

Lincoln College

Annual Report and Financial Statements

Year ended 31 July 2015

LINCOLN COLLEGE

Annual Report and Financial Statements, year to 31st July 2015

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Governing Body, Officers and Advisers

Year ended 31 July 2015

MEMBERS OF THE GOVERNING BODY

Members of the Governing Body are the College's charity trustees under charity law. The members of the Governing Body who served in office during the year are detailed below. Non-professorial Fellows do not vote at Governing Body meetings during their first year in office and therefore are not trustees of the charity until they have been in post for one year (marked *).

		(1)	(2)	(3)	(4)
Prof Neil Barclay					
Dr Susan Brigden	Fellow for Alumni Relations				
Dr Rachel Buxton	Resigned 20 March 2015	•		•	•
Dr Radu Coldea				•	
Dr Roel Dullens				•	
Dr Louise Durning	Senior Tutor	•	•	•	•
Prof Nigel Emptage					
Dr Stefan Enchelmaier	Associate Fellow for Alumni Relations				
Prof. Cecile Fabre	Resigned 30 September 2014				
Prof Matthew Freeman					
Prof Simon Gardner					
Dr Perry Gauci					
Dr Noam Gur	Resigned 31 August 2014				
Dr Alana Harris	Resigned 16 January 2015		•		
Ms Susan Harrison	Development Director.	•		•	
Dr Barbara Havelková*	Appointed 1 st September 2014				
Prof David Hills	Associate Fellow for Alumni Relations				
Prof Nick Jelley	Resigned 30 September 2014				
Mr Tim Knowles	Bursar	•	•	•	•
Prof Peter McCullough	Steward of Common Room; Fellow Archivist			•	
Dr Timothy Michael			•		
Dr Edward Nye		•			
Prof Piero Ollario*	Appointed 1 June 2014; left 31 May 2015				
Dr Daniela Omlor*	Appointed 1 September 2014				
Dr Frank Payne					
Prof Nicholas Proudfoot					

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Prof Jordan Raff					
Prof Roland Smith	Fellow Librarian				
Dr Maria Stamatopoulou	Senior Dean	•	•		•
Prof Margaret Stevens					
Dr Philippe Trinh	Deputy Fellow for Schools Liaison				
Dr Ioannis Vakonakis					
Prof David Vaux	Sub-Rector	•	•	•	•
Dr Dominic Vella					
Prof Catherine de Vries					
Dr Qian Wang		•			
Dr Betiel Wasihun					
Dr Mark Williams					
Prof Michael Willis					
Prof Henry Woudhuysen	Rector	•	•	•	•

During the year, the Governing Body's activities were carried out through a number of committees. Fellows' membership of the following Committees for all or part of 2014-15 is indicated in the table above.

- (1) Finance Committee
- (2) Senior Tutor's Committee
- (3) Planning Committee
- (4) Junior Relations Committee

Mr Stephan Chambers, Senior Research Fellow of the College and Director of the MBA programme at the Said Business School (but not a member of the Governing Body), is a member of the Finance Committee.

COLLEGE STAFF

Senior members of staff who were not trustees but who undertook important roles in the management of the College during the year were:

Mrs Fiona Pidcock	Librarian
Mrs Celia Harker	Accountant
Ms Jemma Underdown	Academic Administrator (on maternity leave during the year: returned 1 March 2015; temporarily replaced by Ms Kairen Bradford from 5 January 2014)
Mr Ashley Walters	Schools Liaison Officer (resigned 31 July 2014)
Mr Richard Little	Admissions Officer (appointed 23 September 2013)
Mr Michael White	IT Officer
Mr Richard Noonan	Clerk of Works (resigned 30 April 2015)
Revd Dr Nicholas 'Jack' Dunn	Chaplain & Welfare Officer (appointed 27 August 2013)

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Ms Nina Thompson

Human Resources Manager

ALUMNI REPRESENTATIVES AND ADVISORS

An alumnus of the College attended Governing Body meetings as representative of the College's alumni and in his capacity as Chair of the College's Development Committee. In 2014-15 this person was Mr Richard Hardie, Chairman of UBS Ltd.

Two alumni of the College served as members of the Finance Committee. In 2014-15 these were Mr Christopher FitzGerald (formerly partner in the legal practice Slaughter and May and then General Counsel to NatWest Group Plc) and Mr Hugh Sloane (co-founder of the investment manager Sloane Robinson).

In 2014-15 the Chairman of the Remuneration Committee was a former Professorial Fellow, Professor Keith Gull, currently Principal of St Edmund Hall, Oxford. The other members of the Committee were Professor Peter Cooke, a former Professorial Fellow, and Ms Sheona Wood, alumna and Partner in the legal practice DW Fishburns.

10 alumni served as members of the Development Committee, meeting three times during the year.

43 alumni served as members of the Rector's Council, meeting in June 2015 to receive reports from College officers and to offer strategic advice to the Rector.

PROFESSIONAL ADVISERS

Investment managers

Cerno LLP, 34 Sackville Street, London W1S 3ED

Sandaire Limited, (formerly Lord North Street) 105 Wigmore Street, London W1U 1QY

Investment property managers

Laws and Fiennes, Warren Lodge, Banbury, Oxfordshire, OX15 5EF

Auditor

Critchleys LLP, Greyfriars Court, Paradise Square, Oxford OX1 1BE

Bankers

Lloyds TSB, Carfax Oxford, 1-5 High Street, Carfax, Oxford, OX1 4AA

Solicitors

Darbys, Midland House, West Way, Oxford OX2 0PH

College address

Lincoln College, Turl Street, Oxford, OX1 3DR

Website

www.lincoln.ox.ac.uk

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Report of the Governing Body

The Members of the Governing Body present their Annual Report for the year ended 31 July 2015 under the Charities Act 2011 together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

Lincoln College ('the College') is an eleemosynary chartered charitable corporation. The full corporate designation of the College is 'The Warden or Rector and Scholars of the College of the Blessed Mary and All Saints, Lincoln, in the University of Oxford, commonly called Lincoln College'. The College was founded by Richard Fleming, Bishop of Lincoln, under a Royal Charter of King Henry VI dated 13 October 1427 and a Deed of Foundation of 1429. The corporation comprises the Rector and Fellows.

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.

The College registered with the Charities Commission on 3 December 2010. Its registered number is 1139261.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its Statutes, dating from 1478 and most recently updated in 2003.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, the Bishop of Lincoln. The Governing Body is a self-appointing corporate body. Membership is subject to review and renewal every seven years and lapses with retirement from office. New members of the Governing Body are elected when they are appointed to Tutorial, Professorial or Official Fellowships with the College. Tutorial and Professorial Fellows are elected on the basis of their experience of and contribution to education and research in their field of study. College Officers appointed as Official Fellows are elected for the professional and/or administrative skills and qualifications which will enable them to contribute to the Governing Body's management of the College. Some Tutorial Fellows and all Professorial Fellows hold their College posts in conjunction with posts held at Oxford University. Other Tutorial Fellows and those College Officers who have been appointed to specific administrative or managerial roles in the College are College-only appointees.

The Governing Body determines the 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 Rector and is advised by its various committees.

Recruitment and training of Members of the Governing Body

New Members of the Governing Body are recruited when they join the College as Tutorial, Professorial or Official Fellows. Recruitment to these posts may be in one of two ways. If the post is one that is jointly appointed by the College and by Oxford University (as is the case for some Tutorial Fellows and all Professorial Fellows), the recruitment exercise will have been conducted jointly by the College and the relevant department of the University, with representatives of both entities serving on the selection panel. If the post is one whose appointment is solely at the discretion of the College (as is the case for some Tutorial Fellows and Official Fellows such as the Senior Tutor, the Bursar and the Development Director), the recruitment process will have been managed entirely by the Rector and Fellows of the College, aided by expert advisers from outside the College.

New Fellows are formally elected to the Governing Body as soon as is practicable after appointment to their Fellowship and they take the College oath at the first available meeting of the Governing Body. Induction into the workings of the College, including Governing Body policy and procedures, is by means of meetings with senior colleagues and by receipt of 'Notes for New Fellows'; this document serves as a manual for senior members of the College. The College Statutes stipulate that new Fellows do not vote at Governing Body meetings during their first year in office: they therefore do not become trustees of the charity until they have been in post for one year. New Trustees are provided with guidance documents issued by the Charity Commission and trustee training sessions are made available to members of the Governing Body.

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Report of the Governing Body

Organisational management

The members of the Governing Body meet at least seven times each year. The work of developing the Governing Body's policies and monitoring their implementation is carried out by a number of Committees, of which some are Committees of the Governing Body and others are Committees overseeing particular functions of the College. The principal Committees of the Governing Body are:

Finance Committee: an advisory Committee of the Governing Body whose remit covers matters relating to finance, accounting, investments, estates, premises and risk management; chaired by the Rector, convened by the Bursar; membership includes two alumni representatives with especial experience of investments and of financial management; student representatives attend for Unreserved Business; meets at least six times per annum.

Senior Tutor's Committee: an advisory Committee of the Governing Body whose remit covers matters relating to the academic work of the College (both education and research); chaired by the Rector, convened by the Senior Tutor; student representatives attend for Unreserved Business; meets at least six times per annum.

Planning Committee: an advisory Committee of the Governing Body whose remit covers College strategy; chaired by the Rector, convened by the Bursar, and including up to two alumni representatives; student representatives attend for Unreserved Business; meets at least twice per annum.

Junior Relations Committee: chaired by the Rector, convened by the Senior Dean; members include representatives of the student common rooms, the Chaplain and the College's Doctor and Nurse together with other College officers; meets at least three times per annum.

Welfare Committee: chaired by the Rector, convened by the Chaplain; members include representatives of the student common rooms, the Chaplain and the College's Doctor and Lodge Manager together with some College officers; meets at least three times per annum.

Other committees with specific functions within the College are:

Health and Safety Committee: chaired by the Bursar, convened by the Domestic Bursar; membership includes members of staff and student representatives.

Equality Committee: chaired by the Bursar, convened by the HR Manager; membership includes members of staff and student representatives.

Sustainability Committee: chaired by a Fellow, convened by the Domestic Bursar; membership includes members of staff and student representatives.

