

# Keble College

Annual Report and Financial Statements

Year ended 31 July 2018

**KEBLE COLLEGE**  
**Annual Report and Financial Statements**  
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## KEBLE COLLEGE

### Governing Body, Officers and Advisers

Year ended 31 July 2018

#### MEMBERS OF THE GOVERNING BODY

The Members of the Governing Body are the College's charity trustees under charity law. The Governing Body determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It is served by five principal committees:

- (1) Finance Committee
- (2) Investment Advisory Committee
- (3) Academic Committee
- (4) Development Committee
- (5) Remuneration Committee

The members of the Governing Body who served in office as Governors during the 2017-18 year or subsequently, and the membership of the five principal committees, are detailed below. In addition the Governing Body, the Finance Committee and the Academic Committee have non-voting student representatives.

		(1)	(2)	(3)	(4)	(5)
Sir Jonathan Phillips	Warden	•	•	•	•	
Mr RJ Boden	Bursar	•	•		•	
Dr AP Rogers	Senior Tutor			•		
Ms J Tudge	Director of Development				•	
Prof HL Anderson	Professorial Fellow					
Dr S Apetrei	Fixed Term Fellow in Theology					
Dr IW Archer	Fellow & Tutor in Modern History			•	•	
Dr LM Bendall	Fellow & Tutor in Archaeology and Anthropology					
Dr M Bevis	Fellow & Tutor in English			•		
Prof M Bockmuehl	Professorial Fellow	•				
Dr S Butt	Fellow & Tutor in Neurophysiology			•		
Prof H Byrne	Fellow & Tutor in Mathematics					
Prof SA Cameron	Fellow & Tutor in Computer Science					
Prof F Caron	Fellow & Tutor in Statistics	•				
Prof G-Q Chen	Professorial Fellow					
Dr M Clarke	Fellow & Tutor in Social Anthropology					
Prof U Coope	Professorial Fellow					
Prof N Eubank	Fellow & Tutor in Theology					
Revd Nevsky Everett	Chaplain					
Prof S Faulkner	Fellow & Tutor in Inorganic Chemistry					
Prof S Fletcher	Fellow & Tutor in Chemistry			•		
Prof N Gardini	Fellow & Tutor in Italian					
Prof C Gosden	Professorial Fellow					
Dr J Goudkamp	Fellow & Tutor in Law			•		
Dr B Greenhough	Fellow & Tutor in Geography	•				
Dr U Gruneberg	Fellow & Tutor in Exp. Pathology			•		
Dr ERF Harcourt	Fellow & Tutor in Philosophy					
Dr MN Hawcroft	Fellow & Tutor in French					
Prof T Higham	Fellow by Special Election					
Prof D Jaksch	Fellow & Tutor in Physics					
Prof TJ Jenkinson	Professorial Fellow		•			
Prof A Juhasz	Fellow & Tutor in Mathematics			•		
Prof SE Kearsey	Fellow & Tutor in Biology					
Prof R Klose	Professorial Fellow					
Prof V Mayer-Schonberger	Professorial Fellow				•	
Dr D McDermott	Fellow & Tutor in Politics					
Dr A-MS Misra	Fellow & Tutor in Modern History					
Prof P Newman	Professorial Fellow					
Prof S Payne	Fellow & Tutor in Engineering Science	•				
Prof WE Peel	Fellow & Tutor in Jurisprudence					

## KEBLE COLLEGE

### Governing Body, Officers and Advisers

Year ended 31 July 2018

		(1)	(2)	(3)	(4)	(5)
Prof D Purkiss	Fellow & Tutor in English Language & Literature					
Prof S Rayner	Professorial Fellow					
Prof G Reinert	Professorial Fellow					
Dr K Sheppard	Fellow & Tutor in Economics					
Dr H Smith	Fellow & Tutor in Economics	•				
Dr K Soonawalla	Fellow & Tutor in Management			•	•	
Prof J Tomlinson	Professorial Fellow					
Prof R Washington	Fellow & Tutor in Geography					
Prof S Whatmore	Professorial Fellow and Sub-Warden					

<b>Non-Trustee Committee Members</b>		(1)	(2)	(3)	(4)	(5)
Mr S Barnes	External				•	
Dr C Booth	Fellow by Special Election	•				
Mr J Buchanan	External					•
Mr M Chambers	External		•			
Mr A Dalkin	External					•
Ms H Harrison	External					•
Prof A Hawkins	Fellow by Special Election	•				
Dr N Herring	Fellow by Special Election					
Mr R Jolliffe	External		•			
Dr H Jones	Fellow by Special Election		•			
Mr M Jones	External		•			
Mr G Kerr	Fellow by Special Election	•				
Ms Y Murphy	Librarian			•		
Ms J Newbury	External					•
Mr G Robinson	External		•			
Mr J Church	External					•

### COLLEGE SENIOR STAFF

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

The Warden	Sir Jonathan Phillips
The Bursar	Mr RJ Boden
The Senior Tutor	Dr AP Rogers
The Development Director	Ms J Tudge

#### AUDITOR

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

#### INVESTMENT MANAGER

Oxford University Endowment Management  
King Charles House  
Park End Street  
Oxford  
OX1 1JD

#### COLLEGE ADDRESS

Keble College  
Parks Road  
Oxford  
OX1 3PG

#### BANKERS

Handelsbanken  
Seacourt Tower  
West Way  
Oxford  
OX2 0JJ

#### SOLICITORS

Mills & Reeve LLP  
Botanic House  
100 Hills Road  
Cambridge  
CB2 1PH

#### WEBSITE

[www.keble.ox.ac.uk](http://www.keble.ox.ac.uk)

## **KEBLE COLLEGE**

### **Report of the Governing Body**

The Members of the Governing Body present their Annual Report for the year ended 31 July 2018 under the Charities Act 2011 together with the audited financial statements for the year.

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

The Warden Fellows and Scholars of Keble College in the University of Oxford, known as Keble College (“the College”), is an eleemosynary chartered charitable corporation aggregate. It was founded by public subscription in 1870 in memory of the Reverend John Keble, on land in the parish of St Giles purchased from St John’s College, with the object of providing a University education for young men in a College conducted in accordance with the principles of the Church of England.

The College is registered with the Charity Commission (registered number 1143997). The names of all Members of the Governing Body at the date of this report and of those in office during the year, together with details of the senior staff and advisers of the College, are given on pages 2 to 3.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing documents**

The College was incorporated by Royal Charter dated 6 June 1870. The Charter of Incorporation was modified by a Supplemental Charter dated 7 April 1902, and subsequently by Statutes made by the University of Oxford Commissioners on 14 July 1925, under the provisions of the Universities of Oxford and Cambridge Act, 1923. The Charter of Incorporation and the Statutes of 1925 were further amended in 1952 and further modified by subsequent amendments. The current Statutes were approved by Her Majesty in Council on 10<sup>th</sup> February 2016.

##### **Governing Body**

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Archbishop of Canterbury. The Governing Body is self-appointing, has such powers as are conferred on it by its Charter and Statutes, and has the entire direction and management of the affairs of the College.

The Governing Body appoints the Warden, Fellows, Tutors, Lecturers and such administrative and other officers as the Governing Body thinks necessary from time to time. It determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It appoints committees and delegates to them such powers as it thinks fit. The committees charged with overseeing the conduct of College business are listed below in the section headed “The management of the College”.

##### **Recruitment and training of Members of the Governing Body**

New Members of the Governing Body are, in the case of academics, normally recruited through a joint appointment process with the University of Oxford which includes open advertisement of the posts and a professional selection and appointment process. In the case of posts funded solely by the College, recruitment is also through open advertisement of the post followed by a professional selection and appointment process including external representatives as appropriate. New members of the Governing Body are inducted into the workings of the College, including Governing Body policy and procedures, through meetings with the Warden, the Senior Tutor and the Bursar and the provision of a comprehensive set of reference documents.

Members of the Governing Body attend trustee training and information courses as appropriate to keep them informed on current issues in the sector and on regulatory requirements.

##### **Remuneration of Members of the Governing Body and Senior College Staff**

Members of the Governing Body receive no remuneration or benefits from their role as College trustees. Those trustees who are also employees of the College receive remuneration for their work as employees of the College which is set based on the advice of the College’s Remuneration Committee. The Committee when complete consists of five individuals, none of whom may be either trustees or employees of the College. Remuneration for trustees who are teaching or research fellows is set in line with that awarded to the University’s academic staff. Remuneration for trustees who are full-time administrators is set at an appropriate point on the College’s salary scale based on a full job evaluation and reference to comparable posts elsewhere.

The remuneration of senior college staff is set by the College’s Pay and Benefits Committee at an appropriate point on the College’s salary scale based on a full job evaluation and reference to comparable posts elsewhere.

