



Exeter College, Oxford

Annual Report and Financial Statements

Year ended 31 July 2015

Charity Registration Number 1141333

EXETER COLLEGE, OXFORD
Annual Report and Financial Statements
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EXETER COLLEGE, OXFORD

Governing Body, Officers and Advisers

Year ended 31 July 2015

MEMBERS OF THE GOVERNING BODY

The Members of the Governing Body are the College's charity trustees under charity law. The members of the Governing Body who served in office as Governors during the year to 31 July 2015 are detailed below. New members of the Governing Body appointed after that date are noted separately.

Trustee		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Rector													
Dame Frances Cairncross	Demitted 30 Sept 2014												
Professor Sir Richard Trainor	Appointed 1 October 2014	•	•	•	•	•	•	•	•	◆	•	•	•
Official Fellows													
Dr Michael Hart				•	•	•							
Prof Richard Vaughan-Jones					•		•			◆			
Prof Gregory Hutchinson	Demitted 30 Sept 2015				•								
Ms Jeri Johnson		•		•	•	•	•		•			•	•
Dr Helen Spencer					•								
Dr Maureen Taylor		•			•		•						
Prof Faramerz Dabhoiwala					•				•				
Prof Jonathan Herring					•				•		•	•	
Dr Peter Johnson					•			•					
Prof Andrew Steane				•	•				•				•
Prof Simon Clarke					•								
Prof Shamita Das	Demitted 30 Sept 2014				•								
Prof Zhongmin Qian					•								
Dr Jane Hiddleston					•								
Prof Christina de Bellaigue					•								
Mr William Jensen		•	•	•	•	•	◆	•	•	◆	•	•	•
Professor Cornelia Drutu					•								
Prof Joanna Dunkley	Demitted 30 Sept 2015				•								

EXETER COLLEGE, OXFORD
Governing Body, Officers and Advisers
Year ended 31 July 2015

Trustee		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Professor Martin Ellison	Demitted 30 Sept 2014				•								
Mrs Katrina Hancock		♦			•			•					•
Dr Chris Ballinger		•		•	•		•	•				•	•
Dr Philipp Kukura					•								
Dr Andrew Huddleston	Demitted 30 Sept 2014				•								
Prof Michael Osborne					•								
Prof Jared Tanner					•	•							
Dr James Grant					•								•
Prof Rachel Taylor				•	•							•	
Prof Karin Sigloch					•								
Dr Martin Davy				•	•								
Rev'd Mr Andrew Allen					•	•							
Dr Sophie Butler	Appointed 9 Oct 2014				•								
Dr Alice Brooke	Appointed 9 Oct 2014				•								
Fellows by Special Election													
Dr James Kennedy													
Professor Andrew Farmer										•			
Ms Helen Watson		•								•			
Dr Ian Fielding						•							
Dr Stephen Leonard			•										
Research Fellows													
Dr Daniela Omlor	Demitted 30 Sep 2014				•								
Dr Jeffrey Donlea	Demitted 31 August 2015												
Dr Kai Hebel	Demitted 30 Sept 2015				•								
Dr Thomas Lambert	Demitted 31 Aug 2015			•	•			•					
Prof Robert Klose	Appointed 9 Oct 2014												

EXETER COLLEGE, OXFORD
Governing Body, Officers and Advisers
Year ended 31 July 2015

Trustee		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Professorial Fellows													
Prof Hugh Watkins	Demitted 10 Nov 2014						•						
Prof Edwin Williamson													
Prof Marc Lauxtermann													
Mr Nigel Portwood			•							•			
Prof Dame Carol Robinson													
Prof Ervin Fodor			•										
Prof Christoph Tang										•			
Dr Chris Fletcher										•			
Prof Keith Channon	Appointed 10 Nov 2014												

The following Fellows were appointed during the academic year but admitted to Governing Body after the 31 July, at which time their duties as trustees began:

Official Fellows	
Dr Adrien Vigier	Appointed 8 October 2015
Prof Conall MacNiocaill	Appointed 8 October 2015
Prof Garret Cotter	Appointed 8 October 2015
Research Fellow	
Dr Jason Carter	Appointed 8 October 2015
Dr Christopher Markiewicz	Appointed 8 October 2015
Dr Gail Hayward	Appointed 8 October 2015

During the year the activities of the Governing Body were carried out through twelve committees. The membership of these committees during the 2014/15 academic year is shown above for each Fellow.

- (1) Finance and Estates Committee
- (2) Investment and Accounts Committee
- (3) Rector and Tutors Committee
- (4) Tutorial Board
- (5) Staff Committee
- (6) Fellowship Review Committee
- (7) Development Committee

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- (8) Governance and Policy Committee
- (9) Remuneration and Benefits Committee
- (10) Health & Safety Committee
- (11) Equality Review Committee
- (12) Buildings Committee

◆ Represents in attendance

There are external committee members on the Investment and Accounts Committee and the Development Committee.

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Governing Body, Officers and Advisers
Year ended 31 July 2015

COLLEGE ADVISERS

Investment advisers

Sand Aire Ltd
105 Wigmore Street
LONDON
W1U 1QY

Land Agents

Savills (L&P) Ltd
Wytham Court
11 West Way
Botley
OXFORD OX2 0QL

Auditor

Kingston Smith LLP
Devonshire House
60 Goswell Rd
LONDON
EC1M 7AD

Bankers

Barclays Bank Plc
Corporate Services
4th Floor, Apex Plaza
Forbury Rd
READING
RG1 1AX

Royal Bank of Scotland
Business & Commercial Banking
Willow Court
Minns Business Park
7 West Way
OXFORD
OX2 0JB

Santander Corporate Banking
2 Triton Square
Regent's Place
London
NW1 3AN

Royal London Cash Management
55 Gracechurch Street
London
EC3V 0UF

Solicitors

Darbys Solicitors LLP
52 New Inn Hall Street
OXFORD
OX1 2DN

Mills & Reeve LLP
Francis House
112 Hills Road
CAMBRIDGE CB2 1PH

EXETER COLLEGE, OXFORD
Governing Body, Officers and Advisers
Year ended 31 July 2015

Maples Teesdale LLP
30 King Street
LONDON EC2V 8EE

Stone King Solicitors
28 Ely Place
LONDON EC1N 6TD

College address

Turl Street,
Oxford,
OX1 3DP

Website

www.exeter.ox.ac.uk

EXETER COLLEGE, OXFORD

Report of the Governing Body

Year ended 31 July 2015

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

The Rector and Scholars of Exeter College in the University of Oxford, commonly known as Exeter College, is an eleemosynary charitable corporation aggregate. It was founded in 1314 by Walter de Stapledon, Bishop of Exeter, and was enlarged by Sir William Petre under a charter granted by Queen Elizabeth I in 1566. The corporation comprises the Rector and Fellows. The College registered with the Charities Commission on 12 April 2011 (registered number 1141333).

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 advisers to the College, are given on pages 2 to 7.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its Letters Patent of Queen Elizabeth I dated 1566 and by its Statutes as approved by order of Her Majesty in Council from time to time, in accordance with the Universities of Oxford and Cambridge Act 1923 (the current Statutes having been approved on 6 March 2007).

Governing Body

The Governing Body of the College comprises the Rector and Fellows. This body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, the Bishop of Exeter for the time being. The Governing Body holds to itself the responsibilities for the ongoing strategic direction of the College, for its administration and for the management of its finances and assets. It meets regularly under the chairmanship of the Rector and is advised by a range of committees.

