

Oriel College



Trustees' Annual Report & Financial Statements

Year ended 31 July 2019

Registered charity number: 1141976

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Report of the Governing Body

The Governing Body presents its Annual Report for the year ended 31 July 2019 under the Charities Act 2011 (as amended) together with the audited financial statements for the year.

Edward the Second, by a Royal Charter dated 1326, founded Oriel College. As such, it is the oldest royal foundation in either of the Universities of Oxford or Cambridge. 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'

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 2018/19 spent £10.7m 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 when reviewing the College's aims and objectives and in planning future activities.

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

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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.

The current strategy has nine major strategic aims:

- To 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

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ACHIEVEMENTS AND PERFORMANCE

Student Numbers and Achievements

323 undergraduate (2018: 316) and 241 graduate (2018: 202) students were in residence during the year. Of the graduate student population, 94 were taking taught courses and 147 undertaking research. The increase in graduate numbers was due to changes in the proportion studying for research degrees lasting 2 years or longer. 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 (2018: 5) from Barnard College, Columbia and Notre Dame Universities plus the Erasmus programme.

Undergraduate students performed well this year with 94% of students attaining a 2.1 or above and 41% attaining a 1st during final examinations. Particularly strong performances were achieved in Biochemistry, English, Medicine, Engineering, Theology, Physics and a number of the joint school courses such as Ancient & Modern History, History & Modern Languages, Maths & Statistics, and Philosophy & Physics. Thirteen undergraduates received University Prizes for their achievements. In the First Public Examinations undertaken 20% attained Distinctions. At 31st July 2019, 21 DPhil students had successfully completed their doctorates in the academic year.

Outreach and Admissions

The college has been involved in just under 150 outreach events during the 2018-19 academic year, mirroring the busy calendar maintained during 2017-18. Oriel's core outreach programme works with state school students aged 10-18. We work hard to maintain contact with as many schools as possible in our linked local authorities, where the overwhelming majority of state schools are non-selective. The only cost for schools is travel to Oxford if a group is visiting Oriel: all activities and meals in Hall are offered free of charge. The outreach programme aims to support widening access and diversity across the entire university.

The college's designated link areas are unchanged: four local authorities in the West Midlands (Dudley, Walsall, Wolverhampton & Worcestershire) and two boroughs of London (Kensington & Chelsea and Richmond). For the upcoming academic year, particular focus will be placed on the college's work in the West Midlands due to lower rates of progression to universities like Oxford, and less institutional understanding of well-regarded and highly selective universities. The college is currently in talks with others working in the region (Keble and University Colleges) with a view to developing a regional consortium. This will organise events with the specific needs of the area in mind, and will enable Oriel to be involved in larger scale outreach events in addition to its regular programme. In 2019-20 we also intend to develop our partnerships with other colleges at both Oxford and Cambridge to offer a broader programme of targeted events.

Student Financial Support

The College contributed £78k (2018 £80k) 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.

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Financial assistance grants totalling £44k (2018 £55k) were awarded to students. These included grants made to students with exceptional needs and vacation bursaries, which meant they did not have to take paid work allowing them to concentrate on their studies.

58 students benefited from receiving Travel Grants from the College, which totalled £26k (2018 £27k) in the year. These bursaries were awarded to assist with the costs of travel related to the pursuit of students' academic objectives. In addition, a number of awards were made to students carrying out vacation academic or extra-curricular projects.

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:

- In October 2018, Dr Teresa Bejan, Fellow in Politics, gave a TED talk in New York on the topic, 'Is Civility a Sham', which drew upon elements from her successful book, *Mere Civility*.
- Dr Nicholas Gaskill, Fellow and Tutor in American Literature, published a book, *Chromographia*, in December 2018. *Chromographia* is the only study of modern colour in US literature.
- Emeritus Fellow John Barton published a book, *A History of the Bible: The Book and Its Faiths* in April 2019
- Suzanne Chiodo, Lecturer in Law, has won the 2019 Peter Oliver Prize in Canadian Legal History, for her recently-published book, *The Class Actions Controversy: The Origins and Development of the Ontario Class Proceedings Act*. Her book was also nominated for the Speaker's Book Award.
- Honorary Fellow Professor Malcolm Airs was awarded an OBE in the Queen's Birthday Honours List 2019, for services to the historic environment, conservation and education.
- Dr Kathryn Murphy, Fellow and Tutor in English Literature, made an appearance on the Channel 4 documentary, *Britain's Most Historic Towns*.
- Honorary Fellow Professor Sarah Coakley has been elected as a Fellow of the British Academy in recognition of her significant contribution to the philosophy of religion.
- Honorary Fellow Professor Alison Noble has been awarded the Royal Society Gabor Medal for developing solutions to a number of key problems in biomedical image analysis, and advancing automatic extraction of clinically useful information from medical ultrasound scans.
- Dr Aneurin Ellis-Evans, Lecturer in Ancient History, published a book, *The Kingdom of Priam: Lesbos and the Troad between Anatolia and the Aegean* in April 2019.
- In June 2019, Professor Lynne Cox, George Moody Fellow in Biochemistry, organised and led a masterclass on longevity research. Professor Cox is part of the advisory board of the recently launched All Party Parliamentary Group for Longevity, which aims to help with developing the national strategy on healthy ageing

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- Junior Research Fellow in Ecosystems Science, Dr Imma Oliveras, was recently awarded a GCRF (Global Challenges Research Fund) to work on fire management in the Colombian Amazon. She spent several weeks in Brazil this summer to do research on fire management strategies for the conservation of savannah biome.

Extra-Curricular Activities

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

The College supported the Oriel Drama Society in their successful production of Shakespeare's *As You Like It*, performed in June 2019.

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, the boathouse and boat fleet, and individual grants towards purchase of sports kit and the cost of participating at University level. The Men's First VIII achieved Head of the River status in both Torpids and Summer Eights. This year also saw the most women's boats entered since 1992. The Men's Rugby team won the final of the Cuppers Plate, beating Magdalen by 31 points to 5.

The Choir continued to flourish under the direction of Dr David Maw, Director of Music. From 4 July to 7 July 2019, the Choir travelled to the Czech Republic to give a number of concerts including one in St Vitus Cathedral in Prague.

The bi-termly Oriel Talks continue to be popular and showcase the wide range of research work undertaken by the MCR.

Oriel had another successful Student Switch Off Campaign, winning the Best Recycling Initiatives Award and ranking 2nd in the overall standings.

Buildings and Facilities

The building strategy aims to improve, maintain and conserve first class teaching, accommodation and conference facilities at the College. The five-year maintenance plan is now in its third year with additional expenditure of £1m committed to bring the external condition of all buildings up to an acceptable standard. Due to other works commitments around the College some items in the planned preventative maintenance plan have been deferred.

A number of projects were completed during 2018/19 alongside a substantial repair and maintenance programme. These include:

- Refurbishment of the JCR
- Completion of the full refurbishment of 3 Magpie Lane
- Renovation and refurbishment of the Provost's Lodgings
- The commencement of the full refurbishment of staircases 5 and 8
- The completion of the major refurbishment project of the Goldie building

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During the year the College has developed a new buildings 'masterplan' which has identified a number of future building projects to enable both the student, academic and commercial areas of College activity to flourish. Further work to agree priorities will occur in 2019/20.