# KEBLE COLLEGE

## Report of the Governing Body

### The management of the College

The Governing Body meets 9 times a year. The work of developing College policy and monitoring implementation is carried out by 15 standing committees and any temporary working groups the Governing Body deems it expedient to create. The 15 standing committees are:

- *Finance Committee*  
Oversees all matters of financial policy and practice, and in particular the financial implications of any proposals under consideration. Reviews and makes recommendations concerning annual statements of accounts for the preceding year, budgets and management accounts, College charges, trading activities, IT provision, salary policy and investment recommendations from the Investment Advisory Committee.
- *Investment Advisory Committee*  
Provides advice to Governing Body, through Finance Committee, on the investments of the College and the appropriate level of income drawdown.
- *Academic Committee*  
Oversees planning in academic matters and the level and quality of academic provision and library services to junior members. Monitors the appropriateness of the existing establishment of Tutors and Lecturers in relation to the academic needs of the College. Considers and makes recommendations on advice from the Research Committee concerning the use of funds available for the purpose of research.
- *Development Committee*  
Oversees the activities of the development office, which is responsible for alumni relations and fundraising.
- *Remuneration Committee*  
The Remuneration Committee is responsible for reviewing and approving the pay and benefits of members of the Governing Body. Its members are all external, with the Warden and Bursar in attendance (except for items relating to their remuneration). It considers any recommendations on the pay and benefits of trustees put forward by the Governing Body. These it may either approve or refer back to Governing Body with a recommendation that the proposed pay and benefits be reconsidered with a view to their being reduced.
- *Pay and Benefits Committee*  
Conducts an annual review of pay and benefits of employees, within a financial framework set by Finance Committee. Makes recommendations on policy to Finance Committee.
- *Research Committee*  
Monitors and co-ordinates research activities within the College and makes recommendations on the distribution of College research funds and the appointment of research visitors and associates.
- *Fellowships Committee*  
Advises on nominations to honorary and emeritus fellowships and fellowships by special election.
- *Student Support Committee*  
Makes recommendations concerning the overall level of student support. Considers and makes awards in response to individual applications for support.
- *Advowsons Committee*  
Oversees the College's patronage of 67 Church of England parishes throughout the UK and makes recommendations on the application of income from the Harlow Trust, Poor Parishes Trust, and Ordinands' Fund.
- *Buildings and Gardens Committee*  
Oversees the maintenance and development of the College's buildings and grounds.
- *Domestic Committee*  
Oversees the provision of board and lodging to College members.
- *Human Resources Committee*  
Oversees all aspects of HR policy and implementation, including equality issues.
- *Health and Safety Committee*  
Monitors the College's health and safety record, commissions and reviews an annual independent health and safety audit, and makes policy recommendations.

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### **Report of the Governing Body**

- *Data Security Committee*  
Reviews data security policies and procedures and monitors their implementation.

The day-to-day running of the College is delegated by Governing Body to the Warden, the Bursar and the Senior Tutor, with the Development Director having delegated responsibility for the College's fundraising activities.

#### **Group structure and relationships**

As noted above, the College, through an Advowsons Committee, appoints to the livings of 67 Church of England parishes and, among other activities, administers two trusts whose objects, external to those of the College, are the support of parishes and Church of England activities.

The College also has two wholly owned non-charitable subsidiaries. Conference Keble Limited arranges conferences and other residential and non-residential events which generate trading revenue from the use of the College's facilities when they are not required for its primary purpose. The annual profits of Conference Keble are donated to the College under the Gift Aid Scheme. Keble Properties Limited undertakes major design and build works under contract to the College.

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:

- (1) The provision of a University education in a College in the University of Oxford to be called Keble College conducted in accordance with the principles of the Church of England
- (2) The advancement of education and learning and the promotion of research

The Governing Body has considered the Charity Commission's guidance on public benefit and, in keeping with its objects, the College's aims for the public benefit are set out below.

### **Public benefit**

The College provides, in conjunction with the University of Oxford, an education for some 425 undergraduate and 246 graduate students which is recognised internationally as being of the highest standard. This education develops students academically and enables them to develop their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities, individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial and graduate mentoring systems;
- welfare services, including the availability of the Chaplain to assist every member of the College of every religious belief and none, and medical support including a College nurse and doctor;
- student grants for study purposes and for cases of financial need, partly provided through the continuing support of the Keble Association of Old Members of the College;
- IT and other administrative support;
- specialist choral musical education for its choral students, who are members of the College's renowned choir;
- specialist organ musical education for its organ students;
- social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

The College advances research through:

- providing Research Fellowships, Career Development Fellowships, and Research Associateships to outstanding academics at the early stages of their careers, which enable them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;

## KEBLE COLLEGE

### Report of the Governing Body

- supporting research work pursued by its Fellows and others through promoting interaction within and across disciplines, granting sabbatical leave to enable them to concentrate on research work, developing a centre of advanced studies to act as a hub for the exchange and dissemination of research ideas, and providing facilities and grants for national and international conferences, research trips and research materials;
- encouraging visits from outstanding academics from abroad; and
- encouraging members of the College to disseminate the results of their research to other academics and the general public through the publication of papers in academic journals and books, through presentations at conferences, through media appearances and press articles and other suitable means.

The College maintains an extensive Library (including important special collections), so providing a valuable resource for students and Fellows of the College. On a discretionary basis, the College makes its library available to members of other Colleges and the University of Oxford more widely, external scholars and researchers, as well as local children from maintained and other schools as part of educational visits.

The College supports a Chapel with a programme of religious services open to all.

Through its outreach and schools liaison activities, the College fosters the general educational and university aspirations of students from a wide range of social backgrounds.

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

The members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in education, learning and/or research.

However, beneficiaries also include: students and academic staff from other colleges in Oxford and the University of Oxford more widely, visiting academics from other higher education institutions and visiting schoolchildren and alumni of the College who have an opportunity to attend educational events at the College and use its academic facilities. The general public are also able to attend various educational activities in the College such as lectures, seminars, and conferences, and benefit also from being admitted without charge to the College's grounds and able to view its historical and artistic heritage and holdings.

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

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects but students of the College are predominantly between 18 and 24 years old; and
- there are not considered to be any religious restrictions in the College's objects and members of the College have a wide variety of faith traditions or none.

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

The College charges the following fees:

- a) College fees, at externally regulated rates, to undergraduates entitled to Student Support and to graduate students; and a fee determined by the College annually to Overseas undergraduates and any Home/EU undergraduates not entitled to Student Support; and
- b) Accommodation and meal charges at reasonable rates.

In order to assist undergraduates entitled to Student Support, there is a comprehensive bursary scheme in place to support students from lower income backgrounds, which is funded by both the University and College. The following is a summary of awards made to Home/EU undergraduates during the year:

*Oxford Bursary (October 2013 starters):* 1 award out of a Home/EU population of 6: 0 awards at the maximum of £3,300.00



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### **Report of the Governing Body**

*Oxford Bursary (October 2014 starters):* 6 awards out of a Home/EU population of 40: 1 award at the maximum of £3,300: the average value of the awards was £2,800

*Oxford Bursary (October 2015 starters):* 15 awards out of a Home/EU population of 113: 4 awards at the maximum of £4,500: the average value of the awards was £3,000.

*Oxford Bursary (October 2016 starters):* 20 awards out of a Home/EU population of 111: 12 awards at the maximum of £3,700: the average value of the awards was £2735.

*Oxford Bursary (October 2017 starters):* 24 awards out of a Home/EU population of 111: 9 awards at the maximum of £3,700: the average value of the awards was £2442.

To assist graduate students, the College provides substantial financial support through schemes operated in conjunction with the University. These include scholarship packages to fund fees and living costs and 'top-up' assistance to fill shortfalls in students' funding.

The College also supports students through grant schemes to assist with the purchase of books and equipment, attendance at conferences, childcare support and travel grants.

The College also makes awards for academic development and has various scholarships and prizes available to reward academic excellence.

In addition to its other programmes, the College operates a hardship scheme for students in financial hardship and provides access to hardship schemes operated by the University.

To raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to Keble, the College operates an extensive outreach programme as part of University-wide initiatives to widen access. This programme is under the responsibility of the Senior Tutor and includes an extensive programme of visits by schools to the College, open days, admissions symposia for teachers, as well as visits to schools and guidance and information on the College website for prospective applicants. In agreement with the other Oxford colleges as an outreach initiative, the College has particular links with prospective applicants from Birmingham and surrounding areas. More detail is provided below.

In order to fulfil its charitable purposes the College employs a Warden, who serves as head of the College, and, as Governing Body Fellows, senior academic staff, many of whom supervise and tutor students, the College Chaplain, and senior administrative officers. These all serve as charity trustees through being members of the College's Governing Body. The employment of the Warden and Fellows is undertaken with the intention of furthering the College's aims and their employment directly contributes to the fulfilment of those aims. The private benefit accruing to the Warden and Fellows through salaries, stipends and employment related benefits is objectively reasonable, measured against academic stipends generally, and is subject to the oversight of a Remuneration Committee. Without the employment of the Warden, academic fellows, Chaplain and senior administrative officers the College could not fulfil its charitable aims as a College in the University of Oxford.

Many of the trustees also receive benefits (for example research, conference and book grants) which are provided with the intention of furthering the College's aims, including that of advancing research. The amounts of the benefits provided are objectively reasonable, measured against the academic benefits made available to other beneficiaries of the College.

### **ACHIEVEMENTS AND PERFORMANCE**

The academic performance of Keble undergraduates in 2017-18 was good, although not as successful as in some recent years. The trend is for nine out of every ten undergraduates to obtain either a First or an Upper Second class degree. In 2017-18 39 undergraduates received first class degrees (33%) and 66 obtained Upper Seconds (56%). There were no third class marks and no undergraduates failed. Oxford undergraduates, particularly those reading for degrees in sciences, now commonly sit examinations every year, although these are not always independently classified by degree. In the First Public Examinations, 35 of the 123 undergraduates sitting them were awarded Distinctions; three failed one or more of their papers, leading to re-sit examinations in September.

Academic excellence is encouraged by a programme of scholarships and examination prizes, including prizes for the best Distinction in each subject in the First Public Examination. In 2017-18 eighty-five undergraduates were awarded scholarships.

