

Charity Registration Number: 1139726



Wadham College

Annual Report and Financial Statements

Year ended 31 July 2020

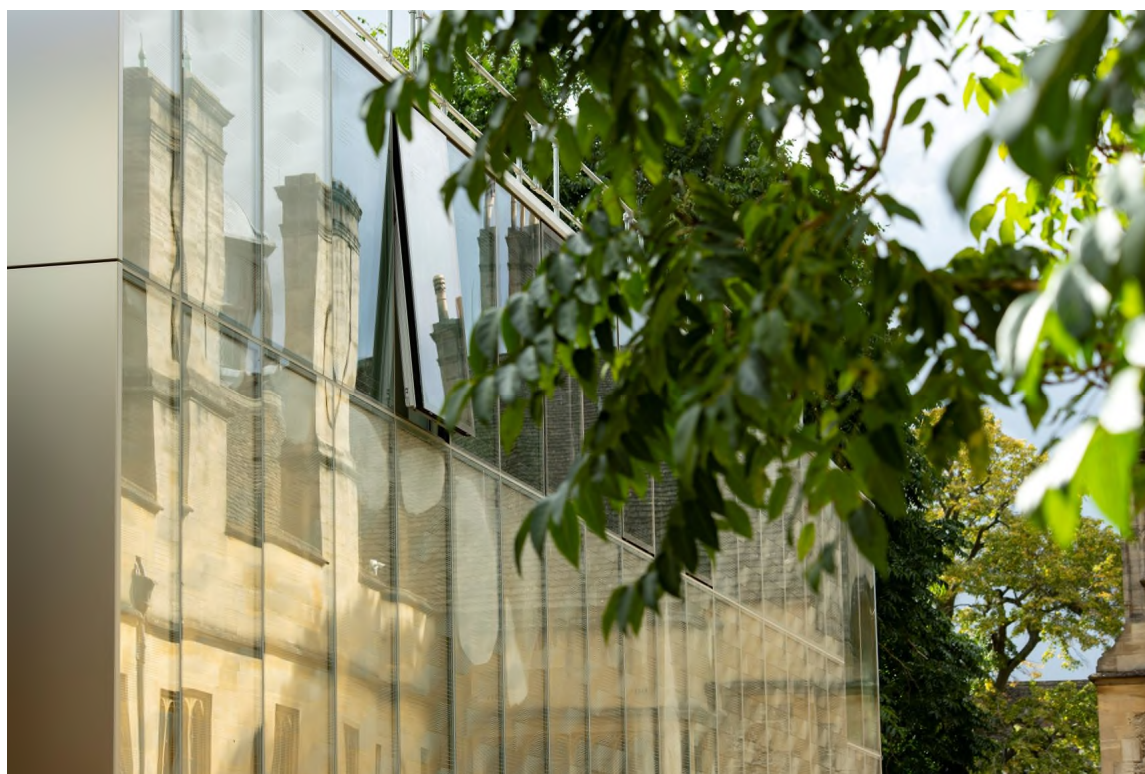


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TRUSTEES' REPORT

The Governing Body of Wadham College ("the College") present their annual report for the year ended 31st July 2020 under the Charities Act 2011 together with the audited consolidated financial statements for that year.

REFERENCE AND ADMINISTRATIVE DETAILS

Wadham College registered as a charity (Registration No: 1139726) ("the Charity") with the Charity Commission on the 6th January 2011. Before this date it was an unregistered charity.

The Governing Body is the Board of Trustees of the Charity. Members of the Governing Body act in their capacity as Charity Trustees. The present Trustees and those who served during the year are listed on pages 11 and 12.

The officers and senior staff to whom the day to day management is delegated are as follows:

Warden: Lord Macdonald QC	Sub-Warden: Professor Paul Beer
Senior Tutor: Dr Caroline Mawson	Academic Administrator: Dr Michael Froggatt
Finance Bursar: Dr Peter Alsop	College Accountant: Mr Vincent Skeffington
Domestic Bursar: Mrs Frances Lloyd	Deputy Domestic Bursar: Mr Neil Tindall
Development Director: Ms Julie Hage	Deputy Development Director: Mr Marco Zhang

College Address: Wadham College, Parks Road, Oxford, OX1 3PN

Website: www.wadham.ox.ac.uk

The principle professional advisors employed by the College are:

INVESTMENT MANAGERS: Blackrock Investment Management (UK) Limited
12 Throgmorton Avenue, London, EC2N 2DL
Oxford University Endowment Management Limited
King Charles House, Park End Street, Oxford, OX1 1JD

BANKERS: Barclays Bank,
Apex Plaza, Forbury Road, Reading, RG1 1AX
Lloyds Bank,
Carfax, Oxford, OX1 4AA

LAND AGENTS: Carter Jonas,
269 Banbury Road, Oxford, OX2 7LL
Whirledge & Nott,
Maplestead Hall, Little Maplestead, Halstead, Essex, CO9 2SL

SOLICITORS: Freeths Solicitors,
5000 Oxford Business Park South, Oxford, OX4 2BH
Knights Solicitors,
Midland House, West Way, Oxford, OX2 0PH

AUDITORS: Critchleys Audit LLP,
Beaver House, Hythe Bridge Street, Oxford, OX1 2EP

STRUCTURE, GOVERNANCE AND MANAGEMENT

Wadham College was founded by Nicholas and Dorothy Wadham in 1610. The Governing Body of the College comprises the Warden and Fellows. This Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, the Bishop of Bath and Wells. The College Statutes are as made from time to time by order of Her Majesty in Council in accordance with the Universities of Oxford and Cambridge Act 1923. The Governing Body holds to itself the responsibilities for the ongoing strategic direction of the College, for its administration and for the management of its finances and assets. It meets up to three times each term under the chairmanship of the Warden and is advised by a range of committees, the principal ones being the Academic Policy Committee (to advise on all academic related issues), the Finance Committee (to advise on financial and other general matters), the Investment Committee (to advise on investment issues) and the Risk and Audit Committee (to advise on risk management and the financial audit).

CORPORATE GOVERNANCE

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly. The Governing Body is ultimately responsible for the Risk Assessment and Risk Management of the College. To assist with this process there is a Risk & Audit Committee, attended by two independent external members. This Committee undertakes regular reviews of identified risks and mitigation plans, and of the effectiveness of systems in place for the assessment and management of material areas of risk within the College.

PUBLIC BENEFIT

The Trustees believe that by putting well over £12m in a year into teaching and research, support for students from financially disadvantaged backgrounds and the maintenance of important historic buildings, the Charity provides substantial public benefit. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the College's aims and objectives and in planning future activities. The Trustees remain committed to the aim of providing public benefit in accordance with its founding principles and in line with the Charity Commission's guidelines.

PLANS FOR THE FUTURE

The Trustees have identified three strategic goals to focus on in the medium term. These are making the College a beacon for fair access, creating an innovative learning environment, and creating a hub for world leading research. Practical measures to achieve these goals include increasing access initiatives, providing further student accommodation, fundraising for bursaries and student support, expanding the number of graduate scholarships and securing teaching posts. The Trustees continue to strive to make the College a centre of excellence in both education and research and they have no plans to change this fundamental objective. The Trustees will look to foster closer collaboration with the University in all of its activities.

OBJECTIVES

The College, working with the University, provides an education aimed at offering outstanding students from all backgrounds the opportunity to fulfil their maximum potential and seeks to advance world-leading research. The education provided to undergraduates and graduate students is recognised internationally as being of the highest standard. The education provided develops students academically and advances their leadership qualities and inter-personal skills, and prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group tutorials, as well as pastoral, administrative and academic support through its undergraduate and graduate advisory systems; and
- social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

The College advances research through:

- the payment of stipends and supporting the costs of Fellows and others acting on behalf of the College to carry out research;
- providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of a permanent academic post;
- supporting research work pursued by its Tutorial Fellows through sabbatical leave, special leave and “buy-outs” promoting interaction across disciplines, providing facilities and providing grants for attendance at national and international conferences, research trips and research materials;
- encouraging and sponsoring visits from outstanding academics from other parts of the United Kingdom and abroad; and encouraging the dissemination of research undertaken by members of the College through seminars and lectures and the publication of papers in academic journals or other suitable means.

The College maintains an extensive Library and Archive (including important special collections), so providing a valuable resource for students and Fellows of the College and others by arrangement.