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 terms of overall performance, the College has continued to make progress in its targeted reduction of carbon emissions with total carbon emissions reported reducing over the long term from 1,596kg CO₂ in 2010/11 to 875kg CO₂ in 2018/19 (1,396kg 2017/18).

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 Engagement

Following on from the close of Phase Two of the 2026 Campaign in 2017, the College has undergone a strategic review of its long-term priorities with regard to fundraising and alumni engagement. Recommendations made by an external report in 2018 have been implemented; this has resulted in an additional investment by the College into the Development function and a new Case for Support, leading up to the College's 700th anniversary in 2026. This Case for Support, once approved by the Governing Body, will comprise the defined and agreed fundraising priorities of the College, which will inform future fundraising leading up to 2026.

The College is now in the process of putting together a volunteer board in preparation for a formal launch in the coming year.

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.

Fundraising

New gifts and pledges (including legacy gifts) of almost £4.5 million, were received in the year, with philanthropic cash income of £3.6 million (2017/18 £1.9m).

Major Donations

Major donations have proved essential to the success of fundraising efforts this year. A total of 12 organisations or individuals have made gifts of £10,000 or more between 1st August 2018 and 31st July 2019. Those who donate £20,000 or more to the College over their lifetime are admitted to the membership of the Raleigh Society; those who give over £100,000 are admitted to the Provost's Court. There are currently 170 members of the Raleigh Society and 26 members of the Provost's Court.

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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, with currently 278 known pledges. Almost £935,000 was received by the College in legacy gifts during the year.

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 135.

The College received donations from 875 individuals in the past year, from an alumni base of circa 6,000.

In November 2018 it was decided to dissolve the Development Committee, with the financial reporting of the Committee being made to Finance and Estates Committee, and other business of the Committee being brought to General Purposes Committee.

Alumni Engagement

Over 30 events were organised for alumni during the year at the College, other locations in the UK and in other parts of the world. These included receptions and dinners in London, Manchester, New York, Singapore, Hong Kong and Tokyo.

Oriel News, our alumni magazine, will now be published once a year in the summer, with the annual Oriel Record published towards the end of Michaelmas term. Regular news updates are also provided to alumni via a monthly e-mail and social media.

Regulatory Matters

Oriel College seeks to develop lifelong relationships with its alumni, supporters and friends, and takes a long term, collaborative approach to its fundraising work. The College conforms to data protection regulation, and operates according to the norms of the University of Oxford and the Fundraising Regulator. Policies relating to complaints, protection of the public including vulnerable people, and methods of fundraising, can be found here: <https://www.oriel.ox.ac.uk/policies-and-procedures>. No complaints were received by the College regarding Oriel's fundraising activity during 2018/19.

The annual telephone campaign has, in recent years, been overseen by a third-party firm, though fundraising is carried out by Oriel College students who are employees of the College. Buffalo Consulting was employed to oversee the 2018 campaign. The contract between Oriel and Buffalo covers all regulatory requirements, including but not limited to protection of the public including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate. All of Buffalo's work is monitored onsite by a member of the Development Office.

Commercial Activity

The College continues to run and grow its successful conference activity. The College hosted two major summer school programmes drawing students from the United States and China in particular. A further 33 charitable customers (2018 38) undertook educational conferences using Oriel's facilities during 2019.

In 2019 the trading company arm of the College, Oriel College Conferences Limited, hosted over 70 individuals and organisations holding dinners and events at the College with a total income of approximately £339,000 (2018 £430,000) a decrease in turnover from the previous financial year. This reflects the increase in summer

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school (charitable) activity leaving less space for the commercial events in July and September, as well as staff changes during the year.

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FINANCIAL REVIEW

Treasurer's Report

The Statement of Financial Activities on page 32 shows total income for the year of £13.4m (2018: £11.7m), total expenditure £12.8m (2018: £10.8m), and an operating surplus of £0.76m (2018: £0.94m). After a gain on investments of £8.5m (2018: £2.9m), the net movement in funds is £9.1m (2018: £3.9m). The net income of £580k before gains includes a provision for the increase to the USS pension liability of £1m (increasing the overall liability shown in the balance sheet on page 33 to £1.5m). This provision is included within the £10.8m expended on teaching, research and residential activities as indicated in note 8 of the accounts on page 38. Investment income was reduced by £0.6m due in part to the deferral of dividend income previously received quarterly which will now be paid as an annual distribution (see below).

Net Endowment and other invested funds increased by 9.1% from £80.9m to £88.3m. Investment income of £3.2m (2018: £3.5m) on a gross asset base of £105.7m (2018: £96.7m) gave a gross yield of 3.0% (2017 3.8%). Desktop valuations of the College's property portfolios in south London and central Oxford were completed in July 2019. The next formal external valuations are due in 2023. Investment expenditure includes £644k of interest payable (2018: £660k).

The draw on the investments to fund charitable activity amounted to £2.67m. The draw rate 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. There are a number of external pressures on the operating budgets of the College with wage inflation and significant increases in USS employer contributions. Nevertheless, a balanced operating budget has been agreed by Trustees for 2019/20. This continues to assume a draw of 3.4% from endowment funds. The College still faces further significant cost increases in particular from pension contributions with limited prospects for increases in income outside of charitable giving. In addition, current expenditure on maintenance and refurbishment of college buildings remains inadequate.

Investment Policy, Objectives and Performance

Endowment assets are invested in land and property, equities, fixed income securities and cash deposits.

During 2018/19, the amount invested in land and property decreased to £32.2m from £34.0m. The reduction was mainly due to disposals in Oxford and South London completed during the year whilst new investments were made after year end. However underlying values held up well with modest gains due to rent rises offset by valuation falls in Oxford as retail yields moved out. The value of one property held for long term college development was written down following an economic appraisal of the proposed development.

Investment cash increased from £1.2m to £2.9m due to the property transactions pending at year-end and new funds received awaiting investment.

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

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

The College's two principal fund managers, Oxford University Endowment Management Limited (OUEM) and Baillie Gifford manage the security portfolios. Additional investments are held with Blackrock, Sarasin Partners and Charles Stanley.

During the year the College implemented the investment strategy agreed in 2018 with the transfer of further funds to OUEM and withdrawal of funds from Sarasin Partners. At year end the agreed position of around 50% of investments in equities and 35% in property had been maintained but there is now a larger allocation towards alternative assets within the OUEM funds. OUEM does not distribute dividends paid on securities held in its portfolio but declares a distribution on units in its fund annually.