Development Committee: chaired by an alumnus, convened by the Development Director; remit covers alumni relations and fund-raising; membership includes a number of alumni and College officers.

Remuneration Committee: an advisory committee of the Governing Body, whose remit extends to making recommendations in respect of the remuneration and benefits of members of the Governing Body and nominated College officers in which some discretion or judgement is required; the chairman and all members are external to the College (that is, none is a trustee or an employee of the College); meets once per annum or more frequently if so required.

Implementation of the Governing Body's policies and decisions is undertaken by College Officers, chief among whom are the Senior Tutor, the Senior Dean, the Bursar and the Domestic Bursar. The Officers are assisted by members of the College's staff.

Group structure and relationships

The College administers many special trusts, as detailed in Notes 18 and 19 to the financial statements.

There are two charitable bodies which are constituted independently of the College and whose objects are solely for the benefit of the College and its members. These are the Lincoln College Michael Zilkha Trust (registered charity number 1095113) whose object is to support the educational and/or research activities of the Fellows of Lincoln College; and the Lincoln 2027 Trust (registered charity number 1136816) whose object is to raise and accumulate funds to provide new and substantial financial support for the College.

The College has two wholly owned non-charitable subsidiaries. These are Lincoln College Enterprises Limited, which undertakes major building and refurbishment works relating to the College's premises; and Lincoln College Trading Limited, which undertakes the College's conference business and catering /

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accommodation services provided to non-College members. Annual profits of the subsidiaries 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.

Risk management

The College is engaged in risk assessment on a continuous basis. The Governing Body annually reviews a detailed analysis of potential and actual risks prepared by the Finance Committee. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge (those experts with whom the College maintains a regular relationship are listed on pages 3-4). Policies and procedures within the College are reviewed by the relevant College Committee, chaired by the Rector or the Bursar. Financial and investment risks are assessed by the Finance Committee. The Domestic Bursar and domestic staff department heads meet regularly to review risks related to health and safety issues. Training courses and other forms of career development are available to members of staff to enhance their skills in risk-related areas.

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

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The College's objects are

- I the advancement of education, study, and research in particular through the provision, support and maintenance of a college in Oxford;
- II the advancement of religion, including the provision and support of a chapel in accordance with the principles of the Church of England.

The aims set for the College's subsidiaries are to help to finance the achievement of the College's objects.

Activities and Objectives of the College

The principal focus of the College's activities is on its academic work: that is, high-quality research and the education of new generations of students, both in a wide range of subject areas. The College maintains and develops the experience of a residential community whose senior and student members are engaged in the pursuit of academic excellence. To this end, the College provides facilities for study in the form of teaching and seminar rooms, lecture theatres, computer facilities and co-operative access to the laboratory and other facilities provided by Oxford University. The extensive Library and Archive constitute a valuable resource for members of the College and for others by arrangement. The College also provides a sufficient number of study bedrooms to accommodate many tutors and the majority of its students as well as facilities consistent with the provision of an all-round education (a sports ground, a boathouse and spaces for music, art and drama).

Commitment to Public Benefit

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

The College lists its specific aims for the public benefit as being:

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- to admit students and to appoint academic staff solely on the basis of academic merit and potential, without regard to sex, gender, ethnic origin, religion, disability, previous educational experience or financial circumstances;
- to provide sufficient financial support, both from its own resources and in conjunction with the wider collegiate University, such that no undergraduate student will be deterred from studying at Lincoln College on financial grounds;
- to honour the College's commitment to participation in bursary schemes organised in the name of Oxford University (e.g. the Oxford Bursary);
- to commit resources to programmes of outreach and access, initiated both by the College and by the University, consistent with achievement of the University's intentions as stated to the Office of Fair Access;
- to welcome members of the public as visitors to the College and to its events and facilities.

The College takes very seriously its commitment to provide financial support for its students. In 2014-15 the College maintained an extensive programme of financial support for undergraduate and post-graduate students, in the form both of bursaries (to assist with living costs) and scholarships (awarded in recognition of particular academic merit). This support from the College was in addition to any support students may have derived from government-sponsored sources such as the Student Loans Company. Lincoln participated in the University's fee waiver programme, effectively subsidising undergraduate tuition fees to the extent of £31,000. Fifty-five undergraduate students received bursaries of up to £5,500 each via the Oxford Bursary Schemes: in total Lincoln students received approximately £153,614 via these Schemes, with the College's contribution to the Scheme amounting to £79,500. The College notes in particular the generosity of alumni which has made possible additional support for undergraduates from less-privileged backgrounds: the first Cuthbert Bursaries were awarded in 2012-13, and they were joined in the following year by three further endowed bursary schemes – the Kingsgate, Henrey and Blackstaffe Bursaries, and, in the current year, by the Bearley Bursary and the Mary Kift Legacy. Twenty-one undergraduates received support from these endowed schemes during 2014-15, to a total of £16,000. The College made additional grants and loans from its own funds totalling £11,404 to undergraduates who experienced varying degrees of financial hardship. Scholarships, prizes and academic grants were awarded to undergraduate students to reward academic excellence and to encourage academic endeavour: in 2014-15 the total awarded was £83,614.

Sixty post-graduate students were the recipients of scholarships and studentships amounting to £457,975. Lincoln now has the most extensive programme of graduate scholarships and grants of any Oxford college. A further £8,135 was provided by way of bursaries to post-graduates.

Although the primary beneficiaries of the College's work are its resident members, both students and academic staff directly engaged in education, learning and research, other beneficiaries also include: students and academic staff from other colleges and of Oxford University as a whole; visiting academics from other universities; schoolchildren visiting the College for introductory sessions; and alumni of the College and other visitors, including members of the general public, who may attend educational events such as concerts, exhibitions and Chapel services and have access to the gardens and historic buildings. During 2014-15 the College hosted a number of events for the benefit of the wider public, including the annual Wesley lecture and the week-long programme of exhibitions and performances under the auspices of the Turl Street Arts Festival; it participated for the first time in the Oxford Open Doors programme. Regular Chapel services were open to members of the public; the College admitted visitors and tourists without charge; and the College continued to make its sports facilities available to the East Oxford Cricket Club for the duration of the 2015 cricket season.

The College maintained its commitment to programmes of outreach designed to improve access to Oxford University. During 2014-15 Lincoln employed a Schools Liaison Officer jointly with Exeter College, and the College co-ordinated its activities with those of the collegiate University as a whole in order to ensure an even distribution of outreach work across the United Kingdom. The Schools Liaison Officer, together with Fellows and Tutors of the College, undertook a programme of events including visits to schools and residential and day visits by school parties to the College. In 2014-15 twenty-five events were organised in Oxford and in our link regions of Lincolnshire and the west of England; many of these events involved contact with more than one school. The College also hosted a number of participants in the UNIQ summer schools for Year 12 secondary school pupils, and participated actively in Open Days organised by the collegiate University. In 2014-15 the College's expenditure on activities associated with the admission of new students was £98,953, of which £20,277 was spent specifically on the outreach activities here described. In addition, Lincoln through its participation in the University's REACH scheme, admitted in October 2014 a student from a developing

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country who, without the financial support of the Governing Body and the students' common rooms, would not be able to take up a place to study at Oxford University.

The College is not aware of any detriment or harm arising from carrying out its charitable objects. There are no geographical restrictions in the College's objects: students and academic staff are drawn from around the world. There are no age restrictions in the College's objects (though it is to be noted that most students of the College are aged between 18 and 25). The College's objects do not imply any restrictions as to religious behaviour or belief.

ACHIEVEMENTS AND PERFORMANCE

During the year 2014-15 Lincoln College has registered significant achievements consistent with its two charitable objects.

(i) Students

In conjunction with Oxford University, Lincoln College provides an education, internationally recognised as being of the highest standard, for approximately 600 undergraduate and post-graduate students from all over the world. This education develops students' academic abilities, interpersonal skills and leadership qualities and prepares them for full and effective roles in society. The College provides teaching facilities together with academic, administrative and pastoral support to its undergraduate and post-graduate students.

The College continued in its principal work of preparing students for examination in a range of subjects and at various levels at Oxford University. Undergraduate numbers totalled approximately three hundred spread over three or four years of study, in line with Lincoln's long-standing policy of providing full tutorial provision, pastoral care and residential accommodation for this number of students. Much of the education provided to undergraduate students is via the tutorial system, by which students meet their tutors individually or in small groups on a weekly basis during Term for in-depth discussion of pieces of prepared work. In addition to tutorials, the College also provides classes and seminars in conjunction with departments of the University. Eighty undergraduate students in their third or fourth year of study completed the Final Honours School in 2015, with twenty-eight being placed in the First Class and forty-eight being awarded a 2:1 degree. The College was placed 5th in the Norrington Table which compares the performance of students from Oxford's 30 undergraduate colleges in the University's Final Honours Schools. Eighty-seven students in their first year of study passed the First Public Examination at Oxford University; fifteen were awarded special merit (that is, a Distinction in Prelims or a First Class in Moderations).

Post-graduate students also numbered approximately three hundred throughout the year, with students evenly divided between those undertaking lengthy programmes of research (leading, for example, to doctorate-level degrees) and those undertaking shorter, structured courses of tuition leading to examination. Each post-graduate student is assigned a College advisor who provides academic advice and pastoral support; and the College-appointed Tutor for Graduates maintains overall oversight of post-graduates' welfare and academic progress. Forty-seven students were awarded the degree of DPhil during the year; and of the seventy-two students who passed examinations for their post-graduate qualifications in the summer of 2015, nineteen achieved special merit (Distinction or First Class).