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

The resident members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in education, learning or research. Beneficiaries also include students and academic staff from other colleges and the University of Oxford more widely, visiting academics from other higher education institutions and alumni of the College who have an opportunity to use its academic facilities, and visiting schoolchildren to attend educational events at the College. The general public are also able to attend various educational activities in the College such as concerts, exhibitions and have access to its gardens and historic buildings.

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

- There are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- There are no age restrictions in the College's objects but students of the College are predominantly between 18 and 24 years old; and
- There are no religious restrictions in the College's objects.

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

PRINCIPAL ACTIVITIES DURING THE YEAR

Fellowship Research and Teaching

At the end of July 2020, the College had 71 Fellows who were members of the Governing Body, 29 Emeritus Fellows, 29 Honorary Fellows, and 14 Foundation Fellows. During the 2019-20 academic year, the College paid for teaching cover for around 36 terms of leave (nearly 70% of this being sabbatical leave), and employed 45 College Lecturers.

The research record of the College's Fellows and Lecturers remains impressive and the following are but a few of their achievements in the academic year:

- Senior Research Fellow Professor Dominic Brookshaw was named by the Association for Iranian Studies as winner of the 2020 Saidi-Sirjani Book Award
- Professorial Fellow Fiona Powrie was elected an international member of the National Academy of Sciences
- Tutorial Fellow Professor Ben Berks was elected as a Fellow of the Royal Society
- Emeritus Fellow Professor Nick Woodhouse was appointed CBE in the 2020 New Years' Honours List
- Human Sciences Lecturer Dr Rachel Tanner won the 2019 Women of the Future Science Award
- Biology Lecturer Dr Cedric Tan was awarded the first Society for Conservation Biology Asia Section's Early Career Conservationist Awards
- Professorial Fellow J.C. Seamus Davis was awarded a prestigious Research Professorship by the Royal Society and admitted to the Royal Irish Academy

The College supports studies at undergraduate and graduate level, and for visiting students, across a wide range of courses, and offers just over 200 graduate and undergraduate degree courses including: Biochemistry; Biology; Chemistry; Classics; Economics & Management; Engineering; English and Joint Schools; History and Joint Schools; History of Art; Human Sciences; Law; Maths and Joint Schools; Medicine; Modern Languages and Joint Schools; Oriental Studies & Joint Schools; Philosophy, Politics & Economics; Experimental Psychology; and Physics & Joint Schools

Outreach and Access

In 2019-20 the College ran 95 events engaging 3,600 pupils from 145 different schools from the UK. This includes: inbound sessions, outbound sessions with schools, sustained contact programmes and events in collaboration with other colleges, departments and charities such as The Brilliant Club. The number of events fell this year with the lockdown restrictions resulting in the cancellation of planned events in Trinity Term and across the summer. The aim of access events is to raise the aspirations of young people aged 10-18 and provide information, advice and guidance on applications to Oxford and other highly selective universities. A result of restrictions has been an increase in the resources available to online users, extending the reach of access work beyond the College's geographic link regions.

The College provides financial support to third parties including Target Oxbridge and IntoUniversity to support their access work. Wadham also supports university led access initiatives such as UNIQ and Opportunity Oxford. Wadham involves some third parties in design and delivery of sessions to support access programmes such as Causeway Education and Cambridge Science Centre. 2019-20 saw the successful launch of a sustained contact programme with schools in Bedford and Bedfordshire working alongside teachers in the area.

In the year ahead, the College's access approach will be revised to suit the needs of pupils and schools operating in the pandemic environment and the implications this has on delivery, with face-to-face sessions unlikely for much of the year.

In the undergraduate admissions process (Oct-Dec 2019) we received 90 applications from applicants in composite Band A, indicating the highest levels of socio-economic and educational disadvantage (this represented 12% of all applicants to the college). The success rate for these applicants was 18% at Wadham; with the movement of candidates between colleges, 19% of Wadham's 'flagged' applicants were offered places across the University. We made offers to a total of 69 male applicants and 88 female applicants; female applicants had a marginally higher success rate, as was true across the University as a whole. Finally, we received 74 applications and made 15 offers to applicants with a registered disability, a success rate of 20%.

On the graduate side, the generosity of donors has allowed the College to award 23 scholarships for graduates starting their courses at Wadham from October 2020:

- The David Richards/AHRC Graduate Scholarship in History;
- The Beit Trust Wadham Scholarships [x2];
- The UK BAME Studentship in the Humanities;
- The Trevor-Roper Scholarship in Ancient History;
- The Cliff Davies Graduate Scholarship in History;
- The Peter Carter Taught Graduate Scholarship in Law;
- The Peter Carter Graduate Scholarship in Law;
- The Oxford-Dowding Scholarship;
- The Hackney BCL Scholarship;
- The Oxford-Hackney BCL Scholarship;
- The Wadham College Scholarship for Disabled Students;
- The Wadham-Kalisher Scholarship;
- The Norwegian Scholarship;
- The Water Conservators Scholarship;
- The Standard Bank Africa Chairman's Scholarship [x4];
- The FirstRand Foundation FNB Fund Scholarship in African Studies;
- The Oxford-MacCall-MacBain-Wadham Graduate Scholarship [x2];
- The Wadham-Woodward RCUK Scholarship.

Student Numbers

The College had 721 students registered as on-course in December 2019: comprising 20% on postgraduate research courses, 10% on postgraduate taught courses, 66% on undergraduate courses, and 4% registered visiting students. Some 24% of Wadham's undergraduate students on course in 2019-20 identified themselves as BAME.

At the start of the 2019-20 academic year, the College welcomed 126 undergraduate students and 91 graduate students (98 new graduates in the previous year). Of these graduates, 63 were reading for taught degrees and 28 for research degrees. The College also continued to engage in a number of student exchange programmes that enrich its vibrant scholarly community.

In the admissions round for entry in October 2020 (and deferred entry in 2021) the College received 778 applications from prospective undergraduates (84% of these students applied directly to Wadham, 16% were allocated to the College). 64% of these applicants were based in the UK, 12% applied from elsewhere in the EU, and 24% applied from the rest of the world. Following interviews in December 2019, offers were made to 159 students, including offers for deferred entry in October 2021. Due to the unprecedented situation with regard to this year's school leaving exams, the overwhelming majority of those made offers by the College were

eventually admitted; our undergraduate intake for October 2020 stands at 150, roughly 15-20 more than we would have originally anticipated.

The graduate admissions process runs across the academic year, with applications arriving at the College from November through to the following September. The number of graduate applications considered by the College for admission in October 2020 was up substantially this year in response to increased uncertainty about the quantity, suitability and acceptance rate of applicants during the COVID-19 period. In total, Wadham considered 286 applications, up 20% on 2019, and the College's graduate intake for the 2020-21 academic year is 116, its largest ever by some margin (we normally anticipate an intake of 100).

During the 2019-20 academic year Wadham students sat 1,611 separate examinations (the majority of them remotely, online) and a total of 130 undergraduate students completed their Finals exams with 71 First Class results. There are 282 separate postponed Trinity examinations being sat in Michaelmas Term 2020. Following these examinations, the College awarded prizes to departing students and nominated continuing students to undergraduate scholarships and exhibitions in recognition of their academic achievement.

Student Financial Support

The College and University continue to work hard to provide a range of financial support for those students adversely affected by the fees regime introduced in 2012/13. The cost to the College for its share of the Oxford Bursary Scheme administered by the University totalled £120k for the year, and in addition the College made discretionary bursaries and hardship awards of £82k to students facing unforeseen financial hardship. The College now offers high quality, safe and affordable accommodation to all its undergraduates and most of its first-year graduates. In addition to providing rental assistance to those living out of college, and some living in, the College provided scholarships, prizes and grants to its graduate and undergraduate students, which totalled £630k. Grants in some areas were not taken up this year as a result of students living at home or being unable to undertake extra-curricular activities under COVID-19 measures.

New Building Development Projects

The new Dorothy Wadham Building on Iffley Road was completed successfully, on budget, and the first cohort of 2nd year undergraduates were welcomed at the start of Michaelmas Term 2019. These buildings are a fine addition to the college facilities and have been welcomed by local residents as an enhancement to area.

Work on the Dr Lee Shau Kee Building and the William Doo Undergraduate Centre in the back Quad made good progress throughout the year, and the contractor and project team were able to continue through the COVID-19 lock-down period with only modest delays. The project remains on plan for Wadham Students to move in to the modern, high quality accommodation at the start of Michaelmas Term 2020, and the project costs are in line within the sanctioned budget. These fully accessible buildings are intended to inspire and facilitate the College's outreach work, and to improve facilities for undergraduate students.

