



Annual Report and Financial Statements

Year ended 31 July 2020



JESUS COLLEGE
Annual Report and Financial Statements
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JESUS COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2020

MEMBERS OF THE GOVERNING BODY

The Members of the Governing Body are the College's charity trustees under charity law. The Members who served in office during the year or subsequently are detailed below, together with details of the committees where they are members.

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Professor Sir N. Shadbolt			•			•	•	•*	•*	
Professor K.M. Kohl	Research leave 2019/20									
Professor P.O. Daley		•		•	•					•
Professor M. Brouard										
Dr D.N. Barron			•							
Professor A.S. Dancer			•							
Dr S.G. White					•					
Professor A.J. D'Angour							•			
Professor P. Clavin										
Professor P. Kewes						•				
Professor S. Srinivas		•								
Professor J. Tilley			•							
Professor C. Warman						•				
Dr S. Aspden										
Professor G. Taylor				•						
Dr J. Magorrian	Cover for MT19 & HT20					•				
Professor M. E. Turner	Research leave HT & TT20									
Dr J. Oliver					•					
Dr A. Lumbers		•	•	•	•	•	•			•
Dr P. Esö			•							
Professor E. Anderson										
Dr R. Grenyer						•				
Professor G. Holländer										
Dr A. Gajda							•			
Dr S. Douglas			•							
Professor P. Riley							•			
Professor Y. Chen										
Mr P. Goffin			•	•						
Mr R. Baumann		•		•	•		•			•
Dr R. Evans										
Dr S. Morris					•					
Dr M. John		•								
Mrs R. Green		•			•					•
Professor K. Vincent	Sabbatical MT19 & HT20					•				
Mr D. Stevenson		•	•	•						
Professor L. Enriques										
Professor T. Coulson										
Professor R. Pierrehumbert										
Professor S. Dercon										
Mr S. Woodward		•	•	•	•	•	•	•*	•*	

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Governing Body, Officers and Advisers
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		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Dr B. Williams		•								
Professor J. Rousseau										
Dr M. Jackson										
Dr S. Živný						•				•
Dr B. Wellner James		•					•			
Dr R. Wölfer	Resigned 31/12/19	•								
Dr S. Conway						•			•	
Dr M. Kusner	Resigned 31/08/19									
Professor D. Van Hulle	Appointed 01/10/19									
Dr B. Verd	Appointed 01/04/20									
Professor D. Willis	Appointed 01/07/20									
Dr D. Altshuler	Appointed 01/07/20									
Other Non-Governing Body members		1	2	2	0	0	7	6	2	3

*: Although not a member of the Committee, the Member normally attends its meetings

- (1) Accommodation, Catering and Conferences Committee
- (2) Estates Committee
- (3) Property and Environment Committee
- (4) Human Resources Committee
- (5) Academic Committee
- (6) Development Committee
- (7) Remuneration Committee
- (8) Risk and Audit Committee
- (9) Equality and Diversity Committee

The Committees have non-Governing Body members as follows:

Mr Robert Kay served on the Accommodation, Catering and Conferences Committee.

Mr Simon Pryke and Mr Bob Yates served on the Estates Committee.

Mr James Edgar and Professor Susan Doran served on the Property and Environment Committee.

Mr Brian Buchan, Ms Sarah Hendry, Mr Oliver Thomas, Mrs Leah Tomkins, Mr David Willis (resigned 31/12/19), Mrs Emma Huepfl and Mr Brad Wilson served on the Development Committee.

Ms Alison Beardsley, Mrs Kirsten Gillingham (appointed 1/5/20), Mr Andrew Jardine (resigned 31/12/19), Professor Yvonne Jones (Chair), Ms Ann Means and Mr Nick Sykes served on the Remuneration Committee.

Mr John Dowty (resigned 25/11/19), Ms Sharon Maidment and Mr Richard Whitelam (appointed 25/11/19) served on the Risk and Audit Committee.

Professor Renée Adams, Mr Thomas Ilube CBE and Professor Vili Lehdonvirta served on the Equality and Diversity Committee.

COLLEGE SENIOR STAFF

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

Prof Sir N. Shadbolt	Principal
Prof P. Daley	Vice-Principal
Mr R. Baumann	Director of Accommodation, Catering and Conferences
Mrs R. Green	Human Resources Director
Dr A. Lumbers	Academic Director
Mr D. Stevenson	Property Director
Dr B. Wellner James	Development Director
Mr S. Woodward	Estates Bursar

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COLLEGE ADVISERS

Investment managers

Cambridge Associates Limited
80 Victoria Street
Cardinal Place
London, SW1E 5JL

Auditor

Crowe U.K. LLP
Aquis House
49-51 Blagrove Street
Reading
Berkshire, RG1 1PL

Bankers

Barclays Commercial Bank
4th Floor Apex Plaza
Forbury Road
Reading, RG1 1AX

Solicitors

Knights Professional Services
Midland House
West Way
Oxford, OX2 0PH

Valuers

Savills	Deloitte LLP
33 Margaret Street	1 New Street Square
London, W1G 0JD	London, EC4A 3HQ

College address

Jesus College
Turl Street
Oxford, OX1 3DW

Website

www.jesus.ox.ac.uk

JESUS COLLEGE

Report of the Governing Body

Year ended 31 July 2020

The Members of the Governing Body present their Annual Report for the year ended 31 July 2020 under the Charities Act 2011 together with the audited financial statements for the year then ended.

REFERENCE AND ADMINISTRATIVE INFORMATION

Jesus College, within the City and University of Oxford, of Queen Elizabeth's Foundation, was established by Letters Patent by Queen Elizabeth I in 1571. It is a registered charity (registration number 1137435).

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 4.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Body

The Governing Body consists of the Principal, the College's Tutorial Fellows, some of its Professorial Fellows, and the full-time and part-time College Officers. At 31 July 2020 it comprised fifty members, thirty-six male and fourteen female. Members of the Governing Body are the Charity's trustees. Tutorial Fellows are employees of the College, recruited and appointed in conjunction with the relevant University department. A Tutorial Fellow's responsibilities for the provision of undergraduate teaching are set out in the College's Statutes. Professorial Fellows are University officers or distinguished academics who hold positions in the University. Potential Professorial Fellows are elected by the Governing Body after it has considered a report of an appointment committee.

The College's governing document, its Statutes, is enforceable ultimately by the Visitor, the Right Honourable the Earl of Pembroke. The Statutes are made from time to time by order of Her Majesty in Council in accordance with the Royal Charter of 1571 and the Universities of Oxford and Cambridge Act 1923.

The Governing Body determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the Principal and is advised primarily by eight committees.

Recruitment and training of Members of the Governing Body

New members are appointed on the recommendation of a committee constituted specifically for that particular appointment. The Committee ensures the necessary expertise is available to advise the Governing Body and that due regard is had to equality and diversity requirements. The Governing Body receives a report from the committee and, if satisfied, proceeds to elect the individual to a Fellowship. New Governing Body members receive training in their role as trustees. The membership of all committees, with the exception of the HR, Academic and Equality and Diversity Committees, includes people external to the College.

Remuneration of Members of the Governing Body

Members of the Governing Body who are Tutorial Fellows are paid a salary in part by the College and in part by the University for carrying out their teaching and research duties. Professorial Fellows are remunerated through their University departments and receive no remuneration from the College. College Officers, who are also employees of the College, receive remuneration for their work as employees of the College, which is set in line with that awarded to the University's academic staff. Details of Members' remuneration are provided in Note 20 to these accounts.

Recognising the potential for conflicts of interest, the College has a Remuneration Committee, members of which are either not in receipt of remuneration from the College or are independent of the College. The Committee recommends the levels of salaries and other benefits provided to members of the Governing Body having regard for the appropriate, established university salary levels and other relevant data.

Organisational management

Members of the Governing Body normally meet ten times a year, although in view of the significant impact of Covid-19, the Governing Body held an additional meeting in April to review the College's initial response. The work of developing the College's policies and monitoring the implementation of these is carried out by a number of committees, the composition and functions of which are specified in the College's Bylaws. These include:

- Accommodation, Catering and Conferences Committee (Bylaw 10.8)
- Estates Committee (Bylaw 10.6)
- Property and Environment Committee (10.7)

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- Human Resources Committee (Bylaw 10.12)
- Academic Committee Bylaw 10.10)
- Development Committee (Bylaw 10.16)
- Remuneration Committee (Bylaw 10.15)
- Risk and Audit Committee (Bylaw 10.9)

In addition to these committees, specific working groups have been formed to address the requirements of the Northgate Project and the issues raised by Covid-19.

Group structure and relationships

The College administers many special trusts, as detailed in Notes 17 and 18 to the financial statements.

The College has two wholly owned non-charitable subsidiaries, Jesus Accommodation Limited ('JAL') and Jesus College Developments (Oxford) Limited ('JCD'). JAL accounts for the College's non-academic conference and function activities; JCD is the developer for the Northgate Project, which entails re-developing Northgate House, a property owned by, and adjacent to, the College to provide renewed retail space, a doubling of academic teaching space and sixty-eight student rooms. The subsidiaries' aims, objectives and results are covered in the relevant sections of this report. Their annual profits are donated to the College under the Gift Aid Scheme.

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

Objectives

The College's principal object is to further study, learning, education and research, and to be a College within the University of Oxford wherein men and women may carry out advanced study or research.

The College also has as a charitable object the provision of public worship. To this end, the College provides a chapel and employs a chaplain.

The aims of the College's subsidiaries are to support the College in the achievement of its objectives.

Public benefit

The Governing Body confirms that it has complied with the duty in Section 17(5) of the Charities Act 2011, to have due regard to the guidance issued by the Charity Commission on public benefit. The College remains committed to its aim of providing public benefit in accordance with its founding principles. Accordingly, its activities are focused on furthering its stated objects and aims, examples of which are described below.

The College provides public benefit by offering higher education to its undergraduates and postgraduates. Undergraduate places are offered purely on the basis of academic merit. Financial support is available to undergraduates from the UK or the EU to assist them with the costs of tuition fees and living costs whilst at the College. This support is in addition to that available from the University of Oxford through the Oxford Bursaries scheme, in which the College also participates. The College is also aware of the difficulties that those aspiring to undertake graduate studies face in obtaining financial support and has therefore increased its efforts to collaborate with the University to provide scholarships. The College continues to support students in their studies through grants to cover, inter alia, the purchase of books, travel and research expenses. Despite the impact of the pandemic, it maintained its spending with a total of £769k (2018/19: £792k), comprising £250k (2018/19: £256k) in bursaries and hardship funding and £519k (2018/19: £536k) in scholarships, prizes and grants.

The education of our undergraduates is furthered through the tutorial system, which provides for undergraduates to meet with their tutor on a regular basis. The tutor is responsible for their students' academic progress and pastoral care. The College also provides the College Library for students' use, as well as computing, accommodation, food and other facilities. For 2019/20, about 58% (2018/19: 48%) of the cost of running the College was met out of its endowment and other investment income, the increase being due to the adverse impact of the pandemic on other revenues.

The College provides support to its postgraduate student members by the provision of a Fellow as College Advisor, dedicated to supporting and monitoring their progress, as well as dealing with any pastoral issues. As noted above, the College also advances the education of its graduate students by providing research grants to meet costs involved in undertaking research and presenting papers at conferences. College members

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undertake research that the College supports in a number of ways. In particular, Junior Research Fellows and Career Development Fellows are fixed-term appointments intended to enable early-career scholars to develop their research. The College supports the research of its Fellows by offering research grants and, where appropriate, sabbatical leave and other research leave.

