



Nuffield  
College  
UNIVERSITY OF OXFORD

# ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 July 2022

Registered Charity Number 1137506





**Nuffield College**  
**Annual Report and Financial Statements**  
**Contents**

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<b>INDEX</b>	<b>PAGE</b>
Governing Body, Officers and Advisers	2 - 4
Report of the Governing Body	5 - 16
Auditor's Report	17 - 20
Statement of Accounting Policies	21 - 25
Consolidated Statement of Financial Activities	26
Consolidated and College Balance Sheets	27
Consolidated Statement of Cash Flows	28
Notes to the Financial Statements	29 - 50

## Nuffield College

### Governing Body, Officers and Advisers

Year ended 31 July 2022

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#### MEMBERS OF THE GOVERNING BODY

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

	Elected/Resigned/Retired	(1)	(2)	(3)	(4)	(5)
<b>Warden</b>						
Sir A W Dilnot		•	•	•	•	•
<b>Official Fellows</b>						
N D de Graaf						
G Evans				•	•	
I Jewitt						
J O Jonsson				•		
M A Meyer				•		
<b>Professorial Fellows</b>						
T Abou-Chadi	Elected 01/09/2021					
K Adam	Resigned 31/08/2021					
B Ansell						•
R I V Bernhard	Elected 01/07/2022					
S Broadberry					•	
E Bukodi						
L Cluver					•	
I Crawford						
P Culpepper						
J Dill						
M Ellison			•			
R M Fitzpatrick	Retired 30/09/2021					
E Gonzalez Ocantos						
J Green				•		
R Kashyap						•
D S King		•				
D Kirk						
P Klemperer						



**Nuffield College****Governing Body, Officers and Advisers****Year ended 31 July 2022**

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	<b>Elected/Resigned/Retired</b>	<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>
C Laborde						
H Low						
C Mills						
M Mills			•			
C W S Monden						
B Nielsen		•				
B Petrongolo						
D Rueda						
L Schubiger	Elected 01/07/2022					
D J Snidal	Retired 30/09/2021					
A Thompson			•			
M Weidner			•			
F Windmeijer						•
<b>Supernumerary Fellows</b>						
E Kechagia-Ovseiko		•			•	•
T Moore		•	•	•		•
<b>Research Fellows</b>						
S R Bond				•		
R Breen		•				

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

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

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

## Nuffield College

### Governing Body, Officers and Advisers

Year ended 31 July 2022

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#### COLLEGE SENIOR STAFF

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

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

#### COLLEGE ADVISERS

##### Investment managers

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

##### Investment property managers

Savills plc, 33 Margaret Street, London W1G 0JD

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

##### Auditor

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

##### Bankers

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

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

##### Solicitors

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

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

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

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

Withers LLP, 2 Old Bailey, London EC4M 7AN

##### Surveyors

Savills plc, 33 Margaret Street, London W1G 0JD

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

##### College address

New Road

Oxford OX1 1NF

##### Registered Charity Number

1137506

##### Website

[www.nuffield.ox.ac.uk](http://www.nuffield.ox.ac.uk)

**Nuffield College**  
**Report of the Governing Body**  
**Year ended 31 July 2022**

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The Members of the Governing Body present their Annual Report for the year ended 31 July 2022 under the Charities Act 2011, together with the audited financial statements for the year.

## **REFERENCE AND ADMINISTRATIVE INFORMATION**

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

The names of all Members of the Governing Body at the date of this report and of those in office during the year, together with details of the senior staff and advisers of the College, are given on pages 2 to 4.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing documents**

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

### **Governing Body**

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

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

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

### **Recruitment and training of Members of the Governing Body**

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

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

### **Remuneration of Members of the Governing Body and Senior College Staff**

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

**Nuffield College**  
**Report of the Governing Body**  
**Year ended 31 July 2022**

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**Organisational management**

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

- The Strategy and Resources Committee. Academic policies and the utilisation of College resources and functional assets.
- The Investment Committee. Supervision of the College investments and income policies, which includes at least three suitably qualified external members.
- The Personnel and Domestic Committee. Personnel and health & safety policies. Domestic arrangements including catering and maintenance.
- The Library Committee. Supervision of the College Library.
- The Information Systems Committee. Information systems policies and maintenance. Provision of IT equipment and support.
- The Welfare Committee. Policies and processes concerning welfare matters for students and staff (academic and non-academic).
- The Equality Committee. Policies and processes concerning matters of equality and diversity within the College.

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

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

**Group structure and relationships**

The College had two wholly owned non-charitable subsidiaries in the year: Nuffield Properties Ltd, which was dissolved on 19 October 2021 and Nuffield College Developments 1 Ltd (NCD1 Ltd), which was acquired on 15 December 2021.

Prior to the acquisition, NCD1 Ltd, formerly known as OxWED Ltd, was a joint venture between Nuffield College and Oxford City Council (for the purposes of assembling the land at Oxpens and bringing it forward for development). Nuffield College obtained full control of the company following the acquisition of Oxford City Council's 50% equity interest.

Nuffield Properties Ltd was dormant throughout the relevant period. NCD1 Ltd carried out the duties of a member of the newly formed OXWED LLP. OXWED LLP is a joint venture between Nuffield College Developments 1 Ltd and Oxford City Council (with the same purpose as OxWED Ltd), and was incorporated on 10 December 2021.

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

## **OBJECTIVES AND ACTIVITIES**

### **Charitable Objects and Aims**

The College's Objects as set out in its Statutes are to advance postgraduate education and research in the social sciences.

The Governing Body has considered the Charity Commission's guidance on public benefit and - in keeping with its objects - the College's aims for the public benefit are:

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

### **Activities and objectives of the College**

The College's activities are focused on furthering its stated objects and aims for the public benefit as set out above. In doing so, the College aims to achieve sustained levels of excellence, not just in respect of its academic activities, but also in respect of the operations which support and enable those activities to happen.

To achieve its objects and aims, the College places special emphasis on:

- collaborating with the University of Oxford to ensure its continued ability to attract, recruit, and retain outstanding academic staff and postgraduate students;
- providing an environment for work and study which enables College members to pursue research of the highest quality;
- establishing and maintaining, in particular through its scheme of Visiting Fellowships, strong on-going relationships with figures in the public and private sectors, locally and nationally;
- employing rigorous admissions procedures to select the best graduate students in the social sciences, providing innovative funding packages to ensure that admission is based on academic merit alone, regardless of financial means; and
- working closely and creatively with, *inter alia*, the University of Oxford and local authorities to identify and develop opportunities to contribute to the life of the city of Oxford.

The College will assess the success of these strategies with reference amongst other things to:

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

### **Policy on and provision of bursary support**

The College admits only graduate students. It awards scholarships to cover or partially cover fees and maintenance costs. In 2021/22, College funds provided £1,235k towards such costs, which was 22% higher than the previous year (2021: £1,010k).

### **Statement on fundraising activities**

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

### **ACHIEVEMENTS AND PERFORMANCE**

Although the period under review continued to be affected to some degree by COVID-19, the College's operations were able to continue successfully, albeit with some residual additional safety measures in place.

Some highlights of the College's activities in 2021/22 (which include examples of awards, public engagement and outreach activities, research, and equality and diversity initiatives) are set out below.

- Tarik Abou-Chadi (Professorial Fellow) provided expert commentary on German and European politics for a wide range of media outlets and was also awarded the inaugural Henrik Enderlein Prize for excellence in the social sciences, awarded by the German and French government to a researcher under the age of 40 whose work has influenced politics and social cohesion in Europe.
- Erzsébet Bukodi (Professorial Fellow) and John Goldthorpe (Emertius Fellow) were awarded the European Sociological Review Runner-Up Prize for the Best Article of the Year for their jointly-authored article 'Primary Factors in Intergenerational Class Mobility in Europe: Results from the Application of a Topological Model'.
- The COVID-19 parenting resources drawn up by Lucie Cluver (Professorial Fellow), together with Dr Jamie Lachman and Dr Isang Awah, reached 210 million people, and won an ESRC Impact Prize, Vice-Chancellor's Innovation and Engagement Award and Oxford University Innovation award.
- Pepper Culpepper (Professorial Fellow) has continued to study the intersection of media coverage, public attitudes toward the banking sector and public policy since the financial crisis of 2008. The project has pulled together exhaustive computational analysis of the amount and tenor of press coverage of banks in Australia, France, Germany, Switzerland, the United Kingdom and the United States.
- Janina Dill (Professorial Fellow) was awarded a Philip Leverhulme Prize for early career researchers with a promising research future. Janina's work focuses on the role of law and morality in international relations, especially in war.
- Ray Fitzpatrick (Senior Research Fellow) continued as Deputy Director of a DHSC-funded Policy Research Unit, 'Quality Safety and Outcomes of Health and Social Care' and as co-investigator and theme lead (community health and social care) for a 5 year, £9 million-funded NIHR Applied Research Collaboration (Oxford and Thames Valley).
- Maria Gargiulo (MPhil student) was part of the Human Rights Data Analysis Group who received the 2021 Rafto Prize. The Prize is awarded each year by the Rafto Foundation for Human Rights to individuals or organisations who work to promote human rights. Amongst their 36 previous winners, four have gone on to win the Nobel Peace Prize.
- Jane Green (Professorial Fellow) made a number of media appearances which included several interviews for ITV News at Ten and ITV Evening News, an in-depth interview with Matt Chorley for Times Radio (with Roosmarijn de Geus), and other live interviews for BBC News, ITV's Good Morning Britain and Times Radio, and also wrote an Op Ed in the Financial Times on economic insecurity.



