



MAGDALEN COLLEGE

Report and Financial Statements

for the Year Ended 31 July 2021

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REPORT OF THE GOVERNING BODY

The Members of the Governing Body, who act as the Charity Trustees, present their Annual Report for the year ended 31 July 2021 under the Charities Act 2011 together with the audited financial statements for the year.

1. REFERENCE and ADMINISTRATIVE INFORMATION

The College of St Mary Magdalen in the University of Oxford, which is known as Magdalen College ("the College"), is a chartered charitable corporation aggregate. It was founded in 1458 by William Waynflete, Bishop of Winchester.

The College was registered with the Charity Commission on 27 May 2011 (registered number 1142149).

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 advisers of the College, are given on pages 13 to 18.

2. STRUCTURE, GOVERNANCE and MANAGEMENT

a. Governing Documents

The College is governed by its Statutes dated 7 March 2018.

b. 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 Bishop of Winchester. The Governing Body is self-appointing.

The Governing Body sets the strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the President and is advised by its Standing Committees.

c. Recruitment and Training of Members of the Governing Body

New Members of the Governing Body are recruited through open competition to advertised posts or through promotion, and are elected on the basis of their abilities in teaching, research or administration. They are inducted into the workings of the College, including Governing Body policy and procedures, by the President, other College Officers and assigned mentors, and are encouraged to attend external trustee training and information courses to keep them informed about regulatory requirements and current issues in the sector.

d. Remuneration of Members of the Governing Body and Senior College Staff

Members of the Governing Body who are Fellows are teaching and research employees of the College and/or University and receive no remuneration or benefits from their trusteeship of the College. Those trustees that are also employees of the College receive remuneration for their work as employees of the College which is set based on the advice of the College's Remuneration Committee, which consists of seven elected members including no more than one person who either is a stipendiary Fellow or (not being a Fellow) is remunerated by the College. Where appropriate, remuneration is set in line with that awarded to the University's academic staff.

e. Organisational Management

The Governing Body normally meets eleven times a year. Standing Committees of the Governing Body develop policies for approval by the full Governing Body and subsequently monitor their implementation. The duties and membership of the Standing Committees are described in detail in the Statutes and Bylaws of the College. The main Standing Committees and their areas of responsibility are:

Tutorial Board

Academic matters including the selection and appointment of Tutorial Fellows and Lecturers, and the admission, instruction, support and discipline of junior members of the College.

Bursarial Committee

All financial matters relevant to the College including the preparation of budgets and monitoring actual income and expenditure through management accounts.

Investment Committee

Policy for the investment of endowment and other assets and overseeing the management of these assets in a manner consistent with approved policy.

Development and Alumni Relations Committee

Objectives and strategies for fundraising and alumni relations.

Chapel and Choir Committee

Matters connected with the Chapel and Choir.

Human Resources Committee

Ensuring that the College operates in compliance with the law and best practice in employment matters.

Libraries and Archives Committee

Matters concerning the Libraries and Archives.

Fellowship Committee

Matters relating to Fellowship appointments.

Remuneration Committee

Matters relating to remuneration and benefits payable to Fellows in accordance with the College Statutes.

The day-to-day management of the College is delegated to its main officers: The President (Ms D G L Rose), Vice President (Prof. K.D. Grevling), Senior Tutor (Dr M P Pobjoy), Bursar (Mr J R H Maw), Home Bursar (Mr M R Blandford-Baker until 31st August 2021; Mr A Ray from 27th September 2021) and Development Director (Mrs H Ebner until 31st July 2021; Mr S Rainey from 9th August 2021). The Dean of Divinity (Revd Dr A Bowyer) is responsible for the Chapel and the Librarian (Dr Lucy Gwynn) for the Library and Archives.

f. Group Structure and Relationships

At 31 July 2021, the College had the following subsidiary companies and connected bodies:

- The Oxford Science Park Limited is a wholly owned trading subsidiary of Magdalen College. Its principal activities are the management of the Oxford Science Park and related property development. The company's annual profits are donated to the College under the Gift Aid Scheme.
- Magdalen College Trading Limited is a wholly owned trading subsidiary of Magdalen College. It undertakes general trading activities, including providing conference facilities and operating a visitor scheme at the College and providing accommodation for old members visiting the College. The company's annual profits are donated to the College under the Gift Aid Scheme.
- Magdalen College Educational Conferences Limited is a company limited by guarantee. Its principal activity is the provision of conference facilities at the College.
- Magdalen College Development Trust is a charitable trust. The Trust was established primarily as a fundraising body to meet the needs of the College and to support the College on fundraising strategy, projects and execution.
- Magdalen Development Company Limited is a wholly owned subsidiary of Magdalen College. Its principal activity is property development.

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.

3. OBJECTIVES and ACTIVITIES

a. Charitable Objects and Aims

The College's objects, described in the Statutes, are

- (a) to further study, learning, education and research and to be a College within the University of Oxford wherein men and women may carry out advanced study and research (described in the Statutes as learning and education);
- (b) to provide for public worship through the provision, support and maintenance of a Chapel and Choir; and
- (c) insofar as it is not incompatible with objects (a) and (b), the advancement of the arts, heritage, culture and science for the benefit of the public.

b. Aims for the Public Benefit

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 admit undergraduate and graduate students of the highest academic standard;
- to provide the best education and facilities for undergraduate and graduate students to enable them to fulfil their potential as effective and productive members of society;
- to provide support and facilities for study and research by students and fellows;
- to support students financially through the provision of scholarships, bursaries, grants and allowances;
- to support the College Choir and provide for public worship in the College Chapel; and
- to preserve the College buildings and grounds for the benefit of current and future members of the College and members of the public who may visit the College.

Although the Members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in study, learning, education or research, there are many other beneficiaries. These include students and academic staff from other Colleges within the University of Oxford and from the University more broadly, visiting academics from other institutions of higher education, visiting students and schoolchildren, and the general public. The output from research undertaken by students and fellows in the sciences, social sciences and humanities provides exceptional long-term public benefit.

The College's subsidiary companies help finance the achievement of the College's aims, described above.

c. Activities and Objectives of the College

The College's activities are focused on furthering its stated objects and aims for the public benefit. The principal activities of the College are study, learning, education and research. The College admits undergraduates for courses at the University of Oxford and accepts graduates admitted by the University.

In conjunction with the University, the College provides a world-class education through small-group teaching and academic supervision for undergraduates. Tutorial teaching is provided by Fellows with international research reputations in essentially all the subjects studied by the College's undergraduates. This provision is reinforced by the appointment of stipendiary and retained lecturers and additional tutors. The College makes available seminars, lectures and other academic gatherings for all students. The College provides a specialist choral musical education for its choral students, who, together with the choristers of Magdalen College School, make up the College's internationally renowned Choir.

The College provides academic advisers for graduate students to assist each student's academic development. For those graduates who are clinical medical students the College also provides clinical teaching.

The College aims to support research of the highest international quality carried out and published by Fellows and graduate students. The appointment of Junior Research Fellows (Fellows by Examination) and Visiting Fellows also furthers this aim. The College directly supports the work of its Fellows and students by providing study space and library facilities, encouraging interaction across academic disciplines and making funding available for attendance at national and international conferences, field trips and research materials. In addition, the College has several seminar rooms and an excellent auditorium that can accommodate up to 160 people, facilities that may also be used by groups from outside the College.

The College maintains five libraries, delivering essential resources for students and Fellows, other members of the University, visiting scholars and researchers, as well as members of the public. There is also an extensive and valuable collection of archives dating back to the twelfth century. A full-time professional Archivist is employed who assists academics and members of the public with their enquiries. The College provides internet connectivity to all its Members and staff and maintains an informative website.

The College provides living accommodation for all its undergraduates and guarantees at least two years' accommodation for its graduates. Some Fellows live in College and all Tutorial Fellows have an appropriate teaching room in College. Welfare support for all students is offered by the Deans of Arts, the Dean of Divinity, the Tutor for Equality and Diversity, the Tutor for Welfare, Fellows and other members of the College staff.

Students are encouraged to take part in extra-curricular activities, and excellent facilities are available in College for this purpose, particularly for sports, music and theatre. Student participation in societies in the College and University is also encouraged.

During the course of the year, the College finalised a new strategic plan for the period 2021 - 2033, including its vision as a welcoming and inclusive community of scholars, dedicated to world-leading teaching and research, and to the advancement of the public good. Three goals have been identified: excellence, broadly defined; enhancing the community; and contributing to the wider public good. As part of the process of finalising the plan, Niall McLaughlin & Associates were retained to undertake a Masterplan, considering the optimum use of the College site and its immediate surroundings. The College has agreed to expand the number of graduate students by about 100 over the next decade, to ensure that graduate places are fully funded, and to provide excellent new student accommodation and community facilities. It has also agreed to continue to prioritise its access and outreach activities, to ensure that it attracts those with the greatest potential to benefit from and contribute to the opportunities the College offers, and to provide enhanced support for the tutorial system.

d. Equality of Opportunity

The College is committed to equality of opportunity in its selection and appointment processes. The focus of the College is strongly academic, so students and academic staff must satisfy high academic entry requirements. The College admits to student places those who have the highest potential for benefiting from the education provided by the College and the University, and appoints to academic positions those who are able to contribute most to the academic excellence of the College and the University. The College's objects are not restricted by geography, age or religious affiliation. Students and staff are drawn from across the UK and internationally; there are no age restrictions in the College's objects; and members of the College have a wide variety of faith traditions or none.

To help raise educational aspiration and attract outstanding candidates who might not otherwise have considered applying, the College supports various outreach activities, including visits to schools, visits by schools to the College, open days, and the provision of guidance and information on the College website for prospective applicants. The College and the University jointly provide Oxford Bursaries (a scheme approved by the Office for Fair Access), to help support undergraduate students with limited financial means. The College also operates a Student Support Fund to assist any of its students who experience financial hardship, and supports all its students through travel and research grants (see section 4c for details). The College continues to promote equality of opportunity through delivery of the objectives in its Outreach Strategy for the period 2018-23 (see section 4a for details).

4. ACHIEVEMENTS and PERFORMANCE in the YEAR to 31 July 2021

a. Academic

The student population of the College consisted of 408 undergraduates, undertaking a mixture of three- and four-year courses, and 232 graduates, of whom 84 were studying for degrees in clinical medicine (32) or taught masters degrees (52) and 148 were undertaking research for doctorates.

In their Final Examinations, 43 out of 106 Finalists gained First Class Honours. Of the 122 students sitting the First Public Examination, 43 achieved distinctions or first-class results. Twenty-two graduates who completed taught courses achieved distinctions in their final examinations. Many University prizes and awards were won by undergraduates and graduates of the College.

The main achievements of the College in the year under review include the following:

Ms Dinah Rose QC took up office as President of Magdalen. Dinah is the 43rd President of the College and the first woman to hold the post.

Magdalen Fellows Professor Adrian Hill KBE (1978) and Dr Maheshi Ramasamy played leading roles in helping to combat the pandemic as part of the Oxford Vaccine Team.

