WORCESTER COLLEGE, OXFORD

England & Wales · Charity number 1143479

Details

Other names	PROVOST FELLOWS AND SCHOLARS OF WORCESTER COLLEGE IN THE UNIVERSITY OF OXFORD
Status	Registered
Legal form	Other
Registered	2011-08-19
Register	View on the Charity Commission register

Contact

Address	Worcester College Walton Street Oxford OX1 2HB
Phone	01865278300
Email	lodge@worc.ox.ac.uk
Website	http://www.worc.ox.ac.uk

Activities

Objects: THE ADVANCEMENT OF EDUCATION, RELIGION, LEARNING AND RESEARCH BY THE PROVISION OF A COLLEGE IN THE UNIVERSITY OF OXFORD FOR THE BENEFIT OF THE PUBLIC.

Activities: The charity activities are the advancement of education, religion, learning and research, by the provision of a college in the University of Oxford, for the benefit of the public

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training
- **Who:** Children/young People, The General Public/mankind

Downloaded from opencharities.uk/ew/1143479

Geography

- **Area of benefit:** OXFORDSHIRE
- Oxfordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£20,317,000	£18,472,000	£107,750,000	330
2024-07-31	£19,227,000	£14,605,000	£102,360,000	382
2023-07-31	£14,719,000	£13,850,000	£95,417,000	317
2022-07-31	£18,166,000	£15,119,000	£97,073,000	173
2021-07-31	£12,615,000	£13,129,000	£94,339,000	294
2020-07-31	£11,157,000	£12,871,000	£87,218,000	370

Downloaded from opencharities.uk/ew/1143479

Trustees

Name	Role	Appointed
Lord David Isaac	Chair	2021-07-01
Ana Durdevac		2026-01-01
Andrew Stephen		2015-10-01
Devyani sharma		2025-09-01
Dr ALEXANDER STURGIS		2017-10-01
Dr ANDRZEJ STANISLAW MURAWSKI		2017-10-01
Dr Afifi al-Akiti		2013-10-01
Dr BENJAMIN MORGAN		2011-08-18
Dr CONRAD LEYSER		2011-08-19
Dr Charlene Black		2025-10-01
Dr DAVID STEINSALTZ		2011-08-19
Dr GABRIEL STYLIANIDES		2011-08-18
Dr HAUKE KNUD MARQUARDT		2018-04-01
Dr Helen Parish		2023-01-09
Dr JAMES EDWARDS		2014-10-01
Dr JOHN PARRINGTON		2011-08-19
Dr JOHN SCOTT SCULLION		2011-08-19
Dr Natalia Waights Hickman		2019-10-01
Dr PETA FOWLER		2017-10-01
Dr RICHARD EARL		2011-08-19
Dr ROBERT SMITH		2018-04-01
Dr SIMON GEORGE BROOK COWAN		2011-08-19
Dr Wouter Mostert		2021-09-01
Jean-Baptiste Lugagne		2025-10-01
Jennifer Walshe		2022-04-01
Laura Elizabeth Quick		2026-01-01
Lisa Pilar Eberle		2026-01-01

Downloaded from opencharities.uk/ew/1143479

Name	Role	Appointed
Mark Bainbridge		2016-08-31
Michael Huggins		2022-02-14
Michail Peramatzis		2011-10-01
Mike Mayo		2019-10-01
Morgan Day Frank		2025-07-12
NIR VULKAN		2011-08-19
PROFESSOR ANDREAS WILLI KAUFMANN		2011-08-19
PROFESSOR ANDREW JONATHAN CARR		2011-08-18
PROFESSOR DONAL NOLAN		2011-08-19
PROFESSOR KIM DORA		2011-08-19
PROFESSOR LAURA ASHE		2011-08-19
PROFESSOR ROBERT HARRIS		2011-08-18
Professor Emmanuel Breuillard		2022-01-01
Professor GRANT RITCHIE		2011-08-19
Professor Patricia Clavin		2021-10-01
Professor Tsilly Dagan		2019-10-01
Richard D'Arcy		2023-06-01
Ronelle Roth		2022-09-01
Simon Boddie		2022-05-01
Viola Kerr		2023-05-09
Weston Booth Struwe		2023-08-01

Downloaded from opencharities.uk/ew/1143479

WORCESTER COLLEGE, OXFORD

England & Wales - Charity number 1143479

Accounts

Charity Registration No. 1143479

Worcester College

Annual Report and Financial Statements

Year ended 31 July 2025

WORCESTER COLLEGE
Annual Report and Financial Statements
Contents

Governing Body, Officers and Advisers	2 - 5
Report of the Governing Body	6 - 17
Auditor's Report	18 - 21
Statement of Accounting Policies	22 - 26
Consolidated Statement of Financial Activities	27
Consolidated and College Balance Sheets	28
Consolidated Statement of Cash Flows	29
Notes to the Financial Statements	30 - 47

WORCESTER COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2025

MEMBERS OF THE GOVERNING BODY

The Members of the Governing Body are the College's charity trustees under charity law. The members of the Governing Body, who served in office as trustees during the financial year, or subsequently up to the date of approval of these financial statements, are listed below together with details for those who also held College Officerships:

Governing Body Fellow	College Officers	In year change	(1)	(2)	(3)	(4)	(5)	(6)
Mr David Isaac CBE	Provost		•	•	•	•	•	•
Dr Simon Cowan	Vice Provost	From 12/03/2025		•	•	•	•	•
Professor Kate Tunstall								
Professor Donal Nolan								
Dr Nir Vulkan								
Professor Andrew Carr							•	
Professor Ben Morgan					•			
Dr John Parrington	Head of Research							
Dr Richard Earl	Vice Provost	To 12/02/2025						
Dr Scott Scullion	Dean of Degrees							
Professor Andreas Willi				•				
Professor Endre Süli					•			
Professor Grant Ritchie				•				
Professor Robert Harris								
Dr Paul Azzopardi	Dean			•	•			•
Dr David Steinsaltz								
Dr Conrad Leyser	Financial Aid Officer				•			
Professor Laura Ashe								
Professor Gabriel Stylianides								
Professor Kim Dora	Garden Master							
Dr Antonis Papachristodoulou		To 31/08/24						
Dr Michael Peramatzis		To 09/01/25						
Dr Zofia Stemplowska		To 09/01/25						•
Dr Afifi al-Akiti						•		
Professor Sadie Creese								
Dr James Edwards								
Professor Andrew Stephen						•		
Mr Mark Bainbridge	Fellow Librarian and Data Protection Officer							

WORCESTER COLLEGE
Governing Body, Officers and Advisers
Year ended 31 July 2025

Governing Body Fellow	College Officers	In year change	(1)	(2)	(3)	(4)	(5)	(6)
Dr Alexander Sturgis								•
Dr Peta Fowler	SCR Steward							
Dr Alice Violet		To 30/09/24						
Professor Andrzej Murawski			•					
Dr Robert Smith	Tutor for Graduates				•			
Professor Hauke Marquardt								
Dr Lisa Wedding	Sustainability Fellow							
Dr Michael Mayo	Director of Visiting Students Programme				•			
Dr Laura Quick		To 31/05/25						
Dr Leah Trueblood		To 20/06/25		•				
Dr Natalia Waights Hickman								
Professor Tsilly Dagan			•					
Professor Iain McCulloch								
Dr Paulo Savaget								
Dr Wouter Mostert							•	
Professor Patricia Clavin								•
Professor Emmanuel Breuillard						•		
Mr Michael Huggins	Finance and Estates Bursar		•	•	•	•	•	•
Professor Jennifer Walshe						•		
Mr Simon Boddie			•					
Leila Ullrich	Equalities Fellow							•
Ronelle Roth								
Helen Parish	Senior Tutor		•	•	•			
Viola Kerr	Development Director					•		
Richard D'Arcy			•					
Weston Struwe				•				
Professor Josephine Quinn		To 31/12/24						

During the year the activities of the Governing Body were carried out through six principal committees. The membership of these committees during the academic year 2024/25 is shown above for each Fellow.

(1) Finance Committee
(2) General Purposes Committee
(3) Education Committee
(4) Development Committee
(5) Estates and Operations Committee
(6) People and Culture Committee

The Joint Consultative Committee comprising membership from Governing Body, senior staff and Officers of the Middle and Junior Common Rooms discusses matters affecting Middle and Junior Common Room members. Such matters include (but are not limited to) the domestic management of the College, food service provision, and sports and recreational facilities.

Membership details for all committees are available on request.

COLLEGE SENIOR STAFF

The non-Trustee senior staff of the College to whom day to day management is delegated are:

Mr Harmohinder Bahl	Home Bursar
Mrs Jayne Stoddart	Head of Works
Ms Leigh MacNeill	College Accountant

COLLEGE ADVISERS

Investment managers
Oxford University Endowment Management Ltd
King Charles House
Park End Street
Oxford
OX1 1JD

Auditor
Moore Kingston Smith LLP
6th Floor
9 Appold Street
London
EC2A 2AP

Bankers
The Royal Bank of Scotland
Drummond House
1 Redheughs Avenue
Edinburgh
EH12 9JN

Barclays Bank
Leicester
LE87 2BB

COLLEGE ADDRESS

Worcester College
Walton Street
Oxford
OX1 2HB

College website
www.worc.ox.ac.uk

The Members of the Governing Body present their Annual Report for the year ended 31 July 2025 under the Charities Act 2011 together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Provost, Fellows & Scholars of Worcester College in the University of Oxford, which is known as Worcester College, ("the College") is an eleemosynary chartered charitable corporation aggregate. It was founded through a legacy of Sir Thomas Cookes Bt. under a Royal Charter of Queen Anne dated 1714. The corporation comprises the Provost and Fellows. The College is registered under the Charity Commission (registered number 1143479).

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 Statutes dated 14 December 2011.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Master of the Rolls on behalf of the Crown. New Governing Body fellows are appointed by the existing trustees, for specified periods of time or until retirement. New members of the Governing Body are elected on the basis of expertise in their particular field.

The Governing Body devises and approves the College's strategy and oversees its administration and also the management of its finances and assets. It meets regularly, chaired by the Provost.

Recruitment and training of Members of the Governing Body

New Members of the Governing Body are normally recruited by open application and interview and are inducted into the workings of the College, including Governing Body policy and procedures, by means of being provided with a copy of the College Statutes, the Fellows' Handbook, Charity Commission Guidance Notes and informal discussions with colleagues.

Training courses and information to keep members of the Governing Body informed about current issues in the sector and on regulatory requirements are kept under review and offered, as appropriate.

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 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. This is set based on the advice of the College's Remuneration Committee. Where possible, remuneration is set in line with that awarded to the University's academic staff.

The remuneration of senior college staff is approved by Governing Body on the recommendation of the Remuneration Committee.

Organisational management

The members of the Governing Body normally meet twice a term with the provision for extraordinary meetings, if required. Governing Body has established a series of committees to attend to and advise upon the wide range of matters for which Trustees are accountable. Six Principal Committees meet termly to cover the main operational areas of College life and report directly to Governing Body, some of which are informed by operational or specialist sub-committees.

Development Committee
: Provides strategic advice to the Development Director and oversight of the College's fundraising activities, policies and donor relations.

Education Committee
: Considers all business related to the academic life and activities of the College, with the aim of supporting students and promoting excellence in teaching and research.

Estates & Operations Committee
: Provides strategic advice and general oversight to ensure College buildings and facilities meet the academic, social and residential needs of the College community, within its means and for long-term sustainability. The Committee usually meets twice per term. Its sub-committees include those responsible for Health & Safety, IT, Gardens & Grounds and Sustainability.

Finance Committee
: Sets and monitors annual financial budgets. It deals with issues of financial management, procurement, reporting and compliance, aiming to secure long-term financial sustainability and value for money across all College expenditures.

General Purposes Committee
: Provides a regular forum for the consideration of urgent or strategic issues and those which do not fall wholly within the remits of other committees.

People & Culture Committee
: Monitors, facilitates and promotes policies, strategies and actions to strengthen the skills, achievements and impacts of people in the Worcester College community. Its sub-committees include those responsible for HR and Equality, Diversity & Inclusion.

Three Advisory Committees are convened termly to provide strategic advice and oversight for governance, academic and operational areas.

- Academic Strategy Committee

Produces and monitors progress on an annual academic strategy which sets out aspirations for the size, shape, performance and provision of teaching and research.

- Governance & Compliance Committee

Monitors progress on the College's strategy, and reviews College governance, policies and processes to ensure appropriate measures of transparency, compliance and accountability.

- Audit & Risk Committee

Provides review and advice, from external experts, to assist Governing Body in the fulfilment of its corporate governance, and charitable duties.

Two other committees directly report to Governing Body:

- Nominating Committee, which comprises at least five members of Governing Body who are broadly representative of the College's academic community, makes recommendations in relation to the appointment of committee members and senior officers from among the trustees of the College.
- Remuneration Committee, which provides independent advice and recommendations to the Governing Body as to the level of remuneration (including any stipend, allowance or benefit) for members of the Governing Body or other senior staff who may be referred to it. The Committee is chaired by someone who is not a Trustee of the College but has previous experience of serving on a Remuneration Committee or equivalent.

The day-to-day running of the College is delegated to the Provost, supported by the following College Officers and senior staff: the Vice Provost, the Finance & Estates Bursar, the Senior Tutor, the Dean, the Home Bursar, the Development Director, the College Accountant, the Librarian and the Director of the Visiting Student Programme. All meetings of the committees listed above are attended by one or more of these individuals.

Group structure and relationships

The College has a wholly owned trading subsidiary, Worcester College Enterprises Limited whose accounts are consolidated into the accounts of the College.

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.

A separate charity which is not controlled by the College, Worcester College Oxford Endowment Trust, has the support of the College as its principal charitable objective. The Trust makes an annual grant to the College (currently at 4.25% of the value of its assets at year-end).

The College also administers many special funds, as detailed in Note 16 to the financial statements.

OBJECTIVES AND ACTIVITIES

Worcester College is committed to teaching, learning and exchanging ideas which make a positive impact in wider society. As an academic community within the University of Oxford, the College promotes freedom of thought and expression, the integrity of academic research, and the belief that all members of the College should be valued and respected. The College offers a stimulating and supportive teaching and learning environment for students at undergraduate and graduate levels in a wide range of academic disciplines. This is complemented by modern facilities and a range of opportunities for extra-curricular activity.

The College's educational provision works in tandem with the courses of study available to its students within the departments and faculties of the University of Oxford. In particular, the College organises small-group tutorials for undergraduates in which each student's education is steered by research-active academics. This system of supervision, alongside advisors for graduate students, ensures that the College provides an informing, inspiring and challenging learning environment for all its students.

For centuries Worcester College has helped students to achieve their potential and contribute to society after graduation. Alumni have gone on to lead fulfilling lives and have made major contributions in their chosen fields, from academia, education, science and the arts, to faith communities, public service, business and the military.

Charitable Objects and Aims

The College's Objects are the advancement of education, religion, learning and research, by the provision of a college in the University of Oxford, for the benefit of the public.

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 advance education, including extending access

  Working with the University of Oxford's departments and faculties, students are admitted from a wide range of demographic, financial and cultural backgrounds solely on the basis of their academic ability and potential.

  The College provides opportunities for its students to develop their academic knowledge and potential, and the transferable skills they will need to contribute in the workplace and in society more widely. Small-group tutorial and class teaching for undergraduates is supplemented by the provision of a range of teaching and learning facilities, including three libraries and several lecture/seminar rooms. The College also offers a range of welfare, pastoral and administrative systems to support students, as well as social, cultural, and extra-curricular activities.

  The Admissions and Access Officers employed by the College undertake outreach and widening-participation work with schools, colleges and individuals and work with the Senior Tutor to develop and implement policies associated with access to Higher Education. The Senior Tutor, supported by a Graduate Officer, is responsible for work associated with the admission of graduate students.

- To provide bursaries

  The College recognises academic achievement through the award of scholarships, exhibitions and prizes for strong performance. Funds are provided to assist students with the purchase of academic books, to help with vacation residence and field trip costs, and for travel associated with attendance at conferences and in furtherance of their academic work.

- To support impecunious students through targeted financial aid.

  The College advises and assists students who are in financial hardship. A Student Financial Aid Fund considers applications for assistance from the College's hardship funds and is able to provide help by means of grants, loans or a combination of the two.

- To support college-funded and independent research,

  The College funds a number of career development Junior Research Fellowships and Tutorial Fellowships in a wide range of subject areas including biology, social sciences and the history of art. Associations are also offered, by means of Senior Research Fellowships and Supernumerary Fellowships, to individuals in University departments and faculties who are undertaking research.

  Through the standard University scheme for sabbatical leave, and in considering requests for special leave, the College also provides replacement teaching to enable Fellows to dedicate between 1 and 3 terms to specific research projects. All Tutorial Fellows and career development Junior Research Fellows are eligible to receive a Teaching and Research Allowance and may apply for assistance towards expenses incurred in attending academic conferences.

  Students and academic staff are able to make use of the College's three libraries, and researchers can also apply to access material in the College's archive or special collections of prints drawings and manuscripts.

- To promote religion.

  The College employs a full-time Chaplain who, along with the Assistant Chaplain, conducts services in the Chapel and can be approached by students of any faith or none as a member of the welfare team. The Chapel, open every day, acts as a centre of Christian worship but its use by anyone as a space for quiet reflection is also encouraged.

The Chapel supports the College Choir under the direction of the full-time Director of College Music, featuring both mixed-voice choral scholars, boy trebles from Christ Church Cathedral School, and undergraduate organ scholars. The Choir sing regular services of evensong, communion and compline, four times weekly in full term, as well as taking part in concerts, tours, broadcasts and recordings.

A freely accessible multi-faith prayer room is available as an alternative space for prayer and reflection for both groups and individuals, and all services are promoted, internally and externally, by means of notice boards, social media and websites. Information about the variety of faith societies, belief groups and religious centres within the University is provided in the Undergraduate and Graduate Handbooks.

The Chaplain organises various events outside of the Chapel to discuss religion, ethics and morality, usually including a weekly discussion group and a termly dinner with guest speaker, alongside more social activities focussing on wellbeing and pastoral care.

ACHIEVEMENTS AND PERFORMANCE

The Oxford tutorial system presents unique opportunities for our students' academic and personal development and we continue to ensure that all our students benefit from the opportunities that exist in College. These have enabled them to develop the critical academic skills to build self-confidence, thrive as independent learners and continue to be ambitious. We continue to focus on those with the most talent and potential – when considering both students and staff – and are confident that our community will continue to build its resilience and inclusive values.

Delivery of the College Strategy

The College adopted a Five-Year College Strategy in Trinity Term 2022: (1) to promote academic excellence and research (2) to develop of a strong and inclusive College culture and (3) to ensure strong financial stewardship and good governance. The College's Strategy Implementation Group has worked hard to deliver the College's strategic ambitions. Key aspects have been:

- Academic excellence and research – updating the College's Academic Strategy to continue to deliver academic excellence and to enhance research activities within College;
- A strong and inclusive College culture – updating College policies and procedures to create a cohesive community for Fellows, students and staff with increased training as well as the creation of a staff forum to receive staff feedback. The College has also embarked upon a wide range of musical, artistic and community initiatives which have been very well received;
- Strong financial stewardship and good governance – improving governance and financial processes in College with (1) the adoption of a three-year break-even financial strategy and (2) a governance review to ensure that the College and it's trustees are able to meet (where relevant) Charity Commission best practice.

Access and Admissions

The Admissions and Outreach team maintains its focus on active engagement with schools in our 'link areas' of West Yorkshire, as determined by the University's regionalisation of access and outreach activity. We continue to work with other Colleges on collaborative events and projects, including ongoing discussions with Brasenose about increasing College and University profiles in Northern Ireland.

At the time of writing, the 2025-26 admissions cycle has reached its conclusion, and we have welcomed a new a new cohort of students to Worcester. We continue to offer a varied portfolio of events and activities as part of our recruitment activities, including participation in the three University open days, College visits, school-focused activities, and online events focused on UCAS applications, preparation for interviews, and 1:1 support for potential applicants in our link schools. Once again, we are very grateful to our Student Ambassadors whose contribution to the planning and delivery of College recruitment events makes our ambitious programme of events possible. Our Ambassadors play a key role in our Open Day programme, leading College tours, meeting individual potential applicants, and contributing to question-and-answer sessions run by the Senior Tutor and Admissions & Outreach officer. Visitors to open days appreciate the chance to meet current students, and to learn more about the student experience in College and the opportunities available. Our twenty-five Student Ambassadors are supported by twelve 'student helpers' and are paid by the College for the number of hours worked. Feedback indicates that our Ambassadors are pleased to be on equal footing with peers at other colleges, particularly regarding pay and expectations, and are keen to continue their work in College rather than seek opportunities elsewhere. Student Ambassadors are able to feed their own ideas into planning and events, with proposals received this year including the provision of support and advice for young carers, care-experienced, and estranged students, including reassurance that applications are welcomed and resources are available.

In the region of 3,000 visitors attended our June 2025 Open Days, and we welcomed well over 1,000 to the September 2025 Open Day. Our profile, reputation, and energetic engagement with potential applicants mean that Worcester once again received the highest number of applications for undergraduate study of any College. 1,451 applications were received for undergraduate courses, bringing us close to our 2019 peak of 1,461.

We continue to work to targets for undergraduate admissions, maintaining a focus on groups currently under-represented at Oxford University. The commitments made in the University's Access and Participation Plan (All HEI's are required to submit an APP to the Office of Students, and must be approved by the OFS if the provider wants to charge higher tuition fees) require the active engagement of Colleges with the University's targets in this area. Worcester continues to operate within the terms of the University's Common Admissions Framework, and we continue to make significant progress towards achieving our 'local' targets while supporting the work of the University in the delivery of its APP. The College continues to adhere to University guidance on the use of contextual data when assessing applications and build relationships with departmental and university admissions leads but continues to offer places on the basis of academic performance and potential. We maintain an almost identical acceptance rate among applicants from state and independent schools, which we see as testimony to the overall calibre of the students applying from each group and our commitment to ensuring equality of opportunity and outcomes across applicants from all backgrounds. The data for the most recent year shows that the decisions taken in admissions remain a close match for the national population and distribution of A level grades.

We are very grateful for the support of colleagues in the Development Office during the Worcester College Telephone Campaign, which raised £25,000 to support access work. Following discussions between the Admissions Team, the Development Office and Senior Tutor, we intend to use the donation in the first instance to re-establish outbound access initiatives, such as school visits to our regional link areas and Student Ambassador visits to their own former schools or local institutions. The continued investment in Access and Outreach by our Old Members makes a real difference, and we have been able to recognise that investment by hosting groups from schools with which our alumni are connected. Thus far, we have accommodated these requests without compromising our established planning process.

We have updated our feedback provision to align with practice across most colleges. Rather than issuing individual feedback responses, we now provide general selection criteria and admissions guidance on our website, offering applicants accessible and consistent information.

Our Admissions, Access & Outreach office continues to offer structured and informal visit days for schools across a wide age range, drawing upon support from tutorial fellows for academic input. Enrichment activities of this type are a core part of our provision, equipping and empowering applicants from under-represented groups within the College and University in line with the requirements of the University's Admissions and Outreach work and the allocation *of colleges to 'link areas' across the country.*

The Choral Experience programme provides a platform for students to explore music-making at a university level, sparking interest in Oxford's unique commitment to choral music. Last year's feedback was overwhelmingly positive, and the 2025 Choral Experience was offered as a two-day, non-residential programme on 12 July and 20 September. Caius Lee, Director of Music, is currently exploring a collaboration with the Royal School of Church Music to bolster future participation.

Worcester was well represented at the Oxplore Festival, with a college stand in the exhibition hall, and an opportunity to raise awareness of the support available through outreach teams, particularly in regional link areas. A special event was hosted for Sixth Formers, offering admissions advice and myth-busting around the Oxford application process. This engagement supports our aim of demystifying Oxford and strengthening relationships with schools and prospective students in our outreach regions.

Fellowship and Staff

Our governance is arranged according to our College Statutes and By-Laws, with the College's Governing Body holding overall responsibility for College policies and affairs. The Governing Body is chaired by the Provost. Its membership comprises all Official Fellows (Tutorial and Non-Tutorial) and Professorial Fellows (persons whose posts are statutory Professorships of the University or are similarly ranked by it, and are permanently attached to the College). There are four categories of Fellowship – Research, Supernumerary, Emeritus and Honorary – of which the first two may be elected to membership of the Governing Body.

The College is home to a thriving community of Research, Honorary and Emeritus Fellows. The recent appointment of two Heads of Research from among the fellowship is part of a wider commitment to fostering a lively and supportive research environment, and the provision of support and mentoring to early career researchers. The College supports a range of research activities including seminars, workshops, public lectures, round-table discussions, and interdisciplinary approaches to research and publication that address a public audience.

Last year we appointed to four non-stipendiary Junior Research Fellowships, three stipendiary Junior Research Fellowships, and one Senior Research Fellowship. Such appointments are cyclical; the next series will commence in 2025-26. We recognise the contribution that early career researchers make to the academic community at Worcester, and the importance of providing a mutually supportive research culture and environment in College. Our commitment to the development of a lively research culture has been noted by the University; the Senior Tutor has met twice with members of the University policy unit, and requests for further information have been received from other Colleges. A series of pre-dinner talks and workshops has enabled our early career researchers and Fellows to present 'work in progress' talks, and under the umbrella of our research theme for 2023-4 'Sustainability' a series of research led and practice-focused events have been organised, widening the reach of this work across College, university, and via public engagement.

Student Numbers and Progress

Worcester College is home to 430 undergraduates, 210 postgraduates, and 25 visiting students. Our undergraduate students have been awarded Faculty Prizes across a wide range of subjects, including Classics, Chemistry, Law, Business, Psychology, and Medicine.

We have appointed a new Learning Development Officer for the current academic year, following a successful application for donor funding for the post on a fixed-term basis. We will use this time to reflect on learning and academic skills development in College, and how best to support our students. Our LDO has run a dynamic and responsive series of events, group activities and 1-1 sessions targeted at the needs of our students, and engaging with broader teaching and learning focused issues in higher education. Activities include workshops for staff at Worcester on generative AI, to be delivered by an expert from Oxford's Centre for Teaching and Learning, to promote a greater understanding of generative AI, its uses and dangers, and to promote conversations around how to take advantage of it in one's teaching.

The Visiting Students Programme continues to thrive. We retain our reputation for academic excellence within a supportive and diverse learning environment, providing an educational and cultural experience which supports academic development and builds life long memories. In feedback, the students report high levels of satisfaction with three core aspects of the College provision: the quality and support of their tutors; the ability to integrate with matriculated students; and the pastoral support shown by the College. The successful delivery of the Visiting Students Programme forms part of the College Strategy and our academic ambitions. The academic relationship that we build with our Visiting Students is mutually beneficial, exposing students to diverse perspectives and enabling constructive challenge and debate.

Our ambition to enhance our academic provision grows out of this desire to be an outward facing College which welcomes students and visitors from around the globe. The Visiting Students Programme is well supported and resourced in College, but as an area of potential growth also contributes to stability in our financial planning. Worcester's Visiting Students live with the College's matriculated students in College housing on the main site, which facilitates social interaction; any expansion of Visiting Student numbers will be kept within a range that enables us to maintain this approach to accommodation.

The College is home to a vibrant community of graduate students pursuing a wide range of postgraduate taught and research degrees. Application numbers have been buoyant, and our Academic Strategy benchmarking group has identified the expansion of PG numbers and graduate scholarships as a key part of our planning over the next 3-5 years. Support from the Development Office has been much appreciated in this area; we recognise the funding challenges currently facing the HE sector and the importance of funding for research students who will shape the academic culture of the College, University, and wider society in the years ahead.

Student Financial Support

The College has continued to offer financial support to its students, including for academic provision, hardship, bursaries, study grants and extra-curricular activities. Funds were also provided to support other activities including field trips, medical electives, undergraduate research/conference travel, book bursaries, sports bursaries and language tuition. A total of £370k was disbursed during the year (2024: £358k).

Development

This year, we have been pleased to build and embed a number of new initiatives into the annual Development and Alumni Relations plan, based on the solid operational foundations established in 2023-4. Our aim throughout has been to make and strengthen connections with alumni – and this we have done in ever growing numbers. We are delighted that sustained efforts have enriched links between Worcester College and its wider community, and developed support for the College's strategic aims as a leading educational institution.

In cashflow terms, £14,560,188 was received in donations during the financial year 2024-5, including £826,243 in gifts planned in wills. £866,968 was received in unrestricted donations. £10,000,000 of the total amount raised constitutes the second tranche of the transformational pledged gift of £30,000,000 from Old Member Sir Lindsay Owen-Jones to create a new library and graduate student accommodation.

Thanks to the generosity of donors and their appreciation of Worcester's ambition to develop strategically significant areas of college life, it has been possible both to launch and to secure a number of key projects this

year. These include support for students from the moment they consider applying to Oxford through outreach and access, and throughout their degree through financial aid and academic skills development. A range of student enrichment programmes in the arts and sport have either been set up or bolstered through donations. Research funding for early-career academics has grown, while donations have launched five new scholarships for students pursuing graduate-level study, with the first beneficiaries joining Worcester in autumn 2025. Donor-funded research opportunities and infrastructure renovations coalescing around the theme of sustainability have led to Worcester being awarded Gold in the *Green Impact Awards* in sustainability. The resounding success of a campaign to restore Worcester's iconic lake saw over £787,000 raised towards a target of £850,000. Of particular note is the re-establishment of teaching and research in the History of Art at Worcester, thanks to the foresight of a generous Old Member who has endowed the Tutorial Fellowship in the subject.

We are deeply grateful to the 1,407 Worcester alumni who chose to make a donation to the College this year – an increase of over 200. Emphasis was placed on two campaigns to inspire alumni to consider contributing to their college: the first Giving Day since 2021 in November, and a telephone campaign with student callers in March. By reaching out to all alumni through the 36-hour focus of the Giving Day we raised over £300,000 – an unprecedented amount for a Giving Day at an Oxford college. Worcester's Old Members responded extremely generously, providing a considerable boost to support for students, music and the restoration fund for Worcester's iconic lake. Expectations were further exceeded when student callers contacted 450 alumni during the Telethon in March and raised £204,000 in regular gifts.

We are especially indebted to those donors who have entrusted the College with unrestricted donations this year. Their confidence in the College and understanding of our financial structure is as vital as it is appreciated.

To bring to life the impact of donors' gifts, an online donor report was produced for the first time. Along with new events for the 1714 Society and the Foundation Circle, the report will enhance our ability to convey gratitude to supporters.

Our programme of regular reunions, online lectures and subject dinners has been adapted to reach as broad a range of alumni as possible. We connected with over 1,000 alumni and guests in person all over the UK, and notably in Hong Kong, Singapore and New York.

The Development and Alumni Relations team benefits from guidance by the Development Advisory Board of volunteers from amongst our Old Member community (now in its second year) and from the Development Committee which reports to Governing Body. We owe a great debt of gratitude to all members for their time and counsel.

Our grateful thanks go to all those whose thoughtful and generous financial support has enabled Worcester to achieve its aims this year.

FINANCIAL REVIEW

The College's financial strategy is to aim to break-even at an operating level in the short term, to generate more income in the medium term and to increase its endowments in the long term, to increase financial security and reduce financial risk. For the third year in a row the College has achieved a near-break-even operating result.

The 2024-25 financial year was challenging. Inflation was 2.5% in the first half of the year, and increased to 3.8% by year end. Inflation in key areas of expenditure – such as energy, and food - was considerably higher. These inflationary pressures were also felt by our loyal and hardworking staff, and we have done what we could to help support them financially, including adopting the University pay settlement. Employer's National Insurance increased in April to 15%.

The principal funding sources of the College continue to be fees, accommodation charges, conference income, donations and endowment income. Fee income is received via the University, from the Office for Students (OfS), various funding bodies and students.

The College also receives financial support from many benefactors mentioned above, who enabled us to achieve a near break-even operating position this year (a small deficit of £28k compared to a deficit of £161k after adjusting for the write-back of the pension provision in 2024).

Total income and endowments for the year were £20,317k (compared with £19,227k in 2024). As noted above, this included £3,971k from donations and legacies (2024: £4,248k).

The College's charitable objects continue to be met with resources expended on charitable activities for the year of £18,141k (2024: £14,291k). The 2024 figure was after the write-back of the opening pension provision of £2,496k. No pension provision was required in the year or the prior year.

Incoming resources from charitable activities in the year, principally fees and residential income were £10,177k compared with £9,042k in 2024. Other trading activity for the year generated £3,290k (compared with £3,434k in 2024).

The principal changes in operating results for the year ended 31 July 2025 compared to the previous year were the slight reduction in net other trading income of £77k, largely due to rising costs; lower net development income of £292k; higher investment income of £376k and increasing nets cost of teaching, research and residential by £288k.

The operating cash surplus, which is principally restricted in nature, increased from £9,630k in 2024 to £10,088k in 2025.

During the year the College received a further £10M donation from Sir Lindsay Owen-Jones for the construction of a landmark library, bringing the total funds held for this purpose to £20M. A final instalment of £10M was received after the year end. These funds cannot be recognised as income until certain conditions have been met but they are accumulating interest which is restricted to the library project.

All of the College's fixed asset securities and other investments are managed by Oxford University Endowment Management Limited (OUEM) and total £56,418k (2024: £52,033k).

The Trustees continue to pay particular attention to the College's ability to continue as a going concern in the face of significant economic challenges. Improved trading activity and the generous support of Old Members makes it possible to continue College activities at their present scale but we continue to examine all our operations to ensure value for money and to identify ways of achieving improved financial sustainability on a long-term basis. Having reviewed the current cash position and forecast income and expenditure, and in the light of the College's existing financial resources, the trustees are satisfied that the College is a going concern. However, it should be noted that the operating budget for the coming years continues to remain challenging, and additional income will need to be generated and costs controlled to ensure that the College's finances remain healthy in the medium and longer term .

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, to allow the College to be managed efficiently and to provide a buffer to ensure uninterrupted delivery of services. The College's current target is to build its free reserves to £1M through accumulating operating surpluses until this amount is maintained. In setting this target, the Trustees were mindful that the College's Expendable Endowment provides a degree of protection in the event of short-term revenue pressure, although taking the view that it is also preferable and prudent to increase the level of free reserves given the long-term purpose of the Endowment.

