

MERTON
COLLEGE
OXFORD

Annual Report and Financial Statements

Year ended 31 July 2020

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MEMBERS OF THE GOVERNING BODY 1 August 2019 to 31 July 2020

The members of the Governing Body, who are Fellows of the College, are the College's charity trustees. The members of the Governing Body who served in office during the year or at the date of this Report are detailed below.

		1	2	3	4	5
Mr Charles Alexander		•	•	•	•	
Dr Jennifer Altehenger	(appointed 1.9.19)		•			
Professor Judith Armitage	(retired 30.9.19)					
Professor Rhiannon Ash			•			
Dr Anthony Ashmore	(fellowship ended 30.9.19)					
Dr Ralf Bader	(resigned 31.8.19)		•		•	
Dr Duncan Barker	(resigned 20.5.20)				•	
Professor Alan Barr		•	•			
Dr Kathryn Blackmon		•	•			
Dr William Bowers	(fellowship ended 30.9.19)					
Dr David Brantner						
Dr Alice Brooke			•	•		
Dr Rachel Buxton	(resigned 15.1.20)		•	•		
Professor Mindy Chen-Wishart			•			
Dr Lisandra Costiner						
Dr Francis Dunn	(appointed 1.10.19)					
Frater John Eidinow		•	•			
Professor Artur Ekert					•	•
Professor Radek Erban			•			
Dr Joshua Firth						
Mr John Gloag		•				
Professor Veronique Gouverneur			•			

Dr Jane Gover	(appointed 4.5.20)		•	•		
Dr Yegor Grebnev	(resigned 31.8.19)					
Professor Daniel Grimley			•			
Dr Matthew Grimley			•			
Professor Timothy Guilford			•	•		
Professor Steven Gunn			•			
Professor Matthew Higgins			•			
Professor Peter Holland						•
Professor Simon Hooker			•			
Dr Matthew Hosty	(fellowship ended 30.9.19)					
Professor Ehud Hrushovski						
Professor Lorna Hutson						•
Revd Canon Dr Simon Jones		•	•	•	•	
Professor Minhyong Kim	(resigned 15.4.20)		•		•	
Professor Julian Knight			•	•		
Dr Madhavi Krishnan			•	•		
Professor Irene Lemos					•	
Mr Timothy Lightfoot		•	•	•		
Professor Ian Maclachlan			•			
Professor Richard McCabe			•			
Mr Andrew Mackie		•				
Professor EJ Milner-Gulland	(resigned 14.10.19)					
Professor Alan Morrison		•				
Professor Peter Neary						
Dr Elias Nosrati						
Professor Béla Novák						•
Professor Luke Ong			•			

Professor Sergi Pardos-Prado	(resigned 12.8.19)		•			
Professor David Paterson			•			
Professor Jennifer Payne		•	•			
Professor Jonathan Prag			•			
Dr Catherine Quine	(appointed 1.10.19; resigned 23.7.20)					
Professor Thomas Richards	(appointed 1.1.20)		•			
Dr Marc Roth	(appointed 1.10.19)					
Professor Simon Saunders			•			
Dr Daniel Sawyer						
Professor Alexander Schekochihin			•			
Professor Alexander Scott			•			
Professor Helen Small						•
Dr Carlas Smith	(resigned 2.1.20)					
Dr Elizabeth Stubbins Bates					•	
Dr Collis Tahzib	(appointed 1.10.19)					
Dr Bassel Tarbush			•	•		
Dr Matthew Thomson						
Professor Patricia Thornton			•	•		
Professor Ulrike Tillmann						•
Professor Irene Tracey	(appointed 1.10.19)	•	•	•	•	
Dr Evert van Emde Boas	(resigned 1.4.20)					
Dr Sebastian Vasquez-Lopez						
Dr Julia Walworth			•		•	
Professor Hugh Watkins						
Dr Michael Whitworth			•			
Professor Sir Andrew Wiles						

Dr Hatice Yıldız	(resigned 27.7.20)					

Professor Irene Tracey was installed as Warden on 5 October 2019.

The following Fellows were appointed as members of the Governing Body from 7 October 2020: Dr Nathaniel Lane, Dr Henry Spelman, Ms Alice Burnyeat, Mr Nicholas Irwin, Mr Xiangyu Jie and Ms Emily Rutherford.

During the year, the major activities of the Governing Body were carried out through five main committees (further details on these committees are provided in the Report of the Governing Body below). The membership of these committees is shown above for each Fellow.

1. Finance Committee
2. Warden & Tutors Committee
3. Graduate Committee
4. Development Committee
5. Remuneration Committee

COLLEGE SENIOR STAFF

The senior staff of the College were as follows for the year ended 31 July 2020:

Professor Steven Gunn	Acting Warden (to 5 October 2019)
Professor Irene Tracey	Warden (from 5 October 2019)
Professor Jennifer Payne	Sub Warden
Mr Charles Alexander	Finance Bursar
Mr Timothy Lightfoot	Domestic Bursar
Mr John Gloag	Land Agent and Estates Bursar
Revd Canon Dr Simon Jones	Chaplain
Dr Rachel Buxton	Senior Tutor (resigned 15 January 2020)
Fra' John Eidinow	Interim Senior Tutor (from 13 January to 3 May 2020)
Dr Jane Glover	Senior Tutor (from 4 May 2020)
Dr Duncan Barker	Development Director (to 30 May 2020)
Dr Julia Walworth	Librarian

COLLEGE ADVISERS

Investment Managers
Legal & General, One Coleman Street, London EC2R 5AA
Schroder & Co. Limited, 31 Gresham Street, London EC2V 1QA

Auditors
Critchleys Audit LLP, Beaver House, 23-38 Hythe Bridge Street, Oxford OX1 2EP

Bankers
Barclays Bank plc, Oxford City, 54 Cornmarket Street OX1 3HB

Solicitors
Hewitsons, Elgin House, Billing Road, Northampton NN1 5AB
Mills & Reeve, 112 Hills Road, Cambridge CB2 1PH
Penningtons Manches, 9400 Garsington Road, Oxford Business Park, Oxford, OX4 2HN
Farrer & Co, 66 Lincoln's Inn Fields, London, WC2A 3LH and Lincoln's Inn Fields, London WC2A 3AA

Surveyors
Savills, Wytham Court, 11 Westway, Oxford OX2 0QL

Other
Peninsula Business Services, 2 Cheetham Hill Road, Manchester M4 4FB

College Address
Merton Street, Oxford OX1 4JD

Website
www.merton.ox.ac.uk

REPORT OF THE GOVERNING BODY

Under the Charities Act 2011, the Governing Body presents its Annual Report for the year ended 31 July 2020 together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

Merton College is a charitable corporation founded as a self-governing community of scholars first in Malden, Surrey, and then in Oxford, by Walter of Merton, Lord Chancellor of England and Bishop of Rochester, with royal consent under statutes dated 1264 and 1274. The full legal name of the College is 'The Warden and Scholars of the House or College of Scholars of Merton in the University of Oxford'. The term 'Fellows' latterly replaced 'Scholars', and the Fellows together with the Warden, who is the head of the College, comprise the Governing Body of the College. The College registered with the Charities Commission on 15 November 2010 (registered number 1139022). Prior to that date the College was an exempt charity under section 3(5a) of the Charities Act 1993, as listed in Schedule 2(b) to that Act.

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 College, are given on pages 2 to 7.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its Statutes approved by Privy Council and dated 15 July, 2015.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Archbishop of Canterbury. The Governing Body is self-appointing, and membership is subject to review and renewal every seven years and lapses with retirement from office.

The Governing Body determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the Warden and is advised by five main committees and thirty one ancillary or subsidiary committees, forums and panels.

During the year ended 31 July 2020, the role and duties of Warden were carried out by the Acting Warden, appointed under the statutes of the College until the new Warden was installed on 5 October 2019.

At the end of Hilary Term, in response to the growing Covid-19 crisis, the Governing Body took the precaution of delegating all its delegable powers to an Emergency Committee consisting of all the members of Governing Body so as to be able to provide a flexible response to meetings during the public health emergency.

Recruitment and training of members of the Governing Body

New Fellows are elected to the Governing Body on the basis of their knowledge of and contribution to education, learning and research within the College and the University of Oxford, or on the basis of their possession of professional and administrative qualifications and skills that will enable them to advise and assist other members of the Governing Body.

Recommendations concerning appointments to Fellowships are made to the Governing Body by committees convened specifically for the purpose and chaired by the Warden. Appointment committees include expert members recruited from outside the College, and academic appointments may be made by joint process with a faculty or department of the University of Oxford.

New members of the Governing Body are inducted into the workings of the College, including Governing Body policy and procedures, by the senior staff of the College, are provided written reference material explaining their roles and may 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 receive no remuneration or benefits from their trusteeship of the College other than as provided for by the Statutes of the College. Those trustees that are also employees of the College receive remuneration for their work as employees of the College which is set based on the advice of the College's Remuneration Committee, members of which are Fellows not in receipt of remuneration from the College and external members. 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 Governing Body in line with market norms.

Organisational management

The Governing Body meets at least nine times a year. The work of developing and monitoring the implementation of its policies is mostly carried out by five committees, described below. The meetings of these committees have taken place electronically since the start of the public health emergency, with recommendations from the committees approved by circulation as permitted by the College's bylaws.

Finance Committee

The Committee is responsible for advising the Governing Body on all matters concerning finance, financial administration, investment, accounting and risk management. The Committee is also responsible for the administration of the terms and conditions of employment of non-academic staff and academic staff who are not members of Governing Body (the Remuneration Committee is responsible for members of Governing Body, and employment issues may also be considered by the Equality Forum). The Committee is chaired by the Warden and has up to fourteen members, including up to three members with relevant skills who are not members of the Governing Body and include the College Accountant. It meets at least six times each year. There is an Investment Sub-Committee consisting of four members of the Governing Body, including the Warden and up to five members who have relevant professional skills and experience and who are not members of the Governing Body. There is also a Benefactions Sub-Committee tasked with ensuring the appropriate use of restricted donations made up of up to five life members of the College.

Academic Committees ('Warden & Tutors' Committee' and 'Graduate Committee')

The Warden and Tutors' Committee has delegated authority to make and enforce regulations on all matters concerning junior members, including their academic work, welfare, recreational use of College facilities, and disciplinary matters. The Committee reports to the Governing Body its decisions on all matters of principle on these topics,

and makes recommendations to the Governing Body on other relevant matters, including material changes to the range and focus of educational activities. The Committee is chaired by the Warden and its more than thirty members include the Senior Tutor, the subject Tutors, the Finance and Domestic Bursars, the Librarian, the Chaplain and the Academic Registrar. The Committee meets at least twelve times each year. Undergraduate representatives attend at least one meeting per term. Subsidiary committees are responsible for considering student discipline, teaching needs, access and schools liaison, and student support.

The Graduate Committee considers all matters related to postgraduate members. It is chaired by the Warden and convened by the Senior Tutor, with academic membership representing all four divisions of the University, key College Officers including the Dean of Graduates and graduate student representatives. It meets six times per year. There is also a Research Committee reporting directly to the Governing Body.

