



Wadham College

Annual Report and Financial Statements

Year ended 31 July 2019



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TRUSTEES' REPORT

The Governing Body of Wadham College ("the College") present their annual report for the year ended 31st July 2019 under the Charities Act 2011 together with the audited consolidated financial statements for that year.

REFERENCE AND ADMINISTRATIVE DETAILS

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

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

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

Warden: Lord Macdonald QC	Sub-Warden: Professor Colin Mayer
Senior Tutor: Dr Caroline Mawson	Academic Administrator: Dr Michael Froggatt
Finance Bursar: Dr Peter Alsop	College Accountant: Mr Vincent Skeffington
Domestic Bursar: Mrs Frances Lloyd	Deputy Domestic Bursar: Mr Neil Tindall
Development Director: Ms Julie Hage	Deputy Development Director: Mr Marco Zhang

College Address: Wadham College, Parks Road, Oxford, OX1 3PN

Website: www.wadham.ox.ac.uk

The principle professional advisors employed by the College are:

INVESTMENT MANAGERS:	Blackrock Investment Management (UK) Limited 12 Throgmorton Avenue, London, EC2N 2DL Oxford University Endowment Management Limited King Charles House, Park End Street, Oxford, OX1 1JD
BANKERS:	Barclays Bank, Apex Plaza, Forbury Road, Reading, RG1 1AX Lloyds Bank, Carfax, Oxford, OX1 4AA
LAND AGENTS:	Carter Jonas, 269 Banbury Road, Oxford, OX2 7LL Whirledge & Nott, Maplestead Hall, Little Maplestead, Halstead, Essex, CO9 2SL
SOLICITORS:	Freeths Solicitors, 5000 Oxford Business Park South, Oxford, OX4 2BH Knights Solicitors, Midland House, West Way, Oxford, OX2 0PH
AUDITORS:	Critchleys Audit LLP, Beaver House, Hythe Bridge Street, Oxford, OX1 2EP

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

CORPORATE GOVERNANCE

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

PUBLIC BENEFIT

The Trustees believe that by putting well over £12m in a year into teaching and research, support for students from financially disadvantaged backgrounds and the maintenance of important historic buildings, the Charity provides substantial public benefit. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the College's aims and objectives and in planning future activities. The Trustees remain committed to the aim of providing public benefit in accordance with its founding principles and in line with the Charity Commission's guidelines.

PLANS FOR THE FUTURE

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

OBJECTIVES

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

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

The College advances research through:

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

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

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

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

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

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

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

PRINCIPAL ACTIVITIES DURING THE YEAR

Fellowship Research and Teaching

At the end of July 2019, the College had 66 Fellows who were members of the Governing Body, 29 Emeritus Fellows, 25 Honorary Fellows, and 14 Foundation Fellows. During the 2018-19 academic year, the College paid for teaching relief totalling over 2,100 hours (down from 2,400 hours in the previous year), including cover for around 20 terms of leave (half of this being sabbatical leave), and employed 47 College Lecturers.

The research record of the College's Fellows remains impressive, and the following are but a few of the achievements of the Fellowship in the academic year:

- Tutorial Fellow David Conlon was awarded the London Mathematical Society Whitehead Prize (subsequently lured from us by the bright lights of Caltech University – we wish him well);
- Professorial Fellow Richard Sharpe was admitted as an honorary Member of the Royal Irish Academy;
- Senior Research Fellow Laura Hoyano joined a governmental review of the criminal justice response to rape and serious sexual offences;
- Tutorial Fellow Ankhi Mukherjee took up post as a Visiting Professor at Johns Hopkins University in Baltimore, USA
- Biology Lecturer Cedric Tan was recognized for his conservation work by a Social Impact Award from Oxford University's Mathematical, Physical and Life Sciences Division;
- Tutorial Fellow in Physics Laure Zanna has been recognised by the American Meteorological Society in their 2020 awards.

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

Outreach and Access

The College contributed to 212 Access events in 2018-19, involving over 6,000 students representing more than 450 schools from the UK. This included 53 inbound day trips to Wadham, 87 talks delivered in link-area schools, 23 sessions across our sustained contact programmes, and 49 events in collaboration with other colleges, departments and charities such as the Brilliant Club and IntoUniversity. The aim of these events is to raise the aspirations of young people aged 10 to 18 and to encourage them to consider applying to highly selective universities in the UK, including Oxford. The events and sessions are tailored to the age group, for example Year 13s receive support on writing personal statements and preparing for Oxbridge interview whilst for Year 9s and 10s the focus is showing the benefits of university, supporting A-level choices and highlighting the range of university courses available.

In addition to the day-to-day events that the College runs, the Access team again welcomed students to UNIQ, Classics and Biological Sciences summer schools, and PROMYS (for Maths). 2018-19 also saw the significant expansion of the College's pre-16 sustained scheme with students from Luton and will expand further to incorporate Bedfordshire in the coming year. The College will also play a significant role in the East of England Consortium to ensure all pupils and teachers in the region can easily engage with Oxford.

In the undergraduate admissions process (Oct-Dec 2018) we received 90 applications from applicants with an overall 'access flag' (representing 12% of the total field of applicants to the college). The success rate for these applicants was 27% at Wadham; with the movement of

candidates between colleges, 28% of Wadham's 'flagged' applicants were offered places across the University. We made offers to a total of 63 male applicants and 91 female applicants; male and female applicants achieved an equal success rate. Finally, we received 71 applications and made 16 offers to applicants with a registered disability, a success rate of 23%.

On the graduate side, the generosity of donors has allowed the College to award 16 scholarships for graduates starting their courses at Wadham from October 2019:

- The John Brookman Scholarship;
- The David Richards/AHRC Graduate Scholarship in History;
- The Trevor-Roper Scholarship in Ancient History;
- The Cliff Davies Graduate Scholarship in History;
- The Peter Carter Taught Graduate Scholarship in Law;
- The Wadham-Kalisher Scholarship;
- The Norwegian Scholarship;
- The Oxford-David Richards Scholarship (Chemistry);
- The Oxford-David Richards Scholarship (Physics);
- The Oxford-David Richards Scholarship (Economics);
- The Water Conservators Scholarship;
- The Oxford Department of Education - FirstRand Foundation FNB Fund Scholarship;
- The Calam Scholarship in Chemistry; and
- Three Oxford-MacCall-MacBain-Wadham Graduate Scholarships

Student Numbers

The College had 704 students registered as on-course in December 2018: comprising 21% on postgraduate research courses, 9% on postgraduate taught courses, 66% on undergraduate courses, and 4% registered visiting students. Some 29% of Wadham's undergraduate students on course in 2018-19 identified themselves as BAME.