## Nuffield College

### Report of the Governing Body

Year ended 31 July 2022

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- Ian Jewitt (Official Fellow) was elected as a Fellow of the British Academy in recognition of distinguished contribution to research in economics.
- Together with colleagues at the Leverhulme Centre for Demographic Science, Ridhi Kashyap (Professorial Fellow) continued research on the COVID-19 pandemic and its demographic impacts, the results of which were awarded an O2RB Excellence in Impact Award. The Director of the Leverhulme Centre, Melinda Mills (Professorial Fellow), received the European Trailblazer Award for outstanding achievements in demographic analysis, mathematical and biodemography, became a Special Advisor to Paolo Gentiloni, European Commissioner of the Economy, served on SAGE-SPI and ethnicity sub-groups, and the UK Government's Data Science Advisory Group.
- Des King (Professorial Fellow) was elected a member of the American Philosophical Society, in honour of 'extraordinary accomplishments' in his field of American politics and government.
- Paul Klemperer (Professorial Fellow) was elected a Foreign Honorary Member of the American Economic Association.
- Together with Mike Aaronson (Honorary Fellow), Andy Thompson (Professorial Fellow) progressed a joint project (*International NGOs and the Long Humanitarian Century: Legacy, Legitimacy and Leadership*) intended to address current crises within the humanitarian sector and to identify the characteristics of the successful International NGO in a decade's time.
- The College hosted a panel event to celebrate LGBTQ+ month which explored the challenges of measuring gender, sex and sexuality in large population-level surveys, and some possible solutions. The panel was chaired by Ridhi Kashyap (Professorial Fellow) and brought together a range of international academics and practitioners.
- Following the College's successful Undergraduate Scholars Institute pilot in 2019, the College collaborated with the University's newly launched UNIQ+ programme to improve graduate access to the social sciences and to host ten undergraduate students who were taking part in the 2022 programme. The six-week programme, which started on Monday 4 July, sees undergraduate students work on a research project, attend skills sessions and learn more about graduate study.
- The College continued the scheme, launched in 2016/17, of underwriting funding for all new students admitted at Nuffield, meaning that the College provides the full funding required (or partial funding in conjunction with another scholarship) in the event that a new student does not secure scholarship funding from other sources to meet the full costs of their study (fees and living expenses). By removing the funding uncertainty at an early stage in the admissions process, the College aims to attract and, crucially, retain applicants of the highest academic merit.
- The College undertook a review, chaired jointly by the Senior Tutor and Ray Fitzpatrick (Senior Research Fellow), of its welfare services and resources the results of which will be considered by the Governing Body during the course of the academic year 2022/23.
- Reviews of the College's Centre for Experimental Social Sciences and of its Joint Equity Scheme were begun during the financial year 2021/22 but have not yet been completed.
- The College's Development Office, established in 2015, has continued to reach out, through events and other activities, to alumni and friends of the College, and has been successful in generating new donations and significant pledges (including legacies). Notably, it has completed fundraising to endow seven scholarships since its inception. The College is currently in the process of identifying its next scholarship to endow, as part of the long-term vision to one day fully fund every single student at Nuffield.

## **Nuffield College**

### **Report of the Governing Body**

**Year ended 31 July 2022**

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- The College received 337 and assessed 179 applications from prospective students and made 44 offers. In total, 28 students started their course in October 2021: 8 in Economics (2 DPhil and 6 MPhil), 9 in Politics and International Relations (8 DPhil and 1 MPhil), 8 in Sociology and Social Policy (6 DPhil and 2 MPhil), and 3 in interdisciplinary subjects (DPhil in History, DPhil in Public Policy, and DPhil in Social Data Science). Twenty-one students on taught masters courses took exams during the year. Of the twelve students in the final year of their taught course, nine achieved overall distinctions. Fourteen DPhil students completed their doctoral thesis, seven of whom have subsequently secured academic posts.
- The College elected two new Professorial Fellows in 2021/22: Livia Schubiger, to a Professorial Fellowship in association with the Department of Politics and International Relations with effect from 1 July 2022, and Rachel Bernhard, to a Professorial Fellowship in association with the Department of Politics and International Relations with effect from 1 July 2022.
- Claire Coutinho (Conservative MP for East Surrey) and Sarah O'Connor (Employment columnist and Associate Editor at the Financial Times) were elected to Visiting Fellowships, and Dame Sharon White (Chair of the John Lewis Partnership and former Visiting Fellow) was elected to an Honorary Fellowship.
- The College obtained planning and listed building consent for the proposed plans for the refurbishment of internal and external ground floor areas of the College with a view to enhancing accessibility into and around the main site and improving teaching and meeting spaces.

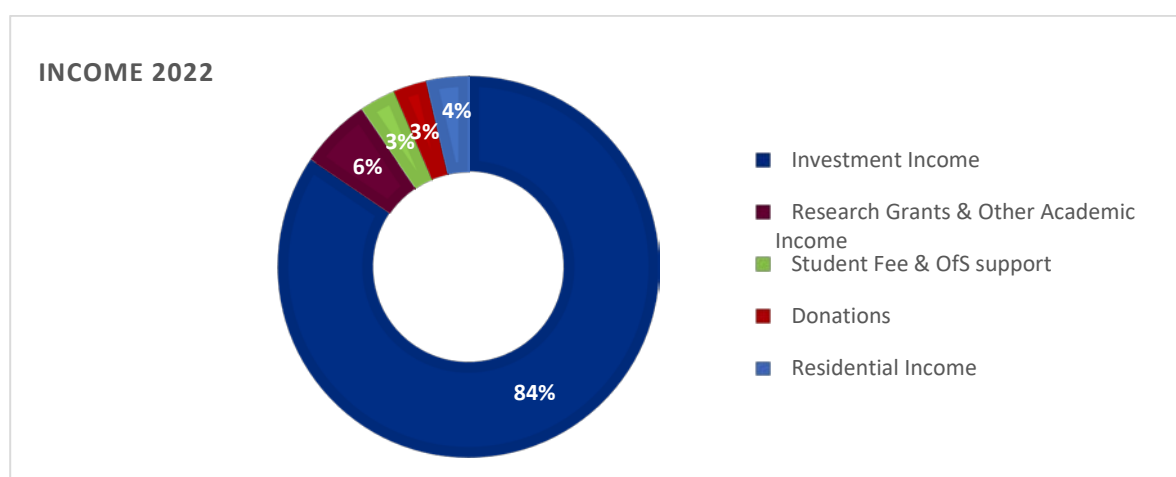
A full record of the College's academic activities for the year can be found in the relevant version of its Annual Report.

## FINANCIAL REVIEW

### Income

In line with the gradual return to normal activities following the lifting of restrictions associated with COVID-19 the College's total income for the year, excluding the consolidated trading income from the subsidiary, increased by 19% to £14,517k in 2021/22 (2021: £12,245k). The subsidiary's trading income in the financial year to July 2022 was £32,370k (2021: £nil), which related to a disposal of land held as stock. This was a one off transaction following a corporate restructuring carried out in December 2021 (further details are provided in notes 12 and 13 to the financial statements).

Investment income, which is the largest source of income to the College, increased by 17% to £12,270k (2021: £10,450k) mainly due to the reported increase in equity dividends and the settlement of a dilapidations claim recognised in other property income.



Income from charitable activities of £1,842k was 33% higher than the previous year (2021: £1,387k), and consisted of student fee income of £274k (an increase of 26%), other OfS support of £180k, other academic and mainly research grant income of £869k (an increase of 42%), and College residential income of £519k (an increase of 48%).

Income from donations amounted to £405k (2021: £357k) and was composed mainly of endowment donations (£392k) to the Graduate Scholarship funds.

### Expenditure

The College's total expenditure, excluding the trading expenditure from the subsidiary, increased by 30% to £16,629k (2021: £12,809k) and expenditure on charitable activities of £13,330k was 44% higher than the previous year (£9,264k).

A significant proportion of the increase in charitable expenditure relates to the reported movement in the pension provision, which resulted in a net increase to total costs of £1,779k in the current year compared to a corresponding net decrease of £134k reported in the previous financial year. Details of the pension provision for the current and the previous year are included in note 23 to the financial statements.

The residual increase in charitable costs was mainly due to the additional expenditure on academic salaries and research, student grants and the impact from the recent increases in utility costs.

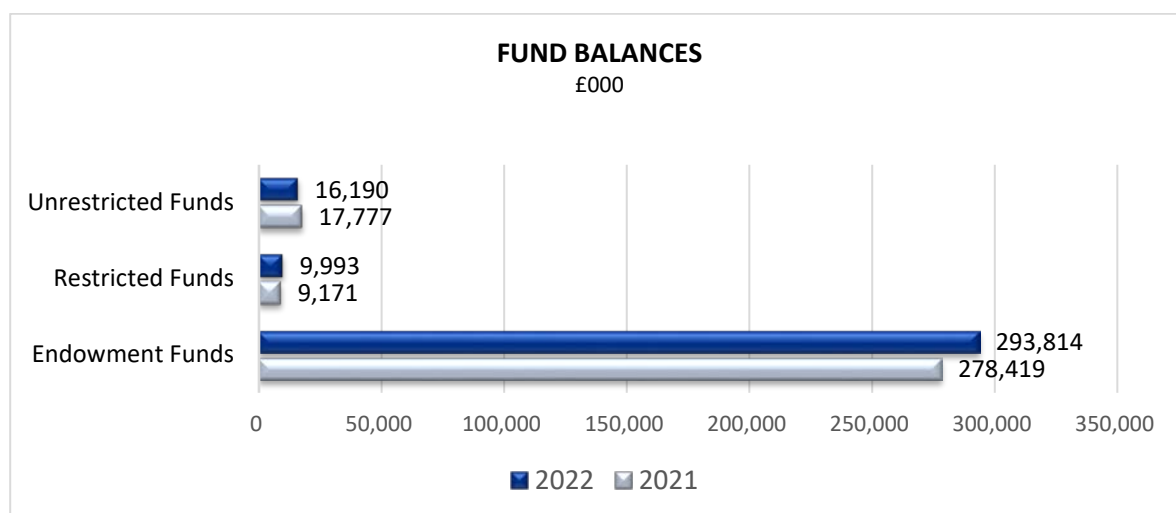
The cost of generating funds decreased by 7% to £3,299k (2021: £3,545k): investment management costs decreased by 7% to £3,068k (2021: £3,309k) and fundraising costs of £231k were 2% lower than the previous year (2021: £236k).

**Nuffield College**  
**Report of the Governing Body**  
**Year ended 31 July 2022**

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**Result for the year**

The College's total consolidated funds increased by £14,630k in the year to £319,997k as at 31 July 2022 (2021: £305,367k), which represents an increase of 5%. The increase is mostly attributable to the reported increase in investment asset values and the corresponding investment gains of £12,909k (2021: £44,302k). The balances of the three main funds are shown below as at 31 July 2022 (including comparatives).