Free reserves at 31 July 2025 were £326K (2024: £(132k)).The Group's unrestricted reserves at the year-end amounted to £39,447k (2024: £39,471k), represented by a £32,953k fixed asset designated reserve (2024: £33,070k), £6,168k (2024: £6,533k) of a long-term property investment reserve and free reserves of £326k.Free reserves are below the Trustees' target for free reserves, but the Trustees are reassured that the number is positive; they plan to build free reserves to the desired level as operating circumstances permit.

The investment strategy, policy and performance are monitored by the Investment Sub-Committee. At the year end, the College's long- term securities totalled £56,418k, (2024: £52,033k) which during the year generated income of £2,165k (2024: £2,407k) and included the recognition of an unrealised gain in the year of £3,545k (2024: gain of £2,321k).

Under the total return accounting basis, it is the Governing Body's policy to extract as income up to 4.5% of the value of the relevant invested funds. The Governing Body will keep the level of drawdown under review to balance the needs and interests of current and future beneficiaries of the College's activities.

Risk management

The College has on-going processes which operated through-out the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiary in undertaking their activities.

The Governing Body has ultimate responsibility for managing any risks faced by the College, and the Audit and Risk Committee helps it monitor the major risks to which the College is exposed. A risk register and action plan has been established and responsibility for the management of the key risks resides with the College officers and their relevant committees, with the Audit and Risk Committee receiving periodic reports on the effectiveness of this.

The principal risks and uncertainties faced by the College and its subsidiaries that have been identified are categorised as follows:

- Failure to attract and retain high quality staff. On the academic side this is mitigated by ensuring appropriate remuneration and by a range of additional measures including flexibility of funded leave to support research, and assistance securing housing in Oxford's competitive market. More broadly, the College mitigates this risk by working to attract a wide-range of qualified applicants for position.

- Governance and financial control risks are inherent in any charity of the College's size and complexity. These risks are mitigated by financial and governance controls including strong budgetary and purchasing controls, independent membership of key Committees and clear protocols for managing potential conflicts of interest.

- Risks relating to the management and operations of the College, including health and safety, risk of damage to the historic fabric of the estate, and potential interruption to the College's activities. Mitigation involves a range of preventative and control measures, alongside thorough reporting and oversight, contingency planning and insurance. Other risks relating to the operational activities of the College such as employment of staff and use of IT are managed through clear procedures and monitoring.

- Other risks of harm to the beneficiaries of the charity. This is mitigated through appropriate safeguarding procedures, continued investment in student welfare provision, and the active risk-assessment of events and activities on the College site.

- Financial risk to the College's endowment, including loss of real value through inappropriate investment, and failure to attract sufficient additional endowment funds. The College's endowment is invested with Oxford University Endowment Management to ensure direct oversight and management by investment professionals, with an Investment Subcommittee monitoring performance and reviewing future strategy, including potential concentration risk. Risk of insufficient future donations is mitigated by the activities of the Development Office and the Provost, overseen by both the External Relations Committee and the Finance Committee.

- Reliance on in-year voluntary income to defray operational expenditure. This is being mitigated by a focus on increasing the returns from trading activities, reviewing the size and composition of the student body and continued work on the evolving three-year financial plan.

FUTURE PLANS

The College continues to review all aspects of its operations, including the size and composition of the student body although we expect any changes to be gradual and evolutionary in nature. It will continue to deliver teaching and learning through the tutorial system, to support research, fund scholarships and scholarly activity and to recognise scholarly achievement, support students in financial hardship and provide for the welfare of its students through its welfare team and other support arrangements.

The College's ongoing essential maintenance programme is planned to continue into the next financial year and beyond. It represents a significant expenditure commitment. Alongside this, the free reserves will need to be rebuilt to the target level that the trustees have set in the light of uncertainties in the external environment. These factors further increase the importance of the cost control and commercial revenue work noted above.

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 must:

- select the most suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- 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 03 December 2025 and signed on its behalf by:

David Isaac
Provost

Independent auditor's report to the trustees of Worcester College

Opinion

We have audited the financial statements of Worcester College (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and College's affairs as at 31 July 2025 and of the group's incoming resources and application of resources, including the group's and the College's income and expenditure 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, set out on pages 6 to 17 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and College'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 trustees either intend to liquidate the group or parent 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 group and the parent 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.

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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.

Use of this report

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

Moore Kingston Smith LLP

Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Date: 5 December 2025

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its wholly owned subsidiary, Worcester College Enterprises Limited.

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 its subsidiary for the reporting year are in note 12.

The accounts of the affiliated student bodies, Worcester College Clubs, Middle Common Room and Junior Common Room have not been consolidated because 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'.

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' (The Charities SORP (FRS102).

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the measurement of investments and certain financial assets and liabilities at fair value with movements in value reported within the Statement of Financial Activities (SOFA).

The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

3. Going concern

The Trustees 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. Having reviewed the current cash position and forecast income and expenditure, and in the light of donations received and pledged to support the College, cost control, fund raising initiatives and the significant expendable endowment funds available, the trustees have concluded that 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.

4. 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 participates in two multi-employer defined benefit pension plans. In the judgement of the Governing Body, there is insufficient information about the plan assets and liabilities to be able to account reliably 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 20).

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.

4 Accounting judgements and estimation uncertainty (continued)

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.

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

5. 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, OFS support and other charges for services

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

Conference income in relation to conferences that span the year end is accrued for in accordance with the proportion of completion.

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.

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.

6. Expenditure

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

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

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

Support costs which 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.

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, together with expenditure on equipment costing more than £2,000, is capitalised.

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

Other expenditure on equipment incurred in the normal day-to-day running of the College and 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, Fixtures and Fittings	4 - 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 changes in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

9. Investments

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

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

9. Investments (continued)

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

10. 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. Where necessary, provision is made for obsolete, slow moving and defective stock.

11. 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 prevailing rates of exchange 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 balance sheet date. The resulting exchange differences are taken to the SOFA.

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 balance sheet date are recognised in the income and expenditure section of the SOFA.

12. Total return investment accounting

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

13. Fund accounting

The total funds of the College and its subsidiaries are allocated to unrestricted, restricted or endowment funds based on the origins of the funds and 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 earmarked funds for specific 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 income 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 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.

14. Pension costs

The costs of retirement benefits provided to employees of the College through two multi-employer defined benefit 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.

WORCESTER COLLEGE

Consolidated Statement of Financial Activities

For the year ended 31 July 2025

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	**2025 Total £'000**	2024 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities						
Teaching, research and residential	1	10,177	-	-	**10,177**	9,042
Other trading income	3	3,290	-	-	**3,290**	3,434
Donations and legacies	2	1,762	2,137	72	**3,971**	4,248
Investment income	4	378	336	2,165	**2,879**	2,503
Total income		15,607	2,473	2,237	**20,317**	19,227
EXPENDITURE ON:						
Charitable activities						
Teaching, research and residential	5	15,300	2,841	-	**18,141**	14,291
Generating funds:						
Fundraising		305	-	-	**305**	289
Trading expenditure		26	-	-	**26**	25
Total expenditure	5	15,631	2,841	-	**18,472**	14,605
Net (expenditure)/income before gains		(24)	(368)	2,237	**1,845**	4,622
Net gains/(losses) on investments		-	-	3,545	**3,545**	2,321
Net (expenditure)/income		**(24)**	**(368)**	**5,782**	**5,390**	6,943
Transfers between funds		-	1,483	(1,483)	**-**	-
Net movement in funds for the year		**(24)**	**1,115**	**4,299**	**5,390**	6,943
Fund balances brought forward	16	39,471	2,601	60,288	**102,360**	95,417
Funds carried forward at 31 July	16	39,447	3,716	64,587	**107,750**	102,360

WORCESTER COLLEGE

Consolidated and College Balance Sheets

As at 31 July 2025

	Notes	2025 Group £'000	2024 Group £'000	2025 College £'000	2024 College £'000
FIXED ASSETS					
Tangible assets	9	**33,154**	33,271	**33,154**	33,271
Property investments	10	**6,168**	6,533	**6,168**	6,533
Securities and other investments	11	**56,418**	52,033	**56,418**	52,033
		95,740	91,837	**95,740**	91,837
CURRENT ASSETS					
Stocks		**257**	164	**257**	164
Debtors	14	**2,656**	2,598	**5,273**	4,254
Cash at bank and in hand		**11,053**	9,892	**7,952**	7,813
Short-term investments		**20,111**	9,743	**20,111**	9,743
		34,077	22,397	**33,593**	21,974
CREDITORS: falling due within one year	15	**(22,067)**	(11,874)	**(21,583)**	(11,451)
NET CURRENT ASSETS		**12,010**	10,523	**12,010**	10,523
TOTAL ASSETS LESS CURRENT LIABILITIES		**107,750**	102,360	**107,750**	102,360
NET ASSETS BEFORE PENSION LIABILITY		**107,750**	102,360	**107,750**	102,360
Defined benefit pension scheme liability		**-**	-	**-**	-
NET ASSETS		**107,750**	102,360	**107,750**	102,360
FUNDS OF THE COLLEGE	16				
Endowment funds		**64,587**	60,288	**64,587**	60,288
Restricted funds		**3,716**	2,601	**3,716**	2,601
Unrestricted funds					
Designated fixed assets fund		**32,953**	33,070	**32,953**	33,070
General funds (excluding pension reserve)		**6,494**	6,401	**6,494**	6,401
Pension reserve		**-**	-	**-**	-
		107,750	102,360	**107,750**	102,360

The financial statements were approved and authorised for issue by the Governing Body of Worcester College on 03 December 2025.

David Isaac, Provost

WORCESTER COLLEGE
Consolidated Statement of Cash Flows
For the year ended 31 July 2025

	Notes	2025 Group £'000	2024 Group £'000
Net cash used in operating activities	21	**10,088**	9,630
Cash flows from investing activities			
Dividends, interest and rents from investments		**2,879**	2,503
Purchase of property, plant and equipment		**(670)**	(629)
Purchase of fixed asset investment		**(840)**	(2,304)
Purchase of current asset investments		**(10,368)**	(9,742)
Proceeds from disposal of fixed asset investments		**-**	300
Net cash used in/provided by investing activities		**(8,999)**	(9,872)
Cash flows from financing activities			
Receipt of endowment		**72**	288
Net cash provided by financing activities		**72**	288
Change in cash and cash equivalents in the reporting period		**1,161**	46
Cash and cash equivalents at the beginning of the reporting period		**9,892**	9,846
Cash and cash equivalents at the end of the reporting period		**11,053**	9,892

The College has no net debt and accordingly no net debt note is presented.

1 INCOME FROM CHARITABLE ACTIVITIES

	2025 £'000	2024 £'000
Teaching, research and residential		
Unrestricted Funds		
Tuition fees - UK and EU students	**1,896**	1,939
Tuition fees - Overseas students	**1,250**	970
Other fees	**798**	961
Other OFS support	**115**	119
Other academic income	**218**	160
College residential income	**5,900**	4,893
	10,177	9,042

The above analysis includes £3,261k received from Oxford University from publicly accountable funds under the College Funding Formula Scheme (2024: £3,028k).

2 DONATIONS AND LEGACIES

	2025 £'000	2024 £'000
Unrestricted funds	**1,762**	2,557
Restricted funds	**2,137**	1,404
Endowed funds	**72**	287
	3,971	4,248

Restricted funds include grants of £200k (2024: £300k) awarded by the Conference of Colleges Contribution Scheme.

3 INCOME FROM OTHER TRADING ACTIVITIES

	2025 £'000	2024 £'000
Subsidiary company trading income	**1,598**	1,271
Other trading income	**1,692**	2,163
	3,290	3,434

4 INVESTMENT INCOME

	2025 £'000	2024 £'000
Unrestricted funds		
Equity dividends	**2**	3
Interest on fixed term deposits and cash	**376**	93
Other investment income	**-**	-
	378	96
Restricted funds		
Other investment income	**336**	-
Endowed funds		
Other investment income	**2,165**	2,407

5 ANALYSIS OF EXPENDITURE

		2025 £'000	2024 £'000
Charitable expenditure			
Direct staff costs allocated to:	Teaching, research and residential	**7,965**	4,801
Other direct costs allocated to:	Teaching, research and residential	**7,771**	6,773
Support and governance costs allocated to:	Teaching, research and residential	**2,405**	2,717
		18,141	14,291
Expenditure on raising funds			
Direct staff costs allocated to:	Fundraising	**138**	132
	Trading Expenditure	**26**	25
Other direct costs allocated to:	Fundraising	**91**	60
Support and governance costs allocated to:	Fundraising	**76**	97
		331	314
		18,473	14,605
	Fundraising	**305**	289
	Trading Expenditure	**26**	25
		-	
		331	314

The 2025 resources expended of £18,473k (2024: £14,605k) represented £15,631k from unrestricted funds (2024: £12,775k) and £2,841k from restricted funds (2024: £1,810k) and £0k from endowment funds (2024: £20k).

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching Research & Residential £'000	**2025 Total £'000**
Financial and domestic admin	40	626	**666**
Human resources	15	340	**355**
IT	21	343	**364**
Depreciation	-	1,057	**1,057**
Other finance charges	-	10	**10**
Governance costs	-	30	**30**
	76	**2,406**	**2,482**

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS (continued)

	Generating Funds	Teaching Research & Residential	2024 Total
	£'000	£'000	£'000
Financial and domestic admin	37	688	725
Human resources	13	403	416
IT	47	541	588
Depreciation	-	998	998
Other finance charges	-	58	58
Governance costs	-	28	28
	97	2,716	2,813

Finance and administration and human resources costs are attributed according to the estimated staff time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. IT costs are attributed according to the estimated time spent on each activity. Interest and other finance charges are attributed according to the purpose of the related financing.

	2025	2024
	£'000	£'000
Governance costs comprise:		
Auditor's remuneration – audit services	**30**	28

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

7 GRANTS AND AWARDS

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

		2025	2024
		£'000	£'000
Grants to individuals from:			
Unrestricted funds	Scholarships, prizes and grants	**64**	40
	Bursaries and hardship awards	**17**	36
		81	76
Restricted funds	Scholarships, prizes and grants	**260**	208
	Bursaries and hardship awards	**29**	74
		289	282
Total grants and awards		**370**	358

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

The figure included above represents the cost to the College of the Oxford Bursaries scheme. Students in the College received £110k in bursaries in (2024: £118k).

8 STAFF COSTS

The aggregate payroll costs for the year were as follows:

	2025 £'000	2024 £'000
Salaries and wages	**7,427**	7,059
Social security costs	**727**	596
Pension costs	**808**	853
	8,962	8,508
Pension provision adjustment	**-**	(2,554)
	8,962	5,954

The average headcount number of employed employees of the College, excluding Trustees, was as follows:

	2025	2024
Tuition and research	**209**	185
College residential	**93**	123
Fundraising	**11**	6
Support	**17**	26
Total	**330**	340

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

	2025	2024
University Lecturers	**21**	20
CUF Lecturers	**12**	12
Other teaching and research	**5**	5
Other	**5**	5
Total	**43**	42

Salary and wages costs include severance costs of £30k for three members of staff (2024: £10k for one member of staff).

The College also benefits from temporary staff, agency workers and those part-time external tutors who are not on the College payroll.

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:

	2025	2024
£60,001 to £70,000	**3**	3
£70,001 to £80,000	**2**	2
£80,001 to £90,000	**1**	-

Details of the remuneration and reimbursed expenses of the College Trustees are included as a separate note in these financial statements.

9 TANGIBLE FIXED ASSETS

Group and College	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	**Total £'000**
Cost			
At start of year	46,597	2,002	**48,599**
Additions	360	310	**670**
Transfer from investment property	365		**365**
Disposals	(380)	(333)	**(713)**
At end of year	**46,942**	**1,979**	**48,921**
Depreciation			
At start of year	13,754	1,574	**15,328**
Charge for the year	929	126	**1,055**
Eliminated on disposal	(283)	(333)	**(616)**
At end of year	**14,400**	**1,367**	**15,767**
Net book value			
At end of year	**32,542**	**612**	**33,154**
At start of year	32,843	428	33,271

Included within Fixtures, Fittings and Equipment above are intangible assets of £201k cost and £34k depreciation.

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

10 PROPERTY INVESTMENTS

Group and College	**2025 Total £'000**	2024 Total £'000
Valuation at start of year	**6,533**	4,833
Revaluation gains in the year	**-**	48
Additions	**-**	1,652
Transfer to Fixed Asset	(365)	
Valuation at end of year	**6,168**	6,533

A formal inspection valuation of the College properties was prepared by Mark Charter MRICS of Carter Jonas LLP as at 31 July 2025. Governing Body is satisfied that these valuations are materially accurate at the balance sheet date.

11 SECURITIES AND OTHER INVESTMENTS

Group and College	**2025** **£'000**	2024 £'000
Valuation at start of year	**52,033**	49,409
Invested in the year	**840**	652
Amounts withdrawn	**-**	(300)
Increase/(Decrease) in value of investments	**3,545**	2,272
Valuation at end of year	**56,418**	52,033

Group and College investments comprise:

	Held outside the UK £'000	Held in the UK £'000	**2025 Total £'000**	2024 Total £'000
Global multi-asset funds	47,334	9,084	**56,418**	52,033

100% of the portfolio is invested with Oxford University Endowment Management (Endowment Fund).

12 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Worcester College Enterprises Limited, a company providing conference and accommodation services.

The results of the College and subsidiary, and their assets and liabilities at the year-end were as follows.

Worcester College	**2025** **£'000**	2024 £'000
Income	**20,629**	18,883
Expenditure	**(18,029)**	(14,261)
Losses	**-**	-
Gains	**3,545**	2,321
Result for the year	**6,145**	6,943
Total assets	**129,328**	113,811
Total liabilities	**(20,823)**	(11,451)
Net funds at the end of year	**108,505**	102,360

Worcester College Enterprises Limited	**2025** **£'000**	2024 £'000
Turnover	**1,721**	1,286
Expenditure	**(443)**	(344)
Result for the year	**1,278**	942
Donation to College (gift aid)	**(1,278)**	(942)
	-	-
Total assets	**3,880**	2,988
Total liabilities	**(3,880)**	(2,988)
Net funds at the end of year	**-**	-

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 November 2003. The investment return, to be applied as income, is calculated as up to 4.5% of the brought forward values of the relevant investments. The preserved (frozen) value of the invested endowment capital represents its open market value in 1992, except where the original donation can be identified, together with the original gift value of all subsequent endowments.

	Permanent Endowment			Expendable	**Total**
	Trust for Investment	Unapplied Total Return	Total	Endowment	**2025**
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	24,131	-	24,131	-	**24,131**
Unapplied total return	-	10,247	10,247	-	**10,247**
Expendable endowment	-	-	-	25,910	**25,910**
Total Endowments	**24,131**	**10,247**	**34,378**	**25,910**	**60,288**
Movements in the reporting period:					
Gift of endowment funds	18	-	18	54	**72**
Investment return: total investment income	-	1,235	1,235	930	**2,165**
Investment return: realised and unrealised gains and losses	-	2,023	2,023	1,522	**3,545**
Total	18	3,258	3,276	2,506	**5,782**
Unapplied total return allocated to income in the reporting period	-	(818)	(818)	-	**(818)**
Expendable endowments transferred to income	-	-	-	(664)	**(664)**
Net movements in reporting period	18	2,440	2,458	1,842	**4,300**
At end of the reporting period:					
Gift component of the permanent endowment	24,149	-	24,149	-	**24,149**
Unapplied total return	-	12,687	12,687	-	**12,687**
Expendable endowment	-	-	-	27,752	**27,752**
Total Endowments	**24,149**	**12,687**	**36,836**	**27,752**	**64,588**

13 STATEMENT OF INVESTMENT TOTAL RETURN (continued)

	Permanent Endowment			Expendable	**Total**
	Trust for Investment	Unapplied Total Return	Total	Endowment	**2024**
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	23,150	-	23,150	-	23,150
Unapplied total return	-	8,568	8,568	-	8,568
Expendable endowment	-	-	-	24,352	24,352
Total Endowments	23,150	8,568	31,718	24,352	56,070
Movements in the reporting period:					
Gift of endowment funds	981	-	981	147	1,128
Investment return: total investment income	-	1,329	1,329	1,078	2,407
Investment return: realised and unrealised gains and losses	-	1,286	1,286	987	2,273
Other transfers	-	-	-	-	-
Total	981	2,615	3.596	2,212	5,808
Unapplied total return allocated to income in the reporting period	-	(936)	(936)	-	(936)
Expendable endowments transferred to income	-	-	-	(654)	(654)
Net movements in reporting period	981	1,679	2,660	1,558	4,218
At end of the reporting period:					
Gift component of the permanent endowment	24,131	-	24,131	-	24,131
Unapplied total return	-	10,247	10,247	-	10,247
Expendable endowment	-	-	-	25,910	25,910
Total Endowments	24,131	10,247	34,378	25,910	60,288

14 DEBTORS: falling due within one year

	2025 Group £'000	2024 Group £'000	**2025 College £'000**	2024 College £'000
Trade debtors	**752**	1,148	**38**	239
Amounts owed by Group undertakings	**-**	-	**3,395**	2,565
Loans repayable within one year	**9**	11	**9**	11
Prepayments and accrued income	**1,205**	1,033	**1,141**	1,033
Other debtors	**690**	406	**690**	406
	2,656	2,598	**5,273**	4,254

15 CREDITORS: falling due within one year

	2025 Group £'000	2024 Group £'000	**2025 College £'000**	2024 College £'000
Trade creditors	**423**	557	**419**	553
Amounts owed to College Members	**266**	234	**266**	234
Taxation and social security	**256**	252	**157**	252
Accruals and deferred income	**21,019**	10,173	**20,639**	10,165
Other creditors	**103**	658	**102**	247
	22,067	11,874	**21,583**	11,451

The deferred income figure above represents £20m in 2025 (2024- £10m) received for the building of the new library and student accommodation, which cannot be recognised as income until certain conditions have been met.

16 MOVEMENTS OF THE COLLEGE FUNDS

The College accounts for its investment income on a total return basis, which allows the College to invest permanent endowments to maximise total return and to make available an appropriate proportion of the total return for expenditure each year. Until this power is exercised the total return is the 'unapplied total return' and remains as part of the permanent endowment. The College has adopted a total return rate of up to 4.5% on opening values. An amount equal to eligible expenditure is transferred from the permanent endowment fund to restricted funds from which eligible expenditure is spent.

Endowment Funds	At 31 July 2024 £'000	Incoming Resources £'000	Resources Expended £'000	Gains / (Losses) £'000	Transfers £'000	**At 31 July 2025 £'000**
Permanent						
Fellowships	24,023	863	-	1,411	(559)	**25,738**
Research Support	1,333	48	-	80	(7)	**1,454**
Scholarships	2,917	105	-	172	(55)	**3,139**
Studentships	1,264	45	-	74	(30)	**1,353**
Donated Collection	1,616	58	-	97	(7)	**1,764**
Library & Book Conservation	583	22	-	34	(17)	**622**
The Marriott Trust	1,075	39	-	63	(31)	**1,146**
Mallinckrodt Fund	840	30	-	49	(79)	**840**
Other Funds	728	43		43	(33)	**781**
Expendable						
General Fund	5,809	209	-	349	-	**6,367**
Fellowships	8,805	316	-	509	(344)	**9,286**
Visiting Fellows	2,140	77	-	124	(83)	**2,258**
Gardens and Grounds	1,655	108	-	97	(85)	**1,775**
Student Bursaries & Grants	2,538	91	-	151	(33)	**2,747**
Teaching Fund	866	32	-	52	(6)	**944**
Other Funds	4,096	151	-	240	(114)	**4,373**
Total Endowment Funds	60,288	2,237	-	3,545	(1,483)	**64,587**
Restricted Funds						
Fellowships	-	-	(903)	-	903	-
Research Support	-	-	(7)	-	7	-
Scholarships	-	-	(55)	-	55	-
Studentships	-	-	(30)	-	30	-
Donated Collection	-	-	(7)	-	7	-
Library & Book Conservation	-	-	(17)	-	17	-
The Marriott Trust	-	-	(31)	-	31	-
Visiting Fellows	-	-	(83)	-	83	-
Student Bursaries & Grants	-	-	(33)	-	33	-
Teaching Fund	25	-	(6)	-	6	**25**
The Fabric Fund	373	-	(2)	-	-	**371**
Other Funds	2,203	2,473	(1,667)	-	311	**3,320**
Total Restricted Funds	2,601	2,473	(2,841)	-	1,483	**3,716**
Unrestricted Funds						
General Reserve	(132)	13,564	(14,384)		1,278	**326**
Fixed Assets Designated	33,070	322	(439)	-	-	**32,953**
Designated Reserves	6,533	-	(365)	-	-	**6,168**
Pension Reserve	-	-	-	-	-	**-**
Subsidiary	-	1,721	(443)	-	(1,278)	**-**
Total Unrestricted Funds	39,471	15,607	(15,631)	-	-	**39,447**
Total Funds	**102,360**	**20,317**	**(18,472)**	**3,545**	**-**	**107,750**

16 **MOVEMENTS OF THE COLLEGE FUNDS** (continued)

The College recognised property within the Expendable Endowed Fund in 2024 of Nil (2023: £1,618k).

Endowment Funds	At 31 July 2023 £'000	Incoming Resources £'000	Resources Expended £'000	Gains / (Losses) £'000	Transfers £'000	At 31 July 2024 £'000
Permanent						
Fellowships	22,877	943	-	927	(724)	24,023
Research Support	1,230	54	-	50	(1)	1,333
Scholarships	2,652	238	-	108	(81)	2,917
Studentships	1,207	53	-	49	(45)	1,264
Donated Collection	1,495	66	-	61	(6)	1,616
Library & Book Conservation	546	29	-	22	(14)	583
The Marriott Trust	1,021	45	-	41	(32)	1,075
Mallinckrodt Fund	-	840	-			840
Other Funds	690	42	-	28	(32)	728
Expendable						
General Fund	5,355	237	-	217	-	5,809
Fellowships	8,420	377	-	341	(333)	8,805
Visiting Fellows	2,017	89	-	82	(48)	2,140
Gardens and Grounds	1,496	198	-	61	(100)	1,655
Student Bursaries & Grants	2,379	105	-	96	(42)	2,538
Teaching Fund	804	37	-	33	(8)	866
Other Funds	3,881	201	(20)	157	(123)	4,096
Total Endowment Funds	56,070	3,554	(20)	2,273	(1,589)	60,288
Restricted Funds						
Fellowships	-	-	(1,057)	-	1,057	-
Research Support	-	-	(1)	-	1	-
Scholarships	-	-	(81)	-	81	-
Studentships	-	-	(45)	-	45	-
Donated Collection	-	-	(6)	-	6	-
Library & Book Conservation	-	-	(14)	-	14	-
The Marriott Trust	-	-	(32)	-	32	-
Visiting Fellows	-	-	(48)	-	48	-
Student Bursaries & Grants	-	-	(42)	-	42	-
Teaching Fund	25	-	(8)	-	8	25
The Fabric Fund	378	-	(5)	-	-	373
Other Funds	1,823	563	(471)	-	288	2,203
Total Restricted Funds	2,226	563	(1,810)	-	1,622	2,601
Unrestricted Funds						
General Reserve	1,345	11,542	(13,928	-	909	(132)
Fixed Assets Designated	33,439	629	(998)	-	-	33,070
Designated Reserves	4,833	1,652	-	48	-	6,533
Pension Reserve	(2,496)	-	2,496	-	-	-
Subsidiary	-	1,287	(345)	-	(942)	-
Total Unrestricted Funds	37,121	15,110	(12,775)	48	(33)	39,471
Total Funds	95,417	19,227	(14,605)	2,321	-	102,360

17 DETAILS OF THE COLLEGE FUNDS

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

Permanent Endowment Funds

Fellowships: A total of 14 funds where income, but not capital, is used to support fellowships.
Research Support: A donation where income, but not capital, is used to support research.
Scholarships: A total of 8 funds where income, but not capital, is spent on student scholarships.
Studentships: A donation where income, but not capital, is spent on studentships in a named subject area.
Donated Collection: A bequest where income, but not capital, can be used to conserve a donated collection.
Library and book conservation: Donations and bequests where income, but not capital, can be used to support book conservation and preserve the Old Library.
The Marriott Trust: A donation where income, but not capital, can be used to support the education of the children of the clergy.
Mallinckrodt Fund: A donation where income, but not capital, can be used to support maintenance of College old buildings.
Other Funds: Donations and bequests where income, but not capital, can be used for general purposes.

Expendable Endowment Funds

General Fund: A consolidation of benefactions and donations where either income, or income and capital, can be used for the general purposes of the College.
Fellowships: A total of 5 funds where the income and capital can be applied to support named Fellowships in conjunction with the University of Oxford.
Visiting Fellows: A donation where the income and capital can be applied to support visiting fellows.
Gardens and Grounds: A consolidation of benefactions and donations where either income, or income and capital, can be used for expenses relating to the upkeep of the gardens and grounds.
Student Bursaries and Grants: A consolidation of benefactions and donations where either income, or income and capital, can be used for student bursaries and scholarship grants.
Teaching Fund: A consolidation of benefactions and donations where either income, or income and capital, can be used to support teaching.
Other Funds: A diverse group of donations and bequests where either income, or income and capital, can be used for specific purposes including support for fellowships and students.

Restricted Funds

Fellowships: Income used to support named tutorial and research fellowships.
Research Support: Income used to support research in a named subject area.
Scholarships: Income that can be spent on student scholarships.
Studentships: Income that can be spent on studentships in a named subject area.
Donated Collection: Income used to conserve a donated collection.
Library & Book Conservation: Income used to support book conservation and preserve the Old Library.
The Marriott Trust: Income used to support the education of the children of the clergy.
Visiting Fellows: Income used to support visiting fellows.
Student Bursaries and Grants: Income that can be used for student bursaries and scholarship grants.
Teaching Fund: Income used to support teaching.
The Fabric Fund: Income that can be used for the maintenance of historic buildings.
Other Funds: A diverse group of income and donations to support student activities, fellowships, research, the Library, archives, upkeep of the gardens and maintenance projects.

Designated Funds

Fixed Assets Designated: Unrestricted Funds which are represented by fixed assets of the College and therefore not available for expenditure on the College's general purposes.
Designated: Unrestricted Funds allocated by the Trustees for joint equity and other investment properties.

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

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	**2025 Total £'000**
Tangible fixed assets	33,154	-	-	**33,154**
Property investments	6,168	-	-	**6,168**
Securities and other investments			56,418	**56,418**
Net current assets	125	3,716	8,169	**12,010**
Defined benefit pension scheme liability	-	-	-	**-**
	39,447	3,716	64,587	**107,750**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2024 Total £'000
Tangible fixed assets	33,271	-	-	33,271
Property investments	6,533	-	-	6,533
Securities and other investments	-	-	52,033	52,033
Net current assets	(333)	2,601	8,255	10,523
Defined benefit pension scheme liability	-	-	-	-
	39,471	2,601	60,288	102,360

19 TRUSTEES' REMUNERATION

Trustee remuneration

The trustees of the College comprise the Governing Body, primarily fellows who are teaching and research employees of the College and who sit on Governing Body by virtue of their employment.

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 scales and often are joint arrangements with the University of Oxford.

The Remuneration Committee consists of a majority of external members and makes recommendations to the Governing Body on levels of remuneration, allowances and expenses.

Trustees of the College fall into the following categories: Provost, Tutorial Fellows, Fellow Lecturers, Professorial Fellows, Supernumerary Fellows, and Official Non-Tutorial Fellows.

There are three trustees who work almost full time on management and fundraising; Provost (full time), Finance and Estates Bursar (full time), and Director of Development & Alumni Relations (full time).

Some trustees, tutorial fellows, are eligible for College housing schemes. Five trustees lived in properties owned by the College and did not receive housing allowance. Others may be eligible for a housing allowance which is disclosed within the salary figures below. Two trustees lived in houses owned jointly with the College, as detailed in Note 25.

Some trustees receive additional allowances for additional work carried out as part time College Officers, for example, the Vice Provost, Senior Tutor and Dean. These amounts are included within the remuneration figures below. The total remuneration and taxable benefits as shown below is £1,937,998 (2023-24: £2,072,544). The total of pension contributions is £210,768 (2023-24: £245,219).

19 TRUSTEES' REMUNERATION (continued)

There were five trustees during the year who were not employees of the College and did not receive remuneration. All employed trustees, together with other senior employees, are eligible for private health insurance as part of their package of remuneration.

All trustees may eat at common table, as can all other employees who are entitled to meals while working. No fellow claimed any expenses for work as a trustee.

Other transactions with trustees

During the year the partners of some trustees were paid for providing tutorials for students of the College.

Key management remuneration

The total cost of remuneration paid to key management was £1,095k (2024: £1,046k). Key management are considered to be the Provost, the Vice Provost, the Finance & Estates Bursar, the Senior Tutor, the Dean, the Admissions Tutor, the Home Bursar, the Development Director, the College Accountant, the Librarian, the Director of the Visiting Student Programme and the Outreach Fellow.

