



THE QUEEN'S COLLEGE OXFORD

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2017

The Queen's College, Oxford
Annual Report and Financial Statements
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The Queen's College, Oxford
Governing Body, Officers and Advisers
Year ended 31 July 2017

MEMBERS OF THE GOVERNING BODY

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

		1	2	3	4	5	6
Prof P A Madden (Provost)		•	•	•	•	•	•*
Prof R A G Pearson	Retired 30/09/2016						
Dr A M Bowie	Retired 30/09/2016						
Prof W J Blair							
Prof P A Robbins		•					
Prof J Hyman			•	•			
Dr R B Nickerson		•				•	•*
Dr J H Davis							
Prof R A Taylor							
Prof J A Langdale							
Prof E J C Mellor						•	
Dr N J Owen				•		•	
Prof Sir J M Ball							
Prof O L Rees							
Mr N C Bamforth			•				
Dr K A Q O'Reilly			•				
Dr C B Louth		•					
Prof C J Norbury					•		
Prof J P K Doye				•			
Prof M J Buckley		•	•	•^			
Prof S Aldridge				•~			
Dr Y Capdeboscq		•					
Dr A Timms		•	•		•	•	
Dr P Papazoglou							
Dr L Lonsdale				•			
Dr R L Beasley				•		•	
Prof I P M Tomlinson	Resigned 31/08/2016						
Dr C V Crowther							

The Queen's College, Oxford
Governing Body, Officers and Advisers
Year ended 31 July 2017

Prof C A O'Callaghan			•				
Prof R N N Robertson							
Dr L Phalippou		•					
Dr D Meyer							
Dr A Gardner							
Dr P Tamaro							
Dr L A Turnbull							
Dr J L Guest							
Prof R B Parkinson							
Dr Y Heller	Resigned 30/09/2016						
Prof K L Hoganson	Resigned 30/09/2016						
Dr C M S Metcalf	Elected 19/10/2016						
Dr S A Whidden	Elected 19/10/2016				•		
Prof A S Taylor	Elected 19/10/2016; resigned 30/09/2017						
Prof E West	Elected 18/10/2017						
Dr W Kets	Elected 18/10/2017						

Fellows are listed in order of appointment to the Governing Body. Fellows elected to the Governing Body do not have voting rights during their first year and are therefore not considered to be trustees during that period.

Fellows served on committees during the year unless otherwise indicated.

The ~ symbol indicates that a Fellow has ceased membership of a committee since 31 July 2017.

The ^ symbol indicates that a Fellow has joined a committee since 31 July 2017.

The * symbol indicates non-voting membership of a committee.

During the year the activities of the Governing Body were carried out through committees. The current membership of the major committees is shown above for each Fellow.

- 1 Estates and Finance Committee
- 2 Domus Committee
- 3 Academic Committee
- 4 Development Committee
- 5 Personnel Committee
- 6 Remuneration Committee

Governing Body members of the Remuneration Committee who receive remuneration from the College are in attendance only at that committee and are not entitled to vote.

The external members of the Remuneration Committee are:

Mr A Beecroft, Mr C Doley, Mr D Gillard, Mr N Kitchen, Mr P Newton, Mr D Seymour (chairman), Ms Z Wright.

The Queen's College, Oxford
Governing Body, Officers and Advisers
Year ended 31 July 2017

COLLEGE MANAGEMENT

The members of the Governing Body to whom day-to-day management is delegated are as follows:

Provost	Prof P A Madden
Bursar	Dr A Timms
Senior Tutor	Dr N J Owen
Dean	Prof C A O'Callaghan
Tutor for Undergraduates	Prof J Hyman
Tutor for Graduates	Prof M J Buckley (Prof S Aldridge to 30/09/2017)
Tutor for Admissions	Prof J P K Doye

They are supported in particular by the following senior staff:

Domestic Bursar	Ms M Bracey
Finance Officer	Mr G R Spankie
Academic Administrator	Ms J T Millar
Director of Development	Ms A Thorne
Chaplain	The Revd K Price (from 01/04/2017) The Revd Dr D Inman (to 10/10/2016)
Librarian	Ms A J Saville

COLLEGE ADVISERS

Investment property managers

Savills, Wytham Court, 11 West Way, Oxford, OX2 0QL

Lambert Smith Hampton, 5 Town Quay, Southampton, SO14 2HJ

Investment portfolio advisor

Cambridge Associates, 80 Victoria Street, Cardinal Place, London, SW1E 5JL (to 31/07/2017)

Auditors

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

Bankers

The Royal Bank of Scotland, 32 St Giles, Oxford, OX1 3ND

Solicitors

Womble Bond Dickinson (UK) LLP, Oceana House, 39-49 Commercial Road, Southampton, SO15 1GA

Knights, Midland House, West Way, Botley, Oxford, OX2 0PH

College address

The Queen's College, High Street, Oxford, OX1 4AW

Website

www.queens.ox.ac.uk

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

REFERENCE AND ADMINISTRATIVE INFORMATION

The Provost and Scholars of the Queen's College in the University of Oxford, which is known as The Queen's College ("the College"), is an eleemosynary, chartered charitable corporation aggregate. It was founded, under licence granted 18 January in the year 1341 by King Edward the Third, by Robert de Eglesfield, Clerk, Chaplain to Queen Philippa. The College registered with the Charity Commission on 23 June 2011 (registered number 1142553).

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 to the College, are given on pages 2 to 4.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its Statutes dated 26 May 2010.

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 York. The Governing Body appoints the Provost, Fellows, Lecturers, and such administrative and other officers as the Governing Body deems necessary from time to time.

New members of the Governing Body are elected in accordance with the College Statutes. Membership is extended to the Provost, all Fellows holding University Lecturerships or statutory professorial chairs, and such other Fellows of the College as the Governing Body deems appropriate on the basis of the Statutes.

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 Provost and is advised by committees which it constitutes.

Recruitment and training of members of the Governing Body

New members of the Governing Body are recruited by competitive application for advertised vacancies and inducted into the workings of the College, including Governing Body policy and procedures, by meetings with College officers.

Members of the Governing Body are briefed annually by the Provost on current issues in the sector and updates to regulatory requirements. Student representatives attend the Governing Body for the unreserved part of the agenda, and some members of the senior staff of the College attend the Governing Body for unreserved and reserved items of the agenda that are relevant to their posts.

Remuneration of members of the Governing Body and Senior College Staff

The members of the Governing Body are primarily teaching and research employees of the College or University and receive no remuneration or benefits from their trusteeship of the College. Those trustees who are 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, the voting members of which are Old Members of the College not in receipt of remuneration from the College. Where possible, remuneration is set in line with that awarded to the University's academic staff or comparable College posts.

The remuneration of senior College staff is set by the Governing Body with reference to scales applied to academic-related staff in the University.