Development and Alumni Relations Committee

The Committee is responsible for the oversight and co-ordination of fundraising and alumni relations activities undertaken by the College, for the recommendation of policy on fundraising and alumni relations, and for the consideration of matters concerning the external relations of the College. It also has responsibility, delegated from Governing Body, for the acceptance of gifts. The Committee is chaired by the Warden and has fourteen members, including the Development Director, two student representatives and three other members with relevant skills and experience who are not members of the Governing Body. It meets at least three times each year.

Remuneration Committee ('Committee on Stipends and Allowances')

The Committee is responsible for making recommendations to the Governing Body concerning the remuneration and benefits of any member of the Governing Body who is employed by the College, or any College Officer who is not a member of the Governing Body. There are seven members of the Committee, no member of the Committee may be an employee of the College, and the chair and three other members may not be members of the Governing Body. The Committee usually meets once annually or otherwise as required.

Other Committees

Apart from the main committees, there are committees devoted to specific areas of College life including Buildings, Chapel and Patronage, IT Services, Library, and Sports. The Domestic Committee oversees all the domestic arrangements of the College. There are student representative members on most of these committees.

The Statutes & Bylaws Committee is tasked with reviewing the statutes and bylaws and meets at least once a term. The Fellowship & Appointments Committee is tasked with

making recommendations to Governing Body concerning election of Fellows and other appointments. It meets at least once a term.

The day-to-day running of the College is delegated to the Warden, supported by the Sub Warden, Senior Tutor, Tutors, Bursars, Chaplain, Librarian and Development Director. The Warden attends meetings of nearly all the Governing Body's Committees.

Group structure and relationships

The College administers many special funds as detailed in the notes to the financial statements.

The College has a wholly owned non-charitable subsidiary, Merton Enterprises Limited, whose annual profits are donated to the College under the Gift Aid Scheme. The trading activities of Merton Enterprises comprise letting of the College facilities and merchandise sales.

The College has a wholly owned non-charitable subsidiary, incorporated on 12 June 2020, Merton College No. 1 Limited, whose annual profits are donated to the College under the Gift Aid Scheme. The trading activities of Merton College No. 1 Limited comprise the purchase, development and sale of land and property.

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

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The College's Objects for the public benefit are; to advance education, learning, research, and religion through the provision of a college in Oxford or elsewhere.

The College's Aims for the public benefit are to achieve the highest outcomes in education, learning and research at national and international level; and to maintain the College Chapel as a place of public worship pursuing the highest standards of liturgical, homiletical, and musical excellence.

The Aims for the College's subsidiary are to help finance the achievement of the College's Objects.

Activities of the College

The College's principal activity is the advancement of education and learning, through provision of teaching and educational support, to approximately 650 resident undergraduate and graduate students who have been admitted as members of the College and who are engaged on a course of studies leading to the award of a degree in the University of Oxford, through the appointment or employment of Fellows and academic staff who are actively engaged in research, through the provision of accommodation and support facilities and through the provision of research grants to Fellows and students.

Public benefit

The Governing Body intends that the benefits of education and learning provided by the College should be available to the widest possible range of suitably qualified candidates, irrespective of background, and takes careful note of the guidance provided by the Charity Commission on public benefit, the advancement of education and fee-charging.

To this end, the College participates with the University of Oxford and other colleges and institutions in Oxford in an access bursary scheme to provide financial assistance to eligible home undergraduate students. See http://www.ox.ac.uk/students/fees-funding/ for details of the Oxford Bursary Scheme.

In order to encourage applications from excellent students who might not otherwise consider applying for admission to the College, the College employs a schools liaison officer and operates an outreach programme, including schools visits, visits to the College, open days and provision of information, to establish and maintain contact with schools, school teachers and students.

The College retains a team of welfare and medical advisers, who provide support and confidential counselling to students and staff who are distressed or who have special

needs, and who may authorise grants and funding for referrals for specialist professional treatment or advice.

Students are provided with opportunities to contribute to College policies and practices, through participation in College committees, through formal and informal interaction with College Officers and Fellows, and through voluntary surveys and assessment processes.

The College operates student support funds which may be used to make grants to any student in financial hardship, including grants to supplement funding shortfalls and grants for special academic needs.

The College provides scholarship funds to graduates and makes grants to all students for books and equipment and travel and other research related activities.

The College provides residential accommodation for approximately 300 undergraduates and 170 graduates.

The Equality Forum comprises seven members drawn from the Governing Body, four student members, four staff members and one external member. The Forum considers and makes recommendations concerning equality in all aspects of College life, including admission of students and student provision and progress, as well as employment issues. The Governing Body appoints one of its members as Equality Adviser.

The College is normally open to the public during visiting hours throughout most of the year. However, the College has closed to visitors during the current public health emergency. Chapel services also closed during Trinity Term but have reopened at the start of the new academic year and are again open to the public as well as College members.

ACHIEVEMENTS AND PERFORMANCE

The Impact of Covid-19

The College's activities were significantly affected by the Covid-19 pandemic from the end of Hilary Term to the end of the financial year. During the national lockdown, the College's domestic operations were largely shut down with staff either working from home or furloughed under the government's job retention scheme. Students returned home before Easter unless they were unable to travel.

Teaching and examinations in Trinity Term were conducted online and arrangements were made to enable online decision-making by committees. Income for the year was reduced as conference activity ceased and investment income declined. In particular the Covid-19 pandemic severely impacted the College's spring and summer residential student and conference business. As a result, the College was able to benefit from the government Coronavirus Job Retention Scheme (CJRS), covering 80% of payroll costs for staff unable to work due to the pandemic. 66 permanent non-academic staff were furloughed between March and July 2020, representing 57% of College's residential, fundraising and support staff, all of whose salaries were topped up to 100% . CJRS income was also received in respect 10 casual staff.

The College implemented a range of other measures to save costs and overall the results for the year were positive. The College anticipates students will return to residence at the start of the next academic year and is implementing the steps necessary to ensure the safety and wellbeing of staff and students alike.

Undergraduate students

296 students were enrolled for undergraduate degree courses at the University of Oxford during the year. Of these, 257 were of UK/EU origin and 39 were from overseas. 175 were studying humanities and social sciences subjects and 121 were studying mathematics, medicine and physical sciences.

102 undergraduates held College scholarships during the year. 137 undergraduates were awarded College prizes for good work in examinations, and 11 undergraduates were awarded prizes for other academic work. 9 undergraduates were awarded prizes by the University of Oxford.

80 undergraduates (including two second BA students) were entered for Final Honour Schools examinations at the University of Oxford, 45 of them (56.2%) obtained class 1 degrees – an increase from 48.2% in the previous year. 30 (37.5%) obtained class 2.1 degrees, 4 (5%) obtained class 2.2 degrees, and 1 (1.2%) obtained a class 3 degree.

Further details of educational background, gender and course of study of candidates are contained in the following table: **Percentages may not sum to 100 due to rounding*

	Class of Degree (First Degree Undergraduates)				
	1	**2.1**	**2.2.**	**3**	**Total**
Maintained Schools	19 (50%)	17 (44.7%)	2 (5.2%)	0 (0%)	38
Independent Schools	14 (56%)	10 (40%)	1 (4%)	0 (0%)	25
Overseas Schools	10 (66.6%)	3 (20%)	1 (6.6%)	1 (6.6%)	15
Male	23 (58.9%)	13 (33.3%)	2 (5.1%)	1 (2.6%)	39
Female	22 (53.6%)	17 (41.5%)	2 (4.9%)	0 (0%)	41
Humanities & Social Sciences	26 (49%)	25 (47.2%)	2 (3.7%)	0 (0%)	53
Mathematics &Physical Science	19 (70.4%)	5 (18.5%)	2 (7.4%)	1 (3.7%)	27

Graduate students

203 graduate students were enrolled for research study leading to the DPhil degree at the University of Oxford during the year, of whom 57 were studying humanities, 74 were studying mathematics and physical sciences, 34 were studying social sciences, and 38 were studying medical sciences.

77 students were enrolled for other graduate degrees at the University of Oxford, including the EMBA/MBA, BCL/MJur, MSc, MSt, MPhil, and BPhil.

54 graduates were awarded DPhil degrees and 48 graduates were awarded other graduate degrees during the year.

22 graduates were elected to College scholarships, and one graduate was awarded a College prize for good academic work during the year. One graduate was awarded a prize by the University of Oxford.

Scholarships, bursaries, grants and prizes

Expenditure during the year was as follows:

Undergraduates	
Oxford Bursaries	£100,269
Prizes	£15,200
Scholarships	£54,880
Other grants	£12,341
Graduates	
Scholarships	£627,816
Research and other grants	£34,875
All students	
Student support and book grants	£130,822

Welfare and special needs

The annual cost of staff time (Chaplain, Senior Tutor, Academic Registrar, Nurse, Doctor and Junior Deans for Welfare) and other cost of welfare provision (including a contribution to the University Counselling Services) is of the order of £80,000. As of June 2020, 10.4% of students had declared a disability to the University.

Schools liaison

The College engaged in 10 schools liaison activities during the year, either by itself or in conjunction with the University of Oxford or other Oxford or Cambridge Colleges. These activities included visits to schools/colleges and visits to Merton College and the University of Oxford. Most commonly these activities were for students in years 12 and 13. They highlighted the ways in which Oxford differs from other UK universities, raised awareness of all stages of the application process, and provided information about degree options. The activities also played a role more broadly in raising aspirations and encouraging progression to Higher Education. The number of activities was significantly lower than in previous years due to the departure of the Schools Liaison and Access Officer and a pause in refilling the role during the Covid-19 pandemic, while schools and colleges focused on keeping their pupils' studies on track. The University Open Days (1 and 2 July) were held virtually with prospective students unable to visit the city.

At the end of May 2020, the College formally agreed to participate in a regional consortium, with Exeter College and Lady Margaret Hall, focused on maximizing the impact and efficacy of regional outreach and access work in the South West of England. Merton College has historically worked with schools/colleges in Dorset and

Wiltshire and these particular links and areas of activity will continue. The consortium will, however, offer opportunities for expansion and enhanced collaboration and will provide new opportunities to work with schools/colleges in the Bristol area. Merton College will continue to be the link college with schools in the London Borough of Merton.

The annual cost of employing a Schools Liaison and Access Officer, together with associated costs, was of the order of £42,000 – slightly lower than in previous years for the reasons outlined above.

Library

The College Library provides support for teaching, learning, and research by members of the College and visiting researchers through resources, professional assistance, and creation of environments for productive study. The Library also contributes to the effective running of the College administration through management of records, archives, and provision of information. The Library and Archives Committee, which reports to Governing Body, has representation from fellows, undergraduates, and postgraduates. Decisions about library services are informed by regular user experience surveys, and by informal communications. The College supports staff membership in professional organizations, and staff maintain awareness of best practice through participation in university and professional groups.

Many activities and services were affected by the pandemic this year. A number of the figures related to these activities are lower than usual.