The following table sets out the remuneration received by Trustees as employees of the College:

	2025		2024	
	Number of Trustees	Gross Remuneration	Number of Trustees	Gross Remuneration
£0,000 - £0,999	1	224	1	208
£5,000 - £5,999	2	11,615		
£6,000 - £6,999	1	6,764		
£10,000 - £10,999			1	10,548
£11,000 - £11,999	1	11,454		
£12,000 - £12,999	1	12,632		
£13,000 - £13.999			1	13,833
£14,000 – £14,999				
£15,000 - £15,999	1	15,846	1	15,240
£16,000 - £16,999	1	16,918	1	16,953
£17,000 - £17,999	1	17,444		
£19,000 - £19,999			1	19,983
£20,000 - £20,999			1	20,166
£21,000 - £21,999				
£24,000 - £24,999	1	24,519		
£25,000 - £25,999	5	129,459		
£26,000 - £26,999	2	52,333	1	26,489
£27,000 - £27,999	2	55,518		
£28,000 - £28,999	1	28,818	9	254,429
£29,000 - £29,999			2	58,767
£30,000 - £30,999			1	30,882
£33,000 - £33,999	1	33,932		
£35,000 - £35,999	1	35,679		
£37,000 - £37,999				
£38,000 - £38,999	1	38,765	1	38,585

	2025		2024	
	Number of Trustees	Gross Remuneration	Number of Trustees	Gross Remuneration
43,000 - £43,999			1	43,053
£44,000 - £44,999				
£46,000 - £46,999				
£47,000 - £47,999	1	47,232		
£48,000 - £48,999	1	48,146		
£53,000 - £53,999	1	53,393	1	53,897
£54,000 - £54,999			1	54,523
£55,000 - £55,999			1	55,604
£56,000 - £56,999				
£57,000 - £57,999	1	57,151		
£59,000 - £59,999				
£60,000 - £60,999				
£61,000 - £61,999	1	61,875		
£63,000 - £63,999	4	253,999	1	63,068
£64,000 - £64,999	2	128,892		
£66,000 - £66,999	1	66,787		
£67,000 - £67,999	1	67,633	1	67,312
£68,000 - £68,999				
£69,000 - £69,999	1	69,949	4	278,073
£70,000- £70,999			1	70,820
£71,000- £72,999	2	143,037	2	143,365
£73,000- £74,999			1	73,077
£75,000- £79,999			2	153,762
£83,000 - £83,999	1	83,796		
£86,000 - £86,999	1	86,057	1	86,927
£90,000 - £99,999			2	189,151
£107,000 - £107,999			1	107,630
£108,000 - £108,999	1	108,526		
£126,000 - £126,999			1	126,201
£169,000 - £169,999	1	169,604		
	43	1,937,997	42	2,072,546

20 PENSION SCHEMES

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

Where a scheme valuation determines that the scheme is in deficit on a technical provisions basis (as was the case following the 2020 USS valuation), the trustee of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund an overall deficit. The College recognises a liability for the contributions payable that arise from such an agreement (to the extent that they relate to a deficit) with related expenses being recognised through the income statement.

The College is aware of the Virgin Media vs NTL Pension Trustees II Limited Court of Appeal judgement, which may give rise to adjustment to the Schemes. At present the legal process is incomplete and therefore we are unable to quantify any potential liabilities.

Schemes accounted for under FRS 102 as defined contribution schemes

Deficit Recovery Plans

Universities Superannuation Scheme

For USS, a deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The College was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the income and expenditure account. The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (the valuation date), which was carried out using the projected unit method.
Since the College cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

Price inflation – Consumer Prices Index (CPI)	3.0% p.a. (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations)
RPI/CPI gap	1.0% p.a. to 2030, reducing to 0.1% p.a. from 2030
Discount rate	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post-retirement: 0.9% p.a.
Pension increases (all subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a 'soft cap' of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality base table	101% of S2PMA 'light' for males and 95% of S3PFA for females
Future improvements to mortality	CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.40% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.80% p.a. for males and 1.60% p.a. for females

The current life expectancies on retirement at age 65 are:

	2025	2024
Males currently aged 65 (years)	23.8	23.7
Females currently aged 65 (years)	25.5	25.4
Males currently aged 45 (years)	25.7	25.6
Females currently aged 45 (years)	27.2	27.2

University of Oxford Staff Pension Scheme

The University of Oxford Staff Pension Scheme (OSPS) is a multi-employer hybrid scheme set up under trust and sponsored by the University. It is the pension scheme for support staff at the University, participating colleges and other related employers. New members joining the scheme build up benefits on a defined contribution basis. Members who joined before 1st October 2017 build up benefits on a career average revalued earnings basis.

The latest full actuarial valuation for the OSPS scheme was completed as at 31 March 2022. The funding position of this scheme has improved significantly moving from deficit of £113m to a surplus of £47m at the valuation date. As a result, the recovery plan agreed at the last valuation is no longer required and the deficit contribution ended on 30th September 2023. A provision of £3,481k was made at 31 July 2023 (2022: £1,539k) to account for deficit recovery payments up to 30th September 2023. That remaining liability was released to the income and expenditure account in 2024.

The Trustee and the University have agreed a new contribution schedule which took effect from 1 October 2023 and takes account of the benefit improvements and changes to member contributions since the last valuation date. It was agreed that the scheme will meet its own running costs from the scheme's assets, including expenses relating to both the DB and DC Sections and the cost of pension Protection Fund /other statutory levies.

The table below summarises the key actuarial assumptions. Further details of the assumptions are set out in the statement of funding principles dated 27 June 2023 and can be found at https://finance.admin.ox.ac.uk/osps-documents

Date of valuation:	31/03/2022
Value of liabilities:	£914m
Value of assets:	£961m
Funding surplus / (deficit):	£47m

The principal assumptions used by the actuary were:

Rate of interest (periods up to retirement)	Gilts' +2.25%
Rate of interest (periods after retirement)	Gilts' +0.5%
RPI	Break-even RPI curve less 0.5% pa pre-2030 and 1.0% pa post-2030
CPI	RPI inflation assumption less 1% pa pre-2030 and 0.1% pa post-2030
Pensionable Salary increases	RPI +pa

Funding Ratios:

Technical provisions basis:	105%
'Buy-out' basis:	62%

Non-financial assumptions:

Post-retirement mortality - base table	Non-Pensioners: 105% of standard S3PxA medium tables for both males and females Pensioners: 105% of standard S3PxA medium tables for both males and females
Post-retirement mortality - improvements	Non-Pensioners: 105% of standard S3PxA medium tables for both males and females Pensioners: 105% of standard S3PxA medium tables for both males and females
Recommended employer's contribution rate (as % of pensionable salaries):	16.5% DB for members from 01/10/2023 10% /12% /14% DC members in relation to 4% /6% /8% cost plan - from 01/10/2023
Effective date of next valuation:	31/03/2025

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: -

	2025 £'000	2024 £'000
Scheme		
Universities Superannuation Scheme	**616**	741
University of Oxford Staff Pension Scheme	**186**	229
Other Schemes Contributions	**6**	1
	808	971

Included in other creditors are pension contributions payable of £Nil (2024: £nil).

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 purposes that are exclusively charitable.

No liability to corporation tax arises in the College's subsidiary company because the directors of this company 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.

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

	2025 £'000	2024 £'000
Net income	**1,845**	4,622
Elimination of non-operating cash flows:		
– Investment income	**(2,879)**	(2,503)
– Endowment donations	**(72)**	(288)
Depreciation	**1,055**	998
Surplus on sale of fixed assets	**97**	7
Decrease in stock	**(93)**	5
(Increase)/decrease in debtors	**(58)**	(253)
Increase in creditors	**10,193**	9,538
Decrease in pension scheme liability	**-**	(2,496)
Net cash used in operating activities	**10,088**	9,630

22 CAPITAL COMMITMENTS

The College had no contracted commitments at 31 July for capital projects (2024: £nil).

23 RELATED PARTY TRANSACTIONS

The College is part of the collegiate University of Oxford. Material interdependencies between the University and the College arise as a consequence of this relationship. For reporting purposes, the University and the other Colleges are not treated as related parties as defined in FRS102.

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.

One property is owned under joint equity agreements between the Trustees, named below, 50% and the College, 50%. Full market values of the properties, following an inspection valuation carried out by Carter Jonas LLP:

	2025	2024
	£'000	£'000
Dr J Parrington	**820**	820
Prof J Quinn	**-**	730

These trustees do not receive Housing Allowance. All joint equity properties are subject to sale on the departure of the trustee from the College.

One Trustee (Dr Ben Morgan) had a family member or other connected party who was employed by the College on either a permanent or casual basis during the year; neither of these Trustees had supervisory responsibility for the relevant employee or was involved in their recruitment, and all cases have been declared in the register of Trustees' interests. The total value of these transactions was £17,996 (2023: £16,073)

Funds of £16m (2024: £15m) are held at arm's length in the Worcester College Oxford Endowment Trust, which is not controlled by the College but supports the College as its principal charitable objective. The Trust awards the College an annual grant (currently at 4.25% of the value of the Trust's assets at each year-end).

24 CONTINGENT LIABILITIES

There were no known contingent liabilities.

25 POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

26 ULTIMATE CONTROLLING PARTY

The Trustees believe that the College does not have an Ultimate Controlling Party.

WORCESTER COLLEGE, OXFORD

England & Wales - Charity number 1143479

Accounts

Charity Registration No. 1143479

Worcester College

Annual Report and Financial Statements

Year ended 31 July 2024

WORCESTER COLLEGE
Annual Report and Financial Statements
Contents

Governing Body, Officers and Advisers	2 - 5
Report of the Governing Body	6 - 17
Auditor's Report	18 - 21
Statement of Accounting Policies	22 - 26
Consolidated Statement of Financial Activities	27
Consolidated and College Balance Sheets	28
Consolidated Statement of Cash Flows	29
Notes to the Financial Statements	30 - 47

MEMBERS OF THE GOVERNING BODY

The Members of the Governing Body are the College's charity trustees under charity law. The members of the Governing Body, who served in office as trustees during the financial year, or subsequently up to the date of approval of these financial statements, are listed below together with details for those who also held College Officerships:

Governing Body Fellow	College Officers	In year change	(1)	(2)	(3)	(4)	(5)	(6)
Mr David Isaac CBE	Provost		•	•	•	•	•	•
Dr Simon Cowan				•	•	•	•	•
Professor Kate Tunstall								
Professor Donal Nolan								
Dr Nir Vulkan	Garden Master							
Professor Andrew Carr							•	
Professor Ben Morgan					•		•	
Dr John Parrington								
Dr Richard Earl	Vice Provost			•	•	•	•	•
Dr Scott Scullion	Dean of Degrees							
Professor Josephine Quinn				•		•		
Professor Andreas Willi								
Professor Endre Süli					•			
Professor Grant Ritchie				•				
Professor Robert Harris								
Dr Paul Azzopardi	Dean			•	•			•
Dr David Steinsaltz	Sustainability	To 01/09/2023					•	•
Dr Conrad Leyser								
Professor Laura Ashe								
Professor Gabriel Stylianides								
Professor Kim Dora								
Dr Antonis Papachristodoulou								
Dr Michael Peramatzis								
Dr Zofia Stemplowska								
Dr Afifi al-Akiti						•	•	
Professor Sadie Creese								
Dr James Edwards						•		
Professor Andrew Stephen						•		

WORCESTER COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2024

Governing Body Fellow	College Officers	In year change	(1)	(2)	(3)	(4)	(5)	(6)
Mr Mark Bainbridge	Fellow Librarian							
Dr Alexander Sturgis								
Dr Peta Fowler								
Dr Alice Violet								
Professor Andrzej Murawski			•					
Dr Robert Smith			•					
Professor Hauke Marquardt								
Dr Lisa Wedding	Sustainability	From 01/09/23	•					
Dr Michael Mayo					•			
Dr Laura Quick								
Dr Leah Trueblood				•				
Dr Natalia Waights Hickman	Tutor for Graduates				•			
Professor Tsilly Dagan			•					
Professor Iain McCulloch						•		
Dr Paulo Savaget								
Dr Wouter Mostert							•	
Professor Patricia Clavin								•
Professor Emmanuel Breuillard								
Mr Michael Huggins	Finance and Estates Bursar		•	•	•	•	•	•
Professor Jennifer Walshe								
Mr Simon Boddie			•					
Leila Ullrich								
Ronelle Roth					•			
Helen Parish	Senior Tutor		•	•	•			
Viola Kerr	Development Director					•		
Richard D'Arcy								
Weston Struwe		From 1/8/23						

During the year the activities of the Governing Body were carried out through six principal committees. The membership of these committees during the academic year 2023/24 is shown above for each Fellow.

(1) Finance Committee
(2) General Purposes Committee
(3) Education Committee
(4) Development Committee
(5) Estates and Operations Committee
(6) People and Culture Committee

The Joint Consultative Committee comprising membership from Governing Body, senior staff and Officers of the Middle and Junior Common Rooms discusses matters affecting Middle and Junior Common Room members. Such matters include (but are not limited to) the domestic management of the College, food service provision, and sports and recreational facilities.

Membership details for all committees are available on request.

COLLEGE SENIOR STAFF

The non-Trustee senior staff of the College to whom day to day management is delegated are:

Mr Harmohinder Bahl	Home Bursar
Mrs Jayne Stoddart	Head of Works
Ms Leigh MacNeill	College Accountant

COLLEGE ADVISERS

Investment managers
Oxford University Endowment Management Ltd
King Charles House
Park End Street
Oxford
OX1 1JD

Bankers
The Royal Bank of Scotland
Drummond House
1 Redheughs Avenue
Edinburgh
EH12 9JN

Barclays Bank
Leicester
LE87 2BB

Auditor
Moore Kingston Smith LLP
6th Floor
9 Appold Street
London
EC2A 2AP

COLLEGE ADDRESS

Worcester College
Walton Street
Oxford
OX1 2HB

College website
www.worc.ox.ac.uk

The Members of the Governing Body present their Annual Report for the year ended 31 July 2024 under the Charities Act 2011 together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Provost, Fellows & Scholars of Worcester College in the University of Oxford, which is known as Worcester College, ("the College") is an eleemosynary chartered charitable corporation aggregate. It was founded through a legacy of Sir Thomas Cookes Bt. under a Royal Charter of Queen Anne dated 1714. The corporation comprises the Provost and Fellows. The College is registered under the Charity Commission (registered number 1143479).

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 Statutes dated 14 December 2011.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Master of the Rolls on behalf of the Crown. New Governing Body fellows are appointed by the existing trustees, for specified periods of time or until retirement. New members of the Governing Body are elected on the basis of expertise in their particular field.

The Governing Body devises and approves the College's strategy and oversees its administration and also the management of its finances and assets. It meets regularly, chaired by the Provost.

Recruitment and training of Members of the Governing Body

New Members of the Governing Body are normally recruited by open application and interview and are inducted into the workings of the College, including Governing Body policy and procedures, by means of being provided with a copy of the College Statutes, the Fellows' Handbook, Charity Commission Guidance Notes and informal discussions with colleagues.

Training courses and information to keep members of the Governing Body informed about current issues in the sector and on regulatory requirements are kept under review and offered, as appropriate.

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 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. This is set based on the advice of the College's Remuneration Committee. Where possible, remuneration is set in line with that awarded to the University's academic staff.

The remuneration of senior college staff is approved by Governing Body on the recommendation of the Remuneration Committee.

Organisational management

The members of the Governing Body normally meet twice a term with the provision for extraordinary meetings, if required. Governing Body has established a series of committees to attend to and advise upon the wide range of matters for which Trustees are accountable. Six Principal Committees meet termly to cover the main operational areas of College life and report directly to Governing Body, some of which are informed by operational or specialist sub-committees.

Development Committee
Provides strategic advice to the Development Director and oversight of the College's fundraising activities, policies and donor relations.

Education Committee
Considers all business related to the academic life and activities of the College, with the aim of supporting students and promoting excellence in teaching and research.

Estates & Operations Committee
Provides strategic advice and general oversight to ensure College buildings and facilities meet the academic, social and residential needs of the College community, within its means and for long-term sustainability. The Committee usually meets twice per term. Its sub-committees include those responsible for Health & Safety, IT, Gardens & Grounds and Sustainability.

Finance Committee
Sets and monitors annual financial budgets. Deals with issues of financial management, procurement, reporting and compliance, aiming to secure long-term financial sustainability and value for money across all College expenditures.

General Purposes Committee
Provides a regular forum for the consideration of urgent or strategic issues and those which do not fall wholly within the remits of other committees.

People & Culture Committee
Monitors, facilitates and promotes policies, strategies and actions to strengthen the skills, achievements and impacts of people in the Worcester College community. Its sub-committees include those responsible for HR and Equality, Diversity & Inclusion.

Three Advisory Committees are convened termly to provide strategic advice and oversight for governance, academic and operational areas.

- Academic Strategy Committee

Produces and monitors progress on an annual academic strategy which sets out aspirations for the size, shape, performance and provision of teaching and research.

- Governance & Compliance Committee

Monitors progress on the College's strategy, and reviews College governance, policies and processes to ensure appropriate measures of transparency, compliance and accountability.

- Audit & Risk Committee

Provides review and advice, from external experts, to assist Governing Body in the fulfilment of its corporate governance, and charitable duties.

Two other committees directly report to Governing Body:

- Nominating Committee, which comprises at least five members of Governing Body who are broadly representative of the College's academic community, makes recommendations in relation to the appointment of committee members and senior officers from among the trustees of the College.
- Remuneration Committee, which provides independent advice and recommendations to the Governing Body as to the level of remuneration (including any stipend, allowance or benefit) for members of the Governing Body or other senior staff who may be referred to it. The Committee is chaired by someone who is not a Trustee of the College but has previous experience of serving on a Remuneration Committee or equivalent.

The day-to-day running of the College is delegated to the Provost, supported by the following College Officers and senior staff: the Vice Provost, the Finance & Estates Bursar, the Senior Tutor, the Dean, the Home Bursar, the Development Director, the College Accountant, the Librarian and the Director of the Visiting Student Programme. All meetings of the committees listed above are attended by one or more of these individuals.

Group structure and relationships

The College has a wholly owned trading subsidiary, Worcester College Enterprises Limited whose accounts are consolidated into the accounts of the College.

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.

A separate charity which is not controlled by the College, Worcester College Oxford Endowment Trust, has the support of the College as its principal charitable objective. The Trust makes an annual grant to the College (currently at 4.25% of the value of its assets at year-end).

The College also administers many special funds, as detailed in Note 16 to the financial statements.

OBJECTIVES AND ACTIVITIES

Worcester College is committed to teaching, learning and exchanging ideas which make a positive impact in wider society. As an academic community within the University of Oxford, the College promotes freedom of thought and expression, the integrity of academic research, and the belief that all members of the College should be valued and respected. The College offers a stimulating and supportive teaching and learning environment for students at undergraduate and graduate levels in a wide range of academic disciplines. This is complemented by modern facilities and a range of opportunities for extra-curricular activity.

The College's educational provision works in tandem with the courses of study available to its students within the departments and faculties of the University of Oxford. In particular, the College organises small-group tutorials for undergraduates in which each student's education is steered by research-active academics. This system of supervision, alongside advisors for graduate students, ensures that the College provides an informing, inspiring and challenging learning environment for all its students.

For centuries Worcester College has helped students to achieve their potential and contribute to society after graduation. Alumni have gone on to lead fulfilling lives and have made major contributions in their chosen fields, from academia, education, science and the arts, to faith communities, public service, business and the military.

Charitable Objects and Aims

The College's Objects are the advancement of education, religion, learning and research, by the provision of a college in the University of Oxford, for the benefit of the public.

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 advance education, including extending access

  Working with the University of Oxford's departments and faculties, students are admitted from a wide range of demographic, financial and cultural backgrounds solely on the basis of their academic ability and potential.

  The College provides opportunities for its students to develop their academic knowledge and potential, and the transferable skills they will need to contribute in the workplace and in society more widely. Small-group tutorial and class teaching for undergraduates is supplemented by the provision of a range of teaching and learning facilities, including three libraries and several lecture/seminar rooms. The College also offers a range of welfare, pastoral and administrative systems to support students, as well as social, cultural, and extra-curricular activities.

  The Admissions and Access Officers employed by the College undertake outreach and widening-participation work with schools, colleges and individuals and work with the Senior Tutor to develop and implement policies associated with access to Higher Education. The Senior Tutor, supported by a Graduate Officer, is responsible for work associated with the admission of graduate students.

- To provide bursaries

  The College recognises academic achievement through the award of scholarships, exhibitions and prizes for strong performance. Funds are provided to assist students with the purchase of academic books, to help with vacation residence and field trip costs, and for travel associated with attendance at conferences and in furtherance of their academic work.

- To support impecunious students through targeted financial aid.

  The College advises and assists students who are in financial hardship. A Student Financial Aid Fund considers applications for assistance from the College's hardship funds and is able to provide help by means of grants, loans or a combination of the two.

- To support college-funded and independent research,

  The College funds a number of career development Junior Research Fellowships and Tutorial Fellowships in a wide range of subject areas including biology, social sciences and the history of art. Associations are also offered, by means of Senior Research Fellowships and Supernumerary Fellowships, to individuals in University departments and faculties who are undertaking research.

  Through the standard University scheme for sabbatical leave, and in considering requests for special leave, the College also provides replacement teaching to enable Fellows to dedicate between 1 and 3 terms to specific research projects. All Tutorial Fellows and career development Junior Research Fellows are eligible to receive a Teaching and Research Allowance and may apply for assistance towards expenses incurred in attending academic conferences.

  Students and academic staff are able to make use of the College's three libraries, and researchers can also apply to access material in the College's archive or special collections of prints drawings and manuscripts.

- To promote religion.

  The College employs a full-time Chaplain who, along with the Assistant Chaplain, conducts services in the Chapel and can be approached by students of any faith or none as a member of the welfare team. The Chapel, open every day, acts as a centre of Christian worship but its use by anyone as a space for quiet reflection is also encouraged.

The Chapel supports the College Choir under the direction of the full-time Director of College Music, featuring both mixed-voice choral scholars, boy trebles from Christ Church Cathedral School, and undergraduate organ scholars. The Choir sing regular services of evensong, communion and compline, four times weekly in full term, as well as taking part in concerts, tours, broadcasts and recordings.

A freely accessible multi-faith prayer room is available as an alternative space for prayer and reflection for both groups and individuals, and all services are promoted, internally and externally, by means of notice boards, social media and websites. Information about the variety of faith societies, belief groups and religious centres within the University is provided in the Undergraduate and Graduate Handbooks.

The Chaplain organises various events outside of the Chapel to discuss religion, ethics and morality, usually including a weekly discussion group and a termly dinner with guest speaker, alongside more social activities focussing on wellbeing and pastoral care.

ACHIEVEMENTS AND PERFORMANCE

The Oxford tutorial system presents unique opportunities for our students' academic and personal development and we continue to ensure that all our students benefit from the opportunities that exist in College. These have enabled them to develop the critical academic skills to build self-confidence, thrive as independent learners and continue to be ambitious. We continue to focus on those with the most talent and potential – when considering both students and staff – and are confident that our community will continue to build its resilience and inclusive values.

Delivery of the College Strategy

The College adopted a Five-Year College Strategy in Trinity Term 2022 to: (1) promote academic excellence and research (2) develop of a strong and inclusive College culture and (3) ensure strong financial stewardship and good governance. The College's Strategy Implementation Group has worked hard to deliver the College's strategic ambitions. Key aspects have been:

- Academic excellence and research – updating the College's Academic Strategy;
- A strong and inclusive College culture – the introduction of a "One-Worcester" approach to running the College and teams working together; increased training and the development of music and other arts events in College, many of which are attended by the University and local community;
- Strong financial stewardship and good governance – the adoption of a three-year break-even financial strategy and a detailed governance review to ensure that the College and its trustees are able to meet (where relevant) Charity Commission best practice.

Access and Admissions

The Admissions and Outreach office is now back at full staffing levels, following a successful second appointment in autumn 2023. This has enabled the expansion of our access and outreach work, with a continued focus on active engagement schools in our 'link areas' of West Yorkshire, as determined by the University's regionalisation scheme. The admissions cycle in 2023-4 ran smoothly, from open days to College visits, school-focused activities and advice and support with applications and interviews. Over 2,500 visitors attended our June 2024 Open Days, and Worcester continues to receive the highest number of applications for undergraduate study of any College. Student Ambassadors play an active role in the planning and delivery of the Open Day programme, leading College tours, meeting individual potential applicants, and contributing to question-and-answer sessions run by the Senior Tutor and Admissions & Outreach officer.

In 2019, the College's Governing Body set a number of access targets for undergraduate admissions, focusing on groups currently under-represented at Oxford University. Our approach reflects the commitments made in the University's Access and Participation Plan (All HEI's are required to submit an APP to the Office of Students, and must be approved by the OFS if the provider wants to charge higher tuition fees.) As part of our obligation to operate within the terms of the University's Common Admissions Framework we have continued to make significant progress towards achieving these targets: in 2022, 87% of our intake came from state schools (2018: 67%), 25% came from areas with the lowest levels of progression to Higher Education (2018: 15%), and 25% came from the most socio-economically disadvantaged areas (2018: 14%). Racial equality remains a key focus of our access work, and in our 2022 intake just over 32% of our UK intake was from BAME backgrounds (2018: 14%). This year, 82.4% of our applications and 85.5% of our offers are from students attending state schools, highlighting the continued success of our outreach programmes to recruit the most talented students. This places us as the third-highest college in terms of state school student representation. However, it is worth nothing that we maintain a similar acceptance rate between state and independent schools- testimony to the overall calibre of the students applying from each group and our commitment to ensuring equality of opportunity and outcomes across applicants from all backgrounds. The data for the most recent year shows that the decisions taken in admissions are a close match for the national population and distribution of A level grades; the College continues to adhere to University guidance on the use of contextual data when assessing applications and build relationships with departmental and university admissions leads but continues to offer places on the basis of academic performance and potential.

Our Tinsley Access & Outreach officer continued to offer structured and informal visit days for schools across a wide age range, drawing upon support from tutorial fellows for academic input . Enrichment activities of this type are a core part of our provision, equipping and empowering applicants from under-represented groups within the College and University in line with the requirements of the University's Admissions and Outreach work and the allocation of colleges to 'link areas' across the country. Worcester hosted over 40 school visits, with approximately 1,200 students attending from the Yorkshire and Humber regions. These visits included College and University tours, interactive workshops, and presentations about the application process. Feedback was enthusiastic from pupils: "The tour was informative, insightful, and, most of all, fun. Your genuine passion for the college made it even more enjoyable and entertaining!", as well as from teachers "The trip has raised their aspirations and enlightened their outlook on collegiate university life. The mathematics lecture and presentation opportunity have given me future inspiration for tutorials at MFG"; "Students had workshops on interviews and personal statements, and sampled a degree-level History lecture, which they thoroughly enjoyed!"

Our inaugural Teacher Residential in March 2024 was a great success. Feedback from participating educators has been overwhelmingly positive, with many expressing gratitude for the opportunity to experience life at Oxford firsthand. Teachers appreciated the insights into the admissions process, as well as the chance to engage in meaningful discussions with staff and students.

Four Student Residentials were hosted in College, each attended by approximately 50 students from underrepresented backgrounds. These programmes offer a taste of university life and focus on academic enrichment across a range of subjects in mathematics, science, and the humanities. We continue to welcome groups of students from independent schools, and maintain close working relationships with teachers – including sixth form tutors – from across a diverse range of providers.

The Choral Experience engaged 75 students from state schools in ambitious choral activities and workshops. Forty students attended the weekend residential with the remaining students attending a pick-up day. This initiative provided a platform for students to explore music-making at a university level, sparking interest in Oxford's unique commitment to choral music. Again, feedback was overwhelmingly positive.

Our Building Bridges initiative, in collaboration with the Chemistry Department and three other Oxford colleges, aims to increase science capital and identity among students in our link areas. This project has been particularly impactful, with OXbOX science kits supporting primary science curriculum teaching and offering enrichment activities in S.T.E.A.M. (Science, Technology, Engineering, Arts, and Mathematics). New themes for 2024-2026, such as 'Symmetry in Our World', promise further to engage students in exploring the wide range of applications of S.T.E.A.M., particularly focusing on chemistry. Following a successful pilot phase in Gloucester, we are thrilled to expand the Building Bridges project to new areas of the UK in 2024-2026. We continue to explore new ways to engage students and teachers, working tirelessly to ensure that our programmes remain accessible and impactful.

Fellowship and Staff

Our governance is arranged according to our College Statutes and By-Laws, with the College's Governing Body holding overall responsibility for College policies and affairs. The Governing Body is chaired by the Provost. Its membership comprises all Official Fellows (Tutorial and Non-Tutorial) and Professorial Fellows (persons whose posts are statutory Professorships of the University or are similarly ranked by it, and are permanently attached to the College). There are four categories of Fellowship – Research, Supernumerary, Emeritus and Honorary – of which the first two may be elected to membership of the Governing Body.

The College is also home to a thriving community of Research, Honorary and Emeritus Fellows. The recent appointment of two Heads of Research from among the fellowship is part of a wider commitment to fostering a lively and supportive research environment, and the provision of support and mentoring to early career researchers. The College supports a range of research activities including seminars, workshops, public lectures, round-table discussions, and interdisciplinary approaches to research and publication that address a public audience.

Last year we appointed to four non-stipendiary Junior Research Fellowships, three stipendiary Junior Research Fellowships, and one Senior Research Fellowship. Such appointments are cyclical; the next series will commence in 2024-5. We recognise the contribution that early career researchers make to the academic community at Worcester, and the importance of providing a mutually supportive research culture and environment in College. Our commitment to the development of a lively research culture has been noted by the University; the Senior Tutor has met twice with members of the University policy unit, and requests for further information have been received from other Colleges. A series of pre-dinner talks and workshops has enabled our early career researchers and Fellows to present 'work in progress' talks, and under the umbrella of our research theme for 2023-4 'Sustainability' a series of research led and practice-focused events have been organised, widening the reach of this work across College, university, and via public engagement.

Student Numbers and Progress

Worcester College is home to 449 undergraduates, 200 postgraduates, and 28 visiting students. Our undergraduate students have been awarded Faculty Prizes across a wide range of subjects, including Medicine, Classics, Chemistry, Law, Business, Psychology, and Medicine.

We have appointed a new Learning Development Officer for the current academic year, following a successful application for donor funding for the post on a fixed-term basis. We will use this time to reflect on learning and academic skills development in College, and how best to support our students. Our LDO has run a dynamic and responsive series of events, group activities and 1-1 sessions targeted at the needs of our students, and engaging with broader teaching and learning focused issues in higher education. Activities include workshops for staff at Worcester on generative AI, to be delivered by an expert from Oxford's Centre for Teaching and Learning, to promote a greater understanding of generative AI, its uses and dangers, and to promote conversations around how to take advantage of it in one's teaching.

The Visiting Students Programme continues to thrive. We retain our reputation for academic excellence within a supportive and diverse learning environment, providing an educational and cultural experience which supports academic development and builds life long memories. In feedback, the students report high levels of satisfaction with three core aspects of the College provision: the quality and support of their tutors; the ability to integrate with matriculated students; and the pastoral support shown by the College. The successful delivery of the Visiting Students Programme forms part of the College Strategy and our academic ambitions. The academic relationship that we build with our Visiting Students is mutually beneficial, exposing students to diverse perspectives and enabling constructive challenge and debate.

Our ambition to enhance our academic provision grows out of this desire to be an outward facing College which welcomes students and visitors from around the globe. The Visiting Students Programme is well supported and resourced in College, but as an area of potential growth also contributes to stability in our financial planning. Worcester's Visiting Students live with the College's matriculated students in College housing on the main site, which facilitates social interaction; any expansion of Visiting Student numbers will be kept within a range that enables us to maintain this approach to accommodation.

The College is home to a vibrant community of graduate students pursuing a wide range of postgraduate taught and research degrees. Application numbers have been buoyant, and our Academic Strategy benchmarking group has identified the expansion of PG numbers and graduate scholarships as a key part of our planning over the next 3-5 years. Support from the Development Office has been much appreciated in this area; we recognise the funding challenges currently facing the HE sector and the important of funding for research students who will shape the academic culture of the College, University, and wider society in the years ahead.

Student Financial Support

The College has continued to offer financial support to its students, including for academic provision, hardship, bursaries, study grants and extra-curricular activities. Funds were also provided to support other activities including field trips, medical electives, undergraduate research/conference travel, book bursaries, sports bursaries and language tuition. A total of £358k was disbursed during the year (2023: £331k).

Development

This year has been defined by embedding much improved processes for our operations and setting a new strategy with clear fundraising priorities.

The Development Director joined two months before the start of the financial year, and the Development team reached full strength four months into the year with the arrival of Dr Millie Papworth as Deputy Development Director.

In 2023-4 we raised £14,486,764 in cash received, including £541,096.27 in legacy gifts. Of this, £1,449,210.59 was unrestricted income. £10,000,000 of the total amount raised constitutes the first tranche of the transformational pledged gift of £30,000,000 from Old Member Sir Lindsay Owen-Jones to create a new library and graduate student accommodation.

We are indebted to those donors who have entrusted the College with unrestricted donations this year. Their confidence in the College and understanding of our financial structure is vital and much appreciated. A number of donors have given towards key restricted projects such as sustainable building restoration, repairs to the College lake, graduate scholarships, undergraduate support, academic research and student creative arts activities. Of particular note is the foresight of the Mallinckrodt Foundation which has generously established an endowed fund to be directed towards renovations within the College's historic buildings.

We are really delighted that this year more than 1120 Worcester alumni made a donation to the College. The proportion of contactable alumni donating to Worcester has continued to increase year-on-year since 2019-20, and this year continued the trend, increasing from 10.9% to 12.6%. A successful Telethon that raised

£177,000 increased the number of regular donors to Worcester from 677 to 724. With a Giving Day planned for November 2024 aimed at increasing gifts from new donors and lapsed donors, this rate of participation in giving will increase further.

An annual programme of thanking donors has been implemented, and one consequence was the introduction of the 1714 Society (membership of which is for Old Members who have pledged legacies to the College) and a 1714 Society event to thank its members; another was the creation of a Foundation Circle for donors giving £2000 or more in each year. We have also continued our programme of regular reunions, online lectures and subject dinners and introduced a series of smaller events for potential donors to bring them closer to the life of the College.

The Development and Alumni Relations team is now supported and guided by the newly established Development Advisory Board, and we owe a great debt of gratitude to its members for their time and wisdom during this first year.

We are hugely grateful to all those who, through their generous giving, have supported Worcester to achieve its objectives this year.

FINANCIAL REVIEW

The 2023-24 financial year has been challenging. Inflation was 6.7% in the first half of the year, and was still at 3.2% by year end. Inflation in key areas of expenditure – such as energy, and food - was considerably higher. These inflationary pressures were also felt by our loyal and hardworking staff, and we have done what we could to help support them financially, including adopting the University pay settlement.

The principal funding sources of the College continue to be fees, accommodation charges, conference income, donations and endowment income. Fee income is received via the University, from the Office for Students (OfS), various funding bodies and students.

The College also receives financial support from many benefactors mentioned above, who enabled us to avoid an operating deficit this year.

Total income and endowments for the year were £19,227k (compared with £14,719k in 2023). As noted above, this included £4,247k from donations and legacies (2023: £2,729k).

The College's charitable objects continue to be met with resources expended on charitable activities for the year of £14,291k (2023: £13,593k).

Incoming resources from charitable activities in the year, principally fees and residential income were £9,042k compared with £7,125k in 2023. Conference activity for the year were £3,435k (compared with £2,836k in 2023).