Organisational management

The members of the Governing Body meet ten times a year. The work of developing their policies and monitoring the implementation of these is carried out by six primary committees:

- The Estates and Finance Committee includes the Provost, Bursar, two former holders of the office of Estates Bursar, and four further Fellows, and meets nine times per year. The Finance Officer attends meetings. The role of the Committee is to examine the management of the College's property and assets and all matters connected with the finances of the College.
- The Domus Committee includes the Provost, Bursar, Dean, Tutor for Undergraduates, IT Fellow, Steward of Common Room, and two elected Fellows, and meets six times per year. The Chaplain, Domestic Bursar, IT Officer and Conference and Functions Officer attend meetings together with student representatives. The Committee oversees the use of facilities, routine maintenance and refurbishment, accommodation and catering, IT provision, and conference and trading activities.
- The Academic Committee includes the Provost, Senior Tutor, Tutor for Undergraduates, Tutor for Graduates, Tutor for Admissions, and at least two further Fellows, together with two student representatives, and meets six times per year. It oversees the academic activities of the College and in particular makes recommendations to the Governing Body in relation to academic appointments, strategy, feedback, and governance.
- The Development Committee consists of the Provost, Bursar, two further Fellows, and a number of Old Members, and meets three times per year. The Director of Development and Old Members' Officer attend meetings. Its role is to maintain good relationships with Old Members of the College and to oversee the College's fundraising activities.
- The Personnel Committee consists of the Provost, Bursar, Senior Tutor, Equalities Officer, and two further Fellows. The Domestic Bursar attends meetings. Its role is to consider personnel matters that relate to the non-academic employees of the College.
- The Remuneration Committee meets to consider the remuneration of members of the Governing Body. The Committee consists of seven members elected by the Governing Body from among the Honorary, Emeritus, and Professorial Fellows, and Old Members of the College who are not members of the Governing Body. It is attended by the Provost and another Fellow who acts as secretary. No voting member of the committee may draw a stipend from the College.

The day-to-day running of the College is delegated to the Provost, supported by College Officers and other senior staff. The Provost normally chairs all meetings of the Governing Body and its committees.

Group structure and relationships

The College also administers many trusts and specific funds, as outlined in notes 19 and 20 to the financial statements, and has two wholly owned non-charitable subsidiaries: The Queen's College Oxford Trading Limited ("QCOTL"; a company registered in England and Wales, number 07192549) and The Queen's College Oxford Developments Limited ("QCODL"; a company registered in England and Wales, number 09668661).

QCOTL primarily provides letting of the College facilities for conference and other events when not in use by the College. Any profits are donated to the College through Gift Aid.

QCODL provides design and development services in respect of the College's buildings. Any profits are donated to the College through Gift Aid.

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 are to maintain a College for the advancement of education and research and the advancement of religion.

The College's aims for the public benefit are:

- (1) The advancement of education and research for the benefit of the public, in a range of subject areas as determined from time to time by its Governing Body, including through: (a) the provision of teaching, supervision, accommodation and other forms of support for undergraduate and graduate students; and (b) the provision of a Library which shall include works for consultation by qualified scholars.
- (2) The advancement of religion for the benefit of the public, including through the provision of a Chapel affiliated with the Church of England and through the holding of services and associated events.

The Governing Body is mindful of the long-standing requirement to provide public benefit and of the disclosure requirements of the Charities Act 2011. In this connection the Governing Body has monitored closely the general and supplemental guidance produced by the Charity Commission, in particular its public benefit guidance on advancement of education and on fee-charging.

Activities and objectives of the College and subsidiaries

- (1) To carry out education and research activities jointly with the University. This involves payment of salaries and the provision of infrastructure including office space and administrative support.
- (2) To supplement the education provided jointly with the University with tutorial teaching provided by College-only appointed teachers, and by provision of its own Library and IT facilities, and welfare, social, cultural and recreational facilities to enable each of its students to realise their academic and personal potential to its fullest extent.
- (3) To supplement the research activities it promotes jointly with the University by providing College-only funded research Fellowships and by providing an environment for interaction between researchers. In addition it provides funding in support of their research to members of the College, and provides facilities for visiting researchers, including access to a valued research Library.
- (4) To admit undergraduate and graduate students without any restriction subject only to satisfaction of publicised academic criteria. Tuition fees are regulated on a national basis. The College accommodates almost all of its undergraduates and roughly one half of its graduates. For such costs and other costs Home/EU undergraduate students are eligible for student loans under the national scheme and for Oxford Bursaries on a means-tested basis.
- (5) To provide various forms of financial assistance to both undergraduate and graduate students through prizes, scholarships, and grants to allow them to pursue projects which further their studies, and to provide targeted support in cases of hardship.
- (6) To support a number of access-related activities, provided to ensure that the information needed to apply for admission to the University is disseminated as widely as possible.
- (7) To provide and support a Chapel affiliated with the Church of England and through the holding of daily services and associated events that are open to the public. The employment of a Chaplain facilitates the above and provides ministry to all students without regard to religious affiliation. The College maintains a Chapel Choir which complements and enhances the liturgy.

The aim of The Queen's College Oxford Trading Limited is to provide financial support for the achievement of the College's aims as set out above.

The aim of The Queen's College Oxford Developments Limited is to provide design and development services in respect of the College's buildings.

The College admitted 96 new undergraduate students and 75 postgraduate students during the year, bringing the total numbers in residence to 311 and 185 respectively, plus two registered visiting students. One tutorial Fellow resigned to take up a post overseas; a replacement was successfully appointed. Two new full-time and two new part-time College Lecturers were appointed to supplement the teaching provided by Fellows. Five Research Fellows were appointed. Three residential Junior Deans were re-appointed from among the graduate students of the College and a fourth Junior Dean from another college.

College representatives ran over 50 events to address pupils from groups of schools to explain the admissions procedure and the benefits of studying at Oxford. These events involved over 1,350 prospective applicants from over 60 schools (this figure includes schools visiting through combined college events). The College's commitment to improving access to higher education for all, and in particular for those from backgrounds without a strong tradition of university education, was affirmed by the resources allocated to Schools Liaison and Outreach, where a total of £108,762 was spent in the year.

The College believes that the best academic work takes place in a balanced environment; it supported undergraduate sport, music and other non-academic activities during the year. £110,501 was spent in support of all sports, £24,105 in support of music (in addition to support of the Chapel Choir), and £30,047 on the student common rooms.

The Library was open to students 24 hours a day during all three terms. It purchased new resources as required in support of the students at a cost of £29,336.

Members of the College were very active in research in a wide range of fields. The College supported this work with research grants and allowances to a total of £62,303. This contribution makes a significant difference to the final quality of work that can be achieved in many disciplines.

81 choral services were held over the year (mainly on Sunday, Wednesday, and Friday evenings) and attracted significant numbers of local residents as well as students and Fellows. The Chaplain is much involved in counselling and in the pastoral care of the College.

Public benefit

The College remains committed to the aim of providing public benefit in accordance with its founding principles.