**Investments**

The total group investments, which comprise securities, property investments and an investment in a Joint Venture, increased by 6% and amounted to £334,800k (2021: £314,533k) at the year end.

Following the prevailing trend in the global markets during the financial year, the College reported a decrease in the total return from its investment portfolio compared to the previous year. The final results for the year still show a strong performance with a total return of 7.9% (2021: 18%), which was mainly due to realised gains from the property section of the portfolio.

The value of the bank loan, measured at amortised cost, was £31,939k and the interest payable for the year was 1.57% (LIBOR plus 1% from 1 August 2021 to 31 December 2021 and SONIA plus 1% from 1 January 2022 to 31 July 2022). After taking into account the bank loan and the net investment current assets of £946k, the total consolidated net investment assets stood at £303,807k as at 31 July 2022 (2021: £287,590k).

**Reserves policy**

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

The College's general unrestricted funds at the year end amounted to £5,068k (2021: £5,476k), excluding the net book value of fixed assets of £11,866k (2021: £11,286k).

In accordance with FRS 102, a pension reserve of £3,244k (2021: £1,465k) is included within unrestricted funds representing the defined benefit pension scheme liability.

Designated reserves at the year end amounted to £2,500k (2021: £2,480k), which included funds of £55k (2021: £55k) for specific research projects to be spent within ten years of the initial award and an academic fund of £2,445k (2021: £2,425k), set up in March 2014, for the purpose of advancing postgraduate education and research.

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

**Nuffield College**  
**Report of the Governing Body**  
**Year ended 31 July 2022**

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

**Liquidity**

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

**Investment policy, objectives and performance**

The College's endowment makes a major contribution to funding its activities. The Governing Body intends that this should continue for the foreseeable future.

The College seeks to generate a return in excess of inflation that enables it to maintain the value of the endowment in real terms and to make a sustainable contribution to funding expenditure. As a long-term investor, the College recognises the significance of compounding of returns and of inflation, the consequences of permanent or long-lasting loss of capital value, and the general risk-and-return characteristics of different asset classes. The College tolerates managed volatility. It aims to maintain sufficient liquidity to meet its liabilities, to protect against permanent loss of capital value, and to enable it to benefit from investment opportunities.

The College requires there to be sound arrangements for custody of its investment assets and for dealing with credit, counterparty, and currency risks. The College holds a diversified portfolio of assets, and the balance among classes may vary from time to time. The College may seek to benefit from investing in risk assets globally, and it may pursue a range of approaches to generating returns.

Mindful of fiduciary duties, the Governing Body maintains that consideration of environmental, social, and governance (ESG) factors should be fully integrated into the College's investment activities. This encompasses conservation of the College's reputation, attention to relevant moral considerations, and awareness of focus on ESG factors in the investment world and in society generally.

The College's Statutes allow it to invest permanent endowments to maximise total return and to make available for expenditure each year an appropriate proportion of the unapplied total return. The total return accounting basis uses a long-term spending rate combined with a smoothing rule, which adjusts spending gradually in accordance with changes in the endowment's market value after costs. The amount released is calculated as a weighted sum of the prior year contribution adjusted for inflation (80% weight) and the amount that would have been contributed using 4.3% of the previous year's brought forward fund values (20% weight). The equivalent of 3.50% of the opening balances of the relevant funds, plus costs, was extracted as income in the year (2021: 3.91%).

**Risk management**

Policies and procedures within the College are reviewed by the relevant College Committee, and each key Committee maintains its own Risk Register. Financial risks are assessed by the Strategy and Resources and Audit Committees, and investment risks are monitored by the Investment Committee. In addition, the Bursar and heads of the College departments meet regularly to review health and safety issues. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Training courses and other forms of career development are promoted to members of staff to enhance their skills in risk-related areas.

**Governance & Compliance**

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

**Nuffield College**  
**Report of the Governing Body**  
**Year ended 31 July 2022**

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**Academic**

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

**Financial**

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

**Operational**

<i>Key areas of risk</i>	<i>Managing strategies</i>
Disruption associated with COVID-19	Residual safety measures; business continuity plans; additional risk management procedures for specific events; regular reviews and consultation with College members.
Loss of key staff	Systems, policies, and processes; succession planning; regular departmental reviews; contingency planning.
Recruitment of support staff	Review terms and conditions; collaboration with University and other colleges; casual appointments.
Information security; data loss	Information Systems Committee; back-up arrangements; regular reviews; collaboration with University; business continuity planning.
Health and safety; employment issues	Recruitment, induction, and training; management processes; monitoring and reporting; external controls.

**Going concern**

In assessing the College's ability to continue to operate as a going concern, the Trustees have considered the following three key areas:

**Bank loan covenant compliance.** A breach of the current bank loan covenants would occur in the event that the College's net assets fell by 61% of the values reported as at 31 July 2022, the likelihood of which was assessed as low.

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

**Loss of income.** The total return allocated to income from the College's endowment provides approximately 80% of the total funds required to support the College's charitable activities. The College has adopted a total return approach to its investments and has sufficient levels of accumulated unapplied total return (note 14). Therefore, although short-term adverse market conditions would be reflected in the accumulation of investment return and endowment fund balances, the amount of total return allocated to income would not be subject to the investment



markets' volatility and is within the control of the Governing Body. Any significant decline in the College's operating income, which covers approximately 20% of the College's operating expenditure, could be funded from the general unrestricted reserves.

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

## **FUTURE PLANS**

During the financial year 2022/23, the College plans to:

- continue with and/or implement the findings of reviews that took place in 2021/22 in respect of its:
  - welfare services
  - Centre for Experimental Social Sciences and
  - Fellows' Housing Scheme;
- undertake an equality, diversity and inclusion audit, with input from external expert consultants;
- continue to run, in conjunction with the University, its graduate access summer school (known henceforth as UNIQ+) which aims to provide research internships for talented undergraduate students from disadvantaged backgrounds;
- review arrangements for residential and office space on the main College site with a view to developing a strategy for future accommodation which enables the College to continue to meet its strategic aims;
- finalise and implement plans for the refurbishment of internal and external ground floor areas of the College with a view to enhancing accessibility into and around the main site and improving teaching and meeting spaces;
- progress the development of the College's investment sites in the west end of Oxford, through the appointment of development or delivery partners as appropriate.

More generally, the College's future plans are:

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

## **STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

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

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

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

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

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

Approved by the Governing Body on 30 November 2022 and signed on its behalf by:

Sir Andrew Dilnot

Warden

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

**Opinion**

We have audited the financial statements of Nuffield College (the "Charity") for the year ended 31 July 2022 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 2022 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**

In auditing the financial statements, we have concluded that the Members of the Governing Body's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Members of the Governing Body with respect to going concern are described in the relevant sections of this report.

**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.

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

**Matters on which we are required to report by exception**

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

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

**Responsibilities of the Members of the Governing Body**

As explained more fully in the Statement of Accounting and Reporting Responsibilities [set out on page 16], 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**

We have been appointed as auditor under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Members of the Governing Body and other management, and from our knowledge and experience of the client's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including Charities Act 2011, Office for Students and Oxford University requirements, taxation legislation, data protection, employment and pensions, planning and health and safety legislation;

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

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and, where relevant, inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of Members of Governing Body and other management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- if considered necessary, reviewing correspondence with relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Members of Governing Body and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our auditor's report.

**Nuffield College****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOVERNING BODY OF NUFFIELD COLLEGE****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: 1 December 2022

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



## **1. Scope of the financial statements**

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

## **2. Basis of accounting**

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

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

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

## **3. Accounting judgements and estimation uncertainty**

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

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

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

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

## **4. Income recognition**

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

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

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

**b. Income from donations, grants and legacies**

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

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

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

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

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

**c. Investment income**

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

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

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

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

**5. Expenditure**

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

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

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

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

## **6. Leases**

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

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

## **7. Tangible fixed assets**

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

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

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

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

## **8. Depreciation**

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

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

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

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

## **9. Investments**

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

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

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

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

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

## **10. Other financial instruments**

### **a. Derivatives**

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

### **b. Cash and cash equivalents**

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

### **b. Debtors and creditors**

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

## **11. Stocks**

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

## **12. Foreign currencies**

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

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

**Nuffield College**  
**Statement of Accounting Policies**  
**Year ended 31 July 2022**

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

**13. Total Return investment accounting**

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

**14. Fund accounting**

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

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

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

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

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

**15. Pension costs**

The costs of retirement benefits provided to employees of the College through two multi-employer defined pension schemes are accounted for as if these were defined contribution schemes as information is not available to use defined benefit accounting in accordance with the requirements of FRS 102. The College's contributions to these schemes are recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.

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

**Nuffield College**  
**Consolidated Statement of Financial Activities**  
**For the year ended 31 July 2022**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2022 Total £'000	2021 Total £'000
<b>INCOME AND ENDOWMENTS FROM:</b>						
<b>Charitable activities:</b>	1					
Teaching, research and residential		1,842	-	-	1,842	1,387
<b>Other trading income</b>	3	-	-	32,370	32,370	-
<b>Donations and legacies</b>	2	-	13	392	405	357
<b>Investments</b>						
Investment income	4	82	346	11,842	12,270	10,450
Total return allocated to income	14	8,787	403	(9,190)	-	-
<b>Other income (CJRS)</b>		-	-	-	-	51
<b>Total income</b>		10,711	762	35,414	46,887	12,245
<b>EXPENDITURE ON:</b>						
<b>Charitable activities:</b>	5					
Teaching, research and residential		12,067	1,263	-	13,330	9,264
<b>Generating funds:</b>						
Fundraising		231	-	-	231	236
Trading expenditure		-	-	32,421	32,421	-
Investment management costs (incl. loan interest)		-	116	2,952	3,068	3,309
<b>Total expenditure</b>		12,298	1,379	35,373	49,050	12,809
<b>Net income/(expenditure) before gains</b>		(1,587)	(617)	41	(2,163)	(564)
Net gains/(losses) on investments	10, 11	-	708	12,201	12,909	44,302
<b>Net income/(expenditure) before tax</b>		(1,587)	91	12,242	10,746	43,738
Taxation	13	-	-	(208)	(208)	-
<b>Net income/(expenditure)</b>		(1,587)	91	12,034	10,538	43,738
Group share of joint venture's profit/(loss)	12	-	-	(1,577)	(1,577)	(1,388)
<b>Transfers between funds</b>	14	-	731	(731)	-	-
<b>Other recognised gains/losses</b>						
Gains/(losses) on revaluation of subsidiary assets	13	-	-	5,669	5,669	-
Actuarial gains/(losses) on defined benefit pension schemes		-	-	-	-	-
<b>Net movement in funds for the year</b>		(1,587)	822	15,395	14,630	42,350
Fund balances brought forward	19	17,777	9,171	278,419	305,367	263,017
<b>Funds carried forward at 31 July</b>		16,190	9,993	293,814	319,997	305,367



