



Nuffield
College
UNIVERSITY OF OXFORD

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 July 2020

Registered Charity Number 1137506

Nuffield College
Annual Report and Financial Statements
Contents

INDEX	PAGE
Governing Body, Officers and Advisers	2 - 4
Report of the Governing Body	5 - 14
Auditor's Report	15 - 16
Statement of Accounting Policies	17 - 21
Consolidated Statement of Financial Activities	22
Consolidated and College Balance Sheets	23
Consolidated Statement of Cash Flows	24
Notes to the Financial Statements	25 - 44

Nuffield College
Governing Body, Officers and Advisers
Year ended 31 July 2020

MEMBERS OF THE GOVERNING BODY

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

	Elected/Resigned/Retired	(1)	(2)	(3)	(4)	(5)
Warden						
Sir A W Dilnot		•	•	•	•	•
Official Fellows						
N D de Graaf						
R Duch	Resigned 31/10/2020			•		
G Evans				•	•	
I Jewitt		•				
J O Jonsson		•				
M A Meyer						
Professorial Fellows						
K Adam	Leave of absence 01/09/2019 to 31/12/2020					
B Ansell						•
R Breen					•	
S Broadberry					•	
E Bukodi						
L Cluver	Elected 01/09/2019					
I Crawford				•		
P Culpepper						
J Dill			•			
A Eggers			•			
M Ellison			•			
R M Fitzpatrick			•	•		
E Gonzalez Ocantos						
J Green				•		
R Kashyap						•
D S King						
D Kirk						
P Klemperer						

Nuffield College
Governing Body, Officers and Advisers
Year ended 31 July 2020

	Elected/Resigned/Retired	(1)	(2)	(3)	(4)	(5)
C Laborde						
H Low						
C Mills						
M Mills			•			
C W S Monden						
B Nielsen						•
B Petrongolo	Elected 01/09/2020					
K W S Roberts	Retired 30/09/2020					
D Rueda		•				
G Sasse	Resigned 31/07/2020					
D J Snidal						
A Thompson	Elected 01/09/2019					
F Windmeijer	Elected 01/01/2020					
Supernumerary Fellows						
E Kechagia-Ovseiko		•			•	•
T Moore		•	•	•		•
Research Fellows						
S Bond						

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

- (1)** Strategy and Resources Committee
- (2)** Investment Committee
- (3)** Personnel & Domestic Committee
- (4)** Library Committee
- (5)** Information Systems Committee

Two additional committees, chaired by external non-trustees, advise the Governing Body. These are the Audit Committee and the Fellows' Remuneration Review Committee.

Nuffield College

Governing Body, Officers and Advisers

Year ended 31 July 2020

COLLEGE SENIOR STAFF

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

Andrew Dilnot	<i>Warden</i>
Eleni Kechagia-Ovseiko	<i>Senior Tutor</i>
David Walker	<i>Head of the Endowment Office</i>
Tom Moore	<i>Bursar</i>
Yanislava Moyse	<i>College Accountant</i>

COLLEGE ADVISERS

Investment managers

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

Investment property managers

Savills plc, 33 Margaret Street, London W1G 0JD

meterhoch2! Hausverwaltungen GmbH, Schwarzbacher Str. 3, 10711 Berlin, Germany

Auditor

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

Bankers

Royal Bank of Scotland Group plc, 36 St Andrew Square, Edinburgh EH2 2YB

J P Morgan, 1 Knightsbridge, London SW1X 7LX.

Solicitors

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

Old Square Chambers, 10-11 Bedford Row, London WC1R 4BU

Pennington Manches Cooper LLP, 9400 Garsington Road, Oxford Business Park, Oxford OX4 2HN

Roever Broenner Susat Mazars GmbH & Co. KG, Alt-Moabit 2, 10557 Berlin, Germany

Withers LLP, 2 Old Bailey, London EC4M 7AN

Surveyors

Savills plc, 33 Margaret Street, London W1G 0JD

Adkin, Orpwood House, School Road, Ardington, Wantage, Oxfordshire, OX12 8PQ

College address

New Road

Oxford OX1 1NF

Registered Charity Number

1137506

Website

www.nuffield.ox.ac.uk

Nuffield College
Report of the Governing Body
Year ended 31 July 2020

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

REFERENCE AND ADMINISTRATIVE INFORMATION

The Warden and Fellows of Nuffield College in the University of Oxford, which is known as Nuffield College (“the College”), is an eleemosynary chartered charitable corporation aggregate. It was founded by Viscount Nuffield under a Deed of Covenant and Trust dated 16 November 1937 and was granted a Royal Charter from Queen Elizabeth the Second on 18 April 1958. The corporation comprises the Warden 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its Charter and Statutes dated 18 April 1958.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Master of the Rolls. The Governing Body is self-appointing, by election.

New members of the Governing Body are elected on the basis of academic distinction, or their ability to serve the College in other ways.

The Governing Body determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the Warden.

Recruitment and training of Members of the Governing Body

New Members of the Governing Body are recruited by election and inducted into the workings of the College, including Governing Body policy and procedures.

Members of the Governing Body are made aware of Charity Commission guidance to trustees and may attend external trustee training and information courses to keep them informed on current issues in the sector and on regulatory requirements. Trustee training (delivered by Penningtons Manches) is organised by the Conference of Colleges on an annual basis and is open to all new Governing Body fellows.

Remuneration of Members of the Governing Body and Senior College Staff

Members of the Governing Body, who are primarily Fellows engaged in teaching and research, receive no remuneration or benefits from their trusteeship of the College. Those trustees who are also employees of the College receive remuneration for their work as employees of the College which is set in accordance with the advice of the College’s Fellows’ Remuneration Review Committee (FRRC). Where possible, remuneration is set in line with that awarded to the University’s academic staff. FRRC consists of a Chair plus three members, normally including at least two current Visiting Fellows; none of the Committee’s members are trustees and none are in receipt of remuneration from the College. The Committee provides independent scrutiny of proposals concerning any changes to pay or conditions that would benefit Fellows, by testing them against three key principles: legitimacy, affordability, and reasonableness.

Nuffield College
Report of the Governing Body
Year ended 31 July 2020

Organisational management

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

- The Strategy and Resources Committee. Academic policies and the utilisation of College resources and functional assets.
- The Investment Committee. Supervision of the College investments and income policies, which includes at least two and up to four suitably qualified external members.
- The Personnel and Domestic Committee. Personnel and health & safety policies. Domestic arrangements including catering and maintenance.
- The Library Committee. Supervision of the College Library.
- The Information Systems Committee. Information systems policies and maintenance. Provision of IT equipment and support.

The day-to-day running of the College is delegated to the senior staff listed on page 4 (*viz.*, the Warden, Senior Tutor, Head of the Endowment Office, Bursar, and College Accountant), and is supported by heads of the College's administrative departments. The Governing Body is chaired by the Warden, who also chairs the College's Investment Committee, Strategy and Resources Committee, Library Committee and Personnel and Domestic Committee. The Information Systems Committee is chaired by an IT Fellow (drawn from amongst the College's Governing Body), who also has some responsibility for overseeing the relevant areas of the College's IT activities.

In addition, there are two committees that assist the College to control risks related to governance and conflicts of interest: a Fellows' Remuneration Review Committee (as described above) and an Audit Committee, which has an external (not a trustee or employee) chair and two further external members, and which advises Governing Body on the effectiveness of the financial and other internal control systems of the College.

Group structure and relationships

The College has one wholly owned non-charitable subsidiary: Nuffield Properties Ltd, which was dormant throughout the relevant period and also the previous period.

The College is part of the collegiate University of Oxford. Material interdependencies between the University and the College arise as a consequence of this relationship.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The College's Objects are to advance postgraduate education and research in the social sciences. The Governing Body has considered the Charity Commission's guidance on public benefit and - in keeping with its objects - the College's aims for the public benefit are:

- to undertake world-class research and to facilitate the study of social science problems by co-operation between academic and non-academic persons;
- to disseminate the results of this research and contribute to public policy making;
- to recruit and admit postgraduate students in the social sciences, and present them for matriculation in the University of Oxford (admission is open to all and is subject only to academic merit);
- to supervise students who are studying for postgraduate degrees and prepare them for careers, in the academic world or beyond; and
- to contribute to the cultural, social, and economic life of the city of Oxford.

Nuffield College

Report of the Governing Body

Year ended 31 July 2020

To achieve these aims, the College will:

- collaborate with the University of Oxford to attract, recruit, and retain outstanding academic staff and postgraduate students;
- establish, in particular through its scheme of Visiting Fellowships, strong on-going relationships with figures in the public and private sectors;
- employ rigorous admissions procedures to select the best graduate students in the social sciences, providing innovative funding packages to ensure that admission is based on academic merit alone, regardless of financial means; and
- work closely and creatively with, *inter alia*, the University of Oxford and local authorities to identify and develop opportunities to contribute to the life of the city of Oxford.

The College will use the following criteria to measure the success of these strategies:

- the volume and quality of research published by academic members of the College (as assessed, *inter alia*, through exercises such as the Research Excellence Framework);
- the impact of this research outside of academia, and in particular on public policy;
- other indicators of academic esteem (including, for example, prizes awarded and research grants won);
- acceptance rates for the admission of graduate students, and their academic results; and
- student placement records (in respect of both academic and non-academic careers).

Activities and objectives of the College

The College's activities are focused on furthering its stated objects and aims for the public benefit.