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

It provides accommodation and meals to students at reasonable rates. It offers accommodation to all of the undergraduate body and to roughly half of the graduates, including all of those in their first year of study. The yearly level of subsidy applied by the College to these costs is estimated at £1,422 per capita. In order to assist undergraduates entitled to financial support the College provides funds to the Oxford Bursary Scheme. For the academic year 2016–17 the number of awards made to Queen's students was 55, the total value of which was £117,025. A further 14 Queen's students were awarded Moritz-Heyman Scholarships, providing bursaries of £65,600 in total and fee reductions of £59,000. In addition the College awarded 30 Scholarships, each with a value of £450, 48 Junior Scholarships, each with a value of £300, and 13 Exhibitions, each with a value of £150, to undergraduates on academic merit, without reference to background. To support the costs of graduate students the College made a number of Scholarship awards, including a small number of fully funded studentships for both fees and living costs, to a total value of £231,502. In addition the College operates a targeted Hardship Scheme, which makes awards to both undergraduates and graduates up to a total value of £15,000.

The College provides academic support to students through book and equipment grants and an academic travel grant scheme which together made awards totalling £57,447 in 2016–17.

The College operates an outreach programme to raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to the College. It employs a full-time Schools Liaison and Outreach Officer and the programme involves visits by schools to the College, open days, and guidance and information to applicants and teachers.

During term-time the Chapel hosts daily morning and evening services on weekdays (the evening service taking the form of Choral Evensong on Wednesdays and Fridays), and Holy Communion and Choral Evensong on

Sundays. All services are open to the public and Choral Evensong, in particular, is very well attended thanks, in part, to the outstanding quality of the Chapel Choir. The Choir also sang for several external events around the country and toured Taiwan during the 2017 Easter vacation.

The College has a substantial programme of musical performances that are well attended by the public, including weekly organ and instrumental recitals. In addition the College hosts, free of charge, a number of concerts by Oxford-based ensembles, including the now-celebrated Oxford Lent Concerts, the proceeds from which are donated to charities.

As well as providing an excellent service to current members of the College, the Library holds an outstanding collection of pre-1800 books and manuscripts, many of which are unique. 153 external readers consulted 453 items from the special collections. In addition, a substantial number of public interest visits to the Library to view the building and parts of the collection were hosted. An underground extension to the Library was completed in May 2017, which has resulted in a significant expansion of reader spaces and greatly improved storage conditions for the historic collections and archives.

The College maintains a sports ground, primarily for the use of its members, but which is also used extensively by local clubs, especially during the vacations.

ACHIEVEMENTS AND PERFORMANCE

91 undergraduates passed final examinations in June 2017, including 37 with first class honours, and during the course of the 2016–17 academic year 17 graduates completed doctoral research degrees. A further 26 completed graduate taught courses and five completed the Clinical Medicine (BM BCh) degree.

In the financial year 2016–17 the College received £4,626,000 in gifts from Old Members and other benefactors. The College is very grateful for this generous support. Total income received in donations exceeded expectations, which was partly the result of a successful fund-raising effort for the new underground extension to the Library. The sums spent to raise these donations were in line with the College's expectations.

QCOTL undertook the letting of College facilities to various clients. Turnover was in line with expectations.

QCODL contracted with the College to undertake the procurement of the extension to the Library. The project was completed in May 2017, behind schedule but well within budgetary expectations.

FINANCIAL REVIEW

The College's financial performance during the year was satisfactory. Income from charitable activities was in line with in-year forecasts, and fund-raising receipts were boosted by efforts to attract support for the new underground extension to the Library. Total expenditure, including significant capital expenditure on the underground extension to the Library, was well within budget.

Net income before gains was £4,288,000. The increase in net income compared with last year was primarily caused by the increase in donations and legacies received.

The endowment assets produced a total return of 15.2%, of which 13.7% was capital growth. This was an acceptable result, reflecting to a significant extent the high returns seen in global equity markets over the year. At the end of the year the funds of the College had increased from £288,652,000 to £329,033,000 net of long term borrowings of £27,000,000.

Long-term borrowings fell compared with the previous year due to the impending repayment of an £8,000,000 loan at the expiry of its term after the end of the financial year; a new facility for the same amount was arranged and drawn down after the end of the financial year.

Reserves policy

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

Total funds of the College and its subsidiaries at the year-end amounted to £329,033,000 (2016: £288,652,000). This includes endowment capital of £262,198,000 and unspent restricted income funds totalling £7,137,000. Free reserves at the year-end amounted to £6,515,000 (2016: £5,528,000), representing retained unrestricted income reserves excluding an amount of £31,186,000 for the book value of tangible fixed assets less associated funding arrangements. Designated funds at the year-end consisted of £21,997,000 (2016: £17,274,000) for the maintenance and refurbishment of the College's buildings, to be spent as required and usually within 10 years.

The statuses of the College's funds, including free and designated reserves, are described in notes 19 and 20 to the financial statements. The Governing Body, advised by the Estates and Finance Committee, has determined the reserves to be sufficient and in line with the reserves policy.

Risk management

The College has processes which operated throughout the financial year to identify, evaluate and manage the principal risks and uncertainties faced by the College and its subsidiaries in undertaking their activities. When it is not able to assess risks using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies, procedures, and the risk register are reviewed by the relevant College committee, chaired by the Provost. Financial and investment risks are assessed by the Estates and Finance Committee. In addition, the Domestic Bursar and domestic heads of sections meet regularly to review health and safety and personnel matters. The College has instituted a continuous programme of monitoring and improvement in health and safety matters, with advice regularly provided by suitably qualified personnel. 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 Governing Body, which has ultimate responsibility for managing any risks faced by the College, has reviewed the processes in place for managing risk and the principal identified risks to which the College and its subsidiaries are exposed, and has concluded that adequate systems are in place to manage these risks. In particular, the Governing Body has identified and reviewed a register of risks in the following areas: governance, finances, academic matters, and operations. Specific risks considered include: governance processes (including conflicts of interests), relations with the University of Oxford (including divergences in strategic priorities), compliance risks (including the implementation of measures to address the General Data Protection Regulation), the financial health of the College, major capital projects, personnel matters (including the challenges posed by the high housing costs of Oxford), the condition of College buildings, health and safety, and business continuity.

Investment policy, objectives and performance

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

- maintaining (at least) the value of the investments in real terms over the long term;
- producing a consistent and sustainable level of income to support expenditure; and
- delivering these objectives 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. In line with this approach, the College statutes allow the College to invest permanent endowments to maximise the related total return and to make available for expenditure each year an appropriate proportion of the unapplied total return. The initial value of the trust for investment and the initial value of the unapplied total return were established on 25 June 2011 and take effect from 1 August 2002. These values were established by examination, to the extent reasonably possible, of the terms (where known) of historical benefactions to the College.

The investment strategy, policy, and performance are monitored by the Estates and Finance Committee. At the year end, the College's long term investments, combining the securities and property investments, totalled £311,363,000.

Under the total return accounting basis, it is the Governing Body's policy to extract as income a percentage of the total endowment value. The figure depends on the split between property and securities and in the current year was 3.32% (plus the costs of running the endowment). To smooth and moderate the amounts withdrawn this figure is calculated using the average of the year-end endowment values in each of the last five years, corrected for inflation.