At the start of the 2018-19 academic year, the College welcomed 134 undergraduate students and 98 graduate students (107 new graduates in the previous year). Of these graduates, 56 were reading for taught degrees and 42 for research degrees. The College also continued to engage in a number of student exchange programmes that enrich its vibrant scholarly community.

In the admissions round for entry in October 2019 (and deferred entry in 2020) the College received 773 applications from prospective undergraduates (83% of these students applied directly to Wadham, 17% were allocated to the College). 67% of these applicants were based in the UK, 10% applied from elsewhere in the EU, and 23% applied from the rest of the world. Following thorough evaluation of applications across the University, and in compliance with the University's Common Framework on Admissions, the College selected 401 candidates for interview over two weeks in December 2018. Following this process, offers were made to 154 students (including offers for deferred entry in October 2020), with 126 new undergraduate students thus starting October 2019.

The graduate admissions process runs across the academic year, with applications arriving at the College from November through to the following September. The number of graduate applications considered by the College for admission in October 2019 was very similar to the previous year – 239, down just 2% from 243 in 2018. The percentage of applicants naming Wadham as their first-choice college came in between the two previous years at 40% (42% in 2018 and 38% in 2017). The College's graduate intake for Michaelmas 2019, as of 28th August 2019, is set to be 92 including the three 4th year Clinical Medicine students (96 counting the two Diploma in Legal Studies exchange students, a visiting Erasmus graduate student and a Hilary Term 2020 starter).

During the 2018-9 academic year Wadham students sat 1,849 separate examinations and a total of 116 undergraduate students completed their Finals exams, the seventh highest number of any Oxford college. Following these examinations, the College awarded prizes to departing students and nominated continuing students to undergraduate scholarships and exhibitions in recognition of their academic achievement. Wadham was placed 20th out of 30 undergraduate colleges on the 2018-19 interim 'Norrington table', which ranks undergraduate degree results across Oxford colleges (over the last 15 years Wadham has a mean average ranking of 7th). It is noted that scores are often very close together, and small changes can have disproportionate effects.

Student Financial Support

The College and University continue to work hard to provide a range of financial support for those students adversely affected by the introduction of the new fees regime in 2012/13. The cost to the College for its share of the Oxford Bursary Scheme and Fee Waivers administered by the University totalled £135k for the year. The College together with the University made discretionary grants and loans of £32k to students facing unforeseen financial hardship. The College also provided £130k in assistance with rents to those living out of college, £55k in grants for students to attend extra-curricular academic courses and pursue academic related projects and travel, and £10k to help with course-related books.

New Building Development Projects

During the course of the year the College has continued to put considerable effort into progressing its two major building development projects. The new Dorothy Wadham Building providing student accommodation on Iffley Road progressed very well, and at the end of the financial year was approaching completion. It was ready for occupation by students, as planned, at the start of the 2019-20 academic year.

Work on the Dr Lee Shau Kee Building and the William Doo Undergraduate Centre in the Back Quad saw the appointed contractors hard at work decommissioning and demolishing the existing structures, carrying out ground works, and erecting the new steel frame, floors and roofing. These fully accessible buildings are intended to inspire and facilitate the College's outreach work, and to improve facilities for undergraduate students. The aim is for completion for the start of the 2020-21 academic year.

FUNDRAISING

Over the past year, over 1,700 generous alumni, friends, Fellows and staff donated a combined £5.48m to support Wadham's charitable purpose of educating our students, and our strategic vision to promote access to higher education for those who show the greatest promise. Many donors choose to support with a regular gift, and over 1400 do so by a monthly or annual commitment.

Fourteen hardworking student callers reached out to our alumni on the annual Telephone Campaign in September, asking for alumni support towards the Wadham Fund. In May, we also launched our first ever Giving Day with the theme #WadhamProud, eliciting hugely positive messages from our entire community. Alumni, current students, Fellows and staff all shared stories of why they were proud to be a part of Wadham. As well as sharing #WadhamProud via social media, donors contributed over £100k to this digital campaign. These programmes and other activities helped to raise over £810,000 in unrestricted funding towards the Wadham Fund.

The Access to Excellence programme – the College's ambitious campaign for institutional development and wide-ranging student support for the next decade – is designed to enable students at all stages of their education from talented pre-16 pupils, while studying at Wadham and beyond, and we are delighted that this strategy continues to receive generous support. We

aimed to raise £40m by 2020, and the College is delighted that £39m has been secured in cash and pledges towards this target over the past seven years.

With work well under way on Oxford's first-ever dedicated Access Centre: the Dr Lee Shau Kee Building, and a fully accessible Undergraduate Centre: the William Doo Undergraduate Centre, we continue to receive financial support for this important appeal. Over £15m has been secured in gifts and future pledges for these two landmark buildings, and fundraising efforts will continue over the coming year.

We are always saddened by news of the loss of members of our community, and we are grateful when we hear of generous bequests made in favour of Wadham. Legacies continue to play a vital role and on average 20% of donations we receive are from bequests; in the past year this form of gift totalled over £1.2m. With more than 400 members, Wadham's 1610 Society is now one of the largest legacy-societies in Oxford. The 1610 Society recognises and thanks all donors who have made a significant contribution or pledged to leave a gift to Wadham in their will. We owe a huge thanks to the 1610 Society Committee, led by our visionary President, Colin Drummond, for their excellent work to engage alumni.

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

INVESTMENT OBJECTIVES AND GOVERNANCE

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

The investment objectives are:

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

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

The College is an educational charity that relies upon investment income to achieve its charitable purpose, and the trustees are under a legal obligation to have primary regard to this in the management of its financial affairs. However, the College feels wider responsibilities to invest ethically and avoid profiting from unethical activities. It therefore does not seek to maximise investment income irrespective of the nature of its investments but to invest in accordance with its ethical standards.

In line with University policy, the College will not invest directly in companies that earn a significant proportion of their revenue from illegal or controversial arms manufacturing, coal or oil sands, or tobacco. Like most reputable investors, the College makes indirect investments in managed funds and trackers that may include companies that do not satisfy its ethical criteria for direct investment. In such cases, it will seek information about the extent to which funds are invested in areas of ethical concern (for example, fossil fuel extraction) and take this information

into account in its portfolio allocations. When making such investments, it will seek to include only assets or funds whose investment policies are compatible with its ethical criteria, for instance in applying materiality thresholds to investments in areas of concern, or actively managing them within a framework of meaningful engagement to raise ethical standards, and it will engage with its active fund managers to promote more ethical practices.

