

Charity Number 1143086

# HARRIS MANCHESTER COLLEGE

Annual Report and Financial Statements

Year ended 31 July 2020

**HARRIS MANCHESTER COLLEGE**  
**Annual Report and Financial Statements**  
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**Governing Body, Officers and Advisers**  
**Year ended 31 July 2020**

**MEMBERS OF THE GOVERNING BODY**

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

		(1)	(2)	(3)	(4)	
Dr Alexandra Alvergne	Retired wef 30 September 2020					
Professor Jan-Emmanuel De Neve		x	x		x	
Rev Alex Bradley						
Dr Eric Eve						
Mr Brian Fidler			x	x	x	
Dr Gina Hadley						
Mr Harry Henderson			x		x	
Professor Richard Hobbs						
Dr Hayley Hooper						
Dr Joshua Hordern						
Mr George Hudson			x			
Mr Peter Hyde		x	x		x	
Dr Catherine Jackson						
Dr Crispin Jenkinson		x				
Dr Linda Hulin		x				
Mrs Susan Killoran		x				
Ms Victoria Lill		x				
Professor William Mander		x				
Professor Diane Mayer						
Dr Ross McAdam						
Professor Kate McLoughlin						
Professor Alister McGrath						
Professor Alex Nicholls						
Dr Sina Ober-Blobaum	Retired wef 13 March 2020					
Professor Patrik Rorsman						
Professor Ronald Roy					x	
Dr Isabel Ruiz	Joined wef 1 January 2020		x		x	
Professor Jane Shaw		x	x		x	

**HARRIS MANCHESTER COLLEGE**  
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**Year ended 31 July 2020**

Professor Lesley Smith		x				
Dr Harrison Steel	Joined wef 1 October 2020					
Dr Kristin van Zwieten					x	
Dr John Vella						
Dr Bee Wee						

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

- (1) Management Committee.
- (2) Investment Committee.
- (3) Remuneration Committee.
- (4) Finance Committee



## **HARRIS MANCHESTER COLLEGE**

**Governing Body, Officers and Advisers**

**Year ended 31 July 2020**

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### **COLLEGE SENIOR STAFF**

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

Principal	Jane Shaw
Bursar	Peter Hyde (from 9 September 2019)
Senior Tutor	Lesley Smith
Academic Administrator	Victoria Lill, Ashley Walters (maternity cover from 18 May 2020)

### **COLLEGE ADVISERS**

#### **Auditor**

David Cadwallader & Co Limited  
Chartered Certified Accountants and Statutory Auditors  
Suite 3 Bignell Park Barns  
Chesterton  
Bicester  
OX26 1TD

#### **Bankers**

National Westminster Bank  
121 High Street  
Oxford  
OX1 4DD

#### **Solicitors**

Penningtons Manches LLP  
9400 Garsington Road  
Oxford Business Park  
Oxford  
OX4 2HN

#### **College address**

Mansfield Road  
Oxford  
OX1 2HN

#### **Website**

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

# **HARRIS MANCHESTER COLLEGE**

## **Report of the Governing Body**

**Year ended 31 July 2020**

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

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

The Principal and Fellows of the Manchester Academy and Harris College in the University of Oxford, commonly known as Harris Manchester College, Oxford is a chartered charitable corporation. It was founded in 1786 and granted a Royal Charter by Queen Elizabeth II on 12<sup>th</sup> January 1996.

The College registered with the Charity Commission on 26<sup>th</sup> July 2011 and its registered charity number is 1143086.

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

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing documents**

The College is governed by its Charter and Statutes dated 12 January 1996.

#### **Governing Body**

The Governing Body is constituted and regulated in accordance with the College Charter and Statutes, the terms of which are enforceable ultimately by the Visitor, Saphieh Ashtiany.

New members of the Governing Body are elected on the basis of their contribution to the College and to the University of Oxford. The Governing Body determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the Principal and is advised by three committees.

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

New Members of the Governing Body are recruited by new academic appointments or from existing Fellows and inducted into the workings of the College, including Governing Body policy and procedures, by instruction.

Members of the Governing Body attend external trustee training and information courses to keep them informed on current issues in the sector and on regulatory requirements.

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

Members of the Governing Body who are primarily Fellows are teaching and research employees of the College [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, members of which are Fellows not in receipt of remuneration from the College. Where possible, remuneration is set in line with that awarded to the University's academic staff.

The remuneration of senior college staff is set by Governing Body with reference to University pay scales.

#### **Organisational management**

The members of the Governing Body meet 9 times a year, though has met more often in the current year to enable an effective response to the COVID-19 pandemic. The work of developing their policies and monitoring the implementation of these is carried out by four Committees:

- The Investment Committee.
- The Management Committee.
- The Remuneration Committee.

# **HARRIS MANCHESTER COLLEGE**

## **Report of the Governing Body**

**Year ended 31 July 2020**

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- The Finance Committee.

### **Group structure and relationships**

The College administers special funds as detailed in Notes 15 and 16 to the Financial Statements.

The College has no subsidiary or associated undertakings.

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

### **OBJECTIVES AND ACTIVITIES**

#### **Charitable Objects and Aims**

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

- To advance learning, education and research in the arts and sciences within the University.
- To provide for men and women who shall be members of the University and from whom no test or confession of faith will be required:
  - 1) A College in which they may work for degrees, diplomas and certificates of the University for the purpose of their engaging in advanced and other study and the conduct and publication of research; and
  - 2) Preparatory Instruction for the learned professions and for civil and commercial life.
  - 3) A full and systematic course of education and training of Ministers of Religion, having regard especially to the Ministries of the General Assembly of Unitarian and Free Christian Churches in our United Kingdom and of the Non-Subscribing Presbyterian Church of Ireland.
- To promote the Christian religion in its simplest and most intelligible form, and in particular the traditions of English Rational Dissent.

#### **College Strategy**

The College has 95 Fellows (excluding Honorary Fellows); of these 31 are members of the Governing Body, 29 are Senior Research Fellows, 12 are Research Fellows 23 are supernumerary Fellows and 1 is a Judicial Fellow of the Commercial Law Centre. In order to support this work we provide excellent library facilities, IT support, meeting rooms and an academic and encouraging community in which good research can take place.

The College is engaged in recruiting, teaching, pastoral care and welfare of graduate and undergraduate students reading for Oxford first and higher degrees. We provide excellent facilities for these students including a comprehensive library, IT support, food, accommodation and an invigorating academic community in which they can thrive.

The College has concentrated on teaching subjects which can be a preparation for the learned professions and for those wishing to enter civil and commercial life. In particular, we teach the following subjects: law, medicine, engineering, education, politics, economics, philosophy, theology, business management, archaeology, anthropology, English, history and languages.