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 core elements of the College's future plans as agreed by the Governing Body are:

- to work with the University of Oxford to identify, encourage applications from, and offer places to, prospective students solely on the basis of their academic excellence and potential to benefit from the opportunities provided by the College;
- to provide the best possible environment for the scholarly pursuit of knowledge in the arts, sciences, humanities, and social sciences, including the provision of individual or small-group teaching and supervision and the support of academic research, and to support and encourage members of the College in ways that will help them to achieve their full academic potential;
- to increase support for members of the College who would otherwise be unable to engage fully in scholarly pursuit as a consequence of financial disadvantage or disability;
- to ensure the long-term financial security of the College, and the integrity of its residential and educational facilities.

Specific development plans have been agreed, where necessary, for the separate departments within the College to ensure that the College continues to enhance its ability to provide a first-class education in an academic environment rooted in research. In the year 2017–18 the College will:

- continue to make efforts to improve the academic results attained by its undergraduates;
- consider alternatives to the planned refurbishment of the Florey Building;
- continue to devise and implement a new student accommodation strategy;
- develop a masterplan for the refurbishment and improvement of various facilities in Front Quad.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

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

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

- select the most suitable accounting policies and then apply them consistently;
- make 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 departures which are explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 it to ensure that the financial statements comply with the Charities Act 2011. It is 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 29 November 2017 and signed on its behalf by:

Prof P A Madden
Provost

The Queen's College, Oxford

Independent auditor's report to the members of the Governing Body of The Queen's College, Oxford

Opinion

We have audited the financial statements of The Queen's College, Oxford (the "Charity") for the year ended 31 July 2017 which comprise the Statement of Accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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.

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 2017 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

The Queen's College, Oxford

Independent auditor's report to the members of the Governing Body of The Queen's College, Oxford

Matters on which we are required to report by exception

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

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

Responsibilities of the members of the Governing Body

As explained more fully in the Statement of Accounting and Reporting Responsibilities (set out on page 12), the members of the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Critchleys Audit LLP

Statutory Auditor

Oxford

[date]

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

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SoFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its wholly owned subsidiaries, The Queen's College Oxford Trading Limited and The Queen's College Oxford Developments 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 subsidiaries. No separate SoFA has been presented for the College alone as currently permitted by the Charity Commission on a concessionary basis for the filing of consolidated financial statements. A summary of the results and financial position of the charity and each of its material subsidiaries for the reporting year are disclosed in note 13.

2. Basis of accounting

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

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

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

3. Accounting judgements and estimation uncertainty

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

The College carries investment property at fair value in the balance sheet, with changes in fair value being recognised in the income and expenditure section of the SoFA. Independent valuations are obtained to determine fair value at the balance sheet date.

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

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

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, HEFCE support and other charges for services

Fees receivable, HEFCE support and charges for services and use of the premises are recognised in the period in which the related service is provided.

b. Income from donations, grants and legacies

Donations and grants that do not impose specific future performance-related or other specific conditions are recognised on the date on which the charity has entitlement to the resource, the amount can be reliably measured and the economic benefit to the 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 accrual basis with interest recognised in the period to which the interest relates.

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

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

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

5. Expenditure

Expenditure is accounted for on an accruals basis. A liability and related expenditure is recognised when a legal or constructive obligation commits the 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 (the SoFA).

Support costs, which include 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. Leases

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

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

7. Tangible fixed assets

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

Expenditure on the acquisition or enhancement of land and on the acquisition, construction and enhancement of buildings which is directly attributable to bringing the asset to its working condition for its

intended use and amounting to more than £10,000 together with expenditure on equipment costing more than £10,000 is capitalised.

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

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

8. Depreciation

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

Freehold properties, including major extensions	50 years
Leasehold properties	50 years or period of lease if shorter
Building improvements	10 - 50 years
Equipment	4 - 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.

9. 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 has chosen to hold heritage assets at cost, but 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, the depreciated historic cost of these items is considered to be now immaterial.

10. Investments

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

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

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

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.

11. Other financial instruments

a. 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.

b. 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 (which are

not classified as concessionary loans) and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

12. Stocks

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

13. Foreign currencies

The functional and presentation currency of the 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 except when deferred and initially credited or charged in 'other recognised gains and losses' as qualifying cash flow hedges.

14. 'Total return' investment accounting

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

15. Fund accounting

The total funds of the College and its subsidiaries 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 to 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 are to 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.

16. 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.

The Queen's College, Oxford
Consolidated Statement of Financial Activities
For the year ended 31 July 2017

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2017 Total £'000	2016 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:	1					
Teaching, research and residential		4,769	-	-	4,769	4,986
Other Trading Income	3	686	-	-	686	548
Donations and legacies	2	-	1,042	3,584	4,626	1,295
Investments						
Investment income	4	458	83	4,733	5,274	4,749
Total return allocated to income	14	6,227	898	(7,125)	-	-
Other income	9	2	-	-	2	-
Total income		12,142	2,023	1,192	15,357	11,578
EXPENDITURE ON:						
Charitable activities:	5					
Teaching, research and residential		8,232	813	110	9,155	9,543
Generating funds:						
Fundraising		104	-	-	104	130
Trading expenditure		402	-	-	402	295
Investment management costs		123	22	1,263	1,408	1,253
Total Expenditure		8,861	835	1,373	11,069	11,221
Net Income/(Expenditure) before gains		3,281	1,188	(181)	4,288	357
Net gains/(losses) on investments	11, 12	3,069	992	32,032	36,093	24,806
Net Income/(Expenditure)		6,350	2,180	31,851	40,381	25,163
Transfers between funds	19	4,388	(898)	(3,490)	-	-
Net movement in funds for the year		10,738	1,282	28,361	40,381	25,163
Fund balances brought forward	19	48,960	5,855	233,837	288,652	263,489
Funds carried forward at 31 July		59,698	7,137	262,198	329,033	288,652

The Queen's College, Oxford
Consolidated and College Balance Sheets
As at 31 July 2017

	Notes	2017 Group £'000	2016 Group £'000	2017 College £'000	2016 College £'000
FIXED ASSETS					
Tangible assets	9	31,186	26,158	31,186	26,158
Heritage assets	10	-	-	-	-
Property investments	11	81,799	75,470	81,799	75,470
Other Investments	12	229,564	199,264	229,564	199,264
Total Fixed Assets		342,549	300,892	342,549	300,892
CURRENT ASSETS					
Stocks		411	386	411	386
Debtors	15	1,372	1,824	1,374	5,494
Cash at bank and in hand		22,466	24,203	22,306	20,289
Total Current Assets		24,249	26,413	24,091	26,169
LIABILITIES					
Creditors: Amounts falling due within one year	16	9,602	2,388	9,444	2,144
NET CURRENT ASSETS		14,647	24,025	14,647	24,025
TOTAL ASSETS LESS CURRENT LIABILITIES		357,196	324,917	357,196	324,917
CREDITORS: falling due after more than one year	17	26,846	34,841	26,846	34,841
NET ASSETS BEFORE PENSION LIABILITY		330,350	290,076	330,350	290,076
Defined benefit pension scheme liability	23	1,317	1,424	1,317	1,424
TOTAL NET ASSETS		329,033	288,652	329,033	288,652
FUNDS OF THE COLLEGE					
Endowment funds	19	262,198	233,837	262,198	233,837
Restricted funds	19	7,137	5,855	7,137	5,855
Unrestricted funds	19				
Designated funds		53,183	43,432	53,183	43,432
General funds		6,515	5,528	6,515	5,528
		329,033	288,652	329,033	288,652