Almost forty per cent of the students at Keble are graduates, and roughly two-thirds of them are taking research degrees. In 2017-18 twenty-two Keble graduates completed their DPhils and, at the time of writing, 11 had been awarded Distinctions in their taught masters examinations. The College does not directly arrange teaching to graduates but does support them through the provision of social, sporting and welfare facilities, in addition to research and travel grants. Each graduate also

## KEBLE COLLEGE

### Report of the Governing Body

has an assigned college adviser who follows their academic progress and provides, where necessary and appropriate, advice and support.

Keble continues to receive a very high number of direct applications for undergraduate degrees, 1003 in 2017-18, the highest recorded. A total of 160 offers were made to these applicants, including 119 at Keble and 41 at other colleges. Oxford University's admissions system now allows for extensive re-allocation and exchange between colleges; twenty-one applicants to other colleges were made an offer at Keble. Sixty offers were made to students from maintained schools and 68 to students from UK independent schools. Comprehensive statistical data on admission is now published by the University as a separate report; selective data is also published in the College's annual equality report. All admissions procedures and outcomes are routinely monitored for equality objectives.

Retention levels at Oxford University are generally high, and Keble is no exception. One undergraduate withdrew in 2017-18 and a further nine suspended their student status for the academic year, all on medical grounds. Five graduates suspended their status.

With the appointment of an Outreach and Career Development Fellow the College has been able to step up its access and outreach activities. In 2017-8 over 3700 students came on organised visits during which they got advice on applying to University. We worked with partners in Pathways and the Brilliant Club to focus on students with high potential to apply to us; over 1000 students came to Keble on these two programmes this year. Along with the rest of the University, the College held three open days at which hundreds more students and parents found out about the college and Oxford. The Access Officer and Outreach and Career Development Fellow interacted with over 700 students in target schools in the West Midlands. Keble also ran a day-long workshop aimed specifically at BME students to encourage them to consider some courses that are often over-looked. In May 2018 Keble entered into a partnership with The Access Project, a charity providing sustained and targeted support (including extra tuition) to bright students from disadvantaged backgrounds. The partnership will support a Universities office and a programme of tuition at a school in Birmingham.

The College also supports Fellows' research activities by providing for sabbatical leave and supporting buyouts by external funders, for example UK and EU Research Councils. With the opening of the H B Allen Centre in October 2018 there will be significantly improved facilities and more substantial resources for research visitors. Keble also appointed 18 academics without a college attachment as Research Associates for terms of up to three years.

## FINANCIAL REVIEW

### Operations, funding and capital expenditure

The charitable activities of the College consist of teaching and research, together with the provision of board and lodging to College members in buildings owned by the College, most of which are Grade 1 or Grade 2\* listed. The income generated by these activities amounted to £6.46m, a £130k decrease compared with the previous year. The decrease is attributable to a £241k decline in charitable conference income, offset by a £68k increase in tuition and research income and a £43k increase in income from members for board and lodging. The cost of undertaking these charitable activities amounted to £9.39m. Thus, the operating deficit from charitable activities was £2.93m. Funding for this operating deficit comes from three sources: donations, trading income and transfers from the College's endowment.

Donations received by the College totalled £2.5m. The composition of this total was as follows:

	£000s
Income gifts	1,078
Gifts for capital projects	1,141
Endowment gifts	283
	<hr/>
	2,502

Income from non-charitable conferences and other trading activities amounted to £1.81m against expenditure of £1.31m.

The College manages its endowment for total return and, until August 2015, had applied a spending rule that allowed a transfer of 3.15% of the average closing value of the endowments over the previous three years. For 2015-16, 2016-17 and 2017-18 the spending rule percentage for the majority of funds has been increased to 4% in order to offset the dislocation costs associated with the Acland redevelopment project. From 2018-19 the spending rule percentage will be revised to 3.5% of the average closing value of the endowments over the previous five years. 2017-18 transfers under the spending rule amounted to £1,505k including £45k for external purposes (the support of Keble parishes). Income gifts, conference surpluses and endowment transfers substantially cover the operating deficit on charitable activities and fund the College's fundraising and alumni relations activities.

## **KEBLE COLLEGE**

### **Report of the Governing Body**

Construction of the H B Allen Centre is nearing completion. Handover of the Centre will be phased: the 255 units of graduate accommodation will be released in October 2018, along with 1,500 m<sup>2</sup> of basement research space which will be occupied by Oxford Sciences Innovation (OSI) and the Oxford Robotics Institute under long-term leases. The Woodstock Road Building will be completed in early 2019 and will serve as OSI's corporate headquarters.

The overall cost of the project, including all fees, VAT and finance costs during construction, remains within the £70m ceiling. Of this sum £35m is being financed through a 40-year private placement at a fixed rate of 3.366% p.a. The balance is funded by a £25m capital grant from the H B Allen Trust and gifts from alumni of the College. Debt financing for the Centre has been structured on a project basis such that the cash flows from the completed development will fully cover both operating costs and debt service.

In addition to the H B Allen Centre project the College continued its substantial programme of capital improvements, investing a further £2.0m in a range of projects including a further phase in the renewal of the Victorian rooms and corridors, the remodelling of the College Office, and various enabling works in preparation for the construction of a new main kitchen and servery. Phase 1 of that project will commence in October 2018, and will involve the closure of the College Hall for five months whilst the servery is enlarged and a new service lift installed. During the closure the refurbishment of the Hall itself, a programme which began in 2003 with the cleaning of the ceiling, will be completed.

In the course of the year the College undertook a major review of its finances, focussing on the impact of the H B Allen Centre on future cash flows. As well as revising the endowment spending rule, Governing Body agreed that, from 2018-19, buildings and major capital improvements should be depreciated over 40 rather than 25 years. This was based on two considerations: the excellent condition of the fabric after more than fifteen years of major investment, and the much lower rate of inflation than prevailed when the 25-year rule was adopted.

Factors that could affect the College's financial position in the future include:

- funding for academic activities not keeping pace with costs
- poor investment performance
- decline in vacation conference business
- decline in philanthropic support

The Governing Body and its constituent committees are well aware of these risks, monitor them regularly and ensure that appropriate measures are taken to reduce or mitigate them.

### **Fundraising**

The College has an Alumni & Development Office whose role is to nurture strong relations between Keble and its alumni and, through those relations, to raise funds for its charitable activities. The Office consists of a Director and six staff. Where appropriate, it engages consultants to advise on its activities but not to act on its behalf. The College has a network of alumni volunteers – Year Group Representatives – who assist in communicating information regarding College news, events, and fundraising projects to their peers. All communication via Year Group Representatives is directed in terms of content and timing by the Alumni & Development Office staff.

The College is registered with the Fundraising Regulator and voluntarily subscribes to its Code of Fundraising Practice as adapted, by agreement with the Regulator, to meet the particular circumstances of colleges in the University of Oxford. The activities of the Year Group Representatives adhere to the Code of Fundraising Practice as adapted.

The College is not aware of any failure on its part to comply with the Code, and has not received any complaints in 2017-18 about its fundraising activity, nor the activity of the Year Group Representatives. The College does not solicit funds from members of the public: its fundraising activities are principally focused on its alumni and on third parties introduced to the College by alumni. The College communicates regularly with its alumni using a variety of media. If an alumnus expresses a wish not to be approached for donations or not to be communicated with, that is recorded and respected.

The College has a policy on fundraising with and responding to people in vulnerable circumstances. All Alumni & Development Office staff and Year Group Representatives are aware of the policy and are instructed to review the content annually. All Fundraising policies are published online at <http://www.keble.ox.ac.uk/about/governance/fundraising-policies>.

### **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 £127m (2017: £124m). This includes endowment capital of 47.0m (2017: £44.5m) and unspent restricted income funds totalling £443k. General Funds at the year-end

## KEBLE COLLEGE

### Report of the Governing Body

amounted to -£2.22m (2017: -£2.96m). The Governing Body has set a policy target for free reserves at the equivalent of three months' expenditure on charitable objects (currently £2.4m). However, whilst adopting the policy target, the Governing Body has also recognised that expenditure on certain capital improvements could be postponed in the event of a cash-flow problem. A one-year moratorium on renovation projects would make over £1m available in such event. Recognising that, by 2021, the College's long-term programme of major improvements to its existing building stock will have been completed, the Governing Body deems it reasonable to continue to operate at a lower level of free reserves in the meantime.

#### Risk management

Keble has on-going processes for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiaries in undertaking their activities. When it is not able to address risk issues using internal resources, the College takes advice from external experts. All the College committees monitor risk on an ongoing basis and conduct an annual review of the major risks to which the College is exposed in their areas of responsibility. Their findings are aggregated into a report on major risks which is considered by the Governing Body each year. Health and Safety risks are monitored by a committee of heads of department, chaired by the Bursar and subject to annual external audit.