The college employs a tutor in ministerial training, whose responsibility it is to teach a full and systematic course of education and training for Ministers of Religion. He is able to draw on other members of the College to help in this task. The College also devotes considerable funds to provide additional academic courses for our ministerial students.

## **HARRIS MANCHESTER COLLEGE**

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

**Year ended 31 July 2020**

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The College provides study fellowships, through the Farmington Institute, for teachers of RE, Head Teachers, Chaplains to Her Majesty's Forces, Senior Members of Her Majesty's Forces, and Ministers of Religion. The College employs a Chaplain in order to promote the Christian Religion within the College. She holds regular services of worship in the College Chapel. Moreover the College allows the use of the Chapel by other Christian organisations.

#### **The Criteria used to assess the success of the College in promoting its objects are:**

The research of individual Fellows can be judged by those accepted to represent the University in the Research Assessment exercise. Moreover, when fellows are successful in the University's Recognition of Distinction exercise, this is a good indication that they are advancing education, learning and research.

Undergraduate results and graduate awards are also used by College to assess our success in providing opportunities for those wishing to work for degrees, diplomas and certificates of the University. We do note our former students who have gone in to the learned professions, and this is also an indication of success in the training which we offer. Similarly we note those who have become ministers of religion, having undertaken a systematic course of training for the Ministry.

The success in promoting the Christian Religion is harder to assess, but we do have written evidence from teachers who have held Farmington Scholarships and oral evidence from students.

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

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

1. The undertaking of research in a wide range of subjects including philosophy, law, history, English, medicine, human sciences, theology and engineering.
2. Providing conferences, courses and facilities for other educational groups, primary schools, secondary schools, chaplains to Her Majesty's Armed Forces and Universities.
3. The teaching and care of undergraduate and graduate students.
4. Training of ministerial students.
5. Regular services held in the College chapel.
6. Fund raising for College activities.
7. Visits from school parties and hold planning days for school teachers.
8. Providing meeting facilities for other charities such as churches, Music at Oxford and school governors.
9. Making provision for the College chapel to be used by an independent trust to conduct weekly services of worship and for the Chapel to be used by other Colleges.
10. Weekly music concerts in the Chapel open to the public and arranged by the College's Director of music.
11. Regular conversations between the Principal or another Fellow and public figures who are leaders in their fields.

Since Easter 2020 much of College's activities were severely impacted by the COVID-19 pandemic, which resulted in the move to online examinations and teaching and the cancellation of the vast majority of in person activities.

#### **The provision of bursary support**

Through the provision of scholarships, bursaries and hardship grants the College endeavours to assist Harris Manchester students who may have financial difficulties, to help meet the costs of College and University fees and accommodation. Each case is considered individually.

# **HARRIS MANCHESTER COLLEGE**

## **Report of the Governing Body**

**Year ended 31 July 2020**

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### **ACHIEVEMENTS AND PERFORMANCE**

39 students graduated with a Bachelor of Arts Undergraduate Degree and of those 18 of these were awarded First Class Honours degree and 18 received an Upper Second Honours degree.

1 Graduate students were awarded Doctoral degrees in the University of Oxford.

28 students received Masters Degrees.

3 students qualified as medical doctors.

1 student was awarded a Post Graduate Diploma.

2 students were awarded the Postgraduate Certificate in Education.

The latter part of the year was dominated by adapting to the COVID-19 pandemic and the successful move to operating as a 'virtual' college while the physical premises were necessarily closed.

### **Fund Raising**

Fundraising was important in helping to achieve the objects of the College. £0.929m was raised.

The major areas of support were:

- Bursaries and scholarships for students.
- The provision of additional student accommodation.
- Student hardship support.
- Supporting research projects.
- Maintenance and renovation of the infrastructure
- The setting up of a development office
- Other general costs in the operating budget, such as salaries for Fellows.

The College manages all solicitations internally, without the involvement of commercial participators or professional fundraisers, or third parties. The day-to-day management of fundraising activity is delegated to the Development Office, led by Development Director who works closely with the Principal and her office. The Development Officer reports to the Governing Body.

### **FINANCIAL REVIEW**

During the year the College was in receipt of donations totalling £929k, of this figure £817k is for restricted purposes which include building work, student scholarships Fellows' salaries, the setting up of a development office, administration of the Farmington Institute and the ongoing costs of the Wellbeing Research Centre. Other income comprised £1.085m from student fees, £408k from student battels and £249K from conference income. Income also included £463k generated from the investment portfolio, all of which was released to unrestricted income to enable the college to meet its general running costs.

The COVID-19 pandemic had an adverse impact on the majority of areas of income generation. Conferences in the Easter and Summer vacations were cancelled, student battels income was reduced due to the majority of students not being in residence in Trinity term and fundraising income was affected by cancelled events and the lack of opportunity for in person interactions with potential donors. These losses were only partially offset by use of the Government's Coronavirus Job Retention Scheme in relation to those staff whose roles were affected between April and August 2020.

Restricted funds saw net expenditure of £678k, which is primarily attributable to depreciation on College Buildings and the spending down of carried forward restricted fund balances.

With the addition of the £412k unrealised loss on investments the college generated an overall net deficit in the year of £1.283m.

The College has a defined benefit pension scheme liability reserve of £374k, a decrease of £91k relating to an update in the schedule of contributions based on the 2018 valuation (see note 19). This has been written back to the net assets of the College.

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## **Report of the Governing Body**

**Year ended 31 July 2020**

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### **Reserves policy**

The College's reserves policy is to maintain sufficient free reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall and to allow the College to be managed efficiently and to provide a buffer that would ensure uninterrupted services.

Total funds of the College at the year-end amounted to £40.301m (2019: £41.584m). This includes endowment capital of £14.371m and unspent restricted income funds totalling £24.290m. Free reserves at the year-end amounted to £1.640m (2019: £1.825m), representing retained unrestricted income reserves.

### **Risk management**

The College is engaged in risk assessment on an ongoing basis. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College Committee, chaired by the Principal. Financial risks are assessed by the Bursar, Finance Committee and Governing Body and investment risks are monitored by the Investment Committee. The 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.

Additional risk assessments have been carried out during the year, in relation to the COVID-19 pandemic, to ensure that the associated risks have been appropriately managed and that the College is operating in a COVID-secure manner.

The Governing Body, who have ultimate responsibility for managing any risks faced by the College, have reviewed the processes in place for managing risk and the principal identified risks to which the College is exposed and have concluded that adequate systems are in place to manage these risks. It is recognised that systems can provide only reasonable but not absolute assurance that major risks have been managed.

### **Investment policy, objectives and performance**

The College's investment objectives are to balance current and future beneficiary needs by:

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

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

The investment policy and strategy are set by the Governing Body as advised by the Investment Committee from time to time and performance is regularly monitored by the Investment Committee.