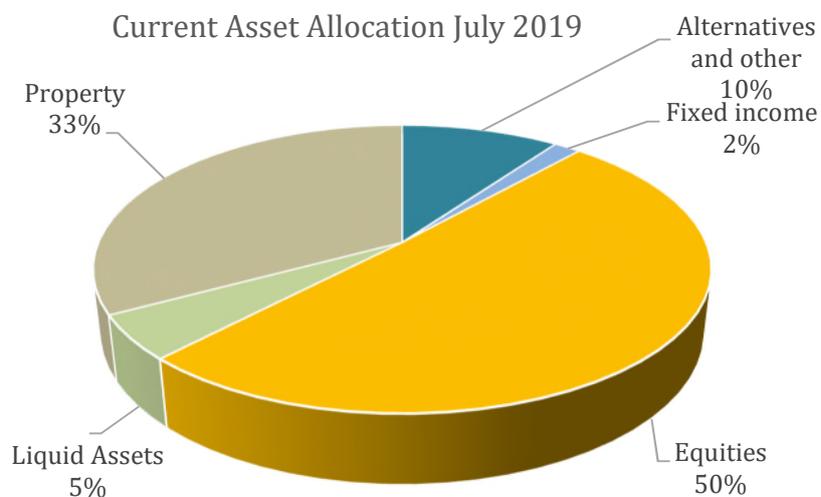
Investment in securities increased from £68.6m to £72.7m. The increase of £4.1m represented an unrealised gain of £7.0m less net sales and purchases of £2.9m as indicated in note 11 on page 40. The unrealised gain of £7.0m was particularly due to a strong performance in the first half of 2019 which reflecting global market conditions including currency movements. All managers out performed their benchmarks. In the year from 1 July 2018 to 30 June 2019 Baillie Gifford achieve a return of 14.7% vs the FTSE World Index return of 10.75% for the global equity income portfolio. In the first six month of 2019, the first period after which £25m was added to the fund, OUEM achieved a return of over 10%. Performance was further assisted by the early liquidation of £10m of securities investments in anticipation of the change of fund managers completed at the end of 2018.

Performance of the managers and the asset allocation is reviewed at each meeting of the Investment Advisory Committee. ARC investment management services provide external performance monitoring reports on the whole portfolio and on the two main investment managers.

The asset allocation at year end is shown below: -

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

	Value at start of year	New investments disposals etc	Unrealised gains/ losses	Value at end of year	Realised Gains	Net Income	Income Yield	Capital return	Total return
	A	B	C	D	E	F	G	H	I
	£'000	£'000	£'000	£'000		£'000	%	%	%
Property	34,071	-2,752	924	32,243	512	892	2.69%	4.21%	6.90%
Equities bonds and cash	68,555	-2,896	7,046	72,705	0	1,153	1.63%	10.28%	11.91%
Total	102,626	-5,648	7,970	104,948	512	2,045	1.97%	8.09%	10.23%

A strong performance on investments has meant the College has beaten its strategic objective of inflation (RPI) at 2.4% plus 4% by 3.83%.

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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.

In addition, the Risk Committee oversees the risk register consisting of eight members of the Governing Body and meeting at least once each term. Risks are 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, has 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.

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

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

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Reserves Policy

The Trustees of Oriel College have set a reserve policy which requires that reserves be maintained at a level which ensures the core activity could continue during a period of unforeseen financial difficulty and that a proportion of reserves be maintained in a readily realizable form.

The calculation of the College's reserves is an integral part of the budget, management accounts and longer-term financial forecasting process. It takes into account the following:

- The risks associated with each operating income stream
- The risks of the endowment return reducing
- The planned levels of activity
- Capital projects and commitments

At 31 July 2019 Oriel College's total funds are £106m of which £90.8m is retained in endowment or restricted funds.

Total reserves also include £7.8m, which has been allocated to the restricted and designated building funds paying down monies already spent on the Pantin Library and Rhodes Building projects.

Other designations have been agreed by the Trustees to cover longer term projects and financial commitments as outlined within note 18 of the accounts.

The main two of these are the sinking fund to repay £2.5m of the £12.5m loan from Barclays which funded new student accommodation (due 2038) and the building refurbishment fund towards large capital projects.

Readily realisable reserves at 31 July 2019 stood at £7m. Free reserves have been calculated at £5.2m. The risk assessment has indicated required reserves to cover any sudden loss of income should be at least £1.6m.

2018/19 Free Reserves

Unrestricted funds		14,927,000
Designated (including £3077k Rhodes Building Fund)		(7,871,000)
Pension reserve (the pension provision for FRS17)		1,529,000
Free reserves		8,585,000
Fixed asset NBV	10,077,000	
Less amount already in the restricted fund for TFA	(1,191,000)	
Less amount already designated for total fixed assets	(3,013,000)	
		<u>(5,873,000)</u>
Free reserves		2,712,000
Borrowings		
Barclays	12,500,000	2,500,000
<i>£10m of the loan is invested in long term funds</i>		
Free reserves net of associated borrowing		<u>5,212,000</u>

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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:

Mr Neil Mendoza, Provost (Appointed 1 September 2018)	Professor Ian Horrocks
Professor Andrew Boothroyd	Professor Nicholas Eyre (to 31 January 2019)
Dr Michael Spivey (Vice Provost from 1 October 2019)	Ms Sandra Robertson
Professor Annette Volting	Dr William Wood
Professor David Hodgson, (Vice-Provost to 30 September 2019)	Dr Yakov Kremnitzer
Professor Lynne Cox	Dr Mungo Wilson
Professor Teresa Morgan	Dr Kathryn Murphy
Dr Oliver Pooley	Professor James Sparks
Dr Bruno Currie	Mr Sean Power
Dr John Huber	Professor Lyndal Roper
Professor Richard Scholar (to 31 December 2018)	Dr Paul Yowell
Mr Wilf Stephenson, Treasurer	Dr Justin Coon
Professor Yadvinder Malhi	Professor Hindy Najman
Dr Kristine Krug (to 31 July 2019)	Dr Teresa Bejan
Professor Ian Forrest	Dr Luca Castagnoli
Dr Christopher Bowdler	Dr Maike Bublitz
Mrs Juliane Kerkhecker	Dr Patrick Farrell
Professor Michael Devereux	Dr Julien Devriendt
Professor Christopher Conlon	Dr Andrew Wells
Ms Lucinda Ferguson	Dr Víctor Acedo Matellán
Professor John Armour	The Revd Dr Robert Wainwright
Dr Julia Mannherz	Dr Nicholas Gaskill
Professor Gonzalo Rodriguez Pereyra	Dr Sumana Sanyal (from 1 January 2020)
Professor Lars Fugger	

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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. Both have an external chairman and a majority of external members and in the case of the Remuneration Committee the members are not 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 were an additional six fellows who sit on the Committee, at year end:

Professor Cox, Dr Bowdler, Mrs Kerkhecker, Professor Devereux, Dr Wilson and Dr Coon

The external member is:

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

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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:

Dr Huber, 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 four additional fellows who sit on the Committee, at year-end:

Professor Forrest, Mrs Kerkhecker, Professor Conlon and Dr Wood.