The Finance & Estates Committee is responsible for the operational budgeting and financial control of the College and the Investment Committee is responsible for the governance and management of the College Endowment. The Investment Committee comprises Fellows of the College and four independent members with professional investment experience, who serve in a voluntary capacity. The Investment Committee is further supported by an investment adviser, Sand Aire Ltd, a private family investment office which evaluates third-party funds that may be incorporated within the portfolio and provides asset allocation and market strategy guidance. The College's Land Agent, Savills, provides professional advice on the management of the land investments; other professional consultants are retained for specific issues. The College investments are maintained in accordance with an investment policy which is approved by the Governing Body and reviewed periodically.

The academic operations of the College are guided by the Tutorial Board, which is responsible for student academic performance and the Rector & Tutors' Committee which awards grants and scholarships.

Recruitment and training of Members of the Governing Body

Fellows of the College are recruited through open competition to their teaching and research positions or to offices of the College (such as bursar or development director) as such vacancies arise, except for the few Fellows whose Fellowship arises from a University appointment. Vacancies are advertised on the College website, in the University Gazette, on the Jobs.ac.uk website and in such professional or national journals as may be appropriate. All Fellows are given information on the duties of a trustee and are advised that they will carry such responsibilities as members of Governing Body at the time they are offered their job, and are required to confirm that they have read and understood those obligations as a condition of taking up their appointment.

Organisational management

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Report of the Governing Body

Year ended 31 July 2015

The members of the Governing Body meet ten times a year. The work of developing their policies and monitoring the implementation of these is carried out by nine management committees. These committees take their business to Governing Body in the form of recommendations, supported by background information and analysis.

- The Finance and Estates Committee is responsible for the operational finances of the College, for the management of the functional buildings and for reviewing and approving all contractual arrangements of the College.
- The Investment and Accounts Committee is responsible for the oversight and operation of the College's global investment portfolio and of its investment property.
- The Rector & Tutors' Committee is responsible for the welfare of students and for the allocation of hardship funds, academic grants and financial support for the student cultural and sporting clubs and societies.
- The Tutorial Board is responsible for the academic strategy of the College, the academic progress of its students and for the terms of reference of academic appointments.
- The Staff Committee is responsible for the development of employment policies and for the recruitment, personal development and welfare of all non-academic staff.
- The Fellowship Review Committee is responsible for all matters connected with fellowships of the College and, in particular, makes recommendations on (i) elections to all Governing Body Fellowships, (ii) the renewal of all Governing Body Fellowships, and (iii) elections to Honorary, Visiting and Emeritus Fellowships
- The Development Committee is responsible for advising the College on policies and priorities for its fund raising operations, for engaging and mobilising volunteers and supporters of the College and for alumni relations.
- The Governance & Policy Committee is responsible for reviewing constitutional and legislative changes affecting the College and for preparing relevant changes to the Statutes, Bylaws and other governing and policy documents of the College, for the consideration of the Governing Body.
- The Remuneration Committee is responsible for advising the Governing Body on the remuneration and benefits of the Rector and Fellows and those College Officers and other such staff as the Governing Body may from time to time specify. The voting members of the Remuneration Committee do not receive any remuneration or benefit from the College, other than Common Table.
- The Health and Safety Committee is responsible for the implementation of the College's Health and Safety Policies and advises the Governing Body on necessary changes to those Policies.
- The Equality Review Committee is responsible for the development, implementation, monitoring, prioritisation and review of policies, procedures and practice to support the College's Equality Policy and Public Sector Equality Duty in relation to staff, students, contractors and suppliers, visitors and others closely associated with the College.

The day-to-day running of the College is delegated to the Rector, the Sub-Rector, the Bursar, and the Academic Dean, supported by the College Accountant, the Deputy Bursar and the Academic Registrar. The Rector and the Bursar attend all meetings of the Governing Body's management Committees.

Group structure and relationships

The College administers many special trusts, as detailed in Notes 19 to 20 to the financial statements.

The College has three wholly owned non-charitable trading subsidiaries: Exeter College Trading Limited, for non-charitable trading, Collexoncotoo Limited, which undertakes all the College's building works and Exeter College Yew Tree Hill Development Company Ltd which is a property investment company. All companies Gift Aid their annual profits to Exeter College. The trading activities of Exeter College Trading Limited primarily comprise revenue from letting of the College facilities when not in use by the College, through commercial

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Year ended 31 July 2015

conferences and banquets. The subsidiaries' aims, objectives and achievements are covered in the relevant sections of this report.

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 an ongoing basis. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College Committee, chaired by the Rector. Financial risks are assessed by the Finance and Estates Committee and investment risks are monitored by the Investment Committee. In addition, the Health and Safety Committee meets regularly to review health and safety issues. The Equality Review Committee regularly reviews and amends the College's policies relating to employment, harassment, disability, gender, freedom of speech and internal codes of conduct in the light of both legislation and best practice. Training courses and other forms of career development are available, when appropriate, to members of staff to enhance their skills in risk-related areas.

The Governing Body has ultimate responsibility for managing those identifiable risks faced by the College and is committed to ensuring that appropriate and adequate systems, procedures and arrangements are in place to manage these risks. It is recognised that systems, procedures and arrangements can only provide reasonable but not absolute assurance that major risks have been managed. The College maintains a Risk Register which is used to identify potential risks and their impact and likelihood; the Register is reviewed annually.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The College's Objects are to maintain and support a College within the University of Oxford for the advancement of knowledge, education, research, learning and religion.

The College's aims for the public benefit are:

- to admit undergraduate and graduate students to pursue their studies and research in the University of Oxford and to support those students in the successful pursuit of their learning, research and personal development through the teaching, supervision, intellectual resources and pastoral care offered by the College; and
- to employ and support leading professional academics across a wide range of fields to teach and supervise undergraduate and graduate students of the University of Oxford and to advance knowledge and learning through their research and publishing.

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

Academic Activity and Public benefit

In considering the activities pursued by the College, the Governing Body has taken account of the Charity Commission guidelines on public benefit.

The student body comprised 516 full-time students (334 full time undergraduates (of whom 283 were Home/EU/Islands, 51 were Overseas.); 156 were engaged in full time postgraduate study or research, (including 51 taught-course students and 105 research students); 26 were visiting undergraduate students), and 29 part-time postgraduate students. Ninety-four undergraduates completed their courses in 2014–15, of whom 87% received First or Upper Second class Honours. 26 postgraduates completed taught courses in 2014–15 (6 of them gaining Distinctions), and 24 (as of end of July 2015) research students successfully defended their theses.

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A number of Exeter College students were awarded prestigious University prizes, including: Proxime Accesserunt for the John Pearce Memorial Prize in Surgery; Gaisford Dissertation Prize; Gibbs Mathematics and Philosophy Prize; David McLintock Prize in Germanic Philology in the FHS of Modern Languages; Claude Massart Prize in French Literature in the Preliminary Examination in Modern Languages; Gibbs book prize (Biochemistry); The Immunology Prize (Biochemistry); AWE Prize in Geophysics; Burdett Coutts Prize (Earth Sciences); Honour School of Physics Commendation for Practical Work in Part A; Honour School of Physics Commendation for Practical Work in Part B; Gibbs Book Prize (History); John Hicks Foundation Prize (Economics and Management).