**Nuffield College**  
**Consolidated and College Balance Sheets**  
**As at 31 July 2022**

	Notes	2022 Group £'000	2021 Group £'000	2022 College £'000	2021 College £'000
<b>FIXED ASSETS</b>					
Tangible assets	9	11,866	11,286	11,866	11,286
Heritage assets		-	-	-	-
Property investments	10	118,219	125,918	118,219	125,918
Other investments	11	200,647	181,173	216,334	192,433
Investment in joint venture	12	15,934	7,442	-	-
<b>Total fixed assets</b>		<b>346,666</b>	<b>325,819</b>	<b>346,419</b>	<b>329,637</b>
<b>CURRENT ASSETS</b>					
Stocks		58	65	58	65
Debtors	15	3,208	5,684	3,197	5,684
Investments		-	3,031	-	3,031
Cash at bank and in hand	27	7,791	6,435	8,641	6,435
<b>Total current assets</b>		<b>11,057</b>	<b>15,215</b>	<b>11,896</b>	<b>15,215</b>
<b>LIABILITIES</b>					
Creditors: Amounts falling due within one year	16	2,543	2,282	2,300	2,282
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>8,514</b>	<b>12,933</b>	<b>9,596</b>	<b>12,933</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>355,180</b>	<b>338,752</b>	<b>356,015</b>	<b>342,570</b>
<b>CREDITORS: falling due after more than one year</b>	17	<b>31,939</b>	<b>31,920</b>	<b>31,939</b>	<b>31,920</b>
<b>Provisions for liabilities and charges</b>	18	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY</b>		<b>323,241</b>	<b>306,832</b>	<b>324,076</b>	<b>310,650</b>
<b>Defined benefit pension scheme liability</b>	23	<b>3,244</b>	<b>1,465</b>	<b>3,244</b>	<b>1,465</b>
<b>TOTAL NET ASSETS/(LIABILITIES)</b>		<b>319,997</b>	<b>305,367</b>	<b>320,832</b>	<b>309,185</b>
<b>FUNDS OF THE COLLEGE</b>					
<b>Endowment funds</b>	19	<b>293,814</b>	<b>278,419</b>	<b>293,799</b>	<b>282,237</b>
<b>Restricted funds</b>		<b>9,993</b>	<b>9,171</b>	<b>9,993</b>	<b>9,171</b>
<b>Unrestricted funds</b>					
Designated funds		14,366	13,766	15,216	13,766
General funds		5,068	5,476	5,068	5,476
Revaluation reserve		-	-	-	-
Pension reserve	23	(3,244)	(1,465)	(3,244)	(1,465)
		<b>319,997</b>	<b>305,367</b>	<b>320,832</b>	<b>309,185</b>

The financial statements were approved and authorised for issue by the Governing Body of Nuffield College on 30 November 2022.

Warden: Sir A W Dilnot

Bursar: Mr T Moore

**Nuffield College**  
**Consolidated Statement of Cash Flows**  
**For the year ended 31 July 2022**

	Notes	2022 £'000	2021 £'000
<b>Net cash provided by (used in) operating activities</b>	26	<b>(5,748)</b>	<b>(9,723)</b>
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		9,565	9,355
Proceeds from the sale of property, plant and equipment		-	1,224
Purchase of property, plant and equipment		(965)	(1,521)
Proceeds from sale of investments		27,034	3,916
Purchase of investments		(7,523)	(1,394)
<b>Net cash provided by (used in) investing activities</b>		<b>28,111</b>	<b>11,580</b>
<b>Cash flows from financing activities</b>			
Interest paid		(502)	(359)
Receipt of endowment		392	351
<b>Net cash provided by (used in) financing activities</b>		<b>(110)</b>	<b>(8)</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>22,253</b>	<b>1,849</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>10,031</b>	<b>8,270</b>
<b>Change in cash and cash equivalents due to exchange rate movements</b>		<b>82</b>	<b>(88)</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	27	<b>32,366</b>	<b>10,031</b>

**1 INCOME FROM CHARITABLE ACTIVITIES**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>Teaching, research and residential</b>		
Unrestricted funds		
Tuition fees - UK and EU students	103	114
Tuition fees - Overseas students	171	104
Other fees	3	-
Other Office for Students (OfS) support	180	204
Other academic income	866	614
College residential income	519	351
	<b>1,842</b>	<b>1,387</b>
<b>Total teaching, research and residential</b>	<b>1,842</b>	<b>1,387</b>
<b>Total income from charitable activities</b>	<b>1,842</b>	<b>1,387</b>

The above analysis includes £180k received from Oxford University from publicly accountable funds under the College Funding Formula (CFF) Scheme (2021: £204k).

**2 DONATIONS AND LEGACIES**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>Donations and legacies</b>		
Unrestricted funds	-	-
Restricted funds	13	3
Endowed funds	392	354
<b>Total income from donations and legacies</b>	<b>405</b>	<b>357</b>

**3 INCOME FROM OTHER TRADING ACTIVITIES**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<i>Endowed funds</i>		
Subsidiary company trading income (see note 13)	32,370	-
Other trading income	-	-
<b>Total income from other trading activities</b>	<b>32,370</b>	<b>-</b>

**4 INVESTMENT INCOME**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<i>Unrestricted funds</i>		
Interest on fixed term deposits and cash	18	7
Other investment income	64	64
Bank interest	-	-
	<b>82</b>	<b>71</b>
<i>Restricted funds</i>		
Commercial rent	270	215
Other property income	-	-
Equity dividends	76	63
Interest on fixed term deposits and cash	-	-
Other interest	-	-
	<b>346</b>	<b>278</b>
<i>Endowed funds</i>		
Agricultural rent	39	48
Commercial rent	4,917	4,912
Other property income	1,200	31
Equity dividends	4,679	4,248
Interest on fixed term deposits and cash	1,007	862
Other investment income	-	-
	<b>11,842</b>	<b>10,101</b>
<b>Total investment income</b>	<b>12,270</b>	<b>10,450</b>

## 5 ANALYSIS OF EXPENDITURE

	2022 £'000	2021 £'000
<b>Charitable expenditure</b>		
Direct staff costs allocated to:		
Teaching, research and residential	7,001	4,513
Other direct costs allocated to:		
Teaching, research and residential	4,738	3,334
Support and governance costs allocated to:		
Teaching, research and residential	1,591	1,417
<b>Total charitable expenditure</b>	<b>13,330</b>	<b>9,264</b>
<b>Expenditure on raising funds</b>		
Direct staff costs allocated to:		
Fundraising	183	179
Trading expenditure	-	-
Investment management costs	126	124
Other direct costs allocated to:		
Fundraising	37	48
Trading expenditure	32,418	-
Investment management costs	2,942	3,185
Support and governance costs allocated to:		
Fundraising	11	9
Trading expenditure	3	-
Investment management costs	-	-
<b>Total expenditure on raising funds</b>	<b>35,720</b>	<b>3,545</b>
<b>Total expenditure</b>	<b>49,050</b>	<b>12,809</b>

The comparative year's (2021) total expenditure of £12,809k represented £8,395k from unrestricted funds, £1,239k from restricted funds and £3,175k 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 to the University of Oxford of £260k (2021: £235k).

Included in the total trading expenditure of £32,421k is expenditure of £21,393k related to the subsidiary (see note 13) and a fair value adjustment to the land sold by the subsidiary of £11,028k.

## 6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2022 Total £'000
Financial administration	3	297	-	-	300
Domestic administration	3	200	-	-	203
Human resources	1	156	-	-	157
IT	4	515	-	-	519
Depreciation	-	385	-	-	385
Loss/(profit) on fixed assets	-	-	-	-	-
Other finance charges	-	18	-	-	18
Governance costs	3	20	-	-	23
	<b>14</b>	<b>1,591</b>	<b>-</b>	<b>-</b>	<b>1,605</b>
	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2021 Total £'000
Financial administration	3	312	-	-	315
Domestic administration	1	185	-	-	186
Human resources	1	138	-	-	139
IT	4	473	-	-	477
Depreciation	-	371	-	-	371
Loss/(profit) on fixed assets	-	(96)	-	-	(96)
Other finance charges	-	15	-	-	15
Governance costs	-	19	-	-	19
	<b>9</b>	<b>1,417</b>	<b>-</b>	<b>-</b>	<b>1,426</b>

**Nuffield College**  
**Notes to the financial statements**  
**For the year ended 31 July 2022**

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

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>Governance costs comprise:</b>		
Auditor's remuneration - audit services	17	16
Auditor's remuneration - subsidiary	3	-
Other governance costs	3	3
	<b>23</b>	<b>19</b>

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

## **7 GRANTS AND AWARDS**

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

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>Unrestricted funds</b>		
Grants to individuals:		
Scholarships, prizes and grants	1,141	894
Bursaries and hardship awards	34	22
Grants to other institutions	-	-
<b>Total unrestricted</b>	<b>1,175</b>	<b>916</b>
<b>Restricted funds</b>		
Grants to individuals:		
Scholarships, prizes and grants	60	94
<b>Total restricted</b>	<b>60</b>	<b>94</b>
<b>Total grants and awards</b>	<b>1,235</b>	<b>1,010</b>

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

## **8 STAFF COSTS**

The aggregate staff costs for the year were as follows.

	<b>2022</b>	2021
	<b>£'000</b>	£'000
Salaries and wages	5,030	4,577
Social security costs	499	424
Pension costs:		
Pension contributions	807	737
Staff costs related to pension liability	1,766	(145)
	<b>8,102</b>	<b>5,593</b>

### **Key management remuneration**

The total remuneration paid to key management was £618k (2021: £591k).