Magdalen Fellows published numerous research papers, books, and other original works during the academic year. Many lectures were presented online. The Ewen Green Memorial Lecture 'Love in the Time of Welfare' was presented by Professor Jordanna Bailkin. 'Our social world: the most complex thing in the universe?' was presented by Professor Robin Dunbar and Professor Lucy Bowes. 'Innovating in a crisis: developing a ventilator for Covid-19' was presented by Professor Robin Cleveland and DPhil candidates Rob Staruch and Tom Kirk. 'The magic of magnetism: intrigue and adventure from antiquity to the modern day' was presented by Dr Alexy Karenowska. 'Can Poetry make you happy' was presented by Professor Robert Douglas-Fairhurst. 'Bagels, Bumf, and Buses: A Day in the Life of the English Language' was presented by Professor Simon Horobin. 'Through the Computational Lens: Sudoku, the Game of Life and the Nature of the Universe' was presented by Professor Rahul Santhanam. 'A virtual tour of Addison's Walk' was presented by Ms Dinah Rose and Professor Tim Barraclough. 'Astrological forecasting of epidemic disease in early modern England' was presented by Dr Michelle Pfeffer.

Fellows's research was recognised with a range of awards. Professor Jeremias Adams Prassl was awarded a Philip Leverhulme Prize in recognition of his outstanding research achievements. Professor Jane Gingrich was awarded the title of Professor of Comparative Political Economy in this year's University of Oxford Recognition of Distinction awards. Professor Adrian Hill KBE became an honorary Knight Commander of the Most Excellent Order of the British Empire (KBE) for services to Science and Public Health and was elected a Fellow of the Royal Society. Professor Samson Kambalu, Associate Professor of Fine Art at Ruskin School of Art, will have his work 'Antelope' displayed on the fourth plinth at Trafalgar Square. Professor Xin Lu FRS was elected as a Fellow of the Royal Society for her contributions to cancer biology. Professor Liam Dolan was appointed by Her Majesty the Queen as her representative on the board of trustees of Royal Botanic Gardens, Kew.

Magdalen students won several prizes connected to their academic or extra-curricular studies. Sanya Samtani was awarded one of five grants from the Vice Chancellor's COVID-19 African Innovation Seed Fund for entrepreneurial projects aimed at addressing global challenges stemming from the pandemic. Annabelle Fuller won the Richard Selig Poetry Prize. Anvee Bhutani was elected President of the Oxford Student Union. Tobias Schroder was part of the men's eight crew that won gold for Great Britain at the recent World Rowing Under 23 Championships in the Czech Republic. Blues were awarded to 23 students and the college women's second boat won blades during Summer Torpids.

Professor David Gann CBE was elected to a Fellowship by Special Election. Elections as Fellows by Examination included Dr Raymond Carlson in Medieval and Modern Languages, Dr Barton Lee in Economics and Miss Lucy Oswald in Physics. Dr Rachel Wheatley is the George Grosvenor Freeman Fellow by Examination in Biological Sciences.

Visiting Fellows were Dr Adam Shear, an Associate Professor of History at the University of Pittsburgh, and Professor Sebastian Sobocki, a Professor of Medieval English Literature and Culture at the University of Groningen. The Roberts Campbell Visiting Fellow was Professor Gwen Seabourne, a Professor of Legal History from the University of Bristol Law School.

The College embarked upon the third year of its Outreach Strategy for 2018-23, which involves the following four goals:

1. To give opportunities for outstanding education to students regardless of background.
2. To increase the presence of under-represented groups at Magdalen and at Oxford.
3. To promote Magdalen and Oxford to all students with the potential for academic excellence.
4. To support the University as a whole in its outreach and access work.

The Strategy is underpinned by an operational plan, which has included increased staffing, leading to a team now consisting of two Fellowship-Level positions (Access Fellow and Widening Participation Fellow), and two full-time Outreach and Access Officership positions).

Between 0th week of Michaelmas term 2020 and 0th week of Michaelmas term 2021, Magdalen ran or participated in approximately 117 outreach events. During this period, the College offered a regular programme of online events for school groups and individuals for sign-up when in-person events were not possible because of the pandemic restrictions. Of the 117 events, 49 were talks/workshops/Q&As for school groups, 21 were 'Talks with Tutor' taster lectures or Virtual Taster Days (both for individual sign-up), and 47 were partnered events or programmes often involving colleagues from across the University or external organisations. Almost all of these events involved schools from across the College's seven link regions (Barnsley, Brent, Nottingham, Nottinghamshire, Rotherham, Sheffield, and Westminster) or from other areas in the East Midlands. Between MT20 and MT21, the College will have directly engaged with approximately 3,200 prospective students (not including those at Open Days or remote interview workshops), teachers, and parents/carers (in line with the figure for 2019-20). Across the year, 41 Magdalen students and 15 Magdalen tutors have supported these activities, with many more contributing to online resources, filming for the new College website, and the virtual Open Days.

In addition to the standard events offering, Magdalen was involved in a number of digital programmes created in response to the pandemic. The College collaborated with Cambridge University on Progress2Uni, a sustained-contact introduction to university with Nottinghamshire Y10s, and on NextSteps, a three-part programme for Y12 students from Sheffield. Within the University Magdalen supported three Remote Interview Workshop events for Y13s, and, as previously, ran the Humanities BAME Study Day. Over summer, the College ran a new three-day online Physics and Engineering programme, as well as continuing to run an in-person and online Law at Magdalen programme and hosting the second year of Pathway to Success. Magdalen's partnership with the Access Project has also continued this year, and the College has now consolidated the 'Oxford for East Midlands' partnership with Lincoln College and St Edmund Hall through the sustained contact NextGen programme for Y10s to Y13s at seven target schools.

A key new initiative was the College's pilot post-offer support scheme, which involved sending a Magdalen welcome pack to all offer-holders and offering additional support for 22 of Magdalen's most disadvantaged offer-holders. The scheme included mentoring from a current student and a welcome morning introducing offer-holders to Magdalen. The Outreach team received overwhelmingly positive feedback and expect this to continue next year with an in-person welcome day. As well as continuing the College's student ambassador incentive scheme, the team also worked more closely with current students by hosting a termly Outreach Forum to facilitate discussion about outreach and access with the student body.

125 new undergraduates arrived at Magdalen to begin their degrees in October 2020. 103 of these students are UK-domiciled, of whom 21.4% are from black and minority ethnic backgrounds; 64.1% attended a state secondary school; 53.4% are female; 20.4% are from socio-economically disadvantaged areas; and 22.3% are from areas with low progression to higher education.

b. Student Experience

A high strategic priority of the College is an outstanding collegial experience for all members of the Magdalen community, and the College continued to offer numerous cultural activities – including musical concerts and society gatherings – and opportunities for sport in 2020-21, despite pandemic restrictions. In the autumn 2020

Student Barometer, which surveys all full-time and part-time undergraduate, postgraduate taught, and postgraduate research students at the University and enables it to benchmark their feedback on the student experience from application to graduation against that of students at 120 other universities, Magdalen came 7th among 41 Oxford colleges and Permanent Private Halls for students' overall satisfaction with all aspects of their University experience, and top for students' overall satisfaction in the autumn Student Barometer surveys for the whole of the period 2015-20 taken together (i.e. since the start of the College's Strategic Plan for 2015-20).

c. Financial Support for Students

In order to assist undergraduates entitled to public support, the College and the University jointly provide Oxford Bursaries to help those of limited financial means. In 2020/21, 87 students received Oxford Bursaries and a total of £233,522 was awarded. The College contributed £88,567 towards the cost of Oxford Bursaries. The College also operates a Student Support Fund to assist its students in financial need. In 2020/21, the Student Support Fund made grants and awards totalling £689,402 (£486,209 awarded in 2019/20).

d. Chapel and Choir

The 16 Choristers, 11 Academical Clerks, 10 members of the Consort of Voices, two organists and the Informator Choristarum returned to rehearsals in September 2020, and, together with the Dean of Divinity, Chaplains and Sacristans, offered services in the Chapel several times per week for the first part of Michaelmas Term. Services took place using reduced numbers – one half of the College Choir or Consort of Voices, or all the Clerks, or all the Choristers – in order to allow for social distancing requirements, and congregation members were required to book seats, to 'check in', to wear masks and to observe social distancing. The Choir also embarked on a regular schedule of recordings, compiling material for broadcasts of online services on YouTube and Facebook twice a week (and more in November during the second lockdown), thanks to the provision of cameras, microphones and editing equipment in the Chapel, made possible in the Summer of 2020 by the considerable generosity of an anonymous donor. These online broadcasts proved to be very popular and were extremely well-received by alumni and the wider public, particularly at Christmas. In an ordinary year, the Carols by Candlelight services attract around a thousand people across three evenings, whereas 2020's online service was viewed live at 6pm on Sunday 13th December by more than a thousand, and retrospectively by a further 70,000.

Strict restrictions on College activities and the closure of schools during Hilary Term pushed the Chapel and Choir's creativity to its limits, but the Chapel remained operational, fulfilling its statutory obligation to provide public worship through five online services per week, and two 'in person' services - Compline on Tuesdays, and Evening Prayer on Sundays - for resident members of the College only. Daily rehearsals took place via online platforms for choir members, in an attempt to maintain momentum.

In Trinity Term, services opened to the public once again, following the relaxation of government restrictions, with the Chapel offering six in-person services and two recorded online services per week. The choir assembled in secret during 0th Week and climbed the steps to sing to a silent Oxford and to several microphones and cameras at dawn. The resulting May Morning recording was released on the Choir and College's websites and social media pages on 1st May, quickly gaining momentum with retweets from Classic FM, several national and international orchestras and choirs, friends across the College and University, many alumni and even some celebrities. By July 2021, more than 300,000 people had viewed the recording online across various platforms. Guest preachers at services in Trinity Term included Dr Paula Gooder (Chancellor, St. Paul's Cathedral), The Right Reverend Stephen Platten (former Bishop of Wakefield), The Right Reverend Vivienne Faull (Bishop of Bristol), and The Very Reverend Catherine Ogle (Dean of Winchester Cathedral). The tradition of an outdoor Sermon before the University on St. John the Baptist's Day was revived, with the Reverend Dr Peter Anthony (Magd. 1998, Vicar, All Saints' Margaret St) preaching from the medieval stone pulpit in St. John's Quad, with choir and congregation gathered below. On the Feast of Pentecost, Bishop Humphrey Southern conducted three baptisms and two confirmations. The Dean of Divinity returned to hosting the Addison Society, a weekly discussion forum, with topics included the plight of the Uyghurs, the changing nature of the labour market, and recent protests focused on the statue of Cecil Rhodes. Following the end of term, the Choir took part in a workshop and joint concert with the highly-regarded vocal ensemble, the Gesualdo Six, a socially-distanced

recording of music for May Morning in St John the Evangelist Iffley Road, and a farewell to Sir David and Lady Clary on St Mary Magdalen Day. St Mary Magdalen Day also saw the College host 25 clergy alumni at a morning Eucharist, at which the Reverend Pippa Madgwick (Magd. 1980) gave the sermon, followed by seminars given by The Reverend Professor John Barton, Oriel and Lang Emeritus Professor of the Interpretation of Holy Scripture.

Between August 2020 and July 2021, the Chapel hosted six weddings and wedding blessings of former and current students, members of staff and their families. Between August 2020 and July 2021, the Chapel hosted six weddings and wedding blessings of former and current students, members of staff and their families.

e. Public Access

The Old Library (which houses the College's large rare books and manuscripts collection) is normally open to the public one afternoon per week (Wednesday, 2.00 to 4.30pm) to allow viewing of the temporary exhibition and for the space to be seen. For the financial year 2020/21, the Old Library was closed to the public owing to Covid restrictions. Individual scholars from outside College made 76 visits to consult material in the College Libraries and Archives to further their own research. The Old Library was closed to external researchers until July 2021 due to the pandemic, and these figures reflect the closure.