The College also provides public benefit by permitting access to its library collections. Unique material in its Celtic and Fellows' Libraries is accessible to any researcher on application. The College's 140 medieval manuscripts are on deposit at the Bodleian Library where they can be consulted by interested researchers. The College's archives are also made available to all enquirers; the College employs an Archivist to assist with such requests for information, including making arrangements to visit the archives where appropriate. Finally, the College has a policy of lending its material to Museums on request from exhibition curators. Several of the College's paintings and illuminated manuscripts have been lent to major exhibitions in recent years, including more recently various TE Lawrence memorabilia.

Access and Outreach

The College is committed to supporting and growing its Access and Outreach programme. Jesus was one of the very first Oxford colleges to build a structured access programme led by an academic; last year our Access Fellow, Matt Williams, and Access Assistant, Shelley Knowles, engaged with just under 10,000 pupils in addition to those who attend our Open Days. The College worked with around 400 schools and hosted 167 events in addition to two Summer Schools. Owing to the pandemic, we produced 83 new videos to help with the COVID lockdown and school closures which have attracted 28,731 views. Our strategy focuses on socioeconomic and BAME diversity and gender balance across subjects. Diversity is worthwhile in itself, but also drives up academic standards by allowing academics to recruit from the widest pools of talent.

Creating cultural change within Jesus College and among underrepresented communities means a sustained shift in perceptions and behaviour. Access provision within College is becoming one of the day-to-day activities of our membership, from the JCR and MCR to the SCR. Increasing numbers of colleagues now contribute to access events, both student and academic, which include sustained and high-quality contact with target communities and a culture of alumni giving back to College the tangible and intangible resources needed to sustain investment in access work. The College has set up a hub school for its activities in South London and has been involved in Target Oxbridge, Into University, and the University to help focus on BAME.

Our flagship summer activity was the fourth, annual Seren Summer School targeted at underprivileged Welsh students. From our pilot event in 2017, where we hosted 22 students in College, this has increased to around 75 pupils per year and 10 teachers. All participants were from underrepresented backgrounds, many from some of the most deprived areas in the UK and Europe. Of the 73 Summer School participants in 2019, 41 applied to Oxford, 17 were shortlisted, and 7 were made offers.

The school is run in collaboration with the Welsh Government's Seren Network and we are grateful for their £18k contribution towards the £75k total economic cost, as we are to our generous alumnus, Oliver Thomas, who has endowed the remaining cost. The Welsh Government has already earmarked funding for 2021 and we are delighted to offer a further Seren Summer School in conjunction with a number of American universities. The College now has responsibility for Access work across Wales. The College's Access work, particularly in Wales, was recognised by HR the Prince of Wales when he visited the College in March 2020.

ACHIEVEMENTS AND PERFORMANCE

Activities and achievements during 2019/20

The achievements of the College's academic staff continue to be recognised through many prestigious honours, awards, grants and prizes. Professor Sir Nigel Shadbolt was named in the World's 100 Most Influential People in Digital Government by Apolitical, the peer-to-peer learning platform for governments; Professor Martin Booth was awarded the Physics Business Start-Up Award and the Oxford Innovation Start-up Award at the 2019 Oxford Trust Enterprise Awards. Professor Marion Turner's won the British Academy's Rose Mary Crawshay Prize 2020 for her recent book *Chaucer: A European Life* which was also nominated for the Wolfson History Prize. In addition, *The Times Literary Supplement*, *The Times*, and the *Sunday Times* all picked her book as one of their books of the year. Professor Yvonne Jones was awarded an ERC Grant. Professor Kathy Slyva was elected to the British Academy whilst Professor Raymond Pierrehumbert was elected to the Royal Society and Professor Tim Palmer was elected to the U.S. National Academy of Sciences as an International Member. Professor Philip Burrows was appointed Director of the John Adams Institute for Accelerator Science for a five-

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year term. Professor Ed Anderson was awarded the 2020 Bader Award by the Royal Society of Chemistry and Dr Deborah Hay was awarded a Medical Sciences Division Teaching Excellence Award.

Publications were, inevitably, affected by the pandemic but the following published works: Katrin Kohl, co-editor, *Creative Multilingualism: A Manifesto*; Pamela Sammons, co-editor, *The Home Learning Environment and Its Role in Shaping Children's Development* (special issue of *School Effectiveness and School Improvement*); Pamela Sammons, Iram Siraj, Kathy Sylva, co-authors (with 3 others), *Teaching in Effective Primary Schools: Research into Pedagogy and Children's Learning*; and Stuart White, co-author, *Radical Republicanism*.

The College's academic staff have been involved in some exciting projects and media events. The College celebrated Norman Manley as part of Black History Month in October 2019 with an all-day event culminating in a theatrical performance; topics included Manley's time at Jesus College, Jamaican Nationalism, and the legacy of his wife, Edna Manley, one of Jamaica's foremost artists and arts educators. Professor Caroline Warman featured on Radio 4's *In Our Time* discussing Rousseau's ideas on how to educate children to retain their natural selves and avoid corruption by society. Professor Patricia Clavin looked back to the craze of 'Egyptomania' sparked by the opening of Tutankhamun's tomb in 1922 in her Radio 4 programme, *The Cult of King Tut*, which also featured Dr Paul Collins. Dr Sarah Rugheimer was selected as a TED Fellow, joining a class of 20 change-makers from around the world to deliver a talk on the TED stage in April in Vancouver. Professor Patricia Daley's portrait was featured in *Phenomenal Women: Portraits of UK Black Female Professors*, comprising portraits of forty professors across a broad range of subjects including geography, medicine, law and sociology and honouring their presence and achievements working in British academia.

College students have received recognition in a number of fields. 44 students, or 48%, were awarded a First Class degree for 2019/20 and 7 were awarded prizes for top performance in University examinations, including two students being awarded Celebratory Firsts. We have also celebrated the success of 22 graduate students who achieved Distinctions in their examinations.

Covid-19

A review of the College's achievements and performance must address the impact of the pandemic which emerged in the second half of the year. With only a few students in residence in Trinity Term following the national lockdown, all teaching and lectures switched to on-line. Delivery of this virtually overnight was a triumph for the College's IT team that enabled this, the academics who worked so hard to adapt their teaching approach, and the students who coped so well with the new learning and exam environment.

Nevertheless, the impact of Covid-19 has been severe. Further commentary on this can be found in the Financial Review, Risk Management and Future Plans sections below.

FUNDRAISING

The Development Team leads the College's fundraising activities. It includes two major gift fundraisers who aim to visit up to 200 individuals each per year to solicit donations in the UK and overseas, supported by an additional mid-range fundraiser, who solicits funds regionally in the UK. Their work is normally supplemented by a direct mail appeal for the Annual Fund in Autumn and an annual Telethon appeal in March, although as a consequence of Covid-19 this year, the Telethon has had to be postponed. In respect of the Telethon, we have a contract with an external company, Rux Burton Associates, to help deliver this project, a role which is monitored carefully by Development Team members. The Annual Fund typically raises between £200k and £400k annually primarily through face-to-face fundraising and legacies that have been realised.

The College has registered with the Fundraising Regulator and supports the standards for fundraising set out in the Code of Fundraising Practice. The College takes seriously its obligation to protect any vulnerable people and does so by designing fundraising appeals so that they appear at regular and expected intervals each year; using its database to avoid sending excessive fundraising requests or duplicated appeals; making sure all potential donors are given notice of the annual Telethon appeal and an opportunity to 'opt-out'; and tailoring our mailings to potential donors based on their personal preferences.

450th Campaign

In 2021 Jesus College will celebrate its 450th anniversary. The College launched the public phase of its £45 million, 450th Anniversary Campaign, which runs until July 2022, in September 2018. Since then, the campaign has raised approximately £4.2m towards the remaining £10m target. The Northgate site re-development is a key part of the 450th Anniversary Campaign and has already attracted a lead donation of £15m. Alongside this, continued fundraising efforts for bursaries, graduate scholarship and tutorial fellowships are taking place.

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FINANCIAL REVIEW

The Statement of Financial Activities shows a net deficit of £6.4m (2018/19: net income of £5.9m). This figure includes legacies and donations for restricted and endowed funds of £0.6m (2018/19: £14.6m) and a net loss on investments of £3.7m (2019/20: loss of £1.7m); details of both of these are provided below.

Covid-19

There is no escaping the impact of Covid-19 on the current year's performance. Its direct impact has been felt on residential and investment income and although this has been mitigated to some extent by the Government's furlough scheme and the considerable efforts of College staff to control costs, it is reasonable to conclude that the net impact by the end of the financial year was of the order of £0.5m, with a continued adverse impact following across the rest of the summer and into the new financial year. Indirectly, its impact could be said to have affected the carrying value of the College's investments, both in terms of the volatility of equity markets and the continued and substantial reduction in value of its commercial, retail property.

Income

Charitable and trading income

Charitable income, £5.0m (2018/19: £6.0m), comprises tuition fees from UK, EU and overseas students, support from Office for the Student and other academic income, and related residential income. The marginal increase in fee income was offset by a substantial reduction in residential income; all Trinity Term rents were lost as a consequence of the nationwide lockdown. Trading income, £0.2m (2018/19: £0.4m), which comprises non-academic conference and function income, also reduced; no conferences were possible from Easter onwards.

Donations and legacies

Donation and legacy income was £1.0m (2018/19: £15.2m of which £13.2m was attributable to the lead donation for the Northgate Project). Covid-19 affected donations adversely in the second half of the year as the Development team's focus switched from longer-term endowment gifts to addressing immediate student needs. As ever, the College's alumni continued to provide significant and regular contributions to the College's Annual Fund, which is a crucial means of supporting the College's teaching and research activities and enhancing the sporting, cultural and educational opportunities of its members. The unrestricted nature of these funds is important because most other donations are for the College's endowment funds and so only the investment return is available to be spent.

Investments

The College invests in various asset classes, including public equities, commercial and agricultural property, government and commercial bonds, and private equity. Management of the College's endowment is overseen by the Estates Committee. The equity portfolio's management is delegated to an external manager, Cambridge Associates, whereas property is managed internally by the College's Property Director and his team.

Investment income was £2.7m (2018/19: £3.9m) reflecting the absence of rents from the vacated Northgate House. However, the College operates a Total Return policy and so taking account of market gains and losses, the investment performance was as follows:

	Value at 1/8/19	Net additions / (disposals)	Change in value	Value at 31/7/20	Income in year	Total return	
	A	B	C	D	E	2019/20	2018/19
	£'000	£'000	£'000	£'000	£'000	%	%
Agricultural	35,589	- 2,065	3,158	36,682	478	10.5%	8.2%
Commercial and residential	17,530	-	- 3,203	14,327	1,154	-11.7%	-10.9%
Equities, bonds & cash	143,275	843	- 3,607	140,511	1,113	-1.7%	5.1%
Total	196,394	- 1,222	- 3,652	191,520	2,745	-0.5%	0.8%

Total return = (C+E) / (A+B/2). Figures for total return % are approximate and do not take account of fees and other costs including the loan on Northgate House. Income excludes £90k (2018/19: £453k) of interest on current asset investments.

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Consistent with the Total Return policy, the investment mandate does not distinguish between income and capital gains. Investments are made with the aim of achieving a minimum total return for securities of 3.5% plus CPI after fees, which in turn allows the College to draw 3.3% of relevant investments to support the College's annual expenditure. To avoid undue fluctuations, the total return draw of 3.3% is calculated by reference to the average investment values for the last five years, indexed for inflation. The level of draw is kept under close review to ensure the interests and needs of both current and future beneficiaries are balanced.