In 2019/20, the College:

- elected one new Governing Body Fellow (Barbara Petrongolo); one Senior Research Fellow; twenty-six new Research Fellows and Research Officers; five non-academic persons to Visiting Fellowships, and one Emeritus Fellow;
- admitted 10 students to study for postgraduate taught courses in the Social Sciences, 16 postgraduate research students, and 8 visiting students;
- contributed through the research of its fellows and students to the national and international response to the Covid-19 pandemic and to the study of its impact;
- continued to oversee plans for the redevelopment of the Oxpens site in the West End of Oxford, through a Joint Venture Company in conjunction with the City Council;
- appointed a professional team which has completed the early stages of masterplanning the sites owned by the College in the West End of Oxford.

Policy on and provision of bursary support

The College admits only graduate students. It awards scholarships to cover or partially cover fees and maintenance costs. In 2019/20, College funds provided £906k towards such costs, which was 5% lower than the previous year (2019: £955k).

Statement on fundraising activities

Through its Development Office, the College builds relationships with alumni and other friends of the institution in order to foster a culture of giving. Potential donors are invited to give through a variety of fundraising tools, including dedicated alumni events and communications, face-to-face major gift solicitation, as well as an annual fund programme (direct mail appeals and telethons). Telethons are conducted in conjunction with Buffalo Fundraising Consultants. The College follows and has complied in full with the Fundraising Regulator's "Code of Practice in Fundraising" and has committed to the Regulator's "Fundraising Promise". No complaints have been received about fundraising activities undertaken by the College or any of its commercial participants.

ACHIEVEMENTS AND PERFORMANCE

Some highlights of the College's achievements and performance for 2019/20 are set out below. A full record of the College's academic activities for the year can be found in the relevant version of its Annual Report.

The second half of the academic year 2019/20 was dominated by Covid-19, which presented major operational challenges for the College's activities, but also significant opportunities for Nuffield researchers to apply social science methods to examine the spread and impact of Covid-19 and to contribute to the national and international response to the pandemic. Some examples of this research include:

- In a preprint for The Royal Society and The British Academy which received broad media coverage, Melinda Mills, Charles Rahal and colleagues from the Leverhulme Centre for Demographic Science reviewed the existing scientific literature on the effectiveness of face coverings, as well as behavioural and policy implications.
- Together with Professorial Fellow Ridhi Kashyap, Melinda Mills and Charles Rahal also examined the efficacy of three different distancing strategies using social networks in 'keeping the curve' of coronavirus deaths and infections flat. Models examined in the paper - including results and graphs - were featured in a piece by UK Parliament Post on 'Light switches and clusters: social distancing strategies for COVID-19' (7 May 2020).
- Professorial Fellow Lucy Cluver and collaborators produced a set of evidence-based resources for parents dealing with school closures and the increased strain of global coronavirus lockdowns, which were made available online via the World Health Organisation.
- Professorial Fellow Hamish Low and co-authors used data collected in a Covid-19 survey of existing members of the 'Understanding Society' study to document the different effects of the COVID-19 economic shock on different types of worker. Their findings were reported by the national media.
- Professorial Fellow Bent Nielsen, in conjunction with Sheila Bird, applied statistical methods to produce nowcasts of Covid-19 deaths in England, while members of the College's Climate Econometrics research centre, led by Sir David Hendry, devised an online tool for producing short-term forecasts of Covid-19 deaths.
- A paper in *BMC Medicine* by Nuffield DPhil student Mark Verhagen and colleagues from the Leverhulme Centre for Demographic Science (including Nuffield Fellows David Brazel and Melinda Mills) which uses an online tool to highlight the areas at risk of future spikes in cases of COVID-19.
- Further examples of research related to Covid-19 undertaken by members of the College can be found on the Nuffield College website at <https://www.nuffield.ox.ac.uk/news-events/news/nuffield-research-on-covid-19/>.

In operational terms, the College has responded to the challenges presented by Covid-19 by following relevant guidelines issued by the Government and the University. The College's on-site activities were very significantly scaled back during the period of lockdown between March and August 2020, with many domestic staff and some administrative and technical staff furloughed by agreement during this time, and with the College's main priority being the safety and security of the small number of resident students who remained on site throughout lockdown. Steps were taken to enable staff and students to work effectively from home, and to support the College's activities remotely as far as practicable.

In the first half of the academic year, the College elected one new Professorial Fellow: Barbara Petrongolo, to a Professorial Fellowship in association with the Department of Economics with effect from 1 September 2020. Francis Dodoo was elected as British Academy Global Professor in conjunction with the Leverhulme Centre for Demographic Science and the Oxford Department of Sociology. Jennifer Rubin (Executive Chair of the ESRC and Champion for Equality, Diversity and Inclusion at UK Research and Innovation); Lord (Andrew) Tyrie (Chair, Competition and Markets Authority); Yves Daccord (former Director General of the International Committee of the Red Cross); Stephen Bush (Political editor for the *New Statesman*); and Anneliese Dodds (Shadow Chancellor of the Exchequer and Labour MP for Oxford East) were each elected to Visiting Fellowships.

Nuffield College

Report of the Governing Body

Year ended 31 July 2020

In the run-up to the general election held in December 2019, Nuffield's academic members continued the College's long history of studying British elections through a combination of analysis, commentary, and topical research. Further details can be found on the College's website at <https://www.nuffield.ox.ac.uk/news-events/news/general-election-2019/>, including a report on a press conference held in October 2019 to promote the new book published in 2019 by Professorial Fellow Jane Green and Official Fellow Geoff Evans on *Electoral Shocks: The Volatile Voter in a Turbulent World*.

In November 2019, local and national stakeholders gathered at Nuffield College to hear initial findings from work on pathways to homelessness in the city. The year-long study – conducted by Elisabeth Garratt (Research Fellow 2015-2019) and Jan Flaherty (Research Officer 2018-2019) and supported by the John Fell Fund and local business Lucy Group Ltd – examined the fluid and transitory nature of homelessness by mapping the qualitative life stories of 39 participants who had experienced homelessness in Oxford. Further details can be found on the College website at <https://www.nuffield.ox.ac.uk/news-events/news/homelessness-in-oxford-findings-from-nuffield-research/>.

In July 2020, Andrew Dilnot, Warden of the College, gave evidence to the House of Commons' Health and Social Care Committee, answering questions from MPs about capping social care costs in the UK and restating his recommendations from 2011 that there be a cap on social care costs.

In respect of student admissions, the College received and reviewed 272 applications from prospective students and made 38 offers. In total, 26 students started their course in September 2019: 8 in Economics (2 DPhil and 6 MPhil), 9 in Politics and International Relations (6 DPhil, 2 MPhil, and 1 MSc), 7 in Sociology and Social Policy (6 DPhil and 1 MSc), and 2 in interdisciplinary subjects (DPhil in Public Policy). Nine students on taught masters courses took exams at the end of the academic year; examinations for the remaining thirteen students on taught masters courses were either postponed or replaced by coursework assessments as a result of Covid-19. Of the fourteen in the final year of their course, eight achieved overall distinctions. Fourteen DPhil students completed their doctoral thesis, twelve of whom have subsequently secured academic posts.

The College continued the scheme, launched in 2016/17, of underwriting funding for all new students admitted at Nuffield, meaning that the College provides the full funding required (or partial funding in conjunction with another scholarship) in the event that a new student does not secure scholarship funding from other sources to meet the full costs of their study (fees and living expenses). By removing the funding uncertainty at an early stage in the admissions process, the College aims to attract and, crucially, retain applicants of the highest academic merit. To further that aim, in 2019 the College funded and hosted a pioneering graduate access initiative – directed by Professorial Fellow Dave Kirk – designed to enhance diversity and inclusiveness within the social sciences at Oxford, and in UK academia more broadly. The Nuffield Undergraduate Scholars Institute (NUSI) brought six talented undergraduate students to Nuffield for six weeks over the summer and offered them intensive social science methods training and hands-on research experience through an internship with a College Fellow. The academic element of the summer school was complemented with a programme of professional development activities and social events, in conjunction with the University's UNIQ+ graduate access scheme. Regrettably, Covid-19 meant that it was impossible to run an equivalent event in 2020, but the College is committed to running the initiative in future years.

The College's Development Office, established in 2015, has continued to reach out, through events and other activities, to alumni and friends of the College, and has been successful in generating new donations and significant pledges (including legacy pledges). Notably it has completed fundraising to endow six scholarships since its inception. Most recently, fundraising activities have been launched to establish the first endowed scholarship in Politics to celebrate Sir David Butler who turned 95 in 2019. In collaboration with the Economics Department, another long-term project is now underway to endow a Professorial Chair at Nuffield College to honour the late Nobel Laureate Sir James Mirrlees.

Nuffield College
Report of the Governing Body
Year ended 31 July 2020

FINANCIAL REVIEW

Income

In line with the prevailing economic environment in the second half of the reporting period, the College's total income for the year decreased by 7% to £12,348k in 2019/20 (2019: £13,283k).

Investment income, which is the largest source of income to the College, decreased by 6% to £10,092k (2019: £10,759k). Significant factors in this were a decrease of £1,317k in rent received from endowment property assets related to effects of Covid-19 and an increase of £1,076k in equity dividends. The latter followed completion during the year of a programme to restructure the College's equity investments.

Income from charitable activities of £1,810k was 8% lower than the previous year (2019: £1,972k), and consisted of student fee income of £203k (a decrease of 1%), other OfS support of £171k, other academic and mainly research grant income of £1,000k (a decrease of 7%), and College residential income of £436k (a decrease of 19%).

The College received a government grant under the Coronavirus Job Retention Scheme of £176k (2019: £nil).

Income from donations amounted to £270k (2019: £552k) and was composed mainly of endowment donations (£268k) to the Graduate Scholarship funds.

Expenditure

The College's total expenditure decreased by 12.8% to £12,155k (2019: £13,936k) and expenditure on charitable activities of £9,104k was 14.8% lower than the previous year (£10,689k). Postponed maintenance and refurbishment projects during the imposed movement restrictions in the UK resulted in a decrease in expenditure in this category of 47% to £449k (2019: £885k). Included in the charitable expenditure is the movement in the pension provision, which resulted in a net reduction of the total costs of £323k in the current year compared to the corresponding net increase of £883k reported in the previous financial year. Details of the pension provision for the current and the previous year are included in note 23 to the financial statements.