The College grounds, Chapel and Hall are normally open to the public throughout the year except over the Christmas period. Access is free for local residents, alumni and various special-interest groups. During 2020/21, which was severely impacted by lockdowns owing to the pandemic, there were 6,907 adult paying visitors and 3,932 visitors who paid at a concessionary rate. In addition family tickets were purchased by 426 families. During the 2020 Long Vacation, a further 28 visitors bought a guided tour ticket which included areas of the grounds not open on the ordinary visitor ticket.

The College participates in several programmes that offer free access to members of the public. We had hoped to open for the National Gardens Scheme in April 2020 but were sadly obliged to remain closed due to Covid restrictions. We were however able to participate in the 'Oxford Goes Outdoors' version of Oxford Open Doors in September 2020 which enabled us to offer access in a Covid-safe way and 1,330 people came into the grounds over the two days.

The joint admission ticket scheme with the Oxford Botanic Garden continued and 131 visitors to the College bought this ticket.

f. Development and Alumni Relations

The Development Office is responsible for securing philanthropic income for the College, primarily from alumni, and in 2020/21 secured £2.2 million in income. We were pleased to resume the majority of our fundraising activities, having had to curtail these in 2019/20 due to the Covid-19 pandemic.

The Development Office's priorities for 2020/21 were to secure additional funding to underpin core College activities, particularly for the growth area of Outreach and Access, as well as financial support for graduate scholarships, and student hardship awards (via the Student Support Fund). Over 1,478 individuals made donations to Magdalen College, contributing to these key College priorities. This is an increase of 186 donors on the previous year, attributable to the fact that this year we were able to hold a successful telephone campaign (remotely for the first time), and the launch of the Longwall Society for regular donors.

The Covid-19 pandemic resulted in no in-person events being held in 2020/21, although the levels of alumni engagement remained high, thanks to an innovative programme of online events. This helped to maintain high levels of alumni engagement and increased our global reach as international alumni were more easily able to participate. The creation of a 'friends and family' mailing list for College news and digital events broadened the scope of the Magdalen community and has proven an effective way to engage a support base beyond the alumni and current members of the College.

For 2021/22 it is envisaged that the main priorities will be continued support for the College's Outreach & Access programme and to secure funding to further enhance the student experience at Magdalen.

Our approach to fundraising relies upon high levels of positive alumni engagement in order that we may attract, steward, and maintain support from our alumni donors and prospective donors. Additionally, it allows us to protect our reputation, maintain a high profile, and establish with this audience our relevance amongst a wide array of charitable organisations vying for their philanthropic support. A key element underpinning our work is the segmentation of alumni through our 'DARS' Customer Relationship Management database. This allows us to provide our alumni with invitations, publications and fundraising appeals at appropriate frequencies and ensures that alumni who have opted out do not receive unwanted communications and appeals.

Magdalen College is registered with the Fundraising Regulator (FR), and contributes to the FR levy on fundraising charities according to its income. The College adheres to the FR Code of Practice and to Charity Commission guidelines, particularly CC20 (Charity fundraising: a guide to trustee duties). Trustees are aware of the Commission's six fundraising principles and ensure adherence by the Development Office staff.

Failures to comply with policies and procedures will be reported to the FR if they occur, as will complaints, for which there is a process to follow if received; there have been none of either in the last financial year or since the FR was introduced.

5. FINANCIAL REVIEW

a. Results for the Year

The College reported total income of £20.3m (2020: £19.6m) for the year to 31 July 2021, of which £5.9m (2020: £5.7m) related to charitable activities, principally teaching, research, and associated residential income, the latter of which was adversely affected by the pandemic in both the current and the prior year. Trading income from conferences, tourism and merchandise was £270k (2020: £488k). Donations and legacies amounted to £2.3m (2020: £1.6m) whilst an 11% increase in income from The Oxford Science Park more than offset the drop in agricultural and commercial rental income and dividends to take investment income to £11.5m (2020: £11.3m).

Total expenditure for the year rose to £21.5m (2019: £19.6m). Expenditure on charitable activities was £14.9m (2020: £12.8m), last year having been kept down by a change in the pension deficit liability and this year seeing grants made to cover pandemic related costs.

The equity and alternative investment portfolio showed excellent performance over the year with gains on investments of £53.0m (2020: £1.5m loss). Agricultural properties saw an increase in value of £6.6m (2020: £0.5m) while commercial properties other than the Science Park maintained their value as in 2020.

The Oxford Science Park continued to perform well in the year to 31 July 2021. Preparation for the construction of two laboratory and office buildings, totalling 164,494 square feet of net lettable area, proceeded well and work on site is due to start in late 2021, with an expected completion date for the first building of around Easter 2023. Potential demand on the Park is strong and an outline planning application was submitted in July 2021 for a further 348,212 square feet of office and laboratory space covering the remaining development sites. In June 2021, the College agreed to acquire an additional 6.0 acres of land to the east of the Park, known as Minchery Farm, which will provide further capacity for future development. That acquisition completed in August 2021.

The assets of The Oxford Science Park saw a substantial increase in value during the year of £267.2m to £384.1m at 31 July 2021. On 30 September 2021, the College completed a joint venture with GIC, a sovereign wealth fund of the state of Singapore, under which the assets of The Oxford Science Park were transferred to a new joint venture, The Oxford Science Park (Properties) Limited, in which the College owns 60%. The College's wholly owned subsidiary, The Oxford Science Park Limited, will continue to manage the operations and further development of the Park under a management contract.

Total investment returns for the year net of management fees were 112.1% (2020: 4.3%). This resulted in an increase in consolidated funds of £325.7m (2020: £9.9m). Within this total, college endowment funds increased by £295.5m (2020: £1.0m).

During the year, the College received £3.2m in tuition fees and OfS grant funding but spent £14.3m (2020: £12.1m) on teaching, research and accommodation, the deficit being funded from college funds.

The College spent £2.2m (2019: £2.5m) on improvements to its estate and plans to continue to invest at similar rates in the foreseeable future.

b. Reserves Policy

Total funds of the College and its subsidiaries at the year-end amounted to £667.7m (2020: £342.0). This includes endowment capital of £663.8m (2020: £304.5m) and unspent restricted income funds totalling £2.4m (2020: £2.2m). Free reserves at the year-end amounted to £3.0m (2020: £1.9m). In addition, the fixed asset reserve totals £30.8m (2020: £30.3m). In line with FRS102, the College has recognised a provision of £2.7m (2020: £2.7m) in respect of its share of the Universities Superannuation Scheme, the Oxford Staff Retirement Scheme multi-employer pensions and its own closed Staff Retirement Benefits Scheme.

The College's reserves policy is to maintain sufficient free reserves to enable it, even in the event of an unexpected revenue shortfall or major capital expenditure requirement, to meet its short-term financial obligations, to allow the College to be managed efficiently and to provide a buffer that would ensure uninterrupted services, without drawing from its endowment over and above its drawdown rule. In addition to ensuring that it was able to provide services and support to its staff and students throughout the pandemic, the College has drawn on its free reserves to fund a number of major capital projects, including the Winter Common Room and the refurbishment of the properties in Longwall Street.

c. Investment Policy, Objectives and Performance

The College's investment assets are held across a range of different asset classes and are managed for total return. The Trustees adopted a duly authorised policy of total return accounting for the College investment returns with effect from 31 July 2003. The investment return to be applied as income is calculated as up to 3.5% of the rolling five-year average value. The preserved (frozen) value of the invested endowment capital represents its open market value at 31 July 2003 together with all subsequent endowments valued at date of gift. The investment policy is to generate optimum risk-adjusted returns from the portfolio to fund annual expenditure of up to 3.5% whilst maintaining the real inflation-adjusted value of the investment assets and having regard to balancing the needs of current and future beneficiaries. In managing the investments, a reasonable diversification of assets is maintained and performance is measured by total return regardless of whether return is derived from income or from capital growth. No fixed benchmark has been adopted, although the Investment Committee monitors returns relative to a range of market and peer group performance data. It is the responsibility of the College's Investment Committee to recommend to the College policy for the investment of endowment and other assets, and to oversee the management of these assets in a manner consistent with the approved policies on asset allocation, foreign exchange exposure and risk.

The gross asset allocation at 31 July 2021 was marketable equities 32.6%, private equity and venture capital 2.9%, property 63.1%, including 57.6% in respect of The Oxford Science Park, and cash/cash equivalents of 0.6%.

d. Risk Management

The College has on-going processes which operated throughout the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiaries in undertaking their activities. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College Committee. Financial risks are assessed by the Bursarial Committee and investment risks are monitored by the Investment Committee. In addition, The Oxford Science Park has a separate board which includes external non-executive members. The Home Bursar and domestic staff heads meet regularly to review health and safety issues. Training courses and other forms of career development are available, when requested, to members of staff to enhance their skills in risk-related areas.

The College ends the year in a strong financial position, with an endowment which is three times greater than it was five years ago. The annual transfer from its endowment provides a level resilience at a time when other sources of income are under pressure. Whilst a sustained period of investment underperformance would have a material impact, the College's Investment Committee has established a set of policies designed to maximise the long-term growth of and returns from the endowment. In particular, short-term market volatility is mitigated by taking a five-year rolling average noted above, a policy which has served the College well in these uncertain times.

The College maintains a comprehensive register which records key operational and other risks, together with mitigating actions and policies as well as those areas in which further risk management measures have been identified. In particular:

- the College faces challenges in attracting and retaining talented academics to a city with exceptionally high living costs, particularly housing. Previous actions to mitigate this risk such as the joint equity scheme and college-owned housing have been threatened by changes to stamp duty and HMRC policy on benefits in kind. The College is therefore investigating other ways in which it can support its staff;
- it is likely that a material increase in contributions to the Universities Superannuation Scheme will be required to fund future benefits and to address the significant scheme deficit. This will place an additional pressure on staff costs, which remain a key area of expenditure for the College; and
- the outlook for student fees remains uncertain and increases over recent years have not matched rising costs. The College has therefore pursued a strategy of diversifying its income sources such that fees account for less than 20% of total operating income.

The Governing Body, which has ultimate responsibility for managing any risks faced by the College, has reviewed the processes in place for managing risk and the principal identified risks to which the College and its subsidiaries are exposed and has concluded that adequate systems are in place to manage these risks.

6. OBJECTIVES for 2021/22

The College will continue to aim for excellent standards in learning, teaching and research in the academic year 2021/22. Major projects will include:

- Implementation of a newly agreed Strategic Plan for 2021-31
- Continuing the implementation of the 2018-23 Outreach Strategy
- Implementation of proposals in the Masterplan under the College's Strategic Plan
- Refurbishments of College buildings, facilities and student accommodation
- Planning for a major new fundraising campaign
- Continued expansion of The Oxford Science Park.

MEMBERSHIP 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 detailed below.

