



Christ Church
OXFORD OX1 1DP

Annual Report and Financial Statements

Year ended 31 July 2019

Registered Charity 1143423

Christ Church
Annual Report and Financial Statements
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Christ Church

Report of the Governing Body

Year ended 31 July 2019

MEMBERS OF THE GOVERNING BODY

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

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Dean:										
The Very Reverend Professor M.W. Percy		•	•	•	•	•	•	•	•	•
Canons:										
The Venerable M.A. Gorick		•								
The Reverend Canon Professor N.J. Biggar										
The Reverend Canon Professor S.R.I. Foot			•		•					
The Reverend Canon Professor G.D. Ward				•						
The Reverend Canon E.J. Newey		•						•	•	•
Canon Professor C. Harrison										
Students:										
Professor R.B. Rutherford		•	•	•	•	•	•	•	•	•
Professor J. Cartwright	(retired 31 December 2018)									
Professor S.M. Darlington	(retired 30 September 2018)									
Professor D.J. Hine	(retired 30 September 2018)				•					
Professor R.L. Judson			•	•		•				
Professor I.M.C. Watson		•	•	•	•	•			•	•
Professor E.J.F. Simpson				•		•				•
Professor S.D. Howison										
Professor M.J. Edwards					•					
Professor M.D. McCulloch			•							
Professor D. Obbink										
Professor S.L. Rowland-Jones				•						
Dr B.E. Jack							•	•		
Professor D.P. McDonald										
Professor S. Neubauer										
Professor B. Parkinson								•		
Professor E.M.C. Tandello-Cooper										
Dr D.P. Moran										
Professor G. Wilkinson							•			
Professor R.L. Davies					•					
Professor Sir J.I. Bell										
Professor G.A. Johnson		•	•	•	•	•	•	•	•	•
Professor J.G.E. Cross				•						
Dr A.J. Clark								•		
Dr B.W. Young		•	•	•	•	•		•	•	•
Professor J.J. Davis										
Professor M.C.A. Bose			•						•	
Professor J. Yee				•						•
Professor A. Kuhn				•						
Mr J.C.F.S. Lawrie		•	•					•	•	•
Professor D. Aarts				•				•		•
Professor S.J. Cragg			•		•					
Professor R. Wade-Martins										
Professor J.K. Schear										
Professor E.G.W. Keene					•				•	
Professor S.C. Mortimer		•	•	•	•	•	•	•	•	•
Professor K. McGerty		•							•	•

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Ms P.A. Linières-Hartley		•	•					•		•
Mr K. Sternberg									•	
Ms L. Elder			•							
Professor S. Dadson										
Professor S. L. Newstead				•						
Professor K.C. King										•
Dr A. Camilleri	(resigned 30 September 2018)									
Professor R. Barker					•	•			•	
Professor J. Joosten										
Professor S. Hiscock										
Professor G. Hutchinson										
Dr K. Lebow		•								
Professor A. Kuo			•		•					•
Professor M. van der Schaar										
Professor Sir T. Berners-Lee										
Professor A. Vasudevan				•						
Professor P-G Martinsson	(resigned 31 August 2018)									
Professor P. Sedláček										
Mr M. Coote			•		•					
Dr H. Hooper	(resigned 30 September 2019)	•								
Professor Y. Gal										
Dr J Allison										
Dr S Duncan	(appointed 1 October 2018)	•								•
Professor S Grahl	(appointed 1 September 2018)									
Professor M Holweg	(appointed 1 December 2018)									
Professor C Kennefick	(appointed 1 January 2019)									•
Professor Y Nakatsukasa	(appointed 1 April 2019)						•			
Dr L Brassart	(appointed 29 July 2019)									
Dr E Smith	(appointed 1 November 2019)									

During the year the policies of the Governing Body were developed and implemented through eight principal committees. The current membership of these committees is shown above for each Student.

- (1) House Committee
- (2) Finance Committee
- (3) Academic Committee
- (4) Development Committee
- (5) Salaries Board
- (6) Grants Committee
- (7) Benefices Committee
- (8) General Purposes and Strategy Committee
- (9) Equality and Diversity Committee

External members sit on the Finance Committee, Development Committee and the Salaries Board. The external members over the academic year were:

Finance Committee: Mr J. Curtis, Mr D. McDougall.

Development Committee: Mr K.P. Street, Miss P. E.C. Deane, Mr J.E. Philpott, Mrs G.P. Stein.

Salaries Board: Dr I. Asquith, Mr H. Crisp, Ms K Paterson.

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HOUSE SENIOR STAFF

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

A The Dean	<i>The Very Reverend Martyn Percy</i>
B The Senior Censor	<i>Dr Geraldine Johnson</i>
C The Junior Censor	<i>Professor Dirk Aarts</i>
D The Treasurer	<i>Mr James Lawrie</i>
E The Steward	<i>Ms Pauline Linières-Hartley</i>

HOUSE ADVISERS

Investment managers

Oxford University Endowment Management Limited

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

Investment property managers and principal surveyor

Savills (L&P) Limited Chartered Surveyors

Wytham Court, 11 Westway, Oxford, OX2 0QL

Auditor

Critchleys Audit LLP

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

Bankers

Barclays Bank plc

Business Banking, 4th Floor, Apex Plaza, Forbury Road, Reading, Berkshire, RG1 1AX

Solicitors

Blake Morgan LLP

Harbour Court, Compass Road, North Harbour, Portsmouth, Hampshire, PO6 4ST

Mills & Reeve LLP

Francis House, 112 Hills Road, Cambridge, CB2 1PH

Address

Christ Church, St Aldate's, Oxford, OX1 1DP

Website

www.chch.ox.ac.uk

Christ Church
Report of the Governing Body
Year ended 31 July 2019

The Members of the Governing Body present their Annual Report for the year ended 31 July 2019 under the Charities Act 2011 together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

Christ Church is a joint foundation – of a college in the University of Oxford and of the Cathedral Church of the Diocese of Oxford – supported by a single corporate endowment, which is known as Christ Church (“the House”). The present collegiate foundation was established by King Henry VIII in 1546. Statutes were conferred by the Christ Church Oxford Act, 1867 and these, as modified subsequently by Oxford University Commissions and by Order of Her Majesty in Council, govern its affairs. The government of the foundation vests in the Governing Body formed of the Dean, certain of the Canons and the elected Students.

The House registered with the Charities Commission on 17 August 2011 (registered number 1143423).

The names of all Members of the Governing Body at the date of this report and of those in office during the year, together with details of the senior staff and advisers of the House, are given on pages 2 to 3.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The House is governed by its Statutes, dated 16 March 2011.

Governing Body

The Governing Body is constituted and regulated in accordance with the House’s Statutes, the terms of which are enforceable ultimately by the Visitor, who is Her Majesty, The Queen. Membership of the Governing Body is associated (automatically in most cases) with appointment or election to certain posts in the joint foundation, as outlined below, and lapses in the event of resignation or retirement from those posts.

The Governing Body consists of the Dean, Canons (as defined in Statute Id(i)) and Students (as stated in Statute XIII) of Christ Church. The Students may be (i) tutorial fellows, appointed to joint posts with the University; (ii) University Professors or holders of equivalent posts or University Readers; (iii) senior administrative officers of the House, including the Treasurer and the Steward; and (iv) other persons of distinction whose election to the Governing Body in the opinion of the Governing Body will advance the interests of education and learning in the House or will broaden its expertise.

The Governing Body determines the strategic direction of the House and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the Dean and is advised by a number of committees, the most important of which are detailed below.

Recruitment and training of Members of the Governing Body

As membership of Governing Body is dependent on the holding of other posts, recruitment depends on the procedures normal for those posts. The Dean, Sub-Dean and Regius Professors are appointed by the Crown. Other academic appointments are by appointment committees; these are university committees in the case of Professors (other than the Regius Professors) and joint university/college committees in other cases. The Archdeacon is appointed by the Bishop of Oxford in consultation with the Chapter of the Cathedral. Senior administrative posts are filled on the advice of specially formed committees reporting to Governing Body. Other persons of distinction may be invited to take up Studentships which give them membership of Governing Body.

New members of Governing Body are inducted by current college officers, typically the Censors and the Treasurer. Induction topics include the role of the Governing Body in the Joint Foundation and responsibilities of its members. Members of the Governing Body attend external trustee training and information courses to keep them informed on current issues in the sector and on regulatory requirements.

Remuneration of Members of the Governing Body and Senior College Staff

Members of the Governing Body, who are primarily Fellows, are teaching and research employees of the House and receive no remuneration or benefits from their trusteeship of the House. Those trustees that are also employees of the House receive remuneration for their work as employees of the House which is set based on the advice of the House’s Salaries Board, three members of which are not members of Governing Body and not in receipt of remuneration from the House. Where possible, remuneration is set in line with that awarded to the University’s academic staff.

The remuneration of senior college staff is set by the House’s Remuneration Committee.

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Organisational management

The Governing Body meets ordinarily nine times a year. The work of developing policies and monitoring implementation is carried out by nine principal Committees:

- The House Committee considers questions involving the domestic finances, management and organisation of the House, accommodation and the use of space, and other domestic matters.
- The Finance Committee considers matters relating to the property and investments of the House, and questions involving the overall financial policy of the House.
- The Academic Committee considers matters relating to the teaching, research and educational activities of the House.
- The Development Committee considers matters concerned with alumni relations and with fund-raising for the purposes of the House, and advises the Development Director and the Development Adviser.
- The Salaries Board considers questions relating to the salaries and expenses of those engaged in teaching, members of the House and to other expenses connected with such teaching.
- The Grants Committee considers questions of reasonable charitable donations under Stat. XXXI.3.(v) and of grants for members of the Governing Body, Lecturers, Junior Research Fellows and Senior Scholars.
- The Benefices Committee exercises the Governing Body's right to present to vacant benefices in the gift of the House.
- The General Purposes and Strategy Committee considers questions of policy and strategy concerning the House.
- The Equality and Diversity Committee monitors, provides information and takes actions related to equality and diversity within the House, across the collegiate University, and in regards to external agencies and individuals.