The cost of generating funds fell by 6% to £3,051k (2019: £3,247k), of which investment management costs decreased by 5% to £2,832k (2019: £2,991k) and fundraising costs of £219k were 14% lower than the previous year (2019: £256k).

Result for the year

The College's total consolidated funds decreased by £5,061k in the year to £263,017k as at 31 July 2020 (2019: £268,078k), which represents a decrease of 2%. The decrease is mostly attributable to the reported investment losses of £4,492k (2019: gains of £13,273), resulted from the recent downturn in the global equity markets.

Investments

The total group investments, which comprise securities, property investments and an investment in a Joint Venture, decreased by 2.9% and amounted to £274,675k (2019: £282,734k) at the year end.

During the reporting period the College completed a review of its investment policy, including in respect of Environmental, Social and Governance (ESG) factors, and updated its investment strategy.

The total net investment return fell to 0.7% (2019: 7.6%), which reflects the impact of Covid-19 on both equity valuations and income from property investments.

The value of the bank loan, measured at amortised cost, was £31,900k and the interest payable for the year was 1.80% (LIBOR plus 1%). After taking into account the bank loan and the net investment current assets of £4,147k, the total consolidated net investment assets stood at £246,922k as at 31 July 2020 (2019: £253,775k).

Nuffield College
Report of the Governing Body
Year ended 31 July 2020

Reserves policy

The College's reserves policy is to maintain sufficient free reserves to meet short-term financial obligations in the event of an unexpected revenue shortfall.

The College's general unrestricted funds at the year end amounted to £3,739k (2019: £3,231k), excluding the net book value of fixed assets of £11,264k (2019: £10,436k).

In accordance with FRS 102, a pension reserve of £1,599k (2019: £1,922k) is included within unrestricted funds representing the defined benefit pension scheme liability.

Designated reserves at the year end amounted to £2,691k (2019: £2,558k), which included funds of £54k (2019: £68k) for specific research projects to be spent within ten years of the initial award and an academic fund of £2,637k (2019: £2,490k), set up in March 2014, for the purpose of advancing postgraduate education and research.

The total return allocated to income from the College's endowment funds provides about 80% of the total funds required to support the College's charitable activities.

In the event of a significant decline in operating income the current level of general unrestricted reserves would be sufficient to cover 20% of the expected charitable expenditure for two years.

Liquidity

The College maintains a level of liquidity (in highly liquid assets), that ensures there is sufficient cash available to meet expected future capital commitments, cover the next two years' transfer from endowment funds to unrestricted funds under the approved endowment expenditure rule and cope with unexpected cash requirements.

Risk management

Policies and procedures within the College are reviewed by the relevant College Committee, and each key Committee maintains its own Risk Register. Financial risks are assessed by the Strategy and Resources and Audit Committees, and investment risks are monitored by the Investment Committee. In addition, the Bursar and heads of the College departments meet regularly to review health and safety issues. 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. Training courses and other forms of career development are promoted to members of staff to enhance their skills in risk-related areas.

Governance & Compliance

<i>Key areas of risk</i>	<i>Managing strategies</i>
Lack of strategy / skills	Strategy and Resources Committee; budget-setting and quarterly forecasting; recruitment and induction processes; appointment of external consultants with relevant expertise as appropriate.
Conflict of interest / non-charitable activities	Fellows Remuneration Review Committee; Conflict of Interest policy; recruitment and induction processes.
Regulatory reporting requirements	Allocate roles and responsibilities; training and induction; regular departmental reviews.

Academic

<i>Key areas of risk</i>	<i>Managing strategies</i>
Failure to recruit and retain world class academic staff	Strategic planning; competitive salaries and benefits; appointment procedures; collaboration with University.
Failure to attract and admit top quality graduate students	Admissions planning and processes; scholarships; quality of student experience; collaboration with University; low overall intake.

Nuffield College
Report of the Governing Body
Year ended 31 July 2020

Financial

<i>Key areas of risk</i>	<i>Managing strategies</i>
Fraud; budgetary control	Audit Committee; internal controls; segregation of duties; regular reporting.
Investment policy	Investment Committee (inc. external members and expert advisors); regular reporting; diversification of holdings; external fund managers.

Operational

<i>Key areas of risk</i>	<i>Managing strategies</i>
Loss of key staff	Systems, policies, and processes; succession planning; regular departmental reviews; contingency planning.
Information security; data loss	Information Systems Committee; back-up arrangements; regular reviews; collaboration with University; business continuity planning.
Health and safety; employment issues	Recruitment, induction, and training; management processes; monitoring and reporting; external controls.

Going concern

In assessing the College's ability to continue to operate as a going concern in the uncertain economic environment resulting from the impact of Covid-19, the Trustees have considered the following three key areas:

Bank loan covenant compliance. A breach of the current bank loan covenants would occur in the event that the College's net tangible assets fell by 52% of the values reported as at 31 July 2020, the likelihood of which was assessed as low.

Liquidity risk. The College's investment policy is to maintain a sufficient level of liquidity (in highly liquid assets) to meet planned future capital commitments and cover the next two years' transfer from the endowment to unrestricted funds under the approved endowment expenditure rule. On this basis, the likelihood of the College not being able to meet its obligations as they fall due was assessed as low.

Loss of income. The total return allocated to income from the College's endowment provides approximately 80% of the total funds required to support the College's charitable activities. The College has adopted a total return approach to its investments and has sufficient levels of accumulated unapplied total return (note 14). Therefore, although short-term adverse market conditions would be reflected in the accumulation of investment return and endowment fund balances, the amount of total return allocated to income would not be subject to the investment markets' volatility and is within the control of the Governing Body. Any significant decline in the College's operating income, which covers approximately 20% of the College's operating expenditure, could be funded from the general unrestricted reserves.

Based on the reported financial performance and the assessment of the principal risks, the Trustees have a reasonable expectation that the College has adequate resources to continue in operation and meet its liabilities as they fall due for at least 12 months from the approval of the financial statements. The Trustees, therefore, continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Nuffield College

Report of the Governing Body

Year ended 31 July 2020

Investment policy, objectives and performance

The College's endowment makes a major contribution to funding its activities. The Governing Body intends that this should continue for the foreseeable future. During the year it approved a revised investment policy on the recommendation of the Investment Committee.

The College seeks to generate a return in excess of inflation that enables it to maintain the value of the endowment in real terms and to make a sustainable contribution to funding expenditure. As a long-term investor, the College recognises the significance of compounding of returns and of inflation, the consequences of permanent or long-lasting loss of capital value, and the general risk-and-return characteristics of different asset classes. The College tolerates managed volatility. It aims to maintain sufficient liquidity to meet its liabilities, to protect against permanent loss of capital value, and to enable it to benefit from investment opportunities. The College requires there to be sound arrangements for custody of its investment assets and for dealing with credit, counterparty, and currency risks. The College holds a diversified portfolio of assets, and the balance among classes may vary from time to time. The College may seek to benefit from investing in risk assets globally, and it may pursue a range of approaches to generating returns. Mindful of fiduciary duties, the Governing Body maintains that consideration of environmental, social, and governance (ESG) factors should be fully integrated into the College's investment activities. This encompasses conservation of the College's reputation, attention to relevant moral considerations, and awareness of focus on ESG factors in the investment world and in society generally.

The total net investment return for the year was 0.7% (2019: 7.6%). The College's Statutes allow it to invest permanent endowments to maximise total return and to make available for expenditure each year an appropriate proportion of the unapplied total return. The total return accounting basis uses a long-term spending rate combined with a smoothing rule, which adjusts spending gradually in accordance with changes in the endowment's market value after costs. The amount released is calculated as a weighted sum of the prior year contribution adjusted for inflation (80% weight) and the amount that would have been contributed using 4.3% of the previous year's brought forward fund values (20% weight). The equivalent of 3.57% of the opening balances of the relevant funds, plus costs, was extracted as income in the year (2019: 3.48%).

FUTURE PLANS

The core elements of the College's future plans are:

- to continue to recruit and retain outstanding academic staff and students in the social sciences;
- to take steps to improve student experience and outcomes and prepare students for the academic and non-academic job markets;
- to produce and disseminate high quality and innovative research in the social sciences and to pursue collaborations with the non-academic world;
- to form strong ongoing relationships with alumni and with significant figures in the public and private sectors;
- to make a significant contribution to the economic regeneration of the West End of Oxford, working with relevant stakeholders to increase the presence of social science and innovation activities in that area.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

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

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

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

The Governing Body is responsible for keeping proper accounting records that are sufficient to show and explain the College's transactions and disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Charities Act 2011. 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 2020 and signed on its behalf by:

Sir Andrew Dilnot
Warden

Nuffield College

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOVERNING BODY OF NUFFIELD COLLEGE

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the group and charity's affairs as at 31 July 2020 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Nuffield College

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOVERNING BODY OF NUFFIELD COLLEGE

Matters on which we are required to report by exception

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

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

Responsibilities of the Members of the Governing Body

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Critchleys Audit LLP

Statutory Auditor

Oxford

Date: 27 November 2020

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

Nuffield College
Statement of Accounting Policies
Year ended 31 July 2020

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its interest in the OxWED joint venture, under the equity method of accounting. No separate SOFA has been presented for the College alone as currently permitted by the Charity Commission on a concessionary basis for the filing of consolidated financial statements.