President (Ms D.G.L. Rose)	Appointed 1/09/2020	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
President (Prof. Sir David Clary FRS)	Retired 31/08/2020										
Vice-President (Prof. K.D. Grevling)		(1)	(2)		(4)	(5)			(8)	(9)	(10)
Achtnich, Dr M.	Term ended 30/09/2020										
Adams-Prassl, Prof. J.F.B.B.		(1)					(6)				
Allen, Mr W.L.	Term ended 30/09/2020										
Andries, Dr A.H.E.	Term ended 30/09/2020 Suspension of Fellowship by Examination 01/09/2020-31/08/2021										
Ardavan, Prof. A.		(1)									
Bagshaw, Prof. R.M.	Leave of Absence Academic Year 2020-2021	(1)									
Barr, Prof. G.D.		(1)									
Barracough, Prof T.G.		(1)									
Berestycki, Prof. J.	Leave of Absence Trinity Term 2021 and Michaelmas Term 2021	(1)	(2)								
Billingham, Dr P.D.		(1)									
Blandford-Baker, Mr. M.R.	Resigned 30/09/2021	(1)					(6)				(10)
Bolorinos Allard, Dr E.N.											
Booth, Prof. M.L.											
Boubert, Dr D.P.	Term ended 30/09/2020										

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2021

Bowes, Prof. L.N.		(1)					(6)				
Bowyer, The Rev'd Dr A.D.		(1)				(5)					
Bridson, Prof. M.R.			(2)					(7)			
Budelmann, Prof. F.J.	Leave of Absence Michaelmas Term 2020 Resigned 30/09/2021	(1)									
Cai, Dr. K.	Appointed 1/10/2020 Maternity Leave 10/03/2021- 10/12/2021										
Castle, Dr. J.L.		(1)	(2)	(3)							
Cattaneo, M											
Clark, Prof. D.M.											
Cleveland, Prof. R.O.		(1)	(2)								
Conde, Dr. J-C.	Resigned 30/09/2021 Leave of Absence Hilary Term 2021	(1)									
Cornall, Prof. R.J.											
Coussios, Prof. C-C.											
Dolan, Prof. L.	Resigned 30/09/2020										
Donohoe, Prof. T.J.	Leave of Absence Michaelmas Term 2020	(1)					(6)				
Dorst, Dr. K.M.	Resigned 31/12/2020										
Douglas-Fairhurst, Prof. R.J.		(1)									(10)
Due, Dr. R.		(1)									
Ebner, Mrs. H.L.	Resigned 31/07/2021				(4)						
Elbourne, Prof P.D.		(1)							(8)		
Etheridge, Prof. A.M.											
Fortunato, Prof. L.		(1)									

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2021

Garland, Prof. C.J.		(1)							(8)		(10)
Garrod, Prof. R.S.S.		(1)							(8)	(9)	
Gilbert, Revd Prof. R.J.C.		(1)				(5)					
Gilson, Prof. S.A.											
Gingrich, Prof. J.		(1)	(2)	(3)	(4)			(7)			
Goodwin, Prof. S.F.	Leave of Absence Michaelmas Term 2020	(1)									
Gregg, Prof. J.F.		(1)	(2)								
Harris, Prof. C.E.		(1)								(9)	
Hill, Prof. A.V.S.											
Horobin, Prof. S.C.P.	Leave of Absence Michaelmas Term 2021	(1)									
Karenowska, Dr A D.											
Kristensen, Prof. J.		(1)									
Kröning, Prof. D.H.F.	Resigned 1/08/2020						(6)				
Larsen, Dr. S.R.	Appointed 1/10/2020										
Leitmeir, Dr. C.T.		(1)				(5)			(8)		
Lifschitz, Prof. A.S.	Leave of Absence Academic Year 2020- 2021, Michaelmas Term 2021	(1)									
Mackenzie, Prof. S.R.	Leave of Absence Academic Year 2020- 2021	(1)	(2)	(3)	(4)						
Magidor, Prof O.											
Maguire, Prof. L.E.	Resigned 30/09/2021	(1)									
Maw, Mr. J.R.H.		(1)		(3)	(4)		(6)	(7)			
Miesenböck, Prof. G.											
Moreno, Dr. A.		(1)									
Nightingale, Prof. J.B.W.		(1)			(4)					(9)	

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Report of the Governing Body
Year ended 31 July 2021

Nizami, Dr. F.A.		(1)									
Norman, Dr. T.W.L.		(1)						(8)			
Park, Dr. H.											
Pfeffer, Dr. M.M.	Appointed 1/10/2020										
Pobjoy, Dr. M.P.		(1)					(6)				
Pooley, Prof. S.K.		(1)									
Qing, Dr. Y.	Appointed 1/10/2020										
Rainey, Mr S.F.	Appointed 09/08/2021				(4)						
Ray, Mr A.E.	Appointed 27/09/2021	(1)					(6)				(10)
Salow, Prof. B.J.		(1)									
Sampson, Prof. J.W.		(1)									(10)
Santhanam, Prof. R.	Leave of Absence Hilary Term 2021	(1)						(8)			
Sattentau, Prof. Q.J.	Leave of Absence Academic Year 2021-2022	(1)									
Shillito, Dr. A.P.											
Smith, Prof. J.A.C.	Leave of Absence Academic Year 2020-2021	(1)									
Stargardt, Prof. N.		(1)			(4)						
Sullivan, Prof. P.B.	Resigned 30/09/2021										
Turberfield, Prof. A.J.			(2)								
Whitehouse, Prof. H.								(8)			
Williams, Mr. M.T.		(1)			(4)	(5)					(10)
You, Prof. Z.		(1)					(6)			(9)	

During the year the activities of the Governing Body were carried out through several Standing Committees. The current membership of the main Committees is shown above for each Fellow. These Committees are

- (1) Tutorial Board
- (2) Bursarial Committee
- (3) Investment Committee
- (4) Development and Alumni Relations Committee
- (5) Chapel and Choir Committee
- (6) Human Resources Committee
- (7) Remuneration Committee
- (8) Fellowship Committee
- (9) Library and Archives Committee
- (10) House Committee

In addition, external members currently serve on College Committees as follows:

Bursarial Committee: MJ Bithell

Investment Committee: A Berman, G Bamert, J Bristow, E Davies, D Higgins, C Plowden, J Turner

Development and Alumni Relations Committee: J Cronin, S Haslam, K Hudson, R Leechman, J Turner

Remuneration Committee: D Black, E Doran, R Dunbar, J Palmer

COLLEGE ADVISERS

Investment managers

Cazenove Capital Management Ltd
1 London Wall Place
London EC2Y 5AU

Investment property managers

Savills
Wytham Court
11 West Way
Oxford OX2 0QL

Auditor

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Bankers

Nat West plc
Willow Court
Minns Business Park
7 West Way
Oxford OX2 0JB

Solicitors

Blake Morgan
Seacourt Tower
West Way
Oxford OX2 0FB

College address

High Street
Oxford
OX1 4AU

Website: www.magd.ox.ac.uk

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.

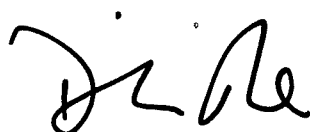
Charity law requires the Governing Body to prepare financial statements for each financial year. Under that law the Governing Body have prepared the financial statements in accordance United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including 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; and
- 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 1st December 2021 and signed on its behalf by:



Ms D.G.L. Rose
President

MAGDALEN COLLEGE

Independent Auditor's Report to Members of the Governing Body of Magdalen College

Opinion

We have audited the financial statements of Magdalen College for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the of the College's and the group's affairs as at 31 July 2021, and of the incoming resources of the group and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 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 trustees' 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 twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Members of the Governing Body's Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of the Members of Governing Body

As explained more fully in the Members of the Governing Body's responsibilities statement set out on page 18, the trustees 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 the Members of the Governing Body 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 regulations made under section 154 of that Act.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Members of the Governing Body.
- Conclude on the appropriateness of the Members of the Governing Body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in

our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

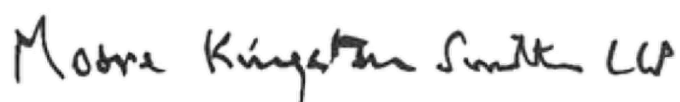
There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

MAGDALEN COLLEGE

Independent Auditor's Report to Members of the Governing Body of Magdalen College

Use of our report

This report is made solely to the Members of the charity's Governing Body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the 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 any party other than the charity and the Members of the Governing Body as a body, for our audit work, for this report, or for the opinion we have formed.



Moore Kingston Smith LLP
Statutory Auditor

Date: 2 December 2021

Devonshire House
60 Goswell Road
London
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as 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 comprising for the College and its subsidiary and associated undertakings: The Oxford Science Park Limited, Magdalen Development Company Limited, Magdalen College Trading Limited, Magdalen College Educational Conferences Limited and Magdalen College Development Trust. 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. A summary of the results and financial position of the charity and each of its subsidiaries for the reporting year are disclosed in note 12.

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 Members of the Governing Body have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the College to continue as a going concern, including the impact of the current COVID-19 emergency. The College has prepared cash flow and other forecasts, taking into account the potential pressures on income, which confirm the College will have sufficient liquidity to operate for at least the next twelve months from the date of approval of these financial statements. The College therefore continues to adopt the going concern basis in preparing its financial statements.

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 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.

Before legacies are recognised in the financial statements, the Governing Body has to exercise judgement as to what constitutes sufficient evidence of entitlement to the bequest. Sufficient entitlement exists once notification of payment has been received from the executor(s) of the estate or estate accounts are available which indicate there are sufficient funds in the estate after meeting liabilities for the bequest to be paid.

In calculating the amount of the defined benefit pension liability, the amount of the provision is based on a number of actuarial assumptions. These reflect the advice of the actuaries appointed by the trustees of each pension scheme. The level of future contributions to the USS pension scheme is currently subject to consultation and agreement and there is resulting uncertainty around the level of the pension provision in the financial statements. The College has relied on the fact that the University has concluded that, based on available information, the current schedule of contributions upon which the provision is based is the correct one to use. The pension deficits recorded are dependent on estimates of future employment patterns and interest rates. The effects of changes to these assumptions are shown in note 22.

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 (OFS) support and other charges for services

Fees receivable, OFS 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. 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.

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 on the date the share interest becomes ex-dividend or when the right to the dividend 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 including scholarships, bursaries and other allowances 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 include 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.

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

6. Leases

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 £50,000 together with expenditure on equipment costing more than £1,500 and IT equipment costing more than £500 is capitalised and carried in the balance sheet at historical cost.

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 its subsidiaries 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
Equipment	3 - 10 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. Heritage Assets

The College does not consider that it holds any heritage assets that meet the definition of heritage assets under the SORP. It has substantial long held historic assets which are used in the course of its teaching and research activities. These collections include antiquities, works of art, tapestries, books and manuscripts, archives, silverware, furniture and sculptures. As these assets are in regular use to support the main objects of the College, they are regarded as functional rather than heritage assets. The college has taken advantage of the exemption within FRS 102 not to disclose transactions before 1 January 2015 as obtaining fair values for these assets would be impracticable and the cost of obtaining such valuations would outweigh the benefits to the users of these financial statements. From time to time, the College receives papers and manuscripts but these have not been accorded a value in the financial statements due to the difficulty in ascertaining a fair value.

10. 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 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.

11. Stocks

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

12. Foreign Currencies

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

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

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

13. Total Return Investment Accounting

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

14. Fund Accounting

The total funds of the College and its subsidiaries 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 that the capital be maintained and the income used for specific purposes.

