adjustment made to alter both the creditor and debtor balances.

In addition, debtors were overstated in 2016 due to the duplicate recognition of dividends due from Baillie Gifford (received August 2016).

This has been corrected as a prior year adjustment to show the true dividend income position.