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

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

Activity and risk	Risk management measures adopted	Progress report for 2017-18 and further measures to be considered during 2018-19
Funding: Changes in College fee/ external funding; impact on colleges of likely deficit in University funding.	Work through Conference of Colleges and Estates Bursars Committee	JRAM review formally abandoned but review of College Contributions Scheme now in progress. On course to increase graduate numbers by approx.100 full-time and 100 part-time.
H B Allen Centre: Programme or cost overruns	Two-stage fixed price contract, employment of professional project manager, monthly pattern of meetings to monitor progress and cost control.	Release of student rooms now planned to be in three stages. Stage 1 (120 rooms) delivered 1 October; stage 2 (58 rooms), 27 October; Stage 3 (75 rooms), 17 November. Regular meetings are held with the Project Manager and Contractors to monitor progress. The H B Allen Building Manager and the Domestic Bursar with Bidwell's the Project Managers are formulating a handover document to ensure all of the rooms go live on the required dates. Project still within budget.
Board and lodging: Water contamination	Strict adherence to regulations. Liability insurance (£10mn limit any one occurrence)	P4 now scheduled for Autumn 2018. Kitchen project will involve renewal of all old pipework.
Recreation and sports: Accidents	Follow University policy and guidelines and take measures to raise awareness of risk	Sports captains are requested to notify the G&G Manager by text/call/email when locking up and leaving the grounds.
Information and IT provision: Loss of key equipment	Data should be backed up to prevent loss of work. Little to no data should be stored on admin staff computers.	Considering a move towards enabling an appropriate form of disk encryption on all new Fellows' computers. Will likely incur some additional overhead for the user, i.e., additional password prompt. University now requires this for faculty owned laptops. Risk of forgotten password leading to data loss so needs careful consideration
Employment costs: Sudden and unexpected increases	Estates Bursars' Committee actively engaged in working parties dealing with pensions (both USS and OSPS)	Carefully prepared joint University and colleges' position on USS overturned by events. If USS imposes the higher contribution rate required to satisfy pension rule, or if a lower cost settlement is achieved but the University follows through on Council's promise that benefits should not be impaired, the cost to Keble would be of the order of £140k p.a.
Staff Quality: Failure to attract and retain high quality academic staff.	College housing allowance and housing scheme. College accommodation for single Fellows. Private health insurance scheme. Engagement with faculties to support requests for buy-outs, and special leave. Active engagement with University-wide recruitment	Via Conference the College is considering a revised housing scheme. Recruitment and retention is a key theme in the University's draft strategic plan.

# KEBLE COLLEGE

## Report of the Governing Body

Activity and risk (contd.)	Risk management measures adopted	Progress report for 2017-18 and further measures to be considered during 2018-19
Teaching: Poor quality, poor organisation; implementation of academic strategy; University & external pressure on Fellows	Feedback questionnaires; structure of tutorial organisation reviewed; informal appraisals of Fellows by Warden before confirmation and re-election and appropriate reviews at other times; tuition records; College template on duties of tutorial fellows	The annual quality assurance exercise now includes added provision for students abroad and joint schools.
Recreation and sports: Excessive drinking and other behavioural problems	College Regulations and related behavioural codes, decanal structure, professional bar staff.	After a recent break-in College has enlisted R & R security to patrol the sportsground out of hours. There have been no reported Student incidents within the last year.
Fundraising: Loss of personal data	Staff aware of Data Protection issues & management of risk. Remote access to DARS now technically possible for DoD & DDoD.	Actions as previously.
Fundraising: Inadequate records and lack of fundraising and marketing permissions. Failure to comply with Fundraising Regulations / GDPR1 from May 2018 and updated PECR <sup>2</sup> from May 2018.	Constant updating of database, regular contact with alumni	GDPR May 25 2018: thorough review and assessment of policies and processes for data capture, retention, processing, sharing and use. Full compliance with GDPR requirements utilising guidance from Mills & Reeve and OUDO as a DARS user. Developed a comprehensive set of documents in May 2018.
Fundraising & alumni relations: College scandal & negative PR	Warden & senior staff to deal with press	Continued progress. New website on track. Comms issues handled professionally. In view of increasing FOI requests and press scrutiny of Oxbridge it is felt appropriate to increase the risk rating.
Information and IT provision: Data Protection failure.	Publicise rules	New Data Protection and Information Security Committee to be established and to meet termly.
Investment management: Poor investment performance	Investment Advisory Committee meets formally once a year and monitors OUEM performance on a quarterly basis.	OUEM continues to perform well, albeit in more difficult market conditions. No additional measures contemplated.
Conferences: Poor service	Emphasis on importance of customer service	O'Reilly seating renewed and AV improvements made in some seminar rooms. Phase 1 of Main kitchen and servery project on course to commence in October 2018, involving Hall closure for 5 months.
Conferences: Recession and 'event' risk	Diversification of client base, more proprietary conferences.	Difficult trading conditions, not helped by Brexit. Conference team continues to explore and develop new business opportunities.
Conferences: Tax liability	Attendance at seminars. Consultation with legal and financial advisors	Favourable VAT ruling granted 'grandfathering' a more permissive non-student use regime.
Key personnel: Sudden and unplanned loss	Appraisals and annual salary reviews	Stable team of senior managers, strengthened by the appointment of HBAC operations manager
Theatre: Failure to follow safety procedures	Theatre safety manual	Official maximum number of occupants within the space to be checked by Domestic Bursar with new fire assessor. Also possible fire alarm activation voiceover or control booth strobe lighting in the Theatre to be explored with fire assessor.
Board and lodging: Pandemics	Prepare and update pandemic plan	Remain alert
Employing staff: Breach of employment legislation	Staff contracts, employee handbook, consult professionals on potential problems	Performance management training for all managers will be organised for Q3 of 2018.
Employing staff: Discrimination on grounds of race, sex, disability etc.	Equality policy, action plan and equality committee established.	New sources of recruitment. Candidates sourced from initiatives such as Aspire and disability team in County Council.

## **KEBLE COLLEGE**

### **Report of the Governing Body**

#### **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;
- producing a consistent and sustainable amount 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 investment strategy, policy and performance are monitored by the Finance Committee. At the year end, the College's endowment totalled £47m. The aggregate investment return for the year was 8.4%.

The carrying value of the preserved permanent capital and the amount of any unapplied total return available for expenditure was taken as the open market values of these funds as at 1 August 2004 together with the original gift value of all subsequent endowment received.

Almost all of the College's discretionary funds, apart from its private equity holdings and joint-equity interests in Fellows' housing, are held on the Oxford Endowment Fund managed by OUEM (Oxford University Endowment Management).

The Governing Body keeps the Spending Rule and 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 Academic Year 2018-19 will see the commissioning of the H B Allen Centre ("HBAC"), the most significant new development since the founding of the College. HBAC will be home to Keble's graduate community. The main site will, in one sense, revert to its historic role as the home for its undergraduate community but, with its Hall, Chapel, Library, Theatre, Bar and Common Rooms, it will also remain central to the entire College. The Governing Body has been giving careful consideration as to how each community might best develop whilst contributing to the health of the College as a whole.

A unique feature of HBAC will be that, as well as being Keble's graduate centre, it will also house Oxford Sciences Innovation and the University's Robotics Institute. OSI is a £600m company founded to invest in Oxford University spin-outs. Its corporate team will be based in the Woodstock Road building whilst 1,500 m<sup>2</sup> of naturally-lit basement space under the HBAC quad will provide incubation space for many of the start-up companies in which it has invested. The OSI and Robotics links will thus not only generate rental income for the College but, as importantly, will contribute to the intellectual vibrancy of the HBAC community.

On the main site the College will undertake Phase 1 of the Kitchen and Hall project, which will involve doubling the size of the Hall servery, introducing a second service lift from the kitchen and completing the restoration of the Hall fabric. Phase 2 will involve removing the existing basement kitchen and introducing a mezzanine floor for the new kitchen, with storage and staff facilities below. This phase is dependent on raising additional funds.

## **KEBLE COLLEGE**

### **Report of the Governing Body**

#### **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 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 them 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 31<sup>st</sup> October 2018 and signed on its behalf by:

Sir Jonathan Phillips  
Warden

## **KEBLE COLLEGE**

### **Report of the Auditor to the Members of the Governing Body of Keble College**

#### **Opinion**

We have audited the financial statements of Keble College (the "Charity") for the year ended 31 July 2018 which comprise the Statement of Accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and charity's affairs as at 31 July 2018 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.



## **KEBLE COLLEGE**

### **Report of the Auditor to the Members of the Governing Body of Keble College**

#### **Matters on which we are required to report by exception**

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

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

#### **Responsibilities of the Members of the Governing Body**

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

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

#### **Use of our report**

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

Critchleys Audit LLP  
Statutory Auditor  
Oxford

Date:

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

# KEBLE COLLEGE

## Statement of Accounting Policies

Year ended 31 July 2017

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### 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, Conference Keble Limited and Keble Properties Limited. No separate SOFA has been presented for the College alone, as currently permitted by the Charity Commission on a concessionary basis. A summary of the results and financial position of the charity and each of its material subsidiaries for the reporting year are in note 12.

### 2. Basis of accounting

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

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

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

### 3. Accounting judgements and estimation uncertainty

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

### 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 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.

**KEBLE COLLEGE**  
**Statement of Accounting Policies**  
**Year ended 31 July 2017**

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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 £20,000 together with expenditure on equipment costing more than £20,000 is capitalised. Where a part of a building or equipment is replaced and the costs capitalised, the carrying value of those parts replaced is derecognised and expensed in the SOFA.

Other expenditure on equipment incurred in the normal day-to-day running of the 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	25 years
Leasehold properties	25 years or period of lease if shorter
Building improvements	25 years
Equipment	5 years

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

**KEBLE COLLEGE**  
**Statement of Accounting Policies**  
**Year ended 31 July 2017**

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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 chosen to hold heritage assets at fair value. The college has a number of assets, including items of art and historic texts that meet the definition of heritage assets under the SORP. Heritage assets purchased are initially recognised and subsequently measured at fair value. Items donated to the College are recognised at fair value.

**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 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.

**14. Total Return investment accounting**

The College 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

**KEBLE COLLEGE**  
**Statement of Accounting Policies**  
**Year ended 31 July 2017**

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endowment known as the unapplied total return that can be either be retained for investment or released 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.