FUNDRAISING

In July 2016, the College launched its ambitious £40m campaign to break down barriers to opportunity and invest in Access to Excellence. To date, the College has secured £41.6m towards this Campaign from alumni and friends and the commitment and generosity has been unprecedented and awe-inspiring. Generous support from the entire Wadham community has enabled a step-change in the College's ability to support young people on every step of their educational journey.

This year alone, 21% of our alumni (1629 donors) made a donation with £5.88m received in cash and pledge payments and £2.9m was secured in new cash and pledges. Many donors choose to support with a regular gift, and over 1400 do so by a monthly or annual commitment. We received over £500,000 each towards the Wadham Fund and Access and Outreach projects, allowing the College to continue supporting pre-application school pupils and on-course students from disadvantaged backgrounds. Fundraising efforts for the Back Quad appeal to fund the new William Doo Undergraduate Centre and the Dr Lee Shau Kee Building will continue over the coming year to reach the £18m target.

A successful telephone campaign in September 2019 secured £167,000 to the Wadham Fund thanks to our hardworking and articulate student callers and our hugely generous alumni. With the postponement of the annual Giving Day scheduled for May, the College launched a Covid-19 Student Hardship Appeal in June. In conjunction with University efforts to secure funding for the Oxford Covid-19 Student Hardship Fund, this appeal invited alumni to support students who have been financially disadvantaged by the pandemic, and £60,000 was received towards this appeal. The Giving Day re-scheduled for 12 November will build on this momentum.

Legacies continue to play a vital role and we are deeply grateful to our alumni for making such significant provisions in their wills. On average, 20% of donations we receive are from bequests; in the past year this form of gift totalled over £81,000. With 407 members, Wadham's 1610 Society is now one of the largest legacy-societies in Oxford. The 1610 Society recognises and thanks all donors who have made a significant contribution or pledged to leave a gift to Wadham in their will. We owe a huge thanks to the 1610 Society Committee, led by our visionary President, Colin Drummond, for their excellent work to engage alumni.

On behalf of everyone at Wadham, we would like to thank all our benefactors warmly for their commitment, encouragement and generosity. Their support and friendship are changing lives and widening access to education and research at Wadham.

INVESTMENT OBJECTIVES AND GOVERNANCE

The Trustees have determined that the endowments shall be invested, taking advice from the investment committee, and the investment performance shall be assessed on the basis of total return. The Investment Committee is chaired by the Warden and comprises Fellows, and old members of the college with extensive investment experience. The Committee meets termly and is responsible for advising on the implementation of the investment objectives and strategy as agreed by the Trustees.

The investment objectives are:

- to preserve the value of the endowments in real terms, while producing sufficient total return to allow annual withdrawals from the endowments to support the activities of the College,
- to maximise the total return over the long term, while taking on a level of risk acceptable to the trustees of the College.

In pursuit of these investment objectives, the College has adopted a spending rate of up to 3.5% based on the average value of endowment funds for the preceding three years. The College attempts to mitigate the effects of risk through a strategy of managed diversification, by investing in a range of different asset classes.

The College is an educational charity that relies upon investment income to achieve its charitable purpose, and the trustees are under a legal obligation to have primary regard to this in the management of its financial affairs. However, the College feels wider responsibilities to invest ethically and avoid profiting from unethical activities. It therefore does not seek to maximise investment income irrespective of the nature of its investments but to invest in accordance with its ethical standards.

In line with University policy, the College will not make direct investments in companies that earn a significant proportion of their revenue from illegal or controversial arms manufacturing, coal or oil sands, or tobacco. Like most reputable investors, the College makes indirect investments in managed funds and trackers that may include companies that do not satisfy its ethical criteria for direct investment. In such cases, it will seek information about the extent to which funds are invested in areas of ethical concern (for example, fossil fuel extraction) and take this information into account in its portfolio allocations. When making such investments, it will seek to include only assets or funds whose investment policies are compatible with its ethical criteria, for instance in applying materiality thresholds to investments in areas of concern, or actively managing them within a framework of meaningful engagement to raise ethical standards, and it will engage with its active fund managers to promote more ethical practices.

The determination of ethical criteria will be made and periodically (e.g. biennially) reviewed by Governing Body on advice from Investment Committee and having considered the views of other interested parties (for example alumni and students) on this matter.

FINANCIAL REVIEW

The audited accounts have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland using the Statement of Recommended Practice "Accounting and Reporting by Charities" Charities SORP (FRS 102). The accounts include all operational and investment income, and donations together with expenditure for both Wadham College and its subsidiary and affiliate companies.

The financial performance has been substantially impacted by the onset of the COVID-19 coronavirus in early 2020, the emergency measures that were taken, and the wider effects on the community and the economy. These are expected to continue into the following financial year, and possibly beyond. As part of the emergency measures, most university students returned to their homes and studied virtually for the last term of the academic year. Accommodation charges were waived, and there was virtually no income from student catering and other student-facing activities. Conferences and events were cancelled from the onset of COVID-19 lock-down, and virtually all related income was lost. Many administrative staff commenced working from home, and operational staff not needed for essential activities agreed to take Furlough. No specific support was provided to the higher education sector, but universities were recommended to participate in the Job Retention Scheme.

Total Income was virtually unchanged at £14.9m (2019: £14.9m). The underlying income streams reflected the challenges of the year, with revenues from teaching, research and residential (including conferences and trading) somewhat lower at £6.2m (2019: £6.9m) despite this being the first year in which students were resident in the new Dorothy Wadham Building; donations were again hugely generous, mostly in support of the building projects, totalling £5.9m (2019: £5.5m), and investment income was slightly lower at £2.4m (£2.5m). In addition an exceptional £0.4m was claimed under the Job Retention Scheme. The college received income of £2.3m (2019: £2.5m) from the endowment investments, while investment assets of £1.1m (2019: £1.5m) were liquidated during the year.

The opening of the new Dorothy Wadham Building resulted in new operating costs, expensed coupon payments on the £30m Bond and additional depreciation, but these were matched by reduced operating activity during the COVID lock-down period, and a downwards adjustment on the provision for underfunding of the defined benefits pension fund. On a consolidated basis, the total operating expenditure for the year was £12.3m (2019: £12.5). This resulted in a net income before gains of £2.6m (2019: £2.4m). The investments recorded Net Losses of £3.8m (2019: Net Gains of £3.6m), giving a Net Income in deficit by £1.2m (2019: surplus £6.0m). There were no other recognised gains and losses. As a result, £142.8m of funds were carried forward at the end of this year (2019: £144.0m).

Capital expenditure of £10.3m (2019: £22.6m) was invested in the building projects. This brought the Dorothy Wadham Building to completion, on budget, and the Dr Lee Shau Kee Building and William Doo Undergraduate Centre made great progress, even during the COVID-19 lockdown, and they are approaching satisfactory completion early in the coming academic year.

The impact of the capital projects can be seen from a further rise in Tangible Assets on the Balance Sheet to £74.9m (2019: £65.8m), and a corresponding reduction in cash within the Current Assets. The Investment portfolio ended the year £4.9m lower (2019: £2.4m higher). Under the Charities SORP, the total net assets include a liability provision relating to the pension scheme. This year the provision is £2.1m (2019: £2.8m); the substantial year-to-year differences are a reflection of the required computation method for revaluation of the pension funds and the assumptions of future performance being made. It is noted that there are ongoing negotiations on the funding of the USS pension deficit that might cause further increases in pension recovery plan provisions in the future.

Investment Performance

The investment environment was very uncertain this year, even before COVID, and though the closing valuations of the investments were significantly lower, this does not reflect the volatility seen earlier in the year. The value of a diversified portfolio was shown, with gains in some investments partly mitigating losses in others. The investments provided the college with income of £2.3m (2019: £2.5m), while liquidation proceeds of £1.1m (2019: £1.5m) were obtained from selling the college's interest in the Charities Property Fund. Intended purchases were delayed so as to maintain a cash buffer against the financial uncertainties of COVID. It is noted that the value of the investments is currently somewhat below the Endowment Funds.

The value of investments at the year-end was £92.8m (2018: £97.8m), which is £5.0m below last year. The Total Return (capital appreciation plus income) was negative 1.3% (2019: 6.5%). For a number of years, performance has been compared with the FTSE All-Share Index (for total return in GBP) which achieved negative 17.8% for the same period. The investments of the College at the year-end comprised £40.0m (2019: £43.5m) in tracker and actively managed asset funds, £29.4m (2018: £30.8m) in the Oxford Endowment Fund and £23.4m (2019: £23.4m) in directly held Property.