Timely access to printed books continues to rank on annual undergraduate surveys as the library's most highly-valued service along with study space. After March 2020, when the library buildings were closed and most staff either furloughed or working from home, the library continued to supply print books to students via post and a click and collect service for those students who remained in Oxford. A larger than usual proportion of the accessions budget was devoted to the acquisition of e-books requested by our students and tutors. A total of 934 print books were acquired of which 101 were gifts. There were 21 accessions to the archives this year; 13 gifts and 8 internal transfers.

During the pandemic closure library staff handled many email enquiries from students regarding finding and user electronic resources. Staff also responded to 166 written research enquiries and 756 in-person enquiries.

The Library aims to care for special collections, archives, and heritage material to professional standards, to make them known to researchers and the public, and to make them physically accessible for research and for teaching. This year the Library received 76 research visits, of which 48 were made by researchers from outside Oxford. Library staff provided seminar sessions with primary research materials to four academic groups from Oxford and institutions. A project to create electronic descriptive records for Merton's 237 medieval manuscript books and over 200 manuscript fragments was completed on time and within budget. The Resource Description Project Librarian added 226 records for 19th and 20th-century rare books. There was one in-house exhibition: 'Sir Henry Savile and the Savilian Professorships'. There were three temporary displays for old members and College guests. During the months of August and September 2019 there were 836 attendees on guided visits to the library and college. The college was closed to visitors in summer 2020.

Fellows

In August 2019, Dr Sergi Pardos-Prado resigned as Tutor in Politics to take up a Chair at the University of Glasgow, Dr Ralf Bader resigned as Tutor in Philosophy to take up a Chair at the University of Fribourg [NB these two were recorded in the previous annual report], and Dr Yegor Grebnev left his Junior Research Fellowship in Oriental Studies to take up a position at the Southern University of Science & Technology in Shenzhen China. Three Junior Research Fellowships ended in September 2019 – Dr Anthony Ashmore (Physics, who took up a Postdoctoral Research Fellowship at the University of Pennsylvania), Dr William Bowers (English, who took up a lectureship at Queen Mary, University of London) and Dr Matthew Hosty (Classics, who took up a Stipendiary Lectureship in Classics at St John's College Oxford). Professor EJ Milner-Gulland resigned from her Fellowship at Merton College in October 2019 to become a member of Reuben College, Oxford. In January 2020 the Senior Tutor, Dr Rachel Buxton, moved to St Mark's College, Adelaide to become their Director of Learning. In April, Dr Evert van Emde Boas (Leventis Research Fellow in Ancient Greek) left to go to Aarhus University as an Associate Professor and Professor Minhyong Kim, Tutor in Mathematics, resigned to take up a Professorship at the University of Warwick. Dr Duncan Barker resigned from his post as Development Director in May 2020 and two Junior Research Fellows, Dr Catherine Quine (Theology) and Dr Hatice Yildiz (History) resigned to take up new roles as Assistant Professor in Hebrew Bible at Nottingham and as a Lecturer in Modern Gender History at the University of Edinburgh, respectively.

Employment costs were, in respect of Teaching Fellows, £1,085 thousand for the year, in respect of other teaching staff £334 thousand for the year and in respect of

Research Fellows and other Fellows (including stipends paid to part-time College Officers) £425 thousand for the year.

Research grants of £130 thousand were made to Fellows during the year.

The academic Fellows on the College's Governing Body included 20 Mathematical, Physical and Life Scientists 22 scholars in the Humanities, 11 in the Social Sciences and 7 in the Medical Sciences. The research interests of Fellows are described further at http://www.merton.ox.ac.uk/fellows_and_research/fellows.shtml

Chapel

Daily public services were held in the College Chapel until the end of Hilary Term when the Chapel was closed owing to the Covid-19 pandemic. Until then Sunday services continued to attract an average congregation of 110. Combined congregations during the week (including the College's two choirs) totalled 330. Junior members participated in the running of the Chapel. In the past year the Chaplain has been assisted by an Associate Chaplain and two Pastoral Assistants (students in training for ordination in the Church of England). A new Chapel Administrator and Associate Chaplain were appointed during the course of the year. One infant baptism, two adult baptisms and confirmations, three marriages, and one funeral took place in the Chapel. Most Chapel collections are donated to charitable causes. In the Michaelmas and Hilary Terms a total of £3,876 was donated to the Mathieson Music Trust, the Oxford Parent Infant Project, the Charlie Waller Memorial Trust, Singing for Syrians, the Gatehouse and Solidaritee. In Trinity Term an online service was produced every week and broadcast on YouTube on Sunday evenings. Morning Prayer took place on Zoom and a number of activities were transferred online and advertised via the Chapel's Facebook, Twitter and Instagram accounts.

Choral Foundation

A full complement of 25 choral scholars, 5 choral bursary holders, one Assistant Organist and one organ scholar have contributed to the services in Chapel on a Sunday, Tuesday and Thursday. On a Wednesday the service is sung by the 24 Girl Choristers, who are drawn from nine different schools across Oxford. In the academic year 2019/2020, choral services ceased on 12 March 2020 when the Coronavirus pandemic took hold. The choirs contributed to a 'virtual Chapel' during Trinity Term.

The College Choir gave a concert in the Oxford Lieder Festival in October 2019, and in December 2019, the College Choir, conducted by John Rutter, and Girl Choristers gave a concert of Christmas music for Oxford University Press. Both choirs gave the premiere of Nico Muhly's 'Song of Ephrem the Syrian' at the Epiphany Carol Service in January 2020. In May 2020, the College Choir won the 'Choral Award' at the 2020 BBC Music Magazine Awards. Three BBC broadcasts, two CD recordings, concerts in London, Malvern, Cheltenham and a tour to Sweden and Denmark were cancelled as a result of the pandemic.

Capital projects

There were no major capital projects planned for 2019-2020.

Within routine property expenditure, work continued on improving various aspects of undergraduate student accommodation at Holywell Street 1-7. Nine student kitchen facilities were created in the Holywell annexe by converting bedrooms. Three flats used by Junior Research Fellows at 56 Holywell Street were extensively refurbished, including having gas central heating installed. Plans to create a pre-school nursery continue, with prospective college properties being considered.

Fundraising

The College's fundraising activities for 2019-20 focused on securing funds for several key areas, including Graduate Scholarships, bursaries for undergraduates, Tutorships, the Library, the Chapel and support for students in hardship. In September 2019, the College successfully concluded its appeal to establish the Roger Highfield Graduate Scholarship in History, which will provide students with full funding for doctoral study in this subject. A mini-Telethon was undertaken in December, with a small team of four students calling alumni living overseas for one week. This campaign raised £13,889 in gifts and pledges.

Fundraising activity was interrupted in the spring due to the impact of the coronavirus pandemic. The annual March Telethon, which raised over £200,000 last year, was cancelled for health and safety reasons. The biennial meeting of the Founder's Society (the College's society for legators) was postponed and work to raise money for the Michael Baker Tutorship in Physics was temporarily suspended in light of the difficult situation in the UK and around the world.

Fundraising resumed in the early summer, with the College raising in excess of £60,000 for the Hardship Fund to support students, staff and alumni experiencing financial difficulties as a result of the pandemic. These moneys were partly received through The Big Merton 1264 Challenge, a web and social media campaign which encouraged the whole College community to come together by undertaking challenges relating to the numbers of the year of our founding. Further funds were also raised for the Baker Tutorship and Graduate Scholarships.

During the year, the College received £1.215 million in donations and legacies. Of the overall cash donated, £209 thousand was received in respect of teaching and

Fellowships, £322 thousand in respect of Graduate Scholarships, £208 thousand in respect of Student Support and the Student Experience, and £197 thousand for other purposes. £279 thousand was received in unrestricted donations. A total of £1.194 million was pledged in new funds.

The College is registered with the Fundraising Regulator and employs full-time professional staff in the Development Office to act on its behalf in this area and to ensure that it is compliant with the Code of Fundraising Practice. The College did not receive any complaints relating to its fundraising activities.

FINANCIAL REVIEW

Total income for the year, £12.690 million, was £1.100 million lower than the preceding year, which resulted from a decrease in trading income (of £404 thousand) and donations and legacies (down £254 thousand) and a decrease in investment income (down £308 thousand).

Total expenditure was £14.597 million, a decrease of £2.726 million. Net income showed a deficit of £1.907 million. Net gains on investments were £222 thousand and the College had a corporation tax charge of £2.082 million on the sale of land. `Total funds and net assets declined to £298.875 million from £302.642 million.

Reserves policy

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

Free reserves at the year-end amounted to £5.836 million (2019: £4.725 million), representing net current assets less creditors falling due after more than one year and designated reserve.

The College's target is to maintain free reserves at two to four months of expected expenditure. Year-end free reserves represented over 3 months of expected expenditure.

Total funds of the College and its subsidiaries at the year-end amounted to £298.875 million (2019: £302.642 million). This includes endowment funds of £274.412 million and unspent restricted income funds totalling £2.631 million.

Designated reserves at the year end comprised of the book value of tangible fixed assets of £17.560 million to be spent over their useful economic lives and £0.444 million representing an unrestricted donation received and designated by the Trustees for a graduate scholarship to be spent over the next ten to twenty years.

Risk management

The College has on-going processes which operated throughout the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiary in undertaking their activities. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College Committee, chaired by the Warden. Financial risks are assessed by the Finance Committee and investment risks are monitored by the Investment Sub-Committee. In addition, the Domestic Bursar and domestic staff heads meet regularly to review health and safety issues. Training courses and other forms of career development are available, when requested, to members of staff to enhance their skills in risk-related areas. The College established a Bronze Group to consider the risks associated with the Covid-19 pandemic. This group reviewed government and University regulations, policies and guidelines issued relating to the public health emergency, and worked with Governing Body and other college committees to implement the actions needed to manage these risks

The Governing Body, who have ultimate responsibility for managing any risks faced by the College, have reviewed the processes in place for managing risk and the principal identified risks to which the College and its subsidiary are exposed and have concluded that robust systems are in place to manage these risks. The principal risks and uncertainties faced by the College and its subsidiary that have been identified are categorised as follows:

- Governance risks – e.g. inappropriate organisational structure, difficulties recruiting trustees with relevant skills, conflict of interest;
- Operational risks- e.g. the impact of the Covid-19 pandemic, service quality and development, contract pricing, employment issues, health and safety issues, fraud and misappropriation;
- Financial risks- e.g. accuracy and timeliness of financial information, adequacy of reserves and cash flow, diversity of income sources, investment management;
- External risks- e.g. public perception and adverse publicity, demographic changes, government policy; and
- Compliance with law and regulation- e.g. breach of trust law, employment law, data protection law, and regulative requirements of particular activities such as fund-raising.