The day-to-day running of the House is delegated to the Dean and Censors, and other college officers notably the Treasurer and the Steward. The Dean and Censors attend all meetings of the principal committees except that the Junior Censor does not attend the Salaries Board, the Senior Censor does not attend the Grants Committee and neither Censor attends the Benefices Committee.

Under Clause 5(a) of the House's statutes, certain powers are reserved to the Dean and Chapter in respect of:

- (1) the Cathedral Church and its fabric and appurtenances, including the Chapter House; and
- (2) the Cathedral Chaplains, Organist, Lay Clerks, and Choristers, and other officers of the Cathedral Church; and
- (3) the residentiary houses assigned for occupation by the Dean and the Canons together with Cloister House.

Members of Chapter form the Board of Governors of Christ Church Cathedral School ("CCCS"), which is chaired by the Dean. CCCS occupies buildings provided by the House which from time to time provides financial support for the school including choral scholarships.

Group structure and relationships

The House administers many special trusts, as detailed in Notes 19 to 20 to the financial statements.

The House also has seven wholly-owned non-charitable subsidiaries: Christ Church Library Charity Limited, which held the book stock, Christ Church Oxford Trading Limited, whose annual profits are donated to the House under the Gift Aid Scheme, Christ Church Developments Limited, which undertakes major building projects, Christ Church (Evesham) Limited, Christ Church (Daventry) Limited, Thomas Wolsey Property Limited and Wick Farming Limited, all of which hold agricultural land with long term development potential. The trading activities of Christ Church Oxford Trading primarily comprise revenue from conference activities and letting of the facilities when not in use by the House. The subsidiaries' aims, objectives and achievements are covered in the relevant sections of this report.

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

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Report of the Governing Body

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OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The Objects of the Charity are as follows:

A) The advancement of religion, education and learning, in particular but not exclusively by:

- (i) the provision, support, conduct and maintenance of Christ Church Cathedral as the Cathedral of the Diocese of Oxford, together with its Choir;
- (ii) the provision, support, conduct and maintenance of Christ Church as a college within the University of Oxford; and
- (iii) the promotion of research in any branch of learning.

B) In so far as it is not incompatible with the objects set out in (A) above, the advancement of the arts, culture, heritage and science, in particular but not exclusively by:

- (i) the preservation and conservation of collections of articles of historical, aesthetic or scientific interest;
- (ii) the preservation and conservation of the Cathedral and its appurtenances including the Chapter House; and
- (iii) the preservation and conservation of the other buildings of the House and its curtilage including the Meadow.

The Governing Body has considered the Charity Commission's guidance on public benefit and in keeping with its objects, the House's aims for the public benefit are:

- the advancement of religion by providing and maintaining the Cathedral of the Diocese of Oxford which is home to an active congregation and a world famous Cathedral Choir;
- the advancement of education and learning by providing higher education for some 400 undergraduate and 250 postgraduate students within Oxford University, the students being selected by academic merit;
- the facilitation of research in a range of topics by providing access to its libraries, Picture Gallery and other collections to its undergraduates, graduates, fellows and members of the Governing Body undertaking research and, on a discretionary basis, to non-members of Christ Church undertaking appropriate research;
- the further advancement of education and learning through the activities of the Cathedral School;
- the advancement of the arts, culture, heritage and science by the preservation and conservation of collections of articles of historical, aesthetic or scientific interest; the making available of certain articles to researchers and/or the public;
- the advancement of the arts, culture and heritage by the preservation and conservation of the Cathedral and its appurtenances including the Chapter House, and by the preservation and conservation of the other buildings of the House and its curtilage including the Meadow, for the benefit of current and future members of the House and of the general public; and the advancement of the arts, culture and heritage by the maintenance of its choral foundation, one of the oldest in England;
- the House is particularly committed to the provision of student support, in the form of both bursaries and support for current students in financial difficulty, with a view to ensuring that those of sufficient academic ability should be able to attend Christ Church irrespective of family wealth. The aims set for the House's subsidiaries are to help finance the achievement of the House's aims as above.

The aims set for the House's subsidiaries are to help finance the achievement of such aims.

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Activities and objectives of the House

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

Our stated object of promoting research has been furthered by the appointment of four new Junior Research Fellows, an Official Student (Tutorial Fellow) in Law, an Official Student in Mathematics, an Official Student in Engineering, a Fixed Term Student in English and an Ordinary Student in Management.

Residential rooms and offices in Peckwater Quad continue to be refurbished, which is greatly enhancing Christ Church's student accommodation and its provision for academic research and teaching spaces. We also completed a major project refurbishing and extending the so-called Thatched Barn complex just to the south of the main site. This project has provided us with a new Research Centre that has already hosted a number of academic events, thereby further promoting our research object. It is also enhancing outreach to the wider public and advancing the general object of education and learning by providing a new gateway for visitors, who can now purchase their tickets at the front of the building and then take a tour of the College and Cathedral with a new multimedia audio guide available in a number of languages, which was created with input from our academic staff into the cultural and historical content provided.

The House's continued support of the IntoUniversity initiative in Oxford has contributed to our general object of advancing education and learning. Along with other access and outreach activities, it is part of an aim to broaden the available pool of candidates for our undergraduate places, and to enhance the quality of their education, supporting Christ Church's status as a college of the University of Oxford. Christ Church is now the major source of funding for the Oxford part of Target Oxbridge, which offers academic support and encouragement to potential applicants of black heritage. The Access and Outreach team has developed other projects in Christ Church's designated link regions and beyond. In particular, we have expanded Horizons, our sustained contact programme in our London link region, Barnet, and are establishing another sustained contact programme in collaboration with St Anne's College in the North-East of England, where we are part of a new regional College Consortium (with St Anne's and Trinity). Christ Church is also participating in the University's new Bridging Programme, Opportunity Oxford.

The House's aim of providing support for students of modest means is furthered by our contribution to the Oxford Opportunity Bursary and the University's Crankstart (ex Moritz Heyman) Scholarship schemes administered by the central University, which makes allocations principally on the basis of household income. Christ Church also provides financial assistance such as subsidies of accommodation and dining costs, and internship bursaries, for current junior members depending on household income, with other grants allocated after evaluating students' income and expenditure on a case-by-case basis.

Governing Body held an offsite meeting at the beginning of the 2019-20 academic year at which it explored potential capital plans including in relation to Library provision for students, graduate student housing and the Picture Gallery, and explored expanding financial support for graduate students and endowing existing and new Official Studentships in preparation for a fundraising initiative to celebrate Christ Church's 500th anniversary in 2025. These discussions confirm the House's ambitious plans for further enhancing education and learning in the decades to come.

ACHIEVEMENTS AND PERFORMANCE

440 undergraduate students were resident during the academic year. Of these, 119 were finalists who completed their degree courses; 93% gained Firsts or 2.1s.

225 graduate students were following courses of study during the academic year. Of these, 56 completed Masters/BCL degrees and 21 completed doctorates.

The Cathedral offered daily public worship and acted as a chapel for all members of Christ Church. It also offered a venue for special services for the Diocese of Oxford and other outside organisations. The Cathedral also provided a range of educational activities for schools and other groups, and functioned as a venue for public concerts and other events.

Pupil numbers at the Cathedral School increased throughout the year from 149 in Michaelmas Term to 157 at the end of Trinity Term. The number of Cathedral Choristers increased from 18 at the start of the year to 21. A total of 10 scholarships were gained by this year's leavers (2017-18: 9).

Voluntary income as fundraising amounted to £3,058k (2017-18: £3,196k) which excludes pledges and the notification of 19 new legacy bequests (17 for 2017-18). Notwithstanding the challenging environment of the past year within fundraising the results are consistent with the previous year's totals. Activities have included the successful launch of a regular giving society ('TOM') and the second year of a Leaver's Gift, with 87% participation amongst those graduating from the House. Alumni donor participation has increased for the second consecutive year, rising by 9%, an indication of continued success with the focus on donor engagement, and support at Board of Benefactor level remains consistent, with 11 new Board members (11 for 2017-18).

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Development costs (including salaries of staff in the development office, and organisation of alumni and donor events) amounted to £906k, representing a 12% increase on the previous year (2017-18: £808k). In spite of cost savings within Development operational costs, the overspend is attributable to the allocation of additional provision required for the USS and OSPS pension schemes attributable to the Development team.

FINANCIAL REVIEW

The House's total income of £34,292k (2017-18: £35,032k) was £740k lower than 2017-18, a 1.9% reduction.

The charitable activities of the House include teaching and research, provision of board and lodgings for members of the House, Cathedral and Cathedral School and access for visitors. The income generated by these charitable activities amounted to £13,185k, a 0.2% increase compared to the previous year (2017-18: £13,153k). The cost of undertaking these charitable activities in the year was £31,005k, a 21% increase compared to the previous year (2017-18: £25,561k). There was an overall operating deficit of £17,820k on these charitable activities which is funded by expendable donations, trading income and transfers from the House's endowment.

Income

Income from charitable activities was £13,185k comprising fee income of £2,966k, which was 1% lower than the previous year, college residential income of £4,419k which was 5% lower, combined income from the Cathedral and Cathedral School of £2,622k was 2% higher and visitor income of £3,052k was 8% higher than the previous year (2017-18: £2,821k).

Fundraising income (which includes both income and capital donations) was £3,058k, 3.5% lower than 2017-18. Capital donations of £2,453k were 40% higher (2017-18: £1,751k) while income donations of £605k were 57% lower than 2017-18 (£1,418k which included donations of £529k received in the year towards the refurbishment of Peckwater Quad).

Non charitable trading income of £936k was unchanged (2017-18: £935k), whilst charitable conference income of £1,264k was 23% lower than 2017-18, due mainly to a shorter conference season.

Income from investment assets of £16,987k was 4% lower than the previous year (2017-18: £17,642k) due largely to a reduction in equity dividends and other investment income (-£1,186k) and an increase in commercial property income (+£553k).

Expenditure

The House sets its budget for expenditure on the basis of a rolling 5-year plan which enables forward planning of significant building and maintenance projects and other strategic projects set by Governing Body.

The House's total expenditure of £37,983k was £6,126k higher than 2017-18 (£31,857k).