The determination of ethical criteria will be made and periodically (e.g. biennially) reviewed by Governing Body on advice from Investment Committee and having considered the views of other interested parties (for example alumni and students) on this matter.

FINANCIAL REVIEW

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

The reported financial performance shows a year that was operationally very similar to the previous year, with modest gains in a volatile investment market, and continued major capital expenditure on the building development projects. More than £22m was invested in the projects this year, both of which are progressing satisfactorily, in terms of safety, quality, progress and spending, and funding arrangements are in place to complete them.

Total charitable income and donations for the year were marginally higher at £14.9m (2018: £14.7m). The underlying income streams were all broadly similar to last year: revenues from teaching, research and residential (including conferences) were £6.9m (2018: £6.9m), donations were again hugely generous, mostly in support of the buildings projects, up slightly at £5.5m (2018: £5.2m) and investment income marginally down at £2.5m (2018: £2.7m).

On a consolidated basis, total operating expenditure for the year was £12.5m (2018: £12.1), which included allocation of an increased provision for pension fund liabilities. This resulted in net income before gains of £2.4m (2018: £2.6m). The investments recorded gains of £3.6m (2018: £4.4m), giving a Net Income of £6.0m (2018: £7.0m) and there were no other recognised gains and losses. As a result, £144.0m of funds were carried forward at the end of this year (2018: £138.0m).

The impact of the capital projects can be seen from a further rise in Tangible Assets on the Balance Sheet to £65.8m (2018: £43.8m), and a corresponding reduction in cash within the Current Assets. The Investment portfolio ended the year £2.4m higher (2018: £4.5m). Under the Charities SORP, the total net assets include a liability provision relating to the pension scheme. This year the provision is £2.8m (2018: £1.3m), a substantial year-to-year difference, which reflects both the required computation method for revaluation of the pension funds, and the assumptions of future performance being made. It is noted that there are ongoing negotiations on the funding of the USS pension deficit which might cause further increases in pension recovery plan provisions in the future.

Investment Performance

This year the College received income of £2.5m and value gains of £3.6m from its investments, it liquidated a total of £1.5m from the tracker funds, and invested £0.3m in a shared property, as well as agreeing some small land sales for completion in the following year.

The value of investments at the year-end was £97.8m (2018: £95.3m). The Total Return (capital appreciation plus income) was 6.5% (2018: 7.5%). For a number of years, performance has been compared with the FTSE All-Share Index (for total return in GBP) which achieved 1.3% for the same period. The investments of the College at the year-end comprised £43.5m (2018:

£43.1mIn) in tracker and actively managed asset funds, £30.8mIn (2018: £29.2mIn) in the Oxford Endowment Fund and £23.4mIn (2018: £23.0mIn) in Property.

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

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

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

The Trustees are satisfied with the financial and investment performance for the year.

POLICY FOR HOLDING CASH AND RESERVES

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

The technical "free reserves" at the year-end, under the revised FRS 102 standard (prior to providing for the pension fund liability), amounted to a deficit of £33.2mIn (2018: deficit £16.6mIn). This figure represents unrestricted funds not represented by fixed assets. As previously noted, major building projects have a distorting effect on this measure. After allowing for the buildings under construction and the associated financing arrangements, this figure is deficit £3.2mIn. A target for after completion of the projects is to hold Free Reserves and/or cash corresponding to at least six months of operating expenditure.

APPOINTMENT AND TRAINING OF TRUSTEES

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

TRUSTEES AND COMMITTEE MEMBERSHIP

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

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

Lord	Ken	Macdonald	APC	RA	DC	FC	IC	RC
Dr	Peter	Alsop	APC	RA	DC	FC	IC	RC
Prof	Nicholas	Athanasou	Retired 30/09/18					
Prof	Michael	Bannon						
Prof	Paul	Beer	FC					
Dr	Alan	Beggs						
Dr	Christina	Benninghaus						
Prof	Ben	Berks						
Dr	Scott	Blumenthal	Resigned 31/12/2018					
Prof	Dominic	Brookshaw						
Prof	Philip	Bullock						
Prof	Martin	Bureau						
Mr	Oliver	Butler						
Prof	Philip	Candelas						
Dr	Fabrizio	Caola	Start date 01/01/2019					
Dr	Alfonso	Castrejón-Pita						
Prof	Eric	Clarke						
Dr	Emma	Cohen	APC					
Dr	David	Conlon	APC					
Prof	Darren	Dixon						
Prof	Carolyn	Duttlinger						
Prof	Andrew	Farmery						
Dr	Jane	Garnett						
Dr	Lydia	Gilday						
Dr	Jane	Griffiths	FC					
Prof	Monika	Gullerova						
Ms	Julie	Hage	DC					
Prof	Edmund	Herzig						RC
Prof	Stephen	Heyworth						RC
Dr	Margaret	Hillenbrand						
Prof	Laura	Hoyano	Retired 30/09/19					
Dr	Matthew	Kempshall						
Dr	Tarunabh	Khaitan	(on leave of absence)					
Dr	Sandy	Kilpatrick	Resigned 30/9/18					
Prof	Karl	Kügler						
Prof	Sallie	Lamb						
Dr	Matthew	Langton	Start date 01/10/2018					
Prof	Susan	Lea						RC
Mrs	Frances	Lloyd	RA	DC	FC			
Dr	Paul	Martin						
Dr	Ursula	Martin						
Dr	Caroline	Mawson		DC	FC			RC
Prof	Colin	Mayer	RA	DC	FC	IC		RC
Dr	Emily	McLaughlin						

Dr	Jack	Miller		
Dr	Sara	Motta		
Prof	Ankhi	Mukherjee		
Prof	Alexander	Paseau		
Dr	Cláudia	Pazos-Alonso		
Prof	Fiona	Powrie		RC
Dr	Andrew	Princep		
Prof	Paolo	Radaelli		
Prof	Stephan	Rauschenbach		
Prof	Alexander	Ritter		RC
Dr	Sakura	Schafer-Nameki		
Dr	Nathalie	Seddon		
Dr	Jonathan	Service	Resigned 30/9/18	
Prof	Ekaterina	Shamonina		
Prof	Richard	Sharpe		
Dr	Thomas	Simpson		
Dr	Tom	Sinclair		
Dr	Sandy	Steel	APC	
Dr	Judy	Stephenson	Resigned 31/12/2018	
Dr	Christopher	Summerfield		FC
Dr	Oren	Sussman		FC IC
Dr	Emilia	Terracciano	Start date 01/09/2018	
Dr	Mark	Thompson		DC
Dr	Peter	Thonemann	APC	DC
Dr	Olivia	Vázquez-Medina		
Mr	Samuel	Williams		
Prof	Francesco	Zanetti		IC
Prof	Laure	Zanna	Start date 01/09/2018	