The financial statements were approved and authorised for issue by the Governing Body of The Queen's College, Oxford on 29 November 2017

Trustee:

Trustee:

The Queen's College, Oxford
Consolidated Statement of Cash Flows
For the year ended 31 July 2017

	Notes	2017 £'000	2016 £'000
Net cash used in operating activities	26	(4,469)	(4,413)
Cash flows from investing activities			
Dividends, interest and rents from investments		5,274	4,749
Proceeds from the sale of property, plant and equipment		2	-
Purchase of property, plant and equipment		(5,592)	(5,579)
Proceeds from sale of investments		2,848	2,784
Purchase of investments		(3,384)	(95)
Net cash provided by investing activities		(852)	1,859
Cash flows from financing activities			
Cash inflows from new borrowing		-	19,841
Receipt of endowment		3,584	937
Net cash provided by financing activities		3,584	20,778
Change in cash and cash equivalents in the reporting period		(1,737)	18,224
Cash and cash equivalents at the beginning of the reporting period		24,203	5,979
Cash and cash equivalents at the end of the reporting period	27	22,466	24,203

The Queen's College, Oxford
Notes to the financial statements
For the year ended 31 July 2017

1 INCOME FROM CHARITABLE ACTIVITIES

	2017	2016
	£'000	£'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	1,358	1,431
Tuition fees - Overseas students	648	544
Other HEFCE support	245	238
Other academic income	56	72
College residential income	2,462	2,701
Total Teaching, Research and Residential	4,769	4,986
 Total income from charitable activities	 4,769	 4,986

The above analysis includes £1,643k received from the University of Oxford from publicly accountable funds under the CFF scheme (2016: £1,620k).

Under the terms of the undergraduate student support package offered by the University of Oxford to students from lower income households, the College share of the fees waived amounted to £17k (2016: £30k). These are not included in the fee income reported above.

2 DONATIONS AND LEGACIES

	2017	2016
	£'000	£'000
Donations and Legacies		
Restricted funds	1,042	358
Endowed funds	3,584	937
	4,626	1,295

3 INCOME FROM OTHER TRADING ACTIVITIES

	2017	2016
	£'000	£'000
Subsidiary company trading income	686	548
	686	548

4 INVESTMENT INCOME

	2017	2016
	£'000	£'000
<i>Unrestricted funds</i>		
Agricultural rent	54	43
Commercial rent	230	179
Other property income	-	6
Equity dividends	171	146
Bank interest	3	5
	458	379
<i>Restricted funds</i>		
Agricultural rent	10	9
Commercial rent	41	36
Other property income	-	1
Equity dividends	31	29
Bank interest	1	1
	83	76
<i>Endowed funds</i>		
Agricultural rent	554	486
Commercial rent	2,378	2,028
Other property income	-	64
Equity dividends	1,766	1,658
Bank interest	35	58
	4,733	4,294
Total Investment income	5,274	4,749

The Queen's College, Oxford
Notes to the financial statements
For the year ended 31 July 2017

5 ANALYSIS OF EXPENDITURE

	2017	2016
	£'000	£'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	4,600	4,605
Other direct costs allocated to:		
Teaching, research and residential	3,261	3,655
Support and governance costs allocated to:		
Teaching, research and residential	1,294	1,283
Total charitable expenditure	<u>9,155</u>	<u>9,543</u>
Expenditure on generating funds		
Direct staff costs allocated to:		
Fundraising	84	83
Trading expenditure	92	89
Other direct costs allocated to:		
Fundraising	20	47
Trading expenditure	239	137
Investment management costs	266	223
Support and governance costs allocated to:		
Trading expenditure	71	69
Investment management costs	1,142	1,030
Total expenditure on generating funds	<u>1,914</u>	<u>1,678</u>
Total expenditure	<u>11,069</u>	<u>11,221</u>

The 2016 resources expended of £11,221k represented £9,218k from unrestricted funds, £772k from restricted funds and £1,231k from endowed funds.

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

The teaching and research costs include College Contribution payable of £235k (2016 - £240k).

The Queen's College, Oxford
Notes to the financial statements
For the year ended 31 July 2017

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	2017 Total £'000
Financial administration	334	447	781
Human resources	-	40	40
IT	30	171	201
Depreciation	-	564	564
Loan interest payable	849	-	849
Other finance charges	-	52	52
Governance costs	-	20	20
	1,213	1,294	2,507

	Generating Funds £'000	Teaching and Research £'000	2016 Total £'000
Financial administration	296	395	691
Human resources	-	35	35
IT	30	221	251
Depreciation	-	562	562
Loan interest payable	773	-	773
Other finance charges	-	55	55
Governance costs	-	15	15
	1,099	1,283	2,382

Financial and domestic administration, IT and human resources costs are attributed according to the estimated staff time spent on each activity.

Depreciation costs and profit or loss on disposal of fixed assets are attributed according to the use made of the underlying assets.

Interest and other finance charges are attributed according to the purpose of the related financing.

Governance costs are allocated to teaching and research.

	2017 £'000	2016 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	20	15
	20	15

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.

The Queen's College, Oxford
Notes to the financial statements
For the year ended 31 July 2017

7	GRANTS AND AWARDS	2017 £'000	2016 £'000
During the year the College funded research awards and bursaries to students from its restricted and unrestricted funds as follows:			
Unrestricted funds			
Grants to individuals:			
	Scholarships, prizes and grants	67	42
	Bursaries and hardship awards	104	98
	Graduate Studentships	45	67
Total unrestricted		216	207
Restricted funds			
Grants to individuals:			
	Scholarships, prizes and grants	57	60
	Bursaries and hardship awards	5	4
	Graduate Studentships	131	108
Total restricted		193	172
Total grants and awards		409	379

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £183k (2016: £179k). Some of those students also received fee waivers amounting to £59k (2016: £83k).

The above costs are included within the charitable expenditure on teaching and research.