Expenditure on charitable activities of £31,005k was £5,444k higher than the previous year. Maintenance and refurbishment expenditure on college buildings of £5,692k (2017-18: £5,165k), was £532k higher compared to the previous year. Included in the current year is £3,373k on phase 2 of the Peckwater Quad staircase refurbishment. The other main project in 2018-19 was the continuation of works to the Thatched Barn; a total of £3,508k incurred in the year has been capitalised. Phase 3b of the Peckwater Quad staircase refurbishment and completion of the works to the Thatched Barn are planned for 2019-20. Rent, rates and insurance of £719k is £141k higher than 2017-18 with the first full year's rental of 117 St Aldate's, Oxford, a new 79 bed residential staircase occupied by the House on a 40 year long leasehold basis. Following a review of its Outreach and Access activities in 2017-18, a number of new initiatives were implemented in this area. 2018-19 is the second year of a 5-year project and saw expenditure increase by £74k to £459k.

Included in total charitable expenditure is the movement on the defined benefit pension schemes' deficit liability, as required under FRS 102. The net movement in the year is an increase of £1,959k, being an increase for OSPS of £393k and an increase for USS of £1,566k (2017-18: OSPS reduction of £96k, USS increase of £8k = £88k). The total pension scheme deficit liability as at 31 July 2019 recognised in these financial statements as required by FRS 102 has thus increased from £2,300k to £4,259k (USS: £2,418k, OSPS: £1,841k), producing a net reduction in funds available to the House of £4,259k.

The cost of generating funds in 2018-19 was £6,978k (2017-18: £6,296k), £682k or 11% higher than the previous year. Interest payable of £1,027k (2017-18: £1,027k) was unchanged compared to 2017-18 and represents the interest payable on £40m loan notes, bearing a coupon of 2.567%, which were drawn down in September 2016. Investment management costs of £4,393k were £778k higher than the previous year due mainly to increased maintenance and refurbishment expenditure incurred on the House's investment properties. Fundraising costs of £906k were 12% higher than 2017-18 (£808k), £97k due to the allocated share of the pension deficit liability movement, whereas direct costs of £721k were in line with 2017-18.

The adoption of FRS 102 also requires the recognition of the fair value of complex financial instruments. In 2008, the House entered into an interest rate swap with Barclays Bank plc, under which it receives interest at 3-month LIBOR and pays a fixed rate of interest of 4.783%. The notional amount of the swap is £10m and expires on 1 February 2038. The fair value cost of unwinding this interest rate swap as at 31 July 2019 has been provided at £6,662k (2017-18: £5,418k), an increase in the year of £1,244k.

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Result for the year

The consolidated net funds of the House rose by £23,755k in the year, the net increase is attributable to:

	2018-19	2017-18
• Unrestricted funds	(£ 4,442k)	£ 1,576k
• Restricted funds	£ 893k	£ 601k
• Endowment funds (*)	£ 27,304k	£ 49,130k

(*) Including total investment gains in the year of £28,095k (2017-18: £47,607k).

Reserves policy

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

Total funds of the House and its subsidiaries at the year-end amounted to £587.9m (2017-18: £564.2m). This includes endowment capital of £577.6m and unspent restricted income funds totalling £11.1m.

The House's free reserves at the year-end amounted to a deficit of £3,069k (2017-18: £1,883k surplus), representing retained unrestricted income reserves excluding an amount of £8,705k for the book value of fixed assets less associated funding arrangements and designated reserves at the year end amounting to £600k (2017-18: £486k). Governing Body has set a target to increase free reserves by £500k pa in its rolling 5-year plan. Whilst adopting a policy target for free reserves, the Governing Body also recognises that expenditure on certain repair and renovation projects could be postponed in the event of a cash-flow problem.

Designated reserves of £600k at the year end included £43k for unexpended Annual Fund projects which are projected to be spent over the next three years.

Risk management

The House has processes for identifying, evaluating and managing the principal risks and uncertainties faced by the House and its subsidiaries in undertaking their activities. When it is not able to address risk issues using internal resources, the House takes advice from external experts. A report on major risks is prepared annually by the Treasury, which is considered by the Finance Committee and Governing Body each year. Health and Safety risks are monitored by a committee of heads of department, chaired by the Steward and subject to annual external audit.

Training courses and other forms of career development are available to members of staff to enhance their skills in risk-related areas.

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

The principal risks and uncertainties faced by the House and its subsidiaries that have been identified are categorised as follows:

Risk	Measures
1. Recruitment of staff (academic and non-academic)	Terms and conditions of service reviewed regularly
2. Reputational risk from lapses in academic standards	Monitor admissions procedures, student satisfaction and exam results
3. IT network and data security	IT managed jointly with Pembroke College. Investment in people and hardware/software
4. Disaster	Recovery planning procedures reviewed regularly, liaison with emergency services
5. Decline in purchasing power of the endowment	Diversified portfolio and close oversight from the Investment Group

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Investment policy, objectives and performance

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

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

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

Investment policy and strategy are set by the Governing Body as advised by the Investment Group from time to time and performance is regularly monitored by the Investment Group. At the year end, the House's long term investments, combining securities and property investments, totalled £577.6m (2017-18: £550.3m), net of £40m loan notes. Investment returns were reasonable, with a total return on the House's investments after fees and interest on the loan notes of +8.0% (2017-18: +12.4%).

The carrying value of the preserved permanent capital and the amount of any unapplied total return available for expenditure was taken as the open market values of these funds as at 1 August 2001 together with the original gift value of all subsequent endowment received.

On the total return basis of investing, it is the Governing Body's policy to extract as income 3.25% (plus investment management costs) of the value of the relevant investments. However, to smooth and moderate the amounts withdrawn, this is calculated on the average of the year-end values in each of the preceding five years. Due to increasing investment values over the previous five years, the effective amounts withdrawn are currently less than the nominal 3.25% stated in this policy.

The equivalent of such 3.25% of the opening value of the securities and property investments, plus costs, was taken as income in the year. The Governing Body keeps the level of income withdrawn under review to balance the needs and interests of current and future beneficiaries of the House's activities.

Fundraising Activities

Christ Church's Alumni Relations and Development team exists to develop lifelong relationships with and amongst alumni, donors and supporters, and to raise funds for Christ Church's charitable activities. The Development Office consists of a Director and seven members of staff. Communications include news, research developments, events, exhibitions, resources, reunions, volunteering opportunities, fundraising appeals and progress updates that are important to alumni.

The Development Office works with a network of volunteers – the Development Board – who provide advice on its fundraising and alumni relations activities. The Development Office also works with other volunteers through the Christ Church Association and the American Friends of Christ Church. All communications from alumni volunteers to other alumni are directed through the office, with the exception of non-fundraising communications through the Alumni Social Media groups on Facebook, LinkedIn, and the Oxford Alumni Network.

Christ Church is committed to best practice when engaging with all alumni, current members, parents and friends of the House and is registered with the Fundraising Regulator. It voluntarily subscribes to its Code of Fundraising Practice as adapted, by agreement with the Regulator, to meet the particular circumstances of colleges in the University of Oxford. The activities of Christ Church Development Office volunteers adhere to the Code of Fundraising Practice as adapted.

Christ Church is not aware of any failure on its part to comply with the Code, and has not received any complaints in 2018-19 about its fundraising activity, nor the activity of its volunteers. Christ Church does not solicit funds from members of the public: its fundraising activities are focused principally on its alumni and on third parties introduced to the House by alumni or the University of Oxford. The Development Office will always respect the wishes of any alumni who wish to expand or limit communications by type or means.

As a registered charity, Christ Church is regulated by the Charity Commission for England and Wales; in fundraising, the Development Office adheres to all applicable laws in the relevant jurisdictions. Personal information is handled with care and confidentiality, and is processed in accordance with the Data Protection Act, the General Data Protection Regulation, and all other applicable laws to support the House mission, related events, fundraising, sharing news, volunteering, and networking activities.

Christ Church
Report of the Governing Body
Year ended 31 July 2019

FUTURE PLANS

The House seeks to continue to fulfil its core purposes. To this end, its policies in all areas are reviewed regularly by the committees set out on page 6 and by the Governing Body. In 2020, the House will be marking the 40th anniversary of the arrival of women to study at Christ Church. To celebrate this major event in the history of the House's provision of education and learning, we plan to hold a number of events, as well as establish new career and academic networks for students, early career researchers, Official Students, and alumnae. We also continue to make plans for the House's 500th anniversary in 2025, which will include increasing support for graduate and undergraduate education and for academic research through endowing academic posts and the opportunities made possible by our new Research Centre in the Thatched Barn. Christ Church is also expecting to undertake a governance review in the coming year with the support of the Charity Commission, which will allow it to meet its various charitable objects as a College and Cathedral even more effectively and efficiently in the future.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

Charity law requires the Governing Body to prepare financial statements for each financial year. Under that law the Governing Body has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102: The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

Under charity law the Governing Body must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the House and of its net income or expenditure for that period. In preparing these financial statements, the Governing Body is required to:

- select the most suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the House will continue to operate.

The Governing Body is responsible for keeping proper accounting records that are sufficient to show and explain the House's transactions and disclose with reasonable accuracy at any time the financial position of the House and enable it to ensure that the financial statements comply with the Charities Act 2011. It is also responsible for safeguarding the assets of the House and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Governing Body on 4 December 2019 and signed on its behalf by:

Professor Ian Watson
Censor Theologiae

Christ Church

Independent auditor's report to the Members of the Governing Body of Christ Church

Opinion

We have audited the financial statements of Christ Church (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 House 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.

Christ Church

Independent auditor's report to the Members of the Governing Body of Christ Church

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 12], 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 House'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 House's Governing Body as a body, for our audit work, for this report, or for the opinions we have formed.

Critchleys Audit LLP
Statutory Auditor
Oxford

Date:

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

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and House Balance Sheets and the Consolidated Statement of Cash Flows for the House and its wholly-owned subsidiaries Christ Church Library Charity Limited, Christ Church Oxford Trading Limited, Christ Church (Evesham) Limited, Christ Church (Daventry) Limited, Thomas Wolsey Property Limited, Wick Farming Limited and Christ Church Developments Limited. The subsidiaries have been consolidated from the date of their formation being the date from which the House has exercised control through voting rights in the subsidiaries. No separate SOFA has been presented for the House alone as permitted by the Charity Commission on a concessionary basis for the filing of consolidated financial statements. A summary of the results and financial position of the charity and each of its material subsidiaries for the reporting year are disclosed in note 13.