2. Basis of accounting

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

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

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

3. Accounting judgements and estimation uncertainty

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

The College is a member of the Universities Superannuation Scheme (USS) and University of Oxford Staff Pension Scheme (OSPS). These are multi-employer pension schemes both of which are in deficit. The College has recognised a provision for its commitments under the agreed deficit reduction plans for each scheme. In calculating these provisions the College has made a number of assumptions which are disclosed in note 23.

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

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

4. Income recognition

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

Nuffield College

Statement of Accounting Policies

Year ended 31 July 2020

a. Income from fees, Office for Students support and other charges for services

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

b. Income from donations, grants and legacies

Donations and grants that do not impose specific future performance-related or other specific conditions are recognised on the date on which the charity has entitlement to the resource, the amount can be reliably measured and the economic benefit to the College of the donation or grant is probable. In case of donations, entitlement usually arises immediately on its receipt. Donations and grants subject to performance-related conditions are recognised as and when those conditions are met. Donations and grants subject to other specific conditions are recognised as those conditions are met or their fulfilment is wholly within the control of the College and it is probable that the specified conditions will be met.

Legacies are recognised following grant of probate and once the College has received sufficient information from the executor(s) of the deceased's estate to be satisfied that the gift can be reliably measured and that the economic benefit to the College is probable.

Donations, grants and legacies accruing for the general purposes of the College are credited to unrestricted funds.

Donations, grants and legacies which are subject to conditions as to their use imposed by the donor or set by the terms of an appeal are credited to the relevant restricted fund or, where the donation, grant or legacy is required to be held as capital, to the endowment funds. Where donations are received in kind (as distinct from cash or other monetary assets), they are measured at the fair value of those assets at the date of the gift.

Research grants income is usually conditional on delivery of specified research and incurring pre-determined expenditure, therefore performance condition is delivery of particular level of service, measured by proportion of costs incurred.

c. Investment income

Interest on bank balances is accounted for on an accrual basis with interest recognised in the period to which the interest relates.

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

Dividend income and similar distributions are recognised when the right to receive payment can be established.

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

5. Expenditure

Expenditure is accounted for on an accruals basis. A liability and related expenditure is recognised when a legal or constructive obligation commits the College to expenditure that will probably require settlement, the amount of which can be reliably measured or estimated.

Grants awarded that are not performance-related are charged as an expense as soon as a legal or constructive obligation for their payment arises. Grants subject to performance-related conditions are expensed as the specified conditions of the grant are met.

All expenditure including support costs and governance costs are allocated or apportioned to the applicable expenditure categories in the Statement of Financial Activities (the SOFA).

Support costs which includes governance costs (costs of complying with constitutional and statutory requirements) and other indirect costs are apportioned to expenditure categories in the SOFA based on the estimated amount attributable to that activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

6. Leases

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

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

7. Tangible fixed assets

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

Expenditure on the acquisition or enhancement of land and on the acquisition, construction and enhancement of buildings which is directly attributable to bringing the asset to its working condition for its intended use and amounting to more than £25,000 together with expenditure on equipment costing more than £5,000 is capitalised.

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

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

8. Depreciation

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

Freehold properties, including major extensions	50 years
Leasehold properties	50 years or period of lease if shorter
Building improvements	25 years
Equipment	3 years

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

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

9. Investments

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

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

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

Other unquoted investments are valued using primary valuation techniques such as earnings multiples, recent transactions and net assets where reliable estimates can be made – otherwise at cost less any impairment.

Changes in fair value and gains and losses arising on the disposal of investments are credited or charged to the income or expenditure section of the SOFA as 'gains or losses on investments' and are allocated to the fund holding or disposing of the relevant investment.

10. Other financial instruments

a. Derivatives

Derivative financial instruments are initially measured at fair value on the date the contract is entered into and are subsequently measured at fair value. Changes in fair value are credited or charged to the income or expenditure section of the SOFA. Hedge accounting is not currently applied to derivatives.

b. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

c. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

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

The functional and presentation currency of the College and its subsidiaries is the pound sterling.

Transactions denominated in foreign currencies during the year are translated into pounds sterling using the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into pounds sterling at the rates applying at the reporting date.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates at the reporting date are recognised in the income and expenditure section of the SOFA.

13. Total Return investment accounting

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

14. Fund accounting

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

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

Restricted funds comprise gifts, legacies and grants where the donors have specified that the funds are to be used for particular purposes of the College. They consist of either gifts where the donor has specified that both the capital and any income arising must be used for the purposes given or the income on gifts where the donor has required or permitted the capital to be maintained and with the intention that the income will be used for specific purposes within the College's objects.

Permanent endowment funds arise where donors specify that the funds are to be retained as capital for the permanent benefit of the College. Any part of the total return arising from the capital that is allocated to income will be accounted for as unrestricted funds unless the donor has placed restrictions on the use of that income, in which case it will be accounted for as a restricted fund.

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

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 as information is not available to use defined benefit accounting in accordance with the requirements of FRS 102. The College's contributions to these schemes are recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.

In addition, a liability is recognised at the balance sheet date for the discounted value of the expected future contribution payments under the agreements with these multi-employer schemes to fund the past service deficits.

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

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2020 Total £'000	2019 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:	1					
Teaching, research and residential		1,810	0	0	1,810	1,972
Other Trading Income	3	0	0	0	0	0
Donations and legacies	2	0	2	268	270	552
Investments						
Investment income	4	89	276	9,727	10,092	10,759
Total return allocated to income	14	7,883	468	(8,351)	0	0
Other income (CJRS)		176	0	0	176	0
Total income		9,958	746	1,644	12,348	13,283
EXPENDITURE ON:						
	5					
Charitable activities:						
Teaching, research and residential		7,947	1,157	0	9,104	10,689
Generating funds:						
Fundraising		219	0	0	219	256
Trading expenditure		0	0	0	0	0
Investment management costs (incl. Loan interest)		0	109	2,723	2,832	2,991
Total Expenditure		8,166	1,266	2,723	12,155	13,936
Net Income/(Expenditure) before gains		1,792	(520)	(1,079)	193	(653)
Net gains/(losses) on investments	10, 11	0	(39)	(4,453)	(4,492)	13,273
Net Income/(Expenditure)		1,792	(559)	(5,532)	(4,299)	12,620
Group share of joint venture's profit/(loss)	12	0	0	(762)	(762)	(596)
Transfers between funds	19	0	412	(412)	0	0
Other recognised gains/losses						
Gains/(losses) on revaluation of fixed assets		0	0	0	0	0
Actuarial gains/(losses) on defined benefit pension schemes		0	0	0	0	0
Net movement in funds for the year		1,792	(147)	(6,706)	(5,061)	12,024
Fund balances brought forward	19	14,303	7,910	245,865	268,078	256,054
Funds carried forward at 31 July		16,095	7,763	239,159	263,017	268,078

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

	Notes	2020 Group £'000	2019 Group £'000	2020 College £'000	2019 College £'000
FIXED ASSETS					
Tangible assets	9	11,264	10,436	11,264	10,436
Heritage assets		0	0	0	0
Property investments	10	111,524	107,485	111,524	107,485
Other Investments	11	154,821	166,157	165,581	176,917
Investment in joint venture	12	8,330	9,092		
Total Fixed Assets		285,939	293,170	288,369	294,838
CURRENT ASSETS					
Stocks		67	74	67	74
Debtors	15	4,743	3,349	4,743	3,349
Investments	27	6,024	0	6,024	0
Cash at bank and in hand		1,085	7,522	1,085	7,522
Total Current Assets		11,919	10,945	11,919	10,945
LIABILITIES					
Creditors: Amounts falling due within one year	16	1,342	2,234	1,342	2,234
NET CURRENT ASSETS/(LIABILITIES)		10,577	8,711	10,577	8,711
TOTAL ASSETS LESS CURRENT LIABILITIES		296,516	301,881	298,946	303,549
CREDITORS: falling due after more than one year	17	31,900	31,881	31,900	31,881
Provisions for liabilities and charges	18	0	0	0	0
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		264,616	270,000	267,046	271,668
Defined benefit pension scheme liability	23	1,599	1,922	1,599	1,922
TOTAL NET ASSETS/(LIABILITIES)		263,017	268,078	265,447	269,746
FUNDS OF THE COLLEGE					
19					
Endowment funds		239,159	245,865	241,589	247,533
Restricted funds		7,763	7,910	7,763	7,910
Unrestricted funds					
Designated funds		13,955	12,994	13,955	12,994
General funds		3,739	3,231	3,739	3,231
Revaluation reserve		0	0	0	0
Pension reserve	23	(1,599)	(1,922)	(1,599)	(1,922)
		263,017	268,078	265,447	269,746

The financial statements were approved and authorised for issue by the Governing Body of Nuffield College on 4 November 2020

Warden: Sir A W Dilnot

Bursar: Mr T Moore

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

	Notes	2020 £'000	2019 £'000
Net cash provided by (used in) operating activities	26	<u>(11,644)</u>	<u>(9,096)</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		9,607	9,918
Proceeds from the sale of property, plant and equipment		601	593
Purchase of property, plant and equipment		(1,505)	(1,133)
Proceeds from sale of investments		60,592	20,833
Purchase of investments		<u>(84,754)</u>	<u>(10,472)</u>
Net cash provided by (used in) investing activities		<u>(15,459)</u>	<u>19,739</u>
Cash flows from financing activities			
Interest paid		(576)	(606)
Receipt of endowment		<u>270</u>	<u>545</u>
Net cash provided by (used in) financing activities		<u>(306)</u>	<u>(61)</u>
Change in cash and cash equivalents in the reporting period		<u>(27,409)</u>	<u>10,582</u>
Cash and cash equivalents at the beginning of the reporting period		35,973	24,937
Change in cash and cash equivalents due to exchange rate movements		(294)	454
Cash and cash equivalents at the end of the reporting period	27	<u>8,270</u>	<u>35,973</u>

Nuffield College
Notes to the financial statements
For the year ended 31 July 2020

1 INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
	£'000	£'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	100	102
Tuition fees - Overseas students	92	97
Other fees	11	7
Other OfS support	171	157
Other academic income	1,000	1,072
College residential income	436	537
	<u>1,810</u>	<u>1,972</u>
Total Teaching, Research and Residential	<u>1,810</u>	<u>1,972</u>
Total income from charitable activities	<u>1,810</u>	<u>1,972</u>

The above analysis includes £171k received from Oxford University from publicly accountable funds under the CFF Scheme (2019: £164k).