Strategies for managing the risks identified by the College as described above include, for example:

- Establishing the appropriate committees responsible for formulating recommendations to Governing Body;
- Providing appropriate training to all members of staff and at the induction of new Fellows;
- Ensuring accountability of College Officers to the appropriate committee and for the committees in turn to be accountable to the Governing Body;

- Developing and implementing key policies across the main areas of activity of the College, including, for example, admissions policy, health & safety policy, and data & information security policies; and
- Ensuring the appropriate insurance policies are in place and reviewed regularly.

The College identifies the risks it faces, the potential impact of each risk, the likelihood of recurrence, the severity of impact, and the steps taken to mitigate each particular risk in its Risk Register, which is regularly reviewed by the Finance Committee and approved by Governing Body.

Investment policy, objectives and performance

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

- achieving a nominal return on investment sufficient to maintain or increase the real value of the investments and meet the spending objectives of the College; and
- delivering this objective within acceptable levels of risk.

To meet these objectives the College'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. The College does not use a fixed formal benchmark but compares performance with a wide range of investment indices and investor performance data. The College has made a number of direct and indirect investments that have explicit or implicit socially responsible objectives, but has not adopted a formal SRI policy. Investment strategy, policy and performance are monitored by the Finance Committee and its Investment sub-committee.

At the year end, the College's aggregate long term investments totalled £277.043 million, of which £246.735 million was general endowment and the composition of which is shown in the notes to the financial statements. The overall total investment return on the general endowment before external expenses was as follows:

Annualised total net return %	
Merton College	2.7%
FTSE All Share TR	-17.7%
FTSE USA TR GBP	1.3%
JP Morgan	5.4%

The returns on the general endowment reflect the College's asset allocation, particularly its investment in property which returned 6.9% over the year.

The carrying value of the preserved permanent capital (the trust for investment) and the amount of any unapplied total return available for expenditure was taken as the fair value of these funds as at 1 August 2002 (£88.957 million) together with the original gift value of all subsequent endowment received.

The Governing Body annually reviews the level and appropriateness of the unapplied total return allocated to income including a review of prospective investment returns, inflation and market risks. Any surplus arising during the year is reinvested in the College's general endowment.

On the total return basis of investing, it is the Governing Body's policy to extract as income 3.5% of the value of the relevant investments. However, to smooth and moderate the amounts withdrawn this 3.5% is calculated on the average of the year-end values in each of the last five years. Due to increasing investment values over the previous five years, the effective amounts withdrawn are currently less than the nominal 3.5% stated in this policy.

The equivalent of 3.5% of the five year average value of the securities and property investments was extracted as income on the total return basis in the year. The Governing Body will keep the level of income withdrawn under review to balance the needs and interests of current and future beneficiaries of the College's activities.

FUTURE PLANS

The Governing Body continues to consider how it can achieve the highest outcomes in education, learning and research at national and international level, and instigated a Strategic Review to consider the size and shape of the College and encompassing matters of academic policy, governance and administration. College staff and students continue to contribute to the plan.

During the course of 2014-2015, the College began a review of the implications of the Strategic Review for its physical environment. This review identified several possible projects which are being considered further by the College. Two projects – the access lift and new music practice rooms – were completed in 2016 – 2017. The College continues to consider other capital projects as part of its ongoing review but has yet to identify any major schemes. A limited project is planned for 2020/21 to refurbish the archway between Front and St Alban's Quads. On completion it will be renamed the Benefactors Arch and the area used to recognize donors to the College.

Admissions

Undergraduate applicants to Oxford are selected by the individual colleges working within a common framework to ensure that the same standards and practices apply consistently across subjects – see further: https://www.ox.ac.uk/admissions/undergraduate/applying-to-oxford/decisions/common-framework

Overall application numbers across the University in 2019-20 increased to 23,391 from 23,020 the previous year (a 1.6% increase). By comparison, Merton College's numbers rose to 704 from 670 in 2018-19 (a 5.1% increase).

For information on admissions at Merton compared with other colleges, see: https://public.tableau.com/profile/sdma.oxford.university#!/

Data on ethnicity is not available to the College through the UCAS. Analysis is undertaken by the University Admissions Office retrospectively on behalf of all colleges, and can be found at: https://www.ox.ac.uk/about/facts-and-figures/admissions-statistics/undergraduate-students/current/ethnicity

Merton knows of 56 applicants who declared a disability of which 6 received an offer from Merton.

Postgraduate applicants are assessed by the relevant department or faculty and all those admitted are guaranteed a college place. Merton continues to attract substantially more applicants than it has places available.

The new financial framework for higher education shifts the burden from state financing to student fees. A key objective of the 750th Anniversary Campaign *Sustaining Excellence* was to build an endowment for student support of at least £2 million and to attract more funding for graduate scholarships. Student support remains a focus for our development activity post-Campaign. In addition, the College launched a 1264 Challenge in May 2020 to increase philanthropic donations to the Merton Hardship Fund – set up to provide support to those facing financial difficulty (including relating to the Covid-19 pandemic).

Attracting the best students from the widest possible range of backgrounds requires more than financial support. Therefore, in the UK, the College continues to develop its schools liaison programme through a full-time officer, and aims to appeal to all constituencies by improving and enhancing web-based and electronic media and communications. The College continues to develop its recruitment of graduate scholars collaboratively with the academic faculties and departments of the University of Oxford.

Warden

Professor Irene Tracey took the post of Warden on 5 October 2019. Up to 5 October, the College elected Professor Steven Gunn as Acting Warden.

Fellows

For the 2020-21 academic year, new Fellows in post are Dr Jane Gover (Senior Tutor), Professor Nathaniel Lane (Tutor in Economics), Dr Henry Spelman (Fitzjames Research Fellow in Ancient Greek), Dr Alice Burnyeat (Junior Research Fellow in Anthropology), Mr Xiangyu Jie (Junior Research Fellow in Chemistry), Mr Nicholas Irwin (Junior Research Fellow in Biology) and Dr Emily Rutherford (Junior Research Fellow in History).

Chapel

The Chapel and Patronage Committee, working with the Estates Bursar, will continue to consider how best to reduce draughts in the Chapel and improve the efficiency of its heating system. The completion of the lighting project and the replacement of the Chapel's sound system are projects under consideration for 2020/21 and 2021/22.

Choral Foundation

In the coming year, the College Choir will broadcast on BBC Radio 3 and record for Delphian Records. The choir hopes to give a concert in the Cheltenham Music Festival and tour in Sweden and Denmark. Newly installed audio-visual equipment will enable the services and concerts in the Chapel to reach a much wider audience through livestreaming. The organ recital series will resume in the Michaelmas Term.

Capital projects

Several larger capital projects will be reviewed as part of the College’s continuing strategic review.

Trading income

The T S Eliot Lecture Theatre provides the College with first class facilities that are attractive to third party users. Merton Enterprises Ltd has been able to broaden its customer base following a restructuring of the conference office and proactive marketing of these facilities. Conference income, including merchandising, was £526 thousand in the year. The College hopes conferences will be able to return to the College before the end of the coming financial year.

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 have 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 they are satisfied that they give a true and fair view of the state of affairs of the College and of its net incoming or outgoing resources 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 judgments 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 departure which are explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue to operate.

The Governing Body is responsible for keeping proper accounting records that are sufficient to show and explain the College's transactions and disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the College 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 November 2020 and signed on its behalf by:

Warden

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOVERNING BODY OF MERTON COLLEGE

Opinion

We have audited the financial statements of Merton College (the "Charity") for the year ended 31 July 2020 which comprise the Statement of accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 2020 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 were:

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Members of the Governing Body

As explained more fully in the Statement of Accounting and Reporting Responsibilities, 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/auditorsresponsiblities. This description forms part of our auditor's report.

Use of Our Report

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

Critchleys Audit LLP
Statutory Auditor
Oxford

Date:

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

STATEMENT OF ACCOUNTING POLICIES

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College with its wholly owned subsidiaries Merton Enterprises Limited and Merton College No1 Limited. The subsidiaries have been consolidated from the date of their formation being the date from which the College has exercised control through voting rights in the subsidiary. No separate SOFA has been presented for the College 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 its material subsidiary for the reporting year are in note 13.

2. Basis of accounting

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

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

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

3. Accounting judgements and estimation of uncertainty

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

In the view of the Governing Body, in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements.

In the view of the Governing Body, no assumptions concerning the future or estimation of uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

4. Income recognition

All income is recognised once the College 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 are recognised in the period in which the related service is provided and are stated net of any scholarships, bursaries or other allowances granted from the College's unrestricted funds, Office for Students support and charges for services and use of the premises.

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 College 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 College and it is probable that the specified conditions will be met.

Legacies are recognised following grant of probate and once the College 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 College is probable.

Donations, grants and legacies accruing for the general purposes of the College 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 accruals 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 College 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 as 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 (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 College and its subsidiaries are excluded from trading income and expenditure in the consolidated financial statements.

6. 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 £5,000 together with expenditure on equipment costing more that £5,000 is capitalised.

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

7. 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
Building improvements	20 years
Equipment	5 to 10 years

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.

8. Heritage Assets

The College has a number of assets, including items of art and historic texts that meet the definition of heritage assets under the SORP. The College retains information concerning the cost or value on donation only for some of its heritage assets, but disclosure of this information would not give a fair picture of the total value of heritage assets held. The cost of obtaining fair values for the remaining heritage assets would not be commensurate with the benefits to users of the financial statements. Therefore no cost or value is reflected in the financial statements for heritage assets.

9. 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.

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.

10. Other financial instruments

a. Derivatives

The College has not entered into any derivative contracts.

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.

11. 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.

12. Foreign currencies

The functional and presentational currency of the College 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.

13. Total Return investment accounting

The College statutes authorise the College to adopt a 'total return' basis for the investment of its general endowment. The College can invest its general 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 retained for investment or released to income at the discretion of the Governing Body.

Other endowments are invested with Schroder & Co Ltd which distributes on a total return basis.

14. Fund accounting

The total funds of the College and its subsidiary are allocated to unrestricted, restricted or endowment funds based on 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 College at the discretion of the Governing Body. The Governing Body may decide that part of the unrestricted funds shall be used in future for a specific purpose and this will be accounted for by transfers to appropriate designated funds.

Restricted funds comprise gifts, legacies and grants where the donors have specified that the funds are to be used for particular purposes of the College. 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 College's objects.

Permanent endowment funds arise where donors specify that the funds should be retained as capital for the permanent benefit of the College. 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 College has determined based on the circumstances that they have been given, for the long term benefit of the College. However, the Governing Body may at their discretion determine to spend all or part of the capital.

15. Pension costs

The costs of retirement benefits provided to employees of the College through two multi-employer defined pension schemes are accounted for as if these were defined contribution schemes as information is not available to use defined benefit accounting in accordance with the requirements of FRS 102. The College's contributions to these schemes are recognised as a liability and an

expense in the period in which the salaries to which the contributions relate are payable.

In addition, a liability is recognised at the balance sheet date for the discounted value of the expected future contribution payments under the agreements with these multi-employer schemes to fund the past service deficits.