The Treasurer, HR Manager 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 Chair, Close Brothers plc.), Chair

Mrs Sarah Harkness (former Chair of Keyways Publishing Ltd)

Mr Simon Heale (non-executive Chair of Energean Oil & Gas plc)

Mr Ian Thompson (former Bursar, Wadham College)

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

ORIEL COLLEGE

Report of the Governing Body

The Governing Body member is Professor Armour.

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 advise 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. Charles Skinner (former Chief Executive, Restore plc.) - Chairman

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

Mr. John Cook - former Chairman

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

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

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

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:

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

Mr. John Church (Former Bursar, Pembroke College)

Professor Mark Philp (Emeritus Fellow)

The Governing Body member is Professor Conlon

The Provost, Treasurer, HR Manager and the Financial Controller attend all meetings.

ORIEL COLLEGE

Report of the Governing Body

GROUP STRUCTURE AND RELATIONSHIPS

The College administers a number of charitable trusts, as detailed in Note 18 of the financial statements. The College currently has three wholly owned non-charitable subsidiaries: Land, Estates and Property 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
Moody Print Holdings Limited	Owned an investment property in Stourbridge, West Midlands. This property was sold in 2018/19 and the Company will be closed during 2019/20.

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.

OFFICERS AND SENIOR STAFF

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

Neil Mendoza – Provost

Dr M Spivey – Vice Provost

Mr W Stephenson – Treasurer

Professor G Rodriguez Pereyra – Senior Tutor

Mr S Power – Development Director

Dr O Pooley – Senior Dean

Revd R Wainwright – Tutor for Admissions

Dr P Yowell – Tutor for Graduates

Mr S Mortimore – IT Director

Mrs R Breward/Mr Joseph Cole (Maternity Cover) – Academic Registrar

Mrs S Moore – Human Resources Manager Mr O Sladen – Financial Controller

Mr S Marshall – Domestic Bursar

Mr J Brown – Master of Works (from 21 October 2019)

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	Moore 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 Carlton Square, 1 Greenside Row Edinburgh EH1 3AN Blackrock Charities and Endowments team 12 Throgmorton Avenue London EC2N 2DL Oxford University Endowment Management King Charles House, Park End Street Oxford OX1 1JD 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 (Oxford)	Cluttons Seacourt Tower West Way Oxford OX2 0JJ 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
Seacourt Tower
Westway
Oxford OX2 0FB

PR Advisers

Teamspirit
78 Cowcross Street
London
EC1M 6EJ

Address

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Website

www.riel.ox.ac.uk
Twitter: [@OrielOxford](https://twitter.com/OrielOxford) (<https://twitter.com/OrielOxford>)
Facebook: 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 13 November 2019 and signed on its behalf by:

Neil Mendoza
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 2019, 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 2019 and of the group's incoming resources and application of resources, including its income and expenditure, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of 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 were:

- 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.

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.

ORIEL COLLEGE

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

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 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:

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

- 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.

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.

Use of this report

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.

ORIEL COLLEGE

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

Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Date:

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

ORIEL COLLEGE

Accounting Policies

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, 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 12.

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, Office for Students support and other charges for services

Fees receivable via the Collegiate Funding Formulae (CFF) 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. Income 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

Accounting Policies

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 £10,000 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

Accounting Policies

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 Equipment 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.

ORIEL COLLEGE

Accounting Policies

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 subdivided 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 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).

ORIEL COLLEGE

Accounting Policies

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.

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Oriel College Consolidated Accounts

College only statement of Financial Activities
For the year ended 31 July 2019

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2019 Total £'000	2018 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:	1					
Teaching, research and residential		6,161	-	-	6,161	5,651
Public worship		-	-	-	-	-
Heritage		-	-	-	-	-
Donations and legacies	2	2,795	508	292	3,595	1,921
Other Trading Income	3	352	-	-	352	446
Investments						
Investment income	4	43	-	3,118	3,161	3,540
Total return allocated to income	13	-	2,752	(2,752)	-	-
Other income		131	-	-	131	175
Total income		9,482	3,260	658	13,400	11,733
EXPENDITURE ON:						
Charitable activities:	5					
Teaching, research and residential		7,419	3,359	-	10,778	8,710
Raising funds:						
Fundraising		539	-	-	539	487
Trading expenditure		44	-	-	44	40
Investment management costs		-	-	1,459	1,459	1,563
Total Expenditure		8,002	3,359	1,459	12,820	10,800
Net Income/(Expenditure) before gains		1,480	(99)	(801)	580	933
	10,					
Net gains/(losses) on investments	11	258	-	8,224	8,482	2,940
Net Income/(Expenditure)		1,738	(99)	7,423	9,062	3,873
Transfers between funds	18	-	-	-	-	-
Net movement in funds for the year		1,738	(99)	7,423	9,062	3,873
Fund balances brought forward	18	13,189	2,590	80,949	96,728	92,855
Funds carried forward at 31 July		14,927	2,491	88,372	105,790	96,728

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Oriel College Consolidated Accounts

College Balance Sheets

As at 31 July 2019

	Notes	2019 Group £'000	2018 Group £'000	2019 College £'000	2018 College £'000
FIXED ASSETS					
Tangible assets	9	10,077	8,545	10,102	8,574
Property investments	10	32,243	34,071	30,377	31,799
Other Investments	11	72,705	68,555	73,017	69,200
Total Fixed Assets		115,025	111,171	113,496	109,573
CURRENT ASSETS					
Stocks		304	289	302	286
Debtors	14	1,342	895	2,257	1,464
Investments		-	-	-	-
Cash at bank and in hand		4,966	785	4,030	645
Total Current Assets		6,612	1,969	6,589	2,395
LIABILITIES					
Creditors: Amounts falling due within one year	15	(1,818)	(3,385)	(1,796)	(3,547)
NET CURRENT ASSETS/(LIABILITIES)		4,794	(1,416)	4,793	(1,152)
TOTAL ASSETS LESS CURRENT LIABILITIES		119,819	109,755	118,289	108,421
CREDITORS: falling due after more than one year	16	(12,500)	(12,500)	(12,500)	(12,500)
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		107,319	97,255	105,789	95,921
Defined benefit pension scheme liability	22	(1,529)	(527)	(1,529)	(527)
TOTAL NET ASSETS/(LIABILITIES)		105,790	96,728	104,260	95,394
FUNDS OF THE COLLEGE					
Endowment and invested reserves		88,372	80,949	87,207	81,043
Restricted funds		2,491	2,590	1,640	1,890
Unrestricted funds					
Designated funds		4,858	5,122	4,823	5,236
Designated Fixed Asset Funds		3,013	3,058	3,032	3,077
General funds		7,056	5,009	7,558	4,150
		105,790	96,728	104,260	95,396

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

Trustee:

Trustee:

ORIEL COLLEGE

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

	Notes	2019 £'000	2018 £'000
Net cash provided by (used in) operating activities	25	<u>(3,350)</u>	<u>(413)</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		3,161	3,540
Proceeds from the sale of property, plant and equipment			-
Purchase of property, plant and equipment		(2,082)	(199)
Proceeds from sale of investments		62,778	17,689
Purchase of investments		(56,618)	(22,564)
Net cash provided by (used in) investing activities		<u>7,239</u>	<u>(1,534)</u>
Cash flows from financing activities			
Receipt of endowment		292	619
Net cash provided by (used in) financing activities		<u>292</u>	<u>619</u>
Change in cash and cash equivalents in the reporting period		<u>4,181</u>	<u>(1,328)</u>
Cash and cash equivalents at the beginning of the reporting period		785	2,112
Cash and cash equivalents at the end of the reporting period	26	<u>4,966</u>	<u>785</u>

ORIEL COLLEGE

Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

1	INCOME FROM CHARITABLE ACTIVITIES	2019	2018
		£'000	£'000
	Teaching, Research and Residential		
	Unrestricted funds		
	Tuition fees - UK and EU students	2,104	2,054
	Tuition fees - Overseas students	268	221
	Other fees	46	38
	Other academic income	130	117
	College residential income	3,613	3,221
	Total income from charitable activities	6,161	5,651
	The above analysis includes £2,373k received from Oxford University from publicly accountable funds under the CFF Scheme (2018: £2,275k).		
	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 £1k (2018: £5k). These are not included in the fee income reported above.		
2	DONATIONS AND LEGACIES	2019	2018
		£'000	£'000
	Donations and Legacies		
	Unrestricted funds	2,795	896
	Restricted funds	508	406
	Endowed funds	292	619
		3,595	1,921
3	INCOME FROM OTHER TRADING ACTIVITIES	2019	2018
		£'000	£'000
	Subsidiary company trading income	339	433
	Other trading income	13	13
		352	446
4	INVESTMENT INCOME	2019	2018
		£'000	£'000
	<i>Unrestricted funds</i>		
	Equity dividends	-	850
	Other investment income	30	-
	Bank interest	13	7
	Other interest	-	-
		43	857
		-	-
	<i>Endowed funds</i>		
	Commercial rent	1,594	1,441
	Other property income	49	9
	Equity dividends	1,441	1,197
	Other investment income	34	36
		3,118	2,683
	Total Investment income	3,161	3,540

ORIEL COLLEGE

Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

5 ANALYSIS OF EXPENDITURE

	2019 £'000	2018 £'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	5,330	3,891
Other direct costs allocated to:		
Teaching, research and residential	3,835	3,348
Support and governance costs allocated to:		
Teaching, research and residential	1,613	1,471
Total charitable expenditure	<u>10,778</u>	<u>8,710</u>
Expenditure on raising funds		
Direct staff costs allocated to:		
Fundraising	376	306
Trading expenditure	18	17
Investment management costs	64	58
Other direct costs allocated to:		
Fundraising	147	157
Trading expenditure	-	-
Investment management costs	866	977
Support and governance costs allocated to:		
Fundraising	16	24
Trading expenditure	26	23
Investment management costs	529	528
Total expenditure on raising funds	<u>2,042</u>	<u>2,090</u>
Total expenditure	<u>12,820</u>	<u>10,800</u>

The 2018/19 expenditure of £12,645k represented £8,369k from unrestricted funds, £3,359k from restricted funds and £917k from endowed funds.

The increase to charitable expenditure in part reflects the £1m additional provision for the USS pensions liability as shown in the balance sheet and note 9.

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 £38k (2018 - £18k).

ORIEL COLLEGE

Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2019 Total £'000
Financial administration	11	412	-	-	423
Human resources	-	168	-	-	168
IT	11	388	-	-	399
Depreciation	26	488	-	-	514
Bank interest payable	516	139	-	-	655
Other finance charges	-	-	-	-	-
Governance costs	7	18	-	-	25
	571	1,613	-	-	2,184

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2018 Total £'000
Financial administration	11	396	-	-	407
Human resources	-	152	-	-	152
IT	10	326	-	-	336
Depreciation	26	418	-	-	444
Bank interest payable	519	141	-	-	660
Other finance charges	(13)	-	-	-	(13)
Investment Management	-	-	-	-	-
Governance costs	22	38	-	-	60
	575	1,471	-	-	2,046

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

	2019 £'000	2018 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	22	42
Auditor's remuneration - tax advisory services	3	8
Auditor's remuneration - other services	-	1
Legal and other fees on constitutional matters	-	9
	25	60

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

Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

7 GRANTS AND AWARDS	2019 £'000	2018 £'000
During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:		
Unrestricted funds		
Grants to individuals:		
Scholarships, prizes and grants	153	155
Bursaries and hardship awards	85	90
Grants to other institutions	-	-
Total unrestricted	238	245
Restricted funds		
Grants to individuals:		
Scholarships, prizes and grants	55	33
Bursaries and hardship awards	26	43
Total restricted	81	76
Total grants and awards	319	321

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £73k (2018: £80k). Some of those students also received fee waivers amounting to £1k (2018: £5k).

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

8 STAFF COSTS	2019 £'000	2018 £'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	4,569	4,152
Social security costs	357	338
Pension costs:		
Defined benefit schemes	389	351
Defined contribution schemes	183	173
USS provision movement	1,002	(75)
	6,500	4,939
The average number of employees of the College, excluding Trustees, on a full time equivalent basis was as follows.		
	2019	2018
Tuition and research	32	26
College residential	72	81
Fundraising	6	6
Support	17	17
Total	127	130
The average number of employed College Trustees during the year was as follows.		
Associate professorships (was University Lecturers)	22	22
Associate professorships (was CUF lecturers)	10	10
Other teaching and research	10	12
Other	4	3
Total	46	47

ORIEL COLLEGE

Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

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	1	2
	<u> </u>	<u> </u>
The number of the above employees with retirement benefits accruing was as follows:		
In defined benefits schemes	76	71
In defined contribution schemes	100	94
	<u> </u>	<u> </u>

9 TANGIBLE FIXED ASSETS

Group	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At start of year	-	12,728	22	924	13,674
Additions	-	1,979	-	103	2,082
At end of year	<u>-</u>	<u>14,707</u>	<u>22</u>	<u>1,027</u>	<u>15,756</u>
Depreciation and impairment					
At start of year	-	4,244	4	881	5,129
Depreciation charge for the year	-	492	4	54	550
At end of year	<u>-</u>	<u>4,736</u>	<u>8</u>	<u>935</u>	<u>5,679</u>
Net book value					
At end of year	<u>-</u>	<u>9,971</u>	<u>14</u>	<u>92</u>	<u>10,077</u>
At start of year	-	8,484	18	43	8,545

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

10 PROPERTY INVESTMENTS

Group	Agricultural £'000	Commercial £'000	Other £'000	2019 Total £'000	2018 Total £'000
Valuation at start of year	172	10,898	23,001	34,071	32,596
Additions and improvements at cost	-	-	53	53	2,411
Disposals	-	(940)	(1,865)	(2,805)	(410)
Revaluation gains/(losses) in the year	-	1,044	(120)	924	(526)
Valuation at end of year	<u>172</u>	<u>11,002</u>	<u>21,069</u>	<u>32,243</u>	<u>34,071</u>

Desktop valuations were undertaken in 2018/19. Valuations for Oxford properties were reviewed by Savills and Cluttons representatives. South London properties were reviewed by Bells. Formal valuations were completed in 2018/19. The next formal valuations are due in 2023/24.