Keble College

Consolidated Statement of Financial Activities

For the year ended 31 July 2018

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2018 Total £'000	2017 Total £'000
<b>INCOME AND ENDOWMENTS FROM:</b>						
<b>Charitable activities</b>						
Teaching, research and residential	1	6,459	-	-	6,459	6,590
<b>Other trading income</b>	3	1,810	-	-	1,810	1,949
<b>Donations and legacies</b>	2	504	1,715	283	2,502	29,928
<b>Investments</b>						
Investment income	4	88	-	1,524	1,612	1,274
Total return allocated to income		684	821	(1,505)	-	-
<b>Other income</b>		120	-	-	120	112
<b>Total income</b>		<b>9,665</b>	<b>2,536</b>	<b>302</b>	<b>12,503</b>	<b>39,853</b>
<b>EXPENDITURE ON:</b>						
<b>Charitable activities</b>						
Teaching, research and residential	5	8,102	1,278	-	9,380	9,206
<b>Generating funds</b>						
Fundraising	5	824	10	-	834	682
Trading expenditure		1,309	-	-	1,309	1,301
Investment management costs		-	-	-	-	-
		2,133	10	-	2,143	1,983
<b>Total expenditure</b>		<b>10,235</b>	<b>1,288</b>	<b>-</b>	<b>11,523</b>	<b>11,189</b>
<b>Net income/(expenditure) before gains</b>		(570)	1,248	302	980	28,664
Net gains/(losses) on investments	11	36	-	2,202	2,238	4,022
Fixed asset impairment charge		-	-	-	-	-
<b>Net income/(expenditure)</b>		<b>(534)</b>	<b>1,248</b>	<b>2,504</b>	<b>3,218</b>	<b>32,686</b>
<b>Transfers between funds</b>	17	14,524	(14,493)	(31)	-	-
<b>Other recognised gains/losses</b>						
Gains/(losses) on revaluation of fixed assets		-	-	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes		-	-	-	-	-
<b>Net movement in funds for the year</b>		13,990	(13,245)	2,473	3,218	32,686
Fund balances brought forward	17	65,958	13,688	44,539	124,185	91,499
<b>Funds carried forward at 31 July</b>	17	<b>79,948</b>	<b>443</b>	<b>47,012</b>	<b>127,403</b>	<b>124,185</b>

Keble College  
Consolidated and College Balance Sheets  
For the year ended 31 July 2018

	Notes	2018 Group £'000	2017 Group £'000	2018 College £'000	2017 College £'000
<b>FIXED ASSETS</b>					
Tangible assets	9	78,720	42,696	78,720	42,696
Heritage assets	10	27,108	27,108	27,108	27,108
Other investments	11	49,429	58,390	49,429	58,390
<b>Total fixed assets</b>		<b>155,257</b>	<b>128,194</b>	<b>155,257</b>	<b>128,194</b>
<b>CURRENT ASSETS</b>					
Stocks		55	72	55	72
Debtors	14	3,128	1,528	1,029	685
Investments		-	-	-	-
Cash at bank and in hand		9,265	28,793	8,636	28,279
<b>Total current assets</b>		<b>12,448</b>	<b>30,393</b>	<b>9,720</b>	<b>29,036</b>
<b>LIABILITIES</b>					
Creditors: Amounts falling due within one year	15	4,523	3,513	1,868	2,229
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>7,925</b>	<b>26,880</b>	<b>7,852</b>	<b>26,807</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>163,182</b>	<b>155,074</b>	<b>163,109</b>	<b>155,001</b>
<b>CREDITORS: falling due after more than one year</b>		<b>35,000</b>	<b>30,000</b>	<b>35,000</b>	<b>30,000</b>
<b>Provisions for liabilities and charges</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY</b>		<b>128,182</b>	<b>125,074</b>	<b>128,109</b>	<b>125,001</b>
<b>Defined benefit pension scheme liability</b>		<b>779</b>	<b>889</b>	<b>779</b>	<b>889</b>
<b>TOTAL NET ASSETS/(LIABILITIES)</b>		<b>127,403</b>	<b>124,185</b>	<b>127,330</b>	<b>124,112</b>
<b>FUNDS OF THE COLLEGE</b>					
<b>Endowment funds</b>	17	<b>47,012</b>	<b>44,539</b>	<b>47,012</b>	<b>44,539</b>
<b>Restricted funds</b>		<b>443</b>	<b>13,688</b>	<b>443</b>	<b>13,688</b>
<b>Unrestricted funds</b>					
Designated funds		55,842	42,696	55,842	42,696
General funds		(2,223)	(2,957)	(2,296)	(3,030)
Revaluation reserve		27,108	27,108	27,108	27,108
Pension reserve		(779)	(889)	(779)	(889)
		<b>127,403</b>	<b>124,185</b>	<b>127,330</b>	<b>124,112</b>

The financial statements were approved and authorised for issue by the Governing Body of Keble College on 31 October 2018.

Sir Jonathan Phillips  
Warden

R J Boden  
Bursar

Keble College  
Consolidated Cash Flow Statement  
For the year ended 31 July 2018

	Notes	2018 Group £'000	2017 Group £'000
<b>Net cash provided by (used in) operating activities</b>	23	<b>(198)</b>	25,608
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		1,612	1,274
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(37,445)	(15,654)
Proceeds from sales of investments		13,050	1,364
Purchase of investments		(1,808)	(5,047)
<b>Net cash provided by (used in) investing activities</b>		<b>(24,591)</b>	(18,063)
<b>Cash flows from financing activities</b>			
Repayments of borrowing		-	-
Cash inflows from new borrowing		5,000	-
Receipt of endowment		283	1,501
Finance costs paid		(22)	(44)
<b>Net cash provided by (used in) financing activities</b>		<b>5,261</b>	1,457
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(19,528)</b>	9,002
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>28,793</b>	19,791
<b>Change in cash and cash equivalents due to exchange rate movements</b>		-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	24	<b>9,265</b>	28,793



**1 INCOME FROM CHARITABLE ACTIVITIES**

	2018	2017
	£'000	£'000
<b>Teaching, research and residential</b>		
<i>Unrestricted funds</i>		
Tuition fees - UK and EU students	2,019	1,816
Tuition fees - Overseas students	822	806
Other fees	314	353
Other HEFCE support	115	206
Other academic income	128	149
College residential income	3,061	3,260
	<b>6,459</b>	<b>6,590</b>

The above analysis includes £2,018k received from the University of Oxford from publicly accountable funds under the College Funding Formula (2017: £1,977k).

**2 DONATIONS AND LEGACIES**

	2018	2017
	£'000	£'000
<i>Unrestricted funds</i>	504	669
<i>Restricted funds</i>	1,715	27,758
<i>Endowed funds</i>	283	1,501
	<b>2,502</b>	<b>29,928</b>

**3 INCOME FROM OTHER TRADING ACTIVITIES**

	2018	2017
	£'000	£'000
<i>Unrestricted funds</i>		
Subsidiary company trading income	1,810	1,949
Other trading income	-	-
	<b>1,810</b>	<b>1,949</b>

**4 INVESTMENT INCOME**

	2018	2017
	£'000	£'000
<i>Unrestricted funds</i>		
Bank interest	88	37
Other interest	-	-
	<b>88</b>	<b>37</b>
<i>Endowed funds</i>		
Investment income	1,524	1,237
	<b>1,524</b>	<b>1,237</b>
<b>Total investment income</b>	<b>1,612</b>	<b>1,274</b>

## 5 ANALYSIS OF EXPENDITURE

	2018	2017
	£'000	£'000
<b>Charitable expenditure - Teaching, research and residential</b>		
Direct staff costs	4,228	4,118
Other direct costs	3,099	3,320
Support and governance costs	2,053	1,768
<b>Total charitable expenditure</b>	<b>9,380</b>	<b>9,206</b>
<b>Expenditure on raising funds</b>		
Direct staff costs allocated to:		
Fundraising	449	415
Trading expenditure	638	629
Investment management costs	-	-
Other direct costs allocated to:		
Fundraising	337	224
Trading expenditure	620	623
Investment management costs	-	-
Support and governance costs allocated to:		
Fundraising	48	43
Trading expenditure	51	49
Investment management costs	-	-
<b>Total expenditure on raising funds</b>	<b>2,143</b>	<b>1,983</b>
<b>Total expenditure</b>	<b>11,523</b>	<b>11,189</b>

The 2017 total expenditure of £11,189k represented £10,060k from unrestricted funds, £1,129k from restricted funds and £0k from endowed funds.

The College is liable to be assessed for Contribution under the provisions of Statute XV of the University of Oxford. The Contribution Fund is used to make grants and loans to colleges on the basis of need. Contribution is calculated annually in accordance with regulations made by the Council of the University of Oxford. The teaching, research and residential costs include College Contribution payable of £6k (2017: £1k).

**6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

	Generating Funds	Teaching, Research & Residential	Total
	£'000	£'000	£'000
<b>2018</b>			
Financial administration	57	350	407
Domestic administration	5	166	171
Human resources	4	76	80
IT	33	165	198
Depreciation	-	1,378	1,378
Fixed asset impairment	-	-	-
Bank interest payable	-	4	4
Other finance charges	-	18	18
Governance costs	-	24	24
	<b>99</b>	<b>2,181</b>	<b>2,280</b>
<b>2017</b>			
Financial administration	54	323	377
Domestic administration	4	155	159
Human resources	2	47	49
IT	32	165	197
Depreciation	-	1,333	1,333
Fixed asset impairment	-	-	-
Bank interest payable	-	6	6
Other finance charges	-	38	38
Governance costs	-	21	21
	<b>92</b>	<b>2,088</b>	<b>2,180</b>

Finance and domestic administration, IT and human resources costs are attributed according to the estimated staff time spent on each activity. Depreciation costs and fixed asset impairment are attributed in full to the College's charitable activities, since it is for the support of those activities that the buildings, plant and equipment being depreciated are held. Interest and other finance charges are attributed according to the purpose of the related financing. Governance costs are allocated to the core charitable activity of tuition.