2 DONATIONS AND LEGACIES

	2020	2019
	£'000	£'000
Donations and Legacies		
Unrestricted funds	0	11
Restricted funds	2	2
Endowed funds	268	539
	<u>270</u>	<u>552</u>

3 INCOME FROM OTHER TRADING ACTIVITIES

	2020	2019
	£'000	£'000
Subsidiary company trading income	0	0
Other trading income	0	0
	<u>0</u>	<u>0</u>

4 INVESTMENT INCOME

	2020	2019
	£'000	£'000
<i>Unrestricted funds</i>		
Interest on fixed term deposits and cash	24	0
Other investment income	65	68
Bank interest	0	0
	<u>89</u>	<u>68</u>
<i>Restricted funds</i>		
Commercial rent	214	0
Other property income	0	0
Equity dividends	62	330
Interest on fixed term deposits and cash	0	0
Other interest	0	0
	<u>276</u>	<u>330</u>
<i>Endowed funds</i>		
Agricultural rent	48	48
Commercial rent	4,798	6,329
Other property income	91	483
Equity dividends	3,888	2,544
Interest on fixed term deposits and cash	902	957
Other investment income	0	0
	<u>9,727</u>	<u>10,361</u>
Total Investment income	<u>10,092</u>	<u>10,759</u>

Nuffield College
Notes to the financial statements
For the year ended 31 July 2020

5 ANALYSIS OF EXPENDITURE

	2020	2019
	£'000	£'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	4,302	5,187
Other direct costs allocated to:		
Teaching, research and residential	3,739	4,269
Support and governance costs allocated to:		
Teaching, research and residential	1,063	1,233
Total charitable expenditure	9,104	10,689
Expenditure on raising funds		
Direct staff costs allocated to:		
Fundraising	167	175
Investment management costs	115	77
Other direct costs allocated to:		
Fundraising	44	72
Investment management costs	2,717	2,914
Support and governance costs allocated to:		
Fundraising	8	9
Investment management costs	0	0
Total expenditure on raising funds	3,051	3,247
Total expenditure	12,155	13,936

The comparative year's (2019) resources expended of £13,936k represented £9,631k from unrestricted funds, £1,441k from restricted funds and £2,864k from endowed funds.

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

The teaching and research costs include College Contribution payable of £204k (2019: £165k).

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2020 Total £'000
Financial administration	3	305	0	0	308
Domestic administration	2	196	0	0	198
Human resources	1	100	0	0	101
IT	2	301	0	0	303
Depreciation	0	354	0	0	354
Loss/(profit) on fixed assets	0	(278)	0	0	(278)
Other finance charges	0	66	0	0	66
Governance costs	0	19	0	0	19
	8	1,063	0	0	1,071
	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2019 Total £'000
Financial administration	3	291	0	0	294
Domestic administration	2	194	0	0	196
Human resources	1	85	0	0	86
IT	3	335	0	0	338
Depreciation	0	295	0	0	295
Loss/(profit) on fixed assets	0	(16)	0	0	(16)
Other finance charges	0	30	0	0	30
Governance costs	0	19	0	0	19
	9	1,233	0	0	1,242

Nuffield College
Notes to the financial statements
For the year ended 31 July 2020

The following costs are attributed on a per capita basis:
 Finance and administration and human resources costs
 Depreciation costs
 IT costs

	2020	2019
	£'000	£'000
Governance costs comprise:		
Auditor's remuneration - audit services	16	15
Other governance costs	3	4
	19	19

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

7 GRANTS AND AWARDS

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

	2020	2019
	£'000	£'000
Unrestricted funds		
Grants to individuals:		
Scholarships, prizes and grants	872	875
Bursaries and hardship awards	2	15
Grants to other institutions	0	3
Total unrestricted	874	893
Restricted funds		
Grants to individuals:		
Scholarships, prizes and grants	32	66
Total restricted	32	66
Total grants and awards	906	959

The above costs are included within the charitable expenditure on Teaching, research and residential. Grants to other institutions comprise donations to other charitable organisations.

8 STAFF COSTS

The aggregate staff costs for the year were as follows.

	2020	2019
	£'000	£'000
Salaries and wages	4,597	4,292
Social security costs	429	399
Pension costs:		
Pension contributions	680	555
Staff costs related to pension liability	(380)	861
	5,326	6,107

Key management remuneration

The total remuneration paid to key management was £582k (2019: £572k).

Key management are considered to be the Warden, Senior Tutor, Head of Endowment Office, Bursar and College Accountant.

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

	2020	2019
Tuition and research	37	36
College residential	39	36
Fundraising	4	3
Support	14	14
Total	94	89

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

University Lecturers	8	8
Other teaching and research	29	27
Other	3	3
Total	40	38

Nuffield College
Notes to the financial statements
For the year ended 31 July 2020

The College also engages temporary staff and agency workers 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 are 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:

	2020	2019
£60,001-£70,000	0	1
£70,001-£80,000	1	0
£80,001-£90,000	1	0

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

In defined benefits schemes	2	1
-----------------------------	----------	---

Redundancy and termination payments are accounted for in the period in which the payments were made. During the current financial year, redundancy and termination payments amounted to £nil (2019: £42k). These costs were charged to unrestricted funds.

9 TANGIBLE FIXED ASSETS

Group and College	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At start of year	3,088	11,975	0	231	15,294
Additions	0	1,505	0	0	1,505
Disposals	(101)	(252)	0	0	(353)
At end of year	2,987	13,228	0	231	16,446
Depreciation and impairment					
At start of year	783	3,883	0	192	4,858
Depreciation charge for the year	38	295	0	21	354
Depreciation on disposals	0	(30)	0	0	(30)
Impairment	0	0	0	0	0
At end of year	821	4,148	0	213	5,182
Net book value					
At end of year	2,166	9,080	0	18	11,264
At start of year	2,305	8,092	0	39	10,436

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.

Nuffield College
Notes to the financial statements
For the year ended 31 July 2020

10 PROPERTY INVESTMENTS

Group and College	Agricultural £'000	Commercial £'000	Other £'000	2020 Total £'000	2019 Total £'000
Valuation at start of year	5,600	101,885	0	107,485	110,205
Additions and improvements at cost	252	3,216	0	3,468	2,338
Disposals	0	0	0	0	(14,218)
Revaluation gains/(losses) in the year	1,168	(597)	0	571	9,160
Valuation at end of year	7,020	104,504	0	111,524	107,485

The College directly invests in a substantial portfolio of commercial property and one agricultural holding. All the property is held in the United Kingdom except for three assets in Berlin, Germany.

A formal valuation of the agricultural property in Liverpool was prepared by Simon P Alden MRICS FAAV of Adkin as at 31 July 2020.

Formal valuations for the majority of the commercial properties were prepared as at 31 July 2020 by their respective managing agents: by Nicholas F Rees MRICS of Savills for UK property, Volker Zwing of Meterhoch2! for Berlin and Simon P Alden MRICS FAAV of Adkin for Nuffield Estate.

Prior year comparatives of the analysis between Agricultural and Commercial properties are shown in note 33 (b).

11 OTHER INVESTMENTS

All investments are held at fair value.

	2020 £'000	2019 £'000
Group investments		
Valuation at start of year	166,157	150,728
New money invested	81,315	13,432
Amounts withdrawn	(87,588)	(2,116)
(Decrease)/increase in value of investments	(5,063)	4,113
Group investments at end of year	154,821	166,157
Loan to Joint Venture (note 12)	10,760	10,760
College investments at end of year	165,581	176,917

Group investments comprise:	Held outside the UK £'000	Held in the UK £'000	2020 Total £'000	Held outside the UK £'000	Held in the UK £'000	2019 Total £'000
Equity investments	0	0	0	0	20,265	20,265
Global multi-asset funds	111,053	17,195	128,248	80,897	27,971	108,868
Property funds	54	0	54	68	0	68
Fixed interest stocks	18,319	301	18,620	0	0	0
Alternative and other investments	5,377	1,361	6,738	7,144	1,361	8,505
Fixed term deposits and cash	782	379	1,161	6,542	21,909	28,451
Total group investments	135,585	19,236	154,821	94,651	71,506	166,157

12 INVESTMENT IN JOINT VENTURE

Oxford West End Development Limited (OxWED) was incorporated in January 2016 as a joint venture between Nuffield College and Oxford City Council. Nuffield College holds a 50% share of the company. The objectives of the Joint Venture are aligned with Nuffield College's broader aim of promoting regeneration in the West End.

Nuffield College provided a loan to the joint venture of £6,600k for land purchase and working capital in 2015/16, plus an additional loan for land purchase of £4,160k in 2018/19. Interest is charged at 6.5%. Interest income of £2,575k was outstanding at 31 July 2020, in 2018/19 the comparative figure was £1,780k, (note 15).

Nuffield's interest in the joint venture is measured using the equity method of accounting in the consolidated financial statements.