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

Expendable endowment funds are similar to permanent endowment in that they have been given, or the College has determined based on the circumstances in which 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

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control such as Universities Superannuation Scheme and OSPS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the

contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The Trustees are satisfied that USS and OSPS meet the definition of a multi-employer scheme and the College has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

The College also operates a closed defined benefit pension scheme, the Magdalen College Retirement Benefits Scheme. The cost of this scheme is accounted for in accordance with the requirements of FRS 102.

Magdalen College
Consolidated Statement of Financial Activities
For the year ended 31 July 2021

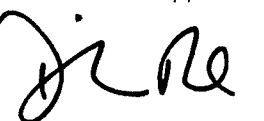
		Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2021 Total £'000	2020 (Restated) Total £'000
	Notes					
INCOME FROM:						
Charitable activities:	1					
Teaching, research and residential		5,839	1	-	5,841	5,481
Public worship		13	-	-	13	12
Heritage		79	-	-	79	193
Other Trading Income	3	266	-	-	266	488
Donations and legacies	2	493	905	888	2,286	1,628
Investments						
Investment income	4	3	-	11,536	11,539	11,276
Total return allocated to income	13	7,984	(319)	(7,664)	-	-
Other income		280	-	-	280	532
Total income		14,957	587	4,760	20,304	19,610
EXPENDITURE ON:						
	5					
Charitable activities:						
Teaching, research and residential		12,820	572	874	14,266	12,073
Public worship		587	-	-	587	547
Heritage		55	-	-	55	195
Generating funds:						
Fundraising		637	-	-	637	654
Trading expenditure		13	-	-	13	493
Investment management costs		0	-	5,937	5,937	5,643
Total Expenditure		14,112	572	6,811	21,495	19,605
Net Income/(Expenditure) before gains		845	15	(2,051)	(1,191)	5
Net gains on investments	10, 11	(123)	-	326,995	326,872	9,926
Net Income/(Expenditure)		722	15	324,944	325,681	9,931
Transfers between funds	18	(4,535)	168	4,367	-	-
Net movement in funds for the year		(3,813)	183	329,311	325,681	9,931
Fund balances brought forward	18	35,324	2,205	304,505	342,033	332,102
Funds carried forward at 31 July		31,511	2,388	633,816	667,715	342,033

Magdalen College
Consolidated and College Balance Sheets
As at 31 July 2021

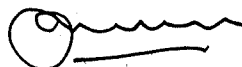
	Notes	2021 Group £'000	2020 Group £'000	2021 College £'000	2020 College £'000
FIXED ASSETS					
Tangible assets	9	34,971	32,718	30,767	30,270
Property investments	10	423,365	147,691	342,330	101,255
Other Investments	11	235,291	188,041	245,301	198,051
Total Fixed Assets		693,627	368,450	618,398	329,576
CURRENT ASSETS					
Stocks		1,010	992	1,000	986
Debtors	14	4,000	4,233	19,595	22,122
Investments		3,541	28	3,541	28
Cash at bank and in hand	25	9,997	6,603	8,592	1,848
Total Current Assets		18,548	11,856	32,728	24,984
LIABILITIES					
Creditors: Amounts falling due within one year	15	11,768	5,613	7,924	2,759
NET CURRENT ASSETS		6,780	6,243	24,804	22,225
TOTAL ASSETS LESS CURRENT LIABILITIES		700,407	374,693	643,202	351,801
CREDITORS: falling due after more than one year	16	30,000	30,000	30,000	30,000
NET ASSETS BEFORE PENSION ASSET OR LIABILITY		670,407	344,693	613,202	321,801
Defined benefit pension scheme liability	17	2,692	2,660	2,565	2,479
TOTAL NET ASSETS		667,715	342,033	610,637	319,322
FUNDS OF THE COLLEGE					
Endowment funds	19	633,816	304,505	576,913	281,443
Restricted funds		2,388	2,205	2,388	2,205
Unrestricted funds					
Designated funds		31,048	35,885	31,048	35,885
General funds		3,028	1,918	2,852	2,269
Pension reserve	22	(2,565)	(2,479)	(2,565)	(2,479)
		667,715	342,033	610,637	319,322

The financial statements were approved and authorised for issue by the Governing Body of Magdalen College on 1st December 2021

President:



Bursar:



Magdalen College
Consolidated Statement of Cash Flows
For the year ended 31 July 2021

	Notes	2021 £'000	2020 £'000
Net cash (used in) / provided by operating activities	24	(5,383)	(2,428)
Cash flows from investing activities			
Dividends, interest and rents from investments		5,602	2,766
Proceeds from the sale of property, plant and equipment		9	
Purchase of property, plant and equipment		(3,826)	(10,251)
Proceeds from sale of investments		5,225	14,486
Purchase of investments		(3,951)	(4,659)
Net cash provided by investing activities		3,060	2,342
Cash flows from financing activities			
Repayments of borrowing		-	-
Cash inflows from new borrowing		5,000	-
Receipt of endowment		888	581
Net cash provided by (used in) financing activities		5,888	581
Change in cash and cash equivalents in the reporting period		3,565	495
Cash and cash equivalents at the beginning of the reporting period		6,603	6,108
Change in cash and cash equivalents due to exchange rate movements		(170)	-
Cash and cash equivalents at the end of the reporting period	25	9,997	6,603

Notes to the financial statements
For the year ended 31 July 2021

1 INCOME FROM CHARITABLE ACTIVITIES

	2021 £'000	2020 £'000
Teaching, Research and Residential		
<i>Unrestricted funds</i>		
Tuition fees - UK and EU students	1,703	2,264
Tuition fees - Overseas students	1,126	497
Other fees	110	100
Other HEFCE support	365	311
Other academic income	21	25
College residential income	2,514	2,284
Total Teaching, Research and Residential	5,841	5,481
Public worship		
<i>Unrestricted funds</i>		
Choir school fees	-	
Sundry income	13	12
Total Public worship	13	12
Heritage		
<i>Unrestricted funds</i>		
Heritage Income	79	193
Other charitable income	-	-
Total Heritage	79	193
Total income from charitable activities	5,933	5,686

The above analysis includes £3,193,000 received from Oxford University from publicly accountable funds under the CFF Scheme (2020: £3,071,400).

2 DONATIONS AND LEGACIES

	2021 £'000	2020 £'000
Unrestricted funds	493	260
Restricted funds	905	787
Endowed funds	888	581
	2,286	1,628

3 INCOME FROM OTHER TRADING ACTIVITIES

	2021 £'000	2020 £'000
Subsidiary company trading income	166	495
Other trading income	100	(7)
	266	488

4 INVESTMENT INCOME

	2021 £'000	2020 £'000
<i>Unrestricted funds</i>		
Equity dividends	-	32
Bank and other interest	3	16
	3	48
<i>Restricted funds</i>		
Equity dividends	-	1
	-	1
<i>Endowed funds</i>		
Agricultural rent	284	307
Commercial rent	845	876
Other property income	9,851	8,887
Equity dividends	531	1,057
Interest on fixed term deposits and cash	2	91
Other investment income	23	4
Bank and other interest	0	5
	11,536	11,227
Total Investment income	11,539	11,276

5 ANALYSIS OF EXPENDITURE

	2021 £'000	2020 £'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	7,049	5,359
Public worship	222	220
Heritage	11	107
Other direct costs allocated to:		
Teaching, research and residential	5,049	4,855
Public worship	348	283
Heritage	44	60
Support and governance costs allocated to:		
Teaching, research and residential	2,168	1,860
Public worship	17	44
Heritage	-	28
Total charitable expenditure	14,908	12,815
Expenditure on raising funds		
Direct staff costs allocated to:		
Fundraising	469	454
Trading expenditure	-	305
Investment management costs	1,011	938
Other direct costs allocated to:		
Fundraising	148	107
Trading expenditure	9	18
Investment management costs	3,425	3,251
Support and governance costs allocated to:		
Fundraising	20	93
Trading expenditure	4	170
Investment management costs	1,501	1,454
Total expenditure on raising funds	6,587	6,790
Total expenditure	21,495	19,605

In 2020, expenditure of £19.605m represented £12.928m from unrestricted funds, £0.356m from restricted funds and £6.321m from endowed funds.

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

The teaching and research costs include College Contribution payable of £309,422 (2020 - £256,187).

Included within expenditure are:

	2021 Total £'000	2020 Total £'000
Impairment charges	-	-
Stock recognised as an expense in the year	-	305
Operating lease payments	17	18
Foreign exchange losses	-	-
	-	-

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2021 Total £'000
Financial administration	402	471	-	-	873
Domestic administration	-	356	-	-	356
Human resources	-	124	-	-	124
IT	17	215	-	-	232
Governance	13	28	-	-	41
The Oxford Science Park	-	-	-	-	-
Depreciation	88	924	17	-	1,029
Loss/(profit) on fixed asset disposals	-	(9)	-	-	(9)
Loan interest payable	995	-	-	-	995
Other finance charges	10	59	-	-	69
	1,525	2,168	17	-	3,710

Support and governance costs for the prior year were:

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2020 Total £'000
Financial and domestic administration	260	313	12	11	596
Domestic Administration	119	175	-	12	306
Human resources	16	155	18	-	189
IT	50	167	5	-	222
Governance	2	41	-	-	43
Depreciation	5	908	9	5	927
Loss/(profit) on fixed assets	94	-	-	-	94
Loan interest payable	1,037	-	-	-	1,037
Other finance charges	134	101	-	-	235
	1,717	1,860	44	28	3,649

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

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

Governance costs are allocated based on an assessment of time taken.

	2021 £'000	2020 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	35	29
Auditor's remuneration - assurance services other than audit	-	-
Auditor's remuneration - tax advisory services	0	14
Auditor's remuneration - other services	2	-
Legal and other fees on constitutional matters	-	-
Other governance costs	3	-
	41	43

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

7 GRANTS AND AWARDS

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

	2021 £'000	2020 £'000
Unrestricted funds		
Grants to individuals:		
Scholarships, prizes and grants	133	121
Bursaries and hardship awards	8	48
Grants to other institutions	205	191
Total unrestricted	346	360

Notes to the financial statements
For the year ended 31 July 2021

Restricted funds

Grants to individuals:

Scholarships, prizes and grants
Bursaries and hardship awards

427 52
640 64

Total restricted

1,066 116

Total grants and awards

1,412 476

The figures for grants and awards include the cost to the College of the Oxford Bursary scheme. Students of this college received £233,522 (2020 - £149,300).

The above costs are included within the charitable expenditure on Teaching and Research. Grants to other institutions within Unrestricted Funds comprise payments to Magdalen College School, Oxford of £205,184, as a contribution towards the education of 16 choristers (2020 - £190,600). This sum is included within charitable expenditure on Public Worship.

8 STAFF COSTS

The aggregate staff costs for the year were as follows.

2021 2020
£'000 £'000

Salaries and wages
Social security costs
Pension costs:
Defined contribution schemes
Defined benefit schemes
Other benefits

7,270 6,867
654 629
171 185
1,029 747
701
9,825 8,428

Key management remuneration

Key management are considered to be the President, the Vice-President, Senior Tutor, Bursar, Home Bursar and Development Director. Their total remuneration including National Insurance costs amounted to £747,000 (2020 - £653,400).