The specific funds held by the College at the year-end, were:

- Oxford Endowment Fund;
- BlackRock Investment Management funds, as follows:
 - Aquila Emerging Markets Fund, iShare Japan Index Fund, iShare MSCI Pacific Index Fund ex-Japan, Charitrak UK Equities Fund, iShare Europe ex-UK Index Fund, iShare North America Index Fund, BGF China Fund;
- Lothbury Property fund.

The College's direct property holdings comprise farms in Essex, Lincolnshire, Derbyshire and land on the Isle of Wight (currently used for a Solar Farm, and grazing); a small number of commercial properties; and houses used either for staff, students, Fellows or rented commercially.

The Trustees are satisfied with the financial and investment performance for the year.

POLICY FOR HOLDING CASH AND RESERVES

The policy is to maintain a combination of cash and free reserves, so that the combination of these holdings will enable the College to continue to operate effectively and meet its short-term financial obligations in the event of unexpected revenue shortfall. This would provide a temporary buffer to allow the College to operate normally for a period of time. Due to the financial uncertainty caused by COVID-19, and the need to complete the building projects, cash holdings are being held at an elevated level.

The technical "free reserves" at the year-end, under the revised FRS 102 standard (prior to providing for the pension fund liability), amounted to a deficit of £40.3m (2019: deficit £33.2m). This figure represents unrestricted funds not represented by fixed assets or adjusted for associated borrowings. As previously noted, major building projects have a distorting effect on this measure. After allowing for the associated financing arrangements, this figure is deficit £5.3m (2019: deficit £3.2m). A target for after completion of the projects is to hold Free Reserves and/or cash corresponding to at least three to six months of operating expenditure.

APPOINTMENT AND TRAINING OF TRUSTEES

Appointment to the College's Governing Body is on the basis that those elected are eligible and willing to act as Charity Trustees. The majority of new members, who are normally academics, hold joint posts with the University of Oxford. A transparent and professional selection process is followed for all appointments. An induction program setting out the responsibilities and duties of being a Charity Trustee is provided to all new appointees.

TRUSTEES AND COMMITTEE MEMBERSHIP

All Trustees are members of the Governing Body, which is advised by a range of committees. The principal ones being Finance Committee (FC), Academic Policy Committee (APC), Risk & Audit Committee (RA), Investment Committee (IC), Development Committee (DC) and Remuneration Committee (RC). The list below provides the names and committee memberships of the Trustees.

The Trustees, all of whom held office during the year unless otherwise stated, were:

Lord	Ken	Macdonald		APC	RA	DC	FC	IC	RC
Dr	Peter	Alsop		APC	RA	DC	FC	IC	RC
Prof	Paul	Balister	Start date 1/7/2020						
Prof	Michael	Bannon							RC
Prof	Paul	Beer		APC	RA	DC	FC		RC
Dr	Alan	Beggs							RC
Dr	Christina	Benninghaus							
Prof	Ben	Berks							
Prof	Dominic	Brookshaw							
Prof	Philip	Bullock							
Prof	Martin	Bureau		APC		DC			
Mr	Oliver	Butler							
Prof	Philip	Candelas							RC
Dr	Fabrizio	Caola							
Dr	Alfonso	Castrejón-Pita							
Dr	Hannah	Christensen	Start date 27/7/2020						
Prof	Eric	Clarke							
Dr	Emma	Cohen							
Prof	Séamus	Davis							
Dr	David	Conlon	Resigned 30/9/2019						
Prof	Darren	Dixon							
Ms	Natalia	Doan	Start date 1/10/2019						
Prof	Carolin	Duttlinger							
Dr	Evan	Easton-Calabria	Start date 1/9/2019						
Prof	Andrew	Farmery							

Dr	Jane	Garnett					
Dr	Lydia	Gilday					
Dr	Jane	Griffiths	APC				
Prof	Monika	Gullerova			DC		
Ms	Julie	Hage			DC		
Prof	Edmund	Herzig			DC		
Prof	Stephen	Heyworth	APC				RC
Dr	Margaret	Hillenbrand					
Prof	Laura	Hoyano					
Dr	Matthew	Kempshall	APC				
Dr	Tarunabh	Khaitan	(On leave of absence)				
Dr	Heeyeon	Kim	Start date 1/9/2019				
Prof	Karl	Kügler					
Prof	Sallie	Lamb	Resigned 30/9/2019				
Dr	Matthew	Langton					
Prof	Susan	Lea					
Prof	Francesco	Licausi	Start date 27/01/2020				
Mrs	Frances	Lloyd		RA	DC	FC	
Dr	Paul	Martin					
Dr	Ursula	Martin					
Dr	Caroline	Mawson	APC		DC	FC	RC
Prof	Colin	Mayer					IC
Dr	Emily	McLaughlin					
Dr	Jack	Miller					
Dr	Sara	Motta	Term expired 28/2/2020				
Prof	Ankhi	Mukherjee					
Prof	Alexander	Paseau					
Dr	Cláudia	Pazos-Alonso					
Prof	Fiona	Powrie					RC
Dr	Andrew	Princep					
Prof	Paolo	Radaelli				FC	
Prof	Stephan	Rauschenbach					
Prof	Alexander	Ritter				FC	
Ms	Alice	Rouillère	Start date 1/9/2019				
Dr	Sakura	Schafer-Nameki					IC
Dr	Nathalie	Seddon					
Prof	Ekaterina	Shamonina				FC	
Prof	Richard	Sharpe	Deceased 22/3/2020				
Dr	Thomas	Simpson					
Dr	Rebecca	Simson	Start date 1/9/2019				
Dr	Tom	Sinclair					
Dr	George	Southcombe	Start date 1/7/2020				
Dr	Sandy	Steel	APC				
Dr	Christopher	Summerfield					
Dr	Oren	Sussman				FC	IC
Dr	Emilia	Terracciano	Resigned 31/12/2019				
Dr	Mark	Thompson					

Dr	Peter	Thonemann		
Dr	Olivia	Vázquez-Medina		
Mr	Samuel	Williams		
Dr	Juliane	Zachhuber	Start date 1/9/2019	
Prof	Francesco	Zanetti		APC IC
Prof	Laure	Zanna	Resigned 30/9/2019	

Trustee Remuneration Disclosure

The Trustees of Wadham College, namely the Warden and Governing Body Fellows of the College, receive no remuneration for their acting as Trustees. However, their position on Governing Body is by virtue of their being Warden and Fellows. Fellows are generally involved in teaching or research, or together with the Warden are officeholders of the College, and are therefore employed in an academic or professional capacity by the College and/or the University, and receive salaries and allowances under contracts of employment. The College has adopted the University of Oxford's pay grades and an independent Remuneration Committee advises on all issues of pay and allowances for Fellows. The majority of Tutorial Fellows' teaching posts are joint appointments with the University. The Trustees have agreed to use the framework set out in Note 22 to the accounts for their disclosure of remuneration.

The Trustees of the College fall into the following classes of Fellowships: Professorial, Official, Senior Research, Junior Research and those by Special Election. The College's administration is delegated to College Officers; this category includes the Finance Bursar, Domestic Bursar, Senior Tutor and Development Director, who are all Official Fellows. The Warden, who is the College's Head of House and has administrative duties, is also a Trustee, but does not hold a Fellowship.

Certain classes of Fellowships are provided with a Housing Allowance (disclosed within the salary figures in Note 22) or can elect to live rent free in College. All Fellows may eat at Common Table free of charge, as can all other employees who are entitled to meals while at work.

Some Trustees, in their role as Fellow, are entitled to additional allowances for work carried out as a part-time College Officer. Such posts include the Sub-Warden, Dean, Welfare Dean, Tutor for Graduates, Tutor for Undergraduates, Tutor for Access, Director of Music, Fellow Librarian and Keeper of the Gardens. These amounts are included within the remuneration in Note 22. The total remuneration and taxable benefits to Trustees in their other roles was £1.9mIn (2019: £1.8mIn).

A total of 78 Trustees served for at least part of the financial year, and at the end of the year 71 Trustees were in place. Of the total, 55 Trustees received remuneration under a contract of employment for work for the College and 23 Trustees received no remuneration.

No Fellow claimed any expenses for work as a Trustee.