Academic achievements of Fellows have been widely recognised. One Tutorial Fellow was awarded the title of Professor in Oxford University's Recognition of Distinction exercise; another was promoted on appointment to a prestigious Regius Chair in his subject; another was appointed to a research Professorship by Oxford University. One Lecturer and one Professorial Fellow were awarded competitive Leverhulme Major Research Fellowships; a Tutorial Fellow was awarded a major European Research Council Starting Investigator Grant. A Tutorial Fellow was awarded the Marlow Medal of the Royal Society of Chemistry; a Professorial Fellow won one of five highly prestigious L'Oréal-UNESCO For Women in Science Awards. One career development Fellow secured a substantive post at a prestigious university. The College improved its capacity to teach Earth Sciences, creating a permanent Tutorial Fellowship to replace a fixed-term Lecturership having secured a philanthropic donation to support this academic post.

The Collegiate University maintains a number of bursary schemes for both undergraduate and graduate students. The College contributes to the funding of these schemes (in particular the Oxford Bursary Scheme for Home/EU undergraduates) and admits students on bursary schemes, both as undergraduate and graduate students.

In addition to the Oxford Bursary Scheme, which is operated and funded equally by the University of Oxford and the Colleges, Exeter College offers generous financial support to its students through hardship grants and academic grants. The College also has a number of graduate scholarship and bursary schemes funded from specific trusts. The total value of student support through bursaries and scholarships, including the Oxford Bursaries, was £594k (2014: £541k).

The way the Oxford Bursary Scheme is being administered within the Collegiate University, means that the College paid £87k as its share towards the full cost of the scheme. However, a total of 77 undergraduates received the Oxford Bursary from Exeter College, with 8 students receiving the Moritz-Heyman Bursary of £5,500, 14 students receiving the maximum bursary of £3,300 and 7 receiving £4,300 which includes a first year start up bursary of £1,000. Thus, 27% of the HEU undergraduate population was in receipt of a bursary, and 7% of the undergraduate population was eligible for a full bursary. The total value of Oxford Bursaries provided to Exeter College students was £223k (2014: £224k). In addition to the provision of Oxford Bursaries, 26 undergraduates were entitled to Fee Remission. The total Fee Remission granted to the College's undergraduates was £122k, with the total income waived by the College representing £26k of that figure.

In addition, the College provides hardship bursaries with the generous support of its alumni through Annual Fund donations and also from specific Trust Funds of the College. Full details of scholarships and bursaries can be found in Note 7 and Note 20 of the accounts.

The College also maintains a very active access programme to encourage applications from schoolchildren who might otherwise not consider applying to Oxford and to Exeter College. This access programme is managed by the College's Schools Liaison & Admissions Officer (SL&AO) and is extensively supported by current students, the Fellows and by the Academic Dean and the Academic Registrar. The activities on this form of access promotion (which is in addition to the College's financial contribution to the Collegiate University's access programme) are as follows:

Access programme 2014/15

Exeter has particular links with schools in Devon and Cornwall under Oxford University's regionalisation programme, now in its 6th year, which ensures that schools in every part of the UK are systematically linked to Oxford Colleges. This year the College ran four regional conferences (jointly with Downing College, Cambridge): multi-school events for sixth formers based in various places in south-west England, along with a residential programme in Oxford for sixth formers at the end of the school year.

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Year ended 31 July 2015

Many other school visits were undertaken throughout the year in which the SL&AO, who works part-time on Access work, would visit the school, or the school would visit the College.

Exeter also made a major contribution to other outreach projects in Oxford. The College remains an active supporter of the Pathways Programme, a collaboration between most of Oxford's undergraduate colleges, and this year Exeter hosted several Pathways events. It also contributed to the University's UNIQ Summer School by hosting five Alumni evenings (with the involvement of Fellows and other guest speakers), and through the SL&AO's own participation in the UNIQ programme. The College continued to develop its Ambassador programme, by which it recruits and trains current undergraduates who volunteer with Access events.

The College continues to review its outreach strategy to ensure effectiveness, and has decided to put its staffing resource for outreach and access work on a permanent footing from the academic year 2015/16.

FINANCIAL REVIEW

The College's consolidated total funds increased by £15.4m in the year, standing at £115.3m at 31 July 2015 (2014: £99.9m). The endowment funds increased by £3.5m, the restricted funds increased by £1.9m and the unrestricted funds increased by £10.0m.

The College's incoming resources were £18.1m (2014: £12.9m), of which £2.5m was from tuition fees, other academic income and other HEFCE support, £10m was from legacies and donations, £2.6m was from residential income, £1.3m was from the sale of student accommodation and £1m was from investment income. The restricted funds benefited from receipt of significant donations totalling £1.8 million towards the Walton Street Quadrangle, purchased in 2009 and to be named Cohen Quadrangle, and, in addition, the endowment and unrestricted funds benefited from two significant unrestricted legacies. Fee income and investment income remain broadly the same as in 2014.

Total resources expended decreased slightly from £9.4m to £9.2m, leaving the College with net incoming resources of nearly £9m before investment gains. Of the £9.2m, £7.9m was spent directly on teaching, research and residential activity, with the balance being spent on activities which underpin the charitable purposes of the College.

During the year, the College secured further significant gifts from generous benefactors. An unrestricted legacy of nearly £2.6m was received, of which £1.2m has been used on the University's matched funding challenge to endow the costs of an existing tutorial fellowship in Philosophy. Exeter has now successfully fundraised for four fellowships under this scheme. The £1.2m is invested as part of the permanent endowment.

Cohen Quadrangle, will provide 90 student study bedrooms, a variety of offices for academics and seminar rooms for teaching, an environmentally-controlled, secure library for the College's manuscripts and special collections, an auditorium with a capacity of 110 persons and contemporary internal and external social space, including a café. Mace, the contractor, has substantially completed the frame of the building at the time of this trustee report and work will shortly commence on closing in the building. The building is scheduled to be completed in time for commissioning and occupation in October 2016; the viability of this ambition will be thoroughly tested as the building work advances and contingency plans will be developed to manage any potential late delivery. During the financial year, £7.46m of designated reserves were expended on the preparation of the site and the construction of the frame. The Governing Body is developing plans for the use of Cohen Quadrangle as part of its review of the overall College strategy. Cohen Quadrangle will increase significantly the ability of the College to host seminars and lectures and to facilitate collaborative learning and research activities. The College is also exploring how best to use the site out of term-time for academic conferences and summer schools.

In addition to philanthropic donations to the Cohen Quadrangle, the College has contributed a net £3.361 million from the sale of five of the nine houses originally comprising Stapeldon House (providing undergraduate accommodation on the Iffley Road). The second phase of that sale completed in August 2014 and is reflected as a surplus on the sale of fixed assets (note 25) and also on the face of the SOFA under Other Income Resources. The Governing Body also agreed to commit £6.3 million of unrestricted, expendable endowment and this transfer is reflected in the closing balance of the endowment with the cash realisation of these funds being reflected in the cashflow statement as part of the £8.364m 'Net movement in cashflows attributable to endowment investments'. £4m of the philanthropic resources applied to Cohen

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Quadrangle has been pledged, to be paid to the College in five tranches of £800,000 each in successive years commencing in 2017. A 5-year bridging loan, to operate as a revolving facility, has been agreed with Santander and the loan agreement is being finalised at the time of writing this report.