The low overall return of the last two years has been heavily influenced by the College's commercial property portfolio, which comprises primarily retail outlets in Cornmarket, Oxford, and which reduced in value by another £3.2m following the £3.7m reduction in 2018/19. Zone A rents have come under considerable pressure as retailers switch more of their business to on-line trading and this has been compounded by the reducing life of existing tenancies. In contrast, the agricultural portfolio value has been robust; underlying values are unchanged but overall there was an increase of £3.2m, primarily due to a change in the nature of the tenancy of one farm.

Equity and related returns were hit hard by markets' initial assessment of the impact of the pandemic in the Spring. Pleasingly, after an immediate reduction in value in excess of 15%, the portfolio has recovered in line with the market to end the year only marginally down on the prior year. This recovery has continued since the year end such that the portfolio is now ahead for the calendar year to date.

The College is very conscious of the need for good governance and adherence to appropriate ethical principles when making investments. Its ethical policy is as follows:

The College expects all companies in which it invests, whether directly or via an investment fund, to abide by the relevant law of the place where it has its headquarters and the law of the places where it carries out its operations. Where a portfolio company, to the College's knowledge, takes action which, whether lawful or not, creates a significant risk of severe reputational loss to the College, the College will not seek to maintain its investment if, after appropriate engagement, there is no reasonable prospect of a change in the company's behaviour.

The College also recognises the importance and relevance of environmental, social and corporate governance ('ESG') factors in the selection and management of investments within its portfolio. It believes that good governance, as so defined, supports the College's overriding concern for the good economic and financial performance of its portfolio over the longer term. As the College invests in funds, rather than making direct investments, it expects its fund managers to have an ESG policy in place which integrates ESG factors into their investment process and to report their compliance with the UK Stewardship Code and the United Nations Principles of Responsible Investment. Where choices exist, the College believes that it is more constructive and effective for its fund managers to engage with investee companies thoughtfully and consistently as part of their investment decisions rather than opting automatically for divestment. Consistent with this approach, it expects its fund managers to report on their corporate engagement and voting activity on a regular basis.

Further details on investments can be found in Notes 4, 10 and 11 to the financial statements.

Expenditure

Total expenditure reduced sharply from £17.9m to £12.2m, although once the impact of the change in expenditure on the Northgate Project, see below, and movements attributable to the pension deficit provision are excluded, the underlying position is a reduction of approximately 4%, or 1% excluding pandemic savings.

Staff costs were £5.1m (2018/19: £6.6m). In both years, the total has been affected by movements on the pension deficit provision. Excluding this, staff costs have remained at £5.5m; headcount changes and a reduction in the Official Fellows allowance have offset salary increments and inflation and the full year effect of the increase in the USS pension contribution rate from 19.5% to 21.1%. Although classified as part of income, the College received £307k of payments in respect of staff on furlough and in these difficult times, it is pleasing to report that the College topped up such payments to 100% of staff salaries. It has also maintained its commitment to paying all staff at a rate which is at least equivalent to the Living Wage.

Non-staff costs were £7.2m (2018/19: £7.8m), a reduction of 6.9% due in part to operational savings as a result of the absence of students during Trinity Term and the lack of conference activity in the summer.

Northgate Project

Visitors to central Oxford will be aware of the progress on this important £40m investment in the College's central site that will double its teaching and research space, add 68 student rooms for postgraduates, establish a digital hub, and improve the accessibility of the College, both physically and virtually, while retaining nearly all of its existing commercial footage on Cornmarket and Market Street. The external structure of the new building

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Year ended 31 July 2020

is nearing completion; traditional stone cladding is planned to be added before Christmas; and the detailed work on fitting out the premises will begin in the New Year ahead of a planned completion target of September 2021. In November 2020, we were pleased to confirm the first tenants for the new building, three GP practices which will occupy the entire basement and part of the rear of the ground and first floors. Discussions with other potential tenants are at an early stage, but their interest confirms the attraction of the new building.

Capital additions in the year were £8.2m (2018/19: £1.9m, including £92k for interest on the related funding. Prior to signing the main construction contract in Spring 2019, direct costs of the project were expensed, hence the charge of £1,956k last year and the absence of any charge this year. In addition, as is the case with such major projects, other indirect costs are incurred in respect of the project. These have been expensed giving rise to a charge of £1,392k in 2018/19, although as some of this was recovered this year, there is a credit of £254k.

Reserves policy

The College's policy is to maintain sufficient reserves and facilities to meet its short-term financial obligations in the event of an unexpected revenue shortfall so that the College can be managed efficiently and maintain a buffer which would ensure uninterrupted services. In many respects, this year was a test of this policy given that the pandemic eliminated most of the College's revenue between Easter and the start of the new academic year and had a significant, albeit short-term adverse impact on its investment values. It is pleasing to note that the College has passed this test but as a further precaution, steps have been taken to strengthen its finances. As soon as the implications of the pandemic became clear in the Spring, the College arranged a £5m overdraft facility with its bankers and since the year end it has arranged a further three-year unsecured revolving credit facility for £5m. Both of these facilities have taken advantage of the historically low interest rates and will add to the significant liquidity already available to the College through its substantial investments.

In reviewing compliance with the reserve policy, short-term financial needs are normally defined by reference to a multiple of the College's underlying operating expenditure. In so doing, allowance needs to be made for specific circumstances such as: the risk of significant changes in the value of the College's investment and property portfolio; the need to commit to specific projects, both capital and non-capital, which further the College's charitable objectives; and the potential restrictions imposed on the College's spending by either the terms of its Total Return policy or its bank and other loan covenants.

Total funds of the College and its subsidiary at the year-end amounted to £211.1m (2019: £217.6m), of which £39.1m (2019: £47.8m) are considered to be available reserves. Available reserves are defined as:

- Free reserves of £20.6m (2019: £16.5m), being unrestricted funds excluding designated funds of £10.0m (2019: £10.4m).
- Plus: £31.2m (2019: £42.1m), being the unapplied total return for permanent endowment funds. This comprises £54.3m (2019: £64.2m), per Note 13, less £23.1m (2019: £22.0m) for the inflation adjustment required to preserve the permanent endowment capital of £87.8m (2019: £87.8m).
- Less: £12.8m (2019: Less £10.8m) being the unapplied total return for expendable endowment funds.

The Estates Committee has conducted a review of the financial risks facing the College in light of its investment portfolio and other financial risks, which include:

- The hypothetical impact on the College's income of periods of poor investment performance consistent with the more extreme situations seen in the past and in 2020;
- The impact on its commercial rents during the redevelopment of Northgate House; and
- The risks associated with the Northgate Project, although it should be noted that the projected remaining costs for the project are covered by existing funds and facilities.

After making appropriate allowance for these risks, available reserves represent approximately 0.4 times 2019/20 underlying operational expenditure (2018/19: 0.7 times). The reduction this year reflects the further write-downs in the College's commercial property and the adverse impact of the pandemic on both its investment portfolio and operational income. Nevertheless, in view of the considerable liquidity available to the College from its investments and the additional bank facilities in place, the Committee has concluded that the level of reserves is appropriate.

Designated reserves at the year-end include £936k (2019: £600k) in the Development Fund available to support both new projects and a variety of activities including bursaries and widening participation within a 12 to 18-month timescale.

JESUS COLLEGE

Report of the Governing Body

Year ended 31 July 2020

Risk management

The College has on-going governance processes which operate throughout the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiaries in undertaking their activities. A risk management policy has been approved by the Governing Body and in accordance with this, risks and mitigating procedures within the College are reviewed by the relevant College committees, chaired by the Principal or Vice-Principal. Financial and investment risks are assessed by the Estates Committee; the Director of Accommodation, Catering and Conferences and department heads meet regularly to review health and safety issues; and academic matters are addressed by the Academic Director. A separate working group, which reports to the Governing Body, meets monthly to review progress on the Northgate project and this group's activities are reviewed quarterly by an independent and experienced member of the University Estates Department.

The emergence of Covid-19 provided a very real, practical test for the business continuity planning of both the College and the University. A working group comprising the Principal, the Vice Principal, the College Officers, the Communications Manager, and a representative of the Governing Body was established to coordinate the College's response and address the many various and complex issues. These included switching to on-line learning and teaching, managing the College during lockdown, adjusting for the significant loss of revenue, and preparing for the return into residence of students in Michaelmas Term 2020. Regular reports have been provided to Governing Body throughout this period. Actions and plans have been agreed and developed, wherever possible, in line with the University's own response to the pandemic, which in turn has been the product of an enormous investment of time and money.

The Governing Body, which has ultimate responsibility for managing any risks faced by the College, is supported by a Risk and Audit Committee to help it monitor the major risks to which the College is exposed. A risk register has been established and responsibility for the management of the key risks resides with the College Officers and their relevant committees, with the Risk and Audit Committee receiving periodic reports on the effectiveness of this. It is recognised that systems can provide only reasonable and 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:

- **Academic performance.** Attracting the best tutors and students is essential to the College's overall purpose. A key part of the College's current Strategic Plan has involved providing additional resources to support both tutorial fellows, to ensure they continue to deliver excellent results through their teaching and research, and students, whether in terms of access, study facilities or preparation for the next stage of their careers. Many of the identified actions have been completed.
- **Student welfare.** The wellbeing of, and support for, students is a priority for the College. An established welfare network and medical support team are available within College in addition to the communications and services that exist in the wider University. The College's welfare provision, which includes a dedicated Welfare Officer, is supplemented by an experienced student Counsellor who provides on-site support.
- **Major incidents:**
 - *Covid-19.* The impact to date and the College's response have been described elsewhere in the Governing Body Report. The Covid-19 Working Group will continue its coordination role so long as the virus remains a major risk to the College's operations, focusing on actions to support the College's academic mission, strengthen its financial position, and return its day to day operations to normality as soon as possible.
 - *Other incidents.* This takes account of the risk of a major fire, explosion or other disaster which might affect either the College's operational property. The University's policy to cover such incidents has been adopted by the College and dry runs have been completed. Regular maintenance of safety systems takes place and a catastrophe insurance policy is kept under review.
- **Going concern and liquidity.** The pandemic has had an adverse impact on the College's revenues and necessitated changes to its operations, often involving additional cost. Future operations may also be affected depending on the extent to which its prevalence ebbs and flows. Although the College has substantial assets, many of which are capable of being realised at short notice, this uncertainty places a premium on the availability of cash to cover any revenue shortfalls or additional costs, or to avoid having to realise assets at an inopportune time. As noted in the reserves section, the College has arranged additional bank facilities of £10m to supplement its normal sources of liquidity.