Merton College
Consolidated Statement of Financial Activities
For the year ended 31 July 2020

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	**2020 Total £'000**	2019 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:	1					
Teaching, research and residential		4,474	-	-	**4,474**	4,974
Other Trading Income	3	526	-	-	**526**	930
Donations and legacies	2	279	457	479	**1,215**	1,469
Investments						
Investment income	4	1	1,140	4,968	**6,109**	6,417
Total return allocated to income	14	7,910	-	(7,910)	**-**	-
Other income - Coronavirus Job Retention Scheme		366	-	-	**366**	-
Total income		13,556	1,597	(2,463)	**12,690**	13,790
EXPENDITURE ON:	5					
Charitable activities:						
Teaching, research and residential		11,055	1,230	-	**12,285**	14,067
Generating funds:						
Fundraising		537	-	-	**537**	696
Trading expenditure		392	-	-	**392**	850
Investment management costs		-	-	1,383	**1,383**	1,710
Total Expenditure		11,984	1,230	1,383	**14,597**	17,323
Net Income/(Expenditure) before gains		1,572	367	(3,846)	**(1,907)**	(3,533)
Net gains/(losses) on investments	11, 12	-	(23)	245	**222**	19,329
Corporation Tax charge on sale of land		-	-	(2,082)	**(2,082)**	-
Net Income/(Expenditure)		1,572	344	(5,683)	**(3,767)**	15,796
Transfers between funds	17	73	(73)	-	**-**	-
Net movement in funds for the year		1,645	271	(5,683)	**(3,767)**	15,796
Fund balances brought forward	17	20,187	2,360	280,095	**302,642**	286,846
Funds carried forward at 31 July		21,832	2,631	274,412	**298,875**	302,642

Merton College
Consolidated and College Balance Sheets
As at 31 July 2020

	Notes	**2020 Group £'000**	2019 Group £'000	**2020 College £'000**	2019 College £'000
FIXED ASSETS					
Tangible assets	9	**17,560**	17,700	**17,560**	17,700
Property investments	11	**129,412**	136,577	**129,412**	136,577
Other Investments	12	**147,631**	145,878	**147,707**	145,954
Total Fixed Assets		**294,603**	300,155	**294,679**	300,231
CURRENT ASSETS					
Stocks		**339**	337	**308**	303
Debtors	15	**1,354**	1,652	**1,339**	1,598
Cash at bank and in hand		**10,453**	5,486	**10,310**	5,319
Total Current Assets		**12,146**	7,475	**11,957**	7,220
LIABILITIES					
Creditors: Amounts falling due within one year	16	**5,866**	2,306	**5,834**	2,262
NET CURRENT ASSETS		**6,280**	5,169	**6,123**	4,958
TOTAL ASSETS LESS CURRENT LIABILITIES		**300,883**	305,324	**300,802**	305,189
NET ASSETS BEFORE PENSION ASSET OR LIABILITY		**300,883**	305,324	**300,802**	305,189
Defined benefit pension scheme liability	21	**2,008**	2,682	**2,008**	2,682
TOTAL NET ASSETS		**298,875**	302,642	**298,794**	302,507
FUNDS OF THE COLLEGE					
Endowment funds	17	**274,412**	280,095	**274,412**	280,095
Restricted funds	17	**2,631**	2,360	**2,631**	2,360
Unrestricted funds	17				
General funds		**5,836**	4,725	**5,755**	4,590
Fixed Asset Fund		**17,560**	17,700	**17,560**	17,700
Graduate Scholarship Fund		**444**	444	**444**	444
Pension reserve	21	**(2,008)**	(2,682)	**(2,008)**	(2,682)
		298,875	302,642	**298,794**	302,507

The financial statements were approved and authorised for issue by the Governing Body of Merton College on 4 November 2020

Trustee:

Trustee:

Merton College
Consolidated Statement of Cash Flows
For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Net cash provided by (used in) operating activities	23	**(4,193)**	(7,638)
Cash flows from investing activities			
Dividends, interest and rents from investments		**6,109**	6,417
Proceeds from the sale of property, plant and equipment		**19**	3
Purchase of property, plant and equipment		**(999)**	(925)
Proceeds from sale of investments		**68,723**	4,304
Purchase of investments		**(69,770)**	(8,326)
Net cash provided by (used in) investing activities		**4,082**	1,473
Cash flows from financing activities			
Receipt of endowment		**479**	715
Net cash provided by (used in) financing activities		**479**	715
Change in cash and cash equivalents in the reporting period		**368**	(5,450)
Cash and cash equivalents at the beginning of the reporting period		**10,153**	15,603
Change in cash and cash equivalents		**368**	(5,450)
Cash and cash equivalents at the end of the reporting period	24	**10,521**	10,153

1 INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
Teaching, Research and Residential	**£'000**	£'000
Unrestricted funds		
Tuition fees - UK and EU students	**1,367**	1,356
Tuition fees - Overseas students	**770**	706
Other Office for Students support	**245**	232
Other academic income	**90**	135
College residential income	**2,002**	2,545
	4,474	4,974

The above analysis includes £2,384k received from the University of Oxford from publicly accountable funds under the CFF Scheme (2019: £2,305k).

2 DONATIONS AND LEGACIES

	2020	2019
	£'000	£'000
Donations and Legacies		
Unrestricted funds	**279**	297
Restricted funds	**457**	457
Endowed funds	**479**	715
	1,215	1,469

3 INCOME FROM OTHER TRADING ACTIVITIES

	2020	2019
	£'000	£'000
Subsidiary company trading income	**232**	431
Other trading income	**294**	499
	526	930

4 INVESTMENT INCOME

	2020	2019
	£'000	£'000
Unrestricted funds		
Bank interest	**1**	3
	1	3
Restricted funds		
Equity dividends	**1,136**	1,069
Interest on fixed term deposits and cash	**4**	5
	1,140	1,074
Endowed funds		
Agricultural rent	**1,358**	1,323
Commercial rent	**1,622**	1,841
Other property income	**501**	455
Equity dividends	**1,380**	1,548
Income from fixed interest stocks	**98**	144
Interest on fixed term deposits and cash	**9**	10
Other investment income	**-**	19
	4,968	5,340
Total Investment income	**6,109**	6,417

5 ANALYSIS OF EXPENDITURE

	2020	2019
	£'000	£'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	**5,963**	7,202
Other direct costs allocated to:		
Teaching, research and residential	**4,254**	4,764
Support and governance costs allocated to:		
Teaching, research and residential	**2,068**	2,101
Total charitable expenditure	**12,285**	14,067
Expenditure on generating funds		
Direct staff costs allocated to:		
Fundraising	**364**	449
Investment management costs	**294**	399
Other direct costs allocated to:		
Fundraising	**113**	164
Trading expenditure	**392**	850
Investment management costs	**1,044**	1,273
Support and governance costs allocated to:		
Fundraising	**60**	83
Investment management costs	**45**	38
Total expenditure on raising funds	**2,312**	3,256
Total expenditure	**14,597**	17,323

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

The teaching and research costs include College Contribution payable of £239k (2019 £191k).

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	**2020 Total £'000**
Financial administration	14	264	**278**
Domestic administration	6	114	**120**
Human resources	10	169	**179**
IT	19	383	**402**
Depreciation	54	1,067	**1,121**
Loss/(profit) on fixed assets	-	(1)	**(1)**
Other finance charges	2	48	**50**
Governance costs	-	24	**24**
	105	2,068	**2,173**

	Generating Funds £'000	Teaching and Research £'000	2019 Total £'000
Financial administration	15	264	279
Domestic administration	10	164	174
Human resources	13	193	206
IT	22	394	416
Depreciation	58	1,019	1,077
Loss/(profit) on fixed assets	-	(2)	(2)
Other finance charges	3	45	48
Governance costs	-	24	24
	121	2,101	2,222

Support and governance costs are attributed according to the estimated staff time spent on each activity.

	2020 £'000	2019 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	**18**	18
Other governance costs	**6**	6
	24	24

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

7 GRANTS AND AWARDS

	2020 £'000	2019 £'000
During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:		
Unrestricted funds		
Grants to individuals:		
Scholarships, prizes and grants	**430**	652
Bursaries and hardship awards	**4**	28
Total unrestricted	**434**	680
Restricted funds		
Grants to individuals:		
Scholarships, prizes and grants	**323**	356
Bursaries and hardship awards	**219**	213
Total restricted	**542**	569
Total grants and awards	**976**	1,249

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

8 STAFF COSTS

	2020	2019
The aggregate staff costs for the year were as follows.	**£'000**	£'000
Salaries and wages	**6,270**	6,071
Social security costs	**573**	543
Defined benefit scheme pension costs:		
Continuing charges	**946**	862
Pension provision change (see note 21)	**(713)**	992
Other benefits	**144**	227
	7,220	8,695

The average number of employees of the College, excluding Trustees, on a headcount basis was as follows.	2020	2019
Tuition and research	**42**	43
College residential	**78**	81
Fundraising	**6**	6
Support	**11**	11
Total	**137**	141

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

Associate Professor Tutorial Fellowship (University)	**20**	20
Associate Professor Tutorial Fellowship (College)	**8**	8
Other teaching and research	**14**	16
Other	**7**	8
Total	**49**	52

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

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

The number of employees (excluding the College Trustees) during the year whose gross pay and benefits (excluding employer NI and pension contributions) fell within the following bands was:		
£60,001-£70,000	**1**	2

The number of the above employees with retirement benefits accruing was as follows:		
In defined benefits schemes	**1**	2

9 TANGIBLE FIXED ASSETS

Group & College	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	**Total £'000**
Cost			
At start of year	31,056	2,520	**33,576**
Additions	710	289	**999**
Disposals	-	(66)	**(66)**
At end of year	**31,766**	**2,743**	**34,509**
Depreciation and impairment			
At start of year	13,929	1,947	**15,876**
Depreciation charge for the year	945	176	**1,121**
Depreciation on disposals	-	(48)	**(48)**
At end of year	**14,874**	**2,075**	**16,949**
Net book value			
At end of year	**16,892**	**668**	**17,560**
At start of year	17,127	573	**17,700**

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

10 HERITAGE ASSETS

The heritage assets held by the college comprise medieval manuscript books (327); medieval and early modern records of the college and its estates dating from the twelfth century (c10,000 pre-1800 items including deeds, surveys, court rolls, maps, and various other records); rare printed books (15th-19th centuries: c14,000; 20th-21st century: 3,500 rare editions and special copies); collections of personal papers (21 mixed-media collections); early astronomical instruments (5); 18th century globes (2); paintings, prints, and drawings (356); historic table and chapel silver (16); miscellaneous historic furnishings (e.g. chests, clocks etc). Most new acquisitions are by gift or bequest. Criteria for decisions on whether to acquire heritage items include complementarity with existing collections, the intellectual appropriateness of the college as repository, and the ability of the college to house the collection appropriately and make it available to researchers. The college does not dispose of heritage assets.