2. Basis of accounting

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

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

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

3. Accounting judgements and estimation uncertainty

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Governing Body to have most significant effect on amounts recognised in the financial statements.

Before legacies are recognised in the financial statements, the Governing Body has to exercise judgement as to what constitutes sufficient evidence of entitlement to the bequest. Sufficient entitlement exists once notification of payment has been received from the executor(s) of the estate or estate accounts are available which indicate there are sufficient funds in the estate after meeting liabilities for the bequest to be paid.

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

4. Income recognition

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

a. Income from fees, Office for Students support and other charges for services

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

b. Income from donations, grants and legacies

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

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

Donations, grants and legacies accruing for the general purposes of the House are credited to unrestricted funds.

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

c. Investment income

Interest on bank balances is accounted for on an accrual basis with interest recognised in the period to which the interest relates.

Income from fixed interest debt securities is recognised using the effective interest rate method.

Dividend income and similar distributions are recognised on the date the share interest becomes ex-dividend or when the right to the dividend can be established.

Income from investment properties is recognised in the period to which the rental income relates.

5. Expenditure

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

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

All expenditure including support costs and governance costs are allocated or apportioned to the applicable expenditure categories in the Statement of Financial Activities (the SOFA).

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

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

6. Leases

Leases of assets that transfer substantially all the risks and rewards of ownership are classified as finance leases. The costs of the assets held under finance leases are included within fixed assets and depreciation is charged over the shorter of the lease term and the assets' useful lives. Assets are assessed for impairment at each reporting date. The corresponding capital obligations under these leases are shown as liabilities and recognised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. Lease payments are apportioned between capital repayment and finance charges in the SOFA so as to achieve a constant rate of interest on the remaining balance of the liability.

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Rentals payable under operating leases are charged in the SOFA on a straight line basis over the relevant lease terms. Any lease incentives are recognised over the lease term on a straight line basis.

7. Tangible fixed assets

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

Expenditure on the acquisition or enhancement of land and on the acquisition, construction and enhancement of buildings which is directly attributable to bringing the asset to its working condition for its intended use and amounting to more than £20,000 together with expenditure on equipment costing more than £20,000 is capitalised.

Where a part of a building or equipment is replaced and the costs capitalised, the carrying value of those parts replaced is derecognised and expensed in the SOFA.

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

8. Depreciation

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

Freehold properties, including major extensions	50 years
Leasehold properties	50 years or period of lease if shorter
Building improvements	10 - 30 years
Equipment	3 - 10 years
Books	2% pa reducing balance

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

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

Properties held under a Shared Equity House Purchase scheme are held at the original cost of the House's share and are not depreciated.

9. Heritage Assets

The House has chosen to hold heritage assets at cost. The House has a number of assets, including items of art and historic texts that meet the definition of heritage assets under the SORP. The depreciated historic cost of the majority of these items is nil. Items purchased are recognised at cost and items donated to the House are recognised at fair value. The House has taken advantage of the exemption within FRS 102 not to disclose transactions before 1 January 2015 as obtaining fair values for these assets would be impracticable and the cost of obtaining such valuations would outweigh the benefits to the users of these financial statements

10. Investments

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

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

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

Other unquoted investments are valued using primary valuation techniques such as earnings multiples, recent transactions and net assets where reliable estimates can be made – otherwise at cost less any impairment.

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

II. Other financial instruments

a. Derivatives

Christ Church has employed an interest rate swap on one occasion in 2008 to fix the cost of its debt for 30 years.

Derivative financial instruments are initially measured at fair value on the date the contract is entered into and are subsequently measured at fair value. Changes in fair value are credited or charged to the income or expenditure section of the SOFA. Hedge accounting is not currently applied to derivatives.

b. Cash and cash equivalents

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

c. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price.

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

12. Stocks

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

13. Foreign currencies

The functional and presentation currency of the House and its subsidiaries is the pound sterling.

Transactions denominated in foreign currencies during the year are translated into pounds sterling using the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into pounds sterling at the rates applying at the reporting date.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates at the reporting date are recognised in the income and expenditure section of the SOFA.

14. Total Return investment accounting

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

15. Fund accounting

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

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

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

Permanent endowment funds arise where donors specify that the funds are to be retained as capital for the permanent benefit of the House. Any part of the total return arising from the capital that is allocated to income will be accounted for as unrestricted funds unless the donor has placed restrictions on the use of that income, in which case it will be accounted for as a restricted fund.

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

16. Pension costs

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 Universities Superannuation Scheme or one for employers in the same locality such as the University of Oxford Staff Pension Scheme. 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 Universities Superannuation Scheme and the University of Oxford Staff Pension Scheme 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.

The House also operates a defined contribution pension scheme. Contributions to these arrangements are charged to the SOFA in the period in which they are payable.

Christ Church
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		10,563	-	-	10,563	10,581
Cathedral School		2,216	-	-	2,216	2,131
Cathedral		156	243	7	406	441
Other trading income	3	936	-	-	936	935
Donations and legacies	2	130	475	2,453	3,058	3,169
Investments:						
Investment income	4	158	31	16,798	16,987	17,642
Total return allocated to income	14	9,395	5,706	(15,101)	-	-
Other income		109	17	-	126	133
Total income		23,663	6,472	4,157	34,292	35,032
EXPENDITURE ON:						
Charitable activities:	5					
Teaching, research and residential		21,823	4,080	-	25,903	20,734
Other charitable activities		-	590	-	590	686
Cathedral School		2,469	-	-	2,469	2,366
Cathedral		1,793	250	-	2,043	1,775
Generating funds:						
Fundraising		906	-	-	906	808
Trading expenditure		652	-	-	652	846
Investment management costs		143	-	4,250	4,393	3,615
Interest payable on loan notes		-	-	1,027	1,027	1,027
Total expenditure		27,786	4,920	5,277	37,983	31,857
Net Income/(Expenditure) before gains		(4,123)	1,552	(1,120)	(3,691)	3,175
Net gains on investments	11, 12	-	-	28,095	28,095	47,607
(Losses)/Gains on complex financial instruments	25	(1,244)	-	-	(1,244)	525
Net Income		(5,367)	1,552	26,975	23,160	51,307
Transfers between funds	19	330	(659)	329	-	-
Other recognised gains/losses						
Gains/(losses) on revaluation of fixed assets		595	-	-	595	-
Net movement in funds for the year		(4,442)	893	27,304	23,755	51,307
Fund balances brought forward	19	3,706	10,203	550,264	564,173	512,866
Funds carried forward at 31 July		(736)	11,096	577,568	587,928	564,173

Christ Church
Consolidated and College Balance Sheets
As at 31 July 2019

	Notes	2019 Group £'000	2018 Group £'000	2019 The House £'000	2018 The House £'000
FIXED ASSETS					
Tangible assets	9	17,476	13,661	17,464	10,673
Property investments	11	213,055	156,727	187,206	151,829
Other investments	12	405,623	433,573	430,434	438,493
Total Fixed Assets		636,154	603,961	635,104	600,995
CURRENT ASSETS					
Stocks		718	621	718	620
Debtors	15	3,851	5,578	5,175	9,601
Cash at bank and in hand		15,300	18,268	14,280	17,438
Total Current Assets		19,869	24,467	20,173	27,659
LIABILITIES					
Creditors: amounts falling due within one year	16	7,069	6,426	6,379	6,033
NET CURRENT ASSETS		12,800	18,041	13,794	21,626
TOTAL ASSETS LESS CURRENT LIABILITIES		648,954	622,002	648,898	622,621
CREDITORS: falling due after more than one year	17	56,662	55,418	56,662	55,418
Provisions for liabilities and charges	18	105	111	105	111
NET ASSETS BEFORE PENSION LIABILITY		592,187	566,473	592,131	567,092
Defined benefit pension scheme liability	23	4,259	2,300	4,259	2,300
TOTAL NET ASSETS		587,928	564,173	587,872	564,792
FUNDS OF THE COLLEGE					
Endowment funds	19	577,568	550,264	577,568	550,264
Restricted funds		11,096	10,203	11,096	10,203
Unrestricted funds					
Designated funds		600	486	600	486
General funds		5,036	6,984	9,529	11,557
Revaluation reserve		4,549	3,954	-	-
Pension and loan swap reserve	19, 23	(10,921)	(7,718)	(10,921)	(7,718)
		587,928	564,173	587,872	564,792

The financial statements were approved and authorised for issue by the Governing Body of Christ Church on 4 December 2019.

Professor Ian Watson
Censor Theologiae

Mr James Lawrie
Treasurer

Christ Church
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	(13,018)	(7,955)
Cash flows from investing activities			
Dividends, interest and rents from investments		16,987	17,642
Cash inflows from new borrowing		-	-
Interest payable on loan notes		(1,027)	(1,027)
Investment management costs		(4,393)	(3,615)
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(3,687)	(2,386)
Proceeds from sale of investments		72,044	93,591
Purchase of investments		(72,327)	(94,814)
Net cash provided by (used in) investing activities		7,597	9,391
Cash flows from financing activities			
Repayments of borrowing		-	-
Receipt of endowment		2,453	1,751
Net cash provided by (used in) financing activities		2,453	1,751
Change in cash and cash equivalents in the reporting period		(2,968)	3,187
Cash and cash equivalents at the beginning of the reporting period		18,268	15,081
Cash and cash equivalents at the end of the reporting period	27	15,300	18,268

Christ Church
Notes to the financial statements
For the year ended 31 July 2019

1 INCOME FROM CHARITABLE ACTIVITIES

	2019 £'000	2018 £'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	1,874	1,770
Tuition fees - Overseas students	745	833
Other fees	30	68
Other Office for Students support	317	332
Other academic income	126	88
College residential income	4,419	4,668
Charitable visitor income	3,052	2,821
Other income	0	1
	10,563	10,581
Total Teaching, Research and Residential	10,563	10,581
 Unrestricted funds		
Cathedral School income	2,216	2,131
Cathedral income	156	101
	2,372	2,232
Restricted funds		
Cathedral income	243	333
	243	333
Endowed funds		
Cathedral income	7	7
	7	7
	2,622	2,572
Total income from charitable activities	13,185	13,153

The above analysis includes £2,936k received from Oxford University from publicly accountable funds under the Collegiate Funding Formula Scheme (2017-18: £2,936k).