The Queen's College, Oxford
Notes to the financial statements
For the year ended 31 July 2017

8 STAFF COSTS

	2017	2016
	£'000	£'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	4,496	4,429
Social security costs	399	344
Pension costs:		
Defined benefit schemes (Note 23)	612	659
Other benefits	35	35
	5,542	5,467

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

	2017	2016
Tuition and research	30	34
College residential	75	74
Fundraising	4	4
Support	38	43
Total	147	155

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

University Lecturers	18	20
CUF Lecturers	8	10
Other teaching and research	1	1
Other	2	2
Total	29	33

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	4	2
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The number of the above employees with retirement benefits accruing was as follows:

In defined-benefits schemes	4	2
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The Queen's College, Oxford
Notes to the financial statements
For the year ended 31 July 2017

9 TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At start of year	31,633	50	31,683
Additions	5,574	18	5,592
Disposals	-	(12)	(12)
At end of year	37,207	56	37,263
Depreciation and impairment			
At start of year	5,495	30	5,525
Depreciation charge for the year	552	12	564
Depreciation on disposals	-	(12)	(12)
At end of year	6,047	30	6,077
Net book value			
At end of year	31,160	26	31,186
At start of year	26,138	20	26,158
College	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At start of year	31,633	50	31,683
Additions	5,574	18	5,592
Disposals	-	(12)	(12)
At end of year	37,207	56	37,263
Depreciation and impairment			
At start of year	5,495	30	5,525
Charge for the year	552	12	564
On disposals	-	(12)	(12)
At end of year	6,047	30	6,077
Net book value			
At end of year	31,160	26	31,186
At start of year	26,138	20	26,158

During 2017 the College disposed of a motor vehicle. The profit on disposal was included in other income. No other disposals occurred in the year under review.

The College has long-held historic assets which are used in the course of the College's teaching and research activities. These principally comprise the listed buildings on the College site. 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 College has long-held heritage assets. These comprise 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.

There have been no material acquisitions or disposals of heritage assets in recent years and there is no standing policy to acquire or dispose of such assets. Heritage assets are conserved and managed by College officers and relevant members of staff, who take external professional advice when judged necessary. The College maintains catalogues of its heritage assets. Access to heritage assets, subject to risk assessment, is granted to those for whom they are the necessary subject of legitimate academic research.

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11 PROPERTY INVESTMENTS

Group	Agricultural £'000	Commercial £'000	Other £'000	2017 Total £'000	2016 Total £'000
Valuation at start of year	41,375	33,143	952	75,470	72,739
Additions and improvements at cost	-	3,384	-	3,384	95
Disposals	(737)	(268)	-	(1,005)	(1,401)
Revaluation gains/(losses) in the year	1,128	2,863	(41)	3,950	4,037
Valuation at end of year	41,766	39,122	911	81,799	75,470
College	Agricultural £'000	Commercial £'000	Other £'000	2017 Total £'000	2016 Total £'000
Valuation at start of year	41,375	33,143	952	75,470	72,739
Additions and improvements at cost	-	3,384	-	3,384	95
Disposals	(737)	(268)	-	(1,005)	(1,401)
Revaluation gains/(losses) in the year	1,128	2,863	(41)	3,950	4,037
Valuation at end of year	41,766	39,122	911	81,799	75,470

A formal valuation of the agricultural properties was prepared by Smiths Gore (now Savills) as at 31 July 2013. This valuation was updated to 31 July 2017.

A formal valuation of the commercial and other properties was prepared by Lambert Smith Hampton as at 31 July 2013. This valuation was updated to 31 July 2017.

12 OTHER INVESTMENTS

All investments are held at fair value.

	2017 £'000	2016 £'000
Group investments		
Valuation at start of year	199,264	179,878
Amounts withdrawn	(1,843)	(1,383)
(Decrease)/increase in value of investments	32,143	20,769
Group investments at end of year	229,564	199,264
College investments at end of year	229,564	199,264
Group investments comprise:		
	2017 Total £'000	2016 Total £'000
Equity investments	200,345	172,478
Alternative and other investments	29,219	26,786
Total group investments	229,564	199,264

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13 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in The Queen's College Oxford Trading Limited ("QCOTL"), a company providing letting of the College facilities for conference and other events when not in use by the College, and 100% of the issued share capital in The Queen's College Oxford Developments Limited ("QCODL"), a company providing design and development services in respect of the College's buildings.

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

	Parent College £'000	QCOTL £'000	QCODL £'000
Income	15,073	686	3,746
Expenditure	(11,139)	(402)	(3,676)
Donation to College under gift aid	354	(284)	(70)
Investment gains	36,093	-	-
Net income for the year	40,381	-	-
Total assets	366,515	119	164
Total liabilities	(37,482)	(119)	(164)
Net funds at the end of year	329,033	-	-

14 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns with effect from 1 August 2002. The investment return to be applied as income is based on the return on the classes of investments held and the average of the year-end values of the relevant investments in each of the last five years, adjusted for inflation. The preserved (frozen) value of the invested endowment capital represents its open market value in 2002 together with all subsequent endowments valued at date of gift.

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
At the beginning of the year:					
Gift component of the permanent endowment	77,624		77,624		77,624
Unapplied total return		136,628	136,628		136,628
Expendable endowment				19,585	19,585
Total Endowments	77,624	136,628	214,252	19,585	233,837
Movements in the reporting period:					
Gift of endowment funds	2,457		2,457	1,127	3,584
Investment return: total investment income		4,325	4,325	408	4,733
Investment return: realised and unrealised gains and losses		29,242	29,242	2,790	32,032
Less: Investment management costs		(1,154)	(1,154)	(109)	(1,263)
Other transfers				(3,600)	(3,600)
Total	2,457	32,413	34,870	616	35,486
Unapplied total return allocated to income in the reporting period		(6,655)	(6,655)	(470)	(7,125)
Expendable endowments transferred to income			-		-
	-	(6,655)	(6,655)	(470)	(7,125)
Net movements in reporting period	2,457	25,758	28,215	146	28,361
At end of the reporting period:					
Gift component of the permanent endowment	80,081	-	80,081		80,081
Unapplied total return		162,386	162,386		162,386
Expendable endowment				19,731	19,731
Total Endowments	80,081	162,386	242,467	19,731	262,198

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15 DEBTORS

	2017 Group £'000	2016 Group £'000	2017 College £'000	2016 College £'000
Amounts falling due within one year:				
Trade debtors	422	235	304	220
Amounts owed by College members	139	175	139	175
Amounts owed by Group undertakings	-	-	120	101
Loans repayable within one year	87	103	87	103
Prepayments and accrued income	35	442	35	4,027
Amounts falling due after more than one year:				
Loans	689	869	689	868
	1,372	1,824	1,374	5,494

16 CREDITORS: falling due within one year

	2017 Group £'000	2016 Group £'000	2017 College £'000	2016 College £'000
Bank loans (<i>Note 17</i>)	8,000	-	8,000	-
Trade creditors	133	586	133	174
Amounts owed to Group undertakings	-	-	-	121
Taxation and social security	215	-	181	239
College contribution	235	235	235	235
Accruals and deferred income	606	1,191	482	999
Other creditors	413	376	413	376
	9,602	2,388	9,444	2,144

17 CREDITORS: falling due after more than one year

	2017 Group £'000	2016 Group £'000	2017 College £'000	2016 College £'000
Bank loans	7,000	15,000	7,000	15,000
Senior Notes	19,846	19,841	19,846	19,841
	26,846	34,841	26,846	34,841

The bank loans and senior notes are unsecured.