The operating cash surplus increased from £5,789k in 2023 to £9,630k in 2024. The pension provision decreased by the full provision £2,496k in the year (2023: £985K decrease) a significant, albeit largely non-cash component of this year's surplus.

All of the College's securities and other investments are managed by Oxford University Endowment Management Limited (OUEM) and total £52,033k (2023: £49,409).

The Trustees continue to pay particular attention to the College's ability to continue as a going concern in the face of significant economic challenges. Improved trading activity and the generous support of Old Members makes it possible to continue College activities at their present scale but we continue to examine all our operations to ensure value for money and to identify ways of achieving improved financial sustainability on a long-term basis. Having reviewed the current cash position and forecast income and expenditure, and in the light of the College's existing financial resources, the trustees are satisfied that the College is a going concern. However, it should be noted that the operating budget for the coming years continues to remain challenging, and additional income will need to be generated and costs controlled to ensure that the College's finances remain healthy in the medium and longer term .

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, to allow the College to be managed efficiently and to provide a buffer to ensure uninterrupted delivery of services. In 2018-19, having reviewed current risks and uncertainties in the external environment, the Trustees set a target range for free reserves equal to 3-6 months of operating costs to allow operations to continue in the event of short-term economic disruption or other revenue shocks, and committed to developing financial strategies to achieve this. In setting this target, the Trustees were mindful that the College's Expendable Endowment provides a degree of protection in the event of short-term revenue pressure, although taking the view that it is also preferable and prudent to increase the level of free reserves given the long-term purpose of the Endowment.

The Group's unrestricted reserves at the year-end amounted to £39,471k (2023: £37,121k), represented by a £33,070k fixed asset designated reserve (2023: £33,439k), £6,533k (2023: £4,833k) of a long-term property investment reserve and free reserves of (£132k), free reserves reduced due to investment in property (2023: £1,345k). This is below the Trustees' target for free reserves, but the Trustees are reassured that the number is positive; they plan to build free reserves to the desired level as operating circumstances permit.

The pension schemes no longer have a deficit therefore no deficit recovery provision is required. The total provision in 2022-23 of £2,496k was released in the year.

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 on a total return basis, maintaining 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 total return and to make available for expenditure each year an appropriate proportion of the unapplied total return.

The investment strategy, policy and performance are monitored by the Investment Sub-Committee. At the year end, the College's long- term securities totalled £52,033k, (2023: £49,409k) which during the year generated income of £2,407k (2023: £2,029k) and included the recognition of an unrealised gain in the year of £2,272k (2023: loss of £2,525k).

Under the total return accounting basis, it is the Governing Body's policy to extract as income up to 4.5% of the value of the relevant invested funds. The Governing Body will keep the level of drawdown under review to balance the needs and interests of current and future beneficiaries of the College's activities.

Risk management

The College has on-going processes which operated through-out the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiary in undertaking their activities.

The Governing Body has ultimate responsibility for managing any risks faced by the College, and the Audit and Risk Committee helps it monitor the major risks to which the College is exposed. A risk register and action plan has been established and responsibility for the management of the key risks resides with the College officers and their relevant committees, with the Audit and Risk Committee receiving periodic reports on the effectiveness of this.

The principal risks and uncertainties faced by the College and its subsidiaries that have been identified are categorised as follows:

- Failure to attract and retain high quality staff. On the academic side this is mitigated by ensuring appropriate remuneration and by a range of additional measures including flexibility of funded leave to support research, and assistance securing housing in Oxford's competitive market. More broadly, the College mitigates this risk by working to attract a wide-range of qualified applicants for positions.

- Governance and financial control risks are inherent in any charity of the College's size and complexity. These risks are mitigated by financial and governance controls including strong budgetary and purchasing controls, independent membership of key Committees and clear protocols for managing potential conflicts of interest.

- Risks relating to the management and operations of the College, including health and safety, risk of damage to the historic fabric of the estate, and potential interruption to the College's activities. Mitigation involves a range of preventative and control measures, alongside thorough reporting and oversight, contingency planning and insurance. Other risks relating to the operational activities of the College such as employment of staff and use of IT are managed through clear procedures and monitoring.

- Other risks of harm to the beneficiaries of the charity. This is mitigated through appropriate safeguarding procedures, continued investment in student welfare provision, and the active risk-assessment of events and activities on the College site.

- Financial risk to the College's endowment, including loss of real value through inappropriate investment, and failure to attract sufficient additional endowment funds. The College's endowment is invested with Oxford University Endowment Management to ensure direct oversight and management by investment professionals, with an Investment Subcommittee monitoring performance and reviewing future strategy, including potential concentration risk. Risk of insufficient future donations is mitigated by the activities of the Development Office and the Provost, overseen by both the External Relations Committee and the Finance Committee.

- Reliance on in-year voluntary income to defray operational expenditure. This is being mitigated by a focus on increasing the returns from trading activities, reviewing the size and composition of the student body and continued work on the evolving three-year financial plan.

FUTURE PLANS

The College continues to review all aspects of its operations, including the size and composition of the student body although we expect any changes to be gradual and evolutionary in nature. It will continue to deliver teaching and learning through the tutorial system, to support research, fund scholarships and scholarly activity and to recognise scholarly achievement, support students in financial hardship and provide for the welfare of its students through its welfare team and other support arrangements.

The College's ongoing essential maintenance programme is planned to continue into the next financial year and beyond. It represents a significant expenditure commitment. Alongside this, the free reserves will need to be rebuilt to the target level that the trustees have set in the light of uncertainties in the external environment. These factors further increase the importance of the cost control and commercial revenue work noted above.

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 must:

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

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

Approved by the Governing Body on 4 December 2024 and signed on its behalf by:

David Isaac
Provost

Independent auditor's report to the trustees of Worcester College

Opinion

We have audited the financial statements of Worcester College (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and College's affairs as at 31 July 2024 and of the group's incoming resources and application of resources, including the group's and the College's income and expenditure 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, set out on pages 6 to 16 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 18, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and College'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 trustees either intend to liquidate the group or parent 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 group and the parent 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.

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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.

Use of this report

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

Moore Kingston Smith LLP

Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Date: 10 December 2024

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its wholly owned subsidiary, Worcester College Enterprises Limited.

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 its subsidiary for the reporting year are in note 12.

The accounts of the affiliated student bodies, Worcester College Clubs, Middle Common Room and Junior Common Room have not been consolidated because 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'.

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' (The Charities SORP (FRS102).

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the measurement of investments and certain financial assets and liabilities at fair value with movements in value reported within the Statement of Financial Activities (SOFA).

The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

3. Going concern

The Trustees 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. Having reviewed the current cash position and forecast income and expenditure, and in the light of donations received and pledged to support the College, cost control, fund raising initiatives and the significant expendable endowment funds available, the trustees have concluded that 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.

4. 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 participates in two multi-employer defined benefit pension plans. In the judgement of the Governing Body, there is insufficient information about the plan assets and liabilities to be able to account reliably 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 20).

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.

4 Accounting judgements and estimation uncertainty (continued)

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.

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

5. 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, OFS support and other charges for services

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

Conference income in relation to conferences that span the year end is accrued for in accordance with the proportion of completion.

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.

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.

6. Expenditure

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

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

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

Support costs which 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.

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, together with expenditure on equipment costing more than £2,000, is capitalised.

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

Other expenditure on equipment incurred in the normal day-to-day running of the College and 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, Fixtures and Fittings	4 - 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 changes in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

9. Investments

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

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

9. Investments (continued)

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

10. 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. Where necessary, provision is made for obsolete, slow moving and defective stock.

11. 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 prevailing rates of exchange 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 balance sheet date. The resulting exchange differences are taken to the SOFA.

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 balance sheet date are recognised in the income and expenditure section of the SOFA.

12. Total return investment accounting

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

13. Fund accounting

The total funds of the College and its subsidiaries are allocated to unrestricted, restricted or endowment funds based on the origins of the funds and 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 earmarked funds for specific 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 income 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 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.

14. Pension costs

The costs of retirement benefits provided to employees of the College through two multi-employer defined benefit 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.

WORCESTER COLLEGE

Consolidated Statement of Financial Activities

For the year ended 31 July 2024

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	**2024 Total £'000**	2023 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities						
Teaching, research and residential	1	9,042	-	-	**9,042**	7,125
Other trading income	3	3,415	-	19	**3,434**	2,836
Donations and legacies	2	2,557	563	1,128	**4,248**	2,729
Investment income	4	96	-	2,407	**2,503**	2,029
Total income		15,110	563	3,554	**19,227**	14,719
EXPENDITURE ON:						
Charitable activities						
Teaching, research and residential	5	12,461	1,810	20	**14,291**	13,593
Generating funds:						
Fundraising		289	-	-	**289**	237
Trading expenditure		25	-	-	**25**	20
Total expenditure	5	12,775	1,810	20	**14,605**	13,850
Net (expenditure)/income before gains		2,335	(1,247)	3,534	**4,622**	869
Net gains/(losses) on investments		48	-	2,273	**2,321**	(2,525)
Net (expenditure)/income		**2,383**	**(1,247)**	**5,807**	**6,943**	(1,656)
Transfers between funds		(33)	1,622	(1,589)	-	-
Net movement in funds for the year		**2,350**	**375**	**4,218**	**6,943**	(1,656)
Fund balances brought forward	16	37,121	2,226	56,070	**95,417**	97,073
Funds carried forward at 31 July	16	39,471	2,601	60,288	**102,360**	95,417

WORCESTER COLLEGE

Consolidated and College Balance Sheets

As at 31 July 2024

	Notes	2024 Group £'000	2023 Group £'000	2024 College £'000	2023 College £'000
FIXED ASSETS					
Tangible assets	9	**33,271**	33,647	**33,271**	33,647
Property investments	10	**6,533**	4,833	**6,533**	4,833
Securities and other investments	11	**52,033**	49,409	**52,033**	49,409
		91,837	87,889	**91,837**	87,889
CURRENT ASSETS					
Stocks		**164**	169	**164**	169
Debtors	14	**2,598**	2,345	**4,254**	3,687
Cash at bank and in hand		**9,892**	9,846	**7,813**	8,324
Short-term investments		**9,743**	-	**9,743**	-
		22,397	12,360	**21,974**	12,180
CREDITORS: falling due within one year	15	**(11,874)**	(2,336)	**(11,451)**	(2,156)
NET CURRENT ASSETS		**10,523**	10,024	**10,523**	10,024
TOTAL ASSETS LESS CURRENT LIABILITIES		**102,360**	97,913	**102,360**	97,913
NET ASSETS BEFORE PENSION LIABILITY		**102,360**	97,913	**102,360**	97,913
Defined benefit pension scheme liability		**-**	(2,496)	**-**	(2,496)
NET ASSETS		**102,360**	95,417	**102,360**	95,417
FUNDS OF THE COLLEGE	16				
Endowment funds		**60,288**	56,070	**60,288**	56,070
Restricted funds		**2,601**	2,226	**2,601**	2,226
Unrestricted funds					
Designated fixed assets fund		**33,070**	33,439	**33,070**	33,439
General funds (excluding pension reserve)		**6,401**	6,178	**6,401**	6,178
Pension reserve		**-**	(2,496)	**-**	(2,496)
		102,360	95,417	**102,360**	95,417

The financial statements were approved and authorised for issue by the Governing Body of Worcester College on 4 December 2024.

David Isaac, Provost

WORCESTER COLLEGE
Consolidated Statement of Cash Flows
For the year ended 31 July 2024

	Notes	2024 Group £'000	2023 Group £'000
Net cash used in operating activities	21	**9,630**	5,789
Cash flows from investing activities			
Dividends, interest and rents from investments		**2,503**	2,029
Purchase of property, plant and equipment		**(629)**	(1,676)
Purchase of fixed asset investment		**(2,304)**	(5,518)
Purchase of current asset investments		**(9,742)**	-
Proceeds from fixed asset investments		**300**	-
Net cash used in/provided by investing activities		**(9,872)**	(5,165)
Cash flows from financing activities			
Receipt of endowment		**288**	46
Net cash provided by financing activities		**288**	46
Change in cash and cash equivalents in the reporting period		**46**	670
Cash and cash equivalents at the beginning of the reporting period		**9,846**	9,176
Cash and cash equivalents at the end of the reporting period		**9,892**	9,846

The College has no net debt and accordingly no net debt note is presented.

1 INCOME FROM CHARITABLE ACTIVITIES

	2024 £'000	2023 £'000
Teaching, research and residential		
Unrestricted Funds		
Tuition fees - UK and EU students	**1,939**	2,063
Tuition fees - Overseas students	**970**	828
Other fees	**961**	666
Other OFS support	**119**	127
Other academic income	**160**	211
College residential income	**4,893**	3,230
	9,042	7,125

The above analysis includes £3,028k received from Oxford University from publicly accountable funds under the College Funding Formula Scheme (2023: £3,017k).

2 DONATIONS AND LEGACIES

	2024 £'000	2023 £'000
Unrestricted funds	**2,557**	2,084
Restricted funds	**1,404**	599
Endowed funds	**287**	46
	4,248	2,729

Restricted funds include grants of £300k (2023: £250k) awarded by the Conference of Colleges Contribution Scheme.

3 INCOME FROM OTHER TRADING ACTIVITIES

	2024 £'000	2023 £'000
Subsidiary company trading income	**1,271**	895
Other trading income	**2,163**	1,941
	3,434	2,836

4 INVESTMENT INCOME

	2024 £'000	2023 £'000
Unrestricted funds		
Equity dividends	**3**	3
Interest on fixed term deposits and cash	**93**	86
Other investment income	**-**	-
	96	89
Restricted funds		
Other investment income	**-**	-
Endowed funds		
Other investment income	**2,407**	1,940

5 ANALYSIS OF EXPENDITURE

		2024 £'000	2023 £'000
Charitable expenditure			
Direct staff costs allocated to:	Teaching, research and residential	**4,801**	5,681
Other direct costs allocated to:	Teaching, research and residential	**6,773**	5,392
Support and governance costs allocated to:	Teaching, research and residential	**2,717**	2,520
		14,291	13,593
Expenditure on raising funds			
Direct staff costs allocated to:	Fundraising	**132**	74
	Trading Expenditure	**25**	20
Other direct costs allocated to:	Fundraising	**60**	91
Support and governance costs allocated to:	Fundraising	**97**	72
		314	257
		14,605	13,850
	Fundraising	**289**	237
	Trading Expenditure	**25**	20
		-	
		314	257

The 2024 resources expended of £14,605k (2023: £13,850k) represented £12,775k from unrestricted funds (2023: £11,920k) and £1,810k from restricted funds (2023: £1,931k) and £20k from endowment funds (2023: £Nil).

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching Research & Residential £'000	**2024 Total £'000**
Financial and domestic admin	37	688	**725**
Human resources	13	403	**416**
IT	47	541	**588**
Depreciation	-	998	**998**
Other finance charges	-	58	**58**
Governance costs	-	28	**28**
	97	**2,716**	**2,813**

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS (continued)

	Generating Funds	Teaching Research & Residential	2023 Total
	£'000	£'000	£'000
Financial and domestic admin	12	680	692
Human resources	10	388	398
IT	38	438	476
Depreciation	-	972	972
Other finance charges	12	17	29
Governance costs	-	25	25
	72	2,520	2,592

Finance and administration and human resources costs are attributed according to the estimated staff time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. IT costs are attributed according to the estimated time spent on each activity. Interest and other finance charges are attributed according to the purpose of the related financing.

	2024	2023
	£'000	£'000
Governance costs comprise:		
Auditor's remuneration – audit services	**28**	25

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

7 GRANTS AND AWARDS

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

		2024	2023
		£'000	£'000
Grants to individuals from:			
Unrestricted funds	Scholarships, prizes and grants	**40**	27
	Bursaries and hardship awards	**36**	69
		76	96
Restricted funds	Scholarships, prizes and grants	**208**	305
	Bursaries and hardship awards	**74**	95
		282	400
Total grants and awards		**358**	496

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

The figure included above represents the cost to the College of the Oxford Bursaries scheme. Students in the College received £118k in bursaries in (2023: £198k).

8 STAFF COSTS

The aggregate payroll costs for the year were as follows:

	2024 £'000	2023 £'000
Salaries and wages	**7,059**	6,549
Social security costs	**596**	569
Pension costs	**853**	912
	8,508	8,030
Pension provision adjustment	**(2,554)**	(1,099)
	5,954	6,931

The average number of employees of the College, excluding Trustees, was as follows:	2024	2023
Tuition and research	**185**	196
College residential	**123**	86
Fundraising	**6**	6
Support	**26**	29
Total	**340**	317

The average number of employed College Trustees during the year was as follows:	2024	2023
University Lecturers	**20**	20
CUF Lecturers	**12**	11
Other teaching and research	**5**	3
Other	**5**	5
Total	**42**	39

Salary and wages costs include severance costs of £10k for one member of staff (2023: £75k for five members of staff).

The College also benefits from temporary staff, agency workers and those part-time external tutors who are not on the College payroll.

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:

	2024	2023
£60,001 to £70,000	**3**	1
£70,001 to £80,000	**2**	1

Details of the remuneration and reimbursed expenses of the College Trustees are included as a separate note in these financial statements.

9 TANGIBLE FIXED ASSETS

Group and College	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	**Total £'000**
Cost			
At start of year	46,221	1,756	**47,977**
Additions	376	253	**629**
Disposals		(7)	**(7)**
At end of year	**46,597**	**2,002**	**48,599**
Depreciation			
At start of year	12,830	1,500	**14,330**
Charge for the year	924	74	**998**
At end of year	**13,754**	**1,574**	**15,328**
Net book value			
At end of year	**32,843**	**428**	**33,271**
At start of year	33,391	256	33,647

Included within Fixtures, Fittings and Equipment above are intangible assets of £138k cost and £63k depreciation.

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

10 PROPERTY INVESTMENTS

Group and College	**2024 Total £'000**	2023 Total £'000
Valuation at start of year	**4,833**	4,833
Revaluation gains in the year	**48**	-
Additions	**1,652**	-
Valuation at end of year	**6,533**	4,833

A formal inspection valuation of the College properties was prepared by Mark Charter MRICS of Carter Jonas LLP as at 31 July 2024. Governing Body is satisfied that these valuations are materially accurate at the balance sheet date.

11 SECURITIES AND OTHER INVESTMENTS

Group and College	2024 £'000	2023 £'000
Valuation at start of year	**49,409**	46,416
Invested in the year	**652**	5,518
Amounts withdrawn	**(300)**	-
Increase/(Decrease) in value of investments	**2,272**	(2,525)
Valuation at end of year	**52,033**	49,409

Group and College investments comprise:

	Held outside the UK £'000	Held in the UK £'000	2024 Total £'000	2023 Total £'000
Global multi-asset funds	43,656	8,377	**52,033**	49,409

100% of the portfolio is invested with Oxford University Endowment Management (Endowment Fund).

12 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Worcester College Enterprises Limited, a company providing conference and accommodation services.

The results of the College and subsidiary, and their assets and liabilities at the year-end were as follows.

Worcester College	2024 £'000	2023 £'000
Income	**18,883**	14,719
Expenditure	**(14,261)**	(13,850)
Losses	**-**	(2,525)
Gains	**2,321**	
Result for the year	**6,943**	(1,656)
Total assets	**113,811**	100,069
Total liabilities	**(11,451)**	(4,652)
Net funds at the end of year	**102,360**	95,417

Worcester College Enterprises Limited	2024 £'000	2023 £'000
Turnover	**1,286**	947
Expenditure	**(344)**	(248)
Result for the year	**942**	699
Donation to College (gift aid)	**(942)**	(699)
	-	-
Total assets	**2,988**	1,875
Total liabilities	**(2,988)**	(1,875)
Net funds at the end of year	**-**	-

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 November 2003. The investment return, to be applied as income, is calculated as up to 4.5% of the brought forward values of the relevant investments. The preserved (frozen) value of the invested endowment capital represents its open market value in 1992, except where the original donation can be identified, together with the original gift value of all subsequent endowments.

	Permanent Endowment			Expendable	Total
	Trust for Investment	Unapplied Total Return	Total	Endowment	2024
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	23,150	-	23,150	-	**23,150**
Unapplied total return	-	8,568	8,568	-	**8,568**
Expendable endowment	-	-	-	24,352	**24,352**
Total Endowments	**23,150**	**8,568**	**31,718**	**24,352**	**56,070**
Movements in the reporting period:					
Gift of endowment funds	981	-	981	147	**1,128**
Investment return: total investment income	-	1,329	1,329	1,078	**2,407**
Investment return: realised and unrealised gains and losses	-	1,286	1,286	987	**2,273**
Total	981	2,615	3,596	2,212	**5,808**
Unapplied total return allocated to income in the reporting period	-	(936)	(936)	-	**(936)**
Expendable endowments transferred to income	-	-	-	(654)	**(654)**
Net movements in reporting period	981	1,679	2,660	1,558	**4,218**
At end of the reporting period:					
Gift component of the permanent endowment	24,131	-	24,131	-	**24,131**
Unapplied total return	-	10,247	10,247	-	**10,247**
Expendable endowment	-	-	-	25,910	**25,910**
Total Endowments	**24,131**	**10,247**	**34,378**	**25,910**	**60,288**

13 STATEMENT OF INVESTMENT TOTAL RETURN (continued)

	Permanent Endowment			Expendable	**Total**
	Trust for Investment	Unapplied Total Return	Total	Endowment	**2023**
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	23,140	-	23,140	-	23,140
Unapplied total return	-	9,722	9,722	-	9,722
Expendable endowment	-	-	-	26,731	26,731
Total Endowments	23,140	9,722	32,862	26,731	59,593
Movements in the reporting period:					
Gift of endowment funds	10	-	10	36	46
Investment return: total investment income	-	1,025	1,025	915	1,940
Investment return: realised and unrealised gains and losses	-	(1,394)	(1,394)	(1,131)	(2,525)
Other transfers	-	-	-	-	-
Total	10	(369)	(359)	(180)	(539)
Unapplied total return allocated to income in the reporting period	-	(785)	(785)	-	(785)
Expendable endowments transferred to income	-	-	-	(2,199)	(2,199)
Net movements in reporting period	10	(1,154)	(1,144)	(2,379)	(3,523)
At end of the reporting period:					
Gift component of the permanent endowment	23,150	-	23,150	-	23,150
Unapplied total return	-	8,568	8,568	-	8,568
Expendable endowment	-	-	-	24,352	24,352
Total Endowments	23,150	8,568	31,718	24,352	56,070

14 DEBTORS: falling due within one year

	2024 Group £'000	2023 Group £'000	**2024 College £'000**	2023 College £'000
Trade debtors	**1,148**	362	**239**	8
Amounts owed by Group undertakings	**-**	-	**2,565**	1,696
Loans repayable within one year	**11**	17	**11**	17
Prepayments and accrued income	**1,033**	1,771	**1,033**	1,771
Other debtors	**406**	195	**406**	195
	2,598	2,345	**4,254**	3,687

15 CREDITORS: falling due within one year

	2024 Group £'000	2023 Group £'000	**2024 College £'000**	2023 College £'000
Trade creditors	**557**	1,046	**553**	1,043
Amounts owed to College Members	**234**	209	**234**	209
Taxation and social security	**252**	239	**252**	239
Accruals and deferred income	**10,173**	165	**10,165**	161
Other creditors	**658**	677	**247**	504
	11,874	2,336	**11,451**	2,156

The deferred income figure above represents £10m in 2024 (2023- Nil) received for the building of the new library and student accommodation, which cannot be recognised as income until certain conditions have been met.

16 MOVEMENTS OF THE COLLEGE FUNDS

The College accounts for its investment income on a total return basis, which allows the College to invest permanent endowments to maximise total return and to make available an appropriate proportion of the total return for expenditure each year. Until this power is exercised the total return is the 'unapplied total return' and remains as part of the permanent endowment. The College has adopted a total return rate of up to 4.5% on opening values. An amount equal to eligible expenditure is transferred from the permanent endowment fund to restricted funds from which eligible expenditure is spent.

Endowment Funds	At 31 July 2023 £'000	Incoming Resources £'000	Resources Expended £'000	Gains / (Losses) £'000	Transfers £'000	At 31 July 2024 £'000
Permanent						
Fellowships	22,877	943	-	927	(724)	**24,023**
Research Support	1,230	54	-	50	(1)	**1,333**
Scholarships	2,652	238	-	108	(81)	**2,917**
Studentships	1,207	53	-	49	(45)	**1,264**
Donated Collection	1,495	66	-	61	(6)	**1,616**
Library & Book Conservation	546	29	-	22	(14)	**583**
The Marriott Trust	1,021	45	-	41	(32)	**1,075**
Mallinkrodt Fund	-	840	-	-	-	**840**
Other Funds	690	42		28	(32)	**728**
Expendable						
General Fund	5,355	237	-	217	-	**5,809**
Fellowships	8,420	377	-	341	(333)	**8,805**
Visiting Fellows	2,017	89	-	82	(48)	**2,140**
Gardens and Grounds	1,496	198	-	61	(100)	**1,655**
Student Bursaries & Grants	2,379	105	-	96	(42)	**2,538**
Teaching Fund	804	37	-	33	(8)	**866**
Other Funds	3,881	201	(20)	157	(123)	**4,096**
Total Endowment Funds	56,070	3,554	(20)	2,273	(1,589)	**60,288**
Restricted Funds						
Fellowships	-	-	(1,057)	-	1,057	-
Research Support	-	-	(1)	-	1	-
Scholarships	-	-	(81)	-	81	-
Studentships	-	-	(45)	-	45	-
Donated Collection	-	-	(6)	-	6	-
Library & Book Conservation	-	-	(14)	-	14	-
The Marriott Trust	-	-	(32)	-	32	-
Visiting Fellows	-	-	(48)	-	48	-
Student Bursaries & Grants	-	-	(42)	-	42	-
Teaching Fund	25	-	(8)	-	8	**25**
The Fabric Fund	378	-	(5)	-	-	**373**
Other Funds	1,823	563	(471)	-	288	**2,202**
Total Restricted Funds	2,226	563	(1,810)	-	1,622	**2,601**
Unrestricted Funds						
General Reserve	1,345	11,542	(13,928)		909	**(132)**
Fixed Assets Designated	33,439	629	(998)	-	-	**33,070**
Designated Reserves	4,833	1,652		48	-	**6,533**
Pension Reserve	(2,496)	-	2,496	-	-	-
Subsidiary	-	1,287	(345)	-	(942)	-
Total Unrestricted Funds	37,121	15,110	(12,775)	48	(33)	**39,471**
Total Funds	**95,417**	**19,227**	**(14,605)**	**2,321**	-	**102,360**

16 **MOVEMENTS OF THE COLLEGE FUNDS** (continued)

The College recognised property within the Expendable Endowed Fund in 2024 of Nil (2023: £1,618k).

Endowment Funds	At 31 July 2022 £'000	Incoming Resources £'000	Resources Expended £'000	Gains / (Losses) £'000	Transfers £'000	At 31 July 2023 £'000
Permanent						
Fellowships	23,725	713	-	(1,005)	(556)	22,877
Research Support	1,242	42	-	(53)	(1)	1,230
Scholarships	2,798	96	-	(119)	(123)	2,652
Studentships	1,263	43	-	(54)	(45)	1,207
Donated Collection	1,513	52	-	(64)	(6)	1,495
Library & Book Conservation	564	19	-	(24)	(13)	546
The Marriott Trust	1,038	36	-	(44)	(9)	1,021
Other Funds	719	34	-	(31)	(32)	690
Expendable						
General Fund	7,030	241	-	(298)	(1,618)	5,355
Fellowships	8,818	304	-	(374)	(328)	8,420
Visiting Fellows	2,070	71	-	(88)	(36)	2,017
Gardens and Grounds	1,542	82	-	(65)	(63)	1,496
Student Bursaries & Grants	2,430	84	-	(103)	(32)	2,379
Teaching Fund	813	29	-	(34)	(4)	804
Other Funds	4,028	140	-	(169)	(118)	3,881
Total Endowment Funds	59,593	1,986	-	(2,525)	(2,984)	56,070
Restricted Funds						
Fellowships	-	-	(884)	-	884	-
Research Support	-	-	(1)	-	1	-
Scholarships	-	-	(123)	-	123	-
Studentships	-	-	(45)	-	45	-
Donated Collection	-	-	(6)	-	6	-
Library & Book Conservation	-	-	(13)	-	13	-
The Marriott Trust	-	-	(9)	-	9	-
Visiting Fellows	-	-	(36)	-	36	-
Student Bursaries & Grants	-	-	(32)	-	32	-
Teaching Fund	25	-	(4)	-	4	25
The Fabric Fund	499	-	(121)	-	-	378
Other Funds	1,667	599	(656)	-	213	1,823
Total Restricted Funds	2,191	599	(1,930)	-	1,366	2,226
Unrestricted Funds						
General Reserve	1,191	9,522	(11,685)	-	2,317	1,345
Fixed Assets Designated	32,746	1,665	(972)	-	-	33,439
Designated Reserves	4,833	-	-	-	-	4,833
Pension Reserve	(3,481)	-	985	-	-	(2,496)
Subsidiary	-	947	(248)	-	(699)	-
Total Unrestricted Funds	35,289	12,134	(11,920)	-	1,618	37,121
Total Funds	97,073	14,719	(13,850)	(2,525)	-	95,417

17 DETAILS OF THE COLLEGE FUNDS

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

Permanent Endowment Funds

Fellowships: A total of 14 funds where income, but not capital, is used to support fellowships.
Research Support: A donation where income, but not capital, is used to support research.
Scholarships: A total of 8 funds where income, but not capital, is spent on student scholarships.
Studentships: A donation where income, but not capital, is spent on studentships in a named subject area.
Donated Collection: A bequest where income, but not capital, can be used to conserve a donated collection.
Library and book conservation: Donations and bequests where income, but not capital, can be used to support book conservation and preserve the Old Library.
The Marriott Trust: A donation where income, but not capital, can be used to support the education of the children of the clergy.
Mallinkrodt Fund: A donation where income, but not capital, can be used to support maintenance of College old buildings.
Other Funds: Donations and bequests where income, but not capital, can be used for general purposes.

Expendable Endowment Funds

General Fund: A consolidation of benefactions and donations where either income, or income and capital, can be used for the general purposes of the College.
Fellowships: A total of 5 funds where the income and capital can be applied to support named Fellowships in conjunction with the University of Oxford.
Visiting Fellows: A donation where the income and capital can be applied to support visiting fellows.
Gardens and Grounds: A consolidation of benefactions and donations where either income, or income and capital, can be used for expenses relating to the upkeep of the gardens and grounds.
Student Bursaries and Grants: A consolidation of benefactions and donations where either income, or income and capital, can be used for student bursaries and scholarship grants.
Teaching Fund: A consolidation of benefactions and donations where either income, or income and capital, can be used to support teaching.
Other Funds: A diverse group of donations and bequests where either income, or income and capital, can be used for specific purposes including support for fellowships and students.

Restricted Funds

Fellowships: Income used to support named tutorial and research fellowships.
Research Support: Income used to support research in a named subject area.
Scholarships: Income that can be spent on student scholarships.
Studentships: Income that can be spent on studentships in a named subject area.
Donated Collection: Income used to conserve a donated collection.
Library & Book Conservation: Income used to support book conservation and preserve the Old Library.
The Marriott Trust: Income used to support the education of the children of the clergy.
Visiting Fellows: Income used to support visiting fellows.
Student Bursaries and Grants: Income that can be used for student bursaries and scholarship grants.
Teaching Fund: Income used to support teaching.
The Fabric Fund: Income that can be used for the maintenance of historic buildings.
Other Funds: A diverse group of income and donations to support student activities, fellowships, research, the Library, archives, upkeep of the gardens and maintenance projects.

Designated Funds

Fixed Assets Designated: Unrestricted Funds which are represented by fixed assets of the College and therefore not available for expenditure on the College's general purposes.
Designated: Unrestricted Funds allocated by the Trustees for joint equity and other investment properties.

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

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	**2024 Total £'000**
Tangible fixed assets	33,271	-	-	**33,271**
Property investments	6,533	-	-	**6,533**
Securities and other investments			52,033	**52,033**
Net current assets	(333)	2,601	8,255	**10,523**
Defined benefit pension scheme liability	-	-	-	**-**
	39,471	2,601	60,288	**102,360**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2023 Total £'000
Tangible fixed assets	33,647	-	-	33,647
Property investments	4,833	-	-	4,833
Securities and other investments	-	-	49,409	49,409
Net current assets	1,137	2,226	6,661	10,024
Defined benefit pension scheme liability	(2,496)	-	-	(2,496)
	37,121	2,226	56,070	95,417

19 TRUSTEES' REMUNERATION

Trustee remuneration

The trustees of the College comprise the Governing Body, primarily fellows who are teaching and research employees of the College and who sit on Governing Body by virtue of their employment.

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 scales and often are joint arrangements with the University of Oxford.

The Remuneration Committee consists of a majority of external members and makes recommendations to the Governing Body on levels of remuneration, allowances and expenses.

Trustees of the College fall into the following categories: Provost, Tutorial Fellows, Fellow Lecturers, Professorial Fellows, Supernumerary Fellows, and Official Non-Tutorial Fellows.

There are three trustees who work almost full time on management and fundraising; Provost (full time), Finance and Estates Bursar (full time), and Director of Development & Alumni Relations (full time).

Some trustees, tutorial fellows, are eligible for College housing schemes. Five trustees lived in properties owned by the College and did not receive housing allowance. Others may be eligible for a housing allowance which is disclosed within the salary figures below. Two trustees lived in houses owned jointly with the College, as detailed in Note 25.

Some trustees receive additional allowances for additional work carried out as part time College Officers, for example, the Vice Provost, Senior Tutor and Dean. These amounts are included within the remuneration figures below. The total remuneration and taxable benefits as shown below is £2,072,544 (2022-23: £1,881,028). The total of pension contributions is £245,219 (2022-23: £257,917).

19 TRUSTEES' REMUNERATION (continued)

There were five trustees during the year who were not employees of the College and did not receive remuneration. All employed trustees, together with other senior employees, are eligible for private health insurance as part of their package of remuneration.

All trustees may eat at common table, as can all other employees who are entitled to meals while working. No fellow claimed any expenses for work as a trustee.

Other transactions with trustees

During the year the partners of some trustees were paid for providing tutorials for students of the College.