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

2021 2020

Tuition and research
College residential
Public worship
Heritage
Fundraising
Trading
Support

25 22
85 84
4 3
- -
7 8
- -
18 17

Total

139 134

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

Tutorial Fellowship (University)
Tutorial Fellowship (College)
Other teaching and research
Other

25 23
13 11
16 20
4 5

Total

58 59

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

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

2021 2020

£60,001 - £70,000
£70,001 - £80,000
£120,000 - £130,000

2 2
1 -
- 1

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

In defined benefits schemes
In defined contribution schemes

- -
3 3

9 TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At start of year	37,719	6,222	43,941
Additions	4,522	1,099	5,620
Transfers to property investments	(1,639)	-	(1,639)
Disposals	-	9	9
At end of year	40,602	7,330	47,931
Depreciation			
At start of year	8,110	3,112	11,223
Depreciation charge for the year	642	1,095	1,738
At end of year	8,753	4,207	12,960
Net book value			
At end of year	31,849	3,122	34,971
At start of year	29,609	3,110	32,718
College			
	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At start of year	35,132	5,839	40,971
Additions	1,719	444	2,162
Disposals	-	9	9
At end of year	36,851	6,292	43,142
Depreciation			
At start of year	8,110	2,591	10,701
Charge for the year	642	1,032	1,674
At end of year	8,753	3,623	12,375
Net book value			
At end of year	28,098	2,669	30,767
At start of year	27,022	3,248	30,270

The College has substantial long held historic assets which are used in the course of its teaching and research activities. These collections include antiquities, works of art, tapestries, books and manuscripts, archives, silverware, furniture and sculptures. They date from the early medieval period to the present day. Many are unique to the College, being either commissioned by the College or donated. They are appropriately preserved, conserved and catalogued, through a continuous and evolving process. The College employs two archivists, and is a member of the Oxford Colleges Conservation Consortium. These historic assets were appraised by Sotheby's in March 2015 and are insured through an appropriate policy. Access to such assets by visiting researchers is permitted by appointment. All such assets are held at cost less depreciation, where relevant. The majority of these historic assets have been held for many years and accurate historic cost information is not available for these assets. However, the trustees consider that their historical cost less depreciation would not be material. As these assets are in regular use to support the main objects of the College, they are regarded as functional rather than heritage assets.

Some of the more recent acquisitions have been capitalised in accordance with the College's accounting policies and are included within Tangible Fixed Assets under the heading "Fixtures, fittings and equipment". There have been no disposals of heritage assets in recent years.

The college has taken advantage of the exemption within FRS 102 not to disclose transactions before 1 January 2015 as obtaining fair values for these assets would be impracticable and the cost of obtaining such valuations would outweigh the benefits to the users of these financial statements.

10 PROPERTY INVESTMENTS

Group	Agricultural £'000	Commercial £'000	Other £'000	2021 Total £'000	2020 Total £'000
Valuation at start of year	18,998	122,576	6,118	147,692	127,058
Additions and improvements at cost	19	376	-	396	1,966
Transfers from fixed assets	-	1,639	-	1,639	8,896
Disposals	-	-	(577)	(577)	(1,120)
Revaluation gains/(losses) in the year	6,636	267,319	260	274,214	10,891
Valuation at end of year	25,653	391,911	5,801	423,365	147,691

Notes to the financial statements
For the year ended 31 July 2021

College	Agricultural £'000	Commercial £'000	Other £'000	2021 Total £'000	2020 Total £'000
Valuation at start of year	18,998	76,139	6,118	101,255	96,264
Additions and improvements at cost	19	376	-	396	1,966
Disposals	-	-	(577)	(577)	(1,120)
Revaluation gains/(losses) in the year	6,636	234,361	260	241,256	4,145
Valuation at end of year	25,653	310,876	5,801	342,330	101,255

A formal valuation of the agricultural, commercial and other properties was prepared by the College's Estate Managers, Savills, at 31 July 2021.

A formal valuation of the Oxford Science Park was prepared by Cushman and Wakefield, a RICS registered firm, at 31 July 2021, in accordance with the RICS Valuation – Global Standards effective from 31 January 2020.

11 OTHER INVESTMENTS

All investments are held at fair value.

	2021 £'000	2020 £'000
Group investments		
Valuation at start of year	188,041	199,730
New money invested	3,024	1,642
Amounts withdrawn	(8,986)	(12,412)
Reinvested income	531	1,051
Investment management fees	(270)	(494)
(Decrease)/increase in value of investments	52,951	(1,476)
Group investments at end of year	235,291	188,041
Investment in subsidiaries	10,010	10,010
College investments at end of year	245,301	198,051

Group investments comprise:	Held outside the UK £'000	Held in the UK £'000	2021 Total £'000	Held outside the UK £'000	Held in the UK £'000	2020 Total £'000
Equity investments	-	216,080	216,080	-	168,776	168,776
Alternative and other investments	13,758	5,137	18,895	11,694	2,983	14,677
Fixed term deposits and cash	-	317	317	-	4,588	4,588
Total group investments	13,758	221,533	235,291	11,694	176,347	188,041

12 PARENT AND SUBSIDIARY UNDERTAKINGS

The financial statements consolidate the accounts of Magdalen College and the following bodies:

The Oxford Science Park Limited	A wholly owned trading subsidiary whose principal activity is the development and management of the Oxford Science Park. It operates under licence from Magdalen College.
Magdalen College Trading Limited	A wholly owned trading subsidiary whose activities make use of college facilities and include the provision of accommodation for old members of college, the provision of conference facilities and the operation of a visitor scheme.
Magdalen College Educational Conferences Limited	A company limited by guarantee whose principal activity is to provide conference facilities at Magdalen College.
Magdalen College Development Trust	A charitable trust (number 273860) established primarily as a fundraising body to meet the needs of the College and to support the College on fundraising strategy, projects and execution.
Magdalen Development Company Limited	A wholly owned subsidiary engaged in property development activities.

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

	Parent College £'000	The Oxford Science Park Limited £'000	Magdalen College Trading Limited £'000	Magdalen College Educational Conferences Limited £'000	Magdalen College Development Trust £'000	Magdalen Development Company Limited £'000
Income	15,194	9,448	289	72	2,290	195
Expenditure	(17,419)	(8,569)	(134)	(72)	(2,290)	(195)
Result for the year	(2,225)	880	155	(0)	0	(0)
Distribution to College under gift aid	155	-	(155)	-	-	-
Movement in reserves	(2,071)	880	-	(0)	0	(0)
Total assets	651,126	88,845	165	11	24	9
Total liabilities	(40,489)	(21,932)	(11)	(11)	(4)	(9)
Net funds at the end of year	610,638	66,912	155	1	20	-

13 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns with effect from 31 July 2003. The investment return to be applied as income is calculated as 3.5% (2020: 3.5%) of the average of the year-end values of the relevant investments in each of the last 5 years. The preserved (frozen) value of the invested endowment capital represents its open market value at 31 July 2003 together with all subsequent endowments valued at date of gift.

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
At 1 August 2020:					
Gift component of the permanent endowment	6,580.50		6,581		6,581
Unapplied total return		3,791	3,791		3,791
Expendable endowment				294,134	294,134
Total Endowments	6,581	3,791	10,371	294,134	304,505
Movements in the reporting period:					
Gift of endowment funds	1		1	885	886
Investment return: total investment income		88	88	11,448	11,536
Investment return: realised & unrealised gains and losses		2,671	2,671	324,324	326,995
Less: Investment management costs		(26)	(26)	(5,910)	(5,936)
Other transfers		413	413	3,080	3,493
Total	1	3,146	3,147	333,828	336,974
Unapplied total return allocated to income in the reporting period		(226)	(226)		(226)
Expendable endowments transferred to income			-	(7,438)	(7,438)
	-	(226)	(226)	(7,438)	(7,664)
Net movements in reporting period	1	2,919	2,920	326,390	329,310
At 31 July 2021:			-		
Gift component of the permanent endowment	6,582		6,582		6,582
Unapplied total return		6,710	6,710		6,710
Expendable endowment				620,524	620,524
Total Endowments	6,582	6,710	13,292	620,524	633,816

The total return for the prior year was as follows:

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
At 1 August 2019:					
Gift component of the permanent endowment	6,579		6,579		6,579
Unapplied total return		4,371	4,371		4,371
Expendable endowment				285,065	285,065
Total Endowments	6,579	4,371	10,950	285,065	296,015
Movements in the reporting period:					
Gift of endowment funds	3		3	577	581
Investment return: total investment income		134	134	2,584	2,717
Investment return: net trading income			-	4,963	4,963
Investment return: realised & unrealised gains and losses		(410)	(410)	10,335	9,925
Less: Investment management costs		(87)	(87)	(711)	(798)
Other transfers		(32)	(32)	(1,855)	(1,887)
Total	3	(396)	(393)	15,915	15,524
Unapplied total return allocated to income in the reporting period		(273)	(273)		(273)
Expendable endowments transferred to income			-	(6,736)	(6,736)
	-	(273)	(273)	(6,736)	(7,009)
Net movements in reporting period	3	(669)	(666)	9,179	8,515
At 31 July 2020:			-		
Gift component of the permanent endowment	6,582		6,582		6,582
Unapplied total return		3,702	3,702		3,702
Expendable endowment				294,221	294,221
Total Endowments	6,582	3,702	10,284	294,221	304,505

Notes to the financial statements
For the year ended 31 July 2021

14 DEBTORS

	2021 Group £'000	2020 Group £'000	2021 College £'000	2020 College £'000
Amounts falling due within one year:				
Trade debtors	726	425	245	386
Amounts owed by College members	14	31	14	31
Amounts owed by Group undertakings	-	-	529	2,662
Loans repayable within one year	244	239	244	239
Prepayments and accrued income	584	996	59	344
Taxation and social security	-	-	-	-
Other debtors	923	724	679	473
Amounts falling due after more than one year:				
Amounts outstanding under lease incentive arrangements	1,510	1,818	402	564
Loan to group undertaking	-	-	17,423	17,423
	4,000	4,233	19,595	22,122

15 CREDITORS: falling due within one year

	2021 Group £'000	2020 Group £'000	2021 College £'000	2020 College £'000
Bank overdrafts	-	-	-	-
Bank loans	5,000	-	5,000	-
Trade creditors	1,233	799	405	402
Amounts owed to College Members	63	46	63	47
Amounts owed to Group undertakings	-	-	-	-
Taxation and social security	293	141	55	141
College contribution	-	-	-	-
Accruals and deferred income	3,154	3,388	1,129	930
Other creditors	2,025	1,239	1,272	1,239
	11,768	5,613	7,924	2,759

16 CREDITORS: falling due after more than one year

	2021 Group £'000	2020 Group £'000	2021 College £'000	2020 College £'000
Fixed rate loan	30,000	30,000	30,000	30,000
	30,000	30,000	30,000	30,000

The College entered into a private placement of £30 million in unsecured fixed rate loan notes with a single institutional investor in September 2015, which have an average term of 25 years and an average coupon of 3.32%.

Unamortised issue costs of £122,851 are included within Other Debtors.

17 DEFINED BENEFIT PENSION SCHEME LIABILITY

	2021 Group £'000	2020 Group £'000	2021 College £'000	2020 College £'000
At start of year	2,660	3,574	2,479	3,423
Charged in the Statement of Financial Activities	32	(914)	86	(944)
Settled in the year	-	-	-	-
At end of year	2,692	2,660	2,565	2,479

The College is a member of the Universities Superannuation Scheme (USS) and University of Oxford Staff Pension Scheme (OSPS). The Oxford Science Park Limited is a member of 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 estimated that salary expense will increase at 4% p.a. and the liability is discounted at a high quality corporate bond rate of 0.89% (2020: 0.63% for USS, 0.74% for OSPS). A sensitivity analysis to changes in salary and discount rate changes is shown in note 22.