The bank loan due after more than one year is due for repayment in 2038.

A second loan for £8m was repaid in September 2017 at the expiry of its term and has therefore been included in creditors falling due within one year.

A new loan facility for the same value was arranged and drawn down in November 2017. This is due for repayment in 2022.

On 24 September 2015 the College issued £20m of senior notes, with a coupon of 3.41% payable semi-annually in arrears, maturing on 24 September 2045. The fees for the notes are being amortised over the term of the notes.

All loans are included at amortised cost as they are classified as basic financial instruments.

18 PROVISIONS FOR LIABILITIES AND CHARGES

There are no provisions for liabilities and charges requiring disclosure.

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19 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2016 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2017 £'000
Endowment Funds - Permanent						
Corpus Permanent Endowment	154,803	3,120	(833)	(4,802)	20,914	173,202
Endowment Funds	13,063	2,726	(72)	(414)	2,062	17,365
Trusts within College objects	46,168	931	(248)	(1,432)	6,237	51,656
Trusts outside College objects	218	4	(1)	(6)	29	244
Endowment Funds - Expendable						
Corpus Expendable Endowment	11,522	232	(118)	(302)	1,556	12,890
Donations Fund	4,805	1,238	(37)	(3,605)	794	3,195
Pension Fund	3,258	66	(64)	(54)	440	3,646
						-
Total Endowment Funds	233,837	8,317	(1,373)	(10,615)	32,032	262,198
Restricted Funds						
Trusts within College objects	2,807	57	(435)	532	379	3,340
Trusts outside College objects	116	2	(2)	7	16	139
Endowment funds	167	50	(252)	359	26	350
Specific funds	1,015	1,016	(146)	(898)	258	1,245
Specific balances	1,750				313	2,063
Total Restricted Funds	5,855	1,125	(835)	-	992	7,137
Unrestricted Funds						
General Funds	5,528	5,567	(7,162)	1,848	734	6,515
Fixed Assets Reserve	26,158		(564)	5,592		31,186
Building Fund	17,274	348	(1,135)	3,175	2,335	21,997
Total Unrestricted Funds	48,960	5,915	(8,861)	10,615	3,069	59,698
Unrestricted funds held by subsidiaries	-	-	-	-	-	-
Total Unrestricted Funds - Group	48,960	5,915	(8,861)	10,615	3,069	59,698
Total Funds	288,652	15,357	(11,069)	-	36,093	329,033

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20 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds:

Permanent

Corpus Permanent Endowment

A consolidation of gifts and donations where income, but not capital, can be used for the general purposes of the College

Endowment Funds

A consolidation of gifts and donations whose donor has specified that income but not capital may only be used for particular purposes within the College objects

Trusts within College objects

Capital element of gifts and donations held in formal trusts where income but not capital may be used for particular purposes within the College objects

Trusts outside College objects

Capital element of gifts and donations held in formal trusts where income but not capital may be used for particular purposes falling outside College objects

Expendable

Corpus Expendable Endowment

A consolidation of gifts and donations where either income, or income and capital, can be used for the general purposes of the College, but will normally be held for the long term

Donations Fund

A consolidation of gifts and donations where either income, or income and capital, can be used for the general purposes of the College, but will normally be held for the long term. During this year a transfer out was made in respect of the extension to the library which is reflected in the fixed assets reserve.

Pension Fund

A fund held for the payment of certain pensions where income and capital can be used for the purpose but will normally be held for the long term

Restricted Funds:

Trusts within College objects

Accumulated income from gifts and donations held in formal trusts which may be used for particular purposes within the College objects

Trusts outside College objects

Accumulated income from gifts and donations held in formal trusts which may be used for particular purposes outside the College objects

Endowment Funds

Accumulated income from gifts and donations whose donor has specified that income but not capital may only be used for particular purposes within the College objects

Specific funds

A consolidation of gifts and donations where the donor has specified they may only be used for particular purposes within the College objects

Specific balances

A consolidation of gifts and donations where the donor has specified they may only be used for particular purposes within the College objects and where the investment is held in particular assets specified by the donor

Unrestricted Funds:

General Funds

Fixed Assets Reserve

General Unrestricted Funds represent accumulated income from the College's activities and other sources that are available for the general purposes of the College

An allocation from general funds to represent the accumulated net book value of the College fixed assets

Designated Funds

Building Fund

Unrestricted Funds allocated by the Fellows for future costs of maintenance and refurbishment of College buildings

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2017 Total £'000
Tangible fixed assets	31,186	-	-	31,186
Property investments	4,397	1,469	75,933	81,799
Other investments	12,228	6,150	211,186	229,564
Net current assets	14,647	-	-	14,647
Long term liabilities	(2,760)	(482)	(24,921)	(28,163)
	<u>59,698</u>	<u>7,137</u>	<u>262,198</u>	<u>329,033</u>
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2016 Total £'000
Tangible fixed assets	26,158	-	-	26,158
Property investments	64	1,301	74,105	75,470
Other investments	166	5,155	193,943	199,264
Net current assets	24,025	-	-	24,025
Long term liabilities	(1,453)	(601)	(34,211)	(36,265)
	<u>48,960</u>	<u>5,855</u>	<u>233,837</u>	<u>288,652</u>

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22 TRUSTEES' REMUNERATION

The trustees of the College comprise the Governing Body, primarily Fellows who are teaching and research employees of the College and who sit on Governing Body by virtue of their employment.

No trustee receives any remuneration for acting as a trustee. However, those trustees who are also employees of the College receive salaries for their work as employees. Where possible, these salaries are paid on external scales and often are joint arrangements with the University of Oxford.

The Remuneration Committee meets to consider remuneration of members of the Governing Body. The Committee consists of six members elected by the Governing Body from among the Honorary, Emeritus and Professorial Fellows, and Old Members of the College who are not members of the Governing Body. It has been attended by the Provost and Dr R B Nickerson, who acts as secretary. No voting member of the Committee may draw a stipend or any other form of benefit from the College.

Trustees comprise Fellows holding University Lecturerships or statutory professorial chairs, and such other Fellows of the College as the Governing Body deems appropriate on the basis of the Statutes.

There were two trustees, Prof P A Madden (Provost) and Dr A Timms (Bursar) who worked full-time on management.

Some trustees are eligible for College housing schemes. Some may be eligible for a housing allowance which is disclosed within the salary figures below. Thirteen trustees live in houses partly funded by loans from the College. Details of these loans are disclosed in note 30.

Some trustees receive additional allowances for additional work carried out as part-time College officers. These amounts are included within the remuneration figures below.