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

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

	<b>2022</b>	2021
Tuition and research	37	37
College residential	43	38
Fundraising	4	4
Support	14	14
<b>Total</b>	<b>98</b>	<b>93</b>

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

University lecturers	9	7
Other teaching and research	29	31
Other	3	3
<b>Total</b>	<b>41</b>	<b>41</b>

The College also engages temporary staff and agency workers who are not on the College payroll.

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

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

	2022	2021
£60,001-£70,000	2	1
£70,001-£80,000	-	1
£80,001-£90,000	1	-
£90,001-£100,000	1	2
£120,001-£130,000	1	-

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

In defined benefits schemes	5	4
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Redundancy and termination payments are accounted for in the period in which the payments were made. During the current financial year, redundancy and termination payments amounted to £17k (2021: £nil). These costs were charged to unrestricted funds.

## 9 TANGIBLE FIXED ASSETS

Group and College	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Total £'000
<b>Cost</b>					
At start of year	2,827	13,781	-	231	16,839
Additions	-	965	-	-	965
Disposals	-	-	-	-	-
<b>At end of year</b>	<b>2,827</b>	<b>14,746</b>	<b>-</b>	<b>231</b>	<b>17,804</b>
<b>Depreciation and impairment</b>					
At start of year	858	4,464	-	231	5,553
Depreciation charge for the year	38	347	-	-	385
Depreciation on disposals	-	-	-	-	-
Impairment	-	-	-	-	-
<b>At end of year</b>	<b>896</b>	<b>4,811</b>	<b>-</b>	<b>231</b>	<b>5,938</b>
<b>Net book value</b>					
<b>At end of year</b>	<b>1,931</b>	<b>9,935</b>	<b>-</b>	<b>-</b>	<b>11,866</b>
At start of year	1,969	9,317	-	-	11,286

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.

## 10 PROPERTY INVESTMENTS

Group and College	Agricultural £'000	Commercial £'000	Other £'000	2022 Total £'000	2021 Total £'000
Valuation at start of year	20,845	105,073	-	125,918	111,524
Additions and improvements at cost	144	2,017	-	2,161	499
Disposals	(20,952)	(4,783)	-	(25,735)	(3,286)
Revaluation gains/(losses) in the year	2,832	13,043	-	15,875	17,181
<b>Valuation at end of year</b>	<b>2,869</b>	<b>115,350</b>	<b>-</b>	<b>118,219</b>	<b>125,918</b>

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

A formal valuation of the agricultural property in Liverpool was prepared by Kevin Prince MRICS FAAV of Adkin as at 31 July 2022.

Formal valuations for the commercial properties were prepared as at 31 July 2022 by their respective managing agents: by Nicholas F Rees MRICS of Savills for UK property, Volker Zwing of Meterhoch2! for Berlin and Simon P Alden MRICS FAAV of Adkin for Nuffield Estate.

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

## 11 OTHER INVESTMENTS

All investments are held at fair value.

	2022 £'000	2021 £'000
<b>Group investments</b>		
Valuation at start of year	181,173	154,821
New money invested	23,739	369
Amounts withdrawn	(1,299)	(1,138)
(Decrease)/increase in value of investments	(2,966)	27,121
<b>Group investments at end of year</b>	<b>200,647</b>	<b>181,173</b>
Loan to joint venture (note 12)	16,104	11,260
Investment in subsidiary (note 13)	814	-
Less: Cash related to subsidiary	(1,231)	-
<b>College investments at end of year</b>	<b>216,334</b>	<b>192,433</b>

Group investments comprise:	Held outside the UK £'000	Held in the UK £'000	2022 Total £'000	Held outside the UK £'000	Held in the UK £'000	2021 Total £'000
Equity investments	-	-	-	-	-	-
Global multi-asset funds	137,064	15,634	152,698	139,206	16,023	155,229
Property funds	-	-	-	13	-	13
Fixed interest stocks	16,668	-	16,668	18,569	301	18,870
Alternative and other investments	5,345	1,361	6,706	5,135	1,361	6,496
Fixed term deposits and cash	20	24,555	24,575	565	-	565
<b>Total group investments</b>	<b>159,097</b>	<b>41,550</b>	<b>200,647</b>	<b>163,488</b>	<b>17,685</b>	<b>181,173</b>

## 12 INVESTMENT IN JOINT VENTURE

Oxford West End Development Limited (OxWED Ltd) was incorporated in January 2016 as a joint venture between Nuffield College and Oxford City Council. Nuffield College held a 50% share of the company.

In the period to 31 July 2021, Nuffield College made loans to OxWED Ltd totalling £11,260k for land purchase and working capital. Interest was charged at 6.5%, and at 31 July 2021 interest of £3,437k was outstanding (note 15). In 2021/22, Nuffield College made a further loan of £456k for working capital to OxWED Ltd, also at 6.5%. On 15 December 2021, Nuffield College entered into a payment-in-kind agreement with OxWED Ltd, whereby the principal outstanding (£11,716k) would be increased by an amount equivalent to the interest outstanding, which was then £3,788k, with the increase taking the form of an additional loan.

On 15 December 2021 a corporate restructuring was carried out. Nuffield College purchased Oxford City Council's shares in the joint venture, creating a subsidiary and subsequently its name was changed to Nuffield College Developments 1 Limited.

A new joint venture was formed between Nuffield College Developments 1 Limited and Oxford City Council called OXWED LLP in December 2021 and the activities of the subsidiary were transferred to the joint venture. The objectives of the joint venture are aligned with Nuffield College's broader aim of promoting regeneration in the West End of Oxford.

On the 15 December 2021 the monies Nuffield College had loaned OxWED Ltd, £15,504k, were transferred to the new joint venture OXWED LLP. In the period from 16 December to 31 July 2022 Nuffield College loaned OXWED LLP a further £600k for working capital. Interest was charged on the loan at 6.5% and interest of £650k was outstanding as at 31 July 2022 (note 15).

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

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

### Members' Interest

	As at 31 July 2022			
	OXWED LLP	OxWED Ltd	Nuffield College share 50%	Oxford City Council share 50%
	Total	Total		
	£'000	£'000	£'000	£'000
Loans due to members	32,208	-	16,104	16,104
Members' capital classified as equity	1,362	-	681	681
Other reserves classified as equity	(1,702)	-	(851)	(851)
<b>Members' interest as at 31 July 2022</b>	<b>31,868</b>	<b>-</b>	<b>15,934</b>	<b>15,934</b>

### Members' interest

	As at 31 July 2021			
	OXWED LLP	OxWED Ltd	Nuffield College share 50%	Oxford City Council share 50%
	Total	Total		
	£'000	£'000	£'000	£'000
Loans due to members	-	22,520	11,260	11,260
Members' capital classified as equity	-	-	-	-
Other reserves classified as equity	-	(7,636)	(3,818)	(3,818)
<b>Members' interest as at 31 July 2021</b>	<b>-</b>	<b>14,884</b>	<b>7,442</b>	<b>7,442</b>



12 INVESTMENT IN JOINT VENTURE - continued

Profit and Loss Account for the year ended 31 July 2022

	<b>OXWED LLP</b>	
	<b>2022</b>	2021
	<b>£'000</b>	£'000
Income	255	-
Expenditure	(657)	-
Operating surplus/(loss)	(402)	-
Interest charge	(1,300)	-
<b>Loss from continuing operations</b>	<b>(1,702)</b>	-
<b>Total comprehensive income &amp; expenditure loss</b>	<b>(1,702)</b>	-

Balance sheet

	<b>OXWED LLP</b>	
	<b>2022</b>	2021
	<b>£'000</b>	£'000
Stocks	33,169	-
Debtors	178	-
Cash at bank and in hand	40	-
Current liabilities	(1,519)	-
<b>Net assets attributable to members</b>	<b>31,868</b>	-

Profit and loss account for the year ended 31 July 2022

	<b>OxWED Ltd</b>	
	<b>2022</b>	2021
	<b>£'000</b>	£'000
Income	137	390
Expenditure	(885)	(1,495)
Operating surplus/(loss)	(748)	(1,105)
Interest charge	(704)	(1,671)
<b>Loss from continuing operations</b>	<b>(1,452)</b>	<b>(2,776)</b>
<b>Total comprehensive income &amp; expenditure loss</b>	<b>(1,452)</b>	<b>(2,776)</b>

Balance sheet

	<b>OxWED Ltd</b>	
	<b>2022</b>	2021
	<b>£'000</b>	£'000
Stocks	-	21,342
Debtors	-	196
Cash at bank and in hand	-	475
Current liabilities	-	(7,129)
<b>Net assets attributable to members</b>	<b>-</b>	<b>14,884</b>

### 13 PARENT AND SUBSIDIARY UNDERTAKINGS

Nuffield College owns 100% of the share capital of Nuffield College Developments 1 Ltd (NCD1 Ltd), company no. 09957392, following the acquisition of Oxford City Council's 50% equity interest in the jointly controlled company, formerly known as OxWED Ltd, in December 2021.

NCD1 Ltd, as a subsidiary of Nuffield College, carries out the duties of a member of the newly formed OXWED LLP. It seeks in particular to ensure that the LLP successfully carries out the business transferred to it.

The subsidiary has realised a profit for the year of £10,769k as a result of the sale of land held as stock, which was a one off transaction following the restructuring. Some of the subsidiary's taxable profit was donated to the College during the year under Gift Aid.