The College continued to encourage education in its broadest sense, supporting its student members in a wide range of cultural and sporting activities. Thirty members of College received awards from the College's Blues Fund, which not only rewards students for representing University teams, but helps them to fulfil their aspirations in sports, including rowing, netball, real tennis, water polo and powerlifting, to name but a few. The College's football team defeated Balliol College to win the inter-collegiate Cuppers final. On the river the men's and women's crews had a successful year and the Boat Club maintained its record of ensuring a high level of participation with six Lincoln boats in the Summer Eights' fixed divisions. The Music Society staged a number of memorable events, including a Burns Night Ceilidh, a Sing for Pleasure workshop and guest concerts from visiting ensembles Joglearesa and Bragod. The annual Turl Street Arts Festival in February saw a variety of events including a jazz concert, organ recitals in the Chapel and drama productions. Lincoln's student-run charity, VacProj, organised and paid for holidays for under-privileged Oxfordshire children: this was its 44th year of operation. Many of these activities received financial support from the Annual Fund Working Group of students, College officers, and Trustees of the Old Members' Exhibition Trust, which distributed just over £30,000 of alumni donations to support students' activities during the year.

The Oxford University Careers' Service maintains a database of graduating students' employment destinations. For the years 2011-14- 91% of Lincoln's graduating students reported themselves as being in

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employment or study (or a combination of the two) six months after leaving the College; only 3.4% declared themselves as still looking for work.

(ii) Fellows and Lecturers

The College advances research by:

Paying stipends to Fellows and supporting the costs of their research through sabbatical and special leave;

Making funds available to Fellows for attendance at international and national conferences, for research trips and for research materials; and hosting academic conferences, lectures and in the College;

Sponsoring visits by academic researchers from all over the world;

Providing research fellowships to outstanding (mainly) young academics to enable them to establish a research profile as a prelude to obtaining a permanent academic (teaching, research and administrative) post.

During the year, the size of the Fellowship increased as new posts were created in a number of different areas. A new tutorial Fellowship has been created in Spanish, so the College has for the first time in many years two Fellows in Modern Languages. Two Junior Research Fellowships were created in the field of Architectural History: these two posts have been funded by the Shuffrey Research Fund, one of the trusts administered by the College. The generosity of Professor George Brownlee has funded two Junior Research Fellowships in Biosciences to be filled over the next two years; and the College has maintained the Junior Research Fellowship in Music, funding being provided by the Lord Crewe Trust. The College has raised sufficient funds to make up its share of the monies required to secure permanent endowment of academic posts identified as meriting support from the University's Teaching Fund: full endowment of the College's Tutorial Fellowships in History, in Classical Archaeology and Ancient History (CAAH) has been achieved, and the target for the PPE – Economics Fellowship was reached in 2014-15. Fundraising in support of one of the College's tutorial posts in Physics is under way. These additions to the Fellowship represent a significant increase in the Lincoln's commitment of resources to research and teaching.

Lincoln has also committed extra resources to the work of its Library and in particular the antiquarian collection housed in the Senior Library. A major project has been undertaken to catalogue the entire Senior Library: this will take several years and Lincoln is grateful to a number of alumni and friends of the College who have provided funds to hire an experienced specialist for this project.

Senior members of the College combined their teaching and educational duties with research work of the highest quality in 2014-15. There follows a representative list of notable research achievements by Fellows and academic researchers associated with the College:

Peter Atkins (Chemistry) received a national award from the American Chemical Society, the Grady-Stack Award for the public interpretation of chemistry.

Mona Bafadhel (Medical Sciences) has focused on chronic obstructive pulmonary disease (COPD) and asthma. She has published articles investigating COPD, won an award from the Oxford Health Research Scientific Committee to study the role of *Haemophilus influenzae* and started a project to develop *in vitro* cell culture models to study the role of bacteria and innate immune cell homeostasis in COPD.

Neil Barclay (Pathology) has completed a project on how certain viruses get round the immune system. With colleagues in the Dunn School, he has determined the structure of a protein – Thy-1 – by X-ray crystallography.

Susan Brigden (History) has been working in the Florentine archives in search of the Italian merchants in London and their contacts in the City and court.

Radu Coldea (Physics) has continued his research using x-ray and neutron scattering techniques to investigate novel forms of magnetism. He has given invited lectures at San Antonio, Texas, the University of California in Santa Barbara, the University of Mainz, the Rutherford Appleton Laboratory and Trieste. He has co-organized a research workshop/summer school in Cargese, Corsica.

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Christopher Dickenson (Classical Archaeology) has set up a searchable online database of the public monuments of Roman Greece. He has completed an article on grave monuments and reworked the first half of his PhD thesis on the architectural transformation of the Greek agora in Hellenistic and Roman times for publication as a monograph.

Cristina Dondi (History) is Principal Investigator of the European Research Council project, *15cBOOK TRADE*. It examines the material aspects, content and illustration of 15th-century printed books at the British Library and the Marciana in Venice. The new *Text-inc* database will be launched at Antwerp University in October 2015.

Simon Gardner (Law) has produced a fourth, edition of *Introduction to Land Law* with Emily MacKenzie. He has published two short articles on particular aspects of the law relating to family property and assembled the first draft of a piece on the law of account.

Perry Gauci (History) has been working with former students and colleagues to publish a *Festschrift* in honour of Paul Langford, a former Rector.

Eleanor Giraud (Music) has begun a new project on early Dominican chant, presenting preliminary findings in Brussels. She organised a conference in Oxford about the Dominican, has published an article on the order's scriptorium at St-Jacques and completed other pieces.

Susan Greenfield (Medical Sciences) has addressed the Royal Society of Medicine and the Royal Swedish Academy of Science. Her book *Mind Change* was published in the USA, and appeared elsewhere in paperback.

Barbara Havelková (Law) wrote a paper on Czechoslovakia's reaction to the persistence of prostitution during state socialism (1948-89); it has been published in the *Oxford Journal of Legal Studies*. She has finished an article on different trajectories of equality and antidiscrimination law and has acted as an Advisor to the Prime Minister of the Czech Republic.

Nick Jelley (Physics) has had ten prototype solar cookers built and sent to Tanzania.

Peter McCullough (English) has published his first volume in the *Oxford Edition of the Sermons of John Donne* and acted as General Editor of the edition, overseeing two further volumes, edited by colleagues, for publication.

Timothy Michael (English) has been finishing a book, *British Romanticism and the Critique of Political Reason*, for publication in December. A talk in Munich in 2013 has been published in a volume titled *Romanticism and Knowledge*.

Angela Moncada Pazos (Biomedical Sciences) has continued research on the protein: TMEM115, presenting her findings in the Keystone symposium held in Copenhagen.

Otto Saumarez Smith (History) has published an article, 'Central Government and Town Centre Redevelopment in Britain, 1959-1966', in the *Historical Journal*, and a short history of London's Barbican estate. He is turning his PhD, *Radical Renewal*, into a book, and has started research on his next project, provisionally titled *From White Heat to Burnout*.

Daniel Smith (English) has continued investigating John Donne's female patrons. He has also been working on the *Variorum Edition* of Donne's poems, a landmark eight-volume endeavour. His work with Jana Dambrogio of MIT on early modern letterlocking was discussed in the *New York Times*.

Bert Smith (Classical Archaeology) conducted his 25th season of research and excavation at Aphrodisias in SW Turkey. He published an article in the *Journal of Roman Studies*, with Christopher Hallett and, with Ahmet Ertug, *Ancient Theaters of Anatolia*. He completed two forthcoming works: *The Last Statues of Antiquity*, with Bryan Ward-Perkins, and volume 5 of *Aphrodisias Papers* for the *Journal of Roman Archaeology*.

Maria Stamatopoulou (Classical Art & Archaeology) undertook archival work in Germany and Greece and lectured at Uppsala, Athens, Volos and Thessaloniki. She is currently co-editing papers for a volume *Cults and Sanctuaries of Ancient Thessaly*.

John Vakonakis (Biochemistry) and his group received awards at the EMBO Centrosomes and Spindle Pole Bodies conference at Lisbon and the EMBL conference on the Biology and Pathology of the Malaria Parasite at Heidelberg; they have produced a new paper on centriole structure.

David Vaux (Medical Sciences) has received Research Council support to study a nucleoplasmic reticulum. Work on the mechanisms underlying the loss of brain cells in neurodegenerative diseases

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like Alzheimer's continued, with patent applications on small molecules capable of inhibiting the very earliest molecular pathology.

Dominic Vella (Mathematics) has had a long research visit to Paris and held seminars in The Netherlands, India and Australia. He was awarded a Whitehead Prize by the London Mathematical Society together with a €1.3 million starting grant from the European Research Council.

Betiel Wasihun (Modern Languages) has published articles in *Modern Language Notes*, *Modern Language Review* and *Neohelicon* and finished an article for *Handbooks of English and American Studies*.

Mark Williams (English) is soon to publish *Ireland's Immortals: A History of the Gods of Irish Myth* with Princeton. He has finished a chapter on 'Magic and Marvels', for *The Cambridge History of Welsh Literature* and another for *The Ashgate Research Companion to Medieval Magic*.

Michael Willis (Chemistry) and his group have been developing new catalytic reactions of general use in synthetic chemistry, publishing descriptions of new routes to sulfones, and to sulfonamides. He has delivered several research presentations, including some on a tour of Taiwanese universities.

Nigel Wilson (Classics) has examined a French doctoral thesis, lectured in Milan, Bologna and Rome. His new Oxford Classical Text of Herodotus has appeared. The British Academy has awarded him the Kenyon Medal.

Henry Woudhuysen (English) has been President of the Bibliographical Society and lectured in Paris, Oxford and Leicester. He has published an account of 'The Circulation of Sir Philip Sidney's *Arcadia*'.

(iii) The Chapel

The College continued to maintain a Chapel in accordance with the principles of the Anglican Church. Services are held daily and many are open to members of the public. The Revd Dr Nicholas 'Jack' Dunn served as Chaplain and Welfare Officer until his resignation in August 2015. The College provided scholarships and music lessons to its organ scholars and a number of choral scholars, and singing lessons to the Chapel choir. The latter maintained the tradition of being one of the finest mixed-voice choirs in any Oxford College, touring to Taunton and Kraków. As it was not possible to appoint an undergraduate organ scholar during the December 2014 admissions process, the College instead appointed to the newly created position of Chapel precentor, instituting a scholarship for this purpose to be taken up by a post-graduate student. This represented a substantial increase in the College's financial commitment to the Choir and to music in the Chapel.

(iv) Premises

The College has continued to pay considerable attention to the maintenance and enhancement of its physical resources so as to contribute to the achievement of its charitable objects. Total expenditure on regular maintenance and refurbishment was (2015: £1.2million; 2014: £1.3million) this category of expenditure still represents a significant proportion (13%) of the College's total annual spending.