At the year end, the College's long term investments, combining the securities and property investments, totalled £14.371m.

It is the Governing Body's policy to extract as income up to 4% of the value of the relevant investments at the year end and during the current year 3.52%.

The Governing Body will keep the level of income withdrawn under review to balance the needs and interests of current and future beneficiaries of the College's activities.

### **FUTURE PLANS**

The College's future plans as agreed by the Governing Body are set out in of the College Development Plan. The core elements of this are:



# **HARRIS MANCHESTER COLLEGE**

## **Report of the Governing Body**

**Year ended 31 July 2020**

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- to continue to provide the best possible education for mature students of the University of Oxford.
- to encourage, and provide the best possible environment for, excellence in teaching and research.
- to provide increased study space for fellows in order to enhance the research community of the College.
- to increase the number of rooms available for student residents and to continue with our programme of improving existing facilities.
- to ensure through the provision of scholarships, bursaries and grants that finance is not a prohibitive factor in a student's decision to study at HMC

Specific development plans have been agreed for the separate departments within the College to ensure that the College continues to enhance its ability to provide a first-class education.

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

The Governing Body (the 'trustees') is responsible for preparing the Report of the Governing Body and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the College and of the incoming resources and application of resources of the College for that period. In preparing these financial statements, the trustees are required to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Governing Body is responsible for keeping proper accounting records that 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, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governing Body are responsible for the maintenance and integrity of the College and financial information included on the College's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Governing Body on 2 December 2020 and signed on its behalf by:

Prof J A Shaw  
Principal

Mr Peter Hyde  
Bursar

## **HARRIS MANCHESTER COLLEGE**

### **Report of the Auditor to the Members of the Governing Body of Harris Manchester College**

#### **Opinion**

We have audited the financial statements of Harris Manchester College (the 'charity') for the year ended 31 July 2020 which comprise the Statement of Accounting Policies, the Statement of Financial Activities, the College Balance Sheet, the Statement of Cash Flows and the related notes 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 (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2020, and of its incoming resources 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 the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

#### **Conclusions relating to going concern**

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

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

#### **Other information**

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

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

We have nothing to report in this regard.



## **HARRIS MANCHESTER COLLEGE**

### **Report of the Auditor to the Members of the Governing Body of Harris Manchester College**

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

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Report of the Governing Body; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Governing Body**

As explained more fully in the Statement of Accounting and Reporting Responsibilities (within the Report of the Governing Body), the Governing Body is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as 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 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 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 the 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 judgment 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 purpose 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 trustees.
- Conclude on the appropriateness of the trustees' 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.

## **HARRIS MANCHESTER COLLEGE**

### **Report of the Auditor to the Members of the Governing Body of Harris Manchester College**

- 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.

#### **Use of our report**

This report is made solely to the College's Governing Body (the 'Trustees'), as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Governing Body those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and its Governing Body, for our audit work, for this report, or for the opinions we have formed.

#### **David Cadwallader & Co Limited**

Chartered Certified Accountants & Statutory Auditor

Suite 3 Bignell Park Barns

Chesterton

Bicester

OX26 1TD

Date: 3 December 2020

David Cadwallader & Co Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**1. Scope of the financial statements**

The financial statements present the Statement of Financial Activities (SOFA), the College Balance Sheet and the Statement of Cash Flows for the College.

The accounts of the affiliated student bodies (Harris Manchester College Junior and Middle Common Rooms) have not been consolidated as the College does not control these activities.

**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 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). In making their assessment the Governing Body have considered the effect of the COVID-19 pandemic on the College's operations and income for 2020-21 and have adjusted their operational and financial plans accordingly. 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.

In the view of the Governing Body, in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements.

The College participates in a multi-employer defined benefit pension plan. In the judgement of the Governing Body there is insufficient information about the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets in the financial statements and therefore the plan is accounted for as a defined contribution scheme (see note 15).

In the view of the Governing Body, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents an industry-wide scheme such as Universities Superannuation Scheme. 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 Universities Superannuation Scheme meets the

definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plans in existence at the date of approving the financial statements.

#### **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, HEFCE support and other charges for services**

Fees receivable, less any scholarships, bursaries or other allowances granted from the College unrestricted funds, HEFCE 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 accruals basis with interest recognised in the period to which the interest relates.

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.

##### **d. Government Grants**

Government Grants are accounted for using the accruals model in accordance with the requirements of FRS102.

#### **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.

# HARIS MANCHESTER COLLEGE

## Statement of Accounting Policies

Year ended 31 July 2020

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

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

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

### 6. Leases

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

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

### 7. Tangible fixed assets

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

The cost of major renovation projects which increase the service potential of buildings is capitalised and depreciated over applicable periods, once a project is completed.

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
Building improvements	50 years
Equipment	5 years

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



# **HARIS MANCHESTER COLLEGE**

## **Statement of Accounting Policies**

**Year ended 31 July 2020**

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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 has chosen to hold heritage assets at cost. The college has a number of assets, including items of art and historic texts that meet the definition of heritage assets under the SORP. The depreciated historic cost of the majority of these items is nil. Items purchased are recognised at cost and items donated to the College are recognised at fair value. 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. 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.

Where the investment property component of mixed use property cannot be measured reliably, the entire property is accounted for as property within tangible fixed assets.

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

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

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. Other financial instruments**

#### **a. Cash and cash equivalents**

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

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

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

### **12. 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.

### **13. Foreign currencies**

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

# **HARIS MANCHESTER COLLEGE**

## **Statement of Accounting Policies**

**Year ended 31 July 2020**

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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 [except when deferred and initially credited or charged in 'other recognised gains and losses' as qualifying cash flow hedges].

### **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 or permitted the capital to be maintained and with the intention that the income will be used for specific purposes within the College's objects.

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

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

### **15. Pension costs**

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

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

The College also operates a defined contribution pension scheme. Contributions to these arrangements are charged to the SOFA in the period in which they are payable.