ORIEL COLLEGE

Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

11 OTHER INVESTMENTS

All investments are held at fair value.

	2019 £'000	2018 £'000
Group Investments		
Valuation at start of year	68,555	62,215
New money invested	56,565	20,153
Amounts withdrawn	(59,461)	(17,287)
(Decrease)/increase in value of investments	7,046	3,474
Group investments at end of year	72,705	68,555
Investment in subsidiaries	312	645
College investments at end of year	73,017	69,200

Group investments comprise:	Held outside	Held in	2019 Total £'000	Held outside	Held in	2018 Total £'000
	the UK £'000	the UK £'000		the UK £'000	the UK £'000	
Equity investments	35,542	3,028	38,570	27,357	30,543	57,900
Global multi-asset funds	555	30,495	31,050	542	991	1,533
Property funds	0	60	60	-	1,794	1,794
Fixed interest stocks	0	2,914	2,914	-	5,692	5,692
Alternative and other investments	0	33	33	-	1,244	1,244
Fixed term deposits and cash	0	78	78	-	394	394
Total group investments	36,097	36,608	72,705	27,899	40,656	68,555

12 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 Moody Print Holdings Limited, which held one rental property that was disposed of in July 2019 and the company will be wound up in 2019/20.

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

	Parent College	Oriel College	Land,	Moody Print
	£'000	Conference	Estates	Holdings
	£'000	Limited	and	£'000
		£'000	£'000	
Income	13,812	339	165	68
Expenditure	(13,065)	(96)	(38)	(51)
Gains/(losses)	8,122	-	185	-
Donation to College under gift aid	-	(243)	(124)	(17)
Result for the year	8,869	-	188	-
Total assets	120,085	76	2,004	843
Total liabilities	(15,825)	(76)	(405)	(531)
Net funds at the end of year	104,260	-	1,599	312

ORIEL COLLEGE

Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

13 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns with effect from 1 August 2011. The investment return to be applied as income is calculated as 3.4% (2018: 3.4%) (plus costs) of the year-end values of the relevant investments. The preserved (frozen) value of the invested endowment capital represents its open market value in 2017 together with all subsequent endowments valued at date of gift.

	Permanent Endowment		Expendable Endowment	Total Endowments
	Trust for Investment	Unapplied Total Return		
	£'000	£'000	£'000	£'000
At the beginning of the year:				
Gift component of the permanent endowment	24,620		24,620	24,620
Unapplied total return		9,860	9,860	9,860
Expendable endowment			46,469	46,469
Total Endowments	24,620	9,860	34,480	46,469
Movements in the reporting period:				
Gift of endowment funds	271		271	292
Investment return: total investment income		1,328	1,328	3,118
Investment return: realised and unrealised gains and losses		3,604	3,604	8,224
Less: Investment management costs		(624)	(624)	(1,459)
Other transfers				-
Total	271	4,308	4,579	10,175
Unapplied total return allocated to income in the reporting period		(1,172)	(1,172)	(1,172)
Expendable endowments transferred to income			(1,580)	(1,580)
	-	(1,172)	(1,172)	(2,752)
Net movements in reporting period	271	3,136	3,407	7,423
At end of the reporting period:				
Gift component of the permanent endowment	24,891	-	24,891	24,891
Unapplied total return		12,996	12,996	12,996
Expendable endowment			50,485	50,485
Total Endowments	24,891	12,996	37,887	88,372

14 DEBTORS

	2019 Group	2018 Group	2019 College	2018 College
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	616	74	557	217
Amounts owed by College members	106	38	106	38
Amounts owed by Group undertakings	-	-	981	433
Loans repayable within one year	8	9	2	3
Prepayments and accrued income	612	774	611	773
	1,342	895	2,257	1,464

15 CREDITORS: falling due within one year

	2019 Group	2018 Group	2019 College	2018 College
	£'000	£'000	£'000	£'000
Trade creditors	417	239	419	403
Amounts owed to College Members	34	46	35	46
Amounts owed to Group undertakings	-	-	-	169
Taxation and social security	114	138	106	101
Accruals and deferred income	1,103	2,688	1,091	2,678
Other creditors	150	274	145	150
	1,818	3,385	1,796	3,547

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Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

16 CREDITORS: falling due after more than one year

	2019 Group £'000	2018 Group £'000	2019 College £'000	2018 College £'000
Bank loans	12,500	12,500	12,500	12,500
	12,500	12,500	12,500	12,500

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

18 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2018 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2019 £'000
Endowment Funds - Permanent Fellowship endowments						
Ancient History (Nancy Turpin)	496	19	(9)	(17)	50	539
Biochemistry (Moody)	1,034	40	(19)	(35)	105	1,125
Biochemistry (Ron Bancroft Teaching Fund)	987	38	(18)	(34)	100	1,073
Chemistry (Todd)	698	27	(13)	(24)	71	759
Classics (Monro)	758	29	(14)	(26)	77	824
Computation (Misys and Accenture)	604	23	(11)	(21)	62	657
Early Modern History (Elliot)	1,329	51	(24)	(45)	135	1,446
Economics (MacPherson)	713	28	(13)	(24)	72	776
Engineering (T.I. Group)	688	26	(12)	(23)	70	749
English Fellowship	450	18	(8)	(15)	46	491
Environmental Science (Jackson)	1,492	58	(27)	(51)	152	1,624
French (Orielenis)	555	22	(10)	(19)	56	604
General Teaching	1,353	76	(24)	(46)	137	1,496
History (Catto/Larsen)	1,901	74	(34)	(64)	193	2,070
Humanities	570	22	(10)	(19)	58	621
Humanities (Turpin)	679	26	(12)	(23)	69	739
Law (Benn)	542	26	(10)	(19)	55	594
Maths (Harris)	671	26	(12)	(23)	68	730
Medicine (Laing)	1,218	51	(22)	(41)	122	1,328
Medicine (Turnbull)	332	12	(6)	(11)	34	361
Modern History (Rothmans/Cowen)	971	37	(18)	(33)	99	1,056
Modern History (De Beers)	1,424	55	(26)	(48)	144	1,549
Philosophy (Orielenis)	1,316	51	(24)	(45)	134	1,432
Physics (Rhodes)	1,380	53	(25)	(47)	140	1,501
Turpin JRF Fund	712	27	(13)	(24)	72	774
Teaching Fund Ancient Greek Philosophy (Niarchos)	646	25	(12)	(22)	67	704
Other fellowship endowments < £350,000	1,528	81	(28)	(52)	155	1,684
Scholarship endowments	991	78	(18)	(34)	101	1,118
Basil Reeve Scholarship Fund	1,133	44	(20)	(39)	115	1,233
Prize fund endowments	209	101	(4)	(7)	21	320
Hardship endowments	651	25	(12)	(22)	66	708
Hargreaves Library	536	21	(10)	(18)	54	583
Lee Seng Tee building fund	1,142	44	(20)	(39)	116	1,243
Other buildings and residences endowments < £350,000	1,119	63	(20)	(37)	114	1,239
Bursary endowments (capital funds)	3,657	200	(66)	(124)	372	4,039
Endowment Funds - Expendable						
College fund	42,544	1,639	(766)	(1,447)	4,325	46,295
Turpin JRF Fund	1,325	51	(24)	(45)	135	1,442
Expendable Fellowship funds	11	0			1	12
Expendable hardship funds	110	5	(2)	(4)	11	120
Expendable building funds	4	1				5
Expendable bursary funds	86	20	(2)	(3)	9	110
Fellowship - Philosophy of Religion (Potter)	1,341	52	(23)	(46)	136	1,460
Fellowship - Classics Mason	870	34	(16)	(30)	88	946
Other Expendable Endowment	173	11	(2)	(6)	17	193
Total Endowment Funds - Group	80,949	3,410	(1,459)	(2,752)	8,224	88,372