Nuffield's share of the net assets of OxWED is included in the consolidated balance sheet and the net share of profit/(loss) is shown in the consolidated SoFA, and calculated as follows:

Members' interest

As at 31 July 2020

	OxWED Total	Nuffield College share 50%	Oxford City Council share 50%
	£000	£000	£000
Capital classified as liability	21,520	10,760	10,760
Other reserves classified as equity	(4,860)	(2,430)	(2,430)
Members' interest as at 31 July 2020	16,660	8,330	8,330

As at 31 July 2019

	OxWED Total	Nuffield College share 50%	Oxford City Council share 50%
	£000	£000	£000
Capital classified as liability	21,520	10,760	10,760
Other reserves classified as equity	(3,336)	(1,668)	(1,668)
Members' interest as at 31 July 2019	18,184	9,092	9,092

12 INVESTMENT IN JOINT VENTURE - continued

OxWED		
Profit and Loss account for the year ended 31 July 2020	2020	2019
	£000	£'000
Income	789	394
Expenditure	(714)	(177)
Operating Surplus/(Loss)	<u>75</u>	<u>217</u>
Interest charge	(1,600)	(1,410)
Loss from Continuing operations	<u>(1,525)</u>	<u>(1,193)</u>
Total Comprehensive Income & Expenditure Loss	<u>(1,525)</u>	<u>(1,193)</u>
Balance Sheet	2020	2019
	£000	£'000
Fixed assets	0	1
Stocks	21,342	21,342
Debtors	22	11
Cash at bank and in hand	592	798
Current Liabilities	(5,296)	(3,968)
Net assets attributable to members	<u>16,660</u>	<u>18,184</u>

13 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Nuffield Properties Limited, which was dormant in the current and previous reporting periods.

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 31 July 2013. The investment return to be applied as income is calculated as a weighted average of the prior year contribution adjusted for inflation (80% weight) and the amount which would have been contributed using 4.30% of the previous year's brought forward fund values (20% weight). The application of the above rule equates to a drawdown rate of 3.57% (2019: 3.48%) of the opening balances of the relevant funds. The preserved (frozen) value of the invested endowment capital represents its open market value in 2003 together with all subsequent endowments valued at date of gift.

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
At the beginning of the year:					
Gift component of the permanent endowment	71,672	0	71,672	0	71,672
Unapplied total return	0	103,776	103,776	0	103,776
Expendable endowment	0	0	0	70,417	70,417
Total Endowments	71,672	103,776	175,448	70,417	245,865
Movements in the reporting period:					
Gift of endowment funds	268	0	268	0	268
Investment return: total investment income	0	6,363	6,363	3,364	9,727
Investment return: realised and unrealised gains and losses	0	(3,930)	(3,930)	(523)	(4,453)
Less: Investment management costs	0	(1,098)	(1,098)	(1,049)	(2,147)
Less: Loan interest payable	0	(408)	(408)	(168)	(576)
Other transfers	0	(412)	(412)	0	(412)
Net profit/(loss) in relation to joint venture	0	0	0	(762)	(762)
Total	268	515	783	862	1,645
Unapplied total return allocated to income in the reporting period	0	(3,346)	(3,346)	0	(3,346)
Expendable endowments transferred to income	0	0	0	(5,005)	(5,005)
	0	(3,346)	(3,346)	(5,005)	(8,351)
Net movements in reporting period	268	(2,831)	(2,563)	(4,143)	(6,706)
At end of the reporting period:					
Gift component of the permanent endowment	71,940	0	71,940	0	71,940
Unapplied total return	0	100,945	100,945	0	100,945
Expendable endowment	0	0	0	66,274	66,274
Total Endowments	71,940	100,945	172,885	66,274	239,159

The prior year comparatives of the Statement of Total Return are shown in note 33 (c).

Nuffield College
Notes to the financial statements
For the year ended 31 July 2020

15 DEBTORS

	2020	2019	2020	2019
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	1,656	912	1,656	912
Amounts owed by College members	9	2	9	2
Amounts owed by joint venture	2,575	1,780	2,575	1,780
Loans repayable within one year	2	4	2	4
Prepayments and accrued income	429	634	429	634
Other debtors	72	17	72	17
Amounts falling due after more than one year:				
Loans	0	0	0	0
	4,743	3,349	4,743	3,349

16 CREDITORS: falling due within one year

	2020	2019	2020	2019
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Trade creditors	396	1,074	396	1,074
Amounts owed to College Members	1	1	1	1
Holiday pay accrual	71	37	71	37
Taxation and social security	126	186	126	186
College contribution	0	165	0	165
Accruals and deferred income	444	602	444	602
Other creditors	304	169	304	169
	1,342	2,234	1,342	2,234

The College is liable to be assessed for Contribution under the provisions of a new replacement for Statute XV of the University of Oxford. The scheme has been approved by the Council of the University, Congregation and Her Majesty in Council. The papers agreed by Council clearly set out that the charge due for a year is payable in that year so therefore; no liability in respect of 2019-20 exists. No provision has therefore been made in these accounts. The Contribution Fund is used to make grants and loans to colleges on the basis of need.

17 CREDITORS: falling due after more than one year

	2020	2019	2020	2019
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bank loans	31,900	31,881	31,900	31,881
	31,900	31,881	31,900	31,881

A loan of £32 million was arranged in 2014/15 with Royal Bank of Scotland to (i) fund the acquisition of Investment Properties in Oxford and (ii) refinance the existing bank loans. The loan is repayable at the end of 10 years (2025) and may be repaid earlier.

The interest rate is 1% above LIBOR.

The loan is measured at amortised cost using the effective interest method.

The loan arrangement fee of £193k has been treated as a deduction from the amount of the principal advanced and the effective interest rate on the loan has been calculated to reflect the arrangement fee being amortised over the loan period.

18 PROVISIONS FOR LIABILITIES AND CHARGES

	2020	2019	2020	2019
	Group	Group	College	College
	£'000	£'000	£'000	£'000
At start of year	0	0	0	0
Charged in the Statement of Financial Activities	0	0	0	0
Settled in the year	0	0	0	0
At end of year	0	0	0	0

Nuffield College
Notes to the financial statements
For the year ended 31 July 2020

19 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2019 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2020 £'000
Endowment Funds - Permanent						
General	80,727	2,877	(1,143)	(2,878)	(587)	78,996
Nuffield College Trust	68,610	2,571	0	0	(3,213)	67,968
Guardian Fellowship Fund	2,187	76	(30)	(76)	(11)	2,146
GS Pollard Memorial Bursary	202	7	(3)	(7)	(1)	198
Ford Foundation Endowment	11,798	411	(163)	(412)	(58)	11,576
Gwilym Gibbon Bequest	5,837	204	(81)	(208)	(29)	5,723
Arthur Goodhart Fund	487	17	(7)	(17)	(3)	477
Andrew Mellon	1,628	57	(22)	(56)	(8)	1,599
PM Williams Memorial Appeal	123	4	(2)	(4)	(1)	120
Jemolo Research Fellowship	1,177	41	(16)	(41)	(6)	1,155
Oxford Graduate Scholarship Funds	2,672	366	(39)	(59)	(13)	2,927
Subtotal (Permanent endowment)	175,448	6,631	(1,506)	(3,758)	(3,930)	172,885
Endowment Funds - Expendable						
General	60,406	3,332	(1,204)	(5,692)	(518)	56,324
Endowment funds invested in joint venture	10,760	0	0	0	0	10,760
Oxford Graduate Scholarship Funds	919	32	(13)	687	(5)	1,620
Subtotal (Expendable endowment)	72,085	3,364	(1,217)	(5,005)	(523)	68,704
Total Endowment Funds - College	247,533	9,995	(2,723)	(8,763)	(4,453)	241,589
Movement of endowment funds invested in JV	(1,668)				(762)	(2,430)
Total Endowment Funds - Group	245,865	9,995	(2,723)	(8,763)	(5,215)	239,159
Restricted Funds						
Guardian Fellowship Fund	537	19	(7)	76	(3)	622
GS Pollard Memorial Bursary	261	9	(4)	7	(1)	272
Ford Foundation Endowment	2,833	98	(322)	412	(14)	3,007
Gwilym Gibbon Bequest	1,752	62	(827)	208	(9)	1,186
Arthur Goodhart Fund	1,333	46	(19)	17	(6)	1,371
Andrew Mellon	277	10	(43)	56	(1)	299
PM Williams Memorial Appeal	109	4	(1)	4	(1)	115
Jemolo Research Fellowship	724	25	(10)	41	(4)	776
Studentship Appeal and Studentship Support	17	3	0	0	0	20
Oxford Graduate Scholarship Funds	67	2	(33)	59	0	95
Total Restricted Funds - College	7,910	278	(1,266)	880	(39)	7,763
Restricted funds held by subsidiaries	0	0	0	0	0	0
Total Restricted Funds - Group	7,910	278	(1,266)	880	(39)	7,763
Unrestricted Funds						
General funds	3,231	2,070	(7,654)	6,092	0	3,739
Fixed asset designated fund	10,436	0	(354)	1,182	0	11,264
Other designated funds	2,558	5	(158)	286	0	2,691
Pension reserve	(1,922)	0	0	323	0	(1,599)
Total Unrestricted Funds - College	14,303	2,075	(8,166)	7,883	0	16,095
Unrestricted funds held by subsidiaries	0	0	0	0	0	0
Total Unrestricted Funds - Group	14,303	2,075	(8,166)	7,883	0	16,095
Total Funds	268,078	12,348	(12,155)	0	(5,254)	263,017

The prior year comparatives of the Analysis of Movement of Funds are shown in note 33 (d).