Trustee Remuneration Disclosure

The Trustees of Wadham College, namely the Warden and Governing Body Fellows of the College, receive no remuneration for their acting as Trustees. However, their position on Governing Body is by virtue of their being Warden and Fellows. Fellows are generally involved in teaching or research, or together with the Warden are officeholders of the College, and are therefore employed in an academic or professional capacity by the College and/or the University, and receive salaries and allowances under contracts of employment. The College has adopted the University of Oxford's pay grades and an independent Remuneration Committee advises on all issues of pay and allowances for Fellows. The majority of Tutorial Fellows' teaching posts are joint appointments with the University. The Trustees have agreed to use the framework set out in Note 22 to the accounts for their disclosure of remuneration.

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

Certain classes of Fellowships are provided with a Housing Allowance (disclosed within the salary figures in Note 22) or can elect to live rent free in College. All Fellows may eat at Common Table free of charge, as can all other employees who are entitled to meals while at work.

Some Trustees, in their role as Fellow, are entitled to additional allowances for work carried out as a part-time College Officer. Such posts include the Sub-Warden, Dean, Welfare Dean, Tutor for Graduates, Tutor for Undergraduates, Tutor for Access, Director of Music, Fellow Librarian and Keeper of the Gardens. These amounts are included within the remuneration in Note 22. The total remuneration and taxable benefits to Trustees in their other roles was £1.8mIn (2018: £1.8mIn).

A total of 72 Trustees served for at least part of the financial year, and at the end of the year 66 Trustees were in place. Of the total, 52 Trustees received remuneration under a contract of employment for work for the College and 20 Trustees received no remuneration.

No Fellow claimed any expenses for work as a Trustee.

Related party Transactions with Trustees

Certain Trustees, as a result of their employment as a Fellow, are eligible to apply to join the College's Joint Equity Housing Scheme or to apply for a housing loan. Both initiatives are provided by the College in order to assist with the purchase of suitable accommodation in the Oxford area. Housing assistance is not an automatic right. Each application is looked at on its own merits by an independent committee who assess the benefits to the College in providing housing assistance. This year one Fellow joined the Joint Equity Scheme, and one Fellow who was incorrectly listed previously as a participant in the Housing Loan scheme was removed; there were no other changes to participation in each scheme, as summarised in Note 30.

Statement of Accounting and Reporting Responsibilities

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

The law applicable to charities in England and Wales requires the Governing Body to prepare financial statements for each financial year. Under that law the Governing Body has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Governing Body must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the College and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

Approved on behalf of the Trustees on

Lord Macdonald QC.

Ken Macdonald 22 Nov 19

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

We have audited the financial statements of Wadham College (the "Charity") for the year ended 31 July 2019 which comprise the Statement of Accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and charity's affairs as at 31 July 2019 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Members of the Governing Body

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Critchleys Audit LLP

Statutory Auditor

Oxford



Date:

22/11/2019

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

STATEMENT OF ACCOUNTING POLICIES**Basis of preparation**

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

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

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

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

Income and endowments

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

Expenditure

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

Classification of funds

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

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

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

Tangible fixed assets

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

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

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

The College operates a “de minimis” limit of £7.5k for capitalisation of expenditure on building improvements and for equipment. Works of art and other valuable artefacts that can be regarded as inalienable are not included in the financial statements.

Stocks

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

Maintenance of premises

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

Provisions

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

Pension Fund provisions & Critical accounting judgements

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

USS notes: FRS 102 requires that accounting judgements which are considered to be critical by those charged with governance are explained in more detail as to why the judgement has been applied. The disclosure below may be useful where the treatment of the scheme as a multi-employer scheme and adopting defined contribution accounting is deemed to be critical.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents an industry-wide scheme such as USS or one for employers in the same locality such as OSPS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The trustees are satisfied that USS and OSPS both meet the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plans in existence at the date of approving the financial statements.

Foreign currencies

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

Taxation status

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

College Contribution Scheme

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

Investments

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

Recognition of liabilities accounting policy

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

Wadham College
Consolidated 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		6,626	-	-	6,626	6,643
Other Trading Income	3	236	-	-	236	264
Donations and legacies	2	711	4,289	466	5,466	5,181
Investments						
Investment income	4	14	-	2,539	2,553	2,578
Total return allocated to income	14	3,564	-	(3,564)	-	-
Other income		-	-	-	-	-
Total income		11,151	4,289	(559)	14,881	14,666
EXPENDITURE ON:						
	5					
Charitable activities:						
Teaching, research and residential		11,256	359	-	11,615	11,140
Generating funds:						
Fundraising		783	-	-	783	818
Investment management costs		109	-	-	109	134
Total Expenditure		12,148	359	-	12,507	12,092
Net Income/(Expenditure) before gains		(997)	3,930	(559)	2,374	2,574
Net gains/(losses) on investments	11, 12	-	-	3,604	3,604	4,406
Net Income/(Expenditure)		(997)	3,930	3,045	5,978	6,980
Transfers between funds	19	590	(590)	-	-	-
Net movement in funds for the year		(407)	3,340	3,045	5,978	6,980
Fund balances brought forward	19	17,435	13,552	106,996	137,983	131,003
Funds carried forward at 31 July		17,028	16,892	110,041	143,961	137,983

Wadham College
Consolidated and 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	65,794	43,832	65,794	43,832
Property investments	11	23,440	23,026	23,440	23,026
Other Investments	12	74,345	72,362	74,345	72,362
Total Fixed Assets		163,579	139,220	163,579	139,220
CURRENT ASSETS					
Stocks		530	535	530	535
Debtors	15	2,308	2,944	2,197	2,972
Cash at bank and in hand		18,682	34,072	18,281	33,136
Total Current Assets		21,520	37,551	21,008	36,643
LIABILITIES					
Creditors: Amounts falling due within one year	16	3,388	2,439	2,876	1,531
NET CURRENT ASSETS/(LIABILITIES)		18,132	35,112	18,132	35,112
TOTAL ASSETS LESS CURRENT LIABILITIES		181,711	174,332	181,711	174,332
CREDITORS: falling due after more than one year	17	35,000	35,000	35,000	35,000
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		146,711	139,332	146,711	139,332
Defined benefit pension scheme liability	18	2,750	1,349	2,750	1,349
TOTAL NET ASSETS/(LIABILITIES)		143,961	137,983	143,961	137,983
FUNDS OF THE COLLEGE					
Endowment funds	19	110,041	106,996	110,041	106,996
Restricted funds		16,892	13,552	16,892	13,552
Unrestricted funds					
General funds		19,778	18,784	19,778	18,784
Pension reserve	23	(2,750)	(1,349)	(2,750)	(1,349)
		143,961	137,983	143,961	137,983

The financial statements were approved and authorised for issue by the Governing Body of Wadham College on 22 November 2019.