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Report of the Governing Body

Year ended 31 July 2020

- **Management of investments.** The College is reliant on the investment return from its endowments to support its charitable activities. The extreme volatility in markets seen this year are indicative of what can happen to investment values. In addition, as noted above, rents from Northgate House are not available during its re-development albeit they are covered by reserves established over a period of years in anticipation of this. Responsibility for monitoring the College's investment performance rests with the Estates Committee, which has appointed experienced investment managers to act on its behalf.
- **Northgate Project.** As with any major construction project, there are risks associated with the delivery of the project. Planning and funding risks have been addressed already; execution risks, in terms of cost overruns or delays to the timetable, remain. The College has retained the services of a full professional team of advisers and appointed a reputable construction firm to assist with the project. Responsibility for oversight of the project's delivery has been delegated to a specific working group which reports directly to the Governing Body, supplemented by periodic, independent reviews.
- **IT facilities and security.** The risk embraces IT systems failure, data security and vulnerability to cyber-attack, as well as the need to respond to the challenge created by the pandemic of conducting much of the College's teaching, research and operations on-line. Prior to the pandemic, the IT team was increased from two to three full-time members as part of further investment in this area. This proved to be prescient when the nationwide lockdown began, facilitating a rapid switch to on-line operations across the College. The College regularly reviews its policies and practices in this area. A data security policy has been adopted; appropriate back-up facilities are available; and insurance cover exists.
- **Pensions.** The 2018 actuarial valuation of USS was completed during the year, the outcome of which was an increase in employer and employee contributions to meet the identified deficit. Yet another valuation, as at March 2020, has commenced in what are acknowledged to be very difficult economic conditions given the impact of the pandemic. It is too soon to say how the desire to maintain benefits and avoid even higher contributions will be reconciled, but it is likely that some increase will be required.

FUTURE PLANS

The College Strategic Plan, 2017 – 2021 has continued to operate. The core elements of this have been:

- Extending our access work to ensure that we attract applicants from a diverse range of students;
- An increase in student numbers from the introduction of Computer Sciences and the expansion of postgraduate places;
- Extending the number of, and support for, junior and early career Fellows;
- Improved learning, teaching, research and accommodation facilities as part of the Northgate Project;
- The introduction of an innovative Digital Hub to promote interdisciplinary research and knowledge exchange; and
- Maintaining and building the College's endowment.

Many of the above objectives have been, or are close to being, delivered. With the end of the period approaching, work in preparation for the next strategic plan has commenced this autumn. The primary focus as before will be supporting and enhancing the College's academic mission, although the extent to which this is achievable in the short term will depend on the time it takes to recover from the impact of the pandemic.

JESUS COLLEGE

Report of the Governing Body

Year ended 31 July 2020

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governing Body (“the Trustees”) 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 in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

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

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

Approved by the Governing Body on 2 December 2020 and signed on its behalf by:

Prof Sir N. Shadbolt
Principal

JESUS COLLEGE

Report of the Auditor to the Members of the Governing Body of Jesus College

Year ended 31 July 2020

Opinion on financial statements

We have audited the financial statements of Jesus College (the 'Charity' or the 'College') for the year ended 31 July 2020, which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent Charity's affairs as at 31 July 2020 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 Group 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the College'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 Trustees 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 we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept by the parent Charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

JESUS COLLEGE

Report of the Auditor to the Members of the Governing Body of Jesus College

Year ended 31 July 2020

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the Trustees 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 the Trustees 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 Trustees are responsible for assessing the Group's and the parent 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 Trustees 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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees 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 Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Statutory Auditor

Reading

Date: 2 December 2020

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

JESUS COLLEGE

Report of the Governing Body

Year ended 31 July 2020

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 comprising the consolidation of the College and its wholly owned subsidiaries, Jesus Accommodation Limited and Jesus College Developments (Oxford) Limited. A separate SOFA has not been presented for the College as permitted by Charity Commission.

A summary of the results and financial position of the College and its subsidiaries is disclosed 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. Therefore, the College has 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 investment properties and other investments, with movements in value reported within the Statement of Financial Activities (SOFA). The Trustees, having regard for the high proportion of the College's assets that are in liquid or near liquid funds, are satisfied that it has adequate resources to continue in operational existence for the foreseeable future. In making their assessment the Trustees have considered the impact on the business of Covid-19, including the ability of the College to continue to operate as a College of the University of Oxford. Accordingly, they continue to believe that the going concern basis of accounting is appropriate in preparing the annual financial statements.

The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

3. Accounting judgements and estimation of uncertainty

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

- The College participates in three multi-employer defined benefit pension plans. In the judgement of the Governing Body there is insufficient information about the plans' assets and liabilities to reliably account for their share of the defined benefit obligations and assets in the financial statements and therefore the plans are accounted for as defined contribution schemes (see Note 21).
- The College carries investment property at fair value in the balance sheet, with changes in fair value being recognised in the income and expenditure section of the SOFA. Independent valuations are obtained to determine fair value at the balance sheet date.
- Before legacies are recognised in the financial statements, the Governing Body exercises judgement as to what constitutes sufficient evidence of entitlement to the bequest. Sufficient evidence exists once notification of payment has been received from the executor(s) of the estate or estate accounts are available which indicate sufficient funds are in the estate after meeting liabilities for the bequest to be paid.

With respect to the next financial year, the most significant areas of uncertainty that are expected to affect the carrying value of assets and liabilities held by the College are:

- The cost of the Northgate Project. Although contractual arrangements provide considerable security for the College, it is exposed to the consequences of events outside of its and the contractor's control;
- The level of any provision required against commercial rents receivable, particularly where they are in respect of retail tenants;
- The level of investment return and the performance of investment markets both for the College's commercial property and other investments; and
- The discount rate which is applied when determining the College's share of the past service deficits on the pension schemes to which it contributes.

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Report of the Governing Body

Year ended 31 July 2020

4. Consolidation

The subsidiaries have been consolidated from the date of their formation, being the date from which the College has exercised control through voting rights. Intra-group sales and charges between the College and its subsidiaries are excluded from consolidated trading income and expenditure. Balances between the College and its subsidiaries are eliminated on consolidation.

5. Income recognition

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

- ***Income from fees, OFS support and other charges for services***

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

- ***Income from the Coronavirus Job Retention Scheme (the 'Furlough scheme')***

Payments under the Government's furlough scheme are recognised when receivable and classified as other income in the SOFA.

- ***Income from donations and legacies***

Donations that do not impose specific future performance-related or other specific conditions are recognised on the date on which the College 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 subject to performance-related conditions are recognised as and when those conditions are met. Donations 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 once notification of payment has been received from the executor(s) of the estate or estate accounts are available that indicate sufficient funds are in the estate after meeting liabilities for the bequest to be paid.

Voluntary income received for the general purpose of the College is credited directly to a designated fund and is subject to review and planned distribution by the Development Committee each October in the following year.

Voluntary income which is subject to specific wishes of the donor is 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 otherwise than in cash, they are valued at the market value of the underlying assets received at the date of receipt.

6. Investment income

Interest on bank balances and fixed interest securities is accounted for on an accruals basis in the period to which the interest relates.

Dividend income and similar distributions are recognised in the period in which they become receivable.

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

7. Total return investment accounting

As authorised by the College's statutes, the College has adopted a 'Total Return' basis for the investment of its endowment. The carrying value of the preserved permanent capital, the trust for investment, and the amount of any unapplied total return available for expenditure were taken as the fair value of these funds as at 1 August 2009 together with the original gift value of all subsequent endowment additions received. In choosing this date, the Governing Body sought to achieve an appropriate balance between the availability of relevant, historical information on changes in the College's permanent endowment funds, bearing in mind changes in classifications which have taken place over the years, and the need for accurate analysis.

It invests these funds without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can either be retained for investment or released to income at the discretion of the Governing Body.

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Report of the Governing Body

Year ended 31 July 2020

8. 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.

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. Irrecoverable VAT is included with the related item of expenditure.

8. Tangible fixed assets

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

Expenditure on the acquisition, construction or enhancement of land and buildings together with plant and machinery, and fixtures, fittings and equipment, which is directly attributable to bringing the asset to its working condition for its intended use, is reviewed on a case by case basis, in conjunction with independent advisers where appropriate, to determine whether it is appropriate to be capitalised and, if so, to ascertain the correct period over which to depreciate the asset.

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.

9. 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	15 - 50 years
Leasehold properties, including land	25 - 50 years or period of lease if lower
Building improvements	10 - 25 years
Equipment	5 - 15 years
Plant and machinery	10 - 20 years

Freehold land and assets in the course of construction are not depreciated. The cost of maintenance, including non-capital repairs and refurbishment, is charged in the Statement of Financial Activities in the period in which it is incurred. Works of art and other valuable artefacts regarded as inalienable are not included in the financial statements.

10. Investments

Investment properties are recognised initially at their cost of acquisition and measured subsequently, after taking advice from independent valuers, at their fair value at each reporting date. Purchases and sales of investment properties are recognised on exchange of contracts.

Listed investments are recognised initially at their cost and measured subsequently 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. Fair value for investments, such as hedge funds and private equity funds which have no readily identifiable market 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 appropriate fund holding or disposing of the relevant investment.

11. Financial instruments

Cash and cash equivalents include cash at banks and in hand and short-term deposits with a maturity date of three months or less. Current asset investments comprise endowment funds awaiting investment and the proceeds of the private placement and lead donation for the Northgate Project, which have been invested in a cash fund to provide liquidity for the project.

JESUS COLLEGE

Report of the Governing Body

Year ended 31 July 2020

Financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 25 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to fixed asset investments and debtor balances excluding prepayments, and financial liabilities referring to creditor balances excluding deferred income and tax and social security.

12. Leases

Leases of assets that transfer substantially all the risks and rewards of ownership are classified as finance leases. The cost of the assets held under finance leases is included within fixed assets and depreciation is charged over the shorter of the lease term and the assets' useful lives. 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.

13. 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 the terms of an appeal. Endowment funds are further subdivided 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 that the capital be maintained and the income used for specific purposes.

Permanent endowment funds arise where donors specify that the funds should be retained as capital for the permanent benefit of the College. Any part of the total return 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.

14. Pension costs

The costs of retirement benefits provided to employees of the College through multi-employer defined benefit 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 reporting date for the discounted value of the expected future contributions under the agreements with these multi-employer schemes to fund the past service deficits.

15. Foreign currencies

The functional and presentation currency of the College and its subsidiaries is the pound sterling. Transactions denominated in foreign currencies are translated at the spot rates of exchange at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates applying at the reporting date. Foreign exchange gains and losses 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.

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

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2019/20 Total £'000	2018/19 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:	1					
Teaching, research and residential		5,028	-	-	5,028	5,999
Public worship		2	-	-	2	2
Heritage		-	-	-	-	-
Other trading income	3	225	-	-	225	420
Donations and legacies	2	427	350	232	1,009	15,191
Investments						
Investment income	4	600	2	2,233	2,835	3,867
Total return allocated to income	13	5,377	857	(6,234)	-	-
Other income - Furlough scheme		307	-	-	307	-
Total income		11,966	1,209	(3,769)	9,406	25,479
EXPENDITURE ON:						
Charitable activities:	5					
Teaching, research and residential:						
College		7,981	1,149	-	9,130	10,863
Northgate Project		(251)	-	-	(251)	3,348
Public worship		43	-	-	43	58
Generating funds:	5					
Fundraising		536	-	-	536	801
Trading expenditure		268	-	-	268	378
Investment management costs		1,847	-	586	2,433	2,482
Total expenditure		10,423	1,149	586	12,159	17,930
Net income/(deficit) before investment gains		1,543	60	(4,355)	(2,753)	7,548
Net gains/(losses) on investments:	10, 11					
Northgate House		-	-	-	-	(6,000)
Other investments		3,148	-	(6,810)	(3,662)	4,323
		3,148	-	(6,810)	(3,662)	(1,677)
Net income/(deficit)		4,691	60	(11,165)	(6,415)	5,872
Transfers between funds	17	(959)	-	959	-	(0)
Net movement in funds for the year		3,732	60	(10,206)	(6,415)	5,872
Fund balances brought forward	17	26,947	14,756	175,855	217,559	211,687
Funds carried forward at 31 July		30,679	14,816	165,649	211,144	217,559

Comparatives for the movements on funds are provided in Note 31a

*: Teaching, research and residential expenditure includes £Nil (2018/19: £1,956k) direct costs and a credit of £254k (2018/19: charge of £1,392k) for indirect items relating to the Northgate Project.