**Harris Manchester College**  
**Statement of Financial Activities**  
**For the year ended 31 July 2020**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2020 Total £'000	2019 Total £'000
<b>INCOME AND ENDOWMENTS FROM:</b>						
<b>Charitable activities:</b>	1					
Teaching, research and residential		1,742	-	-	1,742	2,097
Public worship		-	-	-	-	-
Heritage		-	-	-	-	-
<b>Other Trading Income</b>	3	2	-	-	2	7
<b>Donations and legacies</b>	2	112	817	-	929	1,578
<b>Investments</b>						
Investment income	4	463	-	-	463	508
Total return allocated to income		-	-	-	-	-
Other income		182	-	-	182	-
<b>Total income</b>		<b>2,501</b>	<b>817</b>	<b>-</b>	<b>3,318</b>	<b>4,190</b>
<b>EXPENDITURE ON:</b>						
	5					
<b>Charitable activities:</b>						
Teaching, research and residential		2,641	1,425	1	4,067	4,243
Public worship		-	-	-	-	-
Heritage		-	-	-	-	-
<b>Generating funds:</b>						
Fundraising		46	70	-	116	52
Trading expenditure		-	-	-	-	-
Investment management costs		6	-	-	6	9
<b>Total Expenditure</b>		<b>2,693</b>	<b>1,495</b>	<b>1</b>	<b>4,189</b>	<b>4,304</b>
<b>Net Income/(Expenditure) before gains</b>		<b>(192)</b>	<b>(678)</b>	<b>(1)</b>	<b>(871)</b>	<b>(114)</b>
Net gains/(losses) on investments	10	-	-	(412)	(412)	660
<b>Net Income/(Expenditure)</b>		<b>(192)</b>	<b>(678)</b>	<b>(413)</b>	<b>(1,283)</b>	<b>546</b>
<b>Transfers between funds</b>	15	7	(5)	(2)	-	-
<b>Other recognised gains/losses</b>						
Gains/(losses) on revaluation of fixed assets		-	-	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes		-	-	-	-	-
<b>Net movement in funds for the year</b>		<b>(185)</b>	<b>(683)</b>	<b>(415)</b>	<b>(1,283)</b>	<b>546</b>
Fund balances brought forward	15	<b>1,825</b>	<b>24,973</b>	<b>14,786</b>	<b>41,584</b>	41,038
<b>Funds carried forward at 31 July</b>		<b>1,640</b>	<b>24,290</b>	<b>14,371</b>	<b>40,301</b>	<b>41,584</b>



**Harris Manchester College**  
**College Balance Sheet**  
**As at 31 July 2020**

	Notes	2020 College £'000	2019 College £'000
<b>FIXED ASSETS</b>			
Tangible assets	9	25,465	25,917
Heritage assets	10	-	-
Property investments	10	-	-
Other Investments	10	14,371	14,786
<b>Total Fixed Assets</b>		<b>39,836</b>	<b>40,703</b>
<b>CURRENT ASSETS</b>			
Stocks		-	9
Debtors	11	480	490
Investments		-	-
Cash at bank and in hand		1,248	2,114
<b>Total Current Assets</b>		<b>1,728</b>	<b>2,613</b>
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	12	619	997
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>1,109</b>	<b>1,616</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>40,945</b>	<b>42,319</b>
<b>CREDITORS: falling due after more than one year</b>	13	<b>270</b>	<b>270</b>
<b>Provisions for liabilities and charges</b>	14	<b>-</b>	<b>-</b>
<b>NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY</b>		<b>40,675</b>	<b>42,049</b>
Defined benefit pension scheme liability	19	374	465
<b>TOTAL NET ASSETS/(LIABILITIES)</b>		<b>40,301</b>	<b>41,584</b>
<b>FUNDS OF THE COLLEGE</b>			
	15		
<b>Endowment funds</b>		<b>14,371</b>	<b>14,786</b>
<b>Restricted funds</b>		<b>24,290</b>	<b>24,973</b>
<b>Unrestricted funds</b>			
Designated funds		1,679	1,689
General funds		335	601
Revaluation reserve		-	-
Pension reserve		(374)	(465)
		<b>40,301</b>	<b>41,584</b>

The financial statements were approved and authorised for issue by the Governing Body of Harris Manchester College on 02 December 2020

Prof J A Shaw:

Mr P Hyde:

**Harris Manchester College**  
**Statement of Cash Flows**  
**For the year ended 31 July 2020**

	Notes	2020 £'000	2019 £'000
<b>Net cash provided by (used in) operating activities</b>	22	<u>(1,189)</u>	<u>148</u>
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		463	508
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(143)	(15,623)
Proceeds from sale of investments		753	282
Purchase of investments		(750)	(275)
<b>Net cash provided by (used in) investing activities</b>		<u>323</u>	<u>(15,108)</u>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		-	-
Cash inflows from new borrowing		-	-
Receipt of endowment		-	2
<b>Net cash provided by (used in) financing activities</b>		<u>-</u>	<u>2</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(866)</u>	<u>(14,958)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		2,114	17,072
<b>Change in cash and cash equivalents due to exchange rate movements</b>		-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	24	<u>1,248</u>	<u>2,114</u>

**Harris Manchester College**  
**Notes to the financial statements**  
**For the year ended 31 July 2020**

**1 INCOME FROM CHARITABLE ACTIVITIES**

	<b>2020</b>	2019
	<b>£'000</b>	£'000
<b>Teaching, Research and Residential</b>		
Unrestricted funds		
Tuition fees - UK and EU students	403	455
Tuition fees - Overseas students	572	607
Other fees	110	55
Other HEFCE support	-	-
Other academic income	-	-
College residential income	657	980
	<b>1,742</b>	<b>2,097</b>
Restricted funds		
Tuition fees - UK and EU students	-	-
Tuition fees - Overseas students	-	-
Other fees	-	-
Other HEFCE support	-	-
Other academic income	-	-
College residential income	-	-
	-	-
Endowed funds		
Tuition fees - UK and EU students	-	-
Tuition fees - Overseas students	-	-
Other fees	-	-
Other HEFCE support	-	-
Other academic income	-	-
College residential income	-	-
	-	-
<b>Total Teaching, Research and Residential</b>	<b>1,742</b>	<b>2,097</b>
<b>Public worship</b>		
Unrestricted funds		
Choir school fees	-	-
Other	-	-
	-	-
Restricted funds		
Choir school fees	-	-
Other	-	-
	-	-
Endowed funds		
Choir school fees	-	-
Other	-	-
	-	-
<b>Total Public worship</b>	-	-
<b>Heritage</b>		
Unrestricted funds		
Heritage income	-	-
Other charitable income	-	-
	-	-
Restricted funds		
Heritage income	-	-
Other charitable income	-	-
	-	-
Endowed funds		
Heritage income	-	-
Other charitable income	-	-
	-	-
<b>Total Heritage</b>	-	-
<b>Total income from charitable activities</b>	<b>1,742</b>	<b>2,097</b>

The above analysis includes £930k received from Oxford University from publicly accountable funds under the CFF Scheme (2019: £877k).

Under the terms of the undergraduate student support package offered by Oxford University to students from lower income households, the college share of the fees waived amounted to £16k (2019: £14k). These are not included in the fee income reported above.