Trustee:

Trustee:

Wadham College
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	26	<u>3,029</u>	<u>1,830</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		2,553	2,578
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(22,710)	(8,391)
Proceeds from sale of investments		1,510	-
Purchase of investments		(238)	-
Net cash provided by (used in) investing activities		<u>(18,885)</u>	<u>(5,813)</u>
Cash flows from financing activities			
Repayments of borrowing		-	-
Cash inflows from new borrowing		-	5,000
Receipt of endowment		466	150
Net cash provided by (used in) financing activities		<u>466</u>	<u>5,150</u>
Change in cash and cash equivalents in the reporting period		<u>(15,390)</u>	<u>1,167</u>
Cash and cash equivalents at the beginning of the reporting period		34,072	32,905
Cash and cash equivalents at the end of the reporting period	27	<u>18,682</u>	<u>34,072</u>

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

1 INCOME FROM CHARITABLE ACTIVITIES

	2019	2018
	£'000	£'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	1,969	1,944
Tuition fees - Overseas students	851	791
Other fees	157	138
Other HEFCE support	243	259
Other academic income	206	179
College residential income	3,200	3,332
Total income from charitable activities	6,626	6,643

The above analysis includes £3074k received from Oxford University from publicly accountable funds under the CFF Scheme (2018: £3043k).

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

2 DONATIONS AND LEGACIES

	2019	2018
	£'000	£'000
Donations and Legacies		
Unrestricted funds	711	748
Restricted funds	4,289	4,283
Endowed funds	466	150
	5,466	5,181

3 INCOME FROM OTHER TRADING ACTIVITIES

	2019	2018
	£'000	£'000
Subsidiary company trading income	236	264
	236	264

4 INVESTMENT INCOME

	2019	2018
	£'000	£'000
<i>Unrestricted funds</i>		
Bank interest	14	85
	14	85
<i>Endowed funds</i>		
Agricultural rent	283	259
Commercial rent	187	200
Equity dividends	2,069	2,034
	2,539	2,493
Total Investment income	2,553	2,578

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

5 ANALYSIS OF EXPENDITURE

	2019	2018
	£'000	£'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	5,087	5,024
Other direct costs allocated to:		
Teaching, research and residential	3,366	4,375
Support and governance costs allocated to:		
Teaching, research and residential	3,162	1,741
Total charitable expenditure	11,615	11,140
Expenditure on raising funds		
Direct staff costs allocated to:		
Fundraising	532	524
Other direct costs allocated to:		
Fundraising	197	232
Investment management costs	109	134
Support and governance costs allocated to:		
Fundraising	54	62
Investment management costs	-	-
Total expenditure on raising funds	892	952
Total expenditure	12,507	12,092

The 2018 resources expended of £12092k represented £11660k from unrestricted funds, £432k from restricted funds and £0k from endowed funds.

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

The teaching and research costs include College Contribution payable of £44k (2018 - £0k).

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

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2019 Total £'000
Financial and Domestic administration	12	1,997	-	-	2,009
Human resources	17	161	-	-	178
IT	23	303	-	-	326
Depreciation	-	683	-	-	683
Governance costs	2	18	-	-	20
	54	3,162	-	-	3,216

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

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

Governance costs comprise:

	2019 £'000	2018 £'000
Auditor's remuneration - audit services	20	20
	20	20

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

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

7	GRANTS AND AWARDS	2019	2018
		£'000	£'000
	During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:		
	Unrestricted funds		
	Grants to individuals:		
	Scholarships, prizes and grants	384	266
	Bursaries and hardship awards	68	82
	Total unrestricted	452	348
	Restricted funds		
	Grants to individuals:		
	Scholarships, prizes and grants	258	316
	Bursaries and hardship awards	101	116
	Total restricted	359	432
	Total grants and awards	811	780

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £113k (2018: £116k). Some of those students also received fee waivers amounting to £1k (2018: £8k).

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

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

8 STAFF COSTS

	2019	2018
	£'000	£'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	5,187	5,186
Social security costs	446	443
Pension costs as paid :		
Defined benefit schemes	789	754
Pension Provision	1,401	(74)
	7,823	6,309

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

	2019	2018
Tuition and research	4	5
College residential	76	80
Fundraising	7	7
Support	38	36
Total	125	128

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

University Lecturers	23	23
CUF Lecturers	12	15
Other	34	35
Total	69	73

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

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

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

£60,001-£70,000	2	2
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The number of the above employees with retirement benefits accruing was as follows:

In defined benefits schemes	2	2
In defined contribution schemes	-	0

The College contributions to defined contribution pension schemes totalled

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

9 TANGIBLE FIXED ASSETS

Group and College	Leasehold land and buildings £'000	Freehold land and buildings £'000	Assets Under Construction £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At start of year	-	32,592	22,119	1,853	56,564
Additions	-	-	22,595	47	22,642
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
At end of year	-	32,592	44,714	1,900	79,206
Depreciation and impairment					
At start of year	-	10,993	-	1,739	12,732
Depreciation charge for the year	-	599	-	81	680
Depreciation on disposals	-	-	-	-	-
Impairment	-	-	-	-	-
At end of year	-	11,592	-	1,820	13,412
Net book value					
At end of year	-	21,000	44,714	80	65,794
At start of year	-	21,599	22,119	114	43,832

10 HERITAGE ASSETS

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

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

11 PROPERTY INVESTMENTS

Group and College	Agricultural £'000	Commercial £'000	Other £'000	2019 Total £'000	2018 Total £'000
Valuation at start of year	17,855	3,150	2,021	23,026	22,930
Additions and improvements at cost	6	-	299	305	78
Disposals/Transfers	-	-	-	-	-
Revaluation gains/(losses) in the year	18	42	49	109	18
Valuation at end of year	17,879	3,192	2,369	23,440	23,026

An independent valuation of the agricultural properties was prepared by Whirledge and Nott and Carter Jonas as at 31 July 2019 and 31 July 2018.