Key management remuneration

The total cost of remuneration paid to key management was £1,046k (2023: £991k). Key management are considered to be the Provost, the Vice Provost, the Finance & Estates Bursar, the Senior Tutor, the Dean, the Admissions Tutor, the Home Bursar, the Development Director, the College Accountant, the Librarian, the Director of the Visiting Student Programme and the Outreach Fellow.

The following table sets out the remuneration received by Trustees as employees of the College:

	2024		2023	
	Number of Trustees	Gross Remuneration	Number of Trustees	Gross Remuneration
£0,000 - £0,999	1	208		
£9,000 - £9,999			1	9,252
£10,000 - £10,999	1	10,548		
£13,000 - £13,999	1	13,833		
£14,000 – £14,999			1	14,823
£15,000 - £15,999	1	15,240	1	15,929
£16,000 - £16,999	1	16,953		
£19,000 - £19,999	1	19,983		
£20,000 - £20,999	1	20,166		
£21,000 - £21,999			1	21,793
£25,000 - £25,999				
£26,000 - £26,999	1	26,489	1	26,211
£27,000 - £27,999			10	274,214
£28,000 - £28,999	9	254,429	1	28,507
£29,000 - £29,999	2	58,767	1	29,803
£30,000 - £30,999	1	30,882		
£37,000 - £37,999			2	75,430
£38,000 - £38,999	1	38,585		
£41,000 - £41,999			1	41,307
£43,000 - £43,999	1	43,053		
£44,000 - £44,999			1	44,214
£46,000 - £46,999			1	46,468
£53,000 - £53,999	1	53,897		
£54,000 - £54,999	1	54,523		
£55,000 - £55,999	1	55,604		
£56,000 - £56,999			1	56,377
£59,000 - £59,999			1	59,416
£60,000 - £60,999			1	60,322
£63,000 - £63,999	1	63,068		

£64,000 - £64,999			1	64,382
£67,000 - £67,999	1	67,312	4	271,849
£68,000 - £68,999			2	136,881
£69,000 - £69,999	4	278,073		
£70,000- £70,999	1	70,820	1	70,046
£71,000- £71,999	2	143,365	1	72,870
£73,000- £73,999	1	73,077	1	74,527
£75,000- £75,999	1	75,745		
£78,000- £78,999	1	78,017	2	152,254
£86,000 - £86,999	1	86,927		
£91,000 - £91,999	1	91,830		
£97,000 - £97,999	1	97,320		
£107,000 - £107,999	1	107,630	1	107,631
£126,000 - £126,999	1	126,201	1	126,522
	42	2,072,545	39	1,881,028

20 PENSION SCHEMES

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

Where a scheme valuation determines that the scheme is in deficit on a technical provisions basis (as was the case following the 2020 USS valuation), the trustee of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund an overall deficit. The College recognises a liability for the contributions payable that arise from such an agreement (to the extent that they relate to a deficit) with related expenses being recognised through the income statement

USS in relation to the Virgin Media vs NTL Pension Trustees II judgement.

The College is aware of the Virgin Media vs NTL Pension Trustees II Limited Court of Appeal judgement, which may give rise to adjustment to the Schemes. At present the legal process is incomplete and therefore we are unable to quantify any potential liabilities.

Schemes accounted for under FRS 102 as defined contribution schemes

Deficit Recovery Plans

Universities Superannuation Scheme

For USS, a deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The College was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the income and expenditure account. The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (the valuation date), which was carried out using the projected unit method.
Since the College cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

At 31 July 2023, the College's balance sheet included a liability of £2,496k or future contributions, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the College was no longer required to make deficit recovery contributions. The remaining liability of £2,496k was released to the income and expenditure account.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are described below.

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030.
Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus:
	Pre-retirement: 2.5% p.a.
	Post-retirement: 0.9% p.a.

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	2024	2023
Males currently aged 65 (years)	23.7	24.0
Females currently aged 65 (years)	25.6	25.6
Males currently aged 45 (years)	25.4	26.0
Females currently aged 45 (years)	27.2	27.40

University of Oxford Staff Pension Scheme

The University of Oxford Staff Pension Scheme (OSPS) is a multi-employer hybrid scheme set up under trust and sponsored by the University. It is the pension scheme for support staff at the University, participating colleges and other

related employers. New members joining the scheme build up benefits on a defined contribution basis. Members who joined before 1st October 2017 build-up benefits on a career average revalued earnings basis.

The latest full actuarial valuation for the OSPS scheme was completed as at 31 March 2022. The funding position of this scheme has improved significantly moving from deficit of £113m to a surplus of £47m at the valuation date. As a result, the recovery plan agreed at the last valuation is no longer required and the deficit contribution ended on 30th September 2023. A provision of £682K was made at 31 July 2023 (2022: £197k) to account for deficit recovery payments up to 30th September 2023. The remaining liability of £19k was released to the income and expenditure account in 2024.

The trustee and the University have agreed a new contribution schedule which took effect from 1 October 2023 and takes account of the benefit improvements and changes to member contributions since the last valuation date. It was agreed that the scheme will meet its own running costs from the scheme's assets, including expenses relating to both the DB and DC Sections and the cost of pension Protection Fund/other statutory levies.

The table below summaries the key actuarial assumptions. Further details of the assumptions are set out in the statement of funding principles fated 27 June 2023 and can be found at https://finance.admin.ox.ac.uk/osps-documents

Date of valuation:	31/03/2022
Value of liabilities:	£914m
Value of assets:	£961m
Funding surplus / (deficit):	£47m

The principal assumptions used by the actuary were:

Rate of interest (periods up to retirement)	Gilts' +2.25%
Rate of interest (periods after retirement)	Gilts' +0.5%
RPI	Break-even RPI curve less 0.5% pa pre-2030 and 1.0% pa post-2030
CPI	RPI inflation assumption less 1% pa pre-2030 and 0.1% pa post-2030
Pensionable Salary increases	RPI +pa

Funding Ratios:

Technical provisions basis:	105%
'Buy-out' basis:	62%

Non-financial assumptions:

Post-retirement mortality - base table	Non-Pensioners: 105% of standard S3PxA medium tables for both males and females Pensioners: 105% of standard S3PxA medium tables for both males and females
Post-retirement mortality - improvements	Non-Pensioners: 105% of standard S3PxA medium tables for both males and females Pensioners: 105% of standard S3PxA medium tables for both males and females
Recommended employer's contribution rate (as % of pensionable salaries):	16.5% DB for members from 01/10/2023 10% /12% /14% DC members in relation to 4% /6% /8% cost plan - from 01/10/2023
Effective date of next valuation:	31/03/2025

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	2024 £'000	2023 £'000
Universities Superannuation Scheme	**741**	793
University of Oxford Staff Pension Scheme	**229**	481
Other Schemes Contributions	**1**	1
	971	1,275

Included in other creditors are pension contributions payable of £Nil (2023: £nil).

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 purposes that are exclusively charitable.

No liability to corporation tax arises in the College's subsidiary company because the directors of this company 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.

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

	2023 £'000	2023 £'000
Net income	**4,622**	869
Elimination of non-operating cash flows:		
– Investment income	**(2,503)**	(2,029)
– Endowment donations	**(288)**	(46)
Depreciation	**998**	974
Surplus on sale of fixed assets	**7**	-
Decrease in stock	**5**	(33)
(Increase)/decrease in debtors	**(253)**	6,126
Increase in creditors	**9,538**	913
Decrease in pension scheme liability	**(2,496)**	(985)
Net cash used in operating activities	**9,630**	5,789

22 CAPITAL COMMITMENTS

The College had no contracted commitments at 31 July for capital projects (2023: £nil).

23 RELATED PARTY TRANSACTIONS

The College is part of the collegiate University of Oxford. Material interdependencies between the University and the College arise as a consequence of this relationship. For reporting purposes, the University and the other Colleges are not treated as related parties as defined in FRS102.

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.

Two properties are owned under joint equity agreements between the Trustees, named below, 50% and the College, 50%. Full market values of the properties, following an inspection valuation carried out by Carter Jonas LLP:

	2023	2022
	£'000	£'000
Dr J Parrington	**820**	820
Prof J Quinn	**730**	730

These trustees do not receive Housing Allowance. All joint equity properties are subject to sale on the departure of the trustee from the College.

One Trustee (Dr Ben Morgan) had a family member or other connected party who was employed by the College on either a permanent or casual basis during the year; neither of these Trustees had supervisory responsibility for the relevant employee or was involved in their recruitment, and all cases have been declared in the register of Trustees' interests. The total value of these transactions was £17,996 (2023: £16,073)

Funds of £15m (2023: £11.7m) are held at arm's length in the Worcester College Oxford Endowment Trust, which is not controlled by the College but supports the College as its principal charitable objective. The Trust awards the College an annual grant (currently at 4.25% of the value of the Trust's assets at each year-end).

24 CONTINGENT LIABILITIES

There were no known contingent liabilities.

25 POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

26 ULTIMATE CONTROLLING PARTY

The Trustees believe that the College does not have an Ultimate Controlling Party.

WORCESTER COLLEGE, OXFORD

England & Wales - Charity number 1143479

Accounts

Charity Registration No. 1143479

Worcester College

Annual Report and Financial Statements

Year ended 31 July 2023

WORCESTER COLLEGE
Annual Report and Financial Statements
Contents

Governing Body, Officers and Advisers	2 - 5
Report of the Governing Body	6 - 16
Auditor's Report	17 - 20
Statement of Accounting Policies	21 - 25
Consolidated Statement of Financial Activities	26
Consolidated and College Balance Sheets	27
Consolidated Statement of Cash Flows	28
Notes to the Financial Statements	29 - 46

WORCESTER COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2023

MEMBERS OF THE GOVERNING BODY

The Members of the Governing Body are the College's charity trustees under charity law. The members of the Governing Body, who served in office as trustees during the financial year, or subsequently up to the date of approval of these financial statements, are listed below together with details for those who also held College Officerships:

Governing Body Fellow	College Officers	In year change	(1)	(2)	(3)	(4)	(5)	(6)
Mr David Isaac	Provost		●	●	●	●	●	●
Dr Simon Cowan	Vice Provost	To 13/3/23		●	●	●	●	●
Professor Kate Tunstall								
Professor Donal Nolan								
Dr Nir Vulkan	Garden Master	From 1/9/22						
Professor Andrew Carr							●	
Professor Ben Morgan					●		●	
Dr John Parrington								
Dr Richard Earl	Vice Provost	From 13/3/23		●	●	●	●	●
Dr Scott Scullion	Dean of Degrees							
Professor Deborah Cameron		To 30/9/23						
Professor Josephine Quinn				●		●		
Professor Andreas Willi								
Professor Julian Roberts		To 31/8/22						
Professor Endre Süli					●			
Professor Grant Ritchie				●				
Professor Robert Harris								
Dr Paul Azzopardi	Dean			●	●			●
Dr Mark Howarth		To 31/8/22						
Dr David Steinsaltz	Sustainability Fellow						●	●
Dr Conrad Leyser								
Professor Laura Ashe								
Professor Gabriel Stylianides								
Professor Kim Dora								
Dr Antonis Papachristodoulou								
Dr Michael Peramatzis								
Dr Zofia Stemplowska								
Dr Afifi al-Akiti						●	●	

WORCESTER COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2023

Governing Body Fellow	College Officers	In year change	(1)	(2)	(3)	(4)	(5)	(6)
Professor Sadie Creese								
Dr James Edwards						●		
Professor Andrew Stephen						●		
Mr Mark Bainbridge	Fellow Librarian							
Dr Alexander Sturgis								
Dr Peta Fowler								
Dr Alice Violet								
Professor Andrzej Murawski			●					
Dr Robert Smith			●					
Professor Hauke Marquardt								
Dr Merve Emre		To 31/7/23						
Dr Marchella Ward		To 9/9/22						
Dr Lisa Wedding			●					
Dr Michael Mayo					●			●
Dr Laura Quick								
Dr Leah Trueblood				●				
Dr Natalia Waights Hickman	Tutor for Graduates				●			
Professor Tsilly Dagan			●					
Ms Kate Foley	Director of Development	To 13/10/22						
Professor Iain McCulloch						●		
Dr Paulo Savaget								
Professor Daniel Neyland	Senior Tutor, Tutor for Admissions and Tutor for Graduates	To 9/9/22						
Dr Wouter Mostert							●	
Professor Patricia Clavin								●
Professor Emmanuel Breuillard								
Mr Michael Huggins	Finance and Estates Bursar		●	●	●	●	●	●
Professor Jennifer Walshe								
Mr Simon Boddie			●					
Leila Ullrich								
Ronelle Roth					●			
Elizabeth Emerson	Senior Tutor	To 21/12/22	●		●			
Helen Parish	Senior Tutor		●	●	●			

WORCESTER COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2023

Governing Body Fellow	College Officers	In year change	(1)	(2)	(3)	(4)	(5)	(6)
Viola Kerr	Development Director	From 9/5/23				•		
Richard D'Arcy		From 1/6/23						
Weston Struwe		From 1/8/23						

During the year the activities of the Governing Body were carried out through six principal committees. The membership of these committees during the academic year 2022/23 is shown above for each Fellow.

(1) Finance Committee
(2) General Purposes Committee
(3) Education Committee
(4) Development Committee
(5) Estates and Operations Committee
(6) People and Culture Committee

The Joint Consultative Committee comprising membership from Governing Body, senior staff and Officers of the Middle and Junior Common Rooms discusses matters affecting Middle and Junior Common Room members. Such matters include (but are not limited to) the domestic management of the College, food service provision, and sports and recreational facilities.

Membership details for all committees are available on request.

COLLEGE SENIOR STAFF

The non-Trustee senior staff of the College to whom day to day management is delegated are:

Mr Harmohinder Bahl	Home Bursar
Mrs Jayne Stoddart	Head of Works
Ms Leigh MacNeill	College Accountant

COLLEGE ADVISERS

Investment managers
Oxford University Endowment Management Ltd
King Charles House
Park End Street
Oxford
OX1 1JD

Auditor
Moore Kingston Smith LLP
6th Floor
9 Appold Street
London
EC2A 2AP

Bankers
The Royal Bank of Scotland
Customer Service Centre
Drummond House
1 Redheughs Avenue
Edinburgh
EH12 9JN

COLLEGE ADDRESS

Worcester College
Walton Street
Oxford
OX1 2HB

College website
www.worc.ox.ac.uk

The Members of the Governing Body present their Annual Report for the year ended 31 July 2023 under the Charities Act 2011 together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Provost, Fellows & Scholars of Worcester College in the University of Oxford, which is known as Worcester College, ("the College") is an eleemosynary chartered charitable corporation aggregate. It was founded through a legacy of Sir Thomas Cookes Bt. under a Royal Charter of Queen Anne dated 1714. The corporation comprises the Provost and Fellows. The College is registered under the Charity Commission (registered number 1143479).

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 Statutes dated 14 December 2011.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Master of the Rolls on behalf of the Crown. New Governing Body fellows are appointed by the existing trustees, for specified periods of time or until retirement. New members of the Governing Body are elected on the basis of expertise in their particular field.

The Governing Body devises and approves the College's strategy and oversees its administration and also the management of its finances and assets. It meets regularly, chaired by the Provost.

Recruitment and training of Members of the Governing Body

New Members of the Governing Body are normally recruited by open application and interview and are inducted into the workings of the College, including Governing Body policy and procedures, by means of being provided with a copy of the College Statutes, the Fellows' Handbook, Charity Commission Guidance Notes and informal discussions with colleagues.

Training courses and information to keep members of the Governing Body informed about current issues in the sector and on regulatory requirements are kept under review and offered, as appropriate.

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 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. This is set based on the advice of the College's Remuneration Committee. Where possible, remuneration is set in line with that awarded to the University's academic staff.

The remuneration of senior college staff is approved by Governing Body on the recommendation of the Remuneration Committee.

Organisational management

The members of the Governing Body normally meet twice a term with the provision for extraordinary meetings, if required. Governing Body has established a series of committees to attend to and advise upon the wide range of matters for which Trustees are accountable.
Six Principal Committees meet termly to cover the main operational areas of College life and report directly to Governing Body, some of which are informed by operational or specialist sub-committees.

Development Committee
: Provides strategic advice to the Development Director and oversight of the College's fundraising activities, policies and donor relations.

Education Committee
: Considers all business related to the academic life and activities of the College, with the aim of supporting students and promoting excellence in teaching and research.

Estates & Operations Committee
: Provides strategic advice and general oversight to ensure College buildings and facilities meet the academic, social and residential needs of the College community, within its means and for long-term sustainability. The Committee usually meets twice per term. Its sub-committees include those responsible for Health & Safety, IT, Gardens & Grounds and Sustainability.

Finance Committee
: Sets and monitors annual financial budgets. Deals with issues of financial management, procurement, reporting and compliance, aiming to secure long-term financial sustainability and value for money across all College expenditures.

General Purposes Committee
: Provides a regular forum for the consideration of urgent or strategic issues and those which do not fall wholly within the remits of other committees.

People & Culture Committee
: Monitors, facilitates and promotes policies, strategies and actions to strengthen the skills, achievements and impacts of people in the Worcester College community. Its sub-committees include those responsible for HR and Equality, Diversity & Inclusion

Three Advisory Committees are convened termly to provide strategic advice and oversight for governance, academic and operational areas.

Academic Strategy Committee
: Produces and monitors progress on an annual academic strategy which sets out aspirations for the size, shape, performance and provision of teaching and research.

Governance & Compliance Committee
: Monitors progress on the College's strategy, and reviews College governance, policies and processes to ensure appropriate measures of transparency, compliance and accountability.

Audit & Risk Committee
: Provides review and advice from external experts to assist Governing Body in the fulfilment of its corporate governance, and charitable duties.

Two other committees directly report to Governing Body:

- Nominating Committee, which comprises at least five members of Governing Body who are broadly representative of the College's academic community, makes recommendations in relation to the appointment of committee members and senior officers from among the trustees of the College.
- Remuneration Committee, which provides independent advice and recommendations to the Governing Body as to the level of remuneration (including any stipend, allowance or benefit) for members of the Governing Body or other senior staff who may be referred to it. The Committee is chaired by someone who is not a Trustee of the College but has previous experience of serving on a Remuneration Committee or equivalent.

The day-to-day running of the College is delegated to the Provost, supported by the following College Officers and senior staff: the Vice Provost, the Finance & Estates Bursar, the Senior Tutor, the Dean, the Home Bursar, the Development Director, the College Accountant, the Librarian and the Director of the Visiting Student Programme. All meetings of the committees listed above are attended by one or more of these individuals.

Group structure and relationships

The College has a wholly owned trading subsidiary, Worcester College Enterprises Limited whose accounts are consolidated into the accounts of the College.

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.

A separate charity which is not controlled by the College, Worcester College Oxford Endowment Trust, has the support of the College as its principal charitable objective. The Trust makes an annual grant to the College (currently at 4.25% of the value of its assets at year end).

The College also administers many special funds, as detailed in Note 16 to the financial statements.

OBJECTIVES AND ACTIVITIES

Worcester College is committed to teaching, learning and exchanging ideas which make a positive impact in wider society. As an academic community within the University of Oxford, the College promotes freedom of thought and expression, the integrity of academic research, and the belief that all members of the College should be valued and respected. The College offers a stimulating and supportive teaching and learning environment for students at undergraduate and graduate levels in a wide range of academic disciplines. This is complemented by modern facilities and a range of opportunities for extra-curricular activity.

The College's educational provision works in tandem with the courses of study available to its students within the departments and faculties of the University of Oxford. In particular, the College organises small-group tutorials for undergraduates in which each student's education is steered by research-active academics. This system of supervision, alongside advisors for graduate students, ensures that the College provides an informing, inspiring and challenging learning environment for all its students.

For centuries Worcester College has helped students to achieve their potential and contribute to society after graduation. Alumni have gone on to lead fulfilling professional lives and have made major contributions in their chosen fields, from academia, education, science and the arts, to faith communities, public service, business and the military.

Charitable Objects and Aims

The College's Objects are the advancement of education, religion, learning and research, by the provision of a college in the University of Oxford, for the benefit of the public.

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 advance education, including extending access

  Working with the University of Oxford's departments and faculties, students are admitted from a wide range of demographic, financial and cultural backgrounds solely on the basis of their academic ability and potential.

  The College provides opportunities for its students to develop their academic knowledge and potential, and the transferable skills they will need to contribute in the workplace and in society more widely. Small-group tutorial and class teaching for undergraduates is supplemented by the provision of a range of teaching and learning facilities, including three libraries and several lecture/seminar rooms. The College also offers a range of welfare, pastoral and administrative systems to support students, as well as social, cultural, and extra-curricular activities.

  The Admissions and Access Officers employed by the College undertake outreach and widening-participation work with schools, colleges and individuals and work with the Senior Tutor to develop and implement policies associated with access to Higher Education. The Senior Tutor, supported by a Graduate Officer, is responsible for work associated with the admission of graduate students.

- To provide bursaries

  The College recognises academic achievement through the award of scholarships, exhibitions and prizes for strong performance. Funds are provided to assist students with the purchase of academic books, to help with vacation residence and field trip costs, and for travel associated with attendance at conferences and in furtherance of their academic work.

- To support impecunious students through targeted financial aid.

  The College advises and assists students who are in financial hardship. A Student Financial Aid Committee considers applications for assistance from the College's hardship funds and is able to provide help by means of grants, loans or a combination of the two.

- To support college-funded and independent research,

  The College funds a number of career development Junior Research Fellowships and Tutorial Fellowships in a wide range of subject areas including biology, social sciences and the history of art. Associations are also offered, by means of Senior Research Fellowships and Supernumerary Fellowships, to individuals in University departments and faculties who are undertaking research.

  Through the standard University scheme for sabbatical leave, and in considering requests for special leave, the College also provides replacement teaching to enable Fellows to dedicate between 1 and 3 terms to specific research projects. All Tutorial Fellows and career development Junior Research Fellows are eligible to receive a Teaching and Research Allowance and may apply for assistance towards expenses incurred in attending academic conferences.

  Students and academic staff are able to make use of the College's three libraries, and researchers can also apply to access material in the College's archive or special collections of prints drawings and manuscripts.

- To promote religion.

  The College employs a full-time Chaplain who, along with the Assistant Chaplain, conducts services in the Chapel and can be approached by students of any faith or none as a member of the welfare team. The Chapel, open every day, acts as a centre of Christian worship but its use by anyone as a space for quiet reflection is also encouraged.

The Chapel supports the college choir under the direction of the full-time Director of Music, featuring both mixed-voice choral scholars, boy trebles from Christ Church Cathedral School, and two undergraduate organ scholars. The choir sing regular services of evensong and communion, four times weekly in full term, as well as taking part in concerts, tours, broadcasts and recordings.

A multi-faith prayer room is available as an alternative space for prayer and reflection for both groups and individuals, and all services are promoted, internally and externally, by means of notice boards, social media and websites. Information about the variety of faith societies, belief groups and religious centres within the University is provided in the Undergraduate and Graduate Handbooks.

The Chaplain organises various events outside of the Chapel to discuss religion, ethics and morality, usually including a weekly discussion group and a termly dinner with guest speaker, alongside more social activities focussing on wellbeing and pastoral care.

ACHIEVEMENTS AND PERFORMANCE

Worcester has had a very successful year. Operationally, life in College has fully returned to its pre-pandemic state; this is especially evident in the commercial income that the College has been able to re-develop and grow to pre-pandemic levels. Sadly, our students were still experiencing the impact of the Covid pandemic: many of our second- and third-years were not able to take their A Levels and our first-years' schooling was also negatively impacted. We have ensured extra teaching support has been available to these cohorts to enable them to thrive at Worcester. The Oxford tutorial system presents unique opportunities for our students' academic and personal development and we have worked hard to ensure that all our students benefit from the opportunities that exist in College. These have enabled them to develop the critical academic skills to build self-confidence, thrive as independent learners and continue to be ambitious. We continue to focus on those with the most talent and potential – when considering both students and staff – and are confident that our community will continue to build its resilience and inclusive values.

Teaching arrangements have reverted to pre-pandemic models, with tutorials taking place in College throughout 2022-23. We continue with usual modes of provision, with teaching and learning enhanced by the provision of online resources and materials.

Most committee meetings take place in College, often with a hybrid / online option for those who cannot attend. Governing Body meetings continue to be held in person.

Delivery of the College Strategy

The College adopted a Five-Year College Strategy in Trinity Term 2022 (1) promote academic excellence and research (2) develop of a strong and inclusive College culture and (3) to ensure strong financial stewardship and good governance. The College's Strategy Implementation Group has worked hard to deliver the College's strategic ambitions. Key aspects have been:

- Academic excellence and research – updating the College's Academic Strategy;
- A strong and inclusive College culture – the introduction of a "One-Worcester" approach to running the College and teams working together; increased training and development;
- Strong financial stewardship and good governance – the adoption of a three-year break-even strategy; the simplification of the College's committee structures; adoption of new College by-laws and policies.

Access and Admissions

Access and outreach work continue to focus on active engagement schools in our 'link areas' of West Yorkshire, as determined by the University's regionalisation scheme. 87% of our first-year intake in 2023 came from state schools, a close match for the national population, and the College continues to adhere to University guidance on the use of contextual data when assessing applications.

Our Tinsley Access & Outreach officer continued to offer structured and informal visit days for schools across a wide age range, drawing upon support from tutorial fellows for academic input as appropriate. Enrichment activities of this type are a core part of our provision, equipping and empowering applicants from under-represented groups within the College and University. Feedback received was very positive, and planning for a further programme of events and visits for 2024-25 is under way, including renewed work with teachers. Additional bespoke online sessions have been arranged with school groups who are not able to travel to Oxford, and the Access & Outreach Officer has also provided tailored support with the drafting of applicants' personal statements as part of UCAS applications.

In 2019, the College's Governing Body set a number of access targets for undergraduate admissions, focusing on groups currently under-represented at Oxford University. We have continued to make significant progress towards achieving these targets: in 2022, 87% of our intake came from state schools (2018: 67%), 25% came from areas with the lowest levels of progression to Higher Education (2018: 15%), and 25% came from the most socio-economically disadvantaged areas (2018: 14%). Racial equality remains a key focus of our access work, and in our 2022 intake just over 32% of our UK intake was from BAME backgrounds (2018: 14%).

The College's three undergraduate Open Days have been well attended, with an estimated footfall of >3,000 at the two events in June. Student Ambassadors have played an active role in the planning and delivery of the Open Day programme, leading College tours, meeting individual potential applicants, and contributing to question-and-answer sessions run by the Senior Tutor and Admissions & Outreach officer. Our students are in many respects our best ambassadors, and their contribution to events such as these gives visitors a tangible picture of Worcester's academic community and our welcoming and inclusive environment.

Fellowship and Staff

Our governance is arranged according to our College Statutes and By-Laws, with the College's Governing Body holding overall responsibility for College policies and affairs. The Governing Body is chaired by the Provost. Its membership comprises all Official Fellows (Tutorial and Non-Tutorial) and Professorial Fellows (persons whose posts are statutory Professorships of the University or are similarly ranked by it, and are permanently attached to the College). There are four categories of Fellowship – Research, Supernumerary, Emeritus and Honorary – of which the first two may be elected to membership of the Governing Body.

The College is also home to a thriving community of Research, Honorary and Emeritus Fellows. The recent appointment of two Heads of Research from among the fellowship is part of a wider commitment to fostering a lively and supportive research environment, and the provision of support and mentoring to early career researchers. The College supports a range of research activities including seminars, workshops, public lectures, round-table discussions, and interdisciplinary approaches to research and publication that address a public audience.

We have appointed to four non-stipendiary Junior Research Fellowships, three stipendiary Junior Research Fellowships, and one Senior Research Fellowship. We recognise the contribution that early career researchers make to the academic community at Worcester, and the importance of providing a mutually supportive research culture and environment in College.

Student Numbers and Progress

Worcester College is home to 449 undergraduates, 200 postgraduates, and 28 visiting students. In Finals (2023) Worcester's undergraduates obtained 44 Firsts, 59 Upper Seconds, 5 Lower Second and 2 Thirds. Students also achieved excellent results in their First Public Examinations (normally taken in the first year). At the time of writing, we await the publication of the Norrington Table. However our undergraduate students have been awarded Faculty Prizes across a wide range of subjects, including Medicine, Classics, Chemistry, Engineering, Management, Immunology, and Pharmacology.

The College is home to a vibrant community of graduate students pursuing a wide range of postgraduate taught and research degrees.

Student Financial Support

The College has continued to offer financial support to its students, including for academic provision, hardship, bursaries, study grants and extra-curricular activities. Funds were also provided to support other activities including field trips, medical electives, undergraduate research/conference travel, book bursaries, sports bursaries and language tuition. A total of £331k was disbursed during the year (2022: £301k).

Development

This year saw a considerable improvement in our Development operation. Viola Kerr joined us as full-time Development Director in May 2023 following the work of Julia Thaxton as a part-time Interim Development Director who managed the team from October 2022 until May 2023.

In 2022-23 we raised £6,811,720 in cash received. However, £37,062,036 was raised including both cash received and pledges. This includes the most significant fundraising achievement at the College this year, and the largest single gift ever pledged to Worcester: the transformational £30m from Sir Lindsay Owen-Jones to create a new library and new graduate student accommodation at Worcester. The first instalment of £10m falls in the 2023-24 financial year.

Receipts in respect of legacies recognised in the prior year amounted to £5,518,261 of cash received in 2022-23. A significant success was a number of loyal donors agreeing to give unrestricted gifts towards the end of the year to support the financial health of the College in line with the Finance Strategy, which raised £539,882 in this financial year (a further £257,549 having been pledged but arriving just after the end of the financial year). Also focusing on unrestricted gifts was a particularly successful Telethon campaign in March, raising £210,000 over a five day period, more than double the previous telephone campaign. Other highlights include increasing the number of graduate scholarships the College is able to provide through some significant donations, and successful stewardship of donors to such scholarships.

Our overall participation rate (number of annual donors per contactable alumni) has continued to increase year-on-year since 2019-20. This year it was 10.9%, a slight increase on the previous year, despite limited activity which will increase in future years.

A full programme of Old Members events was delivered including an event at the House of Lords, the second Donors' Dinner, two trips by the Provost to the US and a dinner for Rhodes Scholar alumni at Worcester.

The College is grateful to all those made an impact on its work through their financial support this year.

FINANCIAL REVIEW

The 2022-23 financial year has been particularly challenging. Inflation was around 10% in the first half of the year, and was still around 7% by year end. Inflation in key areas of expenditure – such as energy, and food -

was considerably higher. These inflationary pressure were also felt by our loyal and hardworking staff, and we did what we could to help them manage, including adopting the University pay settlement.

The principal funding sources of the College continue to be fees, accommodation charges, conference income, donations and endowment income. Fee income received via the University, from the Office for Students (OfS), various funding bodies and students.

The College also receives financial support from many benefactors mentioned above, who enabled us to avoid an operating deficit this year.

Total income and endowments for the year were £14,719k (compared with £18,166k in 2022). As noted above, this included £2,729k from donations and legacies (2022: £9,105k).

The College's charitable objects continue to be met with resources expended on charitable activities for the year of £13,593k (2022: £14,389k).

Incoming resources from charitable activities in the year, principally fees and residential income were £7,125k compared with £5,935k in 2022. Conference activity grew strongly, being £2,836 (compared with £1,378k in 2022).

The operating cash deficit decreased from £3,338k in 2022 to £272k in 2023, reflecting continued spending on the backlog maintenance programme, higher cash donations and rising costs generally. The pension provision decreased by £985k in the year (2022: £1,942K increase) a significant, albeit largely non-cash component of this year's deficit.

All of the College's securities and other investments are managed by Oxford University Endowment Management Limited (OUEM) and total £49,409k (2022: £46,416k).

The Trustees continue to give particular attention to the College's ability to continue as a going concern in the face of significant economic challenges. Improved trading activity and the generous support of old members makes it possible to continue College activities at their present scale but we continue to examine all our operations to ensure value for money and identify ways of achieving improved financial sustainability on a long-term basis. Having reviewed the current cash position and forecast income and expenditure, and in the light of the College's existing financial resources, the trustees are satisfied that the College is a going concern. However, the operating budget for the coming years remains challenging, and additional income will need to be generated and costs controlled to ensure that the College's finances remain healthy into the medium term and beyond.

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, to allow the College to be managed efficiently and to provide a buffer that would ensure uninterrupted delivery of services. In 2018-19, having reviewed current risks and uncertainties in the external environment, the Trustees set a target range for free reserves equal to 3-6 months of operating costs to allow operations to continue in the event of short-term economic disruption or other revenue shocks, and committed to developing financial strategies to achieve this. In setting this target, the Trustees were also mindful that the College's Expendable Endowment provides a degree of protection in the event of short-term revenue pressure, although taking the view that it is preferable and prudent also to increase the level of free reserves given the long-term purpose of the Endowment.

The Group's unrestricted reserves (excluding Pension reserve) at the year-end amounted to £39,617k (2022: £38,770k), represented by a £33,439k fixed asset designated reserve (2022:£32,746k), £4,833k (2022:£4,833k) of a long term property investment reserve and free reserves of £1,345k (2022: £1,191k). This is below the Trustees' target for free reserves, but the Trustees take comfort that the number is positive and they plan to build free reserves to the desired level as operating circumstances permit.

The Pension provision of £(2,496)k (2022: £3,481k) represents a commitment to pay additional pension contributions over the period to 31 January 2028. The College is confident that it can meet these contributions from projected future cash flows without significant impact on planned levels of charitable activity, therefore in line with Charity Commission guidance, this commitment does not impact free reserves.

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 on a total return basis, maintaining 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 total return and to make available for expenditure each year an appropriate proportion of the unapplied total return.

The investment strategy, policy and performance are monitored by the Investment Sub-Committee. At the year end, the College's long term securities totalled £49,409k, (2022: £46,416k) which during the year generated income of £2,029k (2021: £1,748k) and included the recognition of an unrealised loss in the year of (£2,525k) (2022: loss of £313k).

Under the total return accounting basis, it is the Governing Body's policy to extract as income up to 4.5% of the value of the relevant invested funds. The Governing Body will keep the level of drawdown under review to balance the needs and interests of current and future beneficiaries of the College's activities.

Risk management

The College has on-going processes which operated through-out the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiary in undertaking their activities.