Under the terms of the undergraduate student support package offered by Oxford University to students from lower income households, the House's share of the fees waived amounted to £1k (2017-18: £8k). These are not included in the fee income reported above.

2 DONATIONS AND LEGACIES

	2019 £'000	2018 £'000
Donations and Legacies		
Unrestricted funds	130	131
Restricted funds	475	1,287
Endowed funds	2,453	1,751
	3,058	3,169

3 INCOME FROM OTHER TRADING ACTIVITIES

	2019 £'000	2018 £'000
Subsidiary company trading income	936	935
	936	935

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4 INVESTMENT INCOME

	2019 £'000	2018 £'000
<i>Unrestricted funds</i>		
Agricultural rent	80	27
Bank interest	76	50
Other interest	2	1
	<u>158</u>	<u>78</u>
<i>Restricted funds</i>		
Other interest	31	14
	<u>31</u>	<u>14</u>
<i>Endowed funds</i>		
Agricultural rent	612	564
Commercial rent	4,093	3,540
Other property income	1,477	1,644
Equity dividends	725	1,550
Other investment income	9,891	10,252
	<u>16,798</u>	<u>17,550</u>
Total Investment income	<u>16,987</u>	<u>17,642</u>

5 ANALYSIS OF EXPENDITURE

	2019 £'000	2018 £'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	9,991	7,856
Other direct costs allocated to:		
Teaching, research and residential	13,631	10,665
Other charitable activities	590	686
Cathedral school	2,416	2,311
Cathedral	2,043	1,775
Support and governance costs allocated to:		
Teaching, research and residential	2,281	2,213
Cathedral school	53	55
Total charitable expenditure	<u>31,005</u>	<u>25,561</u>
Expenditure on generating funds		
Direct staff costs allocated to:		
Fundraising	569	448
Trading and visitor expenditure	372	266
Investment management costs	0	16
Other direct costs allocated to:		
Fundraising	262	291
Trading and visitor expenditure	186	496
Investment management costs	4,250	3,465
Interest payable on notes	1,027	1,027
Support and governance costs allocated to:		
Fundraising	75	69
Trading and visitor expenditure	94	84
Investment management costs	143	134
Total expenditure on generating funds	<u>6,978</u>	<u>6,296</u>
Total expenditure	<u>37,983</u>	<u>31,857</u>

The 2018 expenditure of £31,857k represented £22,252k from unrestricted funds, £5,097k from restricted funds and £4,508k from endowed funds.

The House is liable to be assessed for contribution under the provisions of Statute XV of the University of Oxford. The College 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. The teaching, research and residential costs include College Contribution payable of £374k (2018- £-1k).

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6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	Public Worship, Choir & Choir School £'000	Heritage £'000	2019 Total £'000
Financial administration	215	235	0	0	450
Domestic administration	72	695	0	0	767
Human resources	0	27	0	0	27
IT	13	327	0	0	340
Depreciation	1	413	53	0	467
Loan interest payable	1,027	498	0	0	1,525
Other finance charges	11	39	0	0	50
Governance costs	0	47	0	0	47
	1,339	2,281	53	0	3,673

	Generating Funds £'000	Teaching and Research £'000	Public Worship, Choir & Choir School £'000	Heritage £'000	2018 Total £'000
Financial administration	201	189	0	0	390
Domestic administration	61	587	0	0	648
IT	14	387	0	0	401
Depreciation	2	467	55	0	524
Loan interest payable	1,027	498	0	0	1,525
Other finance charges	9	37	0	0	46
Governance costs	0	48	0	0	48
	1,314	2,213	55	0	3,582

Financial and domestic administration and IT 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 comprise:

	2019 £'000	2018 £'000
Auditor's remuneration - audit services	46	42
Auditor's remuneration - other services	1	4
Other governance costs	0	2
	47	48

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

7 GRANTS AND AWARDS

During the year the House funded academic awards and bursaries to students from its restricted and unrestricted funds as follows:

Unrestricted funds

Grants to individuals:		
Scholarships, prizes and grants	44	55
Bursaries and financial assistance awards	44	48
Graduate Studentships	-	-
Grants to other institutions	-	-
Total unrestricted	88	103

Restricted funds

Grants to individuals:		
Scholarships, prizes and grants	327	343
Bursaries and financial assistance awards	726	580
Total restricted	1,053	923
Total grants and awards	1,141	1,026

Within the bursaries and financial assistance awards figure above, is the cost to the House of the Oxford Bursary Scheme. Undergraduate students of the House received £111k (2018: £110k). Some of those students also received fee waivers amounting to £1k (2018: £8k).

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

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8 STAFF COSTS

	2019 £'000	2018 £'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	7,601	7,300
Social security costs	718	674
Pension costs:		
Defined benefit schemes	1,295	1,193
Pension deficit liability movement (note 23)	1,929	(134)
Other benefits	754	745
	12,297	9,778

Staff costs of £962k (2017-18: £884k) included in total Cathedral costs and £1,758k (2017-18: £1,724k) included in total Cathedral school costs are not included in the aggregate payroll costs shown above.

	2019	2018
The average number of employees of the House, excluding Trustees, on a full time equivalent basis was as follows:		
Tuition and research	62	56
College residential	117	115
Trading and visitor	22	22
Cathedral	21	20
Cathedral School	67	62
Fundraising	5	4
Support	85	76
Total	379	355

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

	2019	2018
University Lecturers	21	20
CUF Lecturers	16	17
Faculty Lecturers	1	1
Other teaching and research	5	4
Other	12	12
Total	55	54

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

The number of employees (excluding members of Governing Body) during the year whose gross pay and benefits (excluding employer NI and pension contributions) falling within the following bands was:

£60,001-£70,000	2	3
£70,001-£80,001	5	4
	7	7

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

	2019	2018
In defined benefits schemes	7	7
In defined contribution schemes	0	0
	7	7

The House's contributions to defined contribution pension schemes totalled

2019	2018
0	1

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9 TANGIBLE FIXED ASSETS

Group	Assets in the course of construction £'000	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and machinery £'000	Total £'000
Cost					
At start of year	1,893	417	10,205	6,865	19,380
Additions	3,508	0	16	163	3,687
Disposals	0	0	0	(3)	(3)
Revaluation	0	0	0	595	595
At end of year	5,401	417	10,221	7,620	23,659
Depreciation and impairment					
At start of year	0	0	3,216	2,503	5,719
Depreciation charge for the year	0	0	312	155	467
Depreciation on disposals	0	0	0	(3)	(3)
Impairment	0	0	0	0	0
At end of year	0	0	3,528	2,655	6,183
Net book value					
At end of year	5,401	417	6,693	4,965	17,476
At start of year	1,893	417	6,989	4,362	13,661
The House	Assets in the course of construction £'000	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and machinery £'000	Total £'000
Cost					
At start of year	1,893	417	9,985	3,253	15,548
Assets transferred from subsidiary	0	0	221	4,142	4,363
Additions	3,508	0	16	163	3,687
Disposals	0	0	0	(3)	(3)
At end of year	5,401	417	10,222	7,555	23,595
Depreciation and impairment					
At start of year	0	0	3,163	1,712	4,875
Assets transferred from subsidiary	0	0	56	737	793
Charge for the year	0	0	312	154	466
On disposals	0	0	0	(3)	(3)
Impairment	0	0	0	0	0
At end of year	0	0	3,531	2,600	6,131
Net book value					
At end of year	5,401	417	6,691	4,955	17,464
At start of year	1,893	417	6,822	1,541	10,673

The House has substantial long-held historic assets all of which are used in the course of the House's teaching and research activities. These comprise listed buildings on the House 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.

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10 HERITAGE ASSETS

The House holds a collection of early printed books, manuscripts and photographs, circa 650 paintings, circa 3,000 prints and circa 2,000 drawings, a collection of 18th and 19th century English glass and a number of Russian icons of the 17th and 18th century. All of these were donated to the House between 1710 and 1980 on the understanding that it will preserve them and make them accessible to scholars and, within appropriate limits, to members of the public. Heritage assets are held at historical cost which in the opinion of the Trustees is now immaterial. The Trustees consider the cost to carry out a valuation of these heritage assets held would not be commensurate with the benefit to the users of the financial statements.

Christ Church is one of the major research libraries in the world, home to many thousands of priceless documents and collections. They encompass a vast array of rare and unique materials in a number of formats, ranging from illuminated manuscripts and early printed books to family papers, maps, artefacts and images. These collections support research by members of Christ Church and Oxford University, as well as an international community of scholars.

Christ Church is unique among the Oxford and Cambridge colleges in possessing an important collection of Old Master paintings and drawings, housed in a purpose-built gallery of considerable architectural interest. The Picture Gallery is open to members of the public, Christ Church and Oxford University and the Old Master collection has been on view to the public since 1768. No material acquisitions or disposals have occurred over the last 5 years.

11 PROPERTY INVESTMENTS

Group	Agricultural £'000	Commercial £'000	Residential and Other £'000	2019 Total £'000	2018 Total £'000
Valuation at start of year	65,238	61,161	30,328	156,727	149,798
Additions and improvements at cost	21,380	34,103	0	55,483	10,741
Disposals	(3,544)	(5,675)	0	(9,219)	(32,427)
Revaluation gains/(losses) in the year	7,250	1,575	1,239	10,064	28,615
Valuation at end of year	90,324	91,164	31,567	213,055	156,727

The House	Agricultural £'000	Commercial £'000	Residential and Other £'000	2019 Total £'000	2018 Total £'000
Valuation at start of year	60,336	61,164	30,329	151,829	149,501
Additions and improvements at cost	430	34,103	0	34,533	6,141
Disposals	(3,544)	(5,675)	0	(9,219)	(32,428)
Revaluation gains/(losses) in the year	7,250	1,575	1,238	10,063	28,615
Valuation at end of year	64,472	91,167	31,567	187,206	151,829

A formal valuation of the agricultural, commercial and residential properties was prepared by Savills (L&P) Limited as at 31 July 2019.