The College continued its long-term programme to refurbish all the student rooms on the west side of Turl Street. By the end of July 2015 38 rooms on Staircase 15 and in Lincoln House had been redecorated and provided with en-suite facilities and central heating; it is expected that the remaining few rooms in Lincoln House will be similarly treated by the end of September 2015. This refurbishment project has been undertaken to a high standard by the College's in-house maintenance team and is funded by alumni donations to the College's Annual Fund.

The Annual fund has also supported a project to provide wi-fi coverage to all parts of the College's premises. This project is now complete.

Aside from regular maintenance and refurbishment work, construction work on the Garden Building project has been completed and the buildings – the New Garden Building and the Berrow Foundation Building have been opened and are in regular use. This major project for the College has been made possible by generous financial support from the Edward Penley Abraham Trust (the EPA Trust) and the Berrow Foundation.

Having acquired the freehold to 120-121 High Street, Oxford – partly-occupied by Nat West and Coutts Banks, the College has decided to use the remainder of the building (8 Alfred Street) for accommodation. Fifteen single- and two-bedroomed flats will be created for College use and for commercial letting; two three-

LINCOLN COLLEGE
Report of the Governing Body

bedroomed apartments will be built on the roof of this part of the building. Refurbishment work to the chosen specification will begin in the autumn of 2015.

(v) Development and Fund-raising

Legacies and new donations contributed £4.374 million to the College's funds in 2014-15 (2013-14: £5.823 million).. In addition, the College received pledges to the value of £2.163 million and was notified of future bequests with a current value of £2 million during the same period. This is the first year after the successful completion of the Living Lincoln Campaign that raised £30m. It is encouraging to see good progress continues in respect to endowment support: over £1 million has been contributed to support of one of Lincoln's existing fellowships in Physics and nearly £800,000 has been added to endowments supporting students by means of bursaries and scholarships. With the opening of the Garden Buildings in October 2014, the Campaign was closed. The Annual Fund received unrestricted donations of approximately £186,000 during the year, a significant sum because this Fund is used specifically to support current projects which are for the benefit of, and frequently at the initiative of, the current generation of Lincoln students. A further £160,000 was donated through the same appeal for support and teaching. In total 18.8% (2013-14: 21%) of all alumni made a donation in the financial year 2014-15 The new 'Lincoln for Life' fund, designed for young alumni making modest regular donations, has continued with its work.

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Report of the Governing Body

FINANCIAL REVIEW

The College derives income to support its regular operations in pursuit of its objectives from three principal sources:

- income in respect of tuition, being fees paid by students (or their sponsors, or government) and money received from external sources to fund Fellowships and studentships;
- revenue from the College's domestic (accommodation and catering) activities, as provided both to College members and to non-members of College;
- returns generated by the College's pool of investments.

The College also receives a number of donations and legacies each year, some of which are used to fund regular operations, but the larger share of which is used to increase endowment funds and to fund major items of capital expenditure.

In 2014-15 the total of incoming resources was £12.732 million (2014: £14.009 million) of which £4.374 million was in the form of donations and legacies (2014: £5.823 million).

The College spends money on five areas of activity:

- academic activities (education, study and research, including personnel costs and expenditure on supporting infrastructure);
- support for students (in the form of scholarships, bursaries and expenditure on facilities and activities for students' benefit);
- provision of accommodation and catering services to members and non-members of College;
- buildings' repair and maintenance;
- management (including the costs of fund-raising, investment management and governance).

In 2014-15 the total of resources expended was £9.479 million (2014: £9.311 million). Therefore the total of net incoming resources was £3.523 million (2014: £4.698 million).

The College's annual Financial Plan is structured such that all operating expenditure should be met from the three sources of operating income, with the proviso that the sum derived from the College's pool of investments should be no more than a fixed percentage of the value of those investments. The Governing Body has decided, for the time being, that that percentage be fixed at 3%; and that, to smooth and moderate the amounts withdrawn, this 3% is calculated on the average of the year-end values in each of the last three years. From 2013-14 the College has presented its Accounts on a total return accounting basis. Internal analysis of the College's management accounts shows that in 2014-15 the exact amount required to fund the College's activities, once all items of expenditure had been weighed against total non-investment income, was 3.11% of the value of the investment pool (and that the record over the previous three years was 2013-14: 2.9%; 2012-13: 3.1%; 2011-12: 3.2). The Governing Body will keep the level of income withdrawn under review in order to balance the needs and interests of current beneficiaries of the College's activities with those of future beneficiaries.

In 2014-15 operating income (that is, income excluding legacies and donations) was £0.172 million higher than in 2013-14 (2015: £8.358million; 2014: £8.186 million). Within this total figure, income from the College's financial investments and rents from properties were together £0.113 million higher than in the previous year. Revenues in the form of tuition fees showed a decrease on 2013-14. Funds received via the University-administered JRAM/CFF showed a small increase (indicating that the 2012 changes in the UK higher education funding regime, which saw a reduction in funds received directly from HEFCE, has not had an adverse effect on the College's financial position); this offset a reduction in fees received from Overseas students in consequence of a smaller-than-expected number of Visiting Students from the USA. The College continued to benefit from privately-sourced funds in support of student scholarships, with substantial and generous donations from the Sloane Robinson Foundation, the Keith Murray Award Fund, the Polonsky Foundation, the Berrow Foundation and the Lord Crewe Trust.

2014-15 was a year which saw close control kept over some major areas of expenditure, with spending on buildings' refurbishment and maintenance lower than in the previous year. Net proceeds derived from domestic operations rose slightly, with revenues from conferences and other third-party business at around £696,000 per annum.

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Report of the Governing Body

Reserves policy

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

The level of reserves at 31 July 2015 was £2.133 million (2014: £1.585 million). This figure represents retained unrestricted income reserves excluding an amount of £20.754 million for the book value of fixed assets and other designated funds of £772k. The 2015 figure represents a continuous rebuilding of reserves from a low level reached in 2012 and, in that it represents approximately two months' worth of gross expenditure, it is consistent with the College's stated reserves policy.

Investment policy, objectives and performance

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

- maintaining and then growing the value of the investments in real (spending-power) terms;
- producing a consistent and sustainable amount to support regular expenditure;
- delivering these objectives within acceptable levels of risk.

To meet these objectives, the College's investments as a whole are managed on a total return basis (that is, income and capital taken together) maintaining diversification across a range of asset classes in order to produce an appropriate balance between risk and return. This approach is consistent with the College Statutes which allow the College to invest permanent endowments to maximise the related total return and to make available for expenditure each year an appropriate proportion of the unapplied total return. Investment strategy, policy and performance are monitored by the Finance Committee. Individual members of the Finance Committee, particularly the Bursar and the two alumni members, bring to the Committee significant investment expertise.

At end-July 2014, the College's long-term investments, combining the property assets and the pool of securities and other investments, totalled £106.8 million (2014: £88.6 million) of which £6.8 million comprised the independently managed Lincoln 2027 Trust and £1.3 million the Lincoln College Michael Zilkha Trust.

The total rate of return on the College's investments (that is, income plus capital gain) was +16.2% (2014: +7.5%) or +15.7% after management costs (2014: +7.0%). This return was comprised as follows:

	Property Investments	Securities and Other Investments	Total
Income	+ 5.1%	+ 0.7%	+ 2.9%
Capital	+ 13.4%	+ 13.2%	+ 13.3%
Total before costs	+ 18.5%	+ 13.9%	+ 16.2%
Management costs	- 0.7%	- 0.3%	- 0.5%

Valuations of Property Investments are determined by the College's Land Agents, Laws and Fiennes, who in turn take advice from such advisors as Cluttons (for commercial and London residential properties), Breckon & Breckon (for local residential properties) and Carter Jonas (for agricultural properties). With the assistance of these advisers, the College undertakes a full-scale market-based revaluation of the Property portfolio every three years: an external revaluation of all the investment property was carried out as at the end of July 2015. The next such revaluation is due in July 2018.

Day-to-day management of the Securities and Other Investments is delegated to a number of external investment managers of which the two principal organisations are listed on page 4. The Finance Committee maintains a record of a benchmark index in order to compare the performance of the College's Securities and Other Investments with that of the wider market: in 2014-15 this benchmark index generated a return of 8.99%. A +13.9% return from the College's portfolios of securities and other financial investments, meant that we out-performed the benchmark for the third year running by 4.91%.

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Report of the Governing Body

FUTURE PLANS

The College's future plans towards the achievement of its Objects and the maintenance of its commitment to Public Benefit are set out in the College's Strategic Plan as periodically agreed by the Governing Body. Achievements in respect of the Strategic Plans are monitored each year in Michaelmas Term by the Governing Body, advised by the Planning Committee; and the Plan is formally reviewed approximately every five years. In accordance with this schedule a special meeting of the Governing Body was held for the purpose of review in September 2011.

The College's successive Strategic Plans have systematically identified the following as aims conducive to the achievement of the College's charitable objects:

1. To provide an exceptional residential education in Oxford for high-ability undergraduates selected solely on academic grounds from a diversity of backgrounds;
2. To maintain the most rigorous standards of tutorial-based undergraduate education provided by the College's Fellows;
3. To promote and support to the highest levels of excellence postgraduate study and research;
4. Through its Fellows to engage in advanced and innovative research of international quality;
5. To provide facilities of the highest quality to support study and research;
6. To collaborate effectively with the other Colleges and with the University in furtherance of our joint educational mission.

The College has given considerable thought to the adequate resourcing of these planned activities and in the immediate future is concentrating on five specific areas.