The Governing Body has ultimate responsibility for managing any risks faced by the College, and the Audit and Risk Committee helps it monitor the major risks to which the College is exposed. A risk register and action plan has been established and responsibility for the management of the key risks resides with the College officers and their relevant committees, with the Audit and Risk Committee receiving periodic reports on the effectiveness of this.

The principal risks and uncertainties faced by the College and its subsidiaries that have been identified are categorised as follows:

- Failure to attract and retain high quality staff. On the academic side this is mitigated by ensuring appropriate remuneration and by a range of additional measures including flexibility of funded leave to support research, and assistance securing housing in Oxford's competitive market. More broadly, the College mitigates this risk by working to attract a wide-range of qualified applicants for positions, including from backgrounds or previous career-paths that might not traditionally apply for roles in an Oxford college.

- Governance and financial control risks are inherent in any charity of the College's size and complexity. These risks are mitigated by financial and governance controls including strong budgetary and purchasing controls, independent membership of key Committees and clear protocols for managing potential conflicts of interest.

- Risks relating to the management and operations of the College, including health and safety, risk of damage to the historic fabric of the estate, and potential interruption to the College's activities. Mitigation involves a range of preventative and control measures, alongside thorough reporting and oversight,

contingency planning and insurance. Other risks relating to the operational activities of the college such as employment of staff and use of IT are managed through clear procedures and monitoring.

- Other risks of harm to the beneficiaries of the charity. This is mitigated through appropriate safeguarding procedures, continued investment in student welfare provision, and the active risk-assessment of events and activities on the College site.

- Financial risk to the College's endowment, including loss of real value through inappropriate investment, and failure to attract sufficient additional endowment funds. The College's endowment is invested with Oxford University Endowment Management to ensure direct oversight and management by investment professionals, with an Investment Subcommittee monitoring performance and reviewing future strategy, including potential concentration risk. Risk of insufficient future donations is mitigated by the activities of the Development Office and the Provost, overseen by both the External Relations Committee and the Finance Committee.

- Reliance on in-year voluntary income to defray operational expenditure. This is being mitigated by a focus on increasing the returns from trading activities, reviewing the size and composition of the student body and continued work on the evolving three-year financial plan.

FUTURE PLANS

The College is looking at all aspects of its operations including the size and composition of the student body although we expect any changes to be gradual and evolutionary in nature. It will continue to deliver teaching and learning through the tutorial system, to support research, fund scholarships and scholarly activity and to recognise scholarly achievement, support students in financial hardship and provide for the spiritual welfare of its students through its chapel provision.

The College's ongoing essential maintenance programme is planned to continue into the next financial year and beyond. It represents a significant expenditure commitment. Alongside this, the free reserves will need to be rebuilt to the target level that the trustees have set in the light of uncertainties in the external environment. These factors further increase the importance of the cost control and commercial revenue work noted above.

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 must:

- select the most suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- 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 29 November 2023 and signed on its behalf by:

David Isaac
Provost

Independent auditor's report to the trustees of Worcester College

Opinion

We have audited the financial statements of Worcester College (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and College's affairs as at 31 July 2023 and of the group's incoming resources and application of resources, including the group's and the College's income and expenditure 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, set out on pages 6 to 16 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 16, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and College'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 trustees either intend to liquidate the group or parent 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 group and the parent 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.

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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.

Use of this report

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

Moore Kingston Smith LLP

Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Date: 8 December 2023

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its wholly owned subsidiary, Worcester College Enterprises Limited.

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 its subsidiary for the reporting year are in note 12.

The accounts of the affiliated student bodies, Worcester College Clubs, Middle Common Room and Junior Common Room have not been consolidated because 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'.

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' (The Charities SORP (FRS102).

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the measurement of investments and certain financial assets and liabilities at fair value with movements in value reported within the Statement of Financial Activities (SOFA).

The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

3. Going concern

The Trustees 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. Having reviewed the current cash position and forecast income and expenditure, and in the light of donations received and pledged to support the College, cost control, fund raising initiatives and the significant expendable endowment funds available, the trustees have concluded that 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.

4. 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 participates in two multi-employer defined benefit pension plans. In the judgement of the Governing Body, there is insufficient information about the plan assets and liabilities to be able to account reliably 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 20).

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.

4 Accounting judgements and estimation uncertainty (continued)

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.

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

5. 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, OFS support and other charges for services

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

Conference income in relation to conferences that span the year end is accrued for in accordance with the proportion of completion.

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.

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.

6. Expenditure

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

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

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

Support costs which 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.

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, together with expenditure on equipment costing more than £2,000, is capitalised.

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

Other expenditure on equipment incurred in the normal day-to-day running of the College and 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, Fixtures and Fittings	4 - 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 changes in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

9. Investments

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

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

9. Investments (continued)

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

10. 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. Where necessary, provision is made for obsolete, slow moving and defective stock.

11. 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 prevailing rates of exchange 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 balance sheet date. The resulting exchange differences are taken to the SOFA.

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 balance sheet date are recognised in the income and expenditure section of the SOFA.

12. Total return investment accounting

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

13. Fund accounting

The total funds of the College and its subsidiaries are allocated to unrestricted, restricted or endowment funds based on the origins of the funds and 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 earmarked funds for specific 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 income 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 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.

14. Pension costs

The costs of retirement benefits provided to employees of the College through two multi-employer defined benefit 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.

WORCESTER COLLEGE

Consolidated Statement of Financial Activities

For the year ended 31 July 2023

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	**2023 Total £'000**	2022 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities						
Teaching, research and residential	1	7,125	-	-	**7,125**	5,935
Other trading income	3	2,836	-	-	**2,836**	1,378
Donations and legacies	2	2,084	599	46	**2,729**	9,105
Investment income	4	89	-	1,940	**2,029**	1,748
Total income		12,134	599	1,986	**14,719**	18,166
EXPENDITURE ON:						
Charitable activities						
Teaching, research and residential	6	11,663	1,930	-	**13,593**	14,389
Generating funds:						
Fundraising		237	-	-	**237**	703
Trading expenditure		20	-	-	**20**	27
Total expenditure	6	11,920	1,930	-	**13,850**	15,119
Net (expenditure)/income before gains		214	(1,331)	1,986	**869**	3,047
Net gains/(losses) on investments		-	-	(2,525)	**(2,525)**	(313)
Net (expenditure)/income		**214**	**(1,331)**	**(539)**	**(1,656)**	2,734
Transfers between funds		1,618	1,366	(2,984)	**-**	-
Net movement in funds for the year		**1,832**	**35**	**(3,523)**	**(1,656)**	2,734
Fund balances brought forward	16	35,289	2,191	59,593	**97,073**	94,339
Funds carried forward at 31 July	16	37,121	2,226	56,070	**95,417**	97,073

WORCESTER COLLEGE

Consolidated and College Balance Sheets

As at 31 July 2023

	Notes	**2023 Group £'000**	2022 Group £'000	**2023 College £'000**	2022 College £'000
FIXED ASSETS					
Tangible assets	9	**33,647**	32,945	**33,647**	32,945
Property investments	10	**4,833**	4,833	**4,833**	4,833
Securities and other investments	11	**49,409**	46,416	**49,409**	46,416
		87,889	84,194	**87,889**	84,194
CURRENT ASSETS					
Stocks		**169**	136	**169**	136
Debtors	14	**2,345**	8,471	**3,687**	8,811
Cash at bank and in hand		**9,846**	9,176	**8,324**	8,686
		12,360	17,783	**12,180**	17,633
CREDITORS: falling due within one year	15	**(2,336)**	(1,423)	**(2,156)**	(1,273)
NET CURRENT ASSETS		**10,024**	16,360	**10,024**	16,360
TOTAL ASSETS LESS CURRENT LIABILITIES		**97,913**	100,554	**97,913**	100,554
NET ASSETS BEFORE PENSION LIABILITY		**97,913**	100,554	**97,913**	100,554
Defined benefit pension scheme liability		**(2,496)**	(3,481)	**(2,496)**	(3,481)
NET ASSETS		**95,417**	97,073	**95,417**	97,073
FUNDS OF THE COLLEGE	16				
Endowment funds		**56,070**	59,593	**56,070**	59,593
Restricted funds		**2,226**	2,191	**2,226**	2,191
Unrestricted funds					
Designated fixed assets fund		**33,439**	32,746	**33,439**	32,746
General funds (excluding pension reserve)		**6,178**	6,024	**6,178**	6,024
Pension reserve		**(2,496)**	(3,481)	**(2,496)**	(3,481)
		95,417	97,073	**95,417**	97,073

The financial statements were approved and authorised for issue by the Governing Body of Worcester College on 29 November 2023.

David Isaac, Provost

WORCESTER COLLEGE

Consolidated Statement of Cash Flows

For the year ended 31 July 2023

	Notes	2023 Group £'000	2022 Group £'000
Net cash used in operating activities	22	**5,789**	(3,338)
Cash flows from investing activities			
Dividends, interest and rents from investments		**2,029**	1,748
Purchase of property, plant and equipment		**(1,676)**	(114)
Purchase of investments		**(5,518)**	-
Net cash used in/provided by investing activities		**(5,165)**	1,634
Cash flows from financing activities			
Receipt of endowment		**46**	118
Net cash provided by financing activities		**46**	118
Change in cash and cash equivalents in the reporting period		**670**	(1,586)
Cash and cash equivalents at the beginning of the reporting period		**9,176**	10,762
Cash and cash equivalents at the end of the reporting period		**9,846**	9,176

The College has no net debt and accordingly no net debt note is presented.

1 INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£'000	£'000
Teaching, research and residential		
Unrestricted Funds		
Tuition fees - UK and EU students	**2,063**	2,096
Tuition fees - Overseas students	**828**	614
Other fees	**666**	420
Other OFS support	**127**	115
Other academic income	**211**	177
College residential income	**3,230**	2,513
	7,125	5,935

The above analysis includes £3,017k received from Oxford University from publicly accountable funds under the College Funding Formula Scheme (2022: £2,875k).

2 DONATIONS AND LEGACIES

	2023	2022
	£'000	£'000
Unrestricted funds	**2,084**	1,298
Restricted funds	**599**	689
Endowed funds	**46**	7,118
	2,729	9,105

Restricted funds includes grants of £250k (2022: Nil) awarded by the Conference of Colleges Contribution Scheme.

3 INCOME FROM OTHER TRADING ACTIVITIES

	2023	2022
	£'000	£'000
Subsidiary company trading income	**895**	393
Other trading income	**1,941**	985
	2,836	1,378

4 INVESTMENT INCOME

	2023	2022
	£'000	£'000
Unrestricted funds		
Equity dividends	**3**	3
Interest on fixed term deposits and cash	**86**	3
Other investment income	**-**	-
	89	6
Restricted funds		
Other investment income	**-**	-
Endowed funds		
Other investment income	**1,940**	1,742

.

5 ANALYSIS OF EXPENDITURE

		2023	2022
		£'000	£'000
Charitable expenditure			
Direct staff costs allocated to :	Teaching, research and residential	**5,681**	7,197
Other direct costs allocated to:	Teaching, research and residential	**5,392**	4,900
Support and governance costs allocated to:	Teaching, research and residential	**2,520**	2,292
		13,593	14,389
Expenditure on raising funds			
Direct staff costs allocated to :	Fundraising	**74**	417
	Trading Expenditure	**20**	27
Other direct costs allocated to:	Fundraising	**91**	197
Support and governance costs allocated to:	Fundraising	**72**	89
		257	730
		13,850	15,119
	Fundraising	**237**	703
	Trading Expenditure	**20**	27
		-	
		257	730

The 2023 resources expended of £13,850k (2022: £15,119k) represented £11,920k from unrestricted funds (2022: £12,492k) and £1,931k from restricted funds (2022: £2,627k)

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds	Teaching Research & Residential	**2023 Total**
	£'000	£'000	**£'000**
Financial and domestic admin	12	680	**692**
Human resources	10	388	**398**
IT	38	438	**476**
Depreciation	-	972	**972**
Other finance charges	12	17	**29**
Governance costs	-	25	**25**
	72	**2,520**	**2,592**

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS (continued)

	Generating Funds	Teaching Research & Residential	2022 Total
	£'000	£'000	£'000
Financial and domestic admin	60	534	594
Human resources	42	329	371
IT	38	366	404
Depreciation	-	1,007	1,007
Other finance charges	12	31	43
Governance costs	-	25	25
	152	2,292	2,444

Finance and administration and human resources costs are attributed according to the estimated staff time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. IT costs are attributed according to the estimated time spent on each activity. Interest and other finance charges are attributed according to the purpose of the related financing.

	2023	2022
	£'000	£'000
Governance costs comprise:		
Auditor's remuneration – audit services	**25**	25

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

7 GRANTS AND AWARDS

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

		2023	2022
Grants to individuals from:		**£'000**	£'000
Unrestricted funds	Scholarships, prizes and grants	**27**	27
	Bursaries and hardship awards	**69**	36
		96	63
Restricted funds	Scholarships, prizes and grants	**305**	268
	Bursaries and hardship awards	**95**	124
		400	392
Total grants and awards		**496**	455

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

The figure included above represents the cost to the College of the Oxford Bursaries scheme. Students in the College received £198k in bursaries in (2022: £178k).

8 STAFF COSTS

The aggregate payroll costs for the year were as follows:

	2023	2022
	£'000	£'000
Salaries and wages	**6,549**	5,161
Social security costs	**569**	465
Pension costs	**912**	893
	8,030	6,519
Pension provision adjustment	**(1,099)**	1,942
	6,931	8,461

The average number of employees of the College, excluding Trustees, was as follows:	**2023**	2022
Tuition and research	**196**	172
College residential	**86**	83
Fundraising	**6**	5
Support	**29**	19
Total	**317**	279

The average number of employed College Trustees during the year was as follows:	**2023**	2022
University Lecturers	**20**	16
CUF Lecturers	**11**	12
Other teaching and research	**3**	7
Other	**5**	3
Total	**39**	38

Salary and wages costs include severance costs of £75k for five members of staff (2022:£16k for two members of staff).

The College also benefits from temporary staff, agency workers and those part-time external tutors who are not on the College payroll.

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:

	2023	2022
£70,001 to £80,000	**4**	2
£80,001 to £90,000	**2**	-

Details of the remuneration and reimbursed expenses of the College Trustees are included as a separate note in these financial statements.

9 TANGIBLE FIXED ASSETS

Group and College	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	**Total £'000**
Cost			
At start of year	44,603	1,698	**46,301**
Additions	1,618	58	**1,676**
At end of year	**46,221**	**1,756**	**47,977**
Depreciation			
At start of year	11,931	1,425	**13,356**
Charge for the year	899	75	**974**
At end of year	**12,830**	**1,500**	**14,330**
Net book value			
At end of year	**33,391**	**256**	**33,647**
At start of year	33,672	273	32,945

Included within Fixtures, Fittings and Equipment above are intangible assets of £138k cost and £63k depreciation.

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

10 PROPERTY INVESTMENTS

Group and College	**2023 Total £'000**	2022 Total £'000
Valuation at start of year	**4,833**	4,583
Revaluation gains in the year	**-**	250
Valuation at end of year	**4,833**	4,833

A formal inspection valuation of the College properties was prepared by Mark Charter MRICS of Carter Jonas LLP as at 31 July 2022. Governing Body is satisfied that these valuations remain materially accurate at the balance sheet date.

11 SECURITIES AND OTHER INVESTMENTS

	2023	2022
Group and College	**£'000**	£'000
Valuation at start of year	**46,416**	46,983
Invested in the year	**5,518**	-
Decrease in value of investments	**(2,525)**	(567)
Valuation at end of year	**49,409**	46,416

Group and College investments comprise:

	Held outside the UK £'000	Held in the UK £'000	**2023 Total £'000**	2022 Total £'000
Global multi-asset funds	41,454	7,955	**49,409**	46,416

100% of the portfolio is invested with Oxford University Endowment Management (Endowment Fund).

12 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Worcester College Enterprises Limited, a company providing conference and accommodation services.

The results of the College and subsidiary, and their assets and liabilities at the year-end were as follows.

Worcester College	**2023 £'000**	2022 £'000
Income	**14,719**	18,165
Expenditure	**(13,850)**	(15,117)
Losses	**(2,525)**	(313)
Result for the year	**(1,656)**	2,735
Total assets	**100,069**	101,827
Total liabilities	**(4,652)**	(4,754)
Net funds at the end of year	**95,417**	97,073

Worcester College Enterprises Limited	**2023 £'000**	2022 £'000
Turnover	**947**	455
Expenditure	**(248)**	(191)
Result for the year	**699**	264
Donation to College (gift aid)	**(699)**	(264)
	-	-
Total assets	**1,875**	720
Total liabilities	**(1,875)**	(720)
Net funds at the end of year	**-**	-

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 November 2003. The investment return, to be applied as income, is calculated as up to 4.5% of the brought forward values of the relevant investments. The preserved (frozen) value of the invested endowment capital represents its open market value in 1992, except where the original donation can be identified, together with the original gift value of all subsequent endowments.

	Permanent Endowment			Expendable	**Total**
	Trust for Investment	Unapplied Total Return	Total	Endowment	**2023**
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	23,140	-	23,140	-	**23,140**
Unapplied total return	-	9,722	9,722	-	**9,722**
Expendable endowment	-	-	-	26,731	**26,731**
Total Endowments	**23,140**	**9,722**	**32,862**	**26,731**	**59,593**
Movements in the reporting period:					
Gift of endowment funds	10	-	10	36	**46**
Investment return: total investment income	-	1,025	1,025	915	**1,940**
Investment return: realised and unrealised gains and losses	-	(1,394)	(1,394)	(1,131)	**(2,525)**
Total	10	(369)	(359)	(180)	**(539)**
Unapplied total return allocated to income in the reporting period	-	(785)	(785)	-	**(785)**
Expendable endowments transferred to income	-	-	-	(2,199)	**(2,199)**
Net movements in reporting period	10	(1,154)	(1,144)	(2,379)	**(3,523)**
At end of the reporting period:					
Gift component of the permanent endowment	23,150	-	23,150	-	**23,150**
Unapplied total return	-	8,568	8,568	-	**8,568**
Expendable endowment	-	-	-	24,352	**24,352**
Total Endowments	**23,150**	**8,568**	**31,718**	**24,352**	**56,070**

13 STATEMENT OF INVESTMENT TOTAL RETURN (continued)

	Permanent Endowment			Expendable	**Total**
	Trust for Investment	Unapplied Total Return	Total	Endowment	**2022**
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	16,071	-	16,071	-	16,071
Unapplied total return	-	9,831	9,831	-	9,831
Expendable endowment	-	-	-	27,593	27,593
Total Endowments	16,071	9,831	25,902	27,593	53,495
Movements in the reporting period:					
Gift of endowment funds	7,069	-	7,069	48	7,117
Investment return: total investment income	-	843	843	899	1,742
Investment return: realised and unrealised gains and losses	-	(275)	(275)	(292)	(567)
Other transfers	-	-	-	-	-
Total	7,069	568	7,637	655	8,292
Unapplied total return allocated to income in the reporting period	-	(677)	(677)	-	(677)
Expendable endowments transferred to income	-	-	-	(1,517)	(1,517)
Net movements in reporting period	7,069	(109)	6,960	(862)	6,098
At end of the reporting period:					
Gift component of the permanent endowment	23,140	-	23,140	-	23,140
Unapplied total return	-	9,722	9,722	-	9,722
Expendable endowment	-	-	-	26,731	26,731
Total Endowments	23,140	9,722	32,862	26,731	59,593

14 DEBTORS: falling due within one year

	2023 Group £'000	2022 Group £'000	**2023 College £'000**	2022 College £'000
Trade debtors	**362**	244	**8**	76
Amounts owed by Group undertakings	**-**	-	**1,696**	508
Loans repayable within one year	**17**	6	**17**	6
Prepayments and accrued income	**1,771**	8,221	**1,771**	8,221
Other debtors	**195**	-	**195**	-
	2,345	8,471	**3,687**	8,811

15 CREDITORS: falling due within one year

	2023 Group £'000	2022 Group £'000	**2023 College £'000**	2022 College £'000
Trade creditors	**1,046**	472	**1,043**	472
Amounts owed to College Members	**209**	230	**209**	230
Taxation and social security	**239**	293	**239**	292
Accruals and deferred income	**165**	74	**161**	74
Other creditors	**677**	354	**504**	205
	2,336	1,423	**2,156**	1,273

16 MOVEMENTS OF THE COLLEGE FUNDS

The College accounts for its investment income on a total return basis, which allows the College to invest permanent endowments to maximise total return and to make available an appropriate proportion of the total return for expenditure each year. Until this power is exercised the total return is the 'unapplied total return' and remains as part of the permanent endowment. The College has adopted a total return rate of up to 4.5% on opening values. An amount equal to eligible expenditure is transferred from the permanent endowment fund to restricted funds from which eligible expenditure is spent.

Endowment Funds	At 31 July 2022 £'000	Incoming Resources £'000	Resources Expended £'000	Gains / (Losses) £'000	Transfers £'000	**At 31 July 2023 £'000**
Permanent						
Fellowships	23,725	713	-	(1,005)	(556)	**22,877**
Research Support	1,242	42	-	(53)	(1)	**1,230**
Scholarships	2,798	96	-	(119)	(123)	**2,652**
Studentships	1,263	43	-	(54)	(45)	**1,207**
Donated Collection	1,513	52	-	(64)	(6)	**1,495**
Library & Book Conservation	564	19	-	(24)	(13)	**546**
The Marriott Trust	1,038	36	-	(44)	(9)	**1,021**
Other Funds	719	34	-	(31)	(32)	**690**
Expendable						
General Fund	7,030	241	-	(298)	(1,618)	**5,355**
Fellowships	8,818	304	-	(374)	(328)	**8,420**
Visiting Fellows	2,070	71	-	(88)	(36)	**2,017**
Gardens and Grounds	1,542	82	-	(65)	(63)	**1,496**
Student Bursaries & Grants	2,430	84	-	(103)	(32)	**2,379**
Teaching Fund	813	29	-	(34)	(4)	**804**
Other Funds	4,028	140	-	(169)	(118)	**3,881**
Total Endowment Funds	59,593	1,986	-	(2,525)	(2,984)	**56,070**
Restricted Funds						
Fellowships	-	-	(884)	-	884	**-**
Research Support	-	-	(1)	-	1	**-**
Scholarships	-	-	(123)	-	123	**-**
Studentships	-	-	(45)	-	45	**-**
Donated Collection	-	-	(6)	-	6	**-**
Library & Book Conservation	-	-	(13)	-	13	**-**
The Marriott Trust	-	-	(9)	-	9	**-**
Visiting Fellows	-	-	(36)	-	36	**-**
Student Bursaries & Grants	-	-	(32)	-	32	**-**
Teaching Fund	25	-	(4)	-	4	**25**
The Fabric Fund	499	-	(121)	-	-	**378**
Other Funds	1,667	599	(656)	-	213	**1,823**
Total Restricted Funds	2,191	599	(1,930)	-	1,366	**2,226**
Unrestricted Funds						
General Reserve	1,191	9,522	(11,685)		2,317	**1,345**
Fixed Assets Designated	32,746	1,665	(972)	-	-	**33,439**
Designated Reserves	4,833	-		-	-	**4,833**
Pension Reserve	(3,481)	-	985	-	-	**(2,496)**
Subsidiary	-	947	(248)	-	(699)	**-**
Total Unrestricted Funds	35,289	12,134	(11,920)	-	1,618	**37,121**
Total Funds	**97,073**	**14,719**	**(13,850)**	**(2,525)**	**-**	**95,417**

16 **MOVEMENTS OF THE COLLEGE FUNDS** (continued)

The College recognised property within the Expendable Endowed Fund in 2023 of £1,618k (2022: Nil).

Endowment Funds	At 31 July 2021 £'000	Incoming Resources £'000	Resources Expended £'000	Gains / (Losses) £'000	Transfers £'000	At 31 July 2022 £'000
Permanent						
Fellowships	16,806	7,550	-	(178)	(453)	23,725
Research Support	1,217	40	-	(13)	(2)	1,242
Scholarships	2,799	147	-	(30)	(118)	2,798
Studentships	1,280	42	-	(14)	(45)	1,263
Donated Collection	1,484	48	-	(16)	(3)	1,513
Library & Book Conservation	565	18	-	(6)	(13)	564
The Marriott Trust	1,026	33	-	(11)	(10)	1,038
Other Funds	725	36	-	(8)	(34)	719
Expendable						
General Fund	7,919	258	-	(84)	(1,063)	7,030
Fellowships	8,931	293	-	(95)	(311)	8,818
Visiting Fellows	2,055	67	-	(22)	(30)	2,070
Gardens and Grounds	1,464	93	-	(16)	1	1,542
Student Bursaries & Grants	2,455	80	-	(26)	(79)	2,430
Teaching Fund	794	27	-	(8)	-	813
Other Funds	3,975	128	-	(36)	(39)	4,028
Total Endowment Funds	53,495	8,860	-	(563)	(2,199)	59,593
Restricted Funds						
Fellowships	-	-	(763)	-	763	-
Research Support	-	-	(2)	-	2	-
Scholarships	-	-	(116)	-	116	-
Studentships	-	-	(45)	-	45	-
Donated Collection	-	-	(4)	-	4	-
Library & Book Conservation	-	-	(13)	-	13	-
The Marriott Trust	-	-	(10)	-	10	-
Visiting Fellows	-	-	(30)	-	30	-
Student Bursaries & Grants	-	-	(34)	-	34	-
Teaching Fund	-	-	(3)	-	28	25
The Fabric Fund	1,499	250	(1,064)	-	(186)	499
Other Funds	1,690	439	(543)	-	81	1,667
Total Restricted Funds	3,189	689	(2,627)	-	940	2,191
Unrestricted Funds						
General Reserve	858	8,162	(9,352)	-	1,523	1,191
Fixed Assets Designated	33,753	-	(1,007)	-	-	32,746
Designated Reserves	4,583	-	-	250	-	4,833
Pension Reserve	(1,539)	-	(1,942)	-	-	(3,481)
Subsidiary	-	455	(191)	-	(264)	-
Total Unrestricted Funds	37,655	8,617	(12,492)	250	1,259	35,289
Total Funds	94,339	18,166	(15,119)	(313)	-	97,073

17 DETAILS OF THE COLLEGE FUNDS

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

Permanent Endowment Funds

Fellowships: A total of 14 funds where income, but not capital, is used to support fellowships.

Research Support: A donation where income, but not capital, is used to support research.

Scholarships: A total of 8 funds where income, but not capital, is spent on student scholarships.

Studentships: A donation where income, but not capital, is spent on studentships in a named subject area.

Donated Collection: A bequest where income, but not capital, can be used to conserve a donated collection.

Library and book conservation: Donations and bequests where income, but not capital, can be used to support book conservation and preserve the Old Library.

The Marriott Trust: A donation where income, but not capital, can be used to support the education of the children of the clergy.

Other Funds: Donations and bequests where income, but not capital, can be used for general purposes.

Expendable Endowment Funds

General Fund: A consolidation of benefactions and donations where either income, or income and capital, can be used for the general purposes of the College.

Fellowships: A total of 5 funds where the income and capital can be applied to support named Fellowships in conjunction with the University of Oxford.

Visiting Fellows: A donation where the income and capital can be applied to support visiting fellows.

Gardens and Grounds: A consolidation of benefactions and donations where either income, or income and capital, can be used for expenses relating to the upkeep of the gardens and grounds.

Student Bursaries and Grants: A consolidation of benefactions and donations where either income, or income and capital, can be used for student bursaries and scholarship grants.

Teaching Fund: A consolidation of benefactions and donations where either income, or income and capital, can be used to support teaching.

Other Funds: A diverse group of donations and bequests where either income, or income and capital, can be used for specific purposes including support for fellowships and students.

Restricted Funds

Fellowships: Income used to support named tutorial and research fellowships.

Research Support: Income used to support research in a named subject area.

Scholarships: Income that can be spent on student scholarships.

Studentships: Income that can be spent on studentships in a named subject area.

Donated Collection: Income used to conserve a donated collection.

Library & Book Conservation: Income used to support book conservation and preserve the Old Library.

The Marriott Trust: Income used to support the education of the children of the clergy.

Visiting Fellows: Income used to support visiting fellows.

Student Bursaries and Grants: Income that can be used for student bursaries and scholarship grants.

Teaching Fund: Income used to support teaching.

The Fabric Fund: Income that can be used for the maintenance of historic buildings.

Other Funds: A diverse group of income and donations to support student activities, fellowships, research, the Library, archives, upkeep of the gardens and maintenance projects.

Designated Funds

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

Designated: Unrestricted Funds allocated by the Trustees for joint equity and other investment properties.

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

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	**2023 Total £'000**
Tangible fixed assets	33,647	-	-	**33,647**
Property investments	4,833	-	-	**4,833**
Securities and other investments			49,409	**49,409**
Net current assets	1,137	2,226	6,661	**10,024**
Defined benefit pension scheme liability	(2,496)	-	-	**(2,496)**
	37,121	2,226	56,070	**95,417**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2022 Total £'000
Tangible fixed assets	32,945	-	-	32,945
Property investments	4,833	-	-	4,833
Securities and other investments	-	-	46,416	46,416
Net current assets	992	2,191	13,177	16,360
Defined benefit pension scheme liability	(3,481)	-	-	(3,481)
	35,289	2,191	59,593	97,073

19 TRUSTEES' REMUNERATION

Trustee remuneration

The trustees of the College comprise the Governing Body, primarily fellows who are teaching and research employees of the College and who sit on Governing Body by virtue of their employment.

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 scales and often are joint arrangements with the University of Oxford.

The Remuneration Committee consists of a majority of external members and makes recommendations to the Governing Body on levels of remuneration, allowances and expenses.

Trustees of the College fall into the following categories: Provost, Tutorial Fellows, Fellow Lecturers, Professorial Fellows, Supernumerary Fellows, and Official Non-Tutorial Fellows.

There are three trustees who work almost full time on management and fundraising; Provost (full time), Finance and Estates Bursar (full time), and Director of Development & Alumni Relations (full time).

Some trustees, tutorial fellows, are eligible for College housing schemes. Five trustees lived in properties owned by the College and did not receive housing allowance. Others may be eligible for a housing allowance which is disclosed within the salary figures below. Two trustees lived in houses owned jointly with the College, as detailed in Note 25.

Some trustees receive additional allowances for additional work carried out as part time College Officers, for example, the Vice Provost, Senior Tutor and Dean. These amounts are included within the remuneration figures below. The total remuneration and taxable benefits as shown below is £1,881,028 (2021-22: £1,776,787). The total of pension contributions is £257,917 (2021-22: £300,220).

TRUSTEES' REMUNERATION (continued

The following table sets out the remuneration received by Trustees as employees of the College:

	2023		2022	
	Number of Trustees	**Gross Remuneration**	**Number of Trustees**	**Gross**
£8,000 - £8,999	-	-	1	8,343
£9,000 - £9,999	**1**	**9,252**	1	9,197
£14,000 – £14,999	**1**	**14,823**	1	14,638
£15,000 - £15,999	**1**	**15,929**	2	30,424
£17,000 - £17,999	-	-	1	17,113
£21,000 - £21,999	**1**	**21,793**	-	-
£25,000 - £25,999	-	-	5	128,880
£26,000 - £26,999	**1**	**26,211**	2	52,546
£27,000 - £27,999	**10**	**274,214**	1	27,243
£28,000 - £28,999	**1**	**28,507**	3	85,109
£29,000 - £29,999	**1**	**29,803**	-	-
£34,000 - £34,999	-	-	-	34,720
£35,000 - £35,999	-	-	1	35,056
£37,000 - £37,999	**2**	**75,430**	1	37,751
£41,000 - £41,999	**1**	**41,307**	-	-
£44,000 - £44,999	**1**	**44,214**	-	-
£42,000 - £42,000			2	85,564
£46,000 - £46,999	**1**	**46,468**	1	46,475
£47,000 - £47,999	-	-	1	47,277
£50,000 - £50,999	-	-	1	50,839
£55,000 - £55,999	-	-	2	111,356
£56,000 - £56,999	**1**	**56,377**	1	56,472
£59,000 - £59,999	**1**	**59,416**	1	59,501
£60,000 - £60,999	**1**	**60,322**	-	-
£63,000 - £63,999	-	-	1	63,950
£64,000 - £64,999	**1**	**64,382**	-	-
£65,000 - £65,999	-	-	1	65,077
£66,000 - £66,999	-	-	2	133,681
£67,000 - £67,999	**4**	**271,849**	1	67,460
£68,000 - £68,999	**2**	**136,881**	2	136,915
£69,000 - £69,999	-	-	1	69,993
£70,000- £70,999	**1**	**70,046**	1	70,034
£72,000- £72,999	**1**	**72,870**	-	-

£74,000- £74,999	**1**	**74,527**	**-**	**-**
£76,000- £76,999	**2**	**152,254**	**-**	**-**
£95,000 - £95,999	-	**-**	1	95,001
£107,000 - £107,999	**1**	**107,631**	**-**	**-**
£126,000 - £126,999	**1**	**126,522**	1	136,175
	39	**1,881,028**	40	1,768,447

19 TRUSTEES' REMUNERATION (continued)

There were five trustees during the year who were not employees of the College and did not receive remuneration. All employed trustees, together with other senior employees, are eligible for private health insurance as part of their package of remuneration.

All trustees may eat at common table, as can all other employees who are entitled to meals while working. No fellow claimed any expenses for work as a trustee.

Other transactions with trustees

During the year the partners of some trustees were paid for providing tutorials for students of the College.

Key management remuneration

The total cost of remuneration paid to key management was £991k (2022: £989k). Key management are considered to be the Provost, the Vice Provost, the Finance & Estates Bursar, the Senior Tutor, the Dean, the Admissions Tutor, the Home Bursar, the Development Director, the College Accountant, the Librarian, the Director of the Visiting Student Programme and the Outreach Fellow.

20 PENSION SCHEMES

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

In the event of the withdrawal of any of the participating employers in USS or OSPS, the amount of any pension funding shortfall (which cannot be otherwise recovered) in respect of that employer will be spread across the remaining participating employers and reflected in the next actuarial valuation of the scheme.