In addition to the direct property investments stated above, the House holds a total of £50.2m of indirect property in four property specific investments as well as exposure in diversified funds.

12 OTHER INVESTMENTS

All investments are held at fair value.

	2019 £'000	2018 £'000
Group investments		
Valuation at start of year	433,573	391,672
New money invested	16,843	84,072
Amounts withdrawn	(57,232)	(72,125)
(Decrease)/ increase in cash held	(5,593)	10,962
Reinvested income	0	0
Investment management fees	0	0
Increase in value of investments	18,032	18,992
Group investments at end of year	405,623	433,573

Christ Church
Notes to the financial statements
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12 OTHER INVESTMENTS CONTINUED

					2019 £'000	2018 £'000
The House investments						
Valuation at start of year					433,573	391,672
New money invested					16,843	84,072
Amounts withdrawn					(57,232)	(72,125)
(Decrease)/ increase in cash held					(5,593)	10,962
Reinvested income					0	0
Investment management fees					0	0
Increase in value of investments					18,032	18,992
					405,623	433,573
Investment in subsidiaries					24,811	4,920
The House investments at end of year					430,434	438,493
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
Equity investments	0	247	247	0	227	227
Global multi-asset funds	0	316,728	316,728	0	330,760	330,760
Property funds	0	50,247	50,247	0	53,192	53,192
Deferred consideration	0	16,200	16,200	0	21,600	21,600
Fixed term deposits and cash	0	22,201	22,201	0	27,794	27,794
Total group investments	0	405,623	405,623	0	433,573	433,573

13 PARENT AND SUBSIDIARY UNDERTAKINGS

The House holds 100% of the issued share capital in Christ Church Developments Limited, a company providing design and build construction services to the House, and 100% of the issued share capital in Christ Church Oxford Trading Limited, a company providing conference and other event services on the House's premises. The House also holds 100% of the issued share capital of Christ Church (Evesham) Limited, Christ Church (Daventry) Limited, Thomas Wolsey Property Limited and Wick Farming Limited all of which hold agricultural land with long term development potential. Christ Church is also the ultimate parent company of Christ Church Library Charity Limited, a company limited by guarantee which holds the library book stock.

Wick Farming Ltd was acquired during the year, the fair value of the consideration was cash of £19,891k. The net assets of Wick Farming Ltd at the date of acquisition was £2,276k, being land with a carrying value of £2,977k and creditors of £701k. The fair value of the land was equal to £20,592k; giving a fair value adjustment to the assets acquired of £17,615k.

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

	The House £'000	Christ Church (Evesham) Limited £'000	Christ Church (Daventry) Limited £'000	Thomas Wolsey Property £'000
Income	33,271	2	0	33
Expenditure	(37,074)	(3)	(3)	(25)
Donation to the House under gift aid	102	0	0	0
Result for the year	(3,701)	(1)	(3)	8
Total assets	655,277	104	315	4,743
Total liabilities	(67,405)	(22)	(101)	(112)
Net funds at the end of year	587,872	82	214	4,631

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13 PARENT AND SUBSIDIARY UNDERTAKINGS CONTINUED

	Wick Farming Limited	Christ Church Developments Limited	Christ Church Oxford Trading	Christ Church Library Charity
	£'000	£'000	£'000	£'000
Income	45	0	941	0
Expenditure	(16)	0	(839)	(23)
Donation to the House under gift aid	0	0	(102)	0
Result for the year	29	0	0	(23)
Total assets	3,138	58	1,098	0
Total liabilities	(835)	(42)	(1,098)	0
Net funds at the end of year	2,303	16	0	0

14 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the House's investment returns with effect from 1 August 2001. The investment return to be applied as income is calculated as 3.25% (2018: 3.25%) (plus costs) of the average of the year-end values of the relevant investments in each of the preceding five 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.

	Permanent Endowment Unapplied Trust for Investment £'000	Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
At the beginning of the year:					
Gift component of the permanent endowment	13,296		13,296		13,296
Unapplied total return		8,858	8,858		8,858
Expendable endowment				528,110	528,110
Total Endowments	13,296	8,858	22,154	528,110	550,264
Movements in the reporting period:					
Gift of endowment funds	360		360	2,093	2,453
Investment return: total investment income		685	685	16,120	16,805
Investment return: realised and unrealised gains and losses		1,145	1,145	26,950	28,095
Less: Investment management costs		(215)	(215)	(5,062)	(5,277)
Other transfers		44	44	285	329
Total	360	1,659	2,019	40,386	42,405
Unapplied total return allocated to income in the reporting period		(569)	(569)	(14,532)	(15,101)
Expendable endowments transferred to income			0		0
	0	(569)	(569)	(14,532)	(15,101)
Net movements in reporting period	360	1,090	1,450	25,854	27,304
At end of the reporting period:					
Gift component of the permanent endowment	13,656		13,656		13,656
Unapplied total return		9,948	9,948		9,948
Expendable endowment				553,964	553,964
Total Endowments	13,656	9,948	23,604	553,964	577,568

15 DEBTORS

	2019 Group £'000	2018 Group £'000	2019 The House £'000	2018 The House £'000
Amounts falling due within one year:				
Trade debtors	1,635	1,905	1,461	1,759
Amounts owed by House members	415	373	415	373
Amounts owed by Group undertakings	0	0	790	850
Taxation and social security	3	0	2	0
Prepayments and accrued income	1,783	3,300	1,782	3,279
Other debtors	15	0	15	0
Amounts falling due after more than one year:				
Loans	0	0	710	3,340
	3,851	5,578	5,175	9,601

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16 CREDITORS: falling due within one year

	2019 Group £'000	2018 Group £'000	2019 The House £'000	2018 The House £'000
Trade creditors	2,993	3,176	2,597	2,845
Amounts owed to House Members	234	146	234	147
Amounts owed to Group undertakings	0	0	18	16
Taxation and social security	542	505	452	433
College Contribution	374	0	374	0
Accruals and deferred income	2,926	2,599	2,704	2,592
	7,069	6,426	6,379	6,033

17 CREDITORS: falling due after more than one year

	2019 Group £'000	2018 Group £'000	2019 The House £'000	2018 The House £'000
Notes payable	40,000	40,000	40,000	40,000
Bank loans	10,000	10,000	10,000	10,000
Loan swap fair value	6,662	5,418	6,662	5,418
	56,662	55,418	56,662	55,418

On 1 February 2008 the House borrowed £10m from Barclays Bank plc at a floating rate of 3-month LIBOR plus 0.2%; interest is payable quarterly in arrears. The loan is repayable on 1 February 2038. The House is investing a sum each year in a designated fund to contribute to the repayment of this loan in 2038, the fund value at 31 July 2019 was £773k.

On 1 February 2008 the House also entered into an interest rate swap with Barclays Bank plc, under which it receives 3-month LIBOR and pays a fixed rate of interest of 4.783%. The notional amount of the swap is £10m, the swap is settled quarterly in arrears and expires on 1 February 2038. The fair value of the interest rate swap as at 31 July 2019 has been provided at £6,662k (2018: £5,418k).

On 15 September 2016 the House entered into an agreement with the Pension Insurance Corporation for the issue of (i) £20m 2.567% Series A Notes repayable on 14 September 2063 and (ii) £20m 2.567% Series B Notes repayable on 15 September 2064 ("the notes"). Interest is payable on 15 March and 15 September each year.

18 PROVISIONS FOR LIABILITIES AND CHARGES

	2019 Group £'000	2018 Group £'000	2019 The House £'000	2018 The House £'000
At start of year	III	208	III	208
Charged in the Statement of Financial Activities	8	(82)	8	(82)
Settled in the year	(14)	(15)	(14)	(15)
At end of year	105	III	105	III

The above provision relates to pension liabilities for pensions payable to ex-employees by the House and not funded through an external pension scheme. The actuarial valuation has been provided by Xafinity Consulting as at 31 July 2019.

Christ Church
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19 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2018 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2019 £'000
Endowment Funds - Permanent						
Student Support Funds	8,149	301	(78)	(213)	417	8,576
Academic Posts Funds	13,941	742	(136)	(311)	725	14,961
Library Funds	64	2	(1)	(1)	3	67
Endowment Funds - Expendable						
Heyman-Moritz Benefaction	49,902	1,519	(477)	(1,383)	2,539	52,100
Dr South (3/5ths)	31,872	956	(300)	(870)	1,598	33,256
Lee Benefaction	11,716	357	(113)	(325)	596	12,231
Mercury Fund (5/7ths)	10,690	325	(102)	(296)	544	11,161
Buildings Funds	5,169	157	(49)	(143)	263	5,397
Gardens & Grounds Funds	494	15	(5)	(14)	25	515
Sports Clubs Funds	0	26	0	0	1	27
Library Funds	2,937	92	(28)	(80)	150	3,071
Picture Gallery Funds	413	13	(4)	(11)	21	432
Academic Posts Funds	26,778	1,145	(259)	(643)	1,378	28,399
Student Support Funds	21,519	967	(209)	(556)	1,110	22,831
Cathedral & Chorister Support Funds	10,450	695	(100)	(261)	551	11,335
Benefices Funds	19,452	592	(186)	(539)	989	20,308
Other Funds	8,271	275	(79)	(37)	422	8,852
General Endowment Funds	328,447	11,079	(3,151)	(9,089)	16,763	344,049
Total Endowment Funds	550,264	19,258	(5,277)	(14,772)	28,095	577,568
Restricted Income Funds - Permanent						
Student Support Funds	148	1	(145)	157	0	161
Library Funds	7	0	0	1	0	8
Academic Posts Funds	223	1	(250)	310	0	284
Sub-total Restricted income (Permanent)	378	2	(395)	468	0	453
Restricted Income Funds - Expendable						
Heyman-Moritz Benefaction	58	0	(1,394)	1,383	0	47
Dr South (3/5ths)	1,236	21	(586)	870	0	1,541
Lee Benefaction	229	0	(339)	325	0	215
Mercury Fund (5/7ths)	157	0	(343)	297	0	111
Buildings	14	(1)	(1)	4	0	16
Gardens & Grounds Funds	0	0	(1)	1	0	0
Sports Clubs Funds	0	0	0	0	0	0
Library Funds	26	0	(70)	78	0	34
Picture Gallery Funds	13	0	(6)	5	0	12
Academic Posts Funds	868	71	(529)	564	0	974
Student Support Funds	1,155	63	(542)	528	0	1,204
Cathedral & Chorister Support Funds	27	1	(260)	259	0	27
Benefices Funds	73	0	(4)	21	0	90
Other Funds	142	40	(137)	145	0	190
Sub-total Restricted income (Expendable)	3,998	195	(4,212)	4,480	0	4,461
Buildings Funds	4,316	62	(46)	87	0	4,419
Gardens & Grounds Funds	38	0	(32)	0	0	6
Sports Funds	10	5	0	0	0	15
Library Funds	105	32	(24)	(2)	0	111
Picture Gallery Funds	63	0	(7)	0	0	56
Academic Posts Funds	25	0	(25)	0	0	0
Student Support Funds	197	91	(96)	(5)	0	187
Cathedral & Chorister Support Funds	826	267	(12)	0	0	1,081
Other Funds	247	112	(71)	19	0	307
Sub-total Restricted income funds	5,827	569	(313)	99	0	6,182
Total Restricted Funds	10,203	766	(4,920)	5,047	0	11,096