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

	Notes	2019/20 Group £'000	2018/19 Group £'000	2019/20 College £'000	2018/19 College £'000
FIXED ASSETS					
Tangible assets	9	38,271	30,753	37,388	30,753
Property investments	10	51,574	53,695	51,574	53,695
Other investments	11	140,511	143,275	140,511	143,275
Total fixed assets		230,356	227,723	229,473	227,723
CURRENT ASSETS					
Stocks		156	136	156	136
Debtors	14	5,800	8,934	6,829	9,726
Investments	24	16,567	22,976	16,567	22,976
Cash at bank and in hand	24	1,760	1,958	1,695	1,588
Total current assets		24,283	34,004	25,247	34,426
LIABILITIES					
Creditors: Amounts falling due within one year	15	3,930	3,203	4,011	3,625
NET CURRENT ASSETS		20,353	30,801	21,236	30,801
TOTAL ASSETS LESS CURRENT LIABILITIES		250,709	258,524	250,709	258,524
CREDITORS: falling due after more than one year	16	37,502	38,516	37,502	38,516
NET ASSETS BEFORE PENSION LIABILITY		213,207	220,008	213,207	220,008
Defined benefit pension scheme liability	21	2,063	2,449	2,063	2,449
NET ASSETS		211,144	217,559	211,144	217,559
FUNDS OF THE COLLEGE					
Endowment funds	17	165,649	175,855	165,649	175,855
Restricted funds	17	14,816	14,756	14,816	14,756
Unrestricted funds					
Designated funds	17	10,030	10,413	10,030	10,413
General funds	17	22,712	18,984	22,712	18,984
Pension reserve	21	(2,063)	(2,449)	(2,063)	(2,449)
		211,144	217,559	211,144	217,559

The financial statements were approved and authorised for issue by the Governing Body of Jesus College on 2 December 2020

Prof Sir N. Shadbolt

Mr S.N. Woodward

Principal

Estates Bursar

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

	Notes	2019/20 £'000	2018/19 £'000
Net cash used in operating activities	23	(1,466)	(476)
Cash flows from investing activities			
Dividends, interest and rents from investments		2,835	3,272
Purchase of property, plant and equipment		(7,511)	(2,212)
Proceeds from sale of investments		3,007	1,533
Purchase of investments		(1,522)	(1,963)
Net withdrawals from current asset investments		6,409	2,804
Net cash provided by investing activities		3,218	3,434
Cash flows from financing activities			
Repayments of borrowing		(959)	(910)
Finance costs paid		(1,458)	(1,606)
Receipt of endowment donations		232	954
Net cash used in financing activities		(2,185)	(1,562)
Change in cash and cash equivalents in the reporting year		(433)	1,396
Cash and cash equivalents at the beginning of the reporting year		1,958	562
Cash and cash equivalents at the end of the reporting year	24	1,760	1,958
Movement on net debt		2019/20 £'000	2018/19 £'000
Net debt at the beginning of the reporting year		14,541	14,039
Repayment of borrowings		(959)	(910)
Change in unamortised debt issue costs		4	4
Net withdrawals from current asset investments		6,409	2,804
Change in cash and cash equivalents		433	(1,396)
Net debt at the end of the reporting year		20,428	14,541

Net debt comprises: gross borrowings, see Note 16, plus the current element of the bank loan, see Note 15, less cash and cash equivalents and current asset investments, see Note 24.

Jesus College
Notes to the Financial Statements
For the year ended 31 July 2020

1 INCOME FROM CHARITABLE ACTIVITIES

	2019/20	2018/19
	£'000	£'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	1,521	1,487
Tuition fees - Overseas students	868	871
Other support - Office for Students	198	197
Other academic income	322	242
College residential income	2,119	3,202
Total teaching, research and residential	<u>5,028</u>	<u>5,999</u>
Total public worship	<u>2</u>	<u>2</u>
Total income from charitable activities	<u>5,030</u>	<u>6,001</u>

The above includes £2,587k (2018/19: £2,555k) from Oxford University under the CFF Scheme.
The reduction in residential income reflects the absence of students in College accommodation during Trinity Term.

2 DONATIONS AND LEGACIES

	2019/20	2018/19
	£'000	£'000
Donations and Legacies		
Unrestricted funds	427	600
Restricted funds	350	13,585
Endowed funds	232	1,006
	<u>1,009</u>	<u>15,191</u>

Restricted funds' donations in 2018/19 included £13,234k, being the balance recognised in respect of the lead donation of £15m for the Northgate Project.

3 INCOME FROM OTHER TRADING ACTIVITIES

	2019/20	2018/19
	£'000	£'000
Subsidiary companies' trading income	221	416
Other trading income	4	4
	<u>225</u>	<u>420</u>

Jesus Accommodation Limited accounted for £221k (2018/19: £416k) of the College's non-charitable trading income.

4 INVESTMENT INCOME

	2019/20	2018/19
	£'000	£'000
<i>Unrestricted funds</i>		
Agricultural rent	478	544
Other property income	24	28
Interest on fixed term deposits and cash	90	444
Bank interest	8	1
	<u>600</u>	<u>1,017</u>
<i>Restricted funds</i>		
Interest on fixed term deposits and cash	2	8
	<u>2</u>	<u>8</u>
<i>Endowed funds</i>		
Commercial rent	1,081	1,590
Other property income	49	53
Equity dividends	1,103	1,199
	<u>2,233</u>	<u>2,842</u>
Total Investment income	<u>2,835</u>	<u>3,867</u>

Under the College's investment management mandate, the profile of the return focuses on growth by capital gain as well as dividend return.

Jesus College
Notes to the Financial Statements
For the year ended 31 July 2020

5 ANALYSIS OF EXPENDITURE

	2019/20	2018/19
	£'000	£'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	4,201	3,975
Movement in pension deficit liability - see Note 8	(323)	902
Public worship	32	37
Other direct costs allocated to:		
Northgate Project expenditure	(251)	3,348
Other teaching, research and residential	3,286	3,748
Public worship	11	21
Support and governance costs allocated to:		
Teaching, research and residential	2,015	2,100
Movement in pension deficit liability - see Note 8	(49)	138
Total charitable expenditure	8,922	14,269
Expenditure on raising funds		
Direct staff costs allocated to:		
Fundraising	281	320
Movement in pension deficit liability - see Note 8	(51)	141
Trading expenditure	85	135
Investment management costs	150	198
Other direct costs allocated to:		
Fundraising	234	274
Trading expenditure	179	164
Investment management costs	848	731
Support and governance costs allocated to:		
Fundraising	72	66
Trading expenditure	4	79
Investment management costs	1,435	1,553
Total expenditure on raising funds	3,237	3,661
Total expenditure	12,159	17,930

Prior year costs included £3,348k of expenditure on the Northgate Project. This comprised direct costs of £1,956k incurred before the formal approval of the Project in Spring 2019; direct project costs incurred since approval have been capitalised - see Note 9. Last year also included additional, indirect costs of the Project of £1,392k. These costs included business rates paid but recovered in 2019/20 following review by the Council, hence the current year credit of £251k after accounting for sundry other costs.

The College is liable to be assessed for contribution under the provisions of Statute XV of the University of Oxford. The Contribution Fund is used to make grants and loans to colleges on the basis of need. Contributions are calculated annually in accordance with regulations made by the Council of the University of Oxford. Teaching, research and residential costs include a credit amount of £139k for College Contribution charge (2018/19: £6k credit).

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	2019/20 Total £'000
Financial administration	40	266	-	306
Domestic administration	10	252	-	262
Human resources	25	250	-	275
IT	22	285	-	307
Depreciation	-	841	-	841
Bank interest payable	808	3	-	811
Other finance charges	600	47	-	647
Governance costs	6	22	-	28
	1,511	1,966	-	3,477

Jesus College
Notes to the Financial Statements
For the year ended 31 July 2020

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	2018/19 Total £'000
Financial administration	40	337	-	377
Domestic administration	85	242	-	327
Human resources	22	247	-	269
IT	20	268	-	288
Depreciation	-	920	-	920
Bank interest payable	859	10	-	869
Other finance charges	667	190	-	857
Governance costs	5	24	-	29
	<u>1,698</u>	<u>2,238</u>	<u>-</u>	<u>3,936</u>

Finance, administration and human resources costs are allocated according to the estimated staff time spent on each activity. Depreciation is allocated according to the use made of the underlying assets. IT and Governance costs are allocated according to activity. Interest and other finance charges are allocated according to the purpose of the related financing. Other finance charges include £663k (2018/19: £663k) of interest payable for the private placement loan of £25m, net of £92k capitalised as part of the Northgate Project to reflect the cost of funding for that project.

	2019/20 £'000	2018/19 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	29	27
Auditor's remuneration - other services	-	2
Other governance costs	-	-
	<u>29</u>	<u>29</u>

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 in Note 20.

7 GRANTS AND AWARDS

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

	2019/20 £'000	2018/19 £'000
Unrestricted funds		
Grants to individuals:		
Scholarships, prizes and grants	249	232
Bursaries and hardship awards	15	79
Total unrestricted	<u>264</u>	<u>311</u>
Restricted funds		
Grants to individuals:		
Scholarships, prizes and grants	270	304
Bursaries and hardship awards	235	177
Total restricted	<u>505</u>	<u>481</u>
Total grants and awards	<u>769</u>	<u>792</u>

8 STAFF COSTS

The aggregate staff costs for the year were as follows:

	2019/20 £'000	2018/19 £'000
Salaries and wages	4,387	4,366
Social security costs	403	405
Pension costs		
Defined benefit and defined contribution schemes	702	690
Subtotal	<u>5,492</u>	<u>5,461</u>
Movement in pension deficit liability	<u>(423)</u>	<u>1,181</u>
	<u>5,069</u>	<u>6,642</u>

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

	2019/20	2018/19
Tuition and research	18	19
College residential	54	50
Public worship	1	1
Fundraising	5	6
Support	17	15
Total	<u>95</u>	<u>91</u>

Jesus College
Notes to the Financial Statements
For the year ended 31 July 2020

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

Tutorial Fellows	33	33
Other teaching and research	11	11
College Officers and others	8	9
Total	52	53

The aggregate payroll costs for the year were £5.1m, of which £4.7m related to income-generating functions and £0.8m to support functions, offset by a credit of £0.4m from the reduction in the pensions deficit liability - see Note 21. The College also benefits from temporary staff, agency workers and part-time external tutors who are not on the College payroll. The related costs were £379k (2018/19: £493k). The decrease reflects the reduction in agency staff, in part because of the lack of activity in Trinity Term.

Details of remuneration and reimbursed expenses of the College Trustees are included in Note 20 of these financial statements.

There were no employees (excluding the College Trustees) during the year whose gross pay and benefits (excluding pension contributions) exceeded £60k.

9 TANGIBLE FIXED ASSETS

Group and College	Assets under construction £'000	Freehold land and buildings £'000	Leasehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost						
At start of year	21,100	14,527	6,418	3,102	562	45,709
Additions	8,186	172	-	-	-	8,358
Disposals	-	-	-	-	-	-
At end of year	29,286	14,699	6,418	3,102	562	54,067
Depreciation and impairment						
At start of year	-	10,718	2,227	1,489	522	14,956
Depreciation charge for the year	-	443	138	239	20	840
Depreciation on disposals	-	-	-	-	-	-
At end of year	-	11,161	2,365	1,728	542	15,796
Net book value						
At end of year	29,286	3,538	4,053	1,374	20	38,271
At start of year	21,100	3,809	4,191	1,613	40	30,753

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, 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 this could not be obtained except at disproportionate expense. In the opinion of the Trustees the depreciated historical cost of these assets is immaterial.