The headline total return performance of the total endowment in the year to 31 July 2015 was 10.77%. This compares with a return of 10.79% for the endowment's strategic benchmark and is set against a market background in which global equities (as defined by the MSCI AC World Index) delivered a sterling total return of 11.37% and Emerging Markets (as defined by the FTSE All World Series Emerging Index) was down 3.07%. Private Equity funds made a useful contribution to the performance of the endowment in the year but in establishing a value for development land at Yew Tree Hill, an impairment charge of 17% was applied to reflect the more challenging conditions for realising value from housebuilders as more sites obtain consent and building costs continue to rise. Cumulatively over the past five years, the total return on the endowment has been 64.54%.

Reserves policy

The Governing Body has previously agreed that the free general reserves should be maintained at six months expenditure to allow the College to be managed efficiently and to provide a buffer to maintain its charitable activities even in the event of an unexpected drop in income or exceptional expense. In monetary terms, this equates to a figure of approximately £4.5m.

Unrestricted funds at the year-end comprised £35m of Designated Funds and £2m of General Funds. The designated funds include an amount of £24.2m for the net book value of fixed assets less associated funding arrangements, with the balance consisting of funds held for the financing of the Cohen Quadrangle. The College also had Restricted Funds of £9.4, an increase of just under £2m on the 2014 figure, due to the generosity of donors giving towards the Cohen Quadrangle project. £429k is restricted to fund a variety of tuition and student support costs. Most of the College's reserves (excluding endowment funds) are therefore fully allocated to fixed assets or restricted to specific purposes, with only the General Funds of £2m being regarded as 'free reserves' according to Charity Commission definition.

In practice, the College's expendable endowment funds are available to support unexpected fluctuations in income and expenditure. The College maintains a level of liquidity that ensures there is both sufficient cash to meet expected future calls from private equity investments, cover the next year's distribution to the College under the spend rule and cope with unexpected emergencies without having to sell investment assets in volatile markets.

Investment policy, objectives and performance

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

- maintaining (at least) the value of the investments in real terms;
- producing a consistent and sustainable annual transfer to support the general expenditure of the College; and
- delivering these objectives within acceptable levels of risk.

To meet these objectives the College's investments as a whole are managed on a total return basis, maintaining diversification across a range of asset classes to produce an appropriate balance between risk and return. In line with this approach, the College statutes allow the College to invest permanent endowments to maximise the related total return and to make available for expenditure each year an appropriate proportion of the unapplied total return.

Under the total return accounting basis, it is the Governing Body's policy to operate a spend rule which calculates the total transfer to income based on 70% of the previous year's transfer, uplifted by inflation, plus 30% of 3.25% of the market value of the assets at the 31 July of the year in question. In addition, the Governing Body has agreed to make an additional, exceptional transfer in each year equivalent to half the interest charge on the commercial loan. The Investment Committee keeps this policy under review in the light of investment returns to maintain an equitable balance between present and future beneficiaries.

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Report of the Governing Body

Year ended 31 July 2015

FUTURE PLANS

In anticipation of its 700th anniversary in 2014, the College had developed a strategy from which three strategic goals were derived for the capital campaign "Exeter Excelling". These were:

- to guarantee the tutorial teaching system which is at the heart of the Oxford undergraduate pedagogy;
- to transform the collegiate campus by rejuvenating the College Library and by developing the recently-acquired Ruskin College site on Walton Street; and
- to attract and support excellent students and scholars through bursaries, scholarships and academic grants, and by underpinning Fellowships with permanent endowment.

The first of these will be a continuing strategic aim, but within the life of the recent capital campaign, this overall objective has been substantially achieved by the progress with delivery and funding of Cohen Quadrangle, by the underwriting of four Fellowships through new permanent, restricted endowment and by the establishment of a student support fund which now has more than £3 Million in it. The regeneration of the Library remains a high priority, but creating the special collections library at Cohen Quadrangle is a necessary first stage in achieving this ambition and the Governing Body has designated some of the legacy funds received to seed a fund-raising strategy for the Library. Under the leadership of a new Rector, the Governing Body is reviewing its strategic objectives which will be confirmed in a new strategic plan to be completed within the 2015-2016 academic year. Amongst the priorities already identified is the need to ensure that the College is able to compete for and retain academics of the highest standing in their fields.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

Charity law requires the Governing Body to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

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

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting 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 to operate.

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

Approved by the Governing Body on 4 November 2015 and signed on its behalf by:

Professor Sir Richard Trainor
Rector

EXETER COLLEGE, OXFORD

Report of the Auditor to the Members of the Governing Body of Exeter College, Oxford

Year ended 31 July 2015

We have audited the financial statements of Exeter College for the year ended 31 July 2015 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable laws and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under that Act.

Our responsibility is to audit 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 trustees; and the overall presentation of the financial statements.

In addition we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. 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 and charity's affairs as at 31 July 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and;
- 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 Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

Kingston Smith LLP

Statutory Auditor

Date

Devonshire House

60 Goswell Rd

LONDON EC1M 7AD

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

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Cash Flow Statement which comprise the consolidation of the College with its wholly owned subsidiaries Exeter College Trading Limited, Exeter College Yew Tree Hill Development Company Limited and Collexoncotoo Limited, in accordance with FRS 2. No separate SOFA has been presented for the College alone as permitted by paragraph 397 of the Charities SORP 2005. The results of the individual subsidiaries 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. The financial statements are drawn up on the historical cost basis of accounting as modified by the revaluation of investment properties and other investments.

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, less any scholarships, bursaries or other allowances granted by the College, but 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. Tangible fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £10,000 together with expenditure on equipment costing more than £1,000 is capitalised and carried in the balance sheet at historical cost. The original cost for the purchase of freehold land and property is categorised as ‘Freehold properties’. Any additional costs relating to significant refurbishment or alterations to those buildings are categorised under ‘Assets under construction’ until such a time as that building comes into use.

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.

8. Depreciation

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

Freehold properties, including major extensions	40 – 50 years
Building improvements	10 – 40 years
Equipment	3 - 10 years

Freehold land is not depreciated. The original cost of the main historic site is not included in the balance sheet as it is not material. The cost of maintenance is charged in the Statement of Financial Activities in the period in which it is incurred.

9. Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

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.

The investment in subsidiaries are recognised at market value, which the Trustees have taken to be their Net Asset value.

Realised and unrealised gains and losses arising on the investments are credited or charged to the Statement of Financial Activities.

11. Stocks

Stocks are valued at the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow-moving or defective stocks.

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

13. Provisions

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the obligation.

14. Total Return investment accounting

The College statutes authorise the College to adopt a 'total return' basis for the investment of its permanent endowment. The College can invest its permanent endowments without regard to the capital/income distinctions of 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 permanent capital, the trustees have taken its open market value as at 1 August 2002 together with the original gift value of all subsequent endowments received.

15. 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 a restriction on the use of that income, in which case it will be accounted for as a restricted fund.

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

16. Pension costs

The costs of retirement benefits provided to employees of the College through two multi-employer defined pension schemes are accounted for as if these were defined contribution schemes 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.