An independent valuation of the commercial and other properties was prepared by Carter Jonas as at 31 July 2019 and 31 July 2018.

12 OTHER INVESTMENTS

All investments are held at fair value.

	2019 £'000	2018 £'000
Group investments		
Valuation at start of year	72,314	67,926
New money invested		
Amounts withdrawn	(1,510)	-
(Decrease)/increase in value of investments	3,495	4,388
Group investments at end of year prior to Boathouse Investment	74,299	72,314
Investment in Consortium Boathouse	46	48
Group investments at end of year	74,345	72,362

Group investments comprise:	Held outside the UK £'000	Held in the UK £'000	2019 Total £'000	Held outside the UK £'000	Held in the UK £'000	2018 Total £'000
Global multi-asset funds	55,203	17,047	72,250	41,067	29,217	70,284
Property funds	-	2,049	2,049	-	2,030	2,030
Fixed interest stocks	-	-	-	-	-	-
Alternative and other investments	-	-	-	-	-	-
Fixed term deposits and cash	-	-	-	-	-	-
Total group investments	55,203	19,096	74,299	41,067	31,247	72,314

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13 PARENT AND SUBSIDIARY UNDERTAKINGS

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

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

	Parent College	Wadham College Services Ltd	Wadham College Design and Build Ltd	Subsidiary Name 3	Subsidiary Name 4
	£'000	£'000	£'000	£'000	£'000
Income	14,645	236	17,156	-	-
Expenditure	(12,271)	(216)	(16,822)	-	-
Donation to College under gift aid	-	(20)	(334)	-	-
Result for the year	<u>2,374</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	183,971	393	1,157	-	-
Total liabilities	(40,010)	(393)	(1,157)	-	-
Net funds at the end of year	<u>143,961</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

14 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College with effect from 1st August 2008. The return to be applied as income is calculated as 3.5% (2018: 3.5%) of the average of the year-end values of the relevant balances in each of the last three years. The preserved (frozen) value of the invested endowment capital represents its open market value in 2002 together with all subsequent endowments valued at date of gift.

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
At the beginning of the year:					
Gift component of the permanent endowment	41,150		41,150		41,150
Unapplied total return		57,845	57,845		57,845
Expendable endowment				8,001	8,001
Total Endowments	41,150	57,845	98,995	8,001	106,996
Movements in the reporting period:					
Gift of endowment funds	439		439	27	466
Recoupment of trust for investment		-	-		-
Allocation from trust for investment	-	-	-		-
Investment return: total investment income		2,349	2,349	190	2,539
Investment return: realised and unrealised gains and losses		3,334	3,334	270	3,604
Less: Investment management costs			-		-
Other transfers			-		-
Total	439	5,683	6,122	487	6,609
Unapplied total return allocated to income in the reporting period		(3,297)	(3,297)	(267)	(3,564)
Expendable endowments transferred to income			-	-	-
	-	(3,297)	(3,297)	(267)	(3,564)
Net movements in reporting period	439	2,386	2,825	220	3,045
At end of the reporting period:					
Gift component of the permanent endowment	41,589	-	41,589		41,589
Unapplied total return		60,231	60,231		60,231
Expendable endowment				8,221	8,221
Total Endowments	41,589	60,231	101,820	8,221	110,041

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15 DEBTORS

	2019	2018	2019	2018
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	284	387	173	331
Amounts owed by College members	96	109	96	109
Amounts owed by Group undertakings	-	-	-	84
Other debtors	1,737	2,196	1,737	2,196
Amounts falling due after more than one year:				
Loans	191	252	191	252
	2,308	2,944	2,197	2,972

16 CREDITORS: falling due within one year

	2019	2018	2019	2018
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Trade creditors	1,326	1,206	1,225	297
Amounts owed to College Members	220	246	220	246
Amounts owed to Group undertakings	-	-	396	-
Taxation and social security	132	135	138	140
College contribution	44	-	44	-
Accruals and deferred income	881	83	68	79
Other creditors	785	769	785	769
	3,388	2,439	2,876	1,531

17 CREDITORS: falling due after more than one year

	2019	2018	2019	2018
	Group	Group	College	College
	£'000	£'000	£'000	£'000
30 Year Senior Note Bonds	35,000	35,000	35,000	35,000
	35,000	35,000	35,000	35,000

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

18 PROVISIONS FOR LIABILITIES AND CHARGES

	2019	2018	2019	2018
	Group	Group	College	College
	£'000	£'000	£'000	£'000
At start of year	1,349	1,399	1,349	1,399
Charged in the Statement of Financial Activities	1,401	(50)	1,401	(50)
At end of year	2,750	1,349	2,750	1,349