**Harris Manchester College**  
**Notes to the financial statements**  
**For the year ended 31 July 2020**

**2 DONATIONS AND LEGACIES**

	2020 £'000	2019 £'000
<b>Donations and Legacies</b>		
Unrestricted funds	112	148
Restricted funds	817	1,428
Endowed funds	-	2
	<b>929</b>	<b>1,578</b>

**3 INCOME FROM OTHER TRADING ACTIVITIES**

	2020 £'000	2019 £'000
Subsidiary company trading income	-	-
Other trading income	2	7
	<b>2</b>	<b>7</b>

**4 INVESTMENT INCOME**

	2020 £'000	2019 £'000
<i>Unrestricted funds</i>		
Agricultural rent	-	-
Commercial rent	12	11
Other property income	13	23
Equity dividends	429	445
Income from fixed interest stocks	-	-
Interest on fixed term deposits and cash	-	-
Other investment income	-	-
Bank interest	9	29
Other interest	-	-
	<b>463</b>	<b>508</b>
<i>Restricted funds</i>		
Agricultural rent	-	-
Commercial rent	-	-
Other property income	-	-
Equity dividends	-	-
Income from fixed interest stocks	-	-
Interest on fixed term deposits and cash	-	-
Other investment income	-	-
Bank interest	-	-
Other interest	-	-
	<b>-</b>	<b>-</b>
<i>Endowed funds</i>		
Agricultural rent	-	-
Commercial rent	-	-
Other property income	-	-
Equity dividends	-	-
Income from fixed interest stocks	-	-
Interest on fixed term deposits and cash	-	-
Other investment income	-	-
Bank interest	-	-
Other interest	-	-
	<b>-</b>	<b>-</b>
<b>Total Investment income</b>	<b>463</b>	<b>508</b>

**Harris Manchester College**  
**Notes to the financial statements**  
**For the year ended 31 July 2020**

**5 ANALYSIS OF EXPENDITURE**

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
<b>Charitable expenditure</b>		
Direct staff costs allocated to:		
Teaching, research and residential	1,481	1,390
Public worship	-	-
Heritage	-	-
Other direct costs allocated to:		
Teaching, research and residential	1,488	1,615
Public worship	-	-
Heritage	-	-
Support and governance costs allocated to:		
Teaching, research and residential	1,098	1,238
Public worship	-	-
Heritage	-	-
<b>Total charitable expenditure</b>	<b>4,067</b>	<b>4,243</b>
<b>Expenditure on raising funds</b>		
Direct staff costs allocated to:		
Fundraising	93	27
Trading expenditure	-	-
Investment management costs	-	-
Other direct costs allocated to:		
Fundraising	3	-
Trading expenditure	-	-
Investment management costs	-	-
Support and governance costs allocated to:		
Fundraising	20	25
Trading expenditure	-	-
Investment management costs	6	9
<b>Total expenditure on raising funds</b>	<b>122</b>	<b>61</b>
<b>Total expenditure</b>	<b>4,189</b>	<b>4,304</b>

The 2019 resources expended of £4304k represented £3276k from unrestricted funds, £1028k from restricted funds and £0k from endowed funds.

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

The teaching and research costs include College Contribution payable of £0k (2019 - £0k).

	<b>2020</b>	<b>2019</b>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Included within the resources expended above are:		
Impairment charges	-	-
Stock recognised as an expense in the year	-	-
Operating lease payments	-	-
Foreign exchange losses	-	-

**Harris Manchester College**  
**Notes to the financial statements**  
**For the year ended 31 July 2020**

**6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2020 Total £'000
Financial administration	26	330	-	-	356
Domestic administration	-	-	-	-	-
Human resources	-	(3)	-	-	(3)
IT	-	158	-	-	158
Depreciation	-	595	-	-	595
Loss/(profit) on fixed assets	-	-	-	-	-
Bank interest payable	-	-	-	-	-
Other finance charges	-	(90)	-	-	(90)
Governance costs	-	108	-	-	108
	<b>26</b>	<b>1,098</b>	<b>-</b>	<b>-</b>	<b>1,124</b>

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2019 Total £'000
Financial administration	34	376	-	-	410
Domestic administration	-	-	-	-	-
Human resources	-	4	-	-	4
IT	-	138	-	-	138
Depreciation	-	435	-	-	435
Loss/(profit) on fixed assets	-	-	-	-	-
Bank interest payable	-	-	-	-	-
Other finance charges	-	249	-	-	249
Governance costs	-	34	-	-	34
	<b>34</b>	<b>1,238</b>	<b>-</b>	<b>-</b>	<b>1,272</b>

Financial and domestic administration, IT and human resources costs are attributed according to the estimated staff time spent on each activity.  
 Depreciation costs and profit or loss on disposal of fixed assets are attributed according to the use made of the underlying assets.  
 Interest and other finance charges are attributed according to the purpose of the related financing.  
 Governance costs are allocated to the core operations of the College.

	2020 £'000	2019 £'000
<b>Governance costs comprise:</b>		
Auditor's remuneration - audit services	17	13
Auditor's remuneration - assurance services other than audit	-	-
Auditor's remuneration - tax advisory services	-	-
Auditor's remuneration - other services	-	-
Legal and other fees on constitutional matters	91	21
Other governance costs	-	-
	<b>108</b>	<b>34</b>

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

**Harris Manchester College**  
**Notes to the financial statements**  
**For the year ended 31 July 2020**

<b>7</b>	<b>GRANTS AND AWARDS</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
	During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:		
	<b>Unrestricted funds</b>		
	Grants to individuals:		
	Scholarships, prizes and grants	-	9
	Bursaries and hardship awards	18	26
	Grants to other institutions	-	-
	<b>Total unrestricted</b>	<b>18</b>	<b>35</b>
	<b>Restricted funds</b>		
	Grants to individuals:		
	Scholarships, prizes and grants	173	169
	Bursaries and hardship awards	-	-
	Grants to other institutions	-	-
	<b>Total restricted</b>	<b>173</b>	<b>169</b>
	<b>Total grants and awards</b>	<b>191</b>	<b>204</b>

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £92k (2019: £92k). Some of those students also received fee waivers amounting to £41k (2019: £41k).