College investments	NCD1 Ltd	
	2022	2021
	£000	£000
<b>Cost</b>		
At start of year	-	-
Additions	814	-
<b>At end of year</b>	<b>814</b>	-
<b>Net Book Value</b>	<b>814</b>	-

Profit and loss account for the year ended 31 July 2022		NCD1 Ltd	
		2022	2021
		£'000	£'000
Income	32,370	-	-
Expenditure	(21,393)	-	-
Operating surplus/(loss)	10,977	-	-
Tax	(208)	-	-
<b>Profit from continuing operations</b>	<b>10,769</b>	-	-
<b>Total comprehensive income &amp; expenditure profit</b>	<b>10,769</b>	-	-

Balance sheet		NCD1 Ltd	
		2022	2021
		£'000	£'000
Investments	681	-	-
Debtors	10	-	-
Cash at bank and in hand	381	-	-
Current liabilities	(242)	-	-
<b>Total net assets</b>	<b>830</b>	-	-
Retained earnings/(accumulated deficit)	1,680	-	-
Gift Aid	(850)	-	-
<b>Total equity</b>	<b>830</b>	-	-

Fair Value of Net Assets on Acquisition	15/12/2021	FV Adjustment	Adjusted Asset Values
	£'000	£'000	£'000
Stocks	21,342	11,028	32,370
Debtors	187		187
Cash at bank and in hand	883		883
Current liabilities	(8,070)	(310)	(8,380)
Non-current liabilities	(23,432)		(23,432)
<b>Total net assets</b>	<b>(9,090)</b>	<b>10,718</b>	<b>1,628</b>
<b>50% of net assets acquired</b>			<b>814</b>
<b>Consideration paid</b>			<b>(814)</b>
<b>Goodwill</b>			<b>-</b>
50% of the FV adjustment		5,359	
Adjustment to current liabilities (actual liability included separately in the SoFA)		310	
<b>Gain on revaluation of subsidiary assets</b>		<b>5,669</b>	

#### 14 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees adopted a duly authorised policy of total return accounting for the College investment returns with effect from 31 July 2013.

The investment return to be applied as income is calculated as a weighted average of the prior year contribution adjusted for inflation (80% weight) and the amount which would have been contributed using 4.30% of the previous year's brought forward fund values (20% weight). The application of the above rule equates to a drawdown rate of 3.50% (2021: 3.91%) of the opening balances of the relevant funds.

The preserved (frozen) value of the invested endowment capital represents its open market value in 2003 together with all subsequent endowments valued at date of gift.

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
<b>At the beginning of the year:</b>					
Gift component of the permanent endowment	72,294	-	72,294	-	72,294
Unapplied total return	-	131,540	131,540	-	131,540
Expendable endowment	-	-	-	74,585	74,585
<b>Total Endowments</b>	<b>72,294</b>	<b>131,540</b>	<b>203,834</b>	<b>74,585</b>	<b>278,419</b>
<b>Movements in the reporting period:</b>					
Gift of endowment funds	392	-	392	-	392
Investment return: total investment income	-	7,774	7,774	4,068	11,842
Investment return: realised and unrealised gains and losses	-	5,879	5,879	6,322	12,201
Gains/(losses) on revaluation of subsidiary assets	-	-	-	5,669	5,669
Less: Investment management costs (incl. taxation)	-	(1,252)	(1,252)	(1,198)	(2,450)
Less: Loan interest payable	-	(363)	(363)	(139)	(502)
Less: Subsidiary's net income and expenditure (incl. taxation)	-	-	-	(259)	(259)
Other transfers	-	(731)	(731)	-	(731)
Net profit/(loss) in relation to joint venture	-	-	-	(1,577)	(1,577)
<b>Total</b>	<b>392</b>	<b>11,307</b>	<b>11,699</b>	<b>12,886</b>	<b>24,585</b>
Unapplied total return allocated to income in the reporting period	-	(3,619)	(3,619)	-	(3,619)
Expendable endowments transferred to income	-	-	-	(5,571)	(5,571)
	-	(3,619)	(3,619)	(5,571)	(9,190)
<b>Net movements in reporting period</b>	<b>392</b>	<b>7,688</b>	<b>8,080</b>	<b>7,315</b>	<b>15,395</b>
<b>At end of the reporting period:</b>					
Gift component of the permanent endowment	72,686	-	72,686	-	72,686
Unapplied total return	-	139,228	139,228	-	139,228
Expendable endowment	-	-	-	81,900	81,900
<b>Total Endowments</b>	<b>72,686</b>	<b>139,228</b>	<b>211,914</b>	<b>81,900</b>	<b>293,814</b>

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

**15 DEBTORS**

	<b>2022 Group £'000</b>	<b>2021 Group £'000</b>	<b>2022 College £'000</b>	<b>2021 College £'000</b>
<b>Amounts falling due within one year:</b>				
Trade debtors	1,934	1,926	1,934	1,926
Amounts owed by College members	42	3	42	3
Amounts owed by joint venture	650	3,437	650	3,437
Loans repayable within one year	6	4	6	4
Prepayments and accrued income	473	218	473	218
Other debtors	103	96	92	96
<b>Amounts falling due after more than one year:</b>				
Loans	-	-	-	-
	<b>3,208</b>	<b>5,684</b>	<b>3,197</b>	<b>5,684</b>

**16 CREDITORS: falling due within one year**

	<b>2022 Group £'000</b>	<b>2021 Group £'000</b>	<b>2022 College £'000</b>	<b>2021 College £'000</b>
Trade creditors	310	487	302	487
Amounts owed to College Members	1	1	1	1
Holiday pay accrual	61	76	61	76
Taxation and social security	316	849	316	849
College contribution	-	-	-	-
Accruals and deferred income	1,377	526	1,143	526
Other creditors	478	343	477	343
	<b>2,543</b>	<b>2,282</b>	<b>2,300</b>	<b>2,282</b>

**17 CREDITORS: falling due after more than one year**

	<b>2022 Group £'000</b>	<b>2021 Group £'000</b>	<b>2022 College £'000</b>	<b>2021 College £'000</b>
Bank loans	31,939	31,920	31,939	31,920
	<b>31,939</b>	<b>31,920</b>	<b>31,939</b>	<b>31,920</b>

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

The interest rate was 1% above LIBOR for the period from 1 August 2021 to 31 December 2021, and 1% above SONIA for the period from 1 January 2022 to 31 July 2022.

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

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

**18 PROVISIONS FOR LIABILITIES AND CHARGES**

	<b>2022 Group £'000</b>	<b>2021 Group £'000</b>	<b>2022 College £'000</b>	<b>2021 College £'000</b>
At start of year	-	-	-	-
Charged in the Statement of Financial Activities	-	-	-	-
Settled in the year	-	-	-	-
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Nuffield College**  
**Notes to the financial statements**  
**For the year ended 31 July 2022**

**19 ANALYSIS OF MOVEMENTS ON FUNDS**

	At 1 August 2021 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2022 £'000
<b>Endowment funds - permanent</b>						
General	92,499	3,618	(1,222)	(3,234)	7,457	99,118
Nuffield College Trust	80,655	2,990	-	-	(3,964)	79,681
Guardian Fellowship Fund	2,505	95	(32)	(95)	194	2,667
GS Pollard Memorial Bursary	232	9	(3)	(9)	18	247
Ford Foundation Endowment	13,514	511	(171)	(511)	1,045	14,388
Gwilym Gibbon Bequest	6,664	252	(85)	(233)	516	7,114
Arthur Goodhart Fund	557	21	(7)	(21)	43	593
Andrew Mellon	1,868	71	(24)	(71)	144	1,988
PM Williams Memorial Appeal	140	5	(2)	(4)	11	150
Jemolo Research Fellowship	1,348	51	(17)	(51)	104	1,435
Oxford Graduate Scholarship Funds	3,852	543	(52)	(121)	311	4,533
<b>Subtotal (permanent endowment)</b>	<b>203,834</b>	<b>8,166</b>	<b>(1,615)</b>	<b>(4,350)</b>	<b>5,879</b>	<b>211,914</b>
<b>Endowment funds - expendable</b>						
General	65,225	3,996	(1,313)	(11,212)	6,209	62,905
Endowment funds invested in joint venture	11,260	-	-	4,844	-	16,104
Endowment funds invested in subsidiary	-	-	-	814	-	814
Oxford Graduate Scholarship Funds	1,918	72	(24)	(17)	113	2,062
<b>Subtotal (expendable endowment)</b>	<b>78,403</b>	<b>4,068</b>	<b>(1,337)</b>	<b>(5,571)</b>	<b>6,322</b>	<b>81,885</b>
<b>Total endowment funds - College</b>	<b>282,237</b>	<b>12,234</b>	<b>(2,952)</b>	<b>(9,921)</b>	<b>12,201</b>	<b>293,799</b>
Movement of endowment funds invested in JV	(3,818)	-	-	4,544	(1,577)	(851)
Movement of endowment funds invested in Subsidiary	-	32,370	(32,629)	(4,544)	5,669	866
<b>Total endowment funds - group</b>	<b>278,419</b>	<b>44,604</b>	<b>(35,581)</b>	<b>(9,921)</b>	<b>16,293</b>	<b>293,814</b>
<b>Restricted funds</b>						
Guardian Fellowship Fund	825	31	(10)	95	64	1,005
GS Pollard Memorial Bursary	334	13	(4)	9	26	378
Ford Foundation Endowment	3,857	146	(190)	511	298	4,622
Gwilym Gibbon Bequest	860	32	(1,021)	233	66	170
Arthur Goodhart Fund	1,667	63	(21)	21	129	1,859
Andrew Mellon	377	14	(57)	71	29	434
PM Williams Memorial Appeal	142	6	(2)	4	11	161
Jemolo Research Fellowship	976	37	(12)	51	75	1,127
Studentship Appeal and Studentship Support	23	12	(12)	21	-	44
Oxford Graduate Scholarship Funds	110	5	(50)	118	10	193
<b>Total restricted funds - College</b>	<b>9,171</b>	<b>359</b>	<b>(1,379)</b>	<b>1,134</b>	<b>708</b>	<b>9,993</b>
Restricted funds held by subsidiaries	-	-	-	-	-	-
<b>Total restricted funds - Group</b>	<b>9,171</b>	<b>359</b>	<b>(1,379)</b>	<b>1,134</b>	<b>708</b>	<b>9,993</b>
<b>Unrestricted funds</b>						
General funds	5,476	1,924	(11,425)	9,093	-	5,068
Fixed asset designated fund	11,286	-	(385)	965	-	11,866
Other designated funds	2,480	-	(488)	508	-	2,500
Pension reserve	(1,465)	-	-	(1,779)	-	(3,244)
<b>Total unrestricted funds - College</b>	<b>17,777</b>	<b>1,924</b>	<b>(12,298)</b>	<b>8,787</b>	<b>-</b>	<b>16,190</b>
Unrestricted funds held by subsidiaries	-	-	-	-	-	-
<b>Total unrestricted funds - Group</b>	<b>17,777</b>	<b>1,924</b>	<b>(12,298)</b>	<b>8,787</b>	<b>-</b>	<b>16,190</b>
<b>Total funds</b>	<b>305,367</b>	<b>46,887</b>	<b>(49,258)</b>	<b>-</b>	<b>17,001</b>	<b>319,997</b>