Heritage assets are managed by the Fellow Librarian and the Domestic Bursar under the oversight of the Library and Archives Committee and the Sub-Committee on Pictures and Historic Chattels. There are three full-time professional librarians and a professional archivist is employed three days per week. The college is a member of the Oxford Conservation Consortium which employs four accredited conservators who provide preservation expertise and treatment of individual items. Specialist advice is sought when needed. Heritage items are housed in a number of locations throughout the college with special security, fire detection and fire suppression in the main storage areas. The environments of storage areas and rooms housing significant assets are regularly monitored and managed under the guidelines in PAS 198:2012 Specification for managing environmental conditions for cultural collections.

Records of heritage assets are held in a combination of electronic and hard-copy formats. These are freely available for research consultation either online or on site. The college maintains a programme of exhibitions onsite and loans items for display in the context of public exhibitions in the UK and abroad.

Various heritage assets have been acquired during the last five years, but none in the current year (2019: £25.4k).

11 PROPERTY INVESTMENTS

Group & College	Agricultural £'000	Commercial £'000	Other £'000	**2020 Total £'000**	2019 Total £'000
Valuation at start of year	70,035	50,210	16,332	**136,577**	125,068
Additions and improvements at cost	69	9	92	**170**	1,645
Disposals	(238)	(12,543)	-	**(12,781)**	(775)
Transfers	(2,933)	2,573	360	**-**	-
Revaluation gains/(losses) in the year	1,230	2,468	1,748	**5,446**	10,639
Valuation at end of year	68,163	42,717	18,532	**129,412**	136,577

Estates land and property valuations as at 31 July have been made by the College Land Agent, a Chartered Surveyor, in consultation with an independent firm of Chartered Surveyors, the basis of valuation being market valuation. In a small number of cases valuations have been made solely by the Land Agent, the basis of valuation being market valuation.

12 OTHER INVESTMENTS

All investments are held at fair value.

	2020	2019
	£'000	£'000
Group investments		
Valuation at start of year	**145,878**	140,882
New money invested	**69,600**	6,681
Amounts withdrawn	**(62,623)**	(10,375)
Increase/(decrease) in value of investments	**(5,224)**	8,690
Group investments at end of year	**147,631**	145,878
Investment in subsidiaries	**76**	76
College investments at end of year	**147,707**	145,954

Group investments comprise:	Held outside the UK £'000	Held in the UK £'000	**2020 Total £'000**	Held outside the UK £'000	Held in the UK £'000	2019 Total £'000
Equity investments	-	66,464	**66,464**	-	69,859	69,859
Global multi-asset funds	-	28,494	**28,494**	-	29,464	29,464
Fixed interest stocks	-	13,176	**13,176**	-	12,091	12,091
Alternative and other investments	19,445	9,909	**29,354**	19,065	10,732	29,797
Fixed term deposits and cash	-	68	**68**	1,653	3,014	4,667
Proceeds due from disposal of property	-	10,075	**10,075**	-	-	-
Total group investments	19,445	128,186	**147,631**	20,718	125,160	145,878

13 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Merton Enterprises Limited, a company providing conference and other services on the College premises.

The College holds 100% of the issued share capital in Merton College No1 Limited, a company that purchases, develops and sells land and property.

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

	2020 Parent College £'000	**2020** Merton Enterprises Ltd £'000	**2020** Merton College No1 Ltd £'000	2019 Parent College £'000	2019 Merton Enterprises Ltd £'000
Income	12,457	233	-	13,358	432
Expenditure	(14,446)	(151)	-	(17,026)	(297)
Result for the year	(1,989)	82	-	(3,668)	135
Total assets	306,636	194	-	307,451	398
Total liabilities	(7,842)	(37)	-	(4,944)	(187)
Net funds at the end of year	298,794	157	-	302,507	211

14 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a policy of total return accounting for the College general endowment investment returns with effect from 1 August 2013. The investment return to be applied as income is calculated as 3.5% of the average closing value of the investments in each of the last five years. The amount applied as income for spending is included within the income section of the SOFA on the basis that this gives a clearer understanding of the financial position of the College. The preserved value of the invested endowment capital represents its open market value in 2002 together with all subsequent endowments valued at the date of the gift.

		General Endowment	
		Unapplied	
	Trust for	Total	
	Investment	Return	Total
	£'000	£'000	£'000
At the beginning of the year:			
Gift component of the general endowment	88,957	-	88,957
Unapplied total return	-	161,736	161,736
Total General Endowment	**88,957**	**161,736**	**250,693**
Movements in the reporting period:			
Investment return: total investment income	-	4,968	4,968
Investment return: realised and unrealised gains and losses	-	1,686	1,686
Investment return: Corporation Tax charge on sale of land		(2,082)	(2,082)
Less: Investment management costs	-	(1,383)	(1,383)
Total	-	3,189	3,189
Unapplied total return allocated to income in the reporting period	-	(7,910)	(7,910)
Net movements in reporting period	**-**	**(4,721)**	**(4,721)**
At end of the reporting period:			
Gift component of the permanent endowment	88,957	-	88,957
Unapplied total return	-	157,015	157,015
Total Endowments	**88,957**	**157,015**	**245,972**

Comparative figures are stated in Note 30b.

15 DEBTORS

	2020 Group	2019 Group	**2020 College**	2019 College
	£'000	£'000	**£'000**	£'000
Amounts falling due within one year:				
Trade debtors	**442**	448	**426**	282
Amounts owed by College members	**19**	28	**19**	28
Amounts owed by Group undertakings	**-**	-	**1**	112
Loans repayable within one year	**289**	11	**289**	11
Prepayments and accrued income	**596**	875	**596**	875
Other debtors	**4**	4	**4**	4
Amounts falling due after more than one year:				
Loans	**4**	286	**4**	286
	1,354	1,652	**1,339**	1,598

16 CREDITORS: falling due within one year

	2020 Group	2019 Group	**2020 College**	2019 College
	£'000	£'000	**£'000**	£'000
Trade creditors	**233**	786	**233**	786
Amounts owed to College Members	**12**	4	**12**	4
Amounts owed to Group undertakings	**-**	-	**4**	31
Taxation and social security	**4,809**	331	**4,773**	256
College contribution	**-**	191	**-**	191
Accruals and deferred income	**527**	646	**527**	646
Other creditors	**285**	348	**285**	348
	5,866	2,306	**5,834**	2,262

17 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	**At 31 July 2020 £'000**
Endowment Funds - Permanent						
General Endowment	250,693	4,968	(3,465)	(7,910)	1,686	**245,972**
Fellowship Funds:						
Peter Braam Research Fellow	1,400	-	-	-	(74)	**1,326**
Chemistry Fellow	915	-	-	-	(45)	**870**
English Fellow	1,329	22	-	-	(66)	**1,285**
Law Fellow	551	43	-	-	(25)	**569**
Philosophy Fellow	1,186	-	-	-	(60)	**1,126**
Jessica Rawson Modern Asian History Fellow	1,028	10	-	-	(52)	**986**
Mark Reynolds History Fellow	1,893	-	-	-	(98)	**1,795**
Stringer	517	-	-	-	(27)	**490**
Other	141	93	-	-	(3)	**231**
Graduate Scholarship Funds:						
Ripplewood Japanese Scholar	630	-	-	-	(34)	**596**
Peter Braam Scholar	421	-	-	-	(22)	**399**
John Barton BCL Scholar	147	-	-	-	(7)	**140**
Christopher Duggan Scholar	514	61	-	-	5	**580**
Roger Highfield Scholar	433	146	-	-	(18)	**561**
Charles Manby Scholar	483	-	-	-	(26)	**457**
Moussouris Rhodes Scholar	858	-	-	-	(45)	**813**
Other	81	9	-	-	(4)	**86**
Student Support Funds:						
Taylor Family Foundation	648	-	-	-	(34)	**614**
Reed Directors of Music	756	-	-	-	(39)	**717**
Other	68	-	-	-	(3)	**65**
	264,692	**5,352**	**(3,465)**	**(7,910)**	**1,009**	**259,678**
Endowment Funds - Expendable						
Fellowship Funds:						
Dominic Welsh Mathematics Fellow	1,213	-	-	-	(63)	**1,150**
Douglas Algar Humanities Fellow	875	-	-	-	(45)	**830**
Economics Fellow	1,015	1	-	-	(51)	**965**
David Hay Medical Fellow	403	-	-	-	(21)	**382**
Christine Blackwell Fellow	1,800	-	-	-	(88)	**1,712**
Graduate Scholarship and Student Prize Funds:						
James Jackson Natural Sciences Scholar	812	-	-	-	(48)	**764**
David Stevens International Development Scholar	455	-	-	-	(23)	**432**
Merton Lawyers BCL/Mjur Scholar	385	-	-	-	(20)	**365**
Monica Barnett Law Scholar	164	-	-	-	(9)	**155**
John Moussouris Mathematics Scholar	657	-	-	-	(35)	**622**
Other	96	4	-	-	(5)	**95**
Student Support Funds:						
General Student Support	2,303	32	-	-	(118)	**2,217**
Howard Stringer Undergraduate Support	1,222	-	-	-	(65)	**1,157**
Undergraduate Student Support	632	52	-	-	(30)	**654**
John Roberts	577	1	-	-	(29)	**549**
Thomas Bowman	321	-	-	-	(19)	**302**
Gerald David Clayton	807	-	-	-	(42)	**765**
Choral Foundation	896	5	-	-	(45)	**856**
Compassionate Fund	351	-	-	-	(18)	**333**
Fitzhenry Biomedical Research Fund	148	-	-	-	(8)	**140**
Other Funds	271	-	-	-	18	**289**
	15,403	**95**	**-**	**-**	**(764)**	**14,734**
Total Endowment Funds	**280,095**	**5,447**	**(3,465)**	**(7,910)**	**245**	**274,412**
Restricted Funds						
Building Projects	189	45	(6)	-	-	**228**
Fellowship Funds	442	580	(501)	(73)	(3)	**445**
Graduate Scholarship and Student Prize Funds	762	409	(285)	-	-	**886**
Student Support Funds	631	311	(211)	-	(20)	**711**
Choir	79	86	(94)	-	-	**71**
Other Funds	257	166	(133)	-	-	**290**
Total Restricted Funds	**2,360**	**1,597**	**(1,230)**	**(73)**	**(23)**	**2,631**

17 ANALYSIS OF MOVEMENTS ON FUNDS CONTINUED

	At 1 August 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	**At 31 July 2020 £'000**
Unrestricted Funds						
General funds	4,590	5,413	(12,371)	8,123	-	**5,755**
Fixed Asset Fund	17,700	-	-	(140)	-	**17,560**
Aidan Jenkins Graduate Scholarship Fund	444	-	-	-	-	**444**
Pension reserve	(2,682)	-	674	-	-	**(2,008)**
Total Unrestricted Funds - College	**20,052**	**5,413**	**(11,697)**	**7,983**	**-**	**21,751**
Unrestricted funds held by subsidiaries	135	233	(287)	-	-	**81**
Total Unrestricted Funds - Group	20,187	5,646	(11,984)	7,983	-	21,832
Total Funds	**302,642**	**12,690**	**(16,679)**	**-**	**222**	**298,875**

Comparative figures are stated in Note 30c.