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

**Harris Manchester College**  
**Notes to the financial statements**  
**For the year ended 31 July 2020**

**8 STAFF COSTS**

	2020 £'000	2019 £'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	1,519	1,787
Social security costs	165	147
Pension costs:		
Defined benefit schemes	141	103
Defined contribution schemes	45	41
Other benefits	-	-
	<b>1,870</b>	<b>2,078</b>

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

	2020	2019
Tuition and research	2	1
College residential	23	23
Public worship	1	1
Heritage	-	-
Fundraising	2	-
Support	10	10
Total	<b>38</b>	<b>35</b>

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

	2020	2019
University Lecturers	5	5
CUF Lecturers	3	2
Other teaching and research	3	3
Other	4	3
Total	<b>15</b>	<b>13</b>

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

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

£60,001-£70,000	-	-
£70,001-£80,001	-	-
£80,001-£90,001	-	-
£90,001-£100,001	-	-
£100,001-£110,001	-	-
	<b>-</b>	<b>-</b>

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

In defined benefits schemes	-	-
In defined contribution schemes	-	-
	<b>-</b>	<b>-</b>

The College contributions to defined contribution pension schemes totalled

	<b>45</b>	<b>41</b>
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**Harris Manchester College**  
**Notes to the financial statements**  
**For the year ended 31 July 2020**

**9 TANGIBLE FIXED ASSETS**

<b>College</b>	<b>Leasehold land and buildings £'000</b>	<b>Freehold land and buildings £'000</b>	<b>Plant and machinery £'000</b>	<b>Fixtures, fittings and equipment £'000</b>	<b>Total £'000</b>
<b>Cost</b>					
At start of year	-	28,135	121	638	<b>28,894</b>
Additions	-	122	4	17	<b>143</b>
Disposals	-	-	-	-	<b>-</b>
<b>At end of year</b>	<b>-</b>	<b>28,257</b>	<b>125</b>	<b>655</b>	<b>29,037</b>
<b>Depreciation and impairment</b>					
At start of year	-	2,473	100	404	<b>2,977</b>
Charge for the year	-	511	11	73	<b>595</b>
On disposals	-	-	-	-	<b>-</b>
Impairment	-	-	-	-	<b>-</b>
<b>At end of year</b>	<b>-</b>	<b>2,984</b>	<b>111</b>	<b>477</b>	<b>3,572</b>
<b>Net book value</b>					
<b>At end of year</b>	<b>-</b>	<b>25,273</b>	<b>14</b>	<b>178</b>	<b>25,465</b>
At start of year	-	25,662	21	234	<b>25,917</b>

The above includes:

£0k (2019:£0k) of plant and machinery held under finance leases.

£0k (2019:£0k) of fixtures and fittings held under finance leases.

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

**Harris Manchester College**  
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**10 OTHER INVESTMENTS**

All investments are held at fair value.

	<b>2020</b>	2019
	<b>£'000</b>	£'000
<b>Group investments</b>		
Valuation at start of year	<b>14,786</b>	14,133
New money invested	-	2
Amounts withdrawn	<b>(3)</b>	(9)
Reinvested income	-	-
Investment management fees	-	-
(Decrease)/increase in value of investments	<b>(412)</b>	660
<b>College investments at end of year</b>	<b>14,371</b>	14,786

**College investments comprise:**

	Held outside the UK £'000	Held in the UK £'000	<b>2020 Total £'000</b>	Held outside the UK £'000	Held in the UK £'000	2019 Total £'000
Equity investments	-	12,411	<b>12,411</b>	-	12,120	12,120
Global multi-asset funds	-	-	-	-	-	-
Property funds	-	141	<b>141</b>	-	141	141
Fixed interest stocks	-	-	-	-	-	-
Alternative and other investments	-	-	-	-	-	-
Fixed term deposits and cash	-	1,819	<b>1,819</b>	-	2,525	2,525
<b>Total group investments</b>	<b>-</b>	<b>14,371</b>	<b>14,371</b>	<b>-</b>	<b>14,786</b>	<b>14,786</b>

**Harris Manchester College**  
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**11 DEBTORS**

	2020 College £'000	2019 College £'000
<b>Amounts falling due within one year:</b>		
Trade debtors	3	92
Amounts owed by College members	7	3
Amounts owed by Group undertakings	-	-
Loans repayable within one year	-	-
Prepayments and accrued income	36	101
Other debtors	434	294
<b>Amounts falling due after more than one year:</b>		
Loans	-	-
	<b>480</b>	<b>490</b>

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

	2020 College £'000	2019 College £'000
Bank overdrafts	-	-
Bank loans	-	-
Obligations under finance leases	-	-
Trade creditors	48	187
Amounts owed to College Members	-	-
Amounts owed to Group undertakings	-	-
Taxation and social security	50	53
College contribution	-	-
Accruals and deferred income	27	99
Other creditors	494	658
	<b>619</b>	<b>997</b>

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

	2020 College £'000	2019 College £'000
Bank loans	-	-
Obligations under finance leases	-	-
Other creditors	270	270
	<b>270</b>	<b>270</b>

**14 PROVISIONS FOR LIABILITIES AND CHARGES**

	2020 College £'000	2019 College £'000
At start of year	-	-
Charged in the Statement of Financial Activities	-	-
Settled in the year	-	-
<b>At end of year</b>	<b>-</b>	<b>-</b>

**Harris Manchester College**  
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**15 ANALYSIS OF MOVEMENTS ON FUNDS**

	At 1 August 2019 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2020 £'000
<b>Endowment Funds - Permanent</b>						
College Endowment Fund	8,651		(1)		(220)	<b>8,430</b>
Edward Robert Hamilton Wills Endowment	5,894				(201)	<b>5,693</b>
Gullifer Fellowship	2			(2)		-
<b>Endowment Funds - Expendable</b>						
Scholarship Funds	239				9	<b>248</b>
<b>Total Endowment Funds - College</b>	<b>14,786</b>	<b>-</b>	<b>(1)</b>	<b>(2)</b>	<b>(412)</b>	<b>14,371</b>
Endowment funds held by subsidiaries	-	-	-	-	-	-
<b>Total Endowment Funds - Group</b>	<b>14,786</b>	<b>-</b>	<b>(1)</b>	<b>(2)</b>	<b>(412)</b>	<b>14,371</b>
<b>Restricted Funds</b>						
Development Funds	23,604	195	(502)			<b>23,297</b>
Scholarship Funds	523	85	(172)			<b>436</b>
Farmington Institute Fund	384	303	(594)	(7)		<b>86</b>
Distinguished Careers Institute Fund	83					<b>83</b>
Wellbeing Research Centre	379	85	(146)			<b>318</b>
Development office		122	(69)			<b>53</b>
Gullifer Fellowship		27	(12)	2		<b>17</b>
<b>Total Restricted Funds - College</b>	<b>24,973</b>	<b>817</b>	<b>(1,495)</b>	<b>(5)</b>	<b>-</b>	<b>24,290</b>
Restricted funds held by subsidiaries	-	-	-	-	-	-
<b>Total Restricted Funds - Group</b>	<b>24,973</b>	<b>817</b>	<b>(1,495)</b>	<b>(5)</b>	<b>-</b>	<b>24,290</b>
<b>Unrestricted Funds</b>						
Development Funds	1,689		(10)			<b>1,679</b>
Fixed asset designated Fund	-					<b>-</b>
Designated Revenue Funds	97			(97)		<b>-</b>
General funds	504	2,501	(2,774)	104		<b>335</b>
Revaluation reserve	-					<b>-</b>
Pension reserve	(465)		91			<b>(374)</b>
<b>Total Unrestricted Funds - College</b>	<b>1,825</b>	<b>2,501</b>	<b>(2,693)</b>	<b>7</b>	<b>-</b>	<b>1,640</b>
Unrestricted funds held by subsidiaries	-	-	-	-	-	-
<b>Total Unrestricted Funds - Group</b>	<b>1,825</b>	<b>2,501</b>	<b>(2,693)</b>	<b>7</b>	<b>-</b>	<b>1,640</b>
<b>Total Funds</b>	<b>41,584</b>	<b>3,318</b>	<b>(4,189)</b>	<b>-</b>	<b>(412)</b>	<b>40,301</b>