Remuneration paid to trustees

Range	Number of Trustees	2017	Number of Trustees	2016
		Gross remuneration, taxable benefits and pension contributions £		Gross remuneration, taxable benefits and pension contributions £
£1 - £4,999	1	3,571	5	15,128
£5,000 - £9,999	4	28,646	0	0
£10,000 - £14,999	3	34,676	1	12,954
£15,000 - £19,999	0	0	1	16,361
£30,000 - £34,999	11	362,380	10	328,456
£35,000 - £39,999	1	35,917	3	107,768
£40,000 - £44,999	2	82,739	2	83,652
£50,000 - £54,999	1	53,784	1	54,198
£55,000 - £59,999	1	55,253	2	111,005
£60,000 - £64,999	3	187,552	3	190,133
£65,000 - £69,999	2	136,952	3	203,727
£70,000 - £74,999	1	71,850	1	71,062
£95,000 - £99,999	1	99,459	1	95,346
£115,000 - £119,999	0	0	1	118,997
£120,000 - £124,999	1	122,760	0	0
Total	32	1,275,539	34	1,408,787

6 (2016: 5) trustees are not employees of the College and do not receive remuneration.

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

Other transactions with trustees

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

See also note 30 (Related Party Transactions)

Key management remuneration

The total remuneration paid to key management personnel, including Employers National Insurance, was £1,391k (2016: £1,530k).

Under the terms of the Charities SORP all trustees are regarded as key management personnel. Their names and roles are detailed on pages 2 and 3 of this report.

23 PENSION SCHEMES

The College participates in the Universities Superannuation Scheme ("the USS") and the University of Oxford Staff Pension Scheme ("the OSPS") on behalf its staff. Both schemes are contributory defined benefit schemes (i.e. they provide benefits based on length of service and pensionable salary). The assets of the USS and the OSPS are each held in separate trustee-administered funds.

Both schemes are multi-employer schemes and the College is unable to identify its share of the underlying assets and liabilities of each scheme on a consistent and reasonable basis. Therefore, as required by FRS 102, the College accounts for the schemes as if they were defined contribution schemes.

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

Universities Superannuation Scheme

The pension charge for the year includes £381,000 (2016 - £363,000) in relation to the USS. This represents contributions of £362,000 payable to the USS as adjusted by the change in the deficit funding liability between the opening and closing balance sheet dates of £19,000.

USS's actuarial valuation as at 31 March 2014 takes into account the revised benefit structure effective 1 April 2016 agreed both by the Joint Negotiating Committee and the Trustee in July 2015 following the Employers' consultation which concluded in June 2015. Key changes agreed include: for Final Salary section members, the benefits built up to 31 March 2016 will be calculated as at that date using pensionable salary and pensionable service immediately prior to that date and going forwards will be revalued in line with increases in official pensions (currently CPI); all members will accrue a pension of 1/75th and a cash lump sum of 3/75ths of salary each year of service in respect of salary up to a salary threshold, initially £55,000 p.a., with the threshold applying from 1 October 2016; member contributions will be 8% of salary; a defined contribution benefit for salary in excess of the salary threshold at the total level of 20% (8% employee, 12% employer) of salary in excess of the salary threshold; and optional additional contributions payable into the defined contribution section from 1 October 2016 of which the first 1% of salary is to be matched by employer contributions. Further details about the changes may be reviewed on USS's website, www.uss.co.uk. For the period up to 1 April 2016 the employer deficit contribution was 0.7% p.a. of salaries based on the assumptions made. After allowing for those changes, the actuary established a long term employer contribution rate of 18% pa of salaries for the period from 1 April 2016 to 31 March 2031. On the assumptions made and with the salary threshold and defined contribution section implemented this gives rise to deficit contributions of at least 2.1% p.a of salaries. At 31 March 2016 USS reported that the funding deficit was £10.0 bn (83% funded). The valuation as at 31 March 2017 is underway.

A provision of £582,000 has been made at 31 July 2017 (2016 - £563,000) for the present value of the estimated future deficit funding element of the contributions payable under this agreement. In determining the level of this provision it has been assumed that the College will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary's projected long-term salary rate increases.

A copy of the full actuarial valuation report and other further details on the scheme are available on the USS website www.uss.co.uk

Oxford Staff Pension Scheme

The pension charge for the year includes £231,000 (2016 - £296,000) in relation to the OSPS. This represents contributions of £357,000 payable to the OSPS as adjusted by the change in the deficit funding liability between the opening and closing balance sheet dates of £126,000.

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

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

A provision of £735,000 has been made at 31 July 2017 (2016 - £861,000) for the present value of the estimated future deficit funding element of the contributions payable under this agreement. In determining the level of this provision it has been assumed that the College will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary's projected long-term salary rate increases.

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

Pension charge for the year

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

Scheme	2017 £'000	2016 £'000
Universities Superannuation Scheme	381	363
University of Oxford Staff Pension Scheme	231	296
	612	659

Included in other creditors and accruals are pension contributions payable of £85k (2016: £81k).

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24 TAXATION

The College is able to take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes.

No liability to corporation tax arises in the College's subsidiary companies because the directors of these companies have indicated that they intend to make donations each year to the College equal to the taxable profits of the company under the Gift Aid scheme. Accordingly no provision for taxation has been included in the financial statements.

25 FINANCIAL INSTRUMENTS

All loans are included at amortised cost as they are classified as basic financial instruments, as shown in note 17

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

	2017	2016
	Group	Group
	£'000	£'000
Net income/(expenditure)	40,381	25,163
Elimination of non-operating cash flows:		
Investment income	(5,274)	(4,749)
(Gains) in investments	(36,093)	(24,806)
Endowment donations received	(3,584)	(937)
Depreciation	564	562
(Surplus) on sale of fixed assets	(2)	-
(Increase) in stock	(25)	(24)
Decrease / (Increase) in debtors	452	(272)
(Decrease) / Increase in creditors	(781)	656
(Decrease) in pension scheme liability	(107)	(6)
Net cash used in operating activities	(4,469)	(4,413)

27 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017	2016
	£'000	£'000
Cash at bank and in hand	22,466	24,203
Total cash and cash equivalents	22,466	24,203

28 FINANCIAL COMMITMENTS

There are no financial commitments that require disclosure.

29 CAPITAL COMMITMENTS

In respect of the construction of an extension to its Library the College has a remaining capital commitment of £54k (2016: £3,652k).

30 RELATED PARTY TRANSACTIONS

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

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

The following trustees had loans outstanding from the College at the start and / or end of the year.

	2017	2016
	£'000	£'000
Aldridge S	47	52
Buckley M	79	87
Crowther C	98	110
Doye J	49	55
Gardner A	110	116
Lonsdale L	60	65
Louth C	26	31
Madden P	8	25
Meyer D	111	106
Owen NJ	14	18
Papazoglou P	20	96
Phalippou L	52	103
Rees OL	99	105

No interest is charged on the above loans, which are secured on the trustees' homes. This results in a benefit in kind which is included within the remuneration disclosed in note 22.

All loans are normally repayable within 20 years or on the departure of the trustee from the College if earlier.

Certain trustees made donations to the College during the year, totalling £7,743 (2016: £5,569).

31 CONTINGENT LIABILITIES

There are no contingent liabilities at the year end.

32 POST BALANCE SHEET EVENTS

As mentioned in note 17 above, a bank loan for £8m was repaid in September 2017 at the expiry of its term. A new loan facility for the same value was arranged and drawn down in November 2017.