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

Schemes accounted for under FRS 102 as defined contribution schemes

Actuarial valuations

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

	USS	OSPS
Date of valuation:	31/03/20	31/03/22
Date valuation results published:	30/09/21	27/06/23
Value of liabilities:	£80.6bn	£914m

Value of assets:	£66.5bn	£961m
Funding (deficit) / surplus:	(£14.1bn)	(£47m)

	USS	OSPS
Principal assumptions: • Discount rate • Rate of increase in salaries • Rate of increase in pensions	 Fixed Interest gift yield curve plus 1%- 2.75% **a** n/a CPI **+0.05%c**	 Gilts + 0.5% -2.25% **b** **b** RPI Average RPI/CPI **d**
Assumed life expectancies on retirement at age 65: • Males currently aged 65 • Females currently aged 65 • Males currently aged 45 • Females currently aged 45 Funding Ratios: • Technical provisions basis • Statutory Pension Protection Fund basis • 'Buy-out' basis	 23.9 years 25.5 years 25.9 years 27.3 years 83% 64% 51%	 105% 98% 62%
Employer contribution rate (as % of pensionable salaries) **e**:	21.1% to 21.4% from 01/10/21	19% down to 16.5% for DB members from 1 Oct 23
Effective date of next valuation:	31/03/23	31/03/25

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

Fixed interest gift yield curve plus: Pre-retirement 2.75%,post-retirement 1.00%

b The discount rate for the OSPS valuation was:

Pre-retirement: Equal to the UK nominal gilt curve at the valuation date plus 2.25% p.a. at each term.

Post-retirement: Equal to the UK nominal gilt curve at the valuation date plus 0.5% p.a. at each term.

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

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.1% p.a to 2030, reducing linearly by 0.01% p.a. to a long term difference of 0.01% p.a. from 2040.

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

RPI inflation is derived from the geometric difference between the UK nominal gilt curve and the UK index-linked curve at the valuation date, less 0.3% p.a. at each term. CPI inflation is derived from the RPI inflation assumption, less the Scheme Actuary's best estimate of the long-term difference between RPI and CPI inflation as applies from time to time (1.0% p.a. pre-2030 and 0.1% post- 2030.).

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

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

Sensitivity of actuarial valuation assumptions

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

20 PENSION SCHEMES (continued)

Assumption	USS Change in assumption	Impact on USS liabilities
Initial pre-retirement discount rate	increase 0.25%	decrease by £1.3bn
Post-retirement discount rate	Decrease by 0.25%	increase by £2.8bn
CPI	decrease 0.1%	decrease by £1.5bn
Life expectancy	more prudent assumption (reduce the adjustment to the line base mortality table by 0.5%.	increase by £1.2bn
Rate of mortality	more prudent assumption (increase the annual mortality improvements long-term rates by 0.2%	Increase by £0.6bn

Assumption	OSPS Change in assumption	Impact on OSPS technical provisions
Valuation rate of interest	decrease by 0.25%	increase by 2% pf pensionable salaries
RPI	increase by 0.25%	increase by 1.5% of pensionable salaries

Deficit Recovery Plans

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

	2022/23		**2021/22**	
	OSPS	**USS**	**OSPS**	**USS**
Finish Date for Deficit Recovery Plan	30/09/23	31/03/38	31/01/28	31/03/28
Average staff number increase	1.44%	0%	3.00%	0%
Average staff salary increase	4.00%	2.00%	2.00%	2.00%
Average discount rate over period	0.89%	0.89%	0.89%	0.89%
Effect of 0.5% change in discount rate	£10k	£20k	£10k	£20k
Effect of 1% change in staff growth	£12k	£10k	£12k	£10k

A provision of £2,496k has been made at 31 July 2023 (2022 - £3,481k) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

Pension charge for the year

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

	2023	2022
	£'000	£'000
Scheme		
Universities Superannuation Scheme	**793**	793
University of Oxford Staff Pension Scheme	**481**	440
Other Schemes Contributions	**1**	1
	1,275	1,234

Included in other creditors are pension contributions payable of £Nil (2022: £nil).

21 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 purposes that are exclusively charitable.

No liability to corporation tax arises in the College's subsidiary company because the directors of this company 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.

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

	2023 £'000	2022 £'000
Net income	**869**	3,047
Elimination of non-operating cash flows:		
– Investment income	**(2,029)**	(1,748)
– Endowment donations	**(46)**	(7,118)
Depreciation	**974**	1,007
(Increase)/ decrease in stock	**(33)**	(4)
(Decrease)/ increase in debtors	**6,126**	(465)
Increase in creditors	**913**	1
Decrease/ (increase) in pension scheme liability	**(985)**	1,942
Net cash used in operating activities	**5,789**	(3,338)

23 CAPITAL COMMITMENTS

The College had no contracted commitments at 31 July for capital projects (2022: £nil).

24 RELATED PARTY TRANSACTIONS

The College is part of the collegiate University of Oxford. Material interdependencies between the University and the College arise as a consequence of this relationship. For reporting purposes, the University and the other Colleges are not treated as related parties as defined in FRS102.

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.

Two properties are owned under joint equity agreements between the Trustees, named below, 50% and the College, 50%. Full market values of the properties, following an inspection valuation carried out by Carter Jonas LLP:

	2023 £'000	2022 £'000
Dr J Parrington	**820**	820
Prof J Quinn	**730**	730

These trustees do not receive Housing Allowance. All joint equity properties are subject to sale on the departure of the trustee from the College.

One Trustee (Dr Ben Morgan) had a family member or other connected party who was employed by the College on either a permanent or casual basis during the year; neither of these Trustees had supervisory responsibility for the relevant employee or was involved in their recruitment, and all cases have been declared in the register of Trustees' interests. The total value of these transactions was £16,073 (2022: £14,168)

25 RELATED PARTY TRANSACTIONS (continued)

Funds of £11.7m (2022: £14.8m) are held at arm's length in the Worcester College Oxford Endowment Trust, which is not controlled by the College but supports the College as its principal charitable objective. The Trust awards the College an annual grant (currently at 4.25% of the value of the Trust's assets at each year-end).

26 CONTINGENT LIABILITIES

There were no known contingent liabilities.

27 POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

28 ULTIMATE CONTROLLING PARTY

The Trustees believe that the College does not have an Ultimate Controlling Party.

WORCESTER COLLEGE, OXFORD

England & Wales - Charity number 1143479

Accounts

Charity Registration No. 1143479

Worcester College

Annual Report and Financial Statements

Year ended 31 July 2022

WORCESTER COLLEGE
Annual Report and Financial Statements
Contents

Governing Body, Officers and Advisers	2 - 4
Report of the Governing Body	5 - 14
Auditor's Report	15 - 18
Statement of Accounting Policies	19 - 23
Consolidated Statement of Financial Activities	24
Consolidated and College Balance Sheets	25
Consolidated Statement of Cash Flows	26
Notes to the Financial Statements	27 - 44

MEMBERS OF THE GOVERNING BODY

The Members of the Governing Body are the College's charity trustees under charity law. The members of the Governing Body, who served in office as trustees during the financial year, or subsequently up to the date of approval of these financial statements, are listed below together with details for those who also held College Officerships:

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Mr David Isaac	Provost	•	•	•	•	•		•		•
Dr Simon Cowan	Interim Vice Provost	•	•	•		•		•	•	
Prof Kate Tunstall				•						
Prof Robert Saxton	(to 30/789/21)									
Prof Donal Nolan				•	•					
Dr Nir Vulkan					•				•	
Prof Andrew Carr							•			
Dr Ben Morgan				•	•					
Dr John Parrington			•	•						
Dr Richard Earl				•			•			
Dr Scott Scullion	Senior Tutor (to 31-8-21) Dean of Degrees (from 1/9/21)			•						
Prof Deborah Cameron							•			
Prof Josephine Quinn				•		•				
Prof Andreas Willi										•
Prof Julian Roberts	(to 30-9-22) Garden Master					•				
Prof Endre Süli		•		•						
Prof Grant Ritchie				•						
Prof Bob Harris				•						
Dr Paul Azzopardi	Dean			•	•				•	
Dr Mark Howarth	Demitted 31-8-22			•	•					
Dr David Steinsaltz				•	•					
Dr Conrad Leyser				•					•	
Prof Laura Ashe	Tutor for Admissions (to 31-8-21)			•	•					
Prof Gabriel Stylianides			•							
Prof Kim Dora				•	•					
Dr Antonis Papachristodoulou			•	•						
Dr Michail Peramatzis				•				•		
Dr Zofia Stemplowska				•	•					
Prof Felix Parra Diaz	Demitted 5-9-21									
Dr Afifi al-Akiti										
Prof Sadie Creese										•
Dr James Edwards				•		•				
Prof Andrew Stephen		•								
Mr Mark Bainbridge	Fellow Librarian	•							•	
Rev Dr Tess Kuin Lawton	Chaplain demitted 19-11-21			•						
Dr Alexander Sturgis										
Dr Peta Fowler				•	•			•		
Dr Alice Violet				•						
Dr Andrzej Murawski		•		•						
Dr Robert Smith		•		•						

MEMBERS OF THE GOVERNING BODY (continued)

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Dr Hauke Marquardt		•		•						
Dr Merve Emre	Tutor for Women (from 01/10/21)			•	•				•	
Mr Gareth Prior	Finance & Estates Bursar demitted 30-9-21									
Dr Marchella Ward	Tinsley Outreach Fellow (Demitted 9-9-22)			•		•			•	
Dr Lisa Wedding				•						
Dr Michael Mayo	Tutor for Graduates (to 31-8-22)			•					•	
Dr Laura Quick	Tutor for Women (to 30/9/21)			•					•	
Dr Leah Trueblood				•						
Dr Natalia Waights-Hickman				•						
Prof Tsilly Dagan		•								
Ms Kate Foley	Development Director (to 31-10-22)	•				•		•		
Prof Iain McCulloch	Appointed	•		•						
Prof Daniel Neyland	Senior Tutor appointed (1-9-21 to 9-9-22)	•	•	•	•			•	•	
Mr Mike Huggins	Finance & Estates Bursar (appointed 14-2-22)									
Prof Emmanuel Breuillard	(from 1/1/22)									
Prof Jennifer Walshe	(from 1/4/22)			•						
Mr Simon Boddie	(from 12/5/22)	•								
Dr Paulo Savaget	(from 1/9/21)									
Dr Wouter Mostert	(from 1/10/21)			•						
Prof Patricia Clavin	(from 1/10/21)									
Dr Ronelle Roth	(from 1-10-22									
Dr Leila Ullrich	(from 1-10-22)									

During the year the activities of the Governing Body were carried out through nine principal committees. The membership of these committees during the academic year 2021/22 is shown above for each Fellow.

(1) Finance Committee
(2) Academic Strategy Committee
(3) Tutors' Committee
(4) Domus Committee
(5) Development and External Relations Committee
(6) Audit and Risk Committee
(7) Buildings Committee
(8) Human Resources Committee
(9) Remuneration Committee

Other business is conducted through further committees which are primarily concerned with managing or administering a service; Chapel Committee, Gardens & Grounds Committee, Library Committee, IT Committee, Housing & Accommodation Committee, Buildings Committee and Travel Grants Committee.

The Joint Consultative Committee comprising membership from Governing Body, senior staff and Officers of the Middle and Junior Common Rooms discusses matters affecting Middle and Junior Common Room members. Such matters include (but are not limited to) the domestic management of the College, food service provision, and sports and recreational facilities.

Membership details for all committees are available on request.

COLLEGE SENIOR STAFF

The non-Trustee senior staff of the College to whom day to day management is delegated are:

Ms Heidi Madden	Home Bursar (from 6-9-21 to 11-3-22)
Mr Harmohinder Bahl	Home Bursar (from 5-9-22)
Mr Richard Noonan	Head of Works (to 31-7-22)
Mrs Jayne Stoddart	Interim Head of Works (from 1-8-22)
Ms Patricia Pease	College Accountant (to 22-5-22)
Ms Leigh MacNeill	College Accountant (from 18-7-22)
Mr Wilf Stephenson	Interim Finance and Estates Bursar (from 27-9-21 to 25-2-22)
Dr Lizzy Emerson	Interim Senior Tutor (from 1-9-22)

COLLEGE ADVISERS

Investment managers
Oxford University Endowment Management Ltd
King Charles House
Park End Street
Oxford
OX1 1JD

Auditor
Moore Kingston Smith LLP
6th Floor
9 Appold Street
London
EC2A 2AP

Bankers
The Royal Bank of Scotland
Customer Service Centre
Drummond House
1 Redheughs Avenue
Edinburgh
EH12 9JN

Surveyor
Carter Jonas
Mayfield House
256 Banbury Road
Summertown
Oxford, OX2 7DE

COLLEGE ADDRESS

Worcester College
Walton Street
Oxford
OX1 2HB

College website

www.worc.ox.ac.uk

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

REFERENCE AND ADMINISTRATIVE INFORMATION

The Provost, Fellows & Scholars of Worcester College in the University of Oxford, which is known as Worcester College, ("the College") is an eleemosynary chartered charitable corporation aggregate. It was founded through a legacy of Sir Thomas Cookes Bt. under a Royal Charter of Queen Anne dated 1714. The corporation comprises the Provost and Fellows. The College is registered under the Charity Commission (registered number 1143479).

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 Statutes dated 14 December 2011.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Master of the Rolls on behalf of the Crown. New Governing Body fellows are appointed by the existing trustees, for specified periods of time or until retirement. New members of the Governing Body are elected on the basis of expertise in their particular field.

The Governing Body devises and approves the College's strategy and oversees its administration and also the management of its finances and assets. It meets regularly chaired by the Provost.

Recruitment and training of Members of the Governing Body

New Members of the Governing Body are normally recruited by open application and interview and are inducted into the workings of the College, including Governing Body policy and procedures, by means of being provided with a copy of the College Statutes, the Fellows' Handbook, Charity Commission Guidance Notes and informal discussions with colleagues.

Training courses and information to keep members of the Governing Body informed about current issues in the sector and on regulatory requirements are kept under review and offered, as appropriate.

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 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. This is set based on the advice of the College's Remuneration Committee, which has an external Chair. Where possible, remuneration is set in line with that awarded to the University's academic staff.

The remuneration of senior college staff is approved by Governing Body on the recommendation of the Remuneration Committee.

Organisational management

The members of the Governing Body normally meet six times a year, with the provision for an additional three extraordinary meetings, if required. Governing Body has established a series of committees to attend to and advise upon the wide range of matters for which Trustees are accountable:

- **Finance Committee (meets twice per term or more frequently if needed)**
  The Finance Committee is responsible for business related to the financial management of the College, including financial strategy, monitoring of financial performance and consideration of requests for expenditure. The Committee meets twice per term and more frequently if needed. The Finance Committee has one external member. A sub-committee of the Finance Committee, the Investment Sub-Committee, meets once each term to consider the College's investment strategy. The Investment Sub-Committee has two external members.

- **Audit and Risk Committee (meets once per term)**
  This committee oversees audit and risk management across the College, recommends the appointment of auditors, scrutinises the College's risk register and risk management activities, and scrutinises the financial statements and audit report for recommendation to Governing Body. The Audit and Risk Committee has four external members.

- **Academic Strategy Committee (meets once per term or more frequently as needed)**
  This committee has responsibility for monitoring and developing the medium and long-term academic strategies of the College including the subject balance and decisions about associations with new posts.

- **Tutors' Committee (meets twice per term)**
  This committee considers business related to the academic and teaching aspects of the College including admissions, changes of course, student progress, requests for student suspensions, graduate matters etc.

- **Domus Committee (meets once per term)**
  This committee is responsible for the general management of the College, including accommodation, housekeeping, catering and security.

- **Human Resources Committee (meets once per term)**
  This committee is responsible for human resources, data protection, health & safety and equality and diversity across the College.

- **External Relations Committee (usually meets once per term)**
  The External Relations Committee is responsible for business related to fund-raising and alumni relations.

- **Nominating Committee (usually meets once per year)**
  The Nominating Committee proposes membership of committees and appointments of College Officers.

- **Remuneration Committee (usually meets once per year)**
  The Remuneration Committee advises the Governing Body of the remuneration of Trustees employed by the College. It has three external members.

Further committees meet regularly to discuss specific areas of the College (including Sustainability, Chapel, Library, IT, Gardens and Grounds, Buildings, Student Matters, Housing and Accommodation).

The day-to-day running of the College is delegated to the Provost, supported by the following College Officers and senior staff the Vice Provost, the Finance & Estates Bursar, the Senior Tutor, the Dean, the Admissions Tutor, the Home Bursar, the Development Director, the College Accountant, the Librarian, the Director of the Visiting Student Programme and the Outreach Fellow. All meetings of the committees listed above are attended by one or more of these individuals.

Group structure and relationships

The College has a wholly owned trading subsidiary, Worcester College Enterprises Limited whose accounts are consolidated into the accounts of the College.

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.

A proportion of the College's endowed funds are held at arm's length in the Worcester College Oxford Endowment Trust, which is not controlled by the College but which has the support of the College as its principal charitable objective. The Trust has agreed under a memorandum of understanding to make the College an annual grant (currently at 4.25% of the value of its assets at year end).

The College also administers many special funds, as detailed in Notes 17 and 18 to the financial statements.

OBJECTIVES AND ACTIVITIES

Worcester College is committed to teaching, learning and exchanging ideas which make a positive impact in wider society. As an academic community within the University of Oxford, the College promotes freedom of thought and expression, the integrity of academic research, and the belief that all members of the College should be valued and respected. The College offers a stimulating and supportive teaching and learning environment for students at undergraduate and graduate levels in a wide range of academic disciplines. This is complemented by modern facilities and a range of opportunities for extra-curricular activity.

The College's educational provision works in tandem with the courses of study available to its students within the departments and faculties of the University of Oxford. In particular, the College organises small-group tutorials for undergraduates in which each student's education is steered by research-active academics. This system of supervision, alongside advisors for graduate students, ensures that the College provides an informing, inspiring and challenging learning environment for all its students.

For centuries Worcester College has helped students to achieve their potential and contribute to society after graduation. Alumni have gone on to lead fulfilling professional lives and have made major contributions in their chosen fields, from academia, education, science and the arts, to faith communities, public service, business and the military.

Charitable Objects and Aims

The College's Objects are the advancement of education, religion, learning and research, by the provision of a college in the University of Oxford, for the benefit of the public.

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 advance education, including extending access

  Working with the University of Oxford's departments and faculties, students are admitted from a wide range of demographic, financial and cultural backgrounds solely on the basis of their academic ability and potential.

  The College provides opportunities for its students to develop their academic knowledge and potential, and the transferable skills they will need to contribute in the workplace and in society more widely. Small-group tutorial and class teaching for undergraduates is supplemented by the provision of a range of teaching and learning facilities, including three libraries and several lecture/seminar rooms. The College also offers a range of welfare, pastoral and administrative systems to support students, as well as social, cultural, and extra-curricular activities.

The Admissions and Access Officer and Outreach Fellow employed by the College undertake outreach and widening-participation work with schools, colleges and individuals and work with the Senior Tutor to develop and implement policies associated with access to Higher Education. The Senior Tutor, supported by a Graduate Officer, is responsible for work associated with the admission of graduate students.

- To provide bursaries

  The College recognises academic achievement through the award of scholarships, exhibitions and prizes for strong performance. Funds are provided to assist students with the purchase of academic books, to help with vacation residence and field trip costs, and for travel associated with attendance at conferences and in furtherance of their academic work.

- To support impecunious students through targeted financial aid

  The College advises and assists students who are in financial hardship. A Student Financial Aid Committee considers applications for assistance from the College's hardship funds and is able to provide help by means of grants, loans or a combination of the two.

- To support college-funded and independent research

  The College funds a number of career development Junior Research Fellowships and Tutorial Fellowships in a wide range of subject areas including biology, social sciences and the history of art. Associations are also offered, by means of Senior Research Fellowships and Supernumerary Fellowships, to individuals in University departments and faculties who are undertaking research.

  Through the standard University scheme for sabbatical leave, and in considering requests for special leave, the College also provides replacement teaching to enable Fellows to dedicate between 1 and 3 terms to specific research projects. All Tutorial Fellows and career development Junior Research Fellows are eligible to receive a Teaching and Research Allowance and may apply for assistance towards expenses incurred in attending academic conferences.

  Students and academic staff are able to make use of the College's three libraries, and researchers can also apply to access material in the College's archive or special collections of prints drawings and manuscripts.

- To promote religion

  The College employs a full-time Chaplain who, along with the Assistant Chaplain, conducts services in the Chapel and can be approached by students of any faith or none as a member of the welfare team. The Chapel, open every day, acts as a centre of Christian worship but its use by anyone as a space for quiet reflection is also encouraged.

  The Chapel supports two flourishing choirs; a mixed-voice choir and a choir incorporating boy trebles from Christ Church Cathedral School. The choirs sing regular services of evensong and communion.

  Inter-faith services are offered on a regular basis and all services are promoted, internally and externally, by means of notice boards and websites. Information about the variety of faith societies, belief groups and religious centres within the University is provided in the Undergraduate and Graduate Handbooks. The College also has a separate multi-faith prayer room which is available for all members to use.

  The Chaplain organises various events outside of the Chapel to discuss religion, ethics and morality, usually including a weekly discussion group and a termly dinner with guest speaker.

ACHIEVEMENTS AND PERFORMANCE

Post-Pandemic

As the impact of Covid-19 began to ease, we made concerted efforts to re-open College and to recommence face-to-face teaching and other activities. The academic year began with a mix of face-to-face, hybrid and online teaching, maintaining our high standards while at the same time accommodating multiple needs. Gradually the requirement for these different teaching approaches reduced during the year and we ended 2021-22 fully returned to our usual modes of provision, but now with extra online resources. The same was true of committee meetings which began the year online and have now moved on to a mixture of face-to-face, hybrid and online. Governing Body meetings are held in person. A more conventional service in the dining hall returned during the 2021-22 academic year and from freshers' week onwards we provided as much face-to-face activity in College as possible. Given the on-going impact of Covid-19 cases during the year, we did experience an increase in students applying for mitigating circumstances in relation to assessed work.

New College Strategy

After a series of workshops and following consultation with academic staff, non-academic staff, students and Old Members, the Governing Body adopted a new College Strategy at the end of Trinity Term 2022. The strategy seeks to ensure that Worcester College is a forward looking Oxford College: one that maintains its best traditions but also embraces innovation. The strategy has three elements: (1) the continued promotion of academic excellence and research (2) the development of a strong and inclusive College culture and (3) strong financial stewardship and good governance. The College has established a Strategy Implementation Group which reports regularly to Governing Body.

Access and Admissions

As the academic year progressed, much of our access and outreach work returned to face-to-face engagement. We have organised in person Open Days for the first time since 2019 and these have been well attended. Student Ambassadors have once again been able to take students around Worcester's magnificent grounds and the access and outreach team have worked hard to ensure that Worcester is known within and beyond the University as a welcoming and inclusive community.

The majority of our access work is local to our link areas (Bradford, Calderdale, Kirklees, Leeds, Wakefield and Northamptonshire) as determined by the University's regionalisation scheme. We also run a smaller number of national outreach programmes promoting access to Higher Education and empowering decision-making for applicants from the most under-represented groups. We have also provided additional learning resources and curriculum enrichment projects designed for students from the beginning of secondary education upwards.

We continue to witness the positive effects of this work to see the national population (in which 87% of year 13 children are educated at a state-maintained school) reflected in the College's undergraduate admissions. Among UK students offered places in January 2022 for entry in October 2022, 86.4% applied from state schools (up from 83.5% in 2021).

Overall, 30% of our undergraduate intake were among the most socio-economically and educationally disadvantaged applicants to Oxford, as per the University's metrics. Data relating to race and ethnicity is not available to us at this point in the admissions cycle, though racial equality has been a key focus of our access work, and in our 2021 intake just over 25.9% of our UK intake were from BAME backgrounds.

In 2019, the College's Governing Body set a number of access targets for undergraduate admissions, focussing on groups currently under-represented at Oxford University. We have made significant progress towards achieving these targets: in 2018, 67% of our intake came from state schools, 15.4% came from areas with the lowest levels of progression to Higher Education, and 13.7% came from the most socio-economically disadvantaged areas. In

October 2021, 22.8% of our undergraduate intake were from areas with the lowest levels of progression to Higher Education and 21.4% were from the most socio-economically disadvantaged areas.

At the same time as widening participation, the College's examination results have improved and we have moved up the University's Norrington Table. We are now ranked 7th overall in the league table (up 7 places from 2021 and 17 places from 2020), we are ranked 4th among colleges with over 100 finalists, and we are ranked 2nd in the total number of first-class degrees achieved by students. Importantly, we have also eliminated the attainment gap between students from a state school background and students from a privately educated background. Although the results of First Public Examinations suggest that students from private schools perform about 10% better than state school students, a five-year average of Worcester College exam results suggests that by finals, this gap is eliminated entirely. This reflects the huge efforts of everyone involved in teaching and in learning support, including the work of our Learning Development Officer.

Fellowship and Staff

At 31 July 2022 the Governing Body comprised the Provost, 32 Official Tutorial Fellows, 2 Fellow-Lecturers, 6 Official Non-Tutorial Fellows, 7 Professorial Fellows and 9 Supernumerary Fellows. In addition, there were 14 Senior Research Fellows, 1 Supernumerary Fellow (without Governing Body membership) and 5 Junior Research Fellows.

Teaching was further supported by a number of College Lecturers, including 28 Stipendiary appointments and external tuition provided by tutors from across the collegiate University. Eleven terms of sabbatical or special leave for research purposes were granted to a total of six Fellows. A total of 107 non-academic staff (by headcount, not FTE) supported the College's activities.

Student Numbers and Progress

During the 2021-22 academic year there were 442 undergraduates, 200 graduates and 27 visiting students in College, a total of 669 students. In Finals, Worcester's undergraduates obtained 36 Firsts, 58 Upper Seconds, 4 Lower Second and 1 Third. The College is currently 7th in the Norrington Table which shows the relative performance in Finals of each of the Oxford colleges. Students also achieved excellent results in their First Public Examinations (normally taken in the first year). The graduate community continued to thrive and a very wide range of postgraduate taught and research degrees were completed successfully.

Student Financial Support

The College has continued to offer financial support to its students, including for academic provision, hardship, bursaries, study grants and extra-curricular activities. Funds were also provided to support other activities including field trips, medical electives, undergraduate research/conference travel, book bursaries, sports bursaries and language tuition. A total of £301k was disbursed during the year (2021: £400k).

Development

Following the success of the Covid Emergency Appeal, which immediately followed the Tercentenary Campaign, the strategic aim of the Development Office in 2021-22 was to return to a period of consolidation in which we aimed to deepen levels of alumni engagement, broaden our base of supporters and enhance levels of donor stewardship. The aim of this strategy is to pave the way for a more active period of fundraising once the College's priorities for the next phase of its development are agreed. As such, excluding legacies, we experienced an expected dip in overall philanthropic income from the two previous years, which were bolstered by major gifts following the Covid Emergency Appeal, but succeeded in broadening our base of support by increasing numbers of donors.

In 2021-22 we raised £9,059k in new funds and £2,059k in cash received. The largest in-year confirmed pledge was the Bishop Graham legacy estimated at £7m and the largest cash gift received in-year was £250k from the Headley Trust to fund essential repairs to the library roof. Other fundraising highlights included the successful funding of several scholarships. We partnered with the University to establish the Black Academic Futures Scholarship for an outstanding student of Black heritage (ordinarily resident in the United Kingdom), funded entirely through philanthropy totalling £124k. The first holder of the scholarship will join Worcester in 2022-23

and will receive the financial support required to pursue graduate-level study at Oxford. In addition, we have fully funded three new Wiedenfeld-Hoffman Scholarships for outstanding graduate students from around the world to study leadership programmes at Worcester College.

Our overall participation rate (number of annual donors) has continued to increase year-on-year since 2019-20. This follows the establishment in March 2021 of the new dedicated post of Regular Giving Officer and a number of initiatives including a Giving Day, e-Appeal and Telethon. Donor numbers have risen from 6.9% of alumni in 2019-20 (588 donors) to 10.6% (946 donors) in 2021-22. Although this progress is encouraging, the average participation rate across the collegiate University is 15%: we aim to match this in the next five years.

In 2020-21, feedback from the largest alumni questionnaire in our history suggested that 20% of donors did not feel that the College sufficiently demonstrated the impact of their giving. As a result, in 2021-22 we introduced a range of new initiatives to increase transparency and accountability in our fundraising practices and to demonstrate the impact of gifts better. These initiatives included our inaugural Donors' Dinner, the inclusion of a Development Report and Donor Roll in the College *Record*, and our first Donor Report, sent to all donors and published on the College website. This year we also inaugurated the 1714 Society to recognise the 278 donors who have pledged a legacy to the College in their lifetimes. This new group will ensure that these generous supporters are appropriately thanked and involved in the life of the College through, for example, invitations to special events.

The College is deeply grateful to all its generous donors.

FINANCIAL REVIEW

The principal funding sources of the College continue to be fees, accommodation charges, conference income, donations and endowment income. Fee income received via the University, is from the Office for Students (OfS), various funding bodies and students.

The College also receives financial support from many benefactors mentioned above.

Total income and endowments for the year were £18,166k (compared with £12,615k in 2020-21). As noted above, this included £9,059k from donations and legacies (compared with £5,464k in 2020-21).

The College's charitable objects continue to be met with resources expended on charitable activities for the year of £14,389k (2021: £12,564k).

Incoming resources from charitable activities in the year, principally fees and residential income were £5,935k compared with £5,119k in 2020-21.Conference activity resumed in July 2021.

As planned, the spending gap on charitable activities caused by the excess of expenditure over incoming resources, was met principally from generated funds including investment income, trading income, and legacies and donations. The operating cash deficit increased from £1,220k in 2020-21 to £3,338k in 2021-22, reflecting continued spending (£2m) on the backlog maintenance programme, lower cash donations and rising costs generally. The pension provision increased by £1,942k in the year (2021: £42K decrease) a significant, albeit largely non-cash component of this year's deficit.

All of the College's securities and other investments are managed by Oxford University Endowment Management Limited (OUEM) and total £46,416k (2020-21: £46,983k).

The Trustees have given particular attention to the College's ability to continue as a going concern as it emerges from the direct financial impact of Covid. This has coincided with a predicted reduction in non-legacy donations, a challenging labour market and the profound impact of inflation at a time when educational income remains capped. Generous support by old members makes it possible to continue College activities at their present scale but we continue to examine all our operations to ensure value for money and identify ways of achieving improved financial sustainability on a long-term basis. Having reviewed the current cash position and forecast income and expenditure, and in the light of the College's existing financial resources, the trustees are satisfied that the College is a going concern. However, the operating budget for the coming years remains challenging, and additional income will need to be generated and costs controlled to ensure that the College's finances remain healthy into the medium term and beyond.

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, to allow the College to be managed efficiently and to provide a buffer that would ensure uninterrupted delivery of services. In 2018-19, having reviewed current risks and uncertainties in the external environment, the Trustees set a target range for free reserves equal to 3-6 months of operating costs to allow operations to continue in the event of short-term economic disruption or other revenue shocks, and committed to developing financial strategies to achieve this. In setting this target, the Trustees were also mindful that the College's Expendable Endowment provides a degree of protection in the event of short-term revenue pressure, although taking the view that it is preferable and prudent also to increase the level of free reserves given the long-term purpose of the Endowment.

The Group's unrestricted reserves (excluding Pension reserve) at the year-end amounted to £38,770k (2020-21: £39,194k), represented by a £32,746k fixed asset designated reserve, a £4,833k of long term property investment reserve and free reserves of £1,191k (2020-21: £858k). This is below the Trustees' target for free reserves, but the Trustees take comfort that the number is positive and they plan to build free reserves to the desired level as operating circumstances permit.

The Pension provision of £(3,481)k (2021: £1,539) represents a commitment to pay additional pension contributions over the period to 31 January 2028. The College is confident that it can meet these contributions from projected future cash flows without significant impact on planned levels of charitable activity, therefore in line with Charity Commission guidance, this commitment does not impact free reserves.

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 on a total return basis, maintaining 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 total return and to make available for expenditure each year an appropriate proportion of the unapplied total return.

The investment strategy, policy and performance are monitored by the Investment Sub-Committee. At the year end, the College's long term securities totalled £46,416k, (2021: £46,983k) which during the year generated income of £1,748k (2021: £1,655k) and included the recognition of an unrealised loss in the year of (£313k) (2021: gain of £7,635).

Under the total return accounting basis, it is the Governing Body's policy to extract as income up to 4.5% of the value of the relevant invested funds. The Governing Body will keep the level of drawdown under review to balance the needs and interests of current and future beneficiaries of the College's activities.

Risk management

The College has on-going processes which operated through-out the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiary in undertaking their activities.

The Governing Body has ultimate responsibility for managing any risks faced by the College, and the Audit and Risk Committee helps it monitor the major risks to which the College is exposed. A risk register and action plan has been established and responsibility for the management of the key risks resides with the College officers and their relevant committees, with the Audit and Risk Committee receiving periodic reports on the effectiveness of this.

The principal risks and uncertainties faced by the College and its subsidiaries that have been identified are categorised as follows:

- Failure to attract and retain high quality staff. On the academic side this is mitigated by ensuring appropriate remuneration and by a range of additional measures including flexibility of funded leave to support research, and assistance securing housing in Oxford's competitive market. More broadly, the College mitigates this risk by working to attract a wide-range of qualified applicants for positions, including from backgrounds or previous career-paths that might not traditionally apply for roles in an Oxford college.

- Governance and financial control risks are inherent in any charity of the College's size and complexity. These risks are mitigated by financial and governance controls including strong budgetary and purchasing controls, independent membership of key Committees and clear protocols for managing potential conflicts of interest.

- Risks relating to the management and operations of the College, including health and safety, risk of damage to the historic fabric of the estate, and potential interruption to the College's activities. Mitigation involves a range of preventative and control measures, alongside thorough reporting and oversight, contingency planning and insurance. Other risks relating to the operational activities of the college such as employment of staff and use of IT are managed through clear procedures and monitoring.

- Other risks of harm to the beneficiaries of the charity. This is mitigated through appropriate safeguarding procedures, continued investment in student welfare provision, and the active risk-assessment of events and activities on the College site.

- Financial risk to the College's endowment, including loss of real value through inappropriate investment, and failure to attract sufficient additional endowment funds. The College's endowment is invested with Oxford University Endowment Management to ensure direct oversight and management by investment professionals, with an Investment Subcommittee monitoring performance and reviewing future strategy, including potential concentration risk. Risk of insufficient future donations is mitigated by the activities of the Development Office and the Provost, overseen by both the External Relations Committee and the Finance Committee.