Prior to 1 October 2005, staff were able to accrue benefits for service in the Magdalen College Staff Retirement Benefits Scheme (the SRBS). All members of staff were offered the opportunity to join OSPS with effect from 1 October 2005 in order to secure benefits for service from that date. Staff were no longer able to accrue benefits in SRBS after 30 September 2005. At 31 July 2021, as a result of making a significant contribution in 2015/16, the scheme was in surplus.

18 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2021 £'000
Endowment Funds - Permanent						
Permanent Endowment Funds	10,371	91	(105)	265	2,671	13,292
Endowment Funds - Expendable						
General Endowment Fund	214,430	5,924	(1,763)	(6,806)	275,915	487,700
Specific Endowment Funds	56,642	1,044	(882)	3,667	15,451	75,922
Total Endowment Funds - College	281,443	7,058	(2,750)	(2,874)	294,037	576,913
Endowment funds held by subsidiaries	23,062	5,366	(4,060)	(424)	32,958	56,902
Total Endowment Funds - Group	304,505	12,424	(6,809)	(3,299)	326,995	633,816
Restricted Funds						
Restricted Funds	2,205	907	(572)	(152)	-	2,388
Total Restricted Funds - College	2,205	907	(572)	(152)	-	2,388
Restricted funds held by subsidiaries	-	0	(0)	-	-	0
Total Restricted Funds - Group	2,205	907	(572)	(152)	-	2,388
Unrestricted Funds						
Designated Reserves - Fixed Assets	30,270	-	-	497	-	30,767
Designated Reserves - Other	5,615	-	(0)	(5,334)	-	281
General Reserve	2,269	7,229	(14,097)	7,316	135	2,852
Pension Reserve	(2,479)	-	-	(86)	-	(2,565)
Total Unrestricted Funds - College	35,675	7,229	(14,097)	2,394	135	31,336
Unrestricted funds held by subsidiaries	(351)	(255)	(16)	1,057	(258)	175
Total Unrestricted Funds - Group	35,324	6,973	(14,114)	3,450	(123)	31,511
Total Funds	342,033	20,304	(21,495)	-	326,872	667,715

The movement in funds for the prior year was as follows:

	At 1 August 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2020 £'000
Endowment Funds - Permanent						
Permanent Endowment Funds	10,949	136	(119)	(186)	(409)	10,371
Endowment Funds - Expendable						
General Endowment Fund	212,344	6,146	(1,450)	(6,185)	3,575	214,430
Specific Endowment Funds	57,193	951	(878)	(638)	14	56,642
Total Endowment Funds - College	280,486	7,233	(2,447)	(7,009)	3,180	281,443
Endowment funds held by subsidiaries	15,529	4,662	(3,874)	-	6,745	23,062
Total Endowment Funds - Group	296,015	11,895	(6,321)	(7,009)	9,925	304,505
Restricted Funds						
Restricted Funds	2,049	793	(356)	(281)	-	2,205
Total Restricted Funds - College	2,049	793	(356)	(281)	-	2,205
Restricted funds held by subsidiaries						
Total Restricted Funds - Group	2,049	793	(356)	(281)	-	2,205
Unrestricted Funds						
Designated Reserves - Fixed Assets	28,473	-	-	1,797	-	30,270
Designated Reserves - Other	5,749	30	(86)	(79)	1	5,615
General Reserve	3,575	6,634	(13,512)	5,572	-	2,269
Pension Reserve	(3,423)	-	944	-	-	(2,479)
Total Unrestricted Funds - College	34,374	6,664	(12,654)	7,290	1	35,675
Unrestricted funds held by subsidiaries	(335)	258	(274)			(351)
Total Unrestricted Funds - Group	34,039	6,922	(12,928)	7,290	1	35,324
Total Funds	332,102	19,610	(19,605)	-	9,926	342,033

19 FUNDS OF THE COLLEGE

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

Endowment Funds - Permanent

Permanent Endowment Funds

Donations where related income, but not the original capital, can be used for restricted purposes of the College.

Endowment Funds - Expendable:

General Endowment Fund

Donations and past capitalisation of income where either income, or income and capital, can be used for the general purposes of the College.

Specific Endowment Funds

Donations and past capitalisations of income where either income, or income and capital, can be used for restricted purposes of the College.

Restricted Funds:

Restricted Funds

Revenue gifts given for restricted purposes.

Unrestricted Funds:

Designated Funds

Unrestricted funds allocated by the Fellows for designated future purposes including the Fixed Asset Fund which is represented by the net book value of freehold land and buildings and fixture, fittings and equipment of the College.

General Unrestricted Funds

Accumulated income from the College's activities and other sources that are available for the general purposes of the College.

Specific endowments include funds valued at £1.0m which provide income for purposes that lie outside the objects of the College. Income arising amounted to £3,849.

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2021 Total £'000
Tangible fixed assets	30,767	-	4,204	34,971
Property investments	-	-	423,365	423,365
Other investments	-	-	235,291	235,291
Net current assets	3,309	2,388	1,083	6,780
Long term liabilities	-	-	(30,000)	(30,000)
Defined benefit pension scheme liability	(2,565)	-	(127)	(2,692)
	31,511	2,388	633,816	667,715
The analysis for the prior year was as follows:				
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2020 Total £'000
Tangible fixed assets	29,641	-	3,077	32,718
Property investments	-	-	147,691	147,691
Other investments	4,123	-	183,918	188,041
Net current assets	4,038	2,205	-	6,243
Long term liabilities	-	-	(30,000)	(30,000)
Defined benefit pension scheme liability	(2,479)	-	(181)	(2,660)
	35,323	2,205	304,505	342,033

21 TRUSTEES' REMUNERATION

The Trustees of the College comprise the permanent Governing Body Fellows.

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

Trustees of the college fall into the following categories:

Non Stipendiary (Professorial) Fellows

Tutorial Fellows

Fellows by Examination (Junior Research Fellows)

Full-time College Officers (President, Senior Tutor, Bursar, Home Bursar, Development Director, Dean of Divinity).

Trustees of the College who receive salaries for their work as employees are paid on external academic and academic-related scales and often under joint arrangements with the University of Oxford except that the pay of 4 full-time College Officers is decided by Governing Body. Additional stipends are paid to Fellows, including some non-stipendiary Fellows, who hold a position of part-time College Officer in addition to their academic work eg. Vice President, Senior and Junior Deans, Dean of Degrees, Tutor for Admissions, Tutor for Equality & Diversity and Widening Participation Fellow. These amounts are included in the gross remuneration figures below.

Remuneration is scrutinised by the Remuneration Committee who make recommendations to Governing Body on pay and benefits which are outside of external scales.

All trustees may eat at Common Table, free of charge.

All Official and Research Fellows are eligible for accommodation in college owned housing or a housing allowance. The values of these benefits are included within the remuneration figures below.

Remuneration paid to trustees

Range	Number of Trustees / Fellows	2021 Gross remuneration, taxable benefits and pension contributions £	Number of Trustees / Fellows	2020 Gross remuneration, taxable benefits and pension contributions £
£1-£999	1	333	1	333
£1,000-£1,999	1	1,000	1	1,000
£2,000-£2,999	1	2,806	1	2,000
£3,000-£3,999			1	3,206
£4,000-£4,999	1	4,294	1	4,778
£5,000-£5,999			1	5,528
£7,000-£7,999	1	7,792	1	7,805
£12,000-£12,999	1	12,190	5	63,343
£15,000-£15,999	2	30,670	-	-
£18,000-£18,999	1	18,846	-	-
£19,000-£19,999			1	19,478
£21,000-£21,999	3	63,482	-	-
£22,000-£22,999	1	22,200	-	-
£23,000-£23,999			1	23,588
£24,000-£24,999			1	24,569
£27,000-£27,999	1	27,204	1	27,204
£28,000-£28,999	2	56,841	6	170,528
£29,000-£29,999	1	29,716	1	29,381
£30,000-£30,999	11	338,635	11	338,633
£31,000-£31,999			1	31,855
£33,000-£33,999	1	33,785	1	33,785
£35,000-£35,999	1	35,365	1	35,365
£36,000-£36,999	1	36,785	1	36,785
£38,000-£38,999	2	77,509	2	77,511
£41,000-£41,999	2	82,962	1	41,737
£43,000-£43,999	1	43,867	-	-
£44,000-£44,999	3	134,204	-	-
£45,000-£45,999			1	45,553
£46,000-£46,999	1	46,754	1	46,754
£47,000-£47,999			1	47,145
£52,000-£52,999			1	52,145
£54,000-£54,999			1	54,497
£56,000-£56,999	1	56,551	1	56,521
£57,000-£57,999	1	57,283	1	57,283
£58,000-£58,999			1	58,849
£59,000-£59,999	1	59,667	-	-
£60,000-£60,999	1	60,065	-	-
£62,000-£62,999			1	62,521
£63,000-£63,999	1	63,667	1	63,319
£64,000-£64,999	1	64,610	-	-
£65,000-£65,999	5	326,712	5	326,552
£66,000-£66,999	1	66,097	-	-
£67,000-£67,999	1	67,690	-	-
£68,000-£68,999	1	68,189	-	-
£78,000-£78,999			1	78,911
£79,000-£79,999	1	79,550	1	79,448
£81,000-£81,999			1	81,442
£86,000-£86,999			1	86,284
£89,000-£89,999			1	89,469
£94,000-£94,999	1	94,280	-	-
£95,000-£95,999	1	95,281	-	-
£96,000-£96,999	2	192,804	3	288,976
£97,000-£97,999	1	97,486	-	-
£98,000-£98,999			1	98,857
£99,000-£99,999	1	99,401	-	-
£100,000-£100,999			1	100,902
£102,000-£102,999	1	102,402	-	-
£103,000-£103,999	1	103,513	-	-
£104,000-£104,999			1	104,258
£115,000-£115,999	1	115,045	-	-
£120,000-£120,999	1	120,501	-	-
£131,000-£131,999			1	131,276
£138,000-£138,999	1	138,819	-	-
	66	3,236,850	68	2,989,375

14 trustees of the college did not receive any remuneration.

Other transactions with trustees

Fellows also receive reimbursement of personal expenses necessarily incurred in connection with their services to the College as Trustees. During the year a total of £nil (2020 - £nil) was reimbursed to nil (2020 - nil) of the Trustees for travel expenses.

See also note 28 Related Party Transactions.