Related party Transactions with Trustees

Certain Trustees, as a result of their employment as a Fellow, are eligible to apply to join the College's Joint Equity Housing Scheme or to apply for a housing loan. Both initiatives are provided by the College in order to assist with the purchase of suitable accommodation in the Oxford area. Housing assistance is not an automatic right. Each application is looked at on its own merits by an independent committee who assess the benefits to the College in providing housing assistance. This there were no other changes to participation in each scheme, as summarised in Note 30.

Statement of Accounting and Reporting Responsibilities

The Governing Body, who are Trustees for the purposes of Charity Law, is responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Governing Body to prepare financial statements for each financial year. Under that law the Governing Body has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Governing Body is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Governing Body are responsible for keeping adequate accounting records that are sufficient to show and explain the College's and group's transactions and disclose with reasonable accuracy at any time the financial position of the College and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the College and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved on behalf of the Trustees on

Lord Macdonald QC.

Independent auditor's report to the members of the Governing Body of Wadham College**Opinion**

We have audited the financial statements of Wadham 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.

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:

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

STATEMENT OF ACCOUNTING POLICIES**Basis of preparation**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments at market rates prevailing at the balance sheet date. The statements are in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (the Charities SORP FRS 102) issued in 2014.

The financial statements consolidate the accounts of the College and its subsidiaries, Wadham College Services Ltd and Wadham College Design & Build Ltd, on a line by line basis. The accounts of the affiliated student bodies (the Student Union and the Middle Common Room) have not been consolidated because the College does not control these activities.

The College has an investment in an associated undertaking, Boathouse Consortium Limited. This investment is included in the consolidated financial statements using equity accounting.

The Accounting Policies remain unchanged from the prior year and are set out below:

Income and endowments

Donations, legacies and other forms of voluntary income are accounted for when receivable. Student fee income and charges are accounted for on an accruals basis. The College accounts for its investment income on a total return basis, which allows the College to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised the total return shall be an 'unapplied total return' and remain as part of the permanent endowment. The College has adopted a 3.5% total return rate, on a three year rolling average.

Expenditure

Expenditure classified as charitable activities included only direct costs associated with those activities. All other administrative and overhead costs incurred by the College which are not directly attributable either to fund generation or governance are allocated on the basis of staff involvement in those areas.

Classification of funds

The College's endowed funds are capital funds where normally only the income arising may be applied, in certain cases for restricted purposes. These endowments are either permanent or expendable, depending on whether the trustees have authority to spend the capital.

The College's restricted funds have arisen from restrictions specified by the donors. Both income and capital can be used for restricted purposes.

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

Tangible fixed assets

Tangible fixed assets are stated at cost and are depreciated on a straight-line basis over the following periods:

Freehold buildings	- 50 years
Building improvements	- 50 years
Equipment	- 5 years
Freehold land	is not depreciated.

The cost of major renovation projects which increase the service potential of buildings is capitalised and depreciated over applicable periods. Certain historic College buildings are included at a net value of £1 as, due to their age, their historic cost would be difficult to ascertain and they would also now be fully depreciated.

The College operates a “de minimis” limit of £7.5k for capitalisation of expenditure on building improvements and for equipment. Works of art and other valuable artefacts that can be regarded as inalienable are not included in the financial statements.

Stocks

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

Maintenance of premises

The cost of routine corrective maintenance is charged to the Statement of Financial Activities in the period it is incurred.

Provisions

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

Pension Fund provisions & Critical accounting judgements

The College participates in the Universities Superannuation Scheme (USS) and the University of Oxford Staff Pension Scheme (OSPS). These schemes are hybrid pension schemes, providing defined benefits (for members), as well as defined contribution benefits. The assets of the schemes are each held in a separate trustee-administered fund. Because of the mutual nature of the schemes, the assets are not attributed to individual Colleges and scheme-wide contribution rates are set. The College is therefore exposed to actuarial risks associated with other Universities’ and Colleges’ employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 “Employee benefits”, the College therefore accounts for the schemes as if they were wholly defined contribution schemes. As a result, the amount reflected in the Statement of Financial Activities represents the contributions payable to each scheme. Since the College has entered into agreements (the Recovery Plans) that determine how each employer within the schemes will fund the overall deficit, the college recognises a liability for the contributions payable that arise from the agreements (to the extent that they relate to the deficit) and therefore an expense is recognised.

USS notes: FRS 102 requires that accounting judgements which are considered to be critical by those charged with governance are explained in more detail as to why the judgement has been applied. The disclosure below may be useful where the treatment of the scheme as a multi-employer scheme and adopting defined contribution accounting is deemed to be critical.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents an industry-wide scheme such as USS or one for employers in the same locality such as OSPS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The trustees are satisfied that USS and OSPS both meet the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plans in existence at the date of approving the financial statements.

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates of exchange or, where there are related forward foreign exchange contracts, at contract rates. The resultant exchange differences are included in the Statement of Financial Activities for the year.

Taxation status

As a charity within the meaning of the Charities Act 2011, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The College is subject to VAT on its non-charitable activities.

College Contribution Scheme

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

Investments

Investments are stated at market value at the Balance Sheet date. The Statement of Financial Activities shows net investment gains and losses arising from revaluation of the investment portfolio and disposals throughout the year.

Recognition of liabilities accounting policy

Liabilities are recognised when there is a legal and constructive obligation committing the College to the expenditure.

Wadham 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		6,014	-	-	6,014	6,626
Other Trading Income	3	191	-	-	191	236
Donations and legacies	2	656	5,121	135	5,912	5,466
Investments						
Investment income	4	77	-	2,344	2,421	2,553
Total return allocated to income	14	3,736	-	(3,736)	-	-
Other income - Includes Job Retention Scheme £365k		376	-	-	376	-
Total income		11,050	5,121	(1,257)	14,914	14,881
EXPENDITURE ON:						
	5					
Charitable activities:						
Teaching, research and residential		11,077	374	-	11,451	11,615
Generating funds:						
Fundraising		754	-	-	754	783
Investment management costs		108	-	-	108	109
Total Expenditure		11,939	374	-	12,313	12,507
Net Income/(Expenditure) before gains		(889)	4,747	(1,257)	2,601	2,374
Net gains/(losses) on investments	11, 12	-	-	(3,750)	(3,750)	3,604
Net Income/(Expenditure)		(889)	4,747	(5,007)	(1,149)	5,978
Transfers between funds	19	4,243	(4,446)	203	-	-
Net movement in funds for the year		3,354	301	(4,804)	(1,149)	5,978
Fund balances brought forward	19	17,028	16,892	110,041	143,961	137,983
Funds carried forward at 31 July		20,382	17,193	105,237	142,812	143,961

Wadham 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	74,870	65,794	74,870	65,794
Property investments	11	23,404	23,440	23,404	23,440
Other Investments	12	69,438	74,345	69,438	74,345
Total Fixed Assets		167,712	163,579	167,712	163,579
CURRENT ASSETS					
Stocks		506	530	506	530
Debtors	15	1,916	2,308	2,009	2,197
Cash at bank and in hand		12,026	18,682	11,915	18,281
Total Current Assets		14,448	21,520	14,430	21,008
LIABILITIES					
Creditors: Amounts falling due within one year	16	2,211	3,388	2,193	2,876
NET CURRENT ASSETS/(LIABILITIES)		12,237	18,132	12,237	18,132
TOTAL ASSETS LESS CURRENT LIABILITIES		179,949	181,711	179,949	181,711
CREDITORS: falling due after more than one year	17	35,000	35,000	35,000	35,000
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		144,949	146,711	144,949	146,711
Defined benefit pension scheme liability	18	2,137	2,750	2,137	2,750
TOTAL NET ASSETS/(LIABILITIES)		142,812	143,961	142,812	143,961
FUNDS OF THE COLLEGE					
Endowment funds	19	105,237	110,040	105,237	110,040
Restricted funds		17,193	16,892	17,193	16,892
Unrestricted funds					
General funds		22,519	19,779	22,519	19,779
Pension reserve	23	(2,137)	(2,750)	(2,137)	(2,750)
		142,812	143,961	142,812	143,961

The financial statements were approved and authorised for issue by the Governing Body of Wadham College on 20 November 2020

Trustee:

Trustee:

Wadham 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	(112)	3,029
Cash flows from investing activities			
Dividends, interest and rents from investments		2,421	2,553
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(10,289)	(22,710)
Proceeds from sale of investments		1,189	1,510
Purchase of investments		-	(238)
Net cash provided by (used in) investing activities		(6,679)	(18,885)
Cash flows from financing activities			
Repayments of borrowing		-	-
Cash inflows from new borrowing		-	-
Receipt of endowment		135	466
Net cash provided by (used in) financing activities		135	466
Change in cash and cash equivalents in the reporting period		(6,656)	(15,390)
Cash and cash equivalents at the beginning of the reporting period		18,682	34,072
Cash and cash equivalents at the end of the reporting period	27	12,026	18,682

Wadham 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	2,014	1,969
Tuition fees - Overseas students	918	851
Other fees	159	157
Other HEFCE support	265	243
Other academic income	142	206
College residential income	2,516	3,200
Total income from charitable activities	6,014	6,626

The above analysis includes £3197k received from Oxford University from publicly accountable funds under the CFF Scheme (2019: £3074k).