First, as has been observed in previous Governing Body Reports, the College is mindful of the fact that the present reductionist trend in government funding for higher education is very unlikely to be reversed. The College believes that its pursuit of academic excellence (and in particular the maintenance of the intensive undergraduate teaching style represented by the tutorial system) will best be safeguarded by the College becoming more reliant on its own resources and less on funding from official channels. To this end, the College has put in place and will continue to pursue measures designed to increase the size of the investment funds from which it can fund its activities. This is to be achieved through a combination of fund-raising, prudent investment management and the management of current operations so as not to incur operating deficits. The review of investment management arrangements which resulted in 2009 in the current disposition of funds between Lord North Street (now Sandaie) and Cerno, and the establishment in 2009 of the Lincoln 2027 Trust as a separate capital-accumulation investment vehicle, were and will continue to be, important components of this programme. The College will also maintain its commitment to its fund-raising efforts, following the conclusion of the 'Living Lincoln' campaign with a number of targeted fund-raising initiatives.

Secondly, Lincoln will continue to support its Fellows and other senior academics attached to the College in their research work. Financial support will be provided in the form of grants from the Lincoln College Michael Zilkha Trust and research allowances from the College itself.

Thirdly, the College will maintain its practice of careful scrutiny and monitoring of the level of undergraduate teaching provided and the costs of providing that teaching. Lincoln already provides tuition in a smaller number of subjects than any other traditional Oxford college; this is a function of its having a relatively small Fellowship, combined with its policy of having at least two Fellows for each major Honours School. (The increase in the number of Modern Languages Fellows from one to two should be viewed in this context.) The College intends to continue this concentrated provision of undergraduate teaching so as to offer the highest quality of undergraduate experience, given the constraints imposed by the College's resources.

Fourthly, the College will ensure that sufficient provision is made for its postgraduate students. With 300 postgraduate members, Lincoln has one of the largest postgraduate populations of any Oxford college, both in absolute terms and relative to the number of undergraduate members. The Dame Louise Johnson Building acquired in 2012, with 37 student bedrooms, provided a significant addition to the College's stock of postgraduate accommodation. The incorporation of a new common room for the College's postgraduate students in the Berrow Foundation Building will enhance postgraduates' experience of the College. Looking further forward, the College will continue to give consideration to opportunities to expand its accommodation provision in central Oxford should it be required.

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Fifthly, the College will maintain its focus on the enhancement of the quality of the physical resources it is able to deploy in pursuit of its charitable objects. The major redevelopment of the Berrow Foundation Building and the New Garden Building provides a much-improved space for lectures and performances in the refurbished Oakeshott Room; a new dining-/board-room; a new seminar room; facilities for music practice; and the new Middle Common Room. The current focus is on the conversion of the redundant office space to the rear of the property at 120-121 High Street (the National Westminster Bank building) into various types of accommodation.

Specific development plans are agreed from time-to-time for the separate departments within the College to ensure that the College continues to enhance its ability to meet its objects.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governing Body responsible for preparing the Report of the Governing Body and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and 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 in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Colleges' Statutes. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Governing Body on 2nd December 2015 and signed on its behalf by



H.R. Woudhuysen
Rector

LINCOLN COLLEGE

Independent Auditors' Report to the Members of the Governing Body of Lincoln College

We have audited the financial statements of Lincoln College for the year ended 31 July 2015 which comprise the Statement of Accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and the related notes numbered 1 to 30.

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

Respective responsibilities of Governing Body and auditor

As explained more fully in the Statement of Accounting and Reporting Responsibilities, the Governing Body is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governing Body; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Governing Body to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us during the course of our audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 July 2015 and of the group's incoming resources and application of resources 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.
-

Matters on which we are required to report by exception

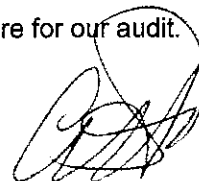
We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Governing Body is inconsistent in any material respect with the financial statements; 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.

Critchleys LLP
Statutory Auditor
Oxford

Date:

8 December 2015



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

LINCOLN COLLEGE

Statement of Accounting Policies

Year ended 31 July 2015

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 Cash Flow Statement comprising the consolidation of the College and with its wholly owned subsidiaries College Enterprises Limited and College Trading Limited. No separate SOFA has been presented for the College alone as permitted by paragraph 397 of the Charities SORP 2005. The results of the subsidiaries that are included in the consolidated income, expenditure and results of the College are disclosed in note 13.

2. Basis of accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities issued in 2005 ("the Charities SORP") and applicable accounting standards", with the exception of the presentation of the transfer of Total return Applied to income, detailed below, and in accordance with applicable accounting standards. The financial statements are drawn up on the historical cost basis of accounting as modified by the revaluation of investment properties and other investments.

Under the Charities SORP, the transfer from Endowment under total return accounting is required to be shown under Net Incoming Resources before Transfers. The Trustees consider that, under total return accounting, this represents a form of income on which college budgets are based, and that it is preferable, in order to present a 'true and fair' picture of the financial affairs of the college, to include this transfer as 'Total Return Applied as Income' in the income section of the SOFA. This has no net effect on the total incoming resources, nor on the net movement of funds. There are no disclosures required by the SORP that have not been provided.

3. Incoming resources from fee income, HEFCE support and other charges for services

Fees receivable, HEFCE support and charges for services and use of the premises, including contributions received from restricted funds, are accounted for in the period in which the related service is provided.

4. Incoming resources from donations and legacies

Voluntary income is accounted for when the College has entitlement to the funds, the amount can be reliably quantified and there is reasonable certainty of its ultimate receipt.

Voluntary income received for the general purpose of the College is credited to unrestricted funds.

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.

5. Investment income

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

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

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

6. Expenditure

Expenditure is accounted for on an accruals basis. Indirect expenditure is apportioned to expenditure categories based on the estimated amount attributable to that activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the College and its subsidiaries are excluded from trading income and expenditure.

7. Leases

Rentals payable under operating leases are charged in the SOFA on a straight line basis over the relevant lease terms.

The cost of the assets held under finance leases is included within fixed assets and depreciation is charged in accordance with the accounting policy for each class of asset concerned. The corresponding capital obligations under these leases are shown as liabilities. The finance charge element of rentals is charged to the Statement of Financial Activities and classified within finance costs as incurred.

8. Tangible fixed assets

The cost of major renovation projects which increase the service potential of buildings is capitalised and depreciated over applicable periods.

Other expenditure on equipment incurred in the normal day-to-day running of the College and its subsidiaries is charged to the Statement of Financial Activities 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	50 years
Leasehold properties	50 years or period of lease if shorter
Building improvements	20 - 50 years
Equipment	3 - 15 years

Freehold land is not depreciated. The costs of maintenance is charged in the Statement of Financial Activities in the period in which it is incurred.

10. Investments

Investment properties are valued as individual investments at their market values as at the balance sheet date. Purchases and sales of investment properties are recognised on exchange of contracts.

Listed investments are valued at their mid-market values as at the balance sheet date. Investments such as hedge funds and private equity funds which have no readily identifiable market value are included at the most recent valuations from their respective managers.

Gains and losses arising on the investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

11. Stocks

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

12. Foreign currencies

Transactions denominated in foreign currencies during the year are translated at prevailing 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 Balance Sheet date or, where there are

LINCOLN COLLEGE
Statement of Accounting Policies
Year ended 31 July 2015

related forward foreign exchange contracts, at the contract rates. The resulting exchange differences are taken to the Statement of Financial Activities.

13. Total Return Investment accounting

During the year ended 31 July 2014 the College resolved to adopt a 'total return' basis for the investment of its permanent endowment (except for the Polonsky (Hansard) Fund which consists of specific investments held for their income generating purposes). The College can invest its permanent endowments without regard to the capital/income distinctions of 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 capital supplement to the preserved ('frozen') value of the permanent endowment.

The Governing Body has decided that it is in the best interests of the College to account for its invested expendable endowment capital in the same way, though there is no legal restriction on the power to spend such capital.

For the carrying value of the preserved (frozen) permanent capital, the Governing Body have taken its open market value as at 1 August 2002, together with the original gift value of all subsequent endowments received.

14. Fund accounting

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

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

Restricted funds comprise gifts, legacies and grants where the donors have earmarked funds for specific purposes. 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 income arising from the capital will be accounted for as unrestricted funds unless the donor has placed restrictions on the use of that income, in which case it will be accounted for as a restricted fund.

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

15. Pension costs

The costs of retirement benefits provided to employees of the College through two multi-employer defined pension schemes are accounted for as if these were defined contribution schemes in accordance with the requirements of FRS 17. The College's contributions to these schemes are charged in the period in which the salaries to which the contributions relate are payable.


Lincoln College
Consolidated Statement of Financial Activities
For the year ended 31 July 2015


	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2015 Total £'000	2014 Total £'000
INCOMING RESOURCES						
Resources from charitable activities	1					
Teaching, research and residential		5,464	-	-	5,464	5,480
		<u>5,464</u>	<u>-</u>	<u>-</u>	<u>5,464</u>	<u>5,480</u>
Resources from generated funds						
Legacies and donations		235	1,662	2,477	4,374	5,823
Trading income	2	277	-	-	277	202
Investment income	3	267	76	2,258	2,601	2,502
Total Return Applied as Income	14,18	1,572	643	(2,215)	-	-
Bank and other interest	4	3	-	13	16	2
		<u>2,354</u>	<u>2,381</u>	<u>2,533</u>	<u>7,268</u>	<u>8,529</u>
Total Incoming Resources		<u>7,818</u>	<u>2,381</u>	<u>2,533</u>	<u>12,732</u>	<u>14,009</u>
RESOURCES EXPENDED						
Cost of generating funds	5					
Fundraising		532	-	-	532	528
Trading expenditure		266	-	-	266	194
Investment management costs		62	15	381	458	413
		<u>860</u>	<u>15</u>	<u>381</u>	<u>1,256</u>	<u>1,133</u>
Charitable activities	5					
Teaching, research and residential		6,846	1,325	30	8,201	8,156
		<u>6,846</u>	<u>1,325</u>	<u>30</u>	<u>8,201</u>	<u>8,156</u>
Governance costs	8	22	-	-	22	22
Total Resources Expended		<u>7,728</u>	<u>1,340</u>	<u>411</u>	<u>9,479</u>	<u>9,311</u>
Net incoming/(outgoing) resources before transfers		90	1,041	2,122	3,253	4,698
Transfers between funds	18	1,897	(1,897)	-	-	-
Net incoming/(outgoing) resources before other gains and losses		<u>1,987</u>	<u>(856)</u>	<u>2,122</u>	<u>3,253</u>	<u>4,698</u>
Investment gains/(losses)		(438)	388	11,809	11,759	3,722
Net movement in funds for the year		<u>1,549</u>	<u>(468)</u>	<u>13,931</u>	<u>16,012</u>	<u>8,420</u>
Fund balances brought forward	18	22,110	3,922	87,633	113,665	105,245
Funds carried forward at 31 July	18	<u>23,659</u>	<u>3,454</u>	<u>101,564</u>	<u>128,677</u>	<u>113,665</u>