Christ Church
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19 ANALYSIS OF MOVEMENTS ON FUNDS CONTINUED

	At 1 August 2,018 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2019 £'000
Unrestricted Funds						
Designated funds	486	106	(253)	261	0	600
General funds	11,557	14,051	(25,537)	9,464	0	9,535
Defined benefit pension scheme reserve	(2,300)	0	(1,959)	0	0	(4,259)
Loan swap fair value reserve	(5,418)	0	0	0	(1,244)	(6,662)
Total Unrestricted Funds - The House	4,325	14,157	(27,749)	9,725	(1,244)	(786)
Designated funds - subsidiaries	0	0	0	0	0	0
General funds - subsidiaries	(619)	111	(37)	0	0	(545)
Revaluation reserve - subsidiaries	0	0	0	0	595	595
Total Unrestricted Funds - subsidiaries	(619)	111	(37)	0	595	50
Total Unrestricted Funds - Group	3,706	14,268	(27,786)	9,725	(649)	(736)
Total Funds	564,173	34,292	(37,983)	0	27,446	587,928

20 FUNDS OF THE HOUSE DETAILS

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

Endowment Funds - Permanent:

Grouped funds for restricted purposes

A consolidation of capital balances of past donations where related income, but not the original capital, can be used for the restricted purposes of the charity as indicated in the grouped headings.

Endowment Funds - Expendable:

1. Heyman-Moritz Benefaction

Capital balance of past donations where related income, or income and capital, can be used for the restricted purposes of the charity. This is a mixed use fund supporting the costs of Joint Academic posts, the cost of up to four Career Development Fellow Scientists, graduate bursaries and undergraduate financial support and contribution to major building development projects.

2. Dr South (3/5ths)

Capital balance of past donations where related income, or income and capital, can be used for the restricted purposes of the charity towards the augmentation of small Benefices in the patronage of the Dean and Chapter and to award annual grants to Incumbents of the 12 Livings specified in Dr South's will, extended to include two further Livings by Court Order dated 29 May, 1869 and as subsequently extended.

3. Lee Benefaction

Capital balance of past donations where related income, or income and capital, can be used for the restricted purposes of paying the stipend and incidental expenses of the Lee Readers in Anatomy, Chemistry and Physics, and in the case of accumulated revenue of the furtherance of any branch of medical or scientific teaching or research.

4. Mercury Fund (5/7ths)

Capital balance of past donations where related income, or income and capital, can be used for the restricted purpose of the advancement of learning, science or education with particular reference to the preservation and development of the tutorial system.

5. Grouped funds for restricted purposes

A consolidation of capital balances of past donations where related income, or income and capital, can be used for the restricted purposes of the charity as indicated in the grouped headings.

6. General Endowment Funds

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

20 FUNDS OF THE HOUSE DETAILS CONTINUED

Restricted Funds:

Restricted income from Permanent	Income generated from Permanent Endowment not spent and available for future costs on the restricted purposes of the charity as indicated in the grouped headings.
Restricted income from Expendable	Income generated from Expendable Endowments 1 to 5 not spent and available for future costs of the restricted purposes applicable to the endowment funds.
Restricted income funds	A consolidation of gifts and donations where both income and capital can be used for the restricted purposes of the charity as indicated in the grouped headings.

Designated Funds

Designated Funds	Unrestricted Funds allocated by Governing Body for future costs as designated and therefore are not available for expenditure on the House's general purposes.
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The General Unrestricted Funds represent accumulated income from the House's activities and other sources that are available for the general purposes of the House.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019 Total £'000
Tangible fixed assets	13,254	4,222	0	17,476
Property investments	0	0	213,054	213,054
Other investments	1,109	0	404,514	405,623
Net current assets	5,927	6,874	0	12,801
Long term liabilities	(10,000)	0	(40,000)	(50,000)
Pension fund and loan swap provisions	(11,026)	0	0	(11,026)
	(736)	11,096	577,568	587,928

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2018 Total £'000
Tangible fixed assets	9,541	4,120	0	13,661
Property investments	0	0	156,727	156,727
Other investments	36	0	433,537	433,573
Net current assets	11,958	6,083	0	18,041
Long term liabilities	(10,000)	0	(40,000)	(50,000)
Pension fund and loan swap provisions	(7,829)	0	0	(7,829)
	3,706	10,203	550,264	564,173

22 TRUSTEES' REMUNERATION

Those Fellows who are the Trustees of the House 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 House for the academic services they provide to the House.

Most trustees of the House fall into the following categories:

- Head of House
- Professorial Fellow
- Official Fellow
- Fellow by Special Election
- Research Fellow
- Canon Professors

No trustee receives any remuneration for acting as a trustee. However, those trustees who are also employees of the House receive salaries for their work as employees. Where possible, 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.

22 TRUSTEES' REMUNERATION CONTINUED

The Salaries Board makes recommendations relating to the remuneration of Members of Governing Body as well as to other members of the House's academic staff who are not members of Governing Body and a small number of other members of staff. The Board initiates proposals relating to remuneration and also considers recommendations initiated by other committees. The Board has five internal members and three external members. The Statutes of Christ Church provide (a) that the Board can only make recommendations relating to remuneration of all or any members of Governing Body if it has been approved, not only by a majority of the Board as a whole, but also by a majority of the three external members: (b) that in determining any question relating to the remuneration of its members, the Governing Body cannot approve any arrangements which would confer on any of its members a greater benefit than that recommended in relation to those members by the Salaries Board.

Composition of the Salaries Board is set out on pages 2 and 3 of the Report of Governing Body.

Trustees employed by the House fall into the following categories:

- Official Students
- Fixed Term Students
- Ordinary Students
- Research Students
- Canon Professors

There are also five trustees, the Dean, the Sub Dean, the Treasurer, the Steward and the Development Director who are employed full time on management and/or fundraising.

Some trustees are eligible for college housing schemes. 12 trustees live in houses owned by the House. Others may be eligible for a housing allowance which is disclosed within the salary figures below. 9 trustees live in houses owned jointly with the House under the Shared Equity House Purchase Scheme, in which case the housing allowance is reduced accordingly. No such property was purchased in the year and no such property was sold in the year.

Some trustees receive further allowances for additional work carried out as part time college officers, e.g. Senior and Junior Censors, Librarian, Tutor for Admissions, Tutor for Graduates and Development Advisor. These amounts are included within the remuneration figures below.

Remuneration paid to trustees

Range	2018-19		2017-18	
	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £
£1-£4,999	5	7,683	1	2,188
£5,000-£9,999	2	15,825	2	14,809
£10,000-£14,999	3	38,309	4	51,830
£15,000-£19,999	7	126,340	6	105,932
£20,000-£24,999	5	109,108	6	130,902
£25,000-£29,999	3	79,066	4	107,663
£30,000-£34,999	8	267,012	9	294,100
£35,000-£39,999	10	371,066	10	370,682
£40,000-£44,999	3	124,390	0	-
£45,000-£49,999	1	46,158	1	49,922
£55,000-£59,999	3	176,198	3	174,527
£60,000-£64,999	1	64,529	2	126,476
£65,000-£69,999	4	268,183	6	404,309
£70,000-£74,999	1	70,177	1	74,025
£75,000-£79,999	2	150,168	0	-
£90,000-£94,999	0	-	1	94,004
£100,000-£104,999	1	104,234	2	206,461
£105,000-£109,999	2	214,475	2	215,632
£110,000-£114,999	1	111,695	0	-
£115,000-£119,999	1	115,172	0	-
Total	63	2,459,788	60	2,423,462

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

Some trustees, together with other senior employees, are eligible for private health insurance as part of their package of remuneration.

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

22 TRUSTEES' REMUNERATION CONTINUED

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 (Group and The House) was £591k (2018: £569k).

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the House, directly or indirectly. The key management is considered to be delivered by the Dean, Senior Censor, Junior Censor, Treasurer, Steward and Headmaster.

23 PENSION SCHEMES

The House participates in five principal pension schemes on behalf of its staff - Universities Superannuation Scheme ("the USS"), the University of Oxford Staff Pension Scheme ("the OSPS"), the Church of England Funded Pension Scheme ("the CEFPS"), the Teachers' Pension Scheme ("the TPS") and The Pensions Trust ("the TPT"). USS and OSPS schemes are contributory mixed benefit schemes (i.e. they provide benefits on a defined benefit basis - based on length of service and pensionable salary and on a defined contribution basis - based on contributions into the scheme). CEFPS, the TPS and the TPT are all contributory defined benefit schemes. The assets of USS, OSPS, CEFPS and TPT are each held in separate trustee-administered funds.

Each scheme is a multi-employer scheme and the House is unable to identify its share of the underlying assets and liabilities relating to defined benefits of each scheme on a consistent and reasonable basis. Therefore, in accordance with the accounting standard FRS 102 paragraph 28.11, the House 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 a 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.