Exeter College, Oxford
Consolidated Statement of Financial Activities
For the year ended 31 July 2015

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2015 Total £'000	2014 Total £'000
INCOMING RESOURCES						
Resources from charitable activities	1					
Teaching, research and residential		5,186	0	0	5,186	5,344
Resources from generated funds						
Legacies and donations		2,106	2,248	5,689	10,043	5,074
Trading income	2	411	0	0	411	363
Investment income	3	693	82	290	1,065	942
Bank and other interest	4	66	0	0	66	48
		3,276	2,330	5,979	11,585	6,427
Other incoming resources		1,292	0	0	1,292	1,174
Total Incoming Resources		9,754	2,330	5,979	18,063	12,945
RESOURCES EXPENDED						
Cost of generating funds	5					
Fundraising		600	17	0	617	760
Trading expenditure		294	0	0	294	299
Investment management costs		200	33	115	348	239
		1,094	50	115	1,259	1,298
Charitable activities	5					
Teaching, research and residential		6,687	1,223	0	7,910	8,036
Governance costs	8	24	0	0	24	23
Total Resources Expended		7,805	1,273	115	9,193	9,357
Net incoming/(outgoing) resources before transfers		1,949	1,057	5,864	8,870	3,588
Transfers between funds	19	8,071	787	(8,858)	0	0
Net incoming/(outgoing) resources before other gains and losses		10,020	1,844	(2,994)	8,870	3,588
Other recognised gains/(losses)						
Realised and unrealised investment gains/(losses)	19	15	0	6,543	6,558	12,901
Net movement in funds for the year		10,035	1,844	3,549	15,428	16,489
Fund balances brought forward	19	27,343	7,547	64,981	99,871	83,382
Funds carried forward at 31 July	19	37,378	9,391	68,530	115,299	99,871

All the Charity's activities relate to continuing operations.

Exeter College, Oxford
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	36,210	29,836	36,353	29,836
Property investments	11	20,609	19,997	16,150	14,996
Securities and other investments	12	44,501	44,609	49,002	49,987
		101,320	94,442	101,505	94,819
CURRENT ASSETS					
Stocks		106	114	106	114
Debtors	15	5,468	698	5,390	661
Deposits and other short term investments		0	0	0	0
Cash at bank and in hand		22,497	17,901	21,757	17,279
		28,071	18,713	27,253	18,054
CREDITORS: falling due within one year	16	1,967	1,159	1,201	834
NET CURRENT ASSETS		26,104	17,554	26,052	17,220
TOTAL ASSETS LESS CURRENT LIABILITIES		127,424	111,996	127,557	112,039
CREDITORS: falling due after more than one year	17	12,000	12,000	12,000	12,000
Provisions for liabilities and charges	18	125	125	125	125
NET ASSETS		115,299	99,871	115,432	99,914
FUNDS OF THE COLLEGE					
Endowment funds		68,530	64,981	68,530	64,981
Restricted funds		9,391	7,547	9,391	7,547
Unrestricted funds					
Designated funds		35,393	26,260	35,393	26,260
General funds		1,985	1,083	2,118	1,126
		115,299	99,871	115,432	99,914

The financial statements were approved and authorised for issue by the Governing Body of Exeter College, Oxford, on 4 November 2015.

Sir Richard Trainor (Trustee):

William Jensen (Trustee):

Exeter College, Oxford
Consolidated Cash Flow Statement
For the year ended 31 July 2015

	Notes	2015 Group £'000	2014 Group £'000
Net cash inflow from operations	25	<u>1,451</u>	<u>1,926</u>
Returns on investments and servicing of finance			
Income from investments		1,131	990
Finance costs paid		(619)	(640)
		<u>512</u>	<u>350</u>
Capital expenditure and financial investment			
New endowment capital received		2,310	1,376
Payments for tangible fixed assets		(7,713)	(2,413)
Proceeds from sales of tangible fixed assets		1,982	1,595
Payments for investments		(10,706)	(4,081)
Proceeds from sales of investments		16,705	10,970
Proceeds from sales of agricultural investments		55	278
Net movements in cashflows attributable to endowment investments		(8,364)	(8,543)
		<u>(5,731)</u>	<u>(818)</u>
Management of liquid resources			
Net (additions to) / withdrawals from term deposits		0	0
Net (purchase) / sale of current asset investments		0	0
		<u>0</u>	<u>0</u>
Financing			
New bank loans		0	0
Bank loans repaid		0	0
New lease finance		0	0
Deferred consideration on acquisition of property		0	0
Net movements in cashflows attributable to endowment investments		8,364	8,543
		<u>8,364</u>	<u>8,543</u>
Increase in cash in the year		<u>4,596</u>	<u>10,001</u>
Reconciliation of net cash flow to movement in net funds/(debt)			
Increase in cash in the year		4,596	10,001
Transfers to/(from) term deposits and current investments		0	0
Decrease in loan and lease finance		0	0
Change in net funds/(debt)		<u>4,596</u>	<u>10,001</u>
Net funds/(debt) at 1 August		5,901	(4,100)
Net funds/(debt) at 31 July	26	<u>10,497</u>	<u>5,901</u>

Exeter College, Oxford
Notes to the financial statements
For the year ended 31 July 2015

1 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2015 Total £'000	2014 Total £'000
Teaching, research and residential					
Tuition fees - UK and EU students	1,272	0	0	1,272	1,286
Tuition fees - Overseas students	774	0	0	774	674
Other fees	73	0	0	73	81
Other HEFCE support	204	0	0	204	220
Other academic income	265	0	0	265	211
College residential income	2,598	0	0	2,598	2,872
	<u>5,186</u>	<u>0</u>	<u>0</u>	<u>5,186</u>	<u>5,344</u>

The above analysis includes £1,573k (2014: £1,475k) received from Oxford University under the CFF Scheme, net of College fees received directly.

2 TRADING INCOME

	2015 £'000	2014 £'000
Subsidiary company trading income	387	320
Other trading income	24	43
	<u>411</u>	<u>363</u>

3 INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2015 Total £'000	2014 Total £'000
Agricultural rent	99	17	63	179	166
Commercial rent	197	0	0	197	209
Other property income	74	13	46	133	0
Equity dividends	323	52	181	556	567
Income from fixed interest stocks	0	0	0	0	0
Interest on fixed term deposits and cash	0	0	0	0	0
Other investment income	0	0	0	0	0
	<u>693</u>	<u>82</u>	<u>290</u>	<u>1,065</u>	<u>942</u>

4 BANK AND OTHER INTEREST INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2015 Total £'000	2014 Total £'000
Bank interest	66	0	0	66	48
Other interest	0	0	0	0	0
	<u>66</u>	<u>0</u>	<u>0</u>	<u>66</u>	<u>48</u>

Exeter College, Oxford
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	354	224	39	617	760
Trading expenditure	140	140	14	294	299
Investment management costs	0	348	0	348	239
Total costs of generating funds	494	712	53	1,259	1,298
Charitable expenditure					
Teaching, research and residential	3,501	2,582	1,827	7,910	8,036
Total charitable expenditure	3,501	2,582	1,827	7,910	8,036
Governance costs	0	24	0	24	23
Total resources expended	3,995	3,318	1,880	9,193	9,357

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 and research costs include College Contribution payable of £66k (2014 - £38k).

6 SUPPORT COSTS

	Generating Funds £'000	Teaching, Research & Residential £'000	2015 Total £'000	2014 Total £'000
Financial and domestic admin	26	341	367	352
Human resources	0	74	74	88
IT	0	174	174	188
Depreciation	27	622	649	693
Profit on sale of fixed assets	0	(3)	(3)	0
Bank interest payable	0	619	619	618
Other finance charges	0	0	0	22
	53	1,827	1,880	1,961

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 headcount within each College department.