**Harris Manchester College**  
**Notes to the financial statements**  
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**16 FUNDS OF THE COLLEGE DETAILS**

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

**Endowment Funds - Permanent:**

College Endowment Fund

A consolidation of gifts and donations where capital and income, or only the income, can be used for the general purposes of the charity. Part of these funds may have been designated for a particular purpose by the Governing Body.

Edward Robert Hamilton Wills Endowment

A specific donation to be used to enhance the permanent endowment of the College where the income can be used for the general purposes of the charity

Gullifer Fellowship

A consolidation of gifts and donations where the income is to be used to support a College fellowship in law.

**Endowment Funds - Expendable:**

Scholarship Funds

A bequest where the use of the income is for a specific purpose so designated by the donor and which can only be used for that purpose or activity

**Restricted Funds:**

Development Fund

A consolidation of gifts and donations where both income and capital can be used for acquisition, replacement and maintenance of the College functional buildings.

Scholarship Funds

A consolidation of gifts and donations where both income and capital can be used for student scholarships

Farmington Institute Fund

Restricted funds include income of £303,000 given as a grant by the Farmington Trust to support the charitable activities of the Farmington Institute. The charitable activities of the Institute were transferred to Harris Manchester College on 1 August 2015, the Farmington Trust having determined that its charitable objects would be best achieved through such a transfer.

Distinguished Careers Institute Fund

A fund to provide a term-long programme for mid- and late - term professionals who want structured time to think about 'what next'

Wellbeing Research Centre

The Wellbeing Research Centre is a hub for researchers addressing the issues of human wellbeing and conducting research in different fields such as economics, behavioural science, psychology, philosophy and the environment. The Centre also hosts regular research seminars, social events and will be organising future academic talks and conferences.

Development office

A grant from the College Contributions Fund to fund the creation of a Development Office'

Gullifer Fellowship

A consolidation of gifts and donations where the income is to be used to support a College fellowship in law.

**Designated Funds**

Fixed asset designated

Unrestricted Funds which are represented by the fixed assets of the College and therefore not available for expenditure on the College's general purposes.

The Trustees have transferred the balance on this fund into general college reserves as it is no longer considered necessary to show separately.

Designated Revenue Funds

Designated Revenue Funds represent monies ring-fenced for specific purposes by Governing Body

Development Fund

Unrestricted Funds allocated by the Fellows for future costs of replacement and maintenance of the College functional buildings

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

**17 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2020 Total £'000
Tangible fixed assets	18,045	7,420	-	25,465
Property investments	-	-	-	-
Other investments	-	-	14,371	14,371
Net current assets	(15,761)	16,870	-	1,109
Long term liabilities	(270)	-	-	(270)
Pension scheme liability	(374)	-	-	(374)
	<u>1,640</u>	<u>24,290</u>	<u>14,371</u>	<u>40,301</u>
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019 Total £'000
Tangible fixed assets	18,190	7,727	-	25,917
Property investments	-	-	-	-
Other investments	-	-	14,786	14,786
Net current assets	(15,630)	17,246	-	1,616
Long term liabilities	(270)	-	-	(270)
Pension scheme liability	(465)	-	-	(465)
	<u>1,825</u>	<u>24,973</u>	<u>14,786</u>	<u>41,584</u>

## 18 TRUSTEES' REMUNERATION

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

Trustees of the college fall into the following categories:

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

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

The College has a Remuneration Committee which makes recommendations to the Governing Body on pay and benefits which are outside of external scales. The composition of the Remuneration Committee is set out in page 2-3 of the financial statements in the section, Governing Body, Officers and Advisers.

### Remuneration paid to trustees

Range	Number of Trustees/Fellows	2020	Number of Trustees/Fellows	2019
		Gross remuneration, taxable benefits and pension contributions £		Gross remuneration, taxable benefits and pension contributions £
£10,000-£10,999	1	10,315	1	10,867
£11,000-£11,999	2	22,914	2	23,359
£12,000-£12,999	3	38,182	3	36,966
£37,000-£37,999	1	37,770		
£46,000-£46,999	1	46,904		
£49,000-£49,999			3	147,632
£51,000-£51,999	2	102,576	1	51,410
£61,000-£61,999			1	61,927
£64,000-£64,999	1	64,465		
£73,000-£73,999	1	73,549		
£80,000-£80,999	1	80,868		
£82,000-£82,999			2	164,490
£85,000-£85,999	1	85,601		
£88,000-£88,999	1	88,752		
£114,000-£114,999			1	114,196
£118,000 - £118,999	1	118,869		
Total	16	770,765	14	610,847

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

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

### Other transactions with trustees

See also note 27 Related Party Transactions

### Key management remuneration

The total remuneration paid to key management was £339k (2019: £330k).

Key management are considered to be Principal, Bursar, Senior Tutor, Academic Administrator

## 19 PENSION SCHEMES

The College participates in the Universities Superannuation Scheme ("the USS") and the Pensions Trust Growth Plan ("the PT") on behalf of its staff. Both the USS scheme and Series 1-3 of the PT are contributory defined benefit schemes (i.e. they provide benefits based on length of service and pensionable salary). Series 4 of the PT Scheme is a defined contribution scheme. The assets of USS and PT are each held in separate trustee-administered funds.

Both schemes are multi-employer schemes and the College is unable to identify its share of the underlying assets and liabilities of each scheme on a consistent and reasonable basis. Therefore, as required by FRS 102 the College accounts for the schemes as if they were defined contribution schemes.

Both schemes have put in place agreements for additional contributions to fund their past service deficits. In accordance with the provisions of FRS 102 the College has recognised a liability for the future contributions that it estimates will be payable as a result of these deficit funding agreements.

The college has also made payments into a defined contribution scheme for employees who are eligible under automatic enrolment regulations to pension benefits.