20 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

	<u>Sources/Origins</u>	<u>Purposes</u>
General endowment	Lord Nuffield's Benefaction Nuffield Foundation	To provide a College for postgraduate work especially in the study of social (including economic and political) problems.
Nuffield College Trust		A bare Trust established for the purpose of investing in the Oxford Funds, administered by OUem. The capital and income are treated in the same way and subject to the same restrictions as the general endowment.
Guardian Research Fellowship	The Scott Trust	Research by persons with experience in the print and broadcast media.
GS Pollard Memorial Bursary	CIPFA	To provide for studentship or research funding into modern developments in public finance.
Ford Foundation Endowment	The Ford Foundation	Supports Fellows of the College in the field of politics, with particular reference to European politics
Gwilym Gibbon Bequest	Sir I. Gwilym Gibbon	For the study of the problems of Government.
Arthur Goodhart Fund	Professor Goodhart, (organised by the Association of American Rhodes Scholars)	Provides for travel grants to and from North America.
Andrew Mellon Fund	The Andrew W. Mellon Foundation	Supports scholarly activities in conjunction with the Andrew Mellon Professorship, and the field of American Government.
PM Williams Memorial Appeal	Appeal issued in 1984, administered by Nuffield College	Student support, and Library expenditure.
Jemolo Research Fellowship	The Bank of Italy, the Banca Commerciale Italiana, the Banco di Santo Spirito, The Istituto S. Paolo di Torino and the Assicurazioni Generali	A visiting Fellowship by persons whose field of research is Italy.
Oxford Graduate Scholarship Funds	J.Hausman, Swire Educational Trust and others	Five Trust Funds, the purpose of which is to pay some or all of the University and College fees together with a maintenance grant. The original capital cannot be spent.

Endowment Funds - Expendable:

General

Lord Nuffield's Bequest	To provide additional funds to support the College for postgraduate work especially in the study of social (including economic and political) problems.
Sir Norman Chester's Bequest	
P.M. Williams' Bequest	
Endowment funds invested in joint venture	Note 12
Oxford Graduate Scholarship Funds	College matched studentship funding allocation

Restricted Funds:

The following funds represent unspent income from the respective endowment fund:

Guardian Research Fellowship		
GS Pollard Memorial Bursary		
Ford Foundation Endowment		
Gwilym Gibbon Bequest		
Arthur Goodhart Fund		
Andrew Mellon Fund		
PM Williams Memorial Appeal		
Jemolo Research Fellowship		
Oxford Graduate Scholarship Funds		
Studentship Appeal and Studentship Support	Annual appeal organised by Nuffield College	For student financial support

Designated Funds

Fixed asset designated fund	Unrestricted Funds which are represented by the fixed assets of the College and therefore not available for expenditure on the College's general purposes
Other designated funds	Unrestricted Funds allocated by the Fellows for future costs of specific research projects.
Pension reserve	Unrestricted Funds, in accordance with FRS 102, representing the defined benefit pension scheme liability

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.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2020 Total £'000
Tangible fixed assets	11,264	0	0	11,264
Property investments	0	3,622	107,902	111,524
Other investments	0	3,952	150,869	154,821
Investment in joint venture	0	0	8,330	8,330
Net current assets	6,430	189	3,958	10,577
Long term liabilities	0	0	(31,900)	(31,900)
Pension scheme liability	(1,599)	0	0	(1,599)
	<u>16,095</u>	<u>7,763</u>	<u>239,159</u>	<u>263,017</u>

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019 Total £'000
Tangible fixed assets	10,436	0	0	10,436
Property investments	0	0	107,485	107,485
Other investments	0	7,910	158,247	166,157
Investment in joint venture	0	0	9,092	9,092
Net current assets	5,789	0	2,922	8,711
Long term liabilities	0	0	(31,881)	(31,881)
Pension scheme liability	(1,922)	0	0	(1,922)
	<u>14,303</u>	<u>7,910</u>	<u>245,865</u>	<u>268,078</u>

22 TRUSTEES' REMUNERATION

The trustees of the College comprise the permanent Governing Body Fellows who sit on governing body by virtue of their employment.

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

Changes in remuneration are scrutinised by the Fellows' Remuneration Review Committee.

Trustees of the College fall into the following categories:

Professorial Fellow
Official Fellow
Research Fellow

There are also three trustees, the Warden, the Bursar and the Senior Tutor, who work full time on management.

Trustees are eligible for participation in the College housing scheme and 19 trustees live in houses owned jointly by the College as at 31 July 2020.

One trustee, the Warden, lives in property wholly owned by the College.

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

Remuneration paid to trustees

	2020		2019	
Range	Number of Trustees / Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees / Fellows	Gross remuneration, taxable benefits and pension contributions £
£Nil	1	0	1	0
£1,000-£4,999	1	3,308	0	0
£15,000-£19,999	0	0	5	115,201
£20,000-£24,999	6	135,171	10	279,009
£25,000-£29,999	12	348,571	5	167,980
£30,000-£34,999	3	99,383	4	148,064
£35,000-£39,999	5	183,066	0	0
£45,000-£49,999	1	45,426	1	49,505
£55,000-£59,999	1	56,532	3	158,052
£65,000-£69,999	1	67,650	0	0
£75,000-£79,999	1	79,303	1	77,837
£95,000-£99,999	1	99,794	1	96,094
£105,000-£109,999	0	0	2	215,539
£110,000-£114,999	2	228,741	0	0
£115,000-£119,999	2	233,655	3	332,615
£120,000-£124,999	1	121,701	0	0
£140,000-£144,999	1	142,806	0	0
£145,000-£149,999	1	148,184	2	291,916
Total	40	1,993,291	38	1,931,812

The amounts disclosed above include only payments made by the College; some trustees are paid jointly by the College and the University of Oxford.

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

Other transactions with trustees

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

See also note 30 Related Party Transactions.

23 PENSION SCHEMES

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

In the event of the withdrawal of any of the participating employers in USS, the amount of any pension funding shortfall (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.

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

Actuarial valuations

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

	USS	OSPS
Date of valuation:	31/03/18	31/03/19
Date valuation results published:	16/09/19	19/06/20
Value of liabilities:	£67.3bn	£848m
Value of assets:	£63.7bn	£735m
Funding surplus / (deficit):	(£3.6bn)	(£113m)
Principal assumptions:		
		Gilts
• Discount rate:	CPI - 0.73% to CPI +2.52% ^a	+0.5% - 2.25% ^b
• Rate of increase in salaries	n/a	RPI
• Rate of increase in pensions	CPI ^c	Average RPI/CPI
Assumed life expectancies on retirement at age 65:		
• Males currently aged 65	24.4 yrs	21.7 yrs
• Females currently aged 65	25.9 yrs	24.4 yrs
• Males currently aged 45	26.3 yrs	23.0 yrs
• Females currently aged 45	27.7 yrs	25.8 yrs
Funding Ratios:		
• Technical provisions basis	95%	87%
• Statutory Pension Protection Fund basis	76%	74%
• 'Buy-out' basis	56%	60%
	21.1%	19%
Employer contribution rate (as % of pensionable salaries):	increasing to 23.7% on 01/10/21	
Effective date of next valuation:	31/03/20	31/03/22

a. The discount rate (forward rates) for the USS valuation was:
Years 1-10: CPI + 0.14% reducing linearly to CPI - 0.73%
Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21
Years 21 +: CPI + 1.55%

b. The discount rate for the OSPS valuation was:
Pre-retirement: Equal to the UK nominal gilt curve at the valuation date plus 2.25% p.a. at each term.
Post-retirement: Equal to the UK nominal gilt curve at the valuation date plus 0.5% p.a. at each term.

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

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

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

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

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

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

Sensitivity of actuarial valuation assumptions

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

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

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

Deficit Recovery Plans

In line with FRS 102 paragraph 28.11A, the College has recognised a liability for the contributions payable for the agreed deficit funding plan. The principle assumptions used in these calculations are tabled below:

	OSPS	USS
Finish Date for Deficit Recovery Plan	30/01/28	31/03/28
Average staff number increase	1.00%	1.00%
Average staff salary increase	2.00%	2.00%
Average discount rate over period	0.74%	0.63%
Effect of 0.5% change in discount rate:		
+ 0.5%	(£9k)	(£28k)
- 0.5%	£10k	£29k
Effect of 1% change in staff growth:		
+ 1%	£27k	£58k
- 1%	(£26k)	(£55k)

A provision of £1,599k has been made at 31 July 2020 (2019: £1,922k) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

Pension charge for the year

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

Scheme	2020	2019
	£000's	£000's
Universities Superannuation Scheme	528	421
University of Oxford Staff Pension Scheme	152	134
Other schemes – contributions	0	0
Total	680	555

Included in other creditors are pension contributions payable of £nil (2019: £nil).

Nuffield College
Notes to the financial statements
For the year ended 31 July 2020

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.

25 FINANCIAL INSTRUMENTS

The carrying values of the College's financial assets and liabilities are summarised by the following categories:

	<i>Note</i>	2020	2019
		£'000	£'000
Financial Assets			
<i>Measured at fair value through profit or loss</i>			
Short term Investments	27	6,024	0
Investments	11	154,821	166,157
<i>Measured at undiscounted amount receivable</i>			
Trade and other debtors	15	4,743	3,349
Financial Liabilities			
<i>Measured at undiscounted amount payable</i>			
Trade and other creditors	16	1,342	2,234
<i>Measured at amortised cost</i>			
Bank loan	17	31,900	31,881

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

	2020	2019
	Group	Group
	£'000	£'000
Net income/(expenditure)	(4,299)	12,620
Elimination of non-operating cash flows:		
Investment income	(10,092)	(10,759)
(Gains)/losses in investments	4,492	(13,273)
Endowment donations	(268)	(539)
Depreciation	354	295
Financing costs	576	606
(Surplus)/loss on sale of fixed assets	(278)	(16)
Decrease/(Increase) in stock	7	(4)
Decrease/(Increase) in debtors	(948)	1,152
(Decrease)/Increase in creditors	(865)	(61)
(Decrease)/Increase in provisions	0	0
(Decrease)/Increase in pension scheme liability	(323)	883
Net cash provided by (used in) operating activities	(11,644)	(9,096)

27 a. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020	2019
	£'000	£'000
Cash at bank and in hand	1,085	7,522
Investment asset cash	1,161	28,451
Short term investments	6,024	0
Bank overdrafts	0	0
Total cash and cash equivalents	8,270	35,973

b. ANALYSIS OF CHANGES IN NET DEBT

	At start of year	Cash flows	Foreign exchange movements	Other non-cash changes	At end of year
	£'000	£'000	£'000	£'000	£'000
Cash	7,522	(6,143)	(294)	0	1,085
Cash equivalents	28,451	(21,266)	0	0	7,185
Loans falling due after more than one year	(31,881)	0	0	(19)	(31,900)
Total	4,092	(27,409)	(294)	(19)	(23,630)

28 FINANCIAL COMMITMENTS

At 31 July 2020 the College had no annual commitments under non-cancellable operating leases.