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

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	52	399	451	366
Bursaries and hardship awards	27	116	143	175
Grants to other institutions	0	0	0	0
	79	515	594	541

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

Exeter College, Oxford
Notes to the financial statements
For the year ended 31 July 2015

8 GOVERNANCE COSTS

	2015	2014
	£'000	£'000
Governance costs include:		
Auditor's remuneration - audit services	20	18
Auditor's remuneration - other services	2	2
Legal and other fees on constitutional matters	2	1
Other governance costs	0	2
	<u>24</u>	<u>23</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	2014
	£'000	£'000
The aggregate payroll costs for the year were as follows.		
Salaries and wages	3,648	3,636
Social security costs	245	241
Pension costs	540	509
	<u>4,433</u>	<u>4,386</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	17	14
College residential	77	75
Fundraising	6	6
Support	10	10
Total	<u>110</u>	<u>105</u>

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

	2015	2014
University Lecturers	14	15
CUF Lecturers	9	9
Other teaching and research	7	7
Other	5	5
Total	<u>35</u>	<u>36</u>

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.

There was one (2014: one) employee during the year (excluding the College Trustees) whose gross pay and benefits (excluding employer NI and pension contributions) was between £60,000 and £70,000. This employee received pension benefits. No employee (excluding College Trustees) earned more than £70,000.

Exeter College, Oxford
Notes to the financial statements
For the year ended 31 July 2015

10 TANGIBLE FIXED ASSETS

Group	Assets under construction £'000	Freehold land and buildings £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost					
At start of year	4,508	30,382	0	1,532	36,422
Additions	7,463	151	0	99	7,713
Disposals	0	(1,078)	0	(373)	(1,451)
At end of year	11,971	29,455	0	1,258	42,684
Depreciation					
At start of year	0	5,249	0	1,337	6,586
Charge for the year	0	522	0	127	649
On disposals	0	(389)	0	(372)	(761)
At end of year	0	5,382	0	1,092	6,474
Net book value					
At end of year	11,971	24,073	0	166	36,210
At start of year	4,508	25,133	0	195	29,836
College					
Cost					
At start of year	4,508	30,382	0	1,532	36,422
Additions	7,606	151	0	99	7,856
Disposals	0	(1,078)	0	(373)	(1,451)
At end of year	12,114	29,455	0	1,258	42,827
Depreciation					
At start of year	0	5,249	0	1,337	6,586
Charge for the year	0	522	0	127	649
On disposals	0	(389)	0	(372)	(761)
At end of year	0	5,382	0	1,092	6,474
Net book value					
At end of year	12,114	24,073	0	166	36,353
At start of year	4,508	25,133	0	195	29,836

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

Exeter College, Oxford
Notes to the financial statements
For the year ended 31 July 2015

11 PROPERTY INVESTMENTS

College	Agricultural	Commercial	Other	2015	2014
	£'000	£'000	£'000	Total £'000	Total £'000
Valuation at start of year	8,341	0	6,655	14,996	7,611
Additions and improvements at cost	0	0	0	0	5
Disposals net proceeds	(9)	0	(340)	(349)	(283)
Revaluation gains/(losses) in the year	712	0	791	1,503	7,663
Valuation at end of year	9,044	0	7,106	16,150	14,996

Group	Agricultural	Commercial	Other	2015	2014
	£'000	£'000	£'000	Total £'000	Total £'000
Valuation at start of year	13,342	0	6,655	19,997	7,768
Additions and improvements at cost	294	0	0	294	5
Disposals net proceeds	(9)	0	(340)	(349)	(283)
Revaluation gains/(losses) in the year	(124)	0	791	667	12,507
Valuation at end of year	13,503	0	7,106	20,609	19,997

Estates land and property valuations as at 31 July 2015 have been made by Savills, the College Land Agent, the basis of the valuation being open market value as defined in the RICS Appraisal and Valuation Manual.

12 SECURITIES AND OTHER INVESTMENTS

	2015 £'000	2014 £'000
Group investments		
Valuation at start of year	44,609	51,103
New money invested	10,706	4,081
Amounts withdrawn	(16,705)	(10,970)
Reinvested income	0	0
Investment management fees	0	0
Increase in value of investments	5,891	395
Group investments at end of year	44,501	44,609
Investment in subsidiaries	4,501	5,378
College investments at end of year	49,002	49,987

The investment in subsidiaries fell in the year by £877k due to a devaluation in the market value of investments held within the subsidiary Yew Tree Hill Development Company Limited.

Group investments comprise:	Held outside the UK	Held in the UK	2015	2014
	£'000	£'000	Total £'000	Total £'000
Equity investments	10,422	18,603	29,025	29,244
Global multi-asset funds	8,513	1,874	10,387	9,468
Property funds	0	2,862	2,862	2,536
Fixed interest stocks	3,206	0	3,206	3,045
Alternative and other investments	0	0	0	0
Fixed term deposits and cash	0	(979)	(979)	316
Total group investments	22,141	22,360	44,501	44,609

Exeter College, Oxford
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 Exeter College Trading Limited, a company providing conference and other event services on the College premises, 100% of the issued share capital in Collexoncotoo Limited, a company providing design and build construction services to the College, and 100% of the issued share capital in Exeter College Yew Tree Hill Development Company Limited, a property investment company.
The results of the subsidiaries and their assets and liabilities at the year end were as follows.

	Yew Tree Hill Dev Co Ltd £'000	Exeter College Trading Ltd £'000	Collexoncotoo Limited £'000
Turnover	0	385	7,296
Expenditure	(1)	(383)	(7,156)
Donation to College under gift aid	0	(2)	(140)
Result for the year	<u>(1)</u>	<u>0</u>	<u>0</u>
Total assets	4,856	413	865
Total liabilities	(356)	(413)	(854)
Net funds at the end of year	<u>4,500</u>	<u>0</u>	<u>11</u>

14 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns as provided in the College Statutes. The investment return to be applied as income is calculated by combining 70% of the previous year's transfer together with 3.25% of 30% of the closing market value of assets at 31 July.
The preserved value of the invested endowment capital represents its open market value in 2002 together with all subsequent endowments valued at date of gift.

	Permanent Endowment £'000	Expendable Endowment £'000	Total £'000
Investment total return			
Income distributions	290	545	835
Capital gains/losses	2,279	4,264	6,543
Investment management costs	(115)	(216)	(331)
Total return for the year	<u>2,454</u>	<u>4,593</u>	<u>7,047</u>
Amount applied as income for spending	<u>(697)</u>	<u>(1,333)</u>	<u>(2,030)</u>
Net increase in Unapplied Total Return in the year	1,757		
Unapplied Total Return at start of year	9,373		
Unapplied Total Return at end of year	<u>11,130</u>		
Preserved value of original permanent endowments	<u>15,281</u>		

15 DEBTORS

	2015 Group £'000	2014 Group £'000	2015 College £'000	2014 College £'000
Amounts falling due within one year:				
Trade debtors	304	220	226	183
Amounts owed by College members	0	0	0	0
Amounts owed by Group undertakings	0	0	0	0
Loans repayable within one year	0	0	0	0
Prepayments and accrued income	5,130	445	5,130	445
Other Debtors	34	33	34	33
Amounts falling due after more than one year:				
Loans	0	0	0	0
	<u>5,468</u>	<u>698</u>	<u>5,390</u>	<u>661</u>

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16 CREDITORS: falling due within one year

	2015	2014	2015	2014
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bank overdrafts	0	0	0	0
Bank loans	0	0	0	0
Obligations under finance leases	0	0	0	0
Trade creditors	538	217	425	165
Amounts owed to College Members	0	0	0	0
Amounts owed to Group undertakings	0	0	214	99
Taxation and social security	(129)	1	60	63
College contribution	51	37	51	37
Accruals and deferred income	1,203	593	147	159
Other creditors	304	311	304	311
	1,967	1,159	1,201	834

17 CREDITORS: falling due after more than one year

	2015	2014	2015	2014
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bank loans	12,000	12,000	12,000	12,000
Obligations under finance leases	0	0	0	0
Other creditors	0	0	0	0
	12,000	12,000	12,000	12,000

A revolving facility and/or term loan agreement has been arranged enabling the College to borrow up to a maximum of £12m. The loan carries interest at 0.55% above LIBOR. The maximum term of any term loan facility is 27 March 2022. Earlier repayments of term loans from surpluses, the sale of existing assets or donations may be made without penalty.