	2018 £'000	2017 £'000
<b>Governance costs comprise:</b>		
Auditor's remuneration - audit services	24	21
Auditor's remuneration - assurance services other than audit	-	-
Auditor's remuneration - tax advisory services	-	-
Auditor's remuneration - other services	-	-
Legal and other fees on constitutional matters	-	-
Other governance costs	-	-
	<b>24</b>	<b>21</b>

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

**7 GRANTS AND AWARDS**

During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:

	<b>2018</b>	2017
	<b>£'000</b>	£'000
<b>Unrestricted funds</b>		
Grants to individuals:		
Scholarships, prizes and grants	424	126
Bursaries and hardship awards	6	29
Graduate studentships	(228)	-
Grants to other institutions	-	-
	<u>202</u>	<u>155</u>
<b>Restricted funds</b>		
Grants to individuals:		
Scholarships, prizes and grants	13	242
Bursaries and hardship awards	111	89
Graduate studentships	228	-
Grants to other institutions	45	48
	<u>397</u>	<u>379</u>
<b>Total grants and awards</b>	<u>599</u>	<u>534</u>

The above costs are included within the charitable expenditure on Teaching and Research. Grants to other institutions comprise awards to Keble parishes from the Harlow Trust and the Poor Parishes Funds.

**8 STAFF COSTS**

	<b>2018</b>	2017
	<b>£'000</b>	£'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	4,955	4,795
Social security costs	382	358
Pension costs:		
Defined benefit schemes - employer's contributions	582	603
Defined benefit schemes - movement in provision	(128)	(320)
Defined contribution schemes	26	11
Other benefits	-	-
	<u>5,817</u>	<u>5,447</u>

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

	<b>2018</b>	2017
Tuition and research	8	6
College residential	69	57
Fundraising	7	7
Support	18	17
Total	<u>102</u>	<u>87</u>

**Keble College**  
**Notes to the financial statements**  
**For the year ended 31 July 2018**

**8 STAFF COSTS (continued)**

The average number of employed College Trustees during the year was as follows.	<b>2018</b>	2017
University Lecturers	<b>22</b>	23
CUF Lecturers	<b>7</b>	7
Other teaching and research	-	-
Other	<b>7</b>	7
<b>Total</b>	<b>36</b>	<b>37</b>

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

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

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

	<b>2018</b>	2017
£70,001 - £80,001	<b>1</b>	1

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

	<b>2018</b>	2017
In defined benefits schemes	<b>1</b>	1
In defined contribution schemes	-	-

The College contributions to defined contribution pension schemes totalled

	<b>2018</b>	2017
	<b>£'000</b>	£'000
	<b>26</b>	14

**9 TANGIBLE FIXED ASSETS**

<b>Group and College</b>	Freehold land and buildings £'000	Plant and Machinery £'000	<b>Total £'000</b>
<b>Cost</b>			
At start of year	53,043	3,521	<b>56,564</b>
Additions	37,306	96	<b>37,402</b>
Disposals	-	-	-
<b>At end of year</b>	<b>90,349</b>	<b>3,617</b>	<b>93,966</b>
<b>Depreciation</b>			
At start of year	11,605	2,263	<b>13,868</b>
Charge for the year	1,058	320	<b>1,378</b>
On disposals	-	-	-
<b>At end of year</b>	<b>12,663</b>	<b>2,583</b>	<b>15,246</b>
<b>Net book value</b>			
<b>At end of year</b>	<b>77,686</b>	<b>1,034</b>	<b>78,720</b>
At start of year	41,438	1,258	42,696

**9 TANGIBLE FIXED ASSETS (continued)**

In addition to its heritage assets (see note 10), the College has substantial long-held historic assets all of which are used in the course of the College's teaching and research activities. These comprise listed buildings on the College site, together with their contents comprising works of art, ancient books and manuscripts and other treasured artefacts. Because of their age and, in many cases, unique nature, reliable historical cost information is not available for these assets and could not be obtained except at disproportionate expense. However, in the opinion of the Trustees the depreciated historical cost of these assets is now immaterial.

**10 HERITAGE ASSETS**

Group and college	Paintings	Manuscripts	Incunabula	Total £'000
	At Valuation £'000	At Valuation £'000	At Valuation £'000	
At start of year	12,550	12,840	1,718	<b>27,108</b>
Additions	-	-	-	-
Disposals	-	-	-	-
Impairment	-	-	-	-
Revaluation	-	-	-	-
<b>At end of year</b>	<b>12,550</b>	<b>12,840</b>	<b>1,718</b>	<b>27,108</b>

The College currently holds three classes of assets for heritage purposes: pictures, manuscripts and incunabula. There are two pictures in the collection: *The Light of the World* by Holman Hunt, and *The Lamentation of Christ* from the workshop of Willem Key. The College has 87 manuscripts, all of which are included in the catalogue of the collection by Malcolm B. Parkes: *The medieval manuscripts of Keble College Oxford* (1979). There are 100 items in the collection of early printed books. All these heritage assets were donated to the College in its early years. The pictures are on display in the Chapel and may be viewed by members of the public at no charge. The manuscripts and incunabula are held in the College Library and are available to scholars on request. A digital image has been made of the most famous manuscript in the collection - the Regensburg Lectionary. All three classes of assets were valued as at 31 July 2014.

**11 OTHER INVESTMENTS**

All investments are held at fair value.

	2018 £'000	2017 £'000
<b>Group investments</b>		
Valuation at start of year	58,390	48,680
New money invested	283	5,526
Amounts withdrawn	(13,050)	(1,364)
Reinvested income	1,524	1,238
Investment management fees	-	-
(Decrease)/increase in value of investments	2,282	4,310
<b>Group investments at end of year</b>	<b>49,429</b>	<b>58,390</b>
Investment in subsidiaries	-	-
<b>College investments at end of year</b>	<b>49,429</b>	<b>58,390</b>

**11 OTHER INVESTMENTS (continued)**

The increase in the value of investments includes £288k arising from the temporary investment of the proceeds of the long-term fixed rate note issue pending their employment in the funding of the H B Allen Centre development (see Note 16). In accordance with FRS 102 the net cost of carry of that debt during the construction period is being capitalised and will be depreciated over the life of the asset. The £288k is thus being netted off and therefore is not included in the Statement of Financial Activities.

<b>Group investments comprise:</b>	Held outside the UK £'000	Held in the UK £'000	<b>2018 Total £'000</b>	Held outside the UK £'000	Held in the UK £'000	2017 Total £'000
Equity investments	-	1	<b>1</b>	-	1	1
Global multi-asset funds	-	43,040	<b>43,040</b>	-	41,012	41,012
Property funds	-	1,510	<b>1,510</b>	-	1,461	1,461
Fixed interest stocks	-	-	-	-	-	-
Alternative and other investments	1,372	4,301	<b>5,673</b>	1,669	14,247	15,916
Fixed term deposits and cash	-	-	-	-	-	-
<b>Total group investments</b>	<b>1,372</b>	<b>48,852</b>	<b>50,224</b>	<b>1,669</b>	<b>56,721</b>	<b>58,390</b>

**12 PARENT AND SUBSIDIARY UNDERTAKINGS**

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

The results of the parent and subsidiaries, and their assets and liabilities at the year end, were as follows:	Keble College (parent) £'000	Keble Properties £'000	Conference Keble £'000
Turnover	10,574	35,168	1,841
Expenditure	(10,264)	(34,483)	(1,259)
Donation to College under gift aid	-	(687)	(583)
Interest receivable	88	2	1
Result for the year	<b>398</b>	<b>-</b>	<b>-</b>
Total assets	164,977	4,630	680
Total liabilities	(37,647)	(4,630)	(607)
Net funds at the end of year	<b>127,330</b>	<b>-</b>	<b>73</b>

**13 STATEMENT OF INVESTMENT TOTAL RETURN**

The Trustees have adopted a duly authorised policy of total return accounting for investment returns with effect from 2003. The return to be applied as income is calculated, depending on the nature of the fund, as 3.15% or 4.0% of the average of the year-end values of the relevant investments in each of the last 3 years. The preserved (frozen) value of the invested endowment capital represents its open market value on 31 July 2004 together with all subsequent endowments valued at date of gift.