Lincoln College
Consolidated and College Balance Sheets
As at 31 July 2015

	Notes	2015 Group £'000	2014 Group £'000	2015 College £'000	2014 College £'000
FIXED ASSETS					
Tangible assets	10	27,101	26,203	27,101	26,203
Property investments	11	53,812	45,015	53,812	45,015
Securities and other investments	12	52,988	43,613	44,736	36,535
		133,901	114,831	125,649	107,753
CURRENT ASSETS					
Stocks		147	145	147	145
Debtors	15	1,500	1,407	1,542	1,564
Cash at bank and in hand		4,775	9,175	4,738	9,001
		6,422	10,727	6,427	10,710
CREDITORS: falling due within one year	16	1,532	1,764	1,539	1,749
NET CURRENT ASSETS/(LIABILITIES)		4,890	8,963	4,888	8,961
TOTAL ASSETS LESS CURRENT LIABILITIES		138,791	123,794	130,537	116,714
CREDITORS: falling due after more than one year	17	10,114	10,129	10,114	10,129
NET ASSETS		128,677	113,665	120,423	106,585
FUNDS OF THE COLLEGE					
	18				
Endowment funds		101,564	87,633	93,310	80,553
Restricted funds		3,454	3,922	3,454	3,922
Unrestricted funds					
Designated funds		21,526	20,525	21,526	20,525
General funds		2,133	1,585	2,133	1,585
		128,677	113,665	120,423	106,585

The financial statements were approved and authorised for issue by the Governing Body of Lincoln College on: 2 December 2015

Trustee: 

Trustee: 

Lincoln College
Consolidated Cash Flow Statement
For the year ended 31 July 2015

	Notes	2015 Group £'000	2014 Group £'000
Net cash(outflow) from operations	24	<u>(1,353)</u>	<u>2,664</u>
Returns on Investments and servicing of finance			
Income from investments		2,617	2,504
Finance costs paid		(168)	(181)
		<u>2,449</u>	<u>2,323</u>
Capital expenditure and financial investment			
New endowment capital received		2,477	1,682
Payments for tangible fixed assets		(1,545)	(3,079)
Proceeds from sales of tangible fixed assets		-	-
Net acquisition of investments		(6,808)	(2,397)
Net proceeds from sales of investments		395	776
		<u>(5,481)</u>	<u>(3,018)</u>
Management of liquid resources			
Net withdrawals from / (additions to) term deposits		-	-
Financing			
New bank and other loans		-	-
Bank loans repaid		(15)	(15)
		<u>(15)</u>	<u>(15)</u>
Increase in cash in the year		<u>(4,400)</u>	<u>1,954</u>
Reconciliation of net cash flow to movement in net (debt)/funds			
Increase in cash in the year		(4,400)	1,954
Transfers (from)/to term deposits and current investments		-	-
(Increase) in loan and lease finance		15	15
Change in net (debt)/funds		<u>(4,385)</u>	<u>1,969</u>
Net debt at 1 August		(954)	(2,923)
Net debt at 31 July		<u>(5,339)</u>	<u>(954)</u>

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

1 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2015 Total £'000	2014 Total £'000
Teaching, research and residential					
Tuition fees - UK and EU students	1,463	-	-	1,463	1,501
Tuition fees - Overseas students	452	-	-	452	454
Other fees	102	-	-	102	43
HEFCE support	245	-	-	245	255
Other academic income	189	-	-	189	259
College residential income	3,013	-	-	3,013	2,968
	<u>5,464</u>	<u>-</u>	<u>-</u>	<u>5,464</u>	<u>5,480</u>

The above analysis includes £1,429k received from Oxford University under the CFF Scheme, received directly (2014 - £1,447k)

2 TRADING INCOME

	2015 £'000	2014 £'000
Subsidiary company trading income	277	202
	<u>277</u>	<u>202</u>

3 INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2015 Total £'000	2014 Total £'000
Agricultural rent	-	-	140	140	127
Commercial rent	252	-	1,743	1,995	1,968
Other property income	-	-	165	165	119
Equity dividends	15	76	171	262	240
Income from fixed interest stocks	-	-	3	3	13
Interest on fixed term deposits and cash	-	-	36	36	35
	<u>267</u>	<u>76</u>	<u>2,258</u>	<u>2,601</u>	<u>2,502</u>

4 BANK AND OTHER INTEREST INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2015 Total £'000	2014 Total £'000
Bank interest	3	-	13	16	2
	<u>3</u>	<u>-</u>	<u>13</u>	<u>16</u>	<u>2</u>

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

5 ANALYSIS OF RESOURCES EXPENDED

	Direct staff costs £'000	Other direct costs £'000	Support costs £'000	2015 Total £'000	2014 Total £'000
Costs of generating funds					
Fundraising	306	225	1	532	526
Trading expenditure	105	79	82	266	194
Investment management costs	-	401	57	458	413
Total costs of generating funds	411	705	140	1,256	1,133
Charitable expenditure					
Teaching, research and residential	3,550	3,100	1,551	8,201	8,156
Total charitable expenditure	3,550	3,100	1,551	8,201	8,156
Governance costs	-	22	-	22	22
Total resources expended	3,961	3,827	1,691	9,479	9,311

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

The teaching, research and residential costs include College Contribution payable of £62k (2014 - £60k).

6 SUPPORT COSTS

	Generating Funds £'000	Teaching Research Residential £'000	2015 Total £'000	2014 Total £'000
Financial and domestic admin	59	654	713	668
Human resources	3	43	46	36
IT	8	108	116	114
Depreciation	11	636	647	652
Loss/(profit) on fixed assets	-	-	-	-
Bank interest payable	57	111	168	161
Other finance charges	-	-	-	20
	138	1,552	1,690	1,649

Finance and administration and human resources costs are attributed according to the estimated staff time spent on each activity.

Depreciation costs are attributed according to the use made of the underlying assets.

IT costs are attributed according to the estimated staff time spent on each activity.

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

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

7 GRANTS AND AWARDS

	Unrestricted Funds £'000	Restricted Funds £'000	2015 Total £'000	2014 Total £'000
During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:				
Scholarships, prizes and grants	69	555	624	760
Bursaries and hardship awards	84	60	144	111
	<u>153</u>	<u>615</u>	<u>768</u>	<u>871</u>

The above costs are included within the charitable expenditure on Teaching, research and residential.

8 GOVERNANCE COSTS

	2015	2014
Governance costs comprise:		
Auditor's remuneration - audit services	22	22
Auditor's remuneration - other services	-	-
Legal and other fees on constitutional matters	-	-
	<u>22</u>	<u>22</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 as a separate note within these financial statements.

9 STAFF COSTS

	2015 £'000	2014 £'000
The aggregate payroll costs for the year were as follows.		
Salaries and wages	3,727	3,680
Social security costs	275	255
Pension costs	614	575
	<u>4,616</u>	<u>4,510</u>

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

	2015	2014
Tuition and research	12	14
College residential	58	59
Fundraising	6	5
Support	12	12
Total	<u>88</u>	<u>90</u>

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

	2015	2014
University Lecturers	14	14
CUF Lecturers	7	5
Other teaching and research	5	6
Other	7	7
Total	<u>33</u>	<u>32</u>

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

9 STAFF COSTS (continued)

The College also benefits from temporary staff, agency workers and those part-time external tutors who are not on the College payroll.

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

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

	2015	2014
£60,001-£70,000	-	-

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

In defined benefits schemes	-	-
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10 TANGIBLE FIXED ASSETS

Group and College	Leasehold land and buildings £'000	Freehold land and buildings £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost				
At start of year	4,612	25,059	1,404	31,075
Additions	-	1,536	9	1,545
Disposals	-	-	-	-
At end of year	4,612	26,595	1,413	32,620
Depreciation				
At start of year	92	3,798	982	4,872
Charge for the year	92	405	150	647
On disposals	-	-	-	-
At end of year	184	4,203	1,132	5,519
Net book value				
At end of year	4,428	22,392	281	27,101
At start of year	4,520	21,261	422	26,203

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

11 PROPERTY INVESTMENTS

Group and College	Agricultural	Commercial	Other	2015	2014
	£'000	£'000	£'000	Total £'000	Total £'000
Valuation at start of year	10,120	27,675	7,220	45,015	42,576
Additions and improvements at cost	2,850	-	-	2,850	-
Disposals net proceeds	-	(69)	-	(69)	(45)
Revaluation gains in the year	1,043	2,438	2,535	6,016	2,484
Valuation at end of year	14,013	30,044	9,755	53,812	45,015

Property valuations at 31 July 2015 have been provided by Cluttons, Carter Jonas, Breckon & Breckon or the College's external land agent (FRICS) from Laws & Fiennes on the basis of market value

12 SECURITIES AND OTHER INVESTMENTS

	2015	2014		
	£'000	£'000		
College investments				
Valuation at start of year	36,533	33,605		
New money invested	3,789	2,251		
Amounts withdrawn	(304)	(710)		
Reinvested income	269	226		
Investment management fees	(128)	(125)		
Increase in value of investments	4,575	1,286		
External investments at end of year	44,734	38,533		
Investment in subsidiaries	2	2		
College investments at end of year	44,736	36,535		
Group investments				
Valuation at start of year	43,613	40,709		
New money invested	3,789	2,251		
Amounts withdrawn	(326)	(731)		
Reinvested income	301	276		
Investment management fees	(132)	(130)		
Increase in value of investments	5,743	1,238		
Group investments at end of year	52,988	43,613		
Group Investments comprise:				
	Held outside the UK £'000	Held in the UK £'000	2015 Total £'000	2014 Total £'000
Equity investments	441	21,026	21,467	18,634
Fixed interest stocks	-	4,247	4,247	1,065
Alternative and other investments	4,655	22,241	26,896	23,619
Fixed term deposits and cash	-	378	378	295
Total group investments	5,096	47,892	52,988	43,613

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

13 SUBSIDIARY UNDERTAKINGS

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

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

	Lincoln College Trading Limited £'000	Lincoln College Enterprises Limited £'000
Turnover	277	1,331
Expenditure	(266)	(1,270)
Donation to College under gift aid	(11)	(61)
Result for the year	<u>-</u>	<u>-</u>
Total assets	103	211
Total liabilities	(102)	(210)
Net funds at the end of year	<u>1</u>	<u>1</u>

In addition the consolidated accounts include Lincoln 2027 Trust and Lincoln College Michael Zilkha Fund which are separate registered charities. Please see note 18 for the funds held by these charities (which are all represented by investments) and the movements in the year.