The above provision relates to USS and OSPS Pension deficits

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19 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						
<i>Teaching and Scholarship Funds</i>	-					-
Dr Wills' Pension Fund	872	21	-	(29)	29	893
Sir Algernon Methuen's Bequest	2,195	52	-	(73)	74	2,248
Dr David T Wylie's Bequest	1,041	25	-	(35)	35	1,066
The Lee Shau Kee Benefaction	739	18	-	(26)	25	756
The Law Fellowship Support Fund	2,172	52	-	(72)	73	2,225
The Von Bothmer Benefaction	2,756	65	-	(92)	93	2,822
A F Thompson History Fellowship	3,322	96	-	(111)	112	3,419
The Knowles/Williams J R F	1,085	26	-	(36)	36	1,111
The Hackney/Stow Law Fellowship	2,066	50	-	(69)	70	2,117
Engineering Fellowship	929	25	-	(31)	31	954
Forrest/Derow Classics Fellowship	2,750	75	-	(92)	92	2,825
Hutcheson Bequest	794	19	-	(26)	27	814
M Benham Biology Fellowship	932	22	-	(31)	31	954
M Benham Mathematics Fellowship	931	22	-	(31)	32	954
English Teaching Fund Fellowship	1,309	31	-	(44)	45	1,341
Roger Penrose Maths Fellowship	1,247	30	-	(42)	42	1,277
Lee Placito Fellowship in Medicine	669	16	-	(22)	22	685
David Richards Chemistry Fellowship	683	16	-	(23)	23	699
David Richards Economic History JRF	1,390	33	-	(45)	46	1,424
David Richards Economics Fellowship	683	16	-	(23)	23	699
David Richards Graduate Scholarship Chemistry	622	15	-	(21)	21	637
David Richards Graduate Scholarship Climate	1,244	30	-	(42)	42	1,274
David Richards Graduate Scholarship Economics	622	15	-	(21)	21	637
David Richards Graduate Scholarship History	1,244	30	-	(42)	42	1,274
David Richards Physics Fellowship	683	16	-	(23)	23	699
Dowding Humanities Scholarship	617	15	-	(21)	21	632
Mok Medical	690	17	-	(23)	23	707
<i>College Buildings & Facilities</i>						
R H Robbins Garden Fund	874	21	-	(29)	29	895
<i>College Corporate Capital</i>	48,446	1,149	-	(1,614)	1,632	49,613
125 Funds below £600k	15,388	769	-	(508)	519	16,168
Endowment Funds - Expendable						
The General Benefactions Fund	8,001	217	-	(267)	270	8,221
	-	-	-			-
Total Endowment Funds - College	<u>106,996</u>	<u>3,004</u>	<u>-</u>	<u>(3,564)</u>	<u>3,604</u>	<u>110,041</u>
Endowment funds held by subsidiaries	-	-	-	-	-	-
Total Endowment Funds - Group	<u>106,996</u>	<u>3,004</u>	<u>-</u>	<u>(3,564)</u>	<u>3,604</u>	<u>110,041</u>
Restricted Funds						
Building Projects	8,497	4,164		(390)		12,271
56 Other Funds	5,055	125	(359)	(200)		4,621
Total Restricted Funds - College	<u>13,552</u>	<u>4,289</u>	<u>(359)</u>	<u>(590)</u>	<u>-</u>	<u>16,892</u>
Restricted funds held by subsidiaries	-	-	-	-	-	-
Total Restricted Funds - Group	<u>13,552</u>	<u>4,289</u>	<u>(359)</u>	<u>(590)</u>	<u>-</u>	<u>16,892</u>
Unrestricted Funds						
General funds	18,784	7,587	(10,747)	4,154		19,778
Pension reserve	(1,349)		(1,401)			(2,750)
Total Unrestricted Funds - College	<u>17,435</u>	<u>7,587</u>	<u>(12,148)</u>	<u>4,154</u>	<u>-</u>	<u>17,028</u>
Unrestricted funds held by subsidiaries	-	-	-	-	-	-
Total Unrestricted Funds - Group	<u>17,435</u>	<u>7,587</u>	<u>(12,148)</u>	<u>4,154</u>	<u>-</u>	<u>17,028</u>
Total Funds	<u>137,983</u>	<u>14,880</u>	<u>(12,507)</u>	<u>-</u>	<u>3,604</u>	<u>143,961</u>

The College has agreed to list individually all those Permanent Endowment Funds with a balance greater than £600k at the year-end. The College also had 21 Permanent Endowment Funds with a balance between £250k and £600k and 104 Funds with a balance below £250k.

The Total Return Spending Rule transfer amounted to £3,56m.

20 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:	<p>* A consolidation of gifts and donations where income, but not capital, can be used for the general purposes of the charity</p> <p>* Capital balance of past donations where related income, but not the original capital, can be used for [restricted purpose] of the charity</p>
Endowment Funds - Expendable:	<p>* A consolidation of gifts and donations where either income, or income and capital, can be used for the general purposes of the charity</p> <p>* Capital balance of past donations where related income, or income and capital, can be used for restricted purpose] of the charity</p>
Restricted Funds:	<p>* A consolidation of gifts and donations where both income and capital can be used for restricted purposes</p> <p>* The Buildings Fund is the major source of financing for the Dr Lee Shau Building and the William Doo Undergraduate Centre</p>
Unrestricted Funds	<p>* The General Unrestricted Funds represent accumulated income from the College's activities and other sources that are available for the general purposes of the College.</p>

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019 Total £'000
Tangible fixed assets	53,523	12,271	-	65,794
Property investments	-	-	23,440	23,440
Other investments	-	-	74,345	74,345
Net current assets	1,255	4,621	12,256	18,132
Long term liabilities	(37,750)	-	-	(37,750)
	<u>17,028</u>	<u>16,892</u>	<u>110,041</u>	<u>143,961</u>
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2018 Total £'000
Tangible fixed assets	35,335	8,497	-	43,832
Property investments	-	-	23,026	23,026
Other investments	-	-	72,362	72,362
Net current assets	18,449	5,055	11,608	35,112
Long term liabilities	(36,349)	-	-	(36,349)
	<u>17,435</u>	<u>13,552</u>	<u>106,996</u>	<u>137,983</u>

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22 TRUSTEES' REMUNERATION

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

Trustees of the college fall into the following categories:

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

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

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

The College has a Remuneration Committee which makes recommendations to Governing Body on pay and benefits which are outside of external scales. The composition of the Remuneration Committee is set out in pp 10-12 of the section, Trustees and Committee Membership..

Remuneration paid to trustees

Range	Number of Trustees/Fellows	2019	Number of Trustees/Fellows	2018
		Gross remuneration, taxable benefits and pension contributions £		Gross remuneration, taxable benefits and pension contributions £
£0-£2,999	2	379	2	2,127
£3,000-£3,999	2	7,639		
£4,000-£4,999			2	8,927
£5,000-£5,999			1	5,524
£6,000-£6,999	1	6,670		
£7,000-£7,999			1	7,374
£9,000-£9,999			1	9,109
£10,000-£10,999			3	32,248
£11,000-£11,999	1	11,435	2	22,808
£12,000-£12,999	3	36,267	1	12,588
£13,000-£13,999			1	13,621
£14,000-£14,999	2	28,704	1	14,706
£15,000-£15,999	2	31,240	2	30,439
£17,000-£17,999				
£18,000-£18,999	1	18,755	1	18,177
£19,000-£19,999			1	19,592
£20,000-£20,999	1	20,575	2	41,110
£21,000-£21,999	4	86,863		
£22,000-£22,999	11	250,783	9	199,918
£23,000-£23,999	3	71,398	4	92,590
£24,000-£24,999			1	24,624
£30,000-£30,999			1	30,203
£31,000-£31,999	1	31,153		
£34,000-£34,999			2	68,549
£35,000-£35,999			1	35,591
£37,000-£37,999	1	37,242		
£38,000-£38,999	1	38,198		
£39,000-£39,999			1	39,818
£40,000-£40,999	1	40,274		
£43,000-£43,999				
£44,000-£44,999			1	44,242
£45,000-£45,999	1	45,316		
£48,000-£48,999				
£50,000-£50,999				
£51,000-£51,999			1	51,712
£52,000-£52,999				
£53,000-£53,999				
£54,000-£54,999			3	163,969
£55,000-£55,999	3	167,952	2	110,815
£56,000-£56,999	2	113,477		
£57,000-£57,999			2	114,385
£58,000-£58,999	3	175,540	1	58,413
£59,000-£59,999	1	59,773		
£87,000-£87,999				
£88,000-£88,999				
£89,000-£89,999				

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£90,000-£90,999			1	90,936
£92,000-£92,999				
£93,000-£93,999				
£94,000-£94,999			2	188,838
£95,000-£95,999			1	95,601
£96,000-£96,999	2	193,424		
£97,000-£97,999	1	97,904		
£103,000-£103,999	1	103,885		
£117,000-£117,999			1	117,606
£120,000-£120,999	1	120,461		
Total	52	1,795,307	55	1,766,160

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

All trustees may eat at common table..