	Permanent Endowment Unapplied Trust for Investment £'000	Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
<b>At the beginning of the year:</b>					
Gift component of the permanent endowment	21,730	-	21,730	-	21,730
Unapplied total return	-	14,051	14,051	-	14,051
Expendable endowment	-	-	-	8,758	8,758
<b>Total Endowments</b>	<b>21,730</b>	<b>14,051</b>	<b>35,781</b>	<b>8,758</b>	<b>44,539</b>
<b>Movements in the reporting period:</b>					
Gift of endowment funds	155	-	155	129	284
Recoupment of trust for investment	-	-	-	-	-
Allocation from trust for investment	-	-	-	-	-
Investment return: dividends and interest	-	1,224	1,224	299	1,523
Investment return: realised and unrealised gains and losses	-	1,769	1,769	433	2,202
Less: Investment management costs	-	-	-	-	-
Other transfers	-	-	-	(31)	(31)
<b>Total</b>	<b>155</b>	<b>2,993</b>	<b>3,148</b>	<b>830</b>	<b>3,978</b>
Unapplied total return allocated to income	-	(1,198)	(1,198)	-	(1,198)
Expendable endowments transferred to income	-	-	-	(307)	(307)
	-	(1,198)	(1,198)	(307)	(1,505)
<b>Net movements in reporting period</b>	<b>155</b>	<b>1,795</b>	<b>1,950</b>	<b>523</b>	<b>2,473</b>
<b>At end of the reporting period:</b>					
Gift component of the permanent endowment	21,885	-	21,885	-	21,885
Unapplied total return	-	15,846	15,846	-	15,846
Expendable endowment	-	-	-	9,281	9,281
<b>Total Endowments</b>	<b>21,885</b>	<b>15,846</b>	<b>37,731</b>	<b>9,281</b>	<b>47,012</b>

**14 DEBTORS**

	2018 Group £'000	2017 Group £'000	2018 College £'000	2017 College £'000
<b>Amounts falling due within one year:</b>				
Trade debtors	694	536	169	167
Amounts owed by College members	74	66	74	66
Amounts owed by Group undertakings	-	-	-	-
Loans repayable within one year	13	9	13	9
Prepayments and accrued income	359	364	344	406
Other debtors	1,988	553	429	37
<b>Amounts falling due after more than one year:</b>				
Loans	-	-	-	-
	<b>3,128</b>	<b>1,528</b>	<b>1,029</b>	<b>685</b>



Keble College

Notes to the financial statements

For the year ended 31 July 2018

15 CREDITORS: falling due within one year

	<b>2018</b>	2017	<b>2018</b>	2017
	<b>Group</b>	Group	<b>College</b>	College
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Trade creditors	<b>1,250</b>	1,186	<b>546</b>	737
Amounts owed to Group undertakings	-	-	<b>404</b>	828
Taxation and social security	<b>152</b>	76	<b>152</b>	76
College contribution	-	-	-	-
Accruals and deferred income	<b>2,858</b>	2,044	<b>503</b>	381
Other creditors	<b>263</b>	207	<b>263</b>	207
	<b>4,523</b>	3,513	<b>1,868</b>	2,229

16 CREDITORS: falling due after more than one year

	<b>2018</b>	2017	<b>2018</b>	2017
	<b>Group</b>	Group	<b>College</b>	College
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Private placement	<b>35,000</b>	30,000	<b>35,000</b>	30,000
	<b>35,000</b>	30,000	<b>35,000</b>	30,000

The College issued £30m in long-term notes in December 2015, and a further £5m in June 2018. The notes bear a fixed interest rate of 3.366% p.a., with repayment in ten equal annual instalments commencing in December 2046. The proceeds are being applied to the construction of the HB Allen Centre on the Acland site. Prior to commencement of the main construction contract the costs associated with the loan, including arrangement fees, legal costs and interest, were expensed, whilst income and gains arising from the temporary reinvestment of the loan proceeds were taken into income. In accordance with FRS 102, from the commencement of construction in August 2016 interest on the notes, net of any income from temporary reinvestment of the note proceeds, has been capitalised as a project cost.

## 17 FUNDS OF THE COLLEGE MOVEMENTS

	At 1 August 2017 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2018 £'000
<b>Endowment Funds - Permanent</b>						
General purposes	15,208	520	-	(550)	752	15,930
External purposes	1,729	59	-	(45)	85	1,828
Bursaries	1,325	95	-	(38)	66	1,448
Scholarships	5,576	191	-	(134)	276	5,909
Fellowships	11,853	477	-	(428)	586	12,488
Music	90	37	-	(3)	4	128
<b>Endowment Funds - Expendable</b>						
General purposes	3,716	127	-	(134)	184	3,893
Bursaries	1,093	63	-	(39)	54	1,171
Scholarships	624	23	-	(14)	31	664
Fellowships	2,923	100	-	(106)	145	3,062
Other specified purposes	402	115	-	(45)	19	491
<b>Total Endowment Funds</b>	<b>44,539</b>	<b>1,807</b>	<b>-</b>	<b>(1,536)</b>	<b>2,202</b>	<b>47,012</b>
<b>Restricted Funds</b>						
Fixed asset projects funding	13,383	1,141	-	(14,524)	-	-
Development office funding	-	22	(22)	-	-	-
Other restricted income funding	305	552	(445)	31	-	443
Applied total return from restricted purpose endowment funds	-	-	(821)	821	-	-
<b>Total Restricted Funds</b>	<b>13,688</b>	<b>1,715</b>	<b>(1,288)</b>	<b>(13,672)</b>	<b>-</b>	<b>443</b>
<b>Unrestricted Funds</b>						
General	(3,030)	8,981	(8,967)	684	36	(2,296)
Fixed asset designated fund	42,696	-	(1,378)	14,524	-	55,842
Revaluation reserve	27,108	-	-	-	-	27,108
Pension reserve	(889)	-	110	-	-	(779)
<b>Total Unrestricted Funds - College</b>	<b>65,885</b>	<b>8,981</b>	<b>(10,235)</b>	<b>15,208</b>	<b>36</b>	<b>79,875</b>
Unrestricted funds held by subsidiaries	73	-	-	-	-	73
<b>Total Unrestricted Funds - Group</b>	<b>65,958</b>	<b>8,981</b>	<b>(10,235)</b>	<b>15,208</b>	<b>36</b>	<b>79,948</b>
<b>Total Funds</b>	<b>124,185</b>	<b>12,503</b>	<b>(11,523)</b>	<b>-</b>	<b>2,238</b>	<b>127,403</b>

## 18 FUNDS OF THE COLLEGE DETAILS

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

### Endowment Funds - Permanent:

General purposes	A consolidation of gifts and donations where income, but not capital, can be used for the general purposes of the charity.
External purposes	Capital balance of past donations where related income, but not the original capital, can be used for specified objects external to the charity.
Bursaries	Capital balance of past donations where related income, but not the original capital, can be used for bursaries to support students of the College.
Scholarships	Capital balance of past donations where related income, but not the original capital, can be used for scholarships awarded to students of the College
Fellowships	Capital balance of past donations where related income, but not the original capital, can be used for the funding of College fellowships.
Music	Comprises gifts made to endow choral scholarships and support other music activities within the College.

### Endowment Funds - Expendable:

General purposes	A consolidation of gifts and donations where either income, or income and capital, can be used for the general purposes of the charity.
Bursaries	Capital balance of past donations where related income, or income and capital, can be used for bursaries to support students of the College.
Scholarships	Capital balance of past donations where related income, or income and capital, can be used for scholarships awarded to students of the College.
Fellowships	Capital balance of past donations where related income, or income and capital, can be used for the funding of College fellowships
Other specified purposes	Capital balance of past donations where related income, or income and capital, can be used for the funding of other specified College activities.

### Restricted Funds:

Fixed asset projects funding	Gifts and donations that must be applied to specific fixed asset projects. The transfer from these funds represents the capital expenditure in the year that relates to these funds.
Development office funding	Gifts and donations that must be applied in support of the Development office expenditure relating to the Vision 2020 campaign.
Other restricted income funding	Gifts and donations that must be applied in support of other specified College activities.
Applied total return from restricted purpose endowment funds	Applied total return generated from restricted purpose permanent and expendable endowment funds and which must be applied for the specified restricted purpose.

### Designated Funds

Fixed asset designated	Unrestricted Funds which are represented by the fixed assets of the College and therefore not available for expenditure on the College's general purposes.
Revaluation reserve	Unrestricted Funds which are represented by the revaluation of heritage assets
Pension reserve	Unrestricted Funds which are represented by the College's pension fund liabilities

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

**19 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2018 Total £'000
<b>2018</b>				
Tangible fixed assets	78,720	-	-	<b>78,720</b>
Heritage assets	27,108	-	-	<b>27,108</b>
Other investments	2,417	-	47,012	<b>49,429</b>
Net current assets/(liabilities)	7,482	443	-	<b>7,925</b>
Long term liabilities	(35,000)	-	-	<b>(35,000)</b>
Pension fund liability	(779)	-	-	<b>(779)</b>
	<u>79,948</u>	<u>443</u>	<u>47,012</u>	<u><b>127,403</b></u>
<b>2017</b>				
Tangible fixed assets	42,696	-	-	<b>42,696</b>
Heritage assets	27,108	-	-	<b>27,108</b>
Other investments	13,851	-	44,539	<b>58,390</b>
Net current assets/(liabilities)	13,192	13,688	-	<b>26,880</b>
Long term liabilities	(30,000)	-	-	<b>(30,000)</b>
Pension fund liability	(889)	-	-	<b>(889)</b>
	<u>65,958</u>	<u>13,688</u>	<u>44,539</u>	<u><b>124,185</b></u>

**20 TRUSTEES' REMUNERATION**

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

Trustees of the college fall into the following categories:

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

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

All Official and Research Fellows are eligible for a Housing Allowance, which is disclosed within the salary figures below. Five trustees live in accommodation owned by the college and, in consequence, do not receive the Housing Allowance.

The College has a Remuneration Committee which makes recommendations to Governing Body on pay and benefits which are outside of external scales. The composition of the Remuneration Committee is set out in the Report of the Governing Body in the section, Governing Body, Officers and Advisers.