18 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

General Endowment Fund	Corporate capital, including founder's capital, whose income may be spent for general purposes.
Fellowship, Graduate Scholarship, Student Support Funds and Reed Directors of Music	Donations made for perpetuity, whose income may be spent for the restricted purposes described.

Endowment Funds - Expendable:

Fellowship Funds Graduate Scholarship and Student Prize Funds: Student Support Funds Choral Foundation Compassionate Fund Fitzhenry Biomedical Research Fund	Donations made for the long term, whose income and capital may both be spent for the restricted purposes described.

Restricted Funds:

Building Projects	Donations made for specific College building projects before completion. Funds are transferred to the Building Project Fund within Unrestricted Funds once the building has been completed.
Fellowship Funds **Graduate Scholarships and Student Prize Funds** **Student Support Funds** **Choir**	Unspent income generated from the permanent and expendable endowments above and donations made for restricted purposes which the trustees may spend at their discretion.

The General Unrestricted Funds represent accumulated income from the College's activities and other sources that are available for the general purposes of the College.
The Fixed Asset Fund represents the original cost less accumulated depreciation of the College's fixed assets.
The Aidan Jenkins Graduate Scholarship Fund represents an unrestricted donation received and designated by the Trustees for a graduate scholarship.

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	**2020 Total £'000**
Tangible fixed assets	17,560	-	-	**17,560**
Property investments	-	-	129,412	**129,412**
Other investments	-	2,631	145,000	**147,631**
Net current assets	6,280	-	-	**6,280**
Long term liabilities	(2,008)	-	-	**(2,008)**
	21,832	**2,631**	**274,412**	**298,875**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019 Total £'000
Tangible fixed assets	17,700	-	-	17,700
Property investments	-	-	136,577	136,577
Other investments	-	2,360	143,518	145,878
Net current assets	5,169	-	-	5,169
Long term liabilities	(2,682)	-	-	(2,682)
	20,187	2,360	280,095	302,642

20 TRUSTEES' REMUNERATION

The Trustees of the College are the members of the Governing Body, primarily those Fellows who are employed to undertake teaching and research and who sit on Governing Body by virtue of their employment.

No Fellow receives any remuneration for acting as a Trustee. However, those Fellows who are also employees of the College receive salaries in respect of their employment. In the case of teaching and research posts, salaries are set with reference to pay scales applying nationally within the higher education sector and within the University of Oxford. Salaries are determined in all cases by the Governing Body on the basis of recommendations made by the remuneration committee, whose composition is described in the Annual Report of the Governing Body.

Trustees of the College fall into the following categories:
(i) The Warden, who is the Head of College and chairs meetings of the Governing Body and its committees;
(ii) Official Fellows, who are elected to the office of Tutor, Bursar, Librarian, Chaplain, Development Director or other office of the College;
(iii) Professorial Fellows, who are senior members of the University of Oxford;
(iv) Fixed-term research Fellows, who may be either junior career-development employees of the College, or senior academics who are not employed by the College.

College Officers and career-development research Fellows may be accommodated by the College. 36 Fellows (2019: 33) were accommodated in houses, flats or rooms owned by the College during the year. Fellows who are eligible for accommodation but who are not accommodated are paid a housing allowance, which is included within the salary figures below.

Some Fellows receive allowances for work carried out as part-time College Officers, including the Sub Warden, student disciplinary officer and research supervisor. These amounts are included within the remuneration figures below.

The total remuneration and taxable benefits included below is £2,186k (2019: £2,007k). The total of pension contributions is £363k (2019: £307k).

Remuneration paid to trustees	2020		2019	
Range	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £
£1,000-£1,999	1	1,815	2	3,320
£2,000-£2,999	3	8,180	1	2,376
£3,000-£3,999	2	7,056	2	6,533
£4,000-£4,999	1	4,881	1	4,483
£5,000-£5,999	-	-	1	5,175
£6,000-£6,999	1	6,541	1	6,465
£7,000-£7,999	1	7,868	-	-
£10,000-£10,999	1	10,092	-	-
£11,000-£11,999	1	11,360	1	11,380
£12,000-£12,999	1	12,537	-	-
£13,000-£13,999	1	13,644	2	27,863
£16,000-£16,999	-	-	3	49,321
£17,000-£17,999	1	17,051	4	69,494
£18,000-£18,999	-	-	1	18,585
£19,000-£19,999	1	19,902	1	19,163
£20,000-£20,999	4	83,198	1	20,313
£21,000-£21,999	1	21,527	1	21,709

Remuneration paid to trustees continued

Range	2020 Number of Trustees/Fellows	2020 Gross remuneration, taxable benefits and pension contributions	2019 Number of Trustees/Fellows	2019 Gross remuneration, taxable benefits and pension contributions
£22,000-£22,999	2	44,289	-	-
£23,000-£23,999	1	23,972	2	46,663
£24,000-£24,999	2	48,785	2	48,803
£25,000-£25,999	2	51,232	1	25,783
£26,000-£26,999	-	-	1	26,147
£27,000-£27,999	-	-	3	82,006
£28,000-£28,999	-	-	1	28,327
£29,000-£29,999	2	59,327	3	87,645
£30,000-£30,999	-	-	2	60,977
£31,000-£31,999	2	63,412	2	63,570
£32,000-£32,999	-	-	3	98,861
£33,000-£33,999	-	-	1	33,084
£34,000-£34,999	1	34,418	-	-
£35,000-£35,999	2	70,938	-	-
£37,000-£37,999	1	37,010	1	37,218
£38,000-£38,999	-	-	1	38,852
£39,000-£39,999	1	39,777	-	-
£40,000-£40,999	5	203,567	1	40,492
£41,000-£41,999	1	41,649	-	-
£42,000-£42,999	2	84,171	-	-
£44,000-£44,999	-	-	1	44,243
£45,000-£45,999	2	90,285	-	-
£47,000-£47,999	1	47,519	-	-
£48,000-£48,999	2	96,901	1	48,582
£49,000-£49,999	1	49,817	1	49,690
£50,000-£50,999	-	-	2	100,786
£53,000-£53,999	1	53,484	-	-
£54,000-£54,999	2	109,601	-	-
£57,000-£57,999	-	-	1	57,618
£58,000-£58,999	1	58,405	-	-
£64,000-£64,999	-	-	2	129,236
£71,000-£71,999	1	71,793	1	72,078
£72,000-£72,999	-	-	1	72,078
£74,000-£74,999	1	74,869	1	72,078
£79,000-£79,999	-	-	1	79,272
£84,000-£84,999	1	84,449	-	-
£85,000-£85,999	1	85,224	-	-
£92,000-£92,999	-	-	1	92,621
£95,000-£95,999	-	-	1	95,842
£97,000-£97,999	1	97,152	-	-
£98,000-£98,999	-	-	1	98,588
£99,000-£99,999	1	99,045	1	99,843
£100,000-£100,999	-	-	1	100,836
£104,000-£104,999	1	104,190	-	-
£127,000-£127,999	-	-	1	127,677
£130,000-£130,999	1	130,320	-	-
£132,000-£132,999	1	132,085	1	132,376
£135,000-£135,999	1	135,518	-	-

12 Fellows (2019: 13) were not employed by the College during the year and did not receive any remuneration. All Fellows and all permanent employees of the College are eligible for private health insurance. All Fellows may take meals in College, together with all employees, who are entitled to take meals while working.

Trustee expenses

No Fellow claimed any expenses for work as a trustee.

Other transactions with trustees

There were no other transactions between the College and Fellows or related parties.

See note 27 Related Party Transactions.

Key management remuneration

The total remuneration paid to key management, including employer's national insurance contributions, was £2,775k (2019: £2,516k).

Key management are considered to be the Trustees of the College.

21 PENSION SCHEMES

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

In the event of the withdrawal of any of the participating employers in USS or OSPS, 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.

The College has also made available the National Employment Savings Trust for employees who are eligible under automatic enrolment regulations to pension benefits, but not eligible for either USS or OSPS.

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

Actuarial Valuations

Qualified actuaries periodically value USS and OSPS defined benefits 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 were:

	USS	**OSPS**
Date of valuation:	31/03/18	31/03/19
Date valuation results published:	16/09/19	19/06/20
Value of liabilities:	£67.3bn	£848m
Value of assets:	£63.7bn	£735m
Funding surplus / (deficit):	(£3.6bn)	(£113m)
Principal assumptions:		
Discount rate	CPI - 0.73% to CPI +2.52% **(a)**	Gilts +0.5%-2.25% **(b)**
Rate of increase in salaries	n/a	RPIa
Rate of increase in pensions	CPI **(c)**	Average RPI/CPI **(d)**
Assumed life expectancies on retirement at age 65:		
Males currently aged 65	24.4 yrs	21.7 yrs
Females currently aged 65	25.9 yrs	24.4 yrs
Males currently aged 45	26.3 yrs	23.0 yrs
Females currently aged 45	27.7 yrs	25.8 yrs
Funding Ratios:		
Technical provisions basis	95%	87%
Statutory Pension Protection Fund basis	76%	74%
'Buy-out' basis	56%	60%
Employer contribution rate (as % of pensionable salaries): **(e)**	21.1% increasing to 23.7% on 01/10/21	19%
Effective date of next valuation:	31/03/20	31/03/22

(a) The discount rate (forward rates) for the USS valuation was:

Years 1-10:	CPI + 0.14% reducing linearly to CPI – 0.73%
Years 11-20:	CPI + 2.52% reducing linearly to CPI + 1.55% by year 21
Years 21 +:	CPI + 1.55%

(b) The discount rate for the OSPS valuation was:

Pre-retirement:	Equal to the UK nominal gilt curve at the valuation date plus 2.25% p.a. at each term
Post-retirement:	Equal to the UK nominal gilt curve at the valuation date plus 0.5% p.a. at each term

(c) Pensions increases (CPI) for the USS valuation were:

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.

(d) Increases to pensions in payment for the OSPS valuation were:

RPI inflation is derived from the geometric difference between the UK nominal gilt curve and the UK index-linked curve at the valuation date, less 0.3% each term. CPI inflation is derived from the RPI inflation assumption, less the Scheme Actuary's best estimate of the long-term difference between RPI and CPI inflation as applies from time to time (1.0% p.a. as at 31 March 2019).

For pension increases linked to inflation, a pension increase curve is constructed based on either the RPI, CPI or the average of the RPI and CPI inflation curves described above, adjusted to allow for the different maximum and minimum annual increases that apply, and the Scheme Actuary's best estimate of inflation volatility as applies from time to time.

(e) The USS and OSPS employer contribution rates include provisions for the cost of future accrual of defined benefits, deficit contributions, administrative expenses and defined contributions.