Under the terms of the undergraduate student support package offered by Oxford University to students from lower income households, the college share of the fees waived amounted to £0k (2019: £1k). These are not included in the fee income reported above.

2 DONATIONS AND LEGACIES

	2020	2019
	£'000	£'000
Donations and Legacies		
Unrestricted funds	656	711
Restricted funds	5,121	4,289
Endowed funds	135	466
	5,912	5,466

3 INCOME FROM OTHER TRADING ACTIVITIES

	2020	2019
	£'000	£'000
Subsidiary company trading income	191	236
	191	236

4 INVESTMENT INCOME

	2020	2019
	£'000	£'000
<i>Unrestricted funds</i>		
Bank interest	77	14
	77	14
<i>Endowed funds</i>		
Agricultural rent	279	283
Commercial rent	177	187
Equity dividends	1,888	2,069
	2,344	2,539
Total Investment income	2,421	2,553

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

5 ANALYSIS OF EXPENDITURE	2020 £'000	2019 £'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	5,592	5,087
Other direct costs allocated to:		
Teaching, research and residential	3,185	3,366
Support and governance costs allocated to:		
Teaching, research and residential	2,674	3,162
Total charitable expenditure	<u>11,451</u>	<u>11,615</u>
Expenditure on raising funds		
Direct staff costs allocated to:		
Fundraising	538	532
Other direct costs allocated to:		
Fundraising	163	197
Investment management costs	108	109
Support and governance costs allocated to:		
Fundraising	53	54
Investment management costs	-	-
Total expenditure on raising funds	<u>862</u>	<u>892</u>
Total expenditure	<u>12,313</u>	<u>12,507</u>

The 2019 resources expended of £12507k represented £12148k from unrestricted funds, £359k from restricted funds and £0k from endowed funds.

The College is liable to be assessed for Contribution under the provisions of Statute XV of the University of Oxford. The Contribution Fund is used to make grants and loans to colleges on the basis of need. 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 £0k (2019 - £44k).

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

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2020 Total £'000
Financial and Domestic administration	12	54	-	-	66
Human resources	2	179	-	-	181
IT	37	341	-	-	378
Depreciation	-	1,217	-	-	1,217
Bank interest payable	-	864	-	-	864
Other finance charges	-	1	-	-	1
Governance costs	2	18	-	-	20
	53	2,674	-	-	2,727

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2019 Total £'000
Financial and Domestic administration	12	1,997	-	-	2,009
Human resources	17	161	-	-	178
IT	23	303	-	-	326
Depreciation	-	683	-	-	683
Other finance charges	-	-	-	-	-
Governance costs	2	18	-	-	20
	54	3,162	-	-	3,216

Financial and domestic administration, IT and human resources costs are attributed according to the estimated staff time spent on each activity.

Depreciation costs and profit or loss on disposal of fixed assets are attributed according to the use made of the underlying assets.

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

Governance costs are allocated according to an estimate of audit services time spent.

	2020 £'000	2019 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	20	20
	20	20

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.

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

7 GRANTS AND AWARDS	2020 £'000	2019 £'000
During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:		
Unrestricted funds		
Grants to individuals:		
Scholarships, prizes and grants	328	339
Bursaries and hardship awards	120	113
Total unrestricted	<u>448</u>	<u>452</u>
Restricted funds		
Grants to individuals:		
Scholarships, prizes and grants	292	258
Bursaries and hardship awards	82	101
Total restricted	<u>374</u>	<u>359</u>
Total grants and awards	<u>822</u>	<u>811</u>

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £120k (2019: £113k). Some of those students also received fee waivers amounting to £0k (2019: £1k).

The above costs are included within the charitable expenditure on Teaching and Research. Grants to other institutions comprise £0

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

8 STAFF COSTS

	2020	2019
	£'000	£'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	5,658	5,187
Social security costs	481	446
Pension costs as paid :		
Defined benefit schemes	918	789
Pension Provision	(613)	1,401
	6,444	7,823

	2020	2019
The average number of employees of the College, excluding Trustees, on a full time equivalent basis was as follows.		
Tuition and research	7	4
College residential	87	76
Fundraising	7	7
Support	36	38
Total	137	125

The average number of employed College Trustees during the year was as follows.		
University Lecturers	25	23
CUF Lecturers	12	12
Other	32	34
Total	69	69

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

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

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

£60,001-£70,000	1	2
£70,001-£80,000	1	-

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

In defined benefits and hybrid schemes	2	2
In defined contribution schemes	-	-

The College contributions to defined contribution pension schemes totalled	Nil	Nil
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Wadham College
Notes to the financial statements
For the year ended 31 July 2020

9 TANGIBLE FIXED ASSETS

Group and College	Leasehold land and buildings £'000	Freehold land and buildings £'000	Assets Under Construction £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At start of year	-	32,592	44,714	1,900	79,206
Additions	-	2,492	7,797	-	10,289
Transfers	-	39,226	(39,226)	-	-
Disposals	-	-	-	-	-
At end of year	-	74,310	13,285	1,900	89,495
Depreciation and impairment					
At start of year	-	11,592	-	1,820	13,412
Depreciation charge for the year	-	1,166	-	47	1,213
Depreciation on disposals	-	-	-	-	-
Impairment	-	-	-	-	-
At end of year	-	12,758	-	1,867	14,625
Net book value					
At end of year	-	61,552	13,285	33	74,870
At start of year	-	21,000	44,714	80	65,794

10 HERITAGE ASSETS

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.

11 PROPERTY INVESTMENTS

Group and College	Agricultural £'000	Commercial £'000	Other £'000	2020 Total £'000	2019 Total £'000
Valuation at start of year	17,879	3,192	2,369	23,440	23,026
Additions and improvements at cost	28	-	-	28	305
Disposals/Transfers	(138)	-	-	(138)	-
Revaluation gains/(losses) in the year	64	(30)	40	74	109
Valuation at end of year	17,833	3,162	2,409	23,404	23,440

An independent valuation of the agricultural properties was prepared by Whirledge and Nott and Carter Jonas as at 31 July 2020 and 31 July 2019.

An independent valuation of the commercial and other properties was prepared by Carter Jonas as at 31 July 2020 and 31 July 2019.

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12 OTHER INVESTMENTS

All investments are held at fair value.

	2020	2019
	£'000	£'000
Group investments		
Valuation at start of year	74,299	72,314
New money invested		
Amounts withdrawn	(1,080)	(1,510)
(Decrease)/increase in value of investments	(3,824)	3,495
Group investments at end of year prior to Boathouse Investment	69,395	74,299
Investment in Consortium Boathouse	43	46
Group investments at end of year	69,438	74,345

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
Global multi-asset funds	55,115	13,387	68,502	55,203	17,047	72,250
Property funds	-	893	893	-	2,049	2,049
Fixed interest stocks	-	-	-	-	-	-
Alternative and other investments	-	-	-	-	-	-
Fixed term deposits and cash	-	-	-	-	-	-
Total group investments	55,115	14,280	69,395	55,203	19,096	74,299

13 PARENT AND SUBSIDIARY UNDERTAKINGS

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

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

	Parent College	Wadham College Services Ltd	Wadham College Design and Build Ltd	Subsidiary Name 3	Subsidiary Name 4
	£'000	£'000	£'000	£'000	£'000
Income	14,723	191	2,451	-	-
Expenditure	(12,122)	(176)	(2,406)	-	-
Donation to College under gift aid	-	(15)	(45)	-	-
Result for the year	2,601	-	-	-	-
Total assets	182,142	37	100	-	-
Total liabilities	(182,142)	(37)	(100)	-	-
Net funds at the end of year	-	-	-	-	-