**20 TRUSTEES' REMUNERATION (continued)****Remuneration paid to trustees**

Range	2018		2017	
	Number of trustees	Gross remuneration, taxable benefits and pension contributions £	Number of trustees	Gross remuneration, taxable benefits and pension contributions £
£1 - £1,000	1	146	1	856
£1,001 - £2,000	1	1,751	1	1,711
£2,001 - £3,000	-	-	1	2,793
£3,001 - £4,000	1	3,871	-	-
£6,001 - £7,000	-	-	1	6,569
£11,001 - £12,000	1	11,800	2	23,077
£12,001 - £13,000	1	12,512	1	12,301
£17,001 - £18,000	-	-	-	-
£18,001 - £19,000	-	-	1	18,937
£19,001 - £20,000	-	-	1	19,594
£20,001 - £21,000	2	40,396	-	-
£22,001 - £23,000	-	-	8	179,467
£23,001 - £24,000	14	330,326	8	184,950
£24,001 - £25,000	4	127,767	2	48,771
£26,001 - £27,000	-	-	1	26,971
£28,001 - £29,000	1	28,735	-	-
£30,001 - £31,000	-	-	1	30,975
£32,001 - £33,000	1	32,884	-	-
£36,001 - £37,000	1	36,025	-	-
£45,001 - £46,000	2	90,842	3	166,205
£52,001 - £53,000	-	-	1	52,379
£54,001 - £55,000	1	54,498	3	164,582
£55,001 - £56,000	1	55,622	1	55,717
£56,001 - £57,000	2	112,582	-	-
£57,001 - £58,000	1	57,899	-	-
£83,001 - £84,000	-	-	1	83,549
£85,001 - £86,000	1	85,468	-	-
£88,001 - £89,000	-	-	1	88,984
£90,001 - £91,000	1	90,157	-	-
£110,001 - £111,000	-	-	1	110,584
£113,001 - £114,000	1	113,124	-	-
£114,001 - £115,000	-	-	1	114,544
£117,001 - £118,000	1	117,163	-	-
<b>Total</b>	<b>39</b>	<b>1,403,568</b>	<b>41</b>	<b>1,393,515</b>

Twelve trustees are not employees of the College and do not receive remuneration. All trustees may eat at common table, as can 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.

Note 27 provides further information on related party transactions.

**Key management remuneration**

The total remuneration paid to key management was £406k (2017: £398k).

Key management are considered to be the Warden, the Bursar, the Senior Tutor and the Development Director.

**21 PENSION SCHEMES**

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

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

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

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

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

	<b>USS</b>	<b>OSPS</b>
Date of valuation:	31/03/2014	31/03/2016
Date valuation results published:	24/07/2015	28/04/2017
Value of liabilities:	£46.9bn	£661m
Value of assets:	£41.6bn	£528m
Funding surplus / (deficit):	(£5.3bn)	(£133m)
Principal assumptions:		
· Investment return	5.2%pa	-
· Rate of interest (periods up to retirement)	-	'Gilts' + 1.2%pa
· Rate of interest (periods up after retirement)	-	'Gilts' + 1.2%pa
· Rate of increase in salaries	RPI + 1%pa <sup>d</sup>	RPI + 1%pa
· Rate of increase in pensions	CPI pa	Average RPI/CPI pa
Mortality assumptions:		
· Assumed life expectancy at age 65 (males)	24.2 yrs	22.4 yrs
· Assumed life expectancy at age 65 (females)	26.3 yrs	24.7 yrs
Funding Ratios:		
· Technical provisions basis	89%	80%
· Statutory Pension Protection Fund basis	82%	67%
· 'Buy-out' basis	54%	42%
· Estimated FRS 102 Total Funding level	77%	82%
Recommended employer's contribution rate (as % of pensionable salaries):	18%	23% decreasing to 19% from 01/08/2017
Effective date of next valuation:	31/03/2017	31/03/2019

## 21 PENSION SCHEMES (continued)

- a. 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 were calculated as at that date using pensionable salary and pensionable service immediately prior to that date and going forwards will be revalued in line with increases in official pensions (currently CPI); all members accrue a pension of 1/75th and a cash lump sum of 3/75ths of salary each year of service in respect of salary up to a salary threshold, initially £55,000 p.a., with the threshold applying from 1 October 2016; member contributions are 8% of salary; a defined contribution benefit for salary above the salary threshold at the total level of 20% 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 matched by the employer. Further details about the benefits may be reviewed on USS' website, [www.uss.co.uk](http://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 2018 USS reported that the estimated funding deficit was £8.4 bn (88% funded).
- b. OSPS' actuarial valuation as at 31 March 2016 identified a required long-term employer contribution rate of 17.3% of total pensionable salaries, with a funding deficit of £133 m. The valuation results reflect a number of changes to benefits that were agreed following an Employers' consultation in early 2017, including from 1 April 2017 a change in indexation based on the average of RPI and CPI, from 1 October 2017 a defined contribution section for new entrants and from 1 April 2018 breaking the final salary link for certain members and increased employee contributions. The actuary has certified that the recovery plan should eliminate the deficit by 30 June 2027. The next triennial valuation is due with an effective date of 31 March 2019.
- c. USS' actuary has assumed that the investment return is 5.2% in year 1, decreasing linearly to 4.7% over 20 years.
- d. USS' actuary has assumed that general pay growth will be CPI in year 1, CPI + 1% in year 2 and RPI + 1% pa thereafter. It is assumed that CPI is based on the RPI assumption (market derived price inflation of 3.6% p.a. less an inflation risk premium) less RPI/CPI gap of 0.8% p.a.
- e. As noted above (note a) the USS employer contribution rate is 18% of salaries from 1 April 2016. The total employer contributions include provisions for the cost of future accrual of defined benefits (DB) (net of member contributions to the DB section), deficit contributions, administrative expenses of 0.4% of salaries and from the implementation of the salary threshold the employer contribution towards defined contribution benefits including employer matching contributions and certain investment management costs relating to the DC section. The 2017 actuarial valuation of USS has been undertaken but this has not yet been formally completed. The 2017 valuation has set out the challenges currently facing the scheme and the likelihood of significant increases in contributions being required to address these challenges. In the judgement of the college, as the 2017 valuation has not formally completed, and there remains various stages of consultation around the key factors specifically relating to the funding of the past deficit, including the level of contributions required, the period of the recovery plan and the level of asset performance over the period, it remains appropriate to continue to account for the past deficit obligation in accordance with the plan agreed after the 2014 actuarial valuation. However, there is a significant risk that the year-end provision as calculated will not reflect the position following the final outcome of negotiations, potentially by a very significant amount depending upon what is finally agreed as regards future deficit contributions and their duration. The college expects to have greater clarity in this respect during the next financial year.
- f. As noted above (note b), the OSPS employer contribution rate required for future service benefits in the defined benefit section alone is 17.3% of total pensionable salaries from 1 April 2018. The employer contribution rate was 23% from 1 August 2016 to 31 July 2017. It was agreed that employer contribution rate would be 19% for both defined benefits members and defined contributions members who join on or after 1 October 2017. Part of contribution for defined contribution members would be paid to the defined benefit section to cover the deficit recovery plan, the provision of ill-health and death-in service benefits and the expenses of administering the defined contribution section.

**21 PENSION SCHEMES (continued)****Sensitivity of actuarial valuation assumptions**

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

**USS**

<i>Assumption</i>	<i>Change in assumption</i>	<i>Impact on USS liabilities</i>
Initial discount rate	increase / reduce by 0.25%	decrease / increase by £0.8bn
Discount rate in 20 years' time	increase / reduce by 0.25%	decrease / increase by £1.1bn
RPI inflation	increase / reduce by 0.1%	increase / decrease by £0.8bn
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £0.5bn

**OSPS**

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

**Pension charge for the year**

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

	2018	2017
<b>Scheme</b>	£000's	£000's
Universities Superannuation Scheme	369	349
University of Oxford Staff Pension Scheme	213	251
Other schemes – contributions	26	11
Supplementation payments	3	3
<b>Total</b>	<b>611</b>	<b>614</b>

Included in other creditors are pension contributions payable of £nil (2017: £nil).



**22 TAXATION**

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

**23 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH FLOW FROM OPERATIONS**

	2018	2017
	£'000	£'000
<b>Net income/(expenditure)</b>	3,218	32,686
<b>Elimination of non-operating cash flows:</b>		
Investment income	(1,612)	(1,274)
(Gains)/losses in investments	(2,238)	(4,022)
Endowment donations	(283)	(1,501)
Donations in kind (shares)	-	(1,717)
Financing costs	22	44
Depreciation	1,378	1,333
Fixed asset impairment	-	-
Decrease/(Increase) in stock	17	(5)
Decrease/(Increase) in debtors	(1,600)	(355)
(Decrease)/Increase in creditors	1,010	701
(Decrease)/Increase in provisions	-	-
(Decrease)/Increase in pension scheme liability	(110)	(282)
<b>Net cash provided by (used in) operating activities</b>	<b>(198)</b>	<b>25,608</b>

**24 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2018	2017
	£'000	£'000
Cash at bank and in hand	9,265	28,793
Notice deposits (less than 3 months)	-	-
Bank overdrafts	-	-
<b>Total cash and cash equivalents</b>	<b>9,265</b>	<b>28,793</b>

**25 FINANCIAL COMMITMENTS**

At 31 July the College had future minimum lease payments under non-cancellable operating leases as follows:

	2018	2017
	£'000	£'000
<b>Land and buildings</b>		
- not later than one year	91	218
- later than one year and not later than five years	0	91
- Later than five years	0	0
	<b>91</b>	<b>309</b>

## 26 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £16,757k (2017: £48,361k).

## 27 RELATED PARTY TRANSACTIONS

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

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

The College has properties with the following net book values owned jointly with trustees under joint equity ownership agreements between the trustee and the College.

	<b>2018</b>	2017
	<b>£'000</b>	£'000
Trustee		
Dr L Bendall	277	268
Dr S Butt	276	267
Prof S Faulkner	246	239
Prof S Fletcher	209	202
Dr D McDermott	255	246
Ms J S Tudge	247	239
	<b>1,510</b>	<b>1,461</b>

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

## 28 CONTINGENT LIABILITIES

There are no contingent liabilities that require disclosure.

## 29 POST BALANCE SHEET EVENTS

There are no post balance sheet events that require disclosure.