18 PROVISIONS FOR LIABILITIES AND CHARGES

	2015	2014	2015	2014
	Group	Group	College	College
	£'000	£'000	£'000	£'000
At start of year	125	125	125	125
Charged in the Statement of Financial Activities	0	0	0	0
Settled in the year	0	0	0	0
At end of year	125	125	125	125

The above provision is in respect of pension liabilities for pensions payable to ex employees by the College and not funded through external pension schemes.

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19 FUNDS OF THE 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						
Tuition & Fellowship Support	9,975	1,130	(51)	(310)	1,016	11,760
Scholarships, Exhibitions, Prizes and Travel Funds	4,004	71	(19)	(114)	372	4,314
Studentships	7,589	156	(36)	(217)	709	8,201
Student Assistance, Bursaries and Hardship	1,820	22	(9)	(52)	169	1,950
Other Funds	137	1	0	(4)	12	146
Endowment Funds - Expendable						
Tuition & Fellowship Support	3,613	0	0	(77)	335	3,871
Scholarships, Exhibitions, Prizes and Travel Funds	0	0	0	0	0	0
Studentships	1,307	0	0	(56)	121	1,372
Student Assistance, Bursaries and Hardship	826	1,020	0	(39)	171	1,978
Other Funds	324	0	0	(7)	30	347
Exeter College Main Fund	35,386	3,579	0	(7,982)	3,608	34,591
Total Endowment Funds	64,981	5,979	(115)	(8,858)	6,543	68,530
Restricted Funds						
Tuition & Fellowship Support	168	336	(715)	387	0	176
Scholarships, Exhibitions, Prizes and Travel Funds	76	0	(24)	24	0	76
Studentships	409	55	(380)	273	0	357
Student Assistance, Bursaries and Hardship	45	28	(111)	91	0	53
Other Funds	6,849	1,911	(43)	12	0	8,729
Total Restricted Funds	7,547	2,330	(1,273)	787	0	9,391
Unrestricted Funds						
General Reserve	1,083	6,970	(7,764)	1,681	15	1,985
Designated Funds:						
Fixed Asset Reserve	17,836	0	0	6,374	0	24,210
Designated Reserves	8,424	2,784	(41)	16	0	11,183
Total Unrestricted Funds	27,343	9,754	(7,805)	8,071	15	37,378
Total Funds	99,871	18,063	(9,193)	0	6,558	115,299

Transfers Detail	Unrestricted funds	Designated funds	Restricted funds	Permanent Endowment	Expendable Endowment	Total
Transfer for investment total return	915	0	787	(697)	(1,005)	0
Additional transfer from endowment	7,156	0	0	0	(7,156)	0
Designation in year	(6,390)	6,390	0	0	0	0
Total	1,681	6,390	787	(697)	(8,161)	0

Designated transfers reflect the movement in the net book value of tangible fixed assets.

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20 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

Tuition & Fellowship Support	A total of thirteen Trust Funds where the income can be spent on Fellowship support in specific subject areas, but the the original capital cannot be spent.
Scholarships, Exhibitions, Prizes and Travel Funds	A total of six Trust Funds where the income can be spent on student scholarships, exhibitions, prizes and travel funds. The original capital cannot be spent.
Studentships	A total of 11 Trust Funds, the purpose of which is to pay a contribution towards, or all, of the University and College fees together with a maintenance grant. Each Fund specifies the subject area and academic achievements needed for each award. The original capital cannot be spent.
Student Assistance, Bursaries and Hardship	A total of four Trust Funds, the income of which is to provide financial assistance to undergraduates and/or graduates dependent upon their financial need. The capital cannot be spent.
Other Funds	Three Trust Funds for specific purposes of the College. The capital cannot be spent.

Endowment Funds - Expendable:

Tuition & Fellowship Support	A total of five Trust Funds where the income and capital, if required, can be spent on Fellowship support in specific subject areas.
Studentships	Two Trust Funds, the purpose of which is to pay a contribution towards, or all, of the University and College fees together with a maintenance grant for a graduate student. The income and capital is to be spent.
Student Assistance, Bursaries and Hardship	Six Trust Funds providing financial assistance to undergraduate and graduate students. Both the income and capital can be spent.
Other Funds	Three Trust Funds for various purposes where both the income and capital can be spent on the restricted purpose of the Fund.
Exeter College Main Fund	This Fund represents donations accumulated over many decades and current policy is to invest it over the long term future of the College. Both income and capital can be spent on the general educational purposes of the College.

Restricted Funds:

Tuition & Fellowship Support	A consolidation of gifts and donations where both income and capital can be used for tuition and fellowship support. Income generated from endowment is allocated to these funds and, if not spent, is available in future years.
Scholarships, Exhibitions, Prizes and Travel Funds	A consolidation of gifts and donations where both income and capital can be used for scholarships and exhibitions. Income generated from endowment is allocated to these funds and, if not spent, is available for future years.
Student Assistance, Bursaries and Hardship	A consolidation of gifts and donations where both income and capital can be used for student assistance and hardship. Income generated from endowment is also allocated to these funds and, if not spent, is available for future years.
Other Funds	A consolidation of gifts and donations where both income and capital can be spent on various restricted purposes.

Designated Funds

Fixed asset designated	Unrestricted Funds which are represented by the fixed assets of the College and therefore not available for expenditure on the College's general purposes
General designated reserve	Unrestricted Funds allocated by the Fellows for future costs of specific projects.

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

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21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Tangible fixed assets	36,210	0	0	36,210
Borrowings on acquisition of fixed assets	(12,000)	0	0	(12,000)
Property investments	0	0	20,609	20,609
Securities and other investments	0	0	44,501	44,501
Net current assets (including pension provision)	13,168	9,391	3,420	25,979
	<u>37,378</u>	<u>9,391</u>	<u>68,530</u>	<u>115,299</u>

22 TRUSTEES' REMUNERATION

The trustees of the college comprise the governing body, primarily fellows who are teaching and research employees of the college and who sit on governing body by virtue of their employment.

Trustees of the college fall into the following categories:

Rector
 Professorial Fellow
 Official Fellow
 Fellow by Special Election
 Research Fellow

No trustee receives any remuneration for acting as a trustee. However, those trustees who are also employees of the college receive salaries for their work as employees. These salaries are paid on external academic and academic-related scales and often are joint arrangements with the University of Oxford. 23 Official Fellows are on a joint contract with the University of Oxford. The remuneration disclosure below relates to remuneration that is paid by the College.

Professorial Fellows and all but one Fellow by Special Election, do not receive any remuneration.

Official Fellowships are tenable by any persons holding any teaching or research or administrative office in the College, including the office of Chaplain and Bursar.

All Official and Research Fellows are eligible for a Housing Allowance, which is disclosed within the salary figures below. Seven trustees live in houses owned by the college and pay market rent on a monthly basis.