During the year, work on the Northgate Project has continued with additions totalling £8.2m. Of this, £92k is attributable to capitalised interest, see Note 6.

Jesus College
Notes to the Financial Statements
For the year ended 31 July 2020

10 PROPERTY INVESTMENTS

Group and College				2020
	Agricultural £'000	Commercial £'000	Other £'000	Total £'000
Valuation at start of year	35,589	17,530	576	53,695
Additions and improvements at cost	35	-	-	35
Disposals	(2,100)	-	-	(2,100)
Revaluation gains/(losses) in the year	3,158	(3,203)	(11)	(56)
Valuation at end of year	36,682	14,327	565	51,574
Group and College				2019
	Agricultural £'000	Commercial £'000	Other £'000	Total £'000
Valuation at start of year	34,068	46,430	597	81,095
Additions and improvements at cost	33	-	-	33
Disposals	(702)	-	-	(702)
Revaluation gains/(losses) in the year:				
Northgate House	-	(6,000)	-	(6,000)
Other properties	2,190	(3,700)	(21)	(1,531)
Transfer to assets in the course of construction	-	(19,200)	-	(19,200)
Valuation at end of year	35,589	17,530	576	53,695

A formal valuation of the agricultural properties was prepared by Gerald FitzGerald FRICS of Savills Ltd as at 31 July 2020. A formal valuation of the commercial and other properties was prepared by Edwin Bray FRICS of Deloitte LLP as at 31 July 2020. The properties at 31 July 2020 includes those with valuations reported on the basis of a material valuation uncertainty, as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

The increase in agricultural property value primarily reflects the conversion of one farm from an Agricultural Holdings Act tenancy to a Farm Business tenancy. The continued decrease in value of commercial, retail property reflects the challenging environment facing retailers.

During the year, the College sold land and two cottages realising a net gain of £263k against their carrying value.

11 OTHER INVESTMENTS

All investments are held at fair value.

	2020 £'000	2019 £'000
Group and College investments		
Valuation at start of year	143,275	136,322
New money invested	1,487	1,930
Amounts withdrawn	(644)	(758)
(Decrease) / Increase in value of investments	(3,607)	5,781
Group and College investments at end of year	140,511	143,275

In addition to the above, the College realised a gain on currency exchange on cash balances of £4.5k (2018: £5k loss).

Group and College investments comprise:

	Held outside the UK £'000	Held in the UK £'000	2020 Total £'000	Held outside the UK £'000	Held in the UK £'000	2,019 Total £'000
Equity investments	105,862	24,718	130,580	98,059	38,670	136,729
Property funds	-	1,227	1,227	-	1,292	1,292
Alternative and other investments	3,979	-	3,979	3,643	-	3,643
Fixed term deposits and cash	-	4,725	4,725	-	1,611	1,611
Total group and College investments	109,841	30,670	140,511	101,702	41,573	143,275

Alternative and other investments include certain unlisted investments valued as at 30 June 2020 because valuations at 31 July 2020 were not readily available.

Jesus College
Notes to the Financial Statements
For the year ended 31 July 2020

12 PARENT AND SUBSIDIARY UNDERTAKINGS

The financial statements consolidate the accounts of Jesus College and the following companies:

Jesus Accommodation Limited:

Wholly owned trading subsidiary providing conference and other event services on the College premises.

Jesus College Developments (Oxford) Limited: Wholly owned trading subsidiary, which was incorporated to provide design and build services to Jesus College for the Northgate Project.

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

	Parent College £'000	Jesus Accommod- ation Ltd £'000	JC Develop- ments (Oxford) Ltd £'000	Parent College £'000	Jesus Accommod- ation Ltd £'000	JC Develop- ments (Oxford) Ltd £'000
Income	9,406	224	6,954	25,059	418	3,617
Expenditure	(12,242)	(218)	(6,877)	(17,610)	(378)	(3,558)
Donation to College under gift aid	83	(6)	(77)	99	(40)	(59)
Net (loss) / income before investment gains	<u>(2,753)</u>	<u>-</u>	<u>-</u>	<u>7,548</u>	<u>-</u>	<u>-</u>
Total assets	254,720	57	2,156	262,149	244	1,037
Total liabilities	(43,576)	(57)	(2,156)	(44,590)	(244)	(1,037)
Net funds at the end of year	<u>211,144</u>	<u>-</u>	<u>-</u>	<u>217,559</u>	<u>-</u>	<u>-</u>

13 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees adopted a duly authorised policy of total return accounting for the College investment returns with effect from 1 August 2015. The investment return to be applied as income is calculated as 3.3% (2018/19: 3.3%) of the average of the inflation-adjusted year-end values of the relevant investments for the last 5 years. The preserved value of the invested endowment capital represents its fair value at August 2009 plus all subsequent endowments valued at the date of the gift.

Comparatives are provided in Note 31b.

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total £'000
At the beginning of the year:					
Trust for Investment	87,778	-	87,778	-	87,778
Unapplied total return	-	64,137	64,137	-	64,137
Expendable endowment	-	-	-	23,940	23,940
Total endowments	87,778	64,137	151,915	23,940	175,855
Movements in the reporting period:					
Gift of endowment funds	55	-	55	177	232
Investment return: total investment income	-	1,929	1,929	304	2,233
Investment return: realised and unrealised gains and losses	-	(5,876)	(5,876)	(934)	(6,810)
Less: Investment management costs	-	(507)	(507)	(79)	(586)
Other transfers	-	-	-	959	959
Total	55	(4,454)	(4,399)	427	(3,972)
Unapplied total return allocated to income in the period	-	(5,377)	(5,377)	(857)	(6,234)
Net movements in reporting period	55	(9,831)	(9,776)	(430)	(10,206)
At end of the reporting period:					
Trust for Investment	87,833	-	87,833	-	87,833
Unapplied total return	-	54,306	54,306	-	54,306
Expendable endowment	-	-	-	23,510	23,510
Total endowments	87,833	54,306	142,139	23,510	165,649

Jesus College
Notes to the Financial Statements
For the year ended 31 July 2020

14 DEBTORS

	2020	2019	2020	2019
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	430	239	420	230
Amounts owed by College members	36	156	36	156
Amounts owed by Group undertakings	-	-	1,000	932
Prepayments	162	228	162	176
Accrued income	4,988	5,137	5,027	5,058
Other debtors	184	120	184	120
Amounts falling due after more than one year:				
Accrued income	-	3,054	-	3,054
	5,800	8,934	6,829	9,726

Accrued income includes 4.5m (2018/19: £7.5m, split between less than and more than one year) in respect of the lead donation to fund the Northgate Project.

15 CREDITORS: falling due within one year

	2020	2019	2020	2019
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bank loan	1,018	959	1,018	959
Trade creditors	309	616	291	368
Amounts owed to College members	287	176	287	176
Amounts owed to Group undertakings	-	-	1,050	771
Taxation and social security	216	325	210	306
College contribution	-	144	-	144
Expenditure accruals	1,642	553	699	507
Deferred income	166	271	167	244
Other creditors	292	159	289	150
	3,930	3,203	4,011	3,625

16 CREDITORS: falling due after more than one year

	2020	2019	2020	2019
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bank loan - unsecured	12,604	13,622	12,604	13,622
Other loan - unsecured	24,898	24,894	24,898	24,894
	37,502	38,516	37,502	38,516

The College holds two long term loans:

The bank loan relates to the original acquisition of Northgate House. Interest is payable at a fixed rate of 5.369%. The loan is repayable in instalments over 20 years and matures in April 2028; £1,018k of the loan is payable within one year.

In January 2017, the College raised £25m via a private placement primarily to fund the Northgate Project. The loan comprises £10m repayable in May 2037 at a fixed interest rate of 2.67% and £15m repayable in May 2058 at a fixed interest rate of 2.64%.

At 31 July 2019, the loans are stated net of unamortised acquisition costs of £174k and £102k (2019: £207k and £106k) respectively.

Jesus College
Notes to the Financial Statements
For the year ended 31 July 2020

17 ANALYSIS OF MOVEMENTS ON FUNDS	At 1 August 2019 £'000	Incoming resources* £'000	Resources expended £'000	Transfers ** £'000	Gains/ (losses) £'000	At 31 July 2020 £'000
ENDOWMENT FUNDS - PERMANENT	151,915	1,984	(507)	(5,377)	(5,876)	142,139
Bursary and hardship funds	1,550	23	(5)	(56)	(60)	1,452
Cultural sporting and travel funds:						
P.W. Dodd Fund	861	12	(3)	(31)	(33)	806
Other cultural sporting and travel	821	10	(2)	(28)	(31)	770
General purposes:						
Old Estate inc. Leoline Jenkins	109,809	1,394	(366)	(3,891)	(4,251)	102,695
Meyricke Endowment	18,003	229	(60)	(638)	(697)	16,837
Other general purposes	2,521	31	(7)	(89)	(98)	2,358
Building & infrastructure (A E Stevens)	4,131	52	(14)	(146)	(160)	3,863
Other specific endowments	163	1	-	(5)	(6)	153
Scholarships, prizes & awards funds	3,719	92	(11)	(128)	(140)	3,532
Teaching & research funds:						
Zeitlyn	5,547	70	(18)	(197)	(215)	5,187
Other teaching & research funds	4,790	70	(21)	(168)	(185)	4,486
ENDOWMENT FUNDS - EXPENDABLE	23,940	481	(79)	102	(934)	23,510
Northgate House	4,149	53	(14)	812	(161)	4,839
College Pension Fund	1,762	22	(6)	(62)	(68)	1,648
John Walsh History Fellowship	1,677	24	(6)	(59)	(65)	1,571
W & M Elton Davies Fund	1,580	20	(5)	(56)	(61)	1,478
H Morag English Fellowship	1,411	18	(5)	(50)	(55)	1,319
Hoffmann Medical Grad. Scholarships	1,855	24	(6)	(66)	(72)	1,735
J Bounden Endowment Fund	2,059	26	(7)	(73)	(80)	1,925
Shreder Student Support Fund	1,211	15	(4)	(43)	(47)	1,132
Welsh Access & Outreach Fund	625	135	(2)	(24)	(26)	708
Other teaching & research funds	7,611	144	(24)	(277)	(299)	7,155
Total endowment funds	175,855	2,465	(586)	(5,275)	(6,810)	165,649
RESTRICTED FUNDS						
Bursary and hardship funds	668	14	(186)	93	-	589
Cultural sporting and travel funds	73	-	(27)	38	-	84
Building & Infrastructure:						
Cheng/Knight Dragon	11,278	1	-	-	-	11,279
Other building & infrastructure	3	5	(6)	93	-	95
Other specific funds	169	23	(10)	15	-	197
Scholarships, prizes & awards funds	1,138	107	(288)	137	-	1,094
Teaching & research funds	1,427	202	(632)	481	-	1,478
Total restricted funds	14,756	352	(1,149)	857	-	14,816
UNRESTRICTED FUNDS						
General unrestricted funds	18,984	6,181	(9,927)	4,326	3,148	22,712
Designated: Fixed asset	9,653	-	-	(668)	-	8,985
Designated: Annual fund	652	406	(122)	-	-	936
Designated: Other	109	2	-	-	-	111
General purposes funds	(1)	-	(761)	760	-	(2)
Pension reserve	(2,449)	-	386	-	-	(2,063)
Total unrestricted funds	26,948	6,589	(10,424)	4,418	3,148	30,679
Total funds	217,559	9,406	(12,159)	-	(3,662)	211,144

* Incoming resources for endowed funds comprise donations in the year and realised returns on related investments.