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

## 20 FUNDS OF THE COLLEGE DETAILS

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

### Endowment Funds - Permanent:

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

### Endowment Funds - Expendable:

#### General

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

#### Restricted Funds:

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

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

#### Designated Funds

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

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

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2022 Total £'000
Tangible fixed assets	11,866	-	-	11,866
Property investments	-	4,137	114,082	118,219
Other investments	-	5,800	194,847	200,647
Investment in joint venture	-	-	15,934	15,934
Net current assets	7,568	56	890	8,514
Long term liabilities	-	-	(31,939)	(31,939)
Pension scheme liability	(3,244)	-	-	(3,244)
	<u>16,190</u>	<u>9,993</u>	<u>293,814</u>	<u>319,997</u>

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2021 Total £'000
Tangible fixed assets	11,286	-	-	11,286
Property investments	-	4,321	121,597	125,918
Other investments	-	4,621	176,552	181,173
Investment in joint venture	-	-	7,442	7,442
Net current assets	7,956	229	4,748	12,933
Long term liabilities	-	-	(31,920)	(31,920)
Pension scheme liability	(1,465)	-	-	(1,465)
	<u>17,777</u>	<u>9,171</u>	<u>278,419</u>	<u>305,367</u>

## 22 TRUSTEES' REMUNERATION

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

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

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

Trustees of the College fall into the following categories:

Professorial Fellow  
Official Fellow  
Research Fellow

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

Trustees are eligible for participation in the College housing scheme and 18 Trustees live in houses owned jointly by the College as at 31 July 2022.

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

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

### Remuneration paid to Trustees

	2022		2021	
Range	Number of Trustees / Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees / Fellows	Gross remuneration, taxable benefits and pension contributions £
£Nil	1	-	1	-
£1,000-£4,999	2	7,783	1	3,525
£5,000-£9,999	1	5,089	-	-
£15,000-£19,999	-	-	2	34,305
£20,000-£24,999	1	22,223	3	68,638
£25,000-£29,999	5	145,547	15	435,482
£30,000-£34,999	13	405,421	3	95,997
£35,000-£39,999	6	222,236	6	217,278
£40,000-£44,999	3	124,744	1	40,896
£55,000-£59,999	1	57,657	1	56,657
£70,000-£74,999	1	74,406	-	-
£85,000-£89,999	-	-	1	86,741
£90,000-£94,999	1	93,073	1	92,865
£95,000-£99,999	1	96,056	-	-
£100,000-£104,999	-	-	1	103,407
£110,000-£114,999	-	-	2	227,414
£115,000-£119,999	3	350,470	1	115,272
£120,000-£124,999	-	-	1	120,387
£135,000-£139,999	1	135,090	-	-
£140,000-£144,999	-	-	1	141,224
£210,000-£214,999	1	213,598	-	-
Total	41	1,953,393	41	1,840,088

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

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

### Other transactions with Trustees

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

See also note 30 Related Party Transactions.



## 23 PENSION SCHEMES

The College participates in two principal pension schemes for its staff – the Universities Superannuation Scheme (USS) and the University of Oxford Staff Pension Scheme (OSPS). The assets of each scheme are held in separate trustee-administered funds. USS and OSPS are contributory mixed benefit schemes (i.e. they provide benefits on a defined benefit basis – based on length of service and pensionable salary – and on a defined contribution basis – based on contributions into the scheme). Both are multi-employer schemes and the College is unable to identify its share of the underlying assets and liabilities relating to defined benefits of each scheme on a consistent and reasonable basis.

Therefore, in accordance with the accounting standard FRS 102 paragraph 28.11, the College accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the Income and Expenditure Account represents the contributions payable to the schemes in respect of the accounting period. In the event of the withdrawal of any of the participating employers in USS or OSPS, 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.

The College has also made available the National Employment Savings Trust for employees who are eligible under automatic enrolment regulations to pension benefits but not eligible for either USS or OSPS.

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

#### Actuarial valuations

Qualified actuaries periodically value USS and OSPS defined benefits 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:	31/03/20	31/03/19
Date valuation results published:	30/09/21	19/06/20
Value of liabilities:	£80.6bn	£848m
Value of assets:	£66.5bn	£735m
Funding surplus / (deficit):	(£14.1bn)	(£113m)
Principal assumptions:		
• Discount rate:	Fixed Interest gilt yield curve plus 1% - 2.75%	Gilts +0.5% - 2.25% <sup>b</sup>
• Rate of increase in salaries	n/a	RPI
• Rate of increase in pensions	CPI +0.05% <sup>c</sup>	Average RPI/CPI
Assumed life expectancies on retirement at age 65:		
• Males currently aged 65	23.9 yrs	21.7 yrs
• Females currently aged 65	25.5 yrs	24.4 yrs
• Males currently aged 45	25.9 yrs	23.0 yrs
• Females currently aged 45	27.3 yrs	25.8 yrs
Funding Ratios:		
• Technical provisions basis	83%	87%
• Statutory Pension Protection Fund basis	64%	74%
• 'Buy-out' basis	51%	60%
Employer contribution rate (as % of pensionable salaries):	21.1% to 21.4 from 1 Oct 21%	19%
Effective date of next valuation:	31/03/23	31/03/22

- a. The discount rate (forward rates) for the USS valuation was:  
Fixed interest gilt yield curve plus: Pre-retirement 2.75%, post-retirement 1.00%
- 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 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long term difference of 0.1% p.a. from 2040.
- d. Increases to pensions in payment for the OSPS valuation were:  
RPI inflation is derived from the geometric difference between the UK nominal gilt curve and the UK index-linked curve at the valuation date, less 0.3% p.a. at each term. CPI inflation is derived from the RPI inflation assumption, less the Scheme Actuary's best estimate of the long-term difference between RPI and CPI inflation as applies from time to time (1.0% p.a. as at 31 March 2019).  
  
For pension increases linked to inflation, a pension increase curve is constructed based on either the RPI, CPI or the average of the RPI and CPI inflation curves described above, adjusted to allow for the different maximum and minimum annual increases that apply, and the Scheme Actuary's best estimate of inflation volatility as applies from time to time.
- e. The USS and OSPS employer contribution rates include provisions for the cost of future accrual of defined benefits, deficit contributions, administrative expenses and defined contributions.

#### Sensitivity of actuarial valuation assumptions

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

Assumption	USS Change in assumption	Impact on USS liabilities
Initial pre-retirement discount rate	increase by 0.25%	decrease by £1.3bn
Post-retirement discount rate	decrease by 0.25%	increase by £2.8bn
CPI	decrease by 0.1%	decrease by £1.5bn
Life expectancy	more prudent assumption (reduce the adjustment to the base mortality table by 5%)	increase by £1.2bn
Rate of mortality	more prudent assumption (increase the annual mortality improvements long-term rates by 0.2%)	increase by £0.6bn

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

#### Deficit Recovery Plans

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

	2022		2021	
	OSPS	USS	OSPS	USS
Finish Date for Deficit Recovery Plan	30/01/28	31/03/38	30/01/28	31/03/28
Average staff number increase	1.00%	1.00%	1.00%	1.00%
Average staff salary increase	2.00%	2.00%	2.00%	2.00%
Average discount rate over period	3.19%	3.19%	0.89%	0.89%
Effect of 0.5% change in discount rate:				
+ 0.5%	(£6k)	(£114k)	(£6k)	(£23k)
- 0.5%	£6k	£121k	£6k	£23k
Effect of 1% change in staff growth:				
+ 1%	£18k	£252k	£5k	£47k
- 1%	(£18k)	(£229k)	(£5k)	(£45k)

A provision of £3,244k has been made at 31 July 2022 (2021: £1,465k) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

#### Pension charge for the year

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

Scheme	2022	2021
	£000's	£000's
Universities Superannuation Scheme	619	576
University of Oxford Staff Pension Scheme	188	161
Other schemes – contributions	-	-
<b>Total</b>	<b>807</b>	<b>737</b>

Included in other creditors are pension contributions payable of £nil (2021: £nil).

## 24 TAXATION

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

## 25 FINANCIAL INSTRUMENTS

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

	Note	2022 £'000	2021 £'000
<b>Financial Assets</b>			
<b>Measured at fair value through profit or loss</b>			
Short term Investments	27	-	3,031
Investments	11	200,647	181,173
<b>Measured at undiscounted amount receivable</b>			
Trade and other debtors	15	3,208	5,684
<b>Financial Liabilities</b>			
<b>Measured at undiscounted amount payable</b>			
Trade and other creditors	16	2,543	2,282
<b>Measured at amortised cost</b>			
Bank loan	17	31,939	31,920

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

	2022 Group £'000	2021 Group £'000
<b>Net income/(expenditure)</b>	10,538	43,738
Elimination of non-operating cash flows:		
Investment income	(12,270)	(10,450)
(Gains)/losses in investments	(12,909)	(44,302)
Endowment donations	(392)	(354)
Depreciation	385	371
Financing costs	502	359
Fair value on subsidiary	1,124	
(Surplus)/loss on sale of fixed assets	-	(96)
Decrease/(Increase) in stock	7	2
Decrease/(Increase) in debtors	5,181	194
(Decrease)/Increase in creditors	307	949
(Decrease)/Increase in provisions	-	-
(Decrease)/Increase in pension scheme liability	1,779	(134)
<b>Net cash provided by (used in) operating activities</b>	<b>(5,748)</b>	<b>(9,723)</b>

## 27 a. ANALYSIS OF CASH AND CASH EQUIVALENTS AND CHANGES IN NET DEBT

	2022 £'000	2021 £'000
Cash at bank and in hand	7,791	6,435
Investment asset cash	24,575	565
Short term investments	-	3,031
Bank overdrafts	-	-
<b>Total cash and cash equivalents</b>	<b>32,366</b>	<b>10,031</b>

## b. ANALYSIS OF CHANGES IN NET DEBT

	At start of year £'000	Cash flows £'000	Foreign exchange movements £'000	Other non- cash changes £'000	At end of year £'000
Cash	6,435	1,274	82	-	7,791
Cash equivalents	3,596	20,979	-	-	24,575
Loans falling due after more than one year	(31,920)	-	-	(19)	(31,939)
<b>Total</b>	<b>(21,889)</b>	<b>22,253</b>	<b>82</b>	<b>(19)</b>	<b>427</b>

## 28 FINANCIAL COMMITMENTS

At 31 July 2022 the College had no annual commitments under non-cancellable operating leases.