Other transactions with trustees

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

See also note 30 Related Party Transactions

Key management remuneration

The total remuneration paid to key management was £578k (2018: £553k). Key management are considered to be the Warden, Finance Bursar, Domestic Bursar, Senior Tutor and Development Director.

23 PENSION SCHEMES

Pension Scheme Provisions

Wadham College is a member of the Universities Superannuation Scheme (USS) and University of Oxford Staff Pension Scheme (OSPS), these are multi-employer pension schemes both of which are in deficit. Wadham College has recognised a provision for its commitments under the agreed deficit reduction plans for each scheme, in calculating these provisions Wadham College has estimated that salary expense will increase at 2.0% p.a. and the liability is discounted at a 15 year corporate bond rate of 1.50% (2018: 1.50%). A sensitivity analysis to changes in salary and discount rate changes is shown below.

Pension Schemes

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

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

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

Actuarial valuations

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

	USS	OSPS
Date of valuation:	31/03/2017	31/03/2016
Date valuation results published:	28/01/2019	28/04/2017
Value of liabilities:	£67.5bn	£661m
Value of assets:	£60.0bn	£/528m
Funding surplus / (deficit):	(£7.5bn)	(£133m)
Principal assumptions:		
• Investment return	CPI - 0.53% to	CPI - 1.32%pa
• Rate of interest (periods up to retirement)	-	-
• Rate of interest (periods up after)	-	-
• Rate of increase in salaries	CPII + 2%pa	Gilts' + 1.2%pa
• Rate of increase in pensions	CPI pa ^d	RPI + 1%pa
Mortality assumptions:		
• Assumed life expectancy at age 65 (males)	24.5 yrs	22.4 yrs
• Assumed life expectancy at age 65 (females)	26.0 yrs	24.7 yrs
Funding Ratios:		
• Technical provisions basis	89%	80%
• Statutory Pension Protection Fund basis	72%	67%
• 'Buy-out' basis	48%	42%
• Estimated FRS 102 Total Funding level	77%	82%
Recommended employer's contribution rate (as % of pensionable salaries):	18% ^e	23% decreasing
OSPS rate 23% decreasing to 19% from 01/08/2017; USS rate 18% increasing to 24.2% by 01/04/2020		
Effective date of next valuation:	31/03/2018	31/03/2019

a. USS's 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 are 8% of salary but will increase in stages from 01 April 2019 to a level of 11.7% from April 2020; a defined contribution benefit for salary above 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

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contribution was 0.7% p.a. of salaries based on the assumptions made. After allowing for those changes, the actuary established a long term employer contribution rate of 18% p.a. of salaries for the period from 1 April 2016 to 31 March 2019, 19.5% from 01 April to 30 September 2019, 22.5% from 01 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 01 April 2020. At 31 March 2019 USS reported that the estimated funding deficit was £5.7 bn (92% funded).

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

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

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

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

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

Sensitivity of actuarial valuation assumptions

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

USS		
Assumption	Change in assumption	Impact on USS liabilities
Initial discount rate	increase / reduce by 0.25%	decrease / increase by £3.3bn
Asset Values	reduce by 10%	increase by £6.0bn
RPI inflation	increase / reduce by 0.25%	increase / decrease by £3.3bn
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £1.6bn

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

Deficit Recovery Plans

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

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	OSPS	USS
Finish Date for Deficit Recovery Plan	30/06/2027	31/03/2031
Average staff number increase	0%	0%
Average staff salary increase	2.00%	2.00%
Average discount rate over period	1.50%	1.50%
Effect of 0.5% change in discount rate	£3k	£7k
Effect of 1% change in staff growth	£28k	£34k

A provision of £2.750m has been made at 31 July 2019 (2018: £1.349m) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

Pension charge for the year

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

Scheme	2019 £000's	2018 £000's
Universities Superannuation Scheme	421	416
University of Oxford Staff Pension Scheme	368	289
Other schemes – contributions		
Total	<u>789</u>	<u>705</u>

24 TAXATION

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

25 FINANCIAL INSTRUMENTS

The College held no Financial Instruments

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

	2019 Group £'000	2018 Group £'000
Net income/(expenditure)	5,978	6,980
Elimination of non-operating cash flows:		
Investment income	(2,553)	(2,578)
(Gains)/losses in investments	(3,604)	(4,406)
Endowment donations	(466)	(150)
Depreciation	683	720
(Surplus)/loss on sale of fixed assets	-	-
Decrease/(Increase) in stock	5	8
Decrease/(Increase) in debtors	636	268
(Decrease)/Increase in creditors	949	1,038
(Decrease)/Increase in provisions	-	-
(Decrease)/Increase in pension scheme liability	1,401	(50)
Net cash provided by (used in) operating activities	<u>3,029</u>	<u>1,830</u>

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

27 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019	2018
	£'000	£'000
Cash at bank and in hand	18,682	34,072
Total cash and cash equivalents	<u>18,682</u>	<u>34,072</u>

28 FINANCIAL COMMITMENTS

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

29 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £16786k (2018 - £5000k).

30 RELATED PARTY TRANSACTIONS

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

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

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

	2019	2018
	£'000	£'000
C Summerfield		62
T Simpson	90	90
D Brookshaw	100	100
	<u>190</u>	<u>252</u>

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

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

	2019	2018
	£'000	£'000
A Castrejon-Pita	281	279
C Summerfield	220	212
N Seddon	225	225
M Gullerova	244	-
Total net book value of properties owned jointly with trustees	<u>970</u>	<u>716</u>

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

31 CONTINGENT LIABILITIES

There are no Contingent Liabilities that require disclosure.

32 POST BALANCE SHEET EVENTS

There are no Post Balance Sheet Events that require disclosure