14 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns with effect from 1 August 2013. The investment return to be applied as income is calculated as 3% of the average values of the relevant investments at the start of the previous three years. The preserved (frozen) value of the invested endowment capital represents its open market value in 1 August 2002 together with all subsequent endowments valued at date of gift.

	Permanent Endowment £'000	Expendable Endowment £'000	Total £'000
Investment total return			
Income distributions	2,095	163	2,258
Capital gains/losses	9,371	2,438	11,809
Investment management costs	(322)	(59)	(381)
Total return for the year	<u>11,144</u>	<u>2,542</u>	<u>13,686</u>
Amount applied as income for spending	(1,885)	(330)	(2,215)
Net increase in Unapplied Total Return in the year	9,259		
Unapplied Total Return at start of year	37,804		
Unapplied Total Return at end of year	<u>47,063</u>		
Preserved value of original permanent endowments	<u>32,928</u>		

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

15 DEBTORS

	2015 Group £'000	2014 Group £'000	2015 College £'000	2014 College £'000
Amounts falling due within one year:				
Trade debtors	561	481	481	417
Amounts owed by College members	32	38	32	38
Amounts owed by Group undertakings	-	-	83	211
Loans repayable within one year	-	-	-	-
Prepayments and accrued income	299	248	374	258
Other Debtors	36	-	-	-
Amounts falling due after more than one year:				
Loans	572	640	572	640
	<u>1,500</u>	<u>1,407</u>	<u>1,542</u>	<u>1,564</u>

16 CREDITORS: falling due within one year

	2015 Group £'000	2014 Group £'000	2015 College £'000	2014 College £'000
Trade creditors	370	751	320	488
Amounts owed to Group undertakings	-	-	101	226
Taxation and social security	36	5	28	(2)
College contribution	-	57	-	57
Accruals and deferred income	716	494	680	523
Other creditors	410	457	410	457
	<u>1,532</u>	<u>1,764</u>	<u>1,539</u>	<u>1,749</u>

17 CREDITORS: falling due after more than one year

	2015 Group £'000	2014 Group £'000	2015 College £'000	2014 College £'000
Bank loans	10,014	10,029	10,014	10,029
Other loans	100	100	100	100
	<u>10,114</u>	<u>10,129</u>	<u>10,114</u>	<u>10,129</u>

£10,000,000 (2014 £10,000,000) of the bank loans is repayable in 2041. This loan is unsecured

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

18 FUNDS OF THE GROUP AND COLLEGE MOVEMENTS

	At 1 August 2014 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2015 £'000
Endowment Funds - Permanent						
General Endowment	44,067	1,826	(229)	(1,242)	5,089	49,511
Montgomery Estate	627	7	(2)	(19)	115	728
Nuffield Research Trust Fund	1,333	15	(5)	(40)	135	1,438
Paul Shuffery Bequest	6,942	77	(27)	(205)	2,459	9,246
Other Fellowships	10,656	880	(42)	(249)	1,091	12,336
Polonsky (Hansard)	364				69	433
Student Support	4,585	1,545	(17)	(126)	464	6,451
Others	184	82		(4)	19	281
Endowment Funds - Expendable						
General endowment	5,532	61	(22)	(157)	564	5,978
Legacies and Bequests	6,263	209	(27)	(173)	636	6,908
Lincoln 2027 Trust	5,800	32	(5)		1,037	6,864
Lincoln College Michael Zilkha Fund	1,280	14	(35)		131	1,390
Total Endowment Funds	87,633	4,748	(411)	(2,215)	11,809	101,564
Restricted Funds						
Income, Endowment Funds	87	34	(677)	643	1	88
Scholarship and grants	-	480	(480)			-
Berrow Foundation Building	1,780	27	(6)	(897)	181	1,085
EPA Dame Louise Johnson Building		1,000		(1,000)		-
Other restricted funds	2,055	197	(177)		206	2,281
Total Restricted Funds	3,922	1,738	(1,340)	(1,254)	388	3,454
Unrestricted Funds						
General	1,585	6,193	(7,705)	2,566	(506)	2,133
Fixed asset designated	19,855			899		20,754
Other designated	670	53	(23)	4	68	772
Total Unrestricted Funds	22,110	6,246	(7,728)	3,469	(438)	23,659
Total Group Funds	113,665	12,732	(9,479)	-	11,759	128,677
less:						
Lincoln 2027 Trust	(5,800)	(32)	5	-	(1,037)	(6,864)
Michael Zilkha Fund	(1,280)	(14)	35	-	(131)	(1,390)
Total College Funds	106,585	12,686	(9,439)	-	10,591	120,423

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

19 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

General Endowment	A consolidation of gifts and donations where income, but not capital, can be used for the general purposes of the College; includes the foundation capital of the College.
Montgomery Estate	A fund established by Mrs Gertrude Montgomery in 1977 where income, but not capital, can be used to fund the teaching of Classics and/or German.
Nuffield Research Trust Fund	A fund established by Viscount Nuffield in 1948 where income, but not capital, can be used to support medical research, specifically to fund the emoluments payable to the College's nominated medical research Fellow(s).
Paul Shuffery Bequest	A fund established by Paul Shuffrey in 1955 where income, but not capital, can be used to fund the study of Architecture, Classics, History of Art or similar areas of study at the discretion of the Rector of the College.
Other Fellowships	A consolidation of gifts and donations where income, but not capital, can be used to support a number of named Fellowships dedicated to research and teaching at Lincoln College.
Student Support	A consolidation of gifts and donations where income, but not capital, can be used to fund scholarships, exhibitions, prizes and other forms of support for students at Lincoln College.

Endowment Funds - Expendable:

General Endowment	A consolidation of gifts and donations where either income or income and capital can be used for the general purposes of the College.
Legacies and Bequests	A consolidation of legacies and bequests made over to Lincoln College, of which either income or income and capital can be used for the general purposes of the College.
Lincoln 2027 Trust	An independent charity (registered no.1136816) established by Trust Deed dated 18th December 2009 with the object of raising, investing and accumulating funds to provide new and substantial support to Lincoln College.
Lincoln College Michael Zilkha Fund	An independent charity (registered no. 1095113) established by Trust Deed in 2002 whose object is to support the educational and/or research activities of the Fellows of Lincoln College.

Restricted Funds:

Income, Endowment funds	Income generated by endowment funds which can be used for the specific purposes for which the endowment funds were established.
Berrow Foundation Building	Funds received for the Berrow Foundation Building. Amounts are transferred to the fixed asset designated fund once they have been expended on the building.
EPA Dame Louise Johnson Building	Donations received for the building which has already been constructed. The amounts are then transferred to the designated fixed asset fund
Scholarships and grants	Funds received for scholarships and other forms of support for students that have been expended during the year.

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

19 FUNDS OF THE COLLEGE DETAILS (continued)

Designated Funds

Fixed asset designated Unrestricted funds which are represented by the fixed assets of the College and which are therefore not available for expenditure on the College's general purposes.

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

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Tangible fixed assets	27,101	-	-	27,101
Property Investments	3,247	-	50,565	53,812
Securities and other investments	772	2,369	49,847	52,988
Net current assets	2,653	1,085	1,152	4,890
Creditors: falling due after more than one year	(10,114)	-	-	(10,114)
	<u>23,659</u>	<u>3,454</u>	<u>101,564</u>	<u>128,677</u>

21 TRUSTEES' REMUNERATION

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

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

The College has a Remuneration Committee which is an advisory committee of the Governing Body. The Remuneration Committee makes recommendations to the Governing Body in respect of those parts of the remuneration in which some discretion or judgement is required, such as the setting of specific allowances.

Trustees of the college fall into the following categories:

- Professorial Fellows
- Tutorial Fellows
- Trustees who do not have education or research responsibilities but who work full-time as managers of the College, namely the Rector, Bursar, Senior Tutor and Domestic Bursar

Some trustees, particularly tutorial fellows, are eligible for College housing schemes. Some trustees live in properties owned by the College and have a deduction from salary as rent. Others may be eligible for a housing allowance which is disclosed within the salary figures below. Some trustees are in receipt of a loan from the College to facilitate house-purchase within the Oxford area. These are disclosed in note 27.

Some trustees receive additional allowances for additional work carried out as part time college officers (eg Sub Rector, Dean). These amounts are included within the remuneration figures below.

The total remuneration and taxable benefits included overleaf is £1,081k (2013-14 £1,097k). The total of pension contributions included overleaf is £160k (2013-14 £164k).