### Universities Superannuation Scheme

The pension charge for the year includes £60,096 (2019 - £358,475) in relation to the USS. This represents contributions of £141,943 (2019: £102,906) payable to the USS as adjusted by the positive change in the deficit funding liability between the opening and closing balance sheet dates of £81,847 (2019: negative change of £255,569).

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

		USS
Date of valuation		31/03/2018
Date of valuation results published		16/09/2019
Value of liabilities		£67.3bn
Value of assets		£63.7bn
Funding Surplus/(Deficit)		£(3.6)bn
Principal assumptions		
	Discount rate	a
		CPI - 0.73% to
		CPI +2.52%pa
	Rate of increase in salaries	n/a
	Rate of increase in pensions	b
		CPI
Mortality assumptions		
	Assumed life expectancy at age 65 (males currently aged 65)	24.4yrs
	Assumed life expectancy at age 65 (females currently aged 65)	25.9 yrs
	Assumed life expectancy at age 65 (males currently aged 45)	26.3yrs
	Assumed life expectancy at age 65 (females currently aged 45)	27.7 yrs
Funding Ratios		
	Technical Provisions basis	95%
	Statutory Pension Protection Fund basis	76%
	"Buy-out" basis	56%
		21.1%
		increasing to
		23.7% by
Employer's contribution rate (as % of pensionable salaries):		01/10/21
Effective date of next valuation:		31/03/2020

### Notes

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

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

b 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.

c. The USS employer contribution rate includes provisions for the cost of future accrual of defined benefits, deficit contributions, administrative expenses and defined contributions

### Sensitivity of actuarial valuation assumptions

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

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<u>Assumption</u>	<u>USS</u> <u>Change in Assumption</u>	<u>Impact on USS liabilities</u>
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 used at last valuation, rated down by a further year)	increase by £1.6bn

**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:

Finish Date for Deficit Recovery Plan	31/03/28
Average staff number increase	0.00%
Average staff salary increase	2.00%
Average discount rate over period	1.11%
Effect of 0.5% change in discount rate	£7k
Effect of 1% change in staff growth	£16k

A provision of £327,649 has been made at 31 July 2020 (2019 - £409,494) for the present value of the estimated future deficit funding element of the contributions payable under this agreement, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

A copy of the full actuarial valuation report and other further details on the scheme are available on the USS website [www.uss.co.uk](http://www.uss.co.uk)

**Pensions Trust Growth Plan**

The pension charge for the year includes £923 (2019 - £3,055) in relation to the PT defined benefit scheme. This represents contributions of £9,763 (2019: £8,716) payable to the PT as adjusted by the positive change in the deficit funding liability between the opening and closing balance sheet dates of £8,840 (2019: £5,661).

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the college is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2019 to 31 January 2025: £11,243,000 per annum (payable monthly and increasing by 3% each year on 1st April)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2016 to 30 September 2025: £12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)  
From 1 April 2016 to 30 September 2028: £54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

A provision of £47,037 has been made at 31 July 2020 (2019 - £55,877) for the present value of the estimated future deficit funding element of the contributions payable under this agreement. In determining the level of this provision it has been assumed that the College will continue to have a constant level of employee



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participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary's projected long-term salary rate increases.

Assumptions	31/07/2020	31/07/2019	31/07/2018
	% per annum	% per annum	% per annum
Rate of discount	0.60	1.00	1.72

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

**Pension charge for the year**

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

Scheme	2020	2019
	£000's	£000's
Universities Superannuation Scheme	141	103
Pensions Trust Growth Plan Series 1 and 2	0	0
Pensions Trust Growth Plan Series 4	45	41
Total	186	144

Included in other creditors and accruals are pension contributions payable of £8k (2019: £8 k).

**20 TAXATION**

The College is able to take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. Accordingly no provision for taxation has been included in the financial statements.

## 21 FINANCIAL INSTRUMENTS

The financial statements include the following in respect of items held at fair value:

	2020			2019		
	Income £'000	Expense £'000	Gains / (losses) £'000	Income £'000	Expense £'000	Gains / (losses) £'000
Financial assets measured at fair value through profit or loss	-	-	(412)	-	-	660
Financial liabilities measured at fair value through profit or loss	-	-	-	-	-	-
Financial assets measured at amortised cost	-	-	-	-	-	-
Financial liabilities measured at amortised cost	-	-	-	-	-	-

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

	2020 £'000	2019 £'000
<b>Net income/(expenditure)</b>	(1,283)	546
Elimination of non-operating cash flows:		
Investment income	(463)	(508)
(Gains)/losses in investments	412	(660)
Endowment donations	-	(2)
Depreciation	595	435
(Surplus)/loss on sale of fixed assets	-	-
Decrease/(Increase) in stock	9	-
Decrease/(Increase) in debtors	10	34
(Decrease)/Increase in creditors	(377)	53
(Decrease)/Increase in provisions	-	-
(Decrease)/Increase in pension scheme liability	(91)	250
<b>Net cash provided by (used in) operating activities</b>	<b>(1,189)</b>	<b>148</b>

## 23 ANALYSIS OF CHANGES IN NET DEBT

	At 01/08/19	Cashflows	Other non cash changes	At 31/07/20
<b>Cash and cash equivalents</b>				
Cash at bank and in hand	2,114	-866		1,248

## 24 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £'000	2019 £'000
Cash at bank and in hand	1,248	2,114
Notice deposits (less than 3 months)	-	-
Bank overdrafts	-	-
<b>Total cash and cash equivalents</b>	<b>1,248</b>	<b>2,114</b>

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**25 FINANCIAL COMMITMENTS**

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

	2020 £'000	2019 £'000
<b>Land and buildings</b>		
expiring within one year	-	-
expiring between two and five years	-	-
expiring in over five years	-	-
expiring within one year	-	-
expiring between two and five years	-	-
expiring in over five years	-	-
	<u>-</u>	<u>-</u>

**26 CAPITAL COMMITMENTS**

The College had authorised commitments at 31 July 2020 for future capital projects totalling £nil (2019- £nil) and contracted commitments of £nil (2019 - £nil)

**27 RELATED PARTY TRANSACTIONS**

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

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

In accordance with the College's House Purchase Contribution scheme, the College has acquired beneficial interests in the homes of the following Fellows who are also trustees.

The trustee may be required to purchase the beneficial interest following their departure from College. The investments are held within the endowment.

	2020 £'000	2019 £'000
Dr J Hordern	66	66
Dr A Alvergne	75	75
	<u>141</u>	<u>141</u>

The Principal and Harry Henderson are trustees and George Hudson is a PSC of the Farmington Trust Limited. Details of the arm's length transactions with the Farmington Trust Limited are given in note 15.

There were no other related party transactions in the year.

**28 CONTINGENT LIABILITIES**

At 31st July 2020, the College had no contingent liabilities