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14 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College with effect from 1st August 2008. The return to be applied as income is calculated as 3.5% (2019: 3.5%) of the average of the year-end values of the relevant balances in each of the last three years. The preserved (frozen) value of the invested endowment capital represents its open market value in 2002 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	41,589		41,589		41,589
Unapplied total return		60,231	60,231		60,231
Expendable endowment				8,221	8,221
Total Endowments	41,589	60,231	101,820	8,221	110,041
Movements in the reporting period:					
Gift of endowment funds	108		108	27	135
Recoupment of trust for investment		-	-		-
Allocation from trust for investment	-				-
Investment return: total investment income		2,145	2,145	199	2,344
Investment return: realised and unrealised gains and losses		(3,470)	(3,470)	(280)	(3,750)
Less: Investment management costs					-
Other transfers	270		270	(67)	203
Total	378	(1,325)	(947)	(121)	(1,068)
Unapplied total return allocated to income in the reporting period			-		-
Expendable endowments transferred to income		(3,469)	(3,469)	(267)	(3,736)
	-	(3,469)	(3,469)	(267)	(3,736)
Net movements in reporting period	378	(4,794)	(4,416)	(388)	(4,804)
At end of the reporting period:					
Gift component of the permanent endowment	41,967	-	41,967		41,967
Unapplied total return		55,437	55,437		55,437
Expendable endowment				7,833	7,833
Total Endowments	41,967	55,437	97,404	7,833	105,237

15 DEBTORS

	2020 Group £'000	2019 Group £'000	2020 College £'000	2019 College £'000
Amounts falling due within one year:				
Trade debtors	103	284	89	173
Amounts owed by College members	160	96	160	96
Amounts owed by Group undertakings	-	-	107	
Other debtors	1,462	1,737	1,462	1,737
Amounts falling due after more than one year:				
Loans	191	191	191	191
	1,916	2,308	2,009	2,197

Wadham College
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16 CREDITORS: falling due within one year

	2020	2019	2020	2019
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Trade creditors	860	1,326	857	1,225
Amounts owed to College Members	253	220	253	220
Amounts owed to Group undertakings	-	-	-	396
Taxation and social security	127	132	130	138
College contribution		44		44
Accruals and deferred income	73	881	55	68
Other creditors	898	785	898	785
	2,211	3,388	2,193	2,876

17 CREDITORS: falling due after more than one year

	2020	2019	2020	2019
	Group	Group	College	College
	£'000	£'000	£'000	£'000
30 Year Senior Note Bonds	35,000	35,000	35,000	35,000
	35,000	35,000	35,000	35,000

The 30 year unsecured Senior Note Bonds comprise:
£30m 2.88% Senior Bond Note due 1 August 2046
£5m 2.64% Senior Bond Note due 8 June 2048

18 PROVISIONS FOR LIABILITIES AND CHARGES

	2020	2019	2020	2019
	Group	Group	College	College
	£'000	£'000	£'000	£'000
At start of year	2,750	1,349	2,750	1,349
Charged in the Statement of Financial Activities	(613)	1,401	(613)	1,401
At end of year	2,137	2,750	2,137	2,750

The above provision relates to USS and OSPS Pension deficits

Wadham College
Notes to the financial statements
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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						
<i>Teaching and Scholarship Funds</i>	-					-
Dr Wills' Pension Fund	893	19	-	(30)	(30)	852
Sir Algernon Methuen's Bequest	2,248	48	-	(76)	(77)	2,143
Dr David T Wylie's Bequest	1,066	23	-	(36)	(36)	1,017
The Lee Shau Kee Benefaction	756	16	-	(25)	(26)	721
The Law Fellowship Support Fund	2,225	49	-	(76)	(76)	2,122
The Von Bothmer Benefaction	2,822	60	-	(96)	(96)	2,690
A F Thompson History Fellowship	3,419	77	-	(116)	(117)	3,263
The Knowles/Williams J R F	1,111	23	-	(38)	(38)	1,058
The Hackney/Stow Law Fellowship	2,117	45	-	(72)	(72)	2,018
Engineering Fellowship	954	24	-	(32)	(32)	914
Forrest/Derow Classics Fellowship	2,825	69	-	(96)	(96)	2,702
Hutcheson Bequest	814	17	-	(28)	(28)	775
M Benham Biology Fellowship	954	22	-	(33)	(33)	910
M Benham Mathematics Fellowship	954	22	-	(33)	(33)	910
English Teaching Fund Fellowship	1,341	29	-	(46)	(46)	1,278
Roger Penrose Maths Fellowship	1,277	27	-	(43)	(44)	1,217
Lee Placito Fellowship in Medicine	685	15	-	(23)	(24)	653
David Richards Chemistry Fellowship	699	15	-	(23)	(24)	667
David Richards Economic History JRF	1,424	30	-	(48)	(49)	1,357
David Richards Economics Fellowship	699	15	-	(23)	(24)	667
David Richards Graduate Scholarship Chemistry	637	14	-	(22)	(22)	607
David Richards Graduate Scholarship Climate	1,274	27	-	(43)	(43)	1,215
David Richards Graduate Scholarship Economics	637	14	-	(22)	(22)	607
David Richards Graduate Scholarship History	1,274	27	-	(43)	(43)	1,215
David Richards Physics Fellowship	699	15	-	(23)	(24)	667
Dowding Humanities Scholarship	632	14	-	(21)	(22)	603
Mok Medical	707	15	-	(24)	(24)	674
<i>College Buildings & Facilities</i>						
R H Robbins Garden Fund	895	19	-	(30)	(31)	853
<i>College Corporate Capital</i>	49,613	1,057	-	(1,685)	(1,692)	47,293
127 Funds below £600k	16,168	433	-	(281)	(546)	15,774
Endowment Funds - Expendable						
The General Benefactions Fund	8,221	199	-	(346)	(280)	7,794
	-	-	-	-	-	-
Total Endowment Funds - College	110,040	2,479	-	(3,533)	(3,750)	105,237
Endowment funds held by subsidiaries	-	-	-	-	-	-
Total Endowment Funds - Group	110,040	2,479	-	(3,533)	(3,750)	105,237
Restricted Funds						
Building Projects	12,271	4,148		(4,383)		12,036
61 Other Funds	4,621	973	(374)	(63)		5,157
Total Restricted Funds - College	16,892	5,121	(374)	(4,446)	-	17,193
Restricted funds held by subsidiaries	-	-	-	-	-	-
Total Restricted Funds - Group	16,892	5,121	(374)	(4,446)	-	17,193
Unrestricted Funds						
General funds	19,778	7,314	(12,552)	7,979		22,519
Pension reserve	(2,750)		613			(2,137)
Total Unrestricted Funds - College	17,028	7,314	(11,939)	7,979	-	20,382
Unrestricted funds held by subsidiaries	-	-	-	-	-	-
Total Unrestricted Funds - Group	17,028	7,314	(11,939)	7,979	-	20,382
Total Funds	143,961	14,914	(12,313)	-	(3,750)	142,812

The College has agreed to list individually all those Permanent Endowment Funds with a balance greater than £600k at the year-end. The College also had 20 Permanent Endowment Funds with a balance between £250k and £600k and 107 Funds with a balance below £250k.

The Total Return Spending Rule transfer amounted to £3,74m.

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20 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:	* A consolidation of gifts and donations where income, but not capital, can be used for the general purposes of the charity * Capital balance of past donations where related income, but not the original capital, can be used for [restricted purpose] of the charity
Endowment Funds - Expendable:	* A consolidation of gifts and donations where either income, or income and capital, can be used for the general purposes of the charity * Capital balance of past donations where related income, or income and capital, can be used for restricted purpose] of the charity
Restricted Funds:	* A consolidation of gifts and donations where both income and capital can be used for restricted purposes * The Buildings Fund is the major source of financing for the Dr Lee Shau Building and the William Doo Undergraduate Centre
Unrestricted Funds	* 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	62,834	12,036	-	74,870
Property investments	-	-	23,404	23,404
Other investments	-	-	69,438	69,438
Net current assets	(5,315)	5,157	12,395	12,237
Long term liabilities	(37,137)	-	-	(37,137)
	<u>20,382</u>	<u>17,193</u>	<u>105,237</u>	<u>142,812</u>
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019 Total £'000
Tangible fixed assets	53,523	12,271	-	65,794
Property investments	-	-	23,440	23,440
Other investments	-	-	74,345	74,345
Net current assets	1,255	4,621	12,256	18,132
Long term liabilities	(37,750)	-	-	(37,750)
	<u>17,028</u>	<u>16,892</u>	<u>110,041</u>	<u>143,961</u>

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22 TRUSTEES' REMUNERATION

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

Trustees of the college fall into the following categories:

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

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

All Official and Research Fellows are eligible for a Housing Allowance, which is disclosed within the salary figures below. Twelve trustees live in College or property owned by the College.