## 29 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July 2022 for future capital projects totalling £1,160k (2021 - £1,705k).

## 30 RELATED PARTY TRANSACTIONS

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

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

As at 31 July 2022, the College had properties with the following net book values owned jointly with Fellows under joint equity ownership agreements between the Fellows and the College. Those Fellows who were Trustees as at 31 July 2022 are marked with an asterisk in the list below.

	2022 £'000	2021 £'000
R Allen	156	156
S Bond*	171	171
R Breen*	293	293
J Darwin	281	281
G Evans*	611	611
D Gallie	111	111
E Gonzalez Ocantos*	227	227
J Green*	218	218
R Kashyap*	289	289
E Kechagia-Ovseiko*	327	327
C Laborde*	141	141
K MacDonald	173	173
M Mills*	414	414
C Monden*	210	210
T Moore*	300	300
D Snidal	313	313
D Kirk*	410	410
F Windmeijer*	412	412
A Thompson*	202	-
<b>Total net book value of properties owned jointly with Trustees</b>	<b>5,259</b>	<b>5,057</b>

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

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

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

## 31 CONTINGENT LIABILITIES

There were no contingent liabilities that require disclosure.

## 32 POST BALANCE SHEET EVENTS

There were no post balance sheet events that require disclosure.

Nuffield College  
Consolidated Statement of Financial Activities  
For the year ended 31 July 2022

33 ADDITIONAL PRIOR YEAR COMPARATIVES

a. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Prior Year)

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2021 Total £'000
<b>INCOME AND ENDOWMENTS FROM:</b>				
<b>Charitable activities:</b>				
Teaching, research and residential	1,387	-	-	1,387
<b>Other Trading Income</b>	-	-	-	-
<b>Donations and legacies</b>	-	3	354	357
<b>Investments</b>				
Investment income	71	278	10,101	10,450
Total return allocated to income	8,568	431	(8,999)	-
<b>Other income (CJRS)</b>	51	-	-	51
<b>Total income</b>	10,077	712	1,456	12,245
<b>EXPENDITURE ON:</b>				
<b>Charitable activities:</b>				
Teaching, research and residential	8,159	1,105	-	9,264
<b>Generating funds:</b>				
Fundraising	236	-	-	236
Trading expenditure	-	-	-	-
Investment management costs (incl. Loan interest)	-	134	3,175	3,309
<b>Total Expenditure</b>	8,395	1,239	3,175	12,809
<b>Net Income/(Expenditure) before gains</b>	1,682	(527)	(1,719)	(564)
Net gains/(losses) on investments	-	1,431	42,871	44,302
<b>Net Income/(Expenditure)</b>	1,682	904	41,152	43,738
Group share of joint venture's profit/(loss)	-	-	(1,388)	(1,388)
<b>Transfers between funds</b>	-	504	(504)	-
<b>Other recognised gains/losses</b>				
Gains/(losses) on revaluation of fixed assets	-	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes	-	-	-	-
<b>Net movement in funds for the year</b>	1,682	1,408	39,260	42,350
Fund balances brought forward	16,095	7,763	239,159	263,017
<b>Funds carried forward at 31 July</b>	17,777	9,171	278,419	305,367

33 ADDITIONAL PRIOR YEAR COMPARATIVES - continued

b. PROPERTY INVESTMENTS (Comparatives to Note 10)

Group and College	Agricultural £'000	Commercial £'000	Other £'000	2021 Total £'000
Valuation at start of year	7,020	104,504	-	111,524
Additions and improvements at cost	-	499	-	499
Disposals	-	(3,286)	-	(3,286)
Revaluation gains/(losses) in the year	13,825	3,356	-	17,181
<b>Valuation at end of year</b>	<b>20,845</b>	<b>105,073</b>	<b>-</b>	<b>125,918</b>

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

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
<b>At the beginning of the year:</b>					
Gift component of the permanent endowment	71,940	-	71,940	-	71,940
Unapplied total return	-	100,945	100,945	-	100,945
Expendable endowment	-	-	-	66,274	66,274
<b>Total Endowments</b>	<b>71,940</b>	<b>100,945</b>	<b>172,885</b>	<b>66,274</b>	<b>239,159</b>
<b>Movements in the reporting period:</b>					
Gift of endowment funds	354	-	354	-	354
Investment return: total investment income	-	6,681	6,681	3,420	10,101
Investment return: realised and unrealised gains and losses	-	29,771	29,771	13,100	42,871
Less: Investment management costs	-	(1,612)	(1,612)	(1,204)	(2,816)
Less: Loan interest payable	-	(257)	(257)	(102)	(359)
Other transfers	-	(504)	(504)	-	(504)
Net profit/(loss) in relation to joint venture	-	-	-	(1,388)	(1,388)
<b>Total</b>	<b>354</b>	<b>34,079</b>	<b>34,433</b>	<b>13,826</b>	<b>48,259</b>
Unapplied total return allocated to income in the reporting period	-	(3,484)	(3,484)	-	(3,484)
Expendable endowments transferred to income	-	-	-	(5,515)	(5,515)
	-	(3,484)	(3,484)	(5,515)	(8,999)
<b>Net movements in reporting period</b>	<b>354</b>	<b>30,595</b>	<b>30,949</b>	<b>8,311</b>	<b>39,260</b>
<b>At end of the reporting period:</b>					
Gift component of the permanent endowment	72,294	-	72,294	-	72,294
Unapplied total return	-	131,540	131,540	-	131,540
Expendable endowment	-	-	-	74,585	74,585
<b>Total Endowments</b>	<b>72,294</b>	<b>131,540</b>	<b>203,834</b>	<b>74,585</b>	<b>278,419</b>

33 ADDITIONAL PRIOR YEAR COMPARATIVES - continued

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

	At 1 August 2020 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2021 £'000
<b>Endowment Funds - Permanent</b>						
General	78,996	2,943	(1,417)	(3,085)	15,062	92,499
Nuffield College Trust	67,968	2,799	0	0	9,888	80,655
Guardian Fellowship Fund	2,146	77	(37)	(77)	396	2,505
GS Pollard Memorial Bursary	198	7	(3)	(7)	37	232
Ford Foundation Endowment	11,576	417	(201)	(417)	2,139	13,514
Gwilym Gibbon Bequest	5,723	206	(99)	(224)	1,058	6,664
Arthur Goodhart Fund	477	17	(8)	(17)	88	557
Andrew Mellon	1,599	58	(28)	(57)	296	1,868
PM Williams Memorial Appeal	120	4	(2)	(4)	22	140
Jemolo Research Fellowship	1,155	42	(20)	(42)	213	1,348
Oxford Graduate Scholarship Funds	2,927	465	(54)	(58)	572	3,852
<b>Subtotal (Permanent endowment)</b>	<b>172,885</b>	<b>7,035</b>	<b>(1,869)</b>	<b>(3,988)</b>	<b>29,771</b>	<b>203,834</b>
<b>Endowment Funds - Expendable</b>						
General	56,324	3,362	(1,278)	(5,984)	12,801	65,225
Endowment funds invested in joint venture	10,760	0	0	500	0	11,260
Oxford Graduate Scholarship Funds	1,620	58	(28)	(31)	299	1,918
<b>Subtotal (Expendable endowment)</b>	<b>68,704</b>	<b>3,420</b>	<b>(1,306)</b>	<b>(5,515)</b>	<b>13,100</b>	<b>78,403</b>
<b>Total Endowment Funds - College</b>	<b>241,589</b>	<b>10,455</b>	<b>(3,175)</b>	<b>(9,503)</b>	<b>42,871</b>	<b>282,237</b>
Movement of endowment funds invested in JV	(2,430)	0	0	0	(1,388)	(3,818)
<b>Total Endowment Funds - Group</b>	<b>239,159</b>	<b>10,455</b>	<b>(3,175)</b>	<b>(9,503)</b>	<b>41,483</b>	<b>278,419</b>
<b>Restricted Funds</b>						
Guardian Fellowship Fund	622	22	(11)	77	115	825
GS Pollard Memorial Bursary	272	10	(5)	7	50	334
Ford Foundation Endowment	3,007	108	(231)	417	556	3,857
Gwilym Gibbon Bequest	1,186	43	(812)	224	219	860
Arthur Goodhart Fund	1,371	49	(24)	17	254	1,667
Andrew Mellon	299	11	(45)	57	55	377
PM Williams Memorial Appeal	115	4	(2)	4	21	142
Jemolo Research Fellowship	776	28	(13)	42	143	976
Studentship Appeal and Studentship Support	20	3	0	0	0	23
Oxford Graduate Scholarship Funds	95	3	(96)	90	18	110
<b>Total Restricted Funds - College</b>	<b>7,763</b>	<b>281</b>	<b>(1,239)</b>	<b>935</b>	<b>1,431</b>	<b>9,171</b>
Restricted funds held by subsidiaries	0	0	0	0	0	0
<b>Total Restricted Funds - Group</b>	<b>7,763</b>	<b>281</b>	<b>(1,239)</b>	<b>935</b>	<b>1,431</b>	<b>9,171</b>
<b>Unrestricted Funds</b>						
General funds	3,739	1,508	(7,812)	8,041	0	5,476
Fixed asset designated fund	11,264	0	(371)	393	0	11,286
Other designated funds	2,691	1	(212)	-	0	2,480
Pension reserve	(1,599)	0	0	134	0	(1,465)
<b>Total Unrestricted Funds - College</b>	<b>16,095</b>	<b>1,509</b>	<b>(8,395)</b>	<b>8,568</b>	<b>0</b>	<b>17,777</b>
Unrestricted funds held by subsidiaries	0	0	0	0	0	0
<b>Total Unrestricted Funds - Group</b>	<b>16,095</b>	<b>1,509</b>	<b>(8,395)</b>	<b>8,568</b>	<b>0</b>	<b>17,777</b>
<b>Total Funds</b>	<b>263,017</b>	<b>12,245</b>	<b>(12,809)</b>	<b>0</b>	<b>42,914</b>	<b>305,367</b>