ORIEL COLLEGE

Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

Restricted Funds					
Bursary income funds	292		(131)	127	288
Fellowships	78		(921)	972	129
Scholarships	45		(48)	73	70
Prize funds	7		(1)	7	13
Student Financial Assistance	8		(25)	26	9
College fund	129		(1,452)	1,452	129
Buildings	4		(94)	95	5
(Rhodes) Building (restricted funds)	1,339		(148)		1,191
Pantin Library project	293		(17)		276
Outreach	84	14	(69)		29
Other restricted funds received during the	311	494	(453)		352
Total Restricted Funds - Group	2,590	508	(3,359)	2,752	-
Unrestricted Funds					
Designated funds					
Barclays loan repayment fund	552				552
Annual Fund designated fund	52		(19)		33
Residential Room Refurbishment Fund	17		(17)		0
Building Refurbishment Fund	103		(103)		0
Chapel Refurbishment Fund	0				0
Brewhouse Yard Project	3,962		(35)	258	4,185
Website development fund	0				0
Fixed asset designated fund (Rhodes)	3,058		(45)		3,013
College sports activities	23		(13)		10
IT developments	0				0
Carbon reduction measures	4				4
Organ refurbishment	33			11	44
Art fund	30				30
PPM works	346			(346)	0
General funds	5,009	9,482	(7,770)	335	7,056
Total Unrestricted Funds - Consolidated	13,189	9,482	(8,002)	-	258
Total Funds	96,728	13,400	(12,820)	-	8,482
					105,790

Endowment funds generated income of £2,751k (2017: £2,483k). This has been allocated to the respective income fund.

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

ORIEL COLLEGE

Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

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

Rhodes Building (restricted funds) Restricted donations towards the refurbishment of the Rhodes Building

Pantin Library During 2011-13 the College library has been fully refurbished. The building works have been capitalised leading to a reducing restricted funds in the accounts

Buildings Restricted donations towards maintaining the fabric of the college buildings

Other restricted funds Sundry restricted gifts in the year funding various one-off items received during the year of revenue activity

Designated Funds

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 £2.5m of the capital due at the end of the loan period

ORIEL COLLEGE

Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

Annual fund	Unrestricted funds allocated by the Fellows towards unfunded academic activity (for example student residential revision weekends)
Residences fund	Unrestricted funds which have been allocated towards residential and catering operation of the College
Building refurbishment 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 to support student sports activities
Art fund	A small amount of unrestricted income has been put aside for the restoration of paintings within 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

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019 Total £'000
Tangible fixed assets	10,070	-	-	10,070
Property investments	-	-	32,243	32,243
Other investments	14,085	2,491	56,129	72,705
Net current assets	(6,728)	-	10,000	3,272
Long term liabilities	(2,500)	-	(10,000)	(12,500)
	<u>14,927</u>	<u>2,491</u>	<u>88,372</u>	<u>105,790</u>

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2018 Total £'000
Tangible fixed assets	8,545	-	-	8,545
Property investments	-	-	34,071	34,071
Other investments	19,732	-	46,878	66,610
Net current assets	(12,588)	2,590	10,000	2
Long term liabilities	(2,500)	-	(10,000)	(12,500)
	<u>13,189</u>	<u>2,590</u>	<u>80,949</u>	<u>96,728</u>

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.

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Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

Remuneration paid to trustees

Range	2019		2018	
	Number of Trustees/ Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees/ Fellows	Gross remuneration, taxable benefits and pension contributions £
£0- £999	9		10	
£1,000-£1,999	1	-	1	-
£6,000-£6,999			1	
£9,000-£9,999	1			
£11,000-£11,999	1		1	
£12,000-£12,999	2			
£16,000-£16,999			1	
£17,000-£17,999			1	
£18,000-£18,999	1		2	
£20,000-£20,999			2	
£21,000-£21,999	4		10	
£22,000-£22,999	9		3	
£23,000-£23,999	3		0	
£24,000-£24,999	1		0	
£25,000-£25,999	1		1	
£26,000-£26,999	1		1	
£27,000-£27,999			1	
£41,000-£41,999	1			
£54,000-£54,999			6	
£55,000-£55,999	5		1	
£57,000-£57,999	2			
£61,000-£61,999			1	
£80,000-80,999			1	
£83,000-83,999	1			
£88,000-£89,999	1			
£96,000-£96,999			1	
£99,000-£99,000	1		1	
£103,000-£103,999	1			
£109,000-£109,999			1	
Total	46	0	47	0

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

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

Other transactions with trustees

Total expenses of £47,069 were paid to 31 trustees (2018: £42,102 to 46 trustees). Of this total, £8,020 (2018: £682) was reimbursed travel costs, £39,049 (2018: £41,420) was reimbursed book, research and entertainment allocations.

Each Fellow gets a research & book allocation which totals £1,672.

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 30 Related Party Transactions

Key management remuneration

The total remuneration paid to key management was £419k (2018: £428k).

ORIEL COLLEGE

Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

22 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 the 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 1.75% (2018: 1.9%).

Pension Schemes

The company participates in the Universities Superannuation Scheme (USS). The assets of the scheme are held in separate trustee-administered funds. USS is a contributory mixed benefit scheme (i.e. it provides benefits on a defined benefit basis - based on length of service and pensionable salary and on a defined contribution basis - based on contributions into the scheme). It is a multi-employer scheme and the company is unable to identify its share of the underlying assets and liabilities relating to defined benefits of each scheme on a consistent and reasonable basis. Therefore, in accordance with the accounting standard FRS 102 paragraph 28.11, the company accounts for the scheme as if it was a defined contribution scheme. As a result, the amount charged to the Income and Expenditure Account represents the contributions payable to the scheme 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:	31/03/2017
Date valuation results published:	28/01/2019
Value of liabilities:	£67.5bn
Value of assets:	£60.0bn
Funding surplus / (deficit):	(£7.5bn)
Principal assumptions:	
	CPI - 0.53%
· Investment return	to CPI - 1.32%pa ^c
· Rate of interest	-
· Rate of interest	CPI + 2%pa
· Rate of increase in	CPI pa
· Rate of increase in	
Mortality assumptions:	
· Assumed life	24.5 yrs
· Assumed life	26.0 yrs
Funding Ratios:	
· Technical provisions	89%
· Statutory Pension	72%
· 'Buy-out' basis	48%
· Estimated FRS 102	77%
Recommended employer's contribution rate (as % of pensionable salaries):	18% increasing to 24.2% by
Effective date of next valuation:	31/03/2018