29 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July 2020 for future capital projects totaling £2,762k (2019 - £7,254k).

30 RELATED PARTY TRANSACTIONS

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

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

As at 31 July 2020, the College had properties with the following net book values owned jointly with fellows under joint equity ownership agreements between the fellows and the College. Those fellows who were trustees as at 31 July 2020 are marked with an asterisk in the list below.

	2020 £'000	2019 £'000
R Allen	156	156
S Bond*	159	159
R Breen*	293	293
S Broadberry*	0	101
J Darwin	281	281
M Ellison*	374	374
A Eggers*	415	415
G Evans*	608	608
D Gallie	111	111
E Gonzalez Ocantos*	227	227
J Green*	218	218
R Kashyap*	289	289
E Kechagia-Ovseiko*	327	327
P Klemperer* and M Meyer*	0	222
C Laborde*	141	141
K MacDonald	173	173
M Mills*	414	414
C Monden*	210	210
T Moore*	300	300
D Rueda*	179	179
D Snidal*	313	313
Total net book value of properties owned jointly with trustees	5,188	5,511

All joint equity properties are subject to sale if the Fellow ceases to be a member of the College (or of an equivalent institution with Oxford University) other than at retirement.

The Fellows pay compensation to the College on the College owned share of the properties, at a rate of 1% of the original College equity, indexed by CPIH.

During the course of the year, two participants of the housing scheme who were also fellows of the College bought out the College's share of their respective properties. The Fellows and the market values of the College's share of the properties bought out were as follows:

P Klemperer and M Meyer £488k
S Broadberry £113k

Professional valuations of the properties were obtained from independent Chartered Surveyors in order to establish the market value of the properties and therefore the College's share of them.

31 CONTINGENT LIABILITIES

There were no contingent liabilities which require disclosure.

32 POST BALANCE SHEET EVENTS

There are no post balance sheet events that require disclosure.

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

33 ADDITIONAL PRIOR YEAR COMPARATIVES

a. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Prior Year)

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2019 Total £'000
INCOME AND ENDOWMENTS FROM:				
Charitable activities:				
Teaching, research and residential	1,972	0	0	1,972
Other Trading Income	0	0	0	0
Donations and legacies	11	2	539	552
Investments				
Investment income	68	330	10,361	10,759
Total return allocated to income	7,076	470	(7,546)	0
Other income	0	0	0	0
Total income	9,127	802	3,354	13,283
EXPENDITURE ON:				
Charitable activities:				
Teaching, research and residential	9,375	1,314	0	10,689
Generating funds:				
Fundraising	256	0	0	256
Trading expenditure	0	0	0	0
Investment management costs (incl. Loan interest)	0	127	2,864	2,991
Total Expenditure	9,631	1,441	2,864	13,936
Net Income/(Expenditure) before gains	(504)	(639)	490	(653)
Net gains/(losses) on investments	0	359	12,914	13,273
Net Income/(Expenditure)	(504)	(280)	13,404	12,620
Group share of joint venture's profit/(loss)	0	0	(596)	(596)
Transfers between funds	0	529	(529)	0
Other recognised gains/losses				
Gains/(losses) on revaluation of fixed assets	0	0	0	0
Actuarial gains/(losses) on defined benefit pension sc	0	0	0	0
Net movement in funds for the year	(504)	249	12,279	12,024
Fund balances brought forward	14,807	7,661	233,586	256,054
Funds carried forward at 31 July	14,303	7,910	245,865	268,078

33 ADDITIONAL PRIOR YEAR COMPARATIVES - continued

b. PROPERTY INVESTMENTS (Comparatives to Note 10)

Group and College	Agricultural £'000	Commercial £'000	Other £'000	2019 Total £'000
Valuation at start of year	5,300	104,905	0	110,205
Additions and improvements at cost	0	2,338	0	2,338
Disposals	0	(14,218)	0	(14,218)
Revaluation gains/(losses) in the year	300	8,860	0	9,160
Valuation at end of year	5,600	101,885	0	107,485

c. STATEMENT OF INVESTMENT TOTAL RETURN (Comparatives to Note 14)

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
At the beginning of the year:					
Gift component of the permanent endowment	71,133	0	71,133	0	71,133
Unapplied total return	0	93,015	93,015	0	93,015
Expendable endowment	0	0	0	69,438	69,438
Total Endowments	71,133	93,015	164,148	69,438	233,586
Movements in the reporting period:					
Gift of endowment funds	539	0	539	0	539
Investment return: total investment income	0	7,038	7,038	3,323	10,361
Investment return: realised and unrealised gains and losses	0	9,088	9,088	3,826	12,914
Less: Investment management costs	0	(1,268)	(1,268)	(990)	(2,258)
Less: Loan interest payable	0	(424)	(424)	(182)	(606)
Other transfers	0	(529)	(529)	0	(529)
Net profit/(loss) in relation to joint venture				(596)	(596)
Total	539	13,905	14,444	5,381	19,825
Unapplied total return allocated to income in the reporting period	0	(3,144)	(3,144)	0	(3,144)
Expendable endowments transferred to income	0	0	0	(4,402)	(4,402)
	0	(3,144)	(3,144)	(4,402)	(7,546)
Net movements in reporting period	539	10,761	11,300	979	12,279
At end of the reporting period:					
Gift component of the permanent endowment	71,672	0	71,672	0	71,672
Unapplied total return	0	103,776	103,776	0	103,776
Expendable endowment	0	0	0	70,417	70,417
Total Endowments	71,672	103,776	175,448	70,417	245,865

33 ADDITIONAL PRIOR YEAR COMPARATIVES - continued

d. ANALYSIS OF MOVEMENTS ON FUNDS (Comparatives to Note 19)

	At 1 August 2018 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2019 £'000
Endowment Funds - Permanent						
General	76,886	3,622	(1,278)	(2,675)	4,172	80,727
Nuffield College Trust	62,536	2,334	0	0	3,740	68,610
Guardian Fellowship Fund	2,122	92	(35)	(92)	100	2,187
GS Pollard Memorial Bursary	196	8	(3)	(8)	9	202
Ford Foundation Endowment	11,451	495	(190)	(495)	537	11,798
Gwilym Gibbon Bequest	5,620	243	(94)	(195)	263	5,837
Arthur Goodhart Fund	473	21	(8)	(20)	21	487
Andrew Mellon	1,581	68	(27)	(68)	74	1,628
PM Williams Memorial Appeal	119	5	(2)	(5)	6	123
Jemolo Research Fellowship	1,142	49	(19)	(49)	54	1,177
Oxford Graduate Scholarship Funds	2,022	641	(36)	(66)	111	2,672
Subtotal (Permanent endowment)	164,148	7,578	(1,692)	(3,673)	9,087	175,448
Endowment Funds - Expendable						
General	63,055	3,285	(1,159)	(8,562)	3,787	60,406
Endowment funds invested in joint venture	6,600			4,160		10,760
Oxford Graduate Scholarship Funds	855	37	(13)		40	919
Subtotal (Expendable endowment)	70,510	3,322	(1,172)	(4,402)	3,827	72,085
Total Endowment Funds - College	234,658	10,900	(2,864)	(8,075)	12,914	247,533
Movement of endowment funds invested in JV	(1,072)	0	0	0	(596)	(1,668)
Total Endowment Funds - Group	233,586	10,900	(2,864)	(8,075)	12,318	245,865
Restricted Funds						
Guardian Fellowship Fund	422	18	(15)	92	20	537
GS Pollard Memorial Bursary	236	11	(5)	8	11	261
Ford Foundation Endowment	2,487	107	(374)	496	117	2,833
Gwilym Gibbon Bequest	2,238	97	(883)	196	104	1,752
Arthur Goodhart Fund	1,228	53	(26)	20	58	1,333
Andrew Mellon	242	10	(53)	67	11	277
PM Williams Memorial Appeal	98	4	(3)	5	5	109
Jemolo Research Fellowship	634	27	(16)	49	30	724
Studentship Appeal and Studentship Support	15	2	0	0	0	17
Oxford Graduate Scholarship Funds	61	3	(66)	66	3	67
Total Restricted Funds - College	7,661	332	(1,441)	999	359	7,910
Restricted funds held by subsidiaries	0	0	0	0	0	0
Total Restricted Funds - Group	7,661	332	(1,441)	999	359	7,910
Unrestricted Funds						
General funds	3,650	2,032	(9,149)	6,698	0	3,231
Fixed asset designated fund	10,175	0	(295)	556	0	10,436
Other designated funds	2,021	19	(187)	705	0	2,558
Pension reserve	(1,039)	0	0	(883)	0	(1,922)
Total Unrestricted Funds - College	14,807	2,051	(9,631)	7,076	0	14,303
Unrestricted funds held by subsidiaries	0	0	0	0	0	0
Total Unrestricted Funds - Group	14,807	2,051	(9,631)	7,076	0	14,303
Total Funds	256,054	13,283	(13,936)	0	12,677	268,078