The College has a Remuneration Committee which makes recommendations to Governing Body on pay and benefits which are outside of external scales. The composition of the Remuneration Committee is set out in pp 11-13 of the section, Trustees and Committee Membership.

Remuneration paid to trustees

Range	2020		2019	
	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £
£0-£2999	5	6,607	2	379
£3,000-£3,999			2	7,639
£4,000-£4,999				
£5,000-£5,999				
£6,000-£6,999	1	6,794	1	6,670
£7,000-£7,999				
£9,000-£9,999				
£10,000-£10,999				
£11,000-£11,999			1	11,435
£12,000-£12,999			3	36,267
£13,000-£13,999	5	68,880		
£14,000-£14,999			2	28,704
£15,000-£15,999	1	15,812	2	31,240
£16,000-£16,999	1	16,668		
£18,000-£18,999			1	18,755
£19,000-£19,999	2	39,026		
£20,000-£20,999			1	20,575
£21,000-£21,999			4	86,863
£22,000-£22,999	2	45,426	11	250,783
£23,000-£23,999	11	259,666	3	71,398
£24,000-£24,999	3	73,749		
£27,000-£27,999	1	27,488		
£29,000-£29,999	1	29,449		
£30,000-£30,999	1	30,321		
£31,000-£31,999			1	31,153
£34,000-£34,999	2	68,802		
£35,000-£35,999				
£37,000-£37,999			1	37,242
£38,000-£38,999	1	38,258	1	38,198
£39,000-£39,999				
£40,000-£40,999	1	40,928	1	40,274
£41,000-£41,999	1	41,098		
£43,000-£43,999	1	43,170		
£44,000-£44,999				
£45,000-£45,999			1	45,316
£48,000-£48,999	1	48,414		
£50,000-£50,999				
£51,000-£51,999				
£52,000-£52,999				
£53,000-£53,999				
£54,000-£54,999				
£55,000-£55,999			3	167,952
£56,000-£56,999			2	113,477
£57,000-£57,999				
£58,000-£58,999	4	232,977	3	175,540
£59,000-£59,999	1	59,024	1	59,773
£60,000-£60,999	3	182,346		

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£62,000-£62,999	1	62,145		
£67,000-£67,999	1	67,066		
£90,000-£90,999				
£92,000-£92,999				
£93,000-£93,999				
£94,000-£94,999				
£95,000-£95,999				
£96,000-£96,999			2	193,424
£97,000-£97,999			1	97,904
£99,000-£99,999	1	99,034		
£100,000-£100,999	1	100,247		
£103,000-£103,999			1	103,885
£109,000-£109,999	1	109,891		
£120,000-£120,999			1	120,461
£125,000-£125,999	1	125,325		
Total	<u>55</u>	<u>1,938,611</u>	<u>52</u>	<u>1,795,307</u>

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

All trustees may eat at common table..

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

Key management remuneration

The total remuneration paid to key management was £557k (2019: £578k). Key management are considered to be the Warden and College Officers (Finance Bursar, Domestic Bursar, Senior Tutor and Development Director).

23 PENSION SCHEMES

Pension Scheme Provisions

Wadham College participates in the Universities Superannuation Scheme (USS) and University of Oxford Staff Pension Scheme (OSPS). These schemes are hybrid pension schemes, providing defined benefits as well as benefits based on defined contributions. The assets of each scheme are held in a separate trustee-administered fund. Because of the mutual nature of the schemes, the assets are not attributed to individual employers and scheme wide contribution rates are set. Wadham College is therefore exposed to actuarial risks of other employers' employees and is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. As required by Section 28 of FRS102 "Employee Benefits", Wadham College therefore accounts for the schemes as if they were wholly defined contribution schemes. As a result, the amount charged to the profit and loss account represents the contributions payable to each scheme. Since Wadham College has entered into agreements (the Recovery Plans) that determine how each employer within the schemes will fund the overall deficit, Wadham College recognises a liability for the contributions payable that arise from the agreements (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Pension Schemes

Wadham 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 services and pensionable salary and on a defined contribution basis - based on contributions into the scheme). Both are multi-employer schemes and Wadham 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, Wadham 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.

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:

	USS	OSPS
Date of valuation:	31/03/2018	31/03/2019
Date valuation results published:	16/09/2019	19/06/2020
Value of liabilities:	£67.3bn	£848m
Value of assets:	£63.7bn	£735m
Funding surplus / (deficit):	(£3.6bn)	(£113m)
Principal assumptions:		
• Discount Rate	CPI - 0.73% to CPI + 2.52% a	Gilts + 0.5% to Gilts - 2.25% b
• Rate of increase in salaries	n/a	RPI
• Rate of increase in pensions	CPI c	RPI/CPI d
Assumed life expectancies on retirement at age 65:		
• Males currently aged 65	24.4 yrs	21.7 yrs
• Females currently aged 65	25.9 yrs	24.4 yrs
• Males currently aged 45	26.3 yrs	23.0 yrs
• Females currently aged 45	27.7 yrs	25.8 yrs
Funding Ratios:		
• Technical provisions basis	95%	87%
• Statutory Pension Protection Fund basis	76%	74%
• 'Buy-out' basis	56%	60%
Employer's contribution rate (as % of pensionable salaries):	21.10%	19%
USS rate increasing to 23.7% on 01/10/2021		
Effective date of next valuation:	31/03/2020	31/03/2022

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

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

b. The discount rate for the OSPS valuation was:

Pre-retirement: Equal to the UK nominal gilt curve at the valuation date plus 2.25% 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 Wadham College's future contribution commitment. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

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USS		
Assumption	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%	increase by £0.7bn
Rate of mortality	more prudent assumption (mortality rated down by a further year)	increase by £1.6bn

OSPS		
Assumption	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, Wadham 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	30/01/2028	31/03/2028
Average staff number increase	0%	0%
Average staff salary increase	1.50%	1.50%
Average discount rate over period	1.50%	1.50%
Effect of 0.5% change in discount rate	£25k	£25k
Effect of 1% change in staff growth	£15k	£15k

A provision of £2.137m has been made at 31 July 2020 (2019: £2.750m) 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 Wadham 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	519	421
University of Oxford Staff Pension Scheme	399	368
Other schemes – contributions		
Total	918	789

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24 TAXATION

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

25 FINANCIAL INSTRUMENTS

The College held no Financial Instruments

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

	2020	2019
	Group	Group
	£'000	£'000
Net income/(expenditure)	(1,149)	5,978
Elimination of non-operating cash flows:		
Investment income	(2,421)	(2,553)
(Gains)/losses in investments	3,750	(3,604)
Endowment donations	(135)	(466)
Depreciation	1,217	683
(Surplus)/loss on sale of fixed assets	-	
Decrease/(Increase) in stock	24	5
Decrease/(Increase) in debtors	392	636
(Decrease)/Increase in creditors	(1,177)	949
(Decrease)/Increase in provisions	-	
(Decrease)/Increase in pension scheme liability	(613)	1,401
Net cash provided by (used in) operating activities	(112)	3,029

Wadham College
Notes to the financial statements
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27 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020	2019
	£'000	£'000
Cash at bank and in hand	12,026	18,682
Total cash and cash equivalents	<u>12,026</u>	<u>18,682</u>

28 FINANCIAL COMMITMENTS

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

29 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £3600k (2019 - £16786k).

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.

The following trustees had housing loans outstanding from the College at the year-end:

	2020	2019
	£'000	£'000
T Simpson	90	90
D Brookshaw	100	100
	<u>190</u>	<u>190</u>

Interest is charged on the above loans at 3% per annum. All loans are repayable on sale of the property or on the departure of the trustee from the College if earlier.

The College also has properties owned jointly with Trustees under Joint Equity Ownership Agreements between the Trustee and the College. The value of the College's share of these properties is:

	2020	2019
	£'000	£'000
A Castrejon-Pita	276	281
C Summerfield	215	220
N Seddon	233	225
M Gullerova	268	244
Total net book value of properties owned jointly with trustees	<u>992</u>	<u>970</u>

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

31 CONTINGENT LIABILITIES

There are no Contingent Liabilities that require disclosure.

32 POST BALANCE SHEET EVENTS

There are no Post Balance Sheet Events that require disclosure