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Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

a.USS' actuarial valuation as at 31 March 2017 takes into account the revised benefit structure effective 1 April 2016 agreed both by the Joint Negotiating Committee and the Trustee in July 2015 following the Employers' consultation which concluded in June 2015. Key changes agreed include: for Final Salary section members, the benefits built up to 31 March 2016 were calculated as at that date using pensionable salary and pensionable service immediately prior to that date and going forwards will be revalued in line with increases in official pensions (currently CPI); all members accrue a pension of 1/75th and a cash lump sum of 3/75ths of salary each year of service in respect of salary up to a salary threshold, initially £55,000 p.a., with the threshold applying from 1 October 2016; member contributions were 8% of salary but will increase in stages from 1 April 2019 to a level of 11.7% from 1 April 2020; a defined contribution benefit for salary above the salary threshold at the total level of 20% of salary in excess of the salary threshold. Further details about the benefits may be reviewed on USS' website, www.uss.co.uk. For the period up to 1 April 2016 the employer deficit contribution was 0.7% p.a. of salaries based on the assumptions made. After allowing for those changes, the actuary established an employer contribution rate of 18% pa of salaries for the period from 1 April 2016 to 31 March 2019, 19.5% from 1 April to 30 September 2019, 22.5% from 1 October 2019 to 31 March 2020 and a long-term rate of 24.2%. On the assumptions made and with the salary threshold and defined contribution section implemented this gives rise to deficit contributions of at least 5% p.a. of salaries from 1 April 2020. At 31 March 2019 USS reported that the estimated funding deficit was £5.7bn (92% funded).

b.USS' actuary has assumed that the investment return is CPI – 0.53% in year 1, decreasing linearly to CPI – 1.32% over 10 years, CPI + 2.56% from year 11 reducing linearly to CPI + 1.7% by year 21, remaining at CPI + 1.7%.

c.USS' actuary has assumed that general pay growth will be CPI +2 in year 1, CPI + 2% in year 2 and thereafter. It is assumed that CPI is based on the RPI assumption (market derived price inflation of 3.6% p.a. less an inflation risk premium) less RPI/CPI gap of 1.0% p.a.

d. The total USS employer contributions of 18% of salaries include provisions for the cost of future accrual of defined benefits (DB) (net of member contributions to the DB section), deficit contributions, administrative expenses of 0.4% of salaries and from the implementation of the salary threshold the employer contribution towards defined contribution benefits including employer matching contributions and certain investment management costs relating to the DC section. The 2017 actuarial valuation was the fourth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £60.0 billion and the value of the scheme's technical provisions was £67.5 billion indicating a shortfall of £7.5 billion and a funding ratio of 89%.

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 £3.3bn
Asset values	reduce by 10%	increase by £6.0bn
RPI inflation	increase / reduce by 0.25%	increase / decrease by £3.3bn
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £1.6bn

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Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

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	31/06/34
Average staff number increase	0%
Average staff salary	2.00%
Average discount rate over period	1.75%
Effect of 0.5% change in discount rate	
Effect of 1% change in staff growth	

A provision of £1,528k has been made at 31 July 2019 (2018: £526k) 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 £51k (2018; £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

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Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

23 TAXATION

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

24 FINANCIAL INSTRUMENTS

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

	Group 2019 £'000	Group 2018 £'000	College 2019 £'000	College 2018 £'000
Financial assets at fair value through statement of financial activities				
Investments				
Cash	4,966	785	4,030	648
Other investments	72,705	68,554	73,017	69,199
Total financial assets at fair value	77,671	69,339	77,047	69,847
Financial assets measured at amortised cost				
Trade debtors	616	74	557	217
Amounts owed by college members	106	38	106	38
Amounts owed by subsidiary undertakings	0	0	981	433
Accrued income	612	774	611	773
Other debtors	8	9	2	3
Total financial assets that are debt instruments	1,342	895	2,257	1,464
Financial liabilities that are debt instruments measured at amortised cost				
Bank loans - including more than 1 year	12,500	12,500	12,500	12,500
Trade creditors	417	239	419	403
Amounts owed to college members	34	46	35	46
Amounts owed to subsidiary undertakings	0	0	0	169
Accruals and deferred income	1,103	2,688	1,091	2,678
Other creditors	150	274	145	149
Total financial liabilities	14,204	15,747	14,190	15,945

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

	2019 Group £'000	2018 Group £'000
Net income/(expenditure)	9,062	3,873
Elimination of non-operating cash flows:		
Investment income	(3,161)	(3,540)
(Gains)/losses in investments	(8,482)	(2,940)
Endowment donations	(292)	(619)
Depreciation	550	444
(Surplus)/loss on sale of fixed assets		
Decrease/(Increase) in stock	(15)	18
Decrease/(Increase) in debtors	(447)	758
(Decrease)/Increase in creditors	(1,567)	1,668
(Decrease)/Increase in provisions	-	
(Decrease)/Increase in pension scheme liability	1,002	(75)
Net cash provided by (used in) operating activities	(3,350)	(413)

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Oriel College Consolidated Accounts Notes to the financial statements For the year ended 31 July 2019

26 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £'000	2018 £'000
Cash at bank and in hand	4,966	785
Total cash and cash equivalents	4,966	785

27 FINANCIAL COMMITMENTS

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

28 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £3,200k (2018 - £1,300k).

29 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.

	2019 £'000	2018 £'000
£272,000-£273,000	1	
£303,000-£304,000		1
£340,000-£341,000	1	
£350,000-£351,000		1
£377,000-£378,000		1
£420,000-£421,000		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 £82k (2018: £68k to Oriel College Conference Limited for management charges a 100% subsidiary of the College
The College was due a gift aid donations of £253k relating to the 2019 financial year (2018: £362k). At year end a balance of £28k was owed to the College

During the year the College charged a total of £1k (2018: £1k to Land, Estates and Property Limited for management charges a 100% subsidiary of the College
The College is due a gift aid donation of £124k (2018: £35k) which is outstanding at year end

During the year the College charged a total of £1k (2018: £1k to Moody Print Holdings Limited for management charges a 100% subsidiary of the College
The College is due a gift aid donation of £523k (2018: £35k) which is outstanding at year end

30 CONTINGENT LIABILITIES

None

31 POST BALANCE SHEET EVENTS

Since the year end in respect of the USS pension scheme, following the completion of the 2018 actuarial valuation, a new Schedule of Contributions based on the 2018 actual valuation has been agreed.

This results in a decrease of £611k in the provision for the Obligation to fund the deficit on the USS pension which would instead be £916k compared to £1,529k included in note 23. This adjustment will be reflected in the College's Financial Statements for the year ended 31 July 2020.