USS and OSPS have put in place agreements for additional contributions to fund their past service deficits. In accordance with the provisions of FRS 102, the House has recognised a liability for the future contributions that it estimates will be payable as a result of these deficit funding agreements.

The House has made available a National Employment Savings Trust for non-employees who are eligible under automatic enrolment regulations to pension benefits.

23 PENSION SCHEMES CONTINUED

Schemes accounted for under FRS 102 paragraph 28.11 as defined contribution schemes

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 for the two schemes are shown in the following table:

	Notes	USS	OSPS
Date of valuation:		31/03/17	31/03/16
Date valuation results published:		28/01/19	28/04/17
Value of liabilities:		£67.5bn	£661m
Value of assets:		£60.0bn	£528m
Funding surplus / (deficit):	a & b	(£7.5bn)	(£133m)
Principal assumptions:			
• Investment return	c	CPI – 0.53% to CPI – 1.32%pa	-
• Rate of interest (periods up to retirement)		-	'Gilt' + 1.2%pa
• Rate of interest (periods up after retirement)		-	'Gilt' + 1.2%pa
• Rate of increase in salaries	d	CPI + 2%pa	RPI + 1%pa
• Rate of increase in pensions	d	CPI pa	Ave RPI/CPI 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):	e & f	18% increasing to 24.2% by 01/04/20	23% decreasing to 19% from 01/08/2017
Effective date of next valuation:		31/03/18	31/03/19

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

b. 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.

23 PENSION SCHEMES CONTINUED

e. As noted above (note a) 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 OSPS 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 the House's future contribution commitment. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

USS Assumptions:	USS Change in Assumptions	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 Assumptions:	OSPS Change in Assumptions	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, the House has recognised a liability for the contributions payable for the agreed deficit funding plan. The principle assumptions used in these calculations are tabled below.

	USS	OSPS
Finish Date for Deficit Recovery Plan	31/06/34	30/06/27
Average staff number increase	1.00%	1.00%
Average staff salary increase	2.00%	2.00%
Average discount rate over period	1.58%	1.25%
Effect of 0.5% change in discount rate	£99k	£45k
Effect of 1% change in staff growth	£214k	£147k

A copy of the full actuarial valuation reports and other further details on the USS and OSPS schemes are available on the USS website www.uss.co.uk and on the University of Oxford website <http://www.admin.ox.ac.uk/finance/pensions/osps/>.

Church of England Funded Pension Scheme

The pension charge for the year includes £38k (2018 - £29k) in relation to the CEFPS.

The latest estimate of funding position of the CEFPS, carried out at 31 December 2016, identified a funding deficit of £341m (83% funded) compared to £236m (75% funded) in the actuarial valuation as at 31 December 2015. The employer contribution rate will continue at 39.9% of the previous year's National Minimum Stipend, of which 28% is required for future service benefits and 11.9% for past service liabilities. The deficit recovery period remains unchanged and is scheduled to end on 31 December 2025. A valuation at 31 December 2018 is currently under way, but the results of this are yet to be determined.

23 PENSION SCHEMES CONTINUED

The Pensions Trust

The pension charge for the year includes £27k (2018 - £32k) in relation to The Pensions Trust.

The latest actuarial valuation of The Pensions Trust was carried out on 30 September 2014, identifying a funding deficit of £37.4m, with assets of £110.0m and a funding target of £147.4m, a funding level of 75%. The employer contribution rates have been set at 13.2% for the 1/60th scheme and 9.6% for the 1/80th scheme. The next valuation is due as at 30 September 2017.

Teachers' Pension Scheme

The pension charge for the year includes £135k (2018 - £130k) in relation to the Teachers' Pension Scheme.

The TPS is an unfunded scheme and members contribute on a 'pay as you go basis' with contributions from the member and employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Members of the Cathedral School's teaching staff are automatically eligible to join the TPS, which is administered by the Teachers' Pension Agency. The latest actuarial valuation of the Scheme by the Government Actuary was carried out as at 31 March 2012, and was published by the Department for Education on 9 June 2014. The value of the scheme liabilities (pensions currently in payment plus the estimated cost of future benefits) was £191.5 bn. The value of the notional assets (estimated future contributions together with the notional investments held at the valuation date) was £176.6 bn, giving a notional past service deficit of £14.9 bn. During the year the employer contribution rate was 16.48%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019. The TPS is subject to a valuation by the actuary every four years.

A copy of the valuation report and supporting documentation can be found on the Teachers' Pensions website at <http://www.teacherspensions.co.uk>.

Pension charge for the year

The pension charge recorded by the House during the accounting period was equal to the contributions payable after allowance for the deficit recovery plan as follows:

Scheme	2019			2018		
	Contributions	Movement in liability	Total	Contributions	Movement in liability	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Universities Superannuation Scheme	593	1546	2,139	553	-14	539
University of Oxford Staff Pension Scheme	748	363	1,111	684	-119	565
Church of England Funded Pension Scheme	38	0	38	29	0	29
The Teachers' Pension Scheme	135	0	135	130	0	130
The Pensions Trust	27	0	27	32	0	32
NEST	0	0	0	1	0	1
Total	1,541	1,909	3,450	1,429	-133	1,296

Summary of defined benefit pension scheme liability

	USS	OSPS	Total
	£'000	£'000	£'000
Provision b/fwd	852	1,448	2,300
Actuarial movement in year	1,568	391	1,959
Provision c/fwd	2,420	1,839	4,259

24 TAXATION

The House 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 House's subsidiary companies because the directors of these companies have indicated that they intend to make donations each year to the House 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.

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25 FINANCIAL INSTRUMENTS

The House has certain financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Certain other financial instruments are held at fair value, with gains and losses being recognised within income and expenditure.

The House has the following financial instruments:

	2019 Group £'000	2018 Group £'000	2019 The House £'000	2018 The House £'000
Financial assets measured at fair value through statement of financial activities:				
Investments	405,623	433,573	430,434	438,493
	405,623	433,573	430,434	438,493
Financial assets measured at amortised cost:				
Cash and cash equivalents	15,300	18,268	14,280	17,438
Trade debtors	1,635	1,905	1,461	1,759
Amounts owed by House members	415	373	415	373
Amounts owed by Group undertakings	0	0	790	850
Accrued income	1,301	2,799	1,301	2,799
Other debtors	15	0	15	0
	18,666	23,345	18,262	23,219
Financial liabilities that are debt instruments measured at amortised cost:				
Notes payable	40,000	40,000	40,000	40,000
Bank loans - including more than 1 year	10,000	10,000	10,000	10,000
Trade creditors	2,993	3,176	2,597	2,845
Amounts owed to House Members	234	146	234	147
College contribution	374	0	374	0
Accruals and deferred income	2,926	2,599	2,704	2,592
	56,527	55,921	55,909	55,584
Financial liabilities that are measured at fair value:				
Fair value cost of loan swap	6,662	5,418	6,662	5,418
	6,662	5,418	6,662	5,418

Gains and losses on the loan swap in the year are disclosed on the face of the SOFA.

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

	2019 Group £'000	2018 Group £'000
Net income	23,160	51,307
Elimination of non-operating cash flows:		
Investment income	(16,987)	(17,642)
(Gains)/losses in investments	(28,095)	(47,607)
Endowment donations	(2,453)	(1,751)
Interest payable on notes	1,027	1,027
Investment management costs	4,393	3,615
Depreciation	467	524
(Increase)/Decrease in stock	(97)	51
Decrease in debtors	1,727	2,704
Increase in creditors	643	527
Decrease in provisions	(6)	(97)
Increase/(Decrease) in pension scheme liability	1,959	(88)
Increase/(Decrease) in loan swap reserve	1,244	(525)
Net cash provided by (used in) operating activities	(13,018)	(7,955)

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27 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £'000 Group	2018 £'000 Group
Cash at bank and in hand	15,300	18,268
Notice deposits (less than 3 months)	0	0
Bank overdrafts	0	0
Total cash and cash equivalents	15,300	18,268

28 FINANCIAL COMMITMENTS

At 31 July the House has total commitments under non-cancellable operating leases as follows:

	2019 £'000	2018 £'000
Land and buildings		
payable within one year	881	852
payable between two and five years	3,525	3,407
payable in over five years	29,080	28,959
	33,486	33,218

Total expenditure in the year on land and building operating leases was £793k (2017-18: £742k).

Other		
payable within one year	13	17
payable between two and five years	22	35
payable in over five years	0	0
	35	52

Total expenditure in the year on other operating leases was £11k (2017-18: £12k).

29 CAPITAL COMMITMENTS

There are no capital commitments that require disclosure.

30 RELATED PARTY TRANSACTIONS

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

The House may enter into equity sharing arrangements with an Official Student, Officers of the House or other persons employed by the House under Statute XXVII(5). The House has properties with the following net book values owned jointly with trustees under joint equity ownership agreements between the trustee and the House.

	2019 £'000	2018 £'000
Dr A Kuhn	274	274
Dr B Young	190	190
Dr D Aarts	233	233
Dr B Parkinson	310	310
Dr E Keene	311	311
Dr S Dadson	312	312
Dr J Yee	300	300
Dr S Newstead	191	191
Dr D Obbink	434	434

All joint equity properties are subject to sale on the departure of the trustee from the House. The trustees pay an occupation fee of £500 pa to the House on the House's owned share of the properties.

31 CONTINGENT LIABILITIES

There are no obligations arising from events occurring before the date of the balance sheet whose existence will be confirmed only by the occurrence of events not wholly with the House's control.

32 FINANCIAL COMMITMENTS AND POST BALANCE SHEET EVENTS

1. As set out in Note 23 in respect of the USS pension scheme, a new Schedule of Contributions based on the 2018 actuarial valuation has been agreed. This results in a 41% decrease of £997k in the provision for the obligation to fund the deficit on the USS pension which would instead be £1,423k. This adjustment will be reflected in the House's Financial Statements for the year ended 31 July 2020.

2. On 8 November 2019 the House entered into an agreement with Aviva Life & Pensions UK Ltd for the issue of £15m 2.01% Senior Notes repayable on 1 November 2069. The notes were drawn down on 12 November 2019, the proceeds of which will be invested in commercial endowment property.