Sensitivity of actuarial valuation assumptions

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

	USS	
Assumption	**Change in assumption**	**Impact on USS liabilities**
Initial discount rate	increase by 0.1%	decrease by £1.2bn
Asset values	reduce by 10%	increase by £6.4bn
RPI - CPI spread	increase by 0.1%	decrease by £0.7bn
Rate of mortality	more prudent assumption (mortality rated down by a further year)	increase by £1.6bn

	OSPS	Impact on OSPS
Assumption	**Change in assumption**	**technical provisions**
Valuation rate of interest	decrease by 0.25%	increase by £45m
RPI	increase by 0.25%	increase by £40m

Deficit Recovery Plans

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

	OSPS	USS
Finish Date for Deficit Recovery Plan	30/01/28	31/03/28
Average staff number increase	nil	nil
Average staff salary increase	3.00%	2.00%
Average discount rate over period	0.74%	0.63%
Effect of 0.5% change in discount rate	£26k	£20k
Effect of 1% change in staff growth	£82k	£41k

An OSPS provision of £1,165k has been made at 31 July 2020 (2019: £1,370k) for the present value of the estimated future deficit funding element of the contributions payable under this agreement, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

A USS provision of £843k has been made at 31 July 2020 (2019: £1,312k) for the present value of the estimated future deficit funding element of the contributions payable under this agreement, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

Pension charge for the year

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

Scheme	**2020**	2019
	£000's	£000's
Universities Superannuation Scheme:		
Continuing charges	**411**	330
Pension provision change	**(490)**	844
University of Oxford Staff Pension Scheme:		
Continuing charges	**514**	512
Pension provision change	**(222)**	148
Other schemes – contributions	**20**	20
Total	**233**	1,854

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

22 TAXATION

The College is able to take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. No liability to corporation tax arises in the College's subsidiary company because the directors of this company have indicated that they intend to make donations each year to the College equal to the taxable profits of the company under the Gift Aid scheme. Accordingly no provision for taxation has been included in the financial statements.

23 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATIONS

	2020 Group £'000	2019 Group £'000
Net income	**(1,907)**	(3,533)
Elimination of non-operating cash flows:		
Investment income	**(6,109)**	(6,417)
Endowment donations	**(479)**	(715)
Depreciation	**1,121**	1,077
Profit on sale of fixed assets	**(1)**	(2)
Increase in stock	**(2)**	(31)
Decrease in debtors	**298**	308
Increase in creditors	**3,560**	650
(Decrease)/Increase in pension scheme liability	**(674)**	1,025
Net cash provided by (used in) operating activities	**(4,193)**	(7,638)

24 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £'000	2019 £'000
Cash at bank and in hand	**10,453**	5,486
Endowment assets cash	**68**	4,667
Total cash and cash equivalents	**10,521**	10,153

25 FINANCIAL COMMITMENTS

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

26 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £578k (2019 £730k).

27 RELATED PARTY TRANSACTIONS

The College is part of the collegiate University of Oxford. Material interdependencies between the University and the College arise as a consequence of this relationship. For reporting purposes, the University and the other Colleges are not treated as related parties as defined in FRS8 ("Related party disclosures"). Members of the Governing Body, who are the trustees of the College and related parties as defined by FRS 8, receive remuneration and facilities as employees of the College. Details of these payments and reimbursed expenses as trustees are disclosed separately in these financial statements. The following trustees had mortgage loans outstanding from the College at the start and/or end of the year.

	2020	2019
	£'000	£'000
Professor M Kim	**278**	278
Dr J Walworth	**8**	12

Interest is charged on the above loans at either 75% of the Santander mortgage rate for existing borrowers, or at a maximum of 1% above the base lending rate of Barclays Bank plc. All loans are repayable within 20 years or immediately in full when the Fellow demits from office, if earlier. The College has ceased to make loans on these terms.

The College has made equity housing loans to the following Fellows who are employees on the basis the capital sums repayable are linked to the value of the property on which the loan is secured. These loans are repayable in full when the Fellow demits from office and are classified as property investments in the balance sheet.

	2020	2019
	£'000	£'000
Mr J Gloag	**60**	60
Dr P Thornton	**360**	360
Dr M Whitworth	**155**	155
Prof M Higgins	**171**	171

28 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 within the College's control.

29 POST BALANCE SHEET EVENTS

There are no material events occurring after the date of the balance sheet where disclosure is deemed to contribute to a proper understanding of the financial position.

30 ADDITIONAL PRIOR YEAR COMPARATIVES

a 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
INCOME AND ENDOWMENTS FROM:					
Charitable activities:	1				
Teaching, research and residential		4,974	-	-	4,974
Other Trading Income	3	930	-	-	930
Donations and legacies	2	297	457	715	1,469
Investments					
Investment income	4	3	1,074	5,340	6,417
Total return allocated to income	30b	7,506	-	(7,506)	-
Total income		13,710	1,531	(1,451)	13,790
EXPENDITURE ON:	5				
Charitable activities:					
Teaching, research and residential		12,873	1,194	-	14,067
Generating funds:					
Fundraising		696	-	-	696
Trading expenditure		850	-	-	850
Investment management costs		-	-	1,710	1,710
Total Expenditure		14,419	1,194	1,710	17,323
Net Income/(Expenditure) before gains		(709)	337	(3,161)	(3,533)
Net gains/(losses) on investments	11, 12	-	14	19,315	19,329
Net Income/(Expenditure)		(709)	351	16,154	15,796
Transfers between funds	30c	-	30	(30)	-
Net movement in funds for the year		(709)	381	16,124	15,796
Fund balances brought forward	30c	20,896	1,979	263,971	286,846
Funds carried forward at 31 July		20,187	2,360	280,095	302,642

b STATEMENT OF INVESTMENT TOTAL RETURN 2019

The Trustees have adopted a policy of total return accounting for the College general endowment investment returns with effect from 1 August 2013. The investment return to be applied as income is calculated as 3.5% of the average closing value of the investments in each of the last five years. The amount applied as income for spending is included within the income section of the SOFA on the basis that this gives a clearer understanding of the financial position of the College. The preserved value of the invested endowment capital represents its open market value in 2002 together with all subsequent endowments valued at the date of the gift.

		General Endowment	
	Trust for Investment	Unapplied Total Return	Total
	£'000	£'000	£'000
At the beginning of the year:			
Gift component of the general endowment	88,957	-	88,957
Unapplied total return	-	146,330	146,330
Total General Endowment	88,957	146,330	235,287
Movements in the reporting period:			
Investment return: total investment income	-	5,340	5,340
Investment return: realised and unrealised gains and losses	-	19,282	19,282
Less: Investment management costs	-	(1,710)	(1,710)
Total	-	22,912	22,912
Unapplied total return allocated to income in the reporting period	-	(7,506)	(7,506)
Net movements in reporting period	-	15,406	15,406
At end of the reporting period:			
Gift component of the permanent endowment	88,957	-	88,957
Unapplied total return	-	161,736	161,736
Total Endowments	88,957	161,736	250,693

Figures for the current year are stated in Note 14.

c ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2018	Income	Expenditure	Transfers	Gains/ (losses)	At 31 July 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Endowment Funds - Permanent						
General Endowment	235,287	5,340	(1,710)	(7,506)	19,282	250,693
Fellowship Funds:						
Peter Braam Research Fellow	1,399	-	-	-	1	1,400
Chemistry Fellow	913	1	-	-	1	915
English Fellow	1,245	81	-	-	3	1,329
Law Fellow	535	15	-	-	1	551
Philosophy Fellow	1,185	-	-	-	1	1,186
Jessica Rawson Modern Asian History Fellow	1,022	5	-	-	1	1,028
Mark Reynolds History Fellow	1,890	1	-	-	2	1,893
Stringer	516	-	-	-	1	517
Other	80	59	-	-	2	141
Graduate Scholarship Funds:						
Ripplewood Japanese Scholar	629	-	-	-	1	630
Peter Braam Scholar	420	-	-	-	1	421
John Barton BCL Scholar	147	-	-	-	-	147
Christopher Duggan Scholar	521	-	-	-	(7)	514
Roger Highfield Scholar	9	412	-	-	12	433
Charles Manby Scholar	483	-	-	-	-	483
Moussouris Rhodes Scholar	857	-	-	-	1	858
Other	52	28	-	-	1	81
Student Support Funds:						
Taylor Family Foundation	647	-	-	-	1	648
Reed Directors of Music	755	-	-	-	1	756
Other	68	-	-	-	-	68
	248,660	5,942	(1,710)	(7,506)	19,306	264,692

c ANALYSIS OF MOVEMENTS ON FUNDS CONTINUED

	At 1 August 2018 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2019 £'000
Endowment Funds - Expendable						
Fellowship Funds:						
Dominic Welsh Mathematics Fellow	1,211	-	-	-	2	1,213
Douglas Algar Humanities Fellow	874	-	-	-	1	875
Economics Fellow	1,013	1	-	-	1	1,015
David Hay Medical Fellow	403	-	-	-	-	403
Christine Blackwell Fellow	1,798	-	-	-	2	1,800
Graduate Scholarship and Student Prize Funds:						
James Jackson Natural Sciences Scholar	811	-	-	-	1	812
David Stevens International Development Scholar	455	-	-	-	-	455
Merton Lawyers BCL/Mjur Scholar	385	-	-	-	-	385
Monica Barnett Law Scholar	164	-	-	-	-	164
John Moussouris Mathematics Scholar	656	-	-	-	1	657
Other	123	3	-	(30)	-	96
Student Support Funds:						
General Student Support	2,267	34	-	-	2	2,303
Howard Stringer Undergraduate Support	1,221	-	-	-	1	1,222
Undergraduate Student Support	570	60	-	-	2	632
John Roberts	573	3	-	-	1	577
Thomas Bowman	321	-	-	-	-	321
Gerald David Clayton	806	-	-	-	1	807
Choral Foundation	881	12	-	-	3	896
Compassionate Fund	351	-	-	-	-	351
Fitzhenry Biomedical Research Fund	148	-	-	-	-	148
Other Funds	280	-	-	-	(9)	271
	15,311	113	-	(30)	9	15,403
Total Endowment Funds	263,971	6,055	(1,710)	(7,536)	19,315	280,095
Restricted Funds						
Building Projects	184	9	(4)	-	-	189
Fellowship Funds	341	556	(455)	-	-	442
Graduate Scholarship and Student Prize Funds	565	418	(251)	30	-	762
Student Support Funds	576	255	(214)	-	14	631
Choir	38	137	(96)	-	-	79
Other Funds	275	156	(174)	-	-	257
Total Restricted Funds	1,979	1,531	(1,194)	30	14	2,360
Unrestricted Funds						
General funds	4,099	5,773	(12,941)	7,659	-	4,590
Fixed Asset Fund	17,853	-	-	(153)	-	17,700
Aidan Jenkins Graduate Scholarship Fund	444	-	-	-	-	444
Pension reserve	(1,657)	-	(1,025)	-	-	(2,682)
Total Unrestricted Funds - College	20,739	5,773	(13,966)	7,506	-	20,052
Unrestricted funds held by subsidiaries	157	431	(453)	-	-	135
Total Unrestricted Funds - Group	20,896	6,204	(14,419)	7,506	-	20,187
Total Funds	286,846	13,790	(17,323)	-	19,329	302,642

Figures for the current year are stated in Note 17.