**Transfers include £5,377k and £857k released from permanent and expendable endowment respectively to restricted and unrestricted funds in accordance with the College's total return policy, offset by £959k added to expendable endowment for the 2018/19 capital repayment on the Northgate House loan.

Comparative funds movements are provided in Note 31c.

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Notes to the Financial Statements
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18 FUNDS OF THE COLLEGE DETAILS

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

Endowment funds - Permanent:

Bursary and hardship funds	A consolidation of gifts, donations and bequests where income, but not capital, can be used for student support, hardship or bursaries.
Cultural sporting and travel funds: P.W. Dodd Fund	Capital consisting of the residue of the estate of P.W. Dodd (decd. 1931), where related income, but not the original capital, can be used to assist undergraduates to travel abroad for "general broadening of the mind" rather than formal study.
Other cultural sporting and travel	A consolidation of gifts, donations and bequests where income, but not capital, can be used for cultural, sporting and travel purposes.
General purposes: Old Estate inc. Leoline Jenkins	A consolidation of donations, gifts and bequests forming the original endowment together with monies left in the will of Sir Leoline Jenkins dated 12 June 1685, former Principal, which brought together his estate and monies given or bequeathed to him by Francis Mansell, former Principal, and Doctor William Basset, which together are collectively referred to as the Old Estate. The income only can be used for the general purposes of the College.
Meyricke Endowment	A bequest made by Edmund Meyricke, a former Fellow, in 1713 under which the income, but not the capital, can be used for the general purposes of the College.
Other general purposes	A consolidation of gifts, donations and bequests where income, but not capital, can be used for the general purposes of the College.
Building & infrastructure (A E Stevens)	A gift to the College under a Deed of Appointment dated 25 June 1975 under which the income, but not the capital, shall be applied to improvement and extension of the functional buildings of the College.
Other specific endowments	A consolidation of gifts, donations and bequests where income, but not capital, can be used for the various specific purposes of the College.
Scholarships, prizes & award funds	A consolidation of gifts, donations and bequests where income, but not capital, can be used for the provision of scholarships, prizes and awards.
Teaching & research funds: Zeitlyn	The College was the residuary beneficiary of the will of Myrtle Henriette Zeitlyn (24 July 1997). Income but not the capital can be used to support three Fellowships in perpetuity: Law, French and Medicine. On 16 April 2010 it was agreed that one of the Fellowships endowed be changed from Law to Modern History.
Other teaching & research funds	A consolidation of gifts, donations and bequests where income, but not capital, can be used for teaching and research purposes.

Endowment funds - Expendable:

Northgate House	In December 2001 the College purchased 13-21 Cornmarket St (Northgate House) funded in part by the proceeds from a compulsory purchase and in part by a mortgage funded out of income from the property and endowment. Capital repayments of the mortgage are added to the endowment. Income and capital arising from the property is to be used for the general purposes of the College.
W & M Elton Davies Fund	A bequest made by WM & M Elton Davies for the establishment of a fund to support bursaries for undergraduates.
John Walsh History Fellowship	A consolidation of gifts, donations and bequests where income can be used for teaching and research purposes.
H Morag English Fellowship	English Fellowship supported by Victor Wood, named in memory of his wife.
Hoffmann Medical Graduate Studentship	The donation from Andre Hoffmann attracted matched funding from the Oxford Graduate Scholarships Matched Fund. Together, they cover tuition fees, college fees and living costs for medical students.
J Bounden Endowment Fund	Legacy from John Bounden available for the general purposes of the College.
Shreder Endowment Fund	Legacy from PGS Shreder available for the general purposes of the College.
Welsh Access & Outreach Fund	Gift to fund the College's Access and Outreach activities.
Other specific funds	A consolidation of gifts, donations and a bequest, where income can be used for teaching and research or, with one fund, the general purposes of the College.

Restricted funds:

Ship Street Centre Fund	Gifts and donations given to fund the conversion of the Ship Street Centre and to replace any monies borrowed from the endowment.
Cheng/Knight Dragon	In February 2017, the College received a pledge of £15m from Dr Cheng through his company, Knight Dragon, for the re-development of Northgate House.

Designated funds:

Designated: Fixed asset	Unrestricted funds which are represented by the fixed assets of the College, excluding assets in the course of construction, and therefore not available for expenditure on the College's general purposes.
Designated: Annual Fund	Unrestricted donations to the Development Fund allocated by the Fellows for disbursement in the year following donation for both new projects and existing areas of expenditure.
Designated: Other	Unrestricted funds allocated by the Fellows for academic purposes, art and heritage, the running of Chapel and for the upkeep and maintenance of College properties.

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.

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19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2020 Total £'000
Tangible fixed assets	38,271	-	-	38,271
Property investments	14,892	-	36,682	51,574
Securities and other investments	-	-	140,511	140,511
Net current assets / (liabilities)	17,081	14,816	(11,544)	20,353
Defined benefit pension scheme liability	(2,063)	-	-	(2,063)
Creditors falling due after one year	(37,502)	-	-	(37,502)
	30,679	14,816	165,649	211,144

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019 Total £'000
Tangible fixed assets	30,753	-	-	30,753
Property investments	36,165	-	17,530	53,695
Securities and other investments	-	-	143,275	143,275
Net current assets / (liabilities)	995	14,756	15,050	30,801
Defined benefit pension scheme liability	(2,449)	-	-	(2,449)
Long term liabilities	(38,516)	-	-	(38,516)
	26,948	14,756	175,855	217,559

20 TRUSTEES' REMUNERATION

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

No Trustee receives any remuneration for acting as a trustee. However, those Trustees who are also employees of the College receive salaries for their work as employees. These salaries are based on external scales and often are joint arrangements with the University of Oxford, although they may be supplemented by specific College allowances, as explained below.

In order to avoid conflicts of interest, recommendations concerning remuneration, both of individual Fellows and in general, are made by an independent Remuneration Committee, the membership of which is agreed by the Governing Body. It includes a non-remunerated Fellow, a retired Estates Bursar from another College, and three Old Members of the College.

Trustees of the College fall into the following categories:

- Professorial Fellows;
- Tutorial Fellows; and
- College officers

During the year seven Trustees, being the Principal, Academic Director, Estates Bursar, Development Director, Director of Accommodation Catering and Conferences, Human Resources Director and Property Director, worked on management and fundraising. All were full time with the exception of the Estates Bursar, who works on a 50% presence, and the Human resources Director, who works on an 80% presence. These Trustees comprise the key management personnel and their cost for the year, including employer's pension and National Insurance, was £694k (2018/19: £783k).

Some Trustees, particularly Tutorial Fellows, are eligible to participate in the College's joint equity scheme - see Note 28.

Trustees receive additional allowances where they perform specific roles within College. These amounts are included in the remuneration figures below. The total remuneration and taxable benefits as shown below is £1,891k (2018/19: £2,061k), which includes employer

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Remuneration paid to trustees

Range	2019/20		2018/19	
	Number of Trustees/ Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees/ Fellows	Gross remuneration, taxable benefits and pension contributions £
£0	-	-	1	-
£1 - £999	11	2,057	10	6,058
£1000 - £2999	2	4,525	-	-
£9000 - £9999	1	9,625	-	-
£11000 - £11999	1	11,513	-	-
£16000 - £16999	-	-	1	16,470
£21000 - £21999	-	-	1	21,780
£22000 - £22999	-	-	1	22,293
£27900 - £27999	2	55,191	-	-
£29000 - £29999	1	29,735	2	59,029
£30000 - £30999	11	335,569	-	-
£31000 - £31999	3	94,366	1	31,327
£32000 - £32999	2	65,477	6	194,545
£33000 - £33999	1	33,312	8	265,392
£34000 - £34999	-	-	4	137,201
£35000 - £35999	-	-	1	35,870
£38000 - £38999	1	38,244	-	-
£40000 - £40999	-	-	1	40,713
£46000 - £46999	1	46,131	-	-
£47000 - £47999	-	-	1	47,589
£56000 - £56999	1	56,952	-	-
£58000 - £58999	-	-	1	58,592
£60000 - £60999	1	60,772	-	-
£61000 - £61999	-	-	1	61,058
£64000 - £64999	4	259,670	-	-
£65000 - £65999	1	65,436	3	196,949
£66000 - £66999	-	-	2	132,616
£67000 - £67999	1	67,760	1	67,886
£71000 - £71999	1	71,258	-	-
£72000 - £72999	-	-	1	72,263
£80000 - £80999	1	80,660	-	-
£81000 - £81999	-	-	1	81,926
£86000 - £86999	1	86,028	-	-
£87000 - £87999	-	-	1	87,684
£88000 - £88999	-	-	1	88,120
£89000 - £89999	1	89,283	-	-
£94000 - £94999	1	94,034	1	94,312
£100000 - £100999	1	100,185	-	-
£106000 - £106999	-	-	1	106,137
£133000 - £133999	1	133,345	-	-
£134000 - £134999	-	-	1	134,852
Total	52	1,891,128	53	2,060,662

All Trustees, together with other senior employees, are eligible for private health insurance as part of their remuneration package. All Trustees may eat at common table, as can all other employees who are entitled to meals while working.

Trustee expenses

Fellows also receive reimbursement of personal expenses necessarily incurred in connection with their services to the College as Trustees. During the year a total of £4.1k (2018/19: £5.7k) was reimbursed to 9 (2018/19: 13) of the Trustees in relation to oversight of College investments or for attending other College business or conferences.

21 PENSION SCHEMES

The College participates in two principal pension schemes, 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. The USS and OSPS schemes are contributory mixed benefit schemes, i.e. they provide benefits on a defined benefits basis based on length of service and pensionable salary, and on a deferred contribution basis based on contributions into the scheme. Both are multi-employer schemes and so because the College is unable to identify its share of the underlying assets and liabilities of each scheme on a consistent and reasonable basis, the College accounts for the schemes, in accordance with the accounting standard FRS 102, as if they are defined contribution schemes. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the schemes in respect of the accounting period.

In the event of the withdrawal of any of the participating employers in USS, the amount of any pension funding shortfall that cannot otherwise be 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.

In addition to its two main pension schemes, the College contributes to the Church of England Funded Pension Scheme (CEPS) for stipendiary clergy, another multi-employer scheme, and the National Employment Savings Trust (NEST) for non-employees who are eligible under automatic enrolment regulations to pension benefits.

Actuarial valuations

Qualified actuaries periodically value the USS and OSPS schemes using the 'projected unit method'. 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, the assumptions which have the most significant effect on these valuations, and the determination of the contribution levels are shown in the following table.