Some trustees receive additional allowances for additional work carried out as part time college officers, for example, the Sub-Rector, Computing Fellow and Fellow Librarian. These amounts are included within the remuneration figures below. The total remuneration and taxable benefits as shown below is £1,125,679 (2014: £1,076,069). The total of pension contributions is £162,226 (2014: £165,208).

As a consequence of the different remuneration of Fellows dependent on type of appointment (eg joint or College-only) and type of Fellowship (eg. Research or Official Fellow), there is a wide variation in levels of pay.

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22 TRUSTEES' REMUNERATION (cont'd)

Remuneration paid to trustees

Range	2015		2014	
	Number of trustees/fellows	Gross remuneration, taxable benefits and pension contributions £	Number of trustees/fellows	Gross remuneration, taxable benefits and pension contributions £
£2,000-£2,999	1	2,218	0	-
£3,000-£3,998	2	7,172	1	3,886
£4,000-£4,999	0	-	1	4,068
£6,000-£6,999	1	6,951	0	-
£7,000-£7,999	0	-	1	7,164
£8,000-£8,999	2	16,520	2	17,384
£12,000-£12,999	1	12,628	0	-
£13,000-£13,999	0	-	1	13,645
£15,000-£15,999	1	15,703	0	-
£16,000-£16,999	1	16,796	1	16,492
£17,000-£17,999	0	-	1	17,566
£18,000-£18,999	0	-	1	18,379
£19,000-£19,999	0	-	1	19,309
£20,000-£20,999	1	20,949	4	82,222
£21,000-£21,999	7	148,418	2	42,910
£22,000-£22,999	2	45,430	1	22,356
£23,000-£23,999	1	23,202	0	-
£26,000-£26,999	1	26,332	1	26,045
£27,000-£27,999	0	-	1	27,080
£28,000-£28,999	2	57,121	2	57,324
£31,000-£31,999	0	-	1	31,517
£33,000-£33,999	0	-	2	67,338
£36,000-£36,999	1	36,177	0	-
£38,000-£38,999	0	-	1	38,495
£41,000-£41,999	1	41,836	3	123,845
£42,000-£42,999	1	42,006	0	-
£44,000-£44,999	2	89,230	0	-
£45,000-£45,999	0	-	1	45,258
£48,000-£48,999	2	96,780	0	-
£51,000-£51,999	2	102,983	3	153,925
£52,000-£52,999	1	52,148	2	105,122
£53,000-£53,999	1	53,168	0	-
£54,000-£54,999	1	54,576	0	-
£68,000-£68,999	0	-	1	68,543
£74,000-£74,999	0	-	1	74,279
£75,000-£75,999	1	75,496	0	-
£77,000-£77,999	0	-	2	155,612
£79,000-£79,999	2	158,721	0	-
£85,000-£85,999	1	85,344	0	-
Total	39	1,287,905	38	1,239,764

There are 12 trustees who are not employees of the college and do not receive remuneration.

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

Trustee expenses

Total expenses of £34,392 were paid to 28 trustees (2014: £24,034 to 28 trustees). Of this total, £12,138 (2014: £5,393) was reimbursed travel costs, £17,844 (2014: £12,059) was reimbursed book and research allowances and £4,410 (2014: £6,582) was other minor general expenditure incurred in their capacity as a Fellow of the College.

Other transactions with trustees

There were no other transactions with trustees that need to be disclosed.

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23 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.

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
Principal assumptions:		
Investment return	5.2% ^c	-
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
Mortality assumptions:		
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
Funding Ratios:		
Technical Provisions basis:	89%	71%
Statutory Pension Protection Fund basis:	82%	69%
"Buy-out" basis:	54% ^e	44%
Estimated FRS17 basis	72% ^e	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

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Notes:

a. USS's actuarial valuation as at 31 March 2014 takes into account the revised benefit structure effective 1 April 2016 agreed both by the Joint Negotiating Committee and the Trustee in July 2015 following the Employers' consultation which concluded in June 2015. Key changes agreed include: for Final Salary section members, the benefits built up to 31 March 2016 will be calculated as at that date using pensionable salary and pensionable service immediately prior to that date and going forwards will be revalued in line with increases in official pensions (currently CPI); all members will accrue a pension of 1/75th and a cash lump sum of 3/75ths of salary each year of service in respect of salary up to a salary threshold, initially £55,000 p.a.; 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 1 April 2016 the employer deficit contribution will be 0.7% p.a. of salaries based on the assumptions made. After allowing for those changes, the actuary established a long term employer contribution rate of 18% pa of Salaries for the period from 1 April 2016 to 31 March 2031. On the assumptions made and once the salary threshold and defined contribution section are introduced this gives rise to deficit contributions of at least 2.1% pa of salaries.

b. OSPS' actuarial valuation as at 31 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 1 August 2017. The actuary has certified that the additional contribution should eliminate the deficit by 30 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 pension increases will be 3.4% a year for the three years to 31st March 2014, then 2.6% a year thereafter.

e. As noted above (note a) the USS employer contribution rate is 18% of salaries from 1 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 1 August 2017 to 23.5%.

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 / reduced by 0.25%	decrease / increase by £0.8bn
Discount rate in 20 years' time	Increase / reduced by 0.25%	decrease / increase by £1.1bn
RPI inflation	increase/decrease by 0.1%	increase / decrease by £0.8bn
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £0.5bn

Assumption	Change in assumption	Impact on OSPS liabilities
Valuation rate of interest	Increase / decrease by 0.5%	decrease / increase by £63m
Rate of pension increases	Increase / reduced by 0.5%	increase / decrease 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

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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:

Scheme	2015 £'000	2014 £'000
Universities Superannuation Scheme	292	282
University of Oxford Staff Pension Scheme	245	225
Other Schemes - contributions	3	3
Total:	540	510

24 TAXATION

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

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

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

	2015 £'000	2014 £'000
Net incoming resources for the year	8,870	3,588
Elimination of non-operating cash flows:		
- Investment income	(1,131)	(990)
- Endowment donations	(2,310)	(1,376)
- Financing costs	619	640
Depreciation	649	693
(Surplus)/loss on sale of fixed assets	(1,295)	(1,174)
Decrease/(Increase) in stock	8	23
Decrease/(Increase) in debtors	(4,770)	230
(Decrease)/Increase in creditors	811	292
(Decrease)/Increase in provisions	0	0
Net cash inflow/(outflow) from operations	1,451	1,926

26 ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	2014 £'000	Cash flow £'000	2015 £'000
Cash at bank and in hand	17,901	4,596	22,497
Bank overdrafts	0	0	0
	17,901	4,596	22,497
Deposits and other short term investments	0	0	0
Bank loans due within one year	0	0	0
Bank loans due after one year	(12,000)	0	(12,000)
Deferred consideration on acquisition of property	0	0	0
	5,901	4,596	10,497

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27 FINANCIAL COMMITMENTS

At 31 July the College had annual commitments under non-cancellable operating leases as follows:

	2015	2014
	£'000	£'000
Land and buildings		
- expiring within one year	0	0
- expiring between two and five years	0	0
- expiring in over five years	0	0
	<u>0</u>	<u>0</u>
Other		
- expiring within one year	0	0
- expiring between two and five years	3	3
- expiring in over five years	0	0
	<u>3</u>	<u>3</u>

28 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £21,094,074 (2014 - £2,137,908).

29 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.

30 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 July 2015.

31 POST BALANCE SHEET EVENTS

There were no material events after the date of the balance sheet which require disclosure.