22 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). Staff employed at The Oxford Science Park Limited are members of OSPS. The assets of the schemes are each held in separate trustee-administered funds. USS and OSPS schemes are contributory mixed benefit schemes (i.e. they provide benefits on a defined benefit basis - based on length of service and pensionable salary and on a defined contribution basis - based on contributions into the scheme). Both are multi-employer schemes and the company 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, 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 FRS102 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:	31/03/2018	31/03/2019
Date valuation results published:	16/09/2019	16/06/2020
Value of liabilities:	£67.3bn	£848m
Value of assets:	£63.7bn	£735m
Funding surplus / (deficit):	(£3.6bn)	(£113m)
Principal assumptions:		
Discount Rate	CPI - 0.73% to CPI +2.52% (a)	Gilts +0.5%-2.25% (b)
Rate of increase in salaries	n/a	RPI
Rate of increase in pensions	CPI (c)	Average RPI/CPI (d)
Assumed life expectancies on retirement at age 65:		
Males currently aged 65	24.6 yrs	21.7 yrs
Females currently aged 65	26.1 yrs	24.4 yrs
Males currently aged 45	26.6 yrs	23.0 yrs
Females currently aged 45	27.9 yrs	25.8 yrs
Funding Ratios:		
Technical provisions basis	95%	1
Statutory Pension Protection Fund basis	76%	1
'Buyout' basis	56%	1
Employer contribution rate (as % of pensionable employment)	21.1% increasing to 23.7% on 1/10/21	0
Effective date of next valuation	31/03/2020	31/03/2022

- The discount rate (forward rates) for the USS valuation was:
 - Years 1-10: CPI + 0.14% reducing linearly to CPI - 0.73%
 - Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21
 - Years 21 +: CPI + 1.55%
- 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.
- Pensions increases (CPI) for the USS valuation were:
 - Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
- 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.
- 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 discount rate	Increase by 0.1%	Decrease by £1.2bn
Asset values	Reduce by 10%	Increase by £6.4bn
RPI - CPI spread	Increase by 0.1%	Decrease by £0.7bn
Rate of mortality	More prudent assumption (mortality rated down by a further year)	Increase by £1.6 bn

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

Deficit Recovery Plans

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

	2020/21		2019/20	
	USS	OSPS	USS	OSPS
Finish date for deficit recovery plan	31/03/2034	30/06/2027	31/03/2028	31/01/2028
Average staff number increase	1.00%	1.00%	1.00%	1.00%
Average staff salary increase	2.00%	2.00%	3.00%	3.00%
Average discount rate over period	1.60%	1.25%	0.63%	0.74%
Effect of 0.5% change in discount rate	£101,800	£29,500	£17,000	£12,300
Effect of 1% change in staff growth	£208,700	£101,000	£68,000	£81,100

A provision of £2.69m has been made at 31 July 2021 (2020: £2.66m) 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.

Closed Pension Scheme

Prior to 1 October 2005, staff were able to accrue benefits for service in the Magdalen College Staff Retirement Benefits Scheme (the SRBS). All members of staff were offered the opportunity to join OSPS with effect from 1 October 2005 in order to secure benefits for service from that date. Staff were no longer able to accrue benefits in SRBS after 30 September 2005. The SRBS provides benefits based on length of service and final pensionable salary. The assets of the SRBS are held in separate trustee-administered funds. The scheme is periodically valued by qualified actuaries using the projected unit method.

A full actuarial valuation was carried out at 31 July 2018 and updated to 31 July 2021 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

	2021 £'000	2020 £'000
Present value of funded obligations	(3,430)	(3,493)
Fair value of plan assets	3,796	3,824
Unrecognised surplus	366	331

Changes in the present value of the defined benefit obligation are as follows:

	2021 £'000	2020 £'000
Opening defined benefit obligation	(3,493)	(3,028)
Service cost	-	-
Interest cost	(55)	(66)
Employee contributions	-	-
Actuarial (loss)/gain	(21)	(430)
Benefits paid	139	31
Defined benefit obligation at end of year	(3,430)	(3,493)

Changes in the fair value of the scheme assets are as follows:

	2021 £'000	2020 £'000
Opening fair value of scheme assets	3,824	3,483
Expected return	60	76
Actuarial gain	51	296
Employer contributions	-	-
Employee contributions	-	-
Benefits paid	(139)	(31)
Fair value of scheme assets at the year end	3,796	3,824

Notes to the financial statements
For the year ended 31 July 2021

The actual return on the plan assets over the period ended 31 July 2021 was £111,000.

The amounts included within the Statement of Financial Activities are as follows:

	2021 £'000	2020 £'000
Current service cost	-	-
Expenses	-	-
Net interest cost	-	-
Losses (gains) on business combinations, settlements, curtailments and benefit changes	-	-
Total amount charged within net incoming / (outgoing) resources	-	-
Return on plan assets (excluding amounts included in net interest cost) - gain (loss)	51	296
Experience gains and losses arising on the plan liabilities - gain (loss)	39	16
Gain (loss) from changes in the demographic & financial assumptions underlying the present value of the plan liabilities	(60)	(446)
Gain (loss) from changes in the amount of surplus not recoverable (excluding amounts included in net interest cost)	(30)	134
Total amount credited to the Statement of Financial Activities	-	-

The major categories of scheme assets as a percentage of total Scheme assets are as follows:

	2021	2020
Phoenix Life / Scottish Mutual With-Profits Fund	100%	100%

None of the fair values of the assets shown above include any direct investments in the college's own financial instruments or any property occupied by, or other assets used by, the college.

The overall expected rate of return on the scheme

Principal assumptions at the balance sheet date

Discount rate	1.60%	1.60%
Price inflation - RPI	3.40%	3.10%
Price inflation - CPI	2.80%	2.50%
Allowance for revaluation of deferred pensions of CPI or 5% pa if less	2.80%	2.50%
Allowance for pension in payment increases of RPI	3.40%	3.10%
Allowance for commutation of pension for cash at retirement	na	na
Assumed life expectations on retirements age 65:		
Retiring today - males	21.9	21.9
Retiring today - females	23.9	23.9
Retiring in 20 years - males	23.6	23.6
Retiring in 20 years - females	25.7	25.7

The best estimate of contributions to be paid by the College to the scheme for the period commencing 1st August 2021 is nil. The cost of levies to the Pension Protection Fund and management and administration expenses are payable in addition by the College as and when they fall due.

Pension charge for the year - all schemes

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	2021 £'000	2020 £'000
Universities Superannuation Scheme	657	(374)
University of Oxford Staff Pension Scheme	638	646
Magdalen College Staff Retirement Benefits Scheme	-	-
National Employment Savings Trust	24	38
	1,320	310

These amounts include £1.145m (2020: £1.152m) contributions payable to defined contribution schemes at rates specified in the rules of those plans. Included in other creditors are pension contributions payable of £2,734 (2020: £1,519).

Summary of Movement in Pension Provision - All Schemes

	USS £'000	OSPS £'000	SRBS £'000	Total £'000
Opening provision	1,398	1,262	0	2,660
Actuarial movement in year	70	(38)	0	32
Closing provision	1,468	1,224	0	2,692
In unrestricted funds				2,565
In endowment funds				127
				2,692

23 TAXATION

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

24 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATIONS

	2021 Group £'000	2020 Group £'000
Net income/(expenditure)	325,681	9,931
Elimination of non-operating cash flows:		
Investment income	(5,603)	(2,766)
(Gains) in investments	(326,995)	(9,875)
Endowment donations	(888)	(581)
Depreciation	1,029	1,003
(Surplus)/loss on sale of fixed assets	(9)	5
Decrease/(Increase) in stock	(18)	(79)
Decrease/(Increase) in debtors	233	368
(Decrease)/Increase in creditors	1,155	480
(Decrease)/Increase in provisions		
(Decrease)/Increase in pension scheme liabilities	32	(914)
Net cash (used in) / provided by operating activities	(5,383)	(2,428)

25 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £'000	2020 £'000
Cash at bank and in hand	9,997	6,603
Bank overdrafts	-	-
Total cash and cash equivalents	9,997	6,603

ANALYSIS OF CHANGES IN NET DEBT

	At start of year £'000	Cash flows £'000	Other movements £'000	At end of year £'000
Cash at bank and in hand	6,603	3,565	(170)	9,997
Short term investments	28	-	3,513	3,541
Loans due in less than one year		-	(5,000)	(5,000)
Loans due in more than one year	(30,000)	-	-	(30,000)
Total	(23,369)	3,565	(1,657)	(21,461)

26 FINANCIAL COMMITMENTS

As at 31 July 2021, the Group had total commitments under non-cancellable operating leases as follows:

	2021 £'000	2020 £'000
Equipment		
payable within one year	17	17
payable between two and five years	6	21
	23	38

27 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July 2021 for future capital projects totalling £3.2m (2020 - £1m).

The Oxford Science Park Limited had contracted commitments at 31 July 2021 for future projects totalling £1.1m (2020 - £0).

28 RELATED PARTY TRANSACTIONS

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

The College received income from and had outstanding balances with its subsidiary entities as follows:

	2021 £'000	2020 £'000
Income received from / (expenditure paid to):		
The Oxford Science Park Limited	4,509	4,029
Magdalen College Trading Limited	380	495
Magdalen College Educational Conferences Limited	68	157
Magdalen College Development Trust	2,290	1,624
Magdalen Development Company Limited	-	(89)
Outstanding balances at 31 July:		
The Oxford Science Park Limited	572	461
Inter-company balance	17,423	17,423
Loan	151	496
Magdalen College Trading Limited	68	157
Magdalen College Educational Conferences Limited	310	1,540
Magdalen College Development Trust	1	319
Magdalen Development Company Limited		

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

The College pays the annual premium to the Oxford Colleges Healthcare Scheme at the start of the scheme year. The cost is recovered from members on a monthly basis and the amounts due to the College from trustees at the end of the year are as follows:

	2020/21		2019/20	
Range	Number of trustees	Total amount outstanding £	Number of trustees	Total amount outstanding £
£0-£999	9	4,488	11	5,593
£1,000-£1,999	6	6,586	5	5,331

The College has two properties owned jointly with trustees under joint equity ownership agreements between the trustees and the College. The financial contributions made by the College are as follows and are included within property investments:

	2020/21 Number of properties	2019/20 Number of properties
£272,000-£273,000	1	1
£300,000-£301,000	1	1

Joint equity properties are subject to sale on the departure of the trustee from the College. In consideration for permitting a trustee to occupy a joint equity property, an annual occupation fee is payable by the trustee to the College. This is based on Bank of England base rate plus a margin ranging from -0.1% to +1.5% depending on the length of occupation.

In addition, the College has loans totalling £147,750 to two trustees under the College's Housing Loan Scheme. The interest charge is based on Bank of England base rate.

The College has a loan of £80,000 to one further trustee for exceptional medical costs. Interest is being charged at 1% pa on the amount advanced. Donations of £49,821 have been received from alumni and fellows which will be used to offset this loan in part at the appropriate time.

Four trustees have made donations to the College during the year totalling £528 including gift aid.

29 POST BALANCE SHEET EVENTS

Oxford Science Park

On 30 September 2021, Magdalen College transferred the assets of The Oxford Science Park into a new joint venture company, The Oxford Science Park (Properties) Limited, which is 60% owned by the College and 40% owned by an affiliate of GIC (Realty) Private Limited, a sovereign wealth fund of the State of Singapore. The gross proceeds of the sale of a 40% interest in the joint venture company were £165.6m. The College retains the freehold ownership of the site and receives an income under the headlease. The Oxford Science Park Limited, which remains 100% owned by the College, continues to manage the assets and further development of the Park under a management contract.

Pension Schemes - USS

The Universities Superannuation Scheme 2020 valuation was signed and filed with The Pensions Regulator with an effective date of 1 October 2021. In calculating the non-adjusting impact on the year end provision, it has been assumed that the Joint Negotiating Committee recommended deed on benefit changes will be executed by 28th February 2022. On this basis, the provision to cover the college's share of scheme deficit liability increases from £1.468m to £4.903m.