	USS	OSPS
Date of valuation:	31/03/2018	31/03/2019
Date valuation results published:	16/09/2019	19/06/2020
Value of liabilities:	£67.3bn	£848m
Value of assets:	£63.7bn	£735m
Funding surplus / (deficit):	(£3.6bn)	(£113m)
Principal assumptions:		
• Discount rate	CPI - 0.73% to CPI +2.52% pa ^a	Gilts +0.5% to 2.25% pa ^b
• Rate of increase in salaries	N/A	'RPI
• Rate of increase in pensions	CPI ^c	Average RPI/CPI ^d
Assumed life expectancies on retirement at age 65:		
• Males currently aged 65	24.4 yrs	21.7 yrs
• Females currently aged 65	25.9 yrs	24.4 yrs
• Males currently aged 45	26.3 yrs	23.0 yrs
• Females currently aged 45	27.7 yrs	25.8 yrs
Funding ratios:		
• Technical provisions basis	95%	87%
• Statutory Pension Protection Fund basis	76%	74%
• 'Buy-out' basis	56%	60%
	21.1%	
Employer's contribution rate (as % of pensionable salaries):	increasing to 23.7% on 01/10/21	19%
Effective date of next valuation:	31/03/2020	31/03/2022

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

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

b. The discount rate for the OSPS valuation was:

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

c. Pension increases (CPI) for the USS valuation were:

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

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

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

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

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

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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:

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

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

Deficit recovery plans

The College has entered into agreements for both schemes that determine how each employer within the scheme will fund the scheme deficits. In line with FRS 102 paragraph 28.11A, the College has recognised a liability for the discounted value of the expected future contributions payable for the agreed deficit funding plan. Changes to these liabilities are recognised as an expense or a credit in the periods in which the changes occur. The principal assumptions used in these calculations are tabled below:

Assumption	OSPS	USS
Finish date for Deficit Recovery Plan	30/01/2028	31/03/2028
Average staff number increase	1.6%	1.6%
Average staff salary increase	2% rising to 4%	2% rising to 4%
Average discount rate over period	0.74%	0.63%
Effect of 0.5% change in discount rate	£18k	£35k
Effect of 1% change in staff growth	£35k	£50k

At 31 July 2020, provisions of £1,285k (2018/19: £1,716k) and £759k (2018/19: £715k) respectively have been made for USS and OSPS for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown above.

The most recent valuation in respect of the CEPS was at 31 December 2018, following which a recovery plan was put in place until 31 December 2022. The College was making deficit repair contributions of 11.9% until the resignation of the then Chaplain during the year.

Pension charge for the year

The pension charge recorded by the College for the year, excluding finance costs of £36k (2018/19: £25k), comprises current contributions payable of £702k (2018/19: £690k), plus a net deficit reduction of £423k (2018/19: £1,181k increase). The latter includes £64k of deficit contributions (2018/19: £58k). The charge for OSPS includes £71k (2018/19: £43k) payable to its defined contribution section.

Scheme	Current		2019/20		2018/19	
	£'000	Deficit £'000	Total £'000	Current £'000	Deficit £'000	£'000
Universities Superannuation Scheme	469	(458)	11	453	1,203	1,656
University of Oxford Staff Pension Scheme	233	35	268	231	(17)	214
Other schemes	-	-	-	6	(5)	1
Total pension charge for the year	702	(423)	279	690	1,181	1,871

Other creditors at year end include pension contributions payable of £Nil for USS and OSPS (2018/19: £110.6k).

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

22 TAXATION

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

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23 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH FLOW FROM OPERATIONS	2019/20	2018/19
	Group	Group
	£'000	£'000
Net (deficit) / income	(6,415)	5,872
Reversal of non-operating cash flows:		
Investment income	(2,835)	(3,867)
Unrealised losses on investments	3,662	1,677
Gain on property disposals	(263)	-
Endowment donations	(232)	(1,006)
Depreciation	840	920
Financing costs	1,458	1,726
Increase in stock	(20)	(16)
Decrease/(Increase) in debtors	3,134	(5,941)
Increase/(Decrease) in creditors	(409)	(1,046)
Increase/(Decrease) in pension scheme liability	(386)	1,205
Net cash used in operating activities	(1,466)	(476)
24 ANALYSIS OF CASH AND CASH EQUIVALENTS	2019/20	2018/19
	£'000	£'000
Cash and cash equivalents	1,760	1,958
Deposits and other short term investments	16,567	22,976
Total cash and current asset investments	18,327	24,934

Deposits and short-term investments relate to funds raised from the private placement and invested in a third party cash management fund which has 48 hour access.

In May 2020, the College agreed terms for an unsecured overdraft of £5m. None of this was utilised at year end.

25 FINANCIAL INSTRUMENTS

The College and Group's value of financial instruments are summarised below:

Group and College	Group		College	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Financial assets measured at fair value through profit or loss	208,652	219,946	208,652	219,946
Financial liabilities measured at fair value through profit or loss	2,063	2,449	2,063	2,449
Financial assets measured at amortised cost	7,398	10,664	8,362	11,138
Financial liabilities measured at amortised cost	41,050	41,123	41,136	41,591

The College's and Group's income, expenses, gains and losses in respect of financial instruments are summarised below:

Interest income and expense:	Group		College	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Total interest income for financial assets held at amortised cost	10	9	10	9
Total interest expense for financial liabilities held at amortised cost	1,458	1,726	1,458	1,726

Financial assets measured at amortised cost comprise cash and cash equivalents, deposits, fees receivable, trade debtors, amounts owed by group undertakings and other debtors excluding prepayments. Financial assets measured at fair value relate to listed investments and short-term investments valued by reference to market prices.

Financial liabilities measured at amortised cost comprise bank loans and overdraft, other loans, trade creditors, other creditors, and accruals excluding deferred income. Financial liabilities measured at fair value relate to the pension liability.

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26 FINANCIAL COMMITMENTS

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

	2020	2019
	£'000	£'000
Non-cancellable operating lease commitments		
Less than one year	254	254
After one year and less than five years	1,016	1,016
After five years	4,214	4,468
	<u>5,484</u>	<u>5,738</u>
Non-cancellable operating lease rentals receivable		
Less than one year	1,667	1,616
After one year and less than five years	3,142	3,746
After five years	731	1,357
	<u>5,540</u>	<u>6,719</u>

The above commitments consist of leases that the College holds with Oxford City Council which expire in 2041 and 2043, the rent for which is reviewed every five years.

The lease rentals receivable relates to rent income receivable from the College's investment properties. The amounts receivable are limited to the next rent review date for agricultural properties or the earlier of the lease end date or break clause date for other properties.

27 OTHER COMMITMENTS

The College had contracted commitments for projects of £22.8m at 31 July 2020 (2019: £29.6m). This includes £22.6m in respect of the redevelopment of the Northgate site.

28 RELATED PARTY TRANSACTIONS

The College is part of the collegiate University of Oxford. Material interdependencies between the University and the College arise as a consequence of this relationship. For reporting purposes, the University and the other Colleges are not treated as related parties as defined in 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 in Note 20 in these financial statements.

The number of loans outstanding at 31 July with the balances in the following bands were as follows:

	2019	2018
£1 - £10,000	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

Interest is charged on the above loan at 2.50% per annum. The loan is repayable within one year or on the departure of the Trustee from the College, if earlier.

The College has properties which are owned jointly with trustees under joint equity ownership agreements between the trustee and the College. The carrying value of the College's share was as follows:

	2020	2019
	£'000	£'000
Dr S. Aspden	150	150
Prof P. Kewes	62	62
Dr J. Oliver	213	213
Dr S. Morris	151	151
Total net book value of properties owned jointly with trustees	<u>576</u>	<u>576</u>

All joint equity properties are subject to sale on the departure of the trustee from the College. During the year, there were no transactions that affected the capital value of the College's share on these properties.

29 CONTINGENT LIABILITIES

There are no material contingent liabilities at the balance sheet date (2019: £nil).

30 POST BALANCE SHEET EVENTS

In December 2019, a novel strain of coronavirus, Covid-19, surfaced and spread around the world with resulting business and social disruption, particularly during the resulting UK lockdown from March 2020 onwards. With the pandemic ongoing still, the extent to which it may impact the activity of the College and the actions required to address this will depend on future developments, both of which are uncertain and difficult to predict.

In November 2020, the College signed an agreement to lease with three medical practices for part of the new Northgate building.

In December 2020, the College agreed terms for a £5m three-year, unsecured revolving credit facility.

Jesus College
Notes to the Financial Statements
For the year ended 31 July 2020

31 ADDITIONAL PRIOR YEAR COMPARATIVES

a) Consolidated Statement of Financial Activities

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2018/19 Total £'000
INCOME AND ENDOWMENTS FROM:				
Charitable activities:				
Teaching, research and residential	5,999	-	-	5,999
Public worship	2	-	-	2
Other trading income	420	-	-	420
Donations and legacies	600	13,585	1,006	15,191
Investments				
Investment income	1,017	8	2,842	3,867
Total return allocated to income	4,425	1,156	(5,581)	-
Total income	12,463	14,749	(1,733)	25,479
EXPENDITURE ON:				
Charitable activities:				
Teaching, research and residential:				
College	9,422	1,441	-	10,863
Northgate Project	1,392	1,956	-	3,348
Public worship	47	11	-	58
Generating funds:				
Fundraising	801	-	-	801
Trading expenditure	378	-	-	378
Investment management costs	1,758	-	724	2,482
Total expenditure	13,798	3,408	724	17,930
Net income/(deficit) before investment gains	(1,335)	11,341	(2,457)	7,549
Net gains/(losses) on investments:				
Northgate House	-	-	(6,000)	(6,000)
Other investments	652	-	3,671	4,323
	652	-	(2,329)	(1,677)
Net income/(deficit)	(683)	11,341	(4,786)	5,872
Transfers between funds	(910)	-	910	-
Net movement in funds for the year	(1,593)	11,341	(3,876)	5,872
Fund balances brought forward	28,541	3,415	179,731	211,687
Funds carried forward at 31 July	26,947	14,756	175,855	217,559

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b) STATEMENT OF INVESTMENT TOTAL RETURN

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total £'000
At the beginning of the year:					
Trust for Investment	87,725	-	87,725	-	87,725
Unapplied total return	-	63,802	63,802	-	63,802
Expendable endowment	-	-	-	28,204	28,204
Total endowments	87,725	63,802	151,527	28,204	179,731
Movements in the reporting period:					
Gift of endowment funds	53	-	53	953	1,006
Investment return: total investment income	-	2,382	2,382	460	2,842
Investment return: realised and unrealised gains and losses	-	3,260	3,260	(5,589)	(2,329)
Less: Investment management costs	-	(609)	(609)	(115)	(724)
Other transfers	-	-	-	910	910
Total	53	5,033	5,086	(3,381)	1,705
Unapplied total return allocated to income in the period	-	(4,698)	(4,698)	(883)	(5,581)
Net movements in reporting period	53	335	388	(4,264)	(3,876)
At end of the reporting period:					
Trust for Investment	87,778	-	87,778	-	87,778
Unapplied total return	-	64,137	64,137	-	64,137
Expendable endowment	-	-	-	23,940	23,940
Total endowments	87,778	64,137	151,915	23,940	175,855

c) ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2018 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2019 £'000
Endowment funds - Permanent	151,527	2,432	(605)	(4,693)	3,254	151,915
Endowment funds - Expendable	28,204	1,416	(119)	22	(5,583)	23,940
Total endowment funds	179,731	3,848	(724)	(4,671)	(2,329)	175,855
Total restricted funds	3,415	13,593	(3,408)	1,156	-	14,756
Unrestricted funds						
General unrestricted funds	19,169	7,436	(11,645)	3,372	652	18,984
Designated: Fixed asset	10,261	-	-	(608)	-	9,653
Designated: Annual fund	248	600	(196)	-	-	652
Designated: Other	107	2	-	-	-	109
General purposes fund	-	-	(752)	751	-	(1)
Pension reserve	(1,244)	-	(1,205)	-	-	(2,449)
Total unrestricted funds	28,541	8,038	(13,798)	3,515	652	26,948
Total funds	211,687	25,479	(17,930)	-	(1,677)	217,559