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

21 TRUSTEES' REMUNERATION (continued)

Remuneration paid to trustees

Range	2014-2015		2013-2014	
	Number of trustees/ fellows	Gross remuneration, taxable benefits and pension contributions £	Number of trustees/ fellows	Gross remuneration, taxable benefits and pension contributions £
£1,000-£1,999	1	1,856	1	1,659
£3,000-£3,999	1	3,272		
£4,000-£4,999	1	4,153		
£6,000-£6,999			1	6,238
£8,000-£8,999	1	8,643	1	8,599
£9,000-£9,999	1	9,353		
£17,000-£17,999	1	17,613	1	17,944
£19,000-£19,999	1	19,647		
£20,000-£20,999			2	41,164
£21,000-£21,999	2	43,553	5	107,838
£22,000-£22,999	5	111,899	2	45,238
£23,000-£23,999	2	47,424	1	23,259
£24,000-£24,000	2	49,017		
£25,000-£25,999	1	25,627	1	25,791
£27,000-£27,999			1	27,598
£28,000-£28,999			1	28,621
£32,000-£32,999			1	32,548
£35,000-£35,999	1	35,262		
£36,000-£36,999			1	36,940
£37,000-£37,999			1	37,971
£38,000-£38,999	1	38,611	1	38,372
£40,000-£40,999	1	40,285		
£43,000-£43,000	1	43,092		
£50,000-£50,999			2	100,952
£51,000-£51,999			3	153,815
£52,000-£52,999	1	52,486		
£53,000-£53,999	2	107,364		
£54,000-£54,999	1	54,515	1	54,149
£56,000-£56,999	1	56,318		
£64,000-£64,999	1	64,573		
£77,000-£77,999			2	155,110
£79,000-£79,999	1	79,726		
£87,000-£87,999			1	87,797
£90,000-£90,999	1	90,472		
£107,000-£107,999			1	107,900
£112,000-£112,999	1	112,525		
£121,000-£121,999			1	121,799
£124,000-£124,999	1	124,256		
Total	33	1,241,542	32	1,261,302

4 trustees are not employees of the college and do not receive remuneration.

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

Trustee expenses: No fellow claimed any expenses for work as a trustee.

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

22 PENSION SCHEMES

1. The pension schemes

The College participates in two principal pension schemes for its staff - the Universities Superannuation Scheme ('USS') and the University of Oxford Staff Pension Scheme ('OSPS'). Both schemes are contributory defined benefit schemes (i.e. they provide benefits based on length of service and pensionable salary) and are contracted out from the State Second Pension Scheme. The assets of USS and OSPS are each held in separate trustee-administered funds. Both schemes are multi-employer schemes and the College is unable to identify its share of the underlying assets and liabilities of each scheme on a consistent and reasonable basis. Therefore, in accordance with the accounting standard FRS17 "Retirement Benefits", the College accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the Income and expenditure account represents the contributions payable to the schemes in respect of the accounting period.

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

However, in OSPS, the amount of any pension funding shortfall in respect of any withdrawing participating employer will be charged to that employer.

The College also has a small number of staff in other pension schemes.

2. Actuarial valuations

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

	USS	OSPS
Date of valuation:	31/03/2014	31/03/2013
Date valuation results published:	24/07/2015	23/06/2014
Value of liabilities:	£46.9bn	£597m
Value of assets:	£41.6bn	£424m
Funding Surplus/(Deficit):	(£5.3bn) ^a	(£173m) ^b
<i>Principal assumptions:</i>		
Investment Return	5.2% ^c pa	-
Rate of interest (periods up to retirement)	-	4.4% pa
Rate of interest (periods after retirement)	-	4.4% pa
Rate of increase in salaries	RPI + 1% pa ^d	4.5% pa
Rate of increase in pensions	CPI pa ^d	4.4% pa
<i>Mortality assumptions:</i>		
Assumed life expectancy at age 65 (males)	24.2 yrs	22.5 yrs
Assumed life expectancy at age 65 (females)	26.3 yrs	25.2 yrs
<i>Funding Ratios:</i>		
Technical Provisions basis:	89%	71%
Statutory Pension Protection Fund basis:	82%	69%
"Buy-out" basis:	54%	44%
Estimated FRS17 basis	72%	75%
Recommended Employer's contribution rate (as % of pensionable salaries):	18% ^e	21.5% increasing to 23.5% ^f
Effective date of next valuation:	31/03/2017	31/03/2016

Lincoln College
Notes to the financial statements
For the year ended 31 July 2016

22 PENSION SCHEMES (continued)

Notes:

- a. USS's actuarial valuation as at 31st March 2014 takes into account the revised benefit structure effective 1st April 2016 agreed both by the Joint Negotiating Committee and the Trustee in July 2015 following the Employers' consultation which concluded in June 2015. Key changes agreed include: for Final Salary section members, the benefits built up to 31st March 2016 will be calculated as that date increases in official pensions (currently CPI); all members will accrue a pension of 1/75th and a cash lump sum of 3/75ths this of salary each year of service in respect of salary up to a salary threshold, initially £55,000 per annum; member contributions will be 8% of salary; a defined contribution benefit for salary in excess of the salary threshold at the total level of 20% of salary in excess of the salary threshold; and optional additional contributions payable into the defined contribution section of which the first 1% of salary is to be matched by the employer. Further details about the changes may be reviewed on USS' website, www.uss.co.uk. For the period up to 1st April 2016 the employer deficit contribution will be 0.7% per annum of salaries based on the assumptions made. After allowing for those changes, the actuary established a long term employer contribution rate of 18% of Salaries for the period from 1st April 2016 to 31st March 2031. On the assumptions made and once the salary threshold and defined contribution section are introduced this gives rise to deficit contributions of at least 2.1% per annum of salaries.
- b. OSPS' actuarial valuation as at 31st March 2013 identified a required long-term employer contribution rate of 20.1% of total pensionable salaries, but also a funding deficit of £173m. The University of Oxford, on behalf of all the employers participating in the scheme, has agreed with the trustees of OSPS to address this deficit by raising the employer contribution rate in increments of 0.5% of pensionable salary to 23.5%, with this increase being implemented over the three years to 1st August 2017. The actuary has certified that the additional contribution should eliminate the deficit by 30th June 2026.
- c. USS' actuary has assumed that the investment return is 5.2% in year 1, decreasing linearly to 4.7% over 20 years.
- d. USS' actuary has assumed that general pay growth will be CPI in year 1, CPI + 1% in year 2 and RPI + 1% pa thereafter. It is assumed that CPI is based on the RPI assumption (market derived price inflation of 3.6% per annum less an inflation risk premium) less RPI/CPI gap of 0.8% per annum.
- e. As noted above (note a), the USS employer contribution rate is 18% of salaries from 1st April 2016. Prior to that date it is 16% of salaries. The total employer contributions include provisions for the cost of future accrual of defined benefits (net of member contributions to the DB section), deficit contributions, administrative expenses of 0.4% of salaries and from the implementation of the salary threshold the employer contribution towards DC benefits including employer matching contributions and certain investment management costs relating to the DC section.
- f. As noted above (note b), the OSPS employer contribution rate required for future service benefits alone at the date of the valuation was 20.1% of total pensionable salaries. It was agreed that employers increase their contribution rate by 0.5% each year to 1st August 2017 to 23.5%.

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

22 PENSION SCHEMES (continued)

3. 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	Change in assumption	Impact on USS liabilities
Initial discount rate	Increase/decrease by 0.25%	decrease / increase by £0.8bn
Discount rate in 20 years' time	Increase/decrease by 0.25%	decrease/increase by £1.1bn
RPI inflation	Increased/decrease by 0.1%	increase / decrease by £1.2bn
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £0.5bn

Assumption	Change in assumption	Impact on OSPS liabilities
Valuation Rate of Interest	Increase/decrease by 0.5%	decrease / Increase by £63m
Rate of pension increase	Increase/decrease by 0.5%	decrease/increase by £41m
Rate of salary growth	Increase/decrease by 0.5%	increase / decrease by £13m
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £20m

4. Pension charge for the year

The pension charge recorded by the College during the accounting period was equal to the contributions payable as follows:

	£'000	
<i>Scheme</i>	2015	2014
Universities Superannuation Scheme	237	237
University of Oxford Staff Pension Scheme	368	331
Other Schemes	9	7
Total	614	575

23 TAXATION

The College is able to take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. No liability to corporation tax arises in the College's subsidiary company(ies) because the directors of this/these company(ies) 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.

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

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

	2015 £'000	2014 £'000
Net Incoming resources for the year	3,253	4,698
Elimination of non-operating cash flows:		
- Investment income	(2,617)	(2,504)
- Endowment donations	(2,477)	(1,682)
- Financing costs	168	181
Depreciation	647	651
(Surplus)/loss on sale of fixed assets	-	-
(Increase)in stock	(2)	(8)
Decrease/(increase) in debtors	(93)	779
Increase in creditors	(232)	549
Net cash (outflow) from operations	(1,353)	2,664

25 ANALYSIS OF CHANGES IN NET FUNDS

	2014 £'000	Cash flow £'000	2015 £'000
Cash at bank and in hand	9,175	(4,400)	4,775
	9,175	(4,400)	4,775
Bank and other loans due after one year	(10,129)	15	(10,114)
	(954)	(4,385)	(6,339)

26 FINANCIAL COMMITMENTS

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

27 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £nil (2014- £0.52m).

Lincoln College
Notes to the financial statements
For the year ended 31 July 2015

28 RELATED PARTY TRANSACTIONS

The College is part of the collegiate University of Oxford. Material interdependencies between the University and of the College arise as a consequence of this relationship. For reporting purposes, the University and the other Colleges are not treated as related parties as defined in FRS8 ("Related party disclosures").

Members of the Governing Body, who are the trustees of the College and related parties as defined by FRS 8, receive remuneration and facilities as employees of the College. Details of these payments and reimbursed expenses as trustees are disclosed separately in these financial statements.

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

	2015	2014
	£'000	£'000
Dr Radu Coldea	108	108
Dr Roel Dullens	108	108
Prof Cecile Fabre		89
Dr Maria Stamatopolou	110	110
Dr Dominic Vella	108	108
Prof Michael Willis	117	100
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Interest is charged on the above loans.

In addition the following trustees had interest free capital expenditure loans outstanding from the College at the start and/or end of the year.

Prof Catherine de Vries	-	1
Dr Roel Dullens	1	3
Prof S Gardener	2	2
Dr Noam Gur	1	1
Dr Alana Harris	1	1
Prof David Hills	1	-
Prof Peter McCullough	1	-
Dr Edward Nye	1	1
Dr Philippe Trinh	1	-
Dr Dominic Vella	1	1
Prof Michael Willis	2	-
	<hr/>	<hr/>

29 CONTINGENT LIABILITIES

There are no contingent liabilities at the balance sheet date (2014 nil)

30 POST BALANCE SHEET EVENTS

There have been no material post balance sheet events which require disclosure.