FUTURE PLANS

The College is looking at all aspects of its operations including the size and composition of the student body although we expect any changes to be gradual and evolutionary in nature. It will continue to deliver teaching and learning through the tutorial system, to support research, fund scholarships and scholarly activity and to recognise scholarly achievement, support students in financial hardship and provide for the spiritual welfare of its students through its chapel provision.

David Isaac CBE took office as Provost on 1 July 2021. Mike Huggins took office as Finance and Estates Bursar on 14 February 2022. Harmohinder Bahl took office as Home Bursar on 5 September 2022. Lizzie Emerson became Interim Senior Tutor on 1 September 2022.

These senior appointments bring legal, academic and leadership expertise to the College as well as a commitment to continuing to widen access, equality of opportunity and excellence at Worcester.

Following the success of the Covid Emergency Appeal, the College's Development Office will revert to the planned period of consolidation and strategic planning. The College will continue to explain its activities and plans to alumni and prospective donors in a series of events, through publications and through the College website.

The College's ongoing essential maintenance programme is planned to continue into the next financial year and represents a significant expenditure commitment. Alongside this, the free reserves will need to be rebuilt to the target level that the trustees have set in the light of uncertainties in the external environment. These factors further increase the importance of the cost control and commercial revenue work noted above.

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 must:

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

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

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

David Isaac
Provost

Independent auditor's report to the trustees of Worcester College

Opinion

We have audited the financial statements of Worcester College (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Statement of Cash Flows 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 Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and College's affairs as at 31 July 2022 and of the group's incoming resources and application of resources, including the group's and the College's income and expenditure 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, set out on pages 5 to 14 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and College'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 trustees either intend to liquidate the group or parent 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 group and the parent 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.

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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.

Use of this report

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

Moore Kingston Smith LLP

Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Date: 20 December 2022

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its wholly owned subsidiary, Worcester College Enterprises Limited.

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 its subsidiary for the reporting year are in note 13.

The accounts of the affiliated student bodies, Worcester College Clubs, Middle Common Room and Junior Common Room have not been consolidated because 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'.

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' (The Charities SORP (FRS102)).

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the measurement of investments and certain financial assets and liabilities at fair value with movements in value reported within the Statement of Financial Activities (SOFA).

The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

3. Going concern

The Trustees 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. Having reviewed the current cash position and forecast income and expenditure, and in the light of donations received and pledged to support the College, cost control, fund raising initiatives and the significant expendable endowment funds available, the trustees have concluded that 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.

4. 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 participates in two multi-employer defined benefit pension plans. In the judgement of the Governing Body, there is insufficient information about the plan assets and liabilities to be able to account reliably 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 21).

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.

4 Accounting judgements and estimation uncertainty (continued)

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.

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

5. 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, OfS support and other charges for services

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

Conference income in relation to conferences that span the year end is accrued for in accordance with the proportion of completion.

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.

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.

6. Expenditure

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

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

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

Support costs which 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.

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, together with expenditure on equipment costing more than £2,000, is capitalised.

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

Other expenditure on equipment incurred in the normal day-to-day running of the College and 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, Fixtures and Fittings	4 - 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 changes in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

9. Investments

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

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

9. Investments (continued)

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

10. 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. Where necessary, provision is made for obsolete, slow moving and defective stock.

11. 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 prevailing rates of exchange 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 balance sheet date. The resulting exchange differences are taken to the SOFA.

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 balance sheet date are recognised in the income and expenditure section of the SOFA.

12. Total return investment accounting

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

13. Fund accounting

The total funds of the College and its subsidiaries are allocated to unrestricted, restricted or endowment funds based on the origins of the funds and 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 earmarked funds for specific 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 income 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 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.

14. Pension costs

The costs of retirement benefits provided to employees of the College through two multi-employer defined benefit 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.

WORCESTER COLLEGE

Consolidated Statement of Financial Activities

For the year ended 31 July 2022

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	**2022 Total £'000**	2021 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities						
Teaching, research and residential	1	5,935	-	-	**5,935**	5,119
Other trading income	3	1,378	-	-	**1,378**	13
Donations and legacies	2	1,252	689	7,118	**9,059**	5,464
Investment income	4	6	-	1,742	**1,748**	1,655
Other income	5	46	-	-	**46**	364
Total income		8,617	689	8,860	**18,166**	12,615
EXPENDITURE ON:						
Charitable activities						
Teaching, research and residential	6	11,762	2,627	-	**14,389**	12,564
Generating funds:						
Fundraising		640	-	-	**640**	507
Trading expenditure		27	-	-	**27**	24
Investment management costs		63	-	-	**63**	34
Total expenditure	6	12,492	2,627	-	**15,119**	13,129
Net (expenditure)/income before gains		(3,875)	(1,938)	8,860	**3,047**	(514)
Net gains/(losses) on investments		250	-	(563)	**(313)**	7,635
Net (expenditure)/income		**(3,625)**	**(1,938)**	**8,297**	**2,734**	7,121
Transfers between funds		1,259	940	(2,199)	-	-
Net movement in funds for the year		**(2,366)**	**(998)**	**6,098**	**2,734**	7,121
Fund balances brought forward	17	37,655	3,189	53,495	**94,339**	87,218
Funds carried forward at 31 July	17	35,289	2,191	59,593	**97,073**	94,339

WORCESTER COLLEGE
Consolidated and College Balance Sheets
As at 31 July 2022

	Notes	2022 Group £'000	2021 Group £'000	2022 College £'000	2021 College £'000
FIXED ASSETS					
Tangible assets	10	**32,945**	33,838	**32,945**	33,838
Property investments	11	**4,833**	4,583	**4,833**	4,583
Securities and other investments	12	**46,416**	46,983	**46,416**	46,983
		84,194	85,404	**84,194**	85,404
CURRENT ASSETS					
Stocks		**136**	132	**136**	132
Debtors	15	**8,471**	1,002	**8,811**	997
Cash at bank and in hand		**9,176**	10,762	**8,686**	10,674
		17,783	11,896	**17,633**	11,803
CREDITORS: falling due within one year	16	**(1,423)**	(1,422)	**(1,273)**	(1,329)
NET CURRENT ASSETS		**16,360**	10,474	**16,360**	10,474
TOTAL ASSETS LESS CURRENT LIABILITIES		**100,554**	95,878	**100,554**	95,878
NET ASSETS BEFORE PENSION LIABILITY		**100,554**	95,878	**100,554**	95,878
Defined benefit pension scheme liability		**(3,481)**	(1,539)	**(3,481)**	(1,539)
NET ASSETS		**97,073**	94,339	**97,073**	94,339
FUNDS OF THE COLLEGE	17				
Endowment funds		**59,593**	53,495	**59,593**	53,495
Restricted funds		**2,191**	3,189	**2,191**	3,189
Unrestricted funds					
Designated fixed assets fund		**32,746**	33,753	**32,746**	33,753
General funds (excluding pension reserve)		**6,024**	5,441	**6,024**	5,441
Pension reserve		**(3,481)**	(1,539)	**(3,481)**	(1,539)
		97,073	94,339	**97,073**	94,339

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

David Isaac, Provost

WORCESTER COLLEGE
Consolidated Statement of Cash Flows
For the year ended 31 July 2022

	Notes	2022 Group £'000	2021 Group £'000
Net cash used in operating activities	23	**(3,338)**	(1,220)
Cash flows from investing activities			
Dividends, interest and rents from investments		**1,748**	1,655
Purchase of property, plant and equipment		**(114)**	-
Proceeds from sale of investments		**-**	656
Purchase of investments	11	**-**	(312)
Net cash provided by investing activities		**1,634**	1,999
Cash flows from financing activities			
Receipt of endowment		**118**	449
Net cash provided by financing activities		**118**	449
Change in cash and cash equivalents in the reporting period		**(1,586)**	1,228
Cash and cash equivalents at the beginning of the reporting period		**10,762**	9,534
Cash and cash equivalents at the end of the reporting period		**9,176**	10,762

The College has no net debt and accordingly no net debt note is presented.

1 INCOME FROM CHARITABLE ACTIVITIES

	2022 £'000	2021 £'000
Teaching, research and residential		
Unrestricted Funds		
Tuition fees - UK and EU students	**2,096**	2,116
Tuition fees - Overseas students	**614**	625
Other fees	**420**	219
Other grant support	**115**	132
Other academic income	**177**	188
College residential income	**2,513**	1,839
	5,935	5,119

The above analysis includes £2,825k received from Oxford University from publicly accountable funds under the College Funding Formula Scheme (2021: £2,873k).

2 DONATIONS AND LEGACIES

	2022 £'000	2021 £'000
Unrestricted funds	**1,252**	2,987
Restricted funds	**689**	2,028
Endowed funds	**7,118**	449
	9,059	5,464

3 INCOME FROM OTHER TRADING ACTIVITIES

	2022 £'000	2021 £'000
Subsidiary company trading income	**393**	11
Other trading income	**985**	2
	1,378	13

4 INVESTMENT INCOME

	2022 £'000	2021 £'000
Unrestricted funds		
Equity dividends	**3**	1
Interest on fixed term deposits and cash	**3**	24
Other investment income	**-**	-
	6	25
Restricted funds		
Other investment income	**-**	-
Endowed funds		
Other investment income	**1,742**	1,630

5 OTHER INCOME

Other income includes grants of £Nil (2021: £354k) claimed from the Coronavirus Job Retention Scheme.

6 ANALYSIS OF EXPENDITURE

		2022 £'000	2021 £'000
Charitable expenditure			
Direct staff costs allocated to :	Teaching, research and residential	**7,197**	4,858
Other direct costs allocated to:	Teaching, research and residential	**4,900**	5,684
Support and governance costs allocated to:	Teaching, research and residential	**2,292**	2,022
		14,389	12,564
Expenditure on raising funds			
Direct staff costs allocated to :	Fundraising	**417**	343
	Trading Expenditure	**27**	20
Other direct costs allocated to:	Fundraising	**134**	105
	Trading expenditure	**-**	-
Support and governance costs allocated to:	Fundraising	**89**	59
	Trading expenditure	**-**	4
	Investment management costs	**63**	34
		730	565
		15,119	13,129
	Fundraising	**640**	507
	Trading Expenditure	**27**	24
	Investment management costs	**63**	34
		730	565

The 2022 resources expended of £15,119k represented £12,492k from unrestricted funds and £2,627k from restricted funds. In 2021 resources expended of £13,129k represented £8,795k from unrestricted funds and £4,334k from restricted funds.

7 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching Research & Residential £'000	**2022 Total £'000**
Financial and domestic admin	60	534	**594**
Human resources	42	329	**371**
IT	38	366	**404**
Depreciation	-	1,007	**1,007**
Other finance charges	12	31	**43**
Governance costs	-	25	**25**
	152	**2,292**	**2,444**

7 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS (continued)

	Generating Funds	Teaching Research & Residential	2021 Total
	£'000	£'000	£'000
Financial and domestic admin	50	452	502
Human resources	16	173	189
IT	27	306	333
Depreciation	-	1,050	1,050
Other finance charges	-	21	21
Governance costs	4	20	24
	97	2,022	2,119

Finance and administration and human resources costs are attributed according to the estimated staff time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. IT costs are attributed according to the estimated time spent on each activity. Interest and other finance charges are attributed according to the purpose of the related financing.

	2022	2021
	£'000	£'000
Governance costs comprise:		
Auditor's remuneration – audit services	**25**	24

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.

8 GRANTS AND AWARDS

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

		2022	2021
Grants to individuals from:		**£'000**	£'000
Unrestricted funds	Scholarships, prizes and grants	**27**	25
	Bursaries and hardship awards	**36**	3
		63	28
Restricted funds	Scholarships, prizes and grants	**268**	134
	Bursaries and hardship awards	**124**	238
		392	372
Total grants and awards		**455**	400

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

The figure included above represents the cost to the College of the Oxford Bursaries scheme. Students in the College received £178k in bursaries in 2021-22 (2020-21: £262k).

9 STAFF COSTS

The aggregate payroll costs for the year were as follows:

	2022 £'000	2021 £'000
Salaries and wages	**5,161**	4,707
Social security costs	**465**	421
Pension costs	**893**	873
	6,519	6,001
Pension provision adjustment	**1,942**	(53)
	8,461	5,948

The average number of employees of the College, excluding Trustees, was as follows:	2022	2021
Tuition and research	**172**	185
College residential	**83**	87
Fundraising	**5**	5
Support	**19**	17
Total	**279**	294

The average number of FTE employees of the College, excluding Trustees, was as follows:	2022	2021
Tuition and research	**53**	56
College residential	**59**	77
Fundraising	**4**	5
Support	**19**	15
Total	**135**	153

The average number of employed College Trustees during the year was as follows:	2022	2021
University Lecturers	**16**	19
CUF Lecturers	**12**	12
Other teaching and research	**7**	7
Other	**3**	4
Total	**38**	42

Salary and wages costs include severance costs of £16,053 for two members of staff.

The College also benefits from temporary staff, agency workers and those part-time external tutors who are not on the College payroll.

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

	2022	2021
£60,001 to £70,000	**2**	2

Details of the remuneration and reimbursed expenses of the College Trustees are included as a separate note in these financial statements.

10 TANGIBLE FIXED ASSETS

Group and College	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	**Total £'000**
Cost			
At start of year	44,603	1,584	**46,187**
Additions	-	114	**114**
At end of year	**44,603**	**1,698**	**46,301**
Depreciation			
At start of year	11,046	1,303	**12,349**
Charge for the year	885	122	**1,007**
At end of year	**11,931**	**1,425**	**13,356**
Net book value			
At end of year	**32,672**	**273**	**32,945**
At start of year	33,557	281	33,838

Included within Fixtures, Fittings and Equipment above are intangible assets of £80k cost and £77k depreciation.

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

11 PROPERTY INVESTMENTS

Group and College	**2022 Total £'000**	2021 Total £'000
Valuation at start of year	**4,583**	4,683
Disposals	**-**	(656)
Additions and improvements	**-**	312
Revaluation gains in the year	**250**	244
Valuation at end of year	**4,833**	4,583

A formal inspection valuation of the College properties was prepared by Mark Charter MRICS of Carter Jonas LLP as at 31 July 2022. Governing Body is satisfied that these valuations remain materially accurate at the balance sheet date.

12 SECURITIES AND OTHER INVESTMENTS

Group and College	2022 £'000	2021 £'000
Valuation at start of year	**46,983**	39,592
Increase/(decrease) in value of investments	**(567)**	7,391
Valuation at end of year	**46,416**	46,983

Group and College investments comprise:

	Held outside the UK £'000	Held in the UK £'000	2022 Total £'000	2021 Total £'000
Global multi-asset funds	44,816	1,600	**46,416**	46,983

100% of the portfolio is invested with Oxford University Endowment Management (Endowment Fund).

13 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Worcester College Enterprises Limited, a company providing conference and accommodation services.

The results of the College and subsidiary, and their assets and liabilities at the year-end were as follows.

Worcester College	**2022 £'000**	2021 £'000
Income	**18,165**	12,816
Expenditure	**(15,117)**	(13,119)
Gains/(losses)	**(313)**	7,635
Result for the year	**2,735**	7,332
Total assets	**101,827**	97,207
Total liabilities	**(4,754)**	(2,868)
Net funds at the end of year	**97,073**	94,339

Worcester College Enterprises Limited	**2022 £'000**	2021 £'000
Turnover	**455**	11
Expenditure	**(191)**	(10)
Result for the year	**264**	1
Donation to College (gift aid)	**(264)**	(212)
	-	(211)
Total assets	**720**	107
Total liabilities	**(720)**	(107)
Net funds at the end of year	**-**	-

14 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns, with effect from November 2003. The investment return, to be applied as income, is calculated as up to 4.5% of the brought forward values of the relevant investments. The preserved (frozen) value of the invested endowment capital represents its open market value in 1992, except where the original donation can be identified, together with the original gift value of all subsequent endowments.

	Permanent Endowment			Expendable	**Total**
	Trust for Investment	Unapplied Total Return	Total	Endowment	**2022**
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	16,071	-	16,071	-	**16,071**
Unapplied total return	-	9,831	9,831	-	**9,831**
Expendable endowment	-	-	-	27,593	**27,593**
Total Endowments	**16,071**	**9,831**	**25,902**	**27,593**	**53,495**
Movements in the reporting period:					
Gift of endowment funds	7,069	-	7,069	48	**7,117**
Investment return: total investment income	-	843	843	899	**1,742**
Investment return: realised and unrealised gains and losses	-	(275)	(275)	(288)	**(563)**
Other transfers	-	-	-	-	-
Total	7,069	568	7,637	659	**8,296**
Unapplied total return allocated to income in the reporting period	-	(675)	(675)	-	**(675)**
Expendable endowments transferred to income	-	-	-	(1,523)	**(1,523)**
Net movements in reporting period	7,069	(107)	6,962	(864)	**6,098**
At end of the reporting period:					
Gift component of the permanent endowment	23,140	-	23,140	-	**23,140**
Unapplied total return	-	9,724	9,724	-	**9,724**
Expendable endowment	-	-	-	26,729	**26,729**
Total Endowments	**23,140**	**9,724**	**32,864**	**26,729**	**59,593**

14 STATEMENT OF INVESTMENT TOTAL RETURN (continued)

	Permanent Endowment			Expendable	**Total**
	Trust for Investment	Unapplied Total Return	Total	Endowment	**2021**
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	16,060	-	16,060	-	16,060
Unapplied total return	-	6,273	6,273	-	6,273
Expendable endowment	-	-	0	25,991	25,991
Total Endowments	16,060	6,273	22,333	25,991	48,324
Movements in the reporting period:					
Gift of endowment funds	11	-	11	438	449
Investment return: total investment income	-	754	754	876	1,630
Investment return: realised and unrealised gains and losses	-	3,416	3,416	3,975	7,391
Other transfers	-	-	-	-	-
Total	11	4,170	4,181	5,289	9,470
Unapplied total return allocated to income in the reporting period	-	(612)	(612)	-	(612)
Expendable endowments transferred to income	-	-	-	(3,687)	(3,687)
Net movements in reporting period	11	3,558	3,569	1,602	5,171
At end of the reporting period:					
Gift component of the permanent endowment	16,071	-	16,071	-	16,071
Unapplied total return	-	9,831	9,831	-	9,831
Expendable endowment	-	-	-	27,593	27,593
Total Endowments	16,071	9,831	25,902	27,593	53,495

15 DEBTORS: falling due within one year

	2022 Group £'000	2021 Group £'000	**2022 College £'000**	2021 College £'000
Trade debtors	**244**	86	**76**	76
Amounts owed by College members	**-**	172	**-**	172
Amounts owed by Group undertakings	**-**	-	**508**	13
Loans repayable within one year	**6**	4	**6**	4
Prepayments and accrued income	**8,221**	720	**8,221**	712
Other debtors	**-**	20	**-**	20
	8,471	1,002	**8,811**	997

16 CREDITORS: falling due within one year

	2022 Group £'000	2021 Group £'000	**2022 College £'000**	2021 College £'000
Trade creditors	**472**	382	**472**	376
Amounts owed to College Members	**230**	416	**230**	416
Taxation and social security	**293**	131	**292**	131
Accruals and deferred income	**74**	265	**74**	262
Other creditors	**354**	228	**205**	144
	1,423	1,422	**1,273**	1,329

17 MOVEMENTS OF THE COLLEGE FUNDS

The College accounts for its investment income on a total return basis, which allows the College to invest permanent endowments to maximise total return and to make available an appropriate proportion of the total return for expenditure each year. Until this power is exercised the total return is the 'unapplied total return' and remains as part of the permanent endowment. The College has adopted a total return rate of up to 4.5% on opening values. An amount equal to eligible expenditure is transferred from the permanent endowment fund to restricted funds from which eligible expenditure is spent.

Endowment Funds	At 31 July 2021 £'000	Incoming Resources £'000	Resources Expended £'000	Gains / (Losses) £'000	Transfers £'000	**At 31 July 2022 £'000**
Permanent						
Fellowships	16,806	7,550	-	(178)	(453)	**23,725**
Research Support	1,217	40	-	(13)	(2)	**1,242**
Scholarships	2,799	147	-	(30)	(118)	**2,798**
Studentships	1,280	42	-	(14)	(45)	**1,263**
Donated Collection	1,484	48	-	(16)	(3)	**1,513**
Library & Book Conservation	565	18	-	(6)	(13)	**564**
The Marriott Trust	1,026	33	-	(11)	(10)	**1,038**
Other Funds	725	36	-	(8)	(34)	**719**
Expendable						
General Fund	7,919	258	-	(84)	(1,063)	**7,030**
Fellowships	8,931	293	-	(95)	(311)	**8,818**
Visiting Fellows	2,055	67	-	(22)	(30)	**2,070**
Gardens and Grounds	1,464	93	-	(16)	1	**1,542**
Student Bursaries & Grants	2,455	80	-	(26)	(79)	**2,430**
Teaching Fund	794	27	-	(8)	-	**813**
Other Funds	3,975	128	-	(36)	(39)	**4,028**
Total Endowment Funds	53,495	8,860	-	(563)	(2,199)	**59,593**
Restricted Funds						
Fellowships	-	-	(763)	-	763	-
Research Support	-	-	(2)	-	2	-
Scholarships	-	-	(116)	-	116	-
Studentships	-	-	(45)	-	45	-
Donated Collection	-	-	(4)	-	4	-
Library & Book Conservation	-	-	(13)	-	13	-
The Marriott Trust	-	-	(10)	-	10	-
Visiting Fellows	-	-	(30)	-	30	-
Student Bursaries & Grants	-	-	(34)	-	34	-
Teaching Fund	-	-	(3)	-	28	**25**
The Fabric Fund	1,499	250	(1,064)	-	(186)	**499**
Other Funds	1,690	439	(543)	-	81	**1,667**
Total Restricted Funds	3,189	689	(2,627)	-	940	**2,191**
Unrestricted Funds						
General Reserve	858	8,162	(9,352)	-	1,523	**1,191**
Fixed Assets Designated	33,753	-	(1,007)	-	-	**32,746**
Designated Reserves	4,583	-		250	-	**4,833**
Pension Reserve	(1,539)	-	(1,942)	-	-	**(3,481)**
Subsidiary	-	455	(191)	-	(264)	-
Total Unrestricted Funds	37,655	8,617	(12,492)	250	1,259	**35,289**
Total Funds	**94,339**	**18,166**	**(15,119)**	**(313)**	-	**97,073**

17 MOVEMENTS OF THE COLLEGE FUNDS (continued)

Endowment Funds	At 31 July 2020 £'000	Incoming Resources £'000	Resources Expended £'000	Gains / (Losses) £'000	Transfers £'000	At 31 July 2021 £'000
Permanent						
Fellowships	14,562	494	-	2,227	(477)	16,806
Research Support	1,025	35	-	157	0	1,217
Scholarships	2,405	81	-	368	(55)	2,799
Studentships	1,104	37	-	169	(30)	1,280
Donated Collection	1,252	42	-	192	(2)	1,484
Library & Book Conservation	486	16	-	74	(11)	565
The Marriott Trust	872	29	-	133	(8)	1,026
Other Funds	626	32	-	96	(29)	725
Expendable						
General Fund	8,008	270	-	1,225	(1,584)	7,919
Fellowships	7,734	264	-	1,183	(250)	8,931
Visiting Fellows	1,701	57	-	260	37	2,055
Gardens and Grounds	1,243	55	-	190	(24)	1,464
Student Bursaries & Grants	2,107	71	-	322	(45)	2,455
Teaching Fund	668	25	-	102	(1)	794
The Fabric Fund	1,511	52	-	231	(1,794)	0
Other Funds	3,020	519	-	462	(26)	3,975
Total Endowment Funds	48,324	2,079	-	7,391	(4,299)	53,495
Restricted Funds						
Fellowships	-	-	(679)	-	679	-
Research Support	-	-	(0)	-	0	-
Scholarships	-	-	(53)	-	53	-
Studentships	-	-	(30)	-	30	-
Donated Collection	-	-	(3)	-	3	-
Library & Book Conservation	-	-	(11)	-	11	-
The Marriott Trust	-	-	(8)	-	8	-
Visiting Fellows	-	-	(11)	-	11	-
Student Bursaries & Grants	-	-	(30)	-	30	-
Teaching Fund	-	-	(1)	-	1	-
The Fabric Fund	-	1,500	(3,019)	-	3,018	1,499
Other Funds	1,586	528	(489)	-	65	1,690
Total Restricted Funds	1,586	2,028	(4,334)	-	3,909	3,189
Unrestricted Funds						
General Reserve	(808)	8,497	(7,777)	-	946	858
Fixed Assets Designated	34,803	-	(1,050)	-	-	33,753
Designated Reserves	4,683	-	-	244	(344)	4,583
Pension Reserve	(1,581)	-	42	-	-	(1,539)
Subsidiary	211	11	(10)	-	(212)	-
Total Unrestricted Funds	37,308	8,508	(8,795)	244	390	37,655
Total Funds	87,218	12,615	(13,129)	7,635	-	94,339

17 DETAILS OF THE COLLEGE FUNDS

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

Permanent Endowment Funds

Fellowships: A total of 14 funds where income, but not capital, is used to support fellowships.
Research Support: A donation where income, but not capital, is used to support research.
Scholarships: A total of 8 funds where income, but not capital, is spent on student scholarships.
Studentships: A donation where income, but not capital, is spent on studentships in a named subject area.
Donated Collection: A bequest where income, but not capital, can be used to conserve a donated collection.
Library and book conservation: Donations and bequests where income, but not capital, can be used to support book conservation and preserve the Old Library.
The Marriott Trust: A donation where income, but not capital, can be used to support the education of the children of the clergy.
Other Funds: Donations and bequests where income, but not capital, can be used for general purposes.

Expendable Endowment Funds

General Fund: A consolidation of benefactions and donations where either income, or income and capital, can be used for the general purposes of the College.
Fellowships: A total of 5 funds where the income and capital can be applied to support named Fellowships in conjunction with the University of Oxford.
Visiting Fellows: A donation where the income and capital can be applied to support visiting fellows.
Gardens and Grounds: A consolidation of benefactions and donations where either income, or income and capital, can be used for expenses relating to the upkeep of the gardens and grounds.
Student Bursaries and Grants: A consolidation of benefactions and donations where either income, or income and capital, can be used for student bursaries and scholarship grants.
Teaching Fund: A consolidation of benefactions and donations where either income, or income and capital, can be used to support teaching.
Other Funds: A diverse group of donations and bequests where either income, or income and capital, can be used for specific purposes including support for fellowships and students.

Restricted Funds

Fellowships: Income used to support named tutorial and research fellowships.
Research Support: Income used to support research in a named subject area.
Scholarships: Income that can be spent on student scholarships.
Studentships: Income that can be spent on studentships in a named subject area.
Donated Collection: Income used to conserve a donated collection.
Library & Book Conservation: Income used to support book conservation and preserve the Old Library.
The Marriott Trust: Income used to support the education of the children of the clergy.
Visiting Fellows: Income used to support visiting fellows.
Student Bursaries and Grants: Income that can be used for student bursaries and scholarship grants.
Teaching Fund: Income used to support teaching.
The Fabric Fund: Income that can be used for the maintenance of historic buildings.
Other Funds: A diverse group of income and donations to support student activities, fellowships, research, the Library, archives, upkeep of the gardens and maintenance projects.

Designated Funds

Fixed Assets Designated: Unrestricted Funds which are represented by fixed assets of the College and therefore not available for expenditure on the College's general purposes.
Designated: Unrestricted Funds allocated by the Trustees for joint equity and other investment properties.

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

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	**2022 Total £'000**
Tangible fixed assets	32,945	-	-	**32,945**
Property investments	4,833	-	-	**4,833**
Securities and other investments			46,416	**46,416**
Net current assets	992	2,191	13,177	**16,360**
Defined benefit pension scheme liability	(3,481)	-	-	**(3,481)**
	35,289	2,191	59,593	**97,073**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2021 Total £'000
Tangible fixed assets	33,753	85	-	33,838
Property investments	4,583	-	-	4,583
Securities and other investments	-	-	46,983	46,983
Net current assets	858	3,104	6,512	10,474
Defined benefit pension scheme liability	(1,539)	-	-	(1,539)
	37,655	3,189	53,495	94,339

19 TRUSTEES' REMUNERATION

Trustee remuneration

The trustees of the College comprise the Governing Body, primarily fellows who are teaching and research employees of the College and who sit on Governing Body by virtue of their employment.

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 scales and often are joint arrangements with the University of Oxford.

The Remuneration Committee consists of a majority of external members and makes recommendations to the Governing Body on levels of remuneration, allowances and expenses.

Trustees of the College fall into the following categories: Provost, Tutorial Fellows, Fellow Lecturers, Professorial Fellows, Supernumerary Fellows, and Official Non-Tutorial Fellows.

There are three trustees who work almost full time on management and fundraising; Provost (full time), Finance and Estates Bursar (full time), and Director of Development & Alumni Relations (full time).

Some trustees, tutorial fellows, are eligible for College housing schemes. Five trustees lived in properties owned by the College and did not receive housing allowance. Others may be eligible for a housing allowance which is disclosed within the salary figures below. Two trustees lived in houses owned jointly with the College, as detailed in Note 25.

Some trustees receive additional allowances for additional work carried out as part time College Officers, for example, the Vice Provost, Senior Tutor and Dean. These amounts are included within the remuneration figures below. The total remuneration and taxable benefits as shown below is £1,776,787 (2020-21: £1,771,571). The total of pension contributions is £300,220 (2020-21: £293,663).

The following table sets out the remuneration received by Trustees as employees of the College:

19 TRUSTEES' REMUNERATION (continued)

	2022		2021	
	Number of Trustees	Gross Remuneration	Number of Trustees	Gross Remuneration
£5,000 - £5,999	-	-	1	5,258
£8,000 - £8,999	1	8,343	-	-
£9,000 - £9,999	1	9,197	-	-
£10,000 - £10,999	-	-	1	10,738
£11,000 - £11,999	-	-	2	23,511
£12,000 - £12,999	-	-	1	12,087
£13,000 - £13,999	-	-	1	13,245
£14,000 – £14,999	1	14,638	1	14,524
£15,000 - £15,999	2	30,424	-	-
£16,000 - £16,999			2	32,918
£17,000 - £17,999	1	17,113	-	-
£18,000 - £18,999	-	-	1	18,178
£22,000 - £22,999	-	-	1	22,374
£23,000 - £23,999	-	-	1	23,260
£24,000 - £24,999			5	121,744
£25,000 - £25,999	5	128,880	3	76,603
£26,000 - £26,999	2	52,546	-	-
£27,000 - £27,999	1	27,243	2	54,544
£28,000 - £28,999	3	85,109	-	-
£32,000 - £32,999	-	-	1	32,978
£33,000 - £33,999			1	33,938
£34,000 - £34,999	1	34,720	1	34,220
£35,000 - £35,999	1	35,056	-	-
£37,000 - £37,999	1	37,751	-	-
£39,000 - £39,999	-	-	1	39,035
£42,000 - £42,000	2	85,564	-	-
£46,000 - £46,999	1	46,475	2	92,726
£47,000 - £47,999	1	47,277	-	-
£49,000 - £49,999	-	-	1	49,110
£50,000 - £50,999	1	50,839	1	50,379
£51,000 - £51,999			2	102,040
£53,000 - £53,999			1	53,317
£55,000 - £55,999	2	111,356	1	55,568
£56,000 - £56,999	1	56,472		-
£58,000 - £58,999			1	58,764
£59,000 - £59,999	1	59,501	-	-
£60,000 - £60,999			3	182,089
£61,000 - £61,999			1	61,441
£63,000 - £63,999	1	63,950	-	-
£65,000 - £65,999	1	65,077	-	-
£66,000 - £66,999	2	133,681	1	66,966
£67,000 - £67,999	1	67,460	1	67,104
£68,000 - £68,999	2	136,915	1	68,971
£69,000 - £69,999	1	69,993	-	-
£70,000- £70,999	1	70,034	-	-
£87,000 - £87,999	-	-	1	87,020
£95,000 - £95,999	1	95,001	-	-
£101,000 - £101,999			1	101,427
£105,000 - £105,999			1	105,494
£136,000 - £136,999	1	136,175	-	-
	40	1,776,787	45	1,771,571

19 TRUSTEES' REMUNERATION (continued)

There were five trustees during the year who were not employees of the College and did not receive remuneration. All employed trustees, together with other senior employees, are eligible for private health insurance as part of their package of remuneration.

All trustees may eat at common table, as can all other employees who are entitled to meals while working. No fellow claimed any expenses for work as a trustee.

Other transactions with trustees

During the year the partners of some trustees were paid for providing tutorials for students of the College.

Key management remuneration

The total cost of remuneration paid to key management was £1,023k (2021: £989k). Key management are considered to be the Provost, the Vice Provost, the Finance & Estates Bursar, the Senior Tutor, the Dean, the Admissions Tutor, the Home Bursar, the Development Director, the College Accountant, the Librarian, the Director of the Visiting Student Programme and the Outreach Fellow.

20 PENSION SCHEMES

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

In the event of the withdrawal of any of the participating employers in USS or OSPS, the amount of any pension funding shortfall (which cannot be otherwise recovered) in respect of that employer will be spread across the remaining participating employers and reflected in the next actuarial valuation of the scheme.

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

Schemes accounted for under FRS 102 as defined contribution schemes

Actuarial valuations

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

	USS	OSPS
Date of valuation:	31/03/20	31/03/19
Date valuation results published:	30/09/21	19/06/20
Value of liabilities:	£80.6bn	£848m
Value of assets:	£66.5bn	£735m
Funding (deficit) / surplus:	(£14.1bn)	(£113m)

21 PENSION SCHEMES (continued)

	USS	OSPS
Principal assumptions:		
• Discount rate	Fixed Interest gift yield curve plus 1%- 2.75% **a**	Gilts + 0.5% -2.25% **b**
• Rate of increase in salaries	n/a	RPI
• Rate of increase in pensions	CPI **+0.05%c**	Average RPI/CPI **d**
Assumed life expectancies on retirement at age 65:		
• Males currently aged 65	23.9 years	21.7 years
• Females currently aged 65	25.5 years	24.4 years
• Males currently aged 45	25.9 years	23.0 years
• Females currently aged 45	27.3 years	25.8 years
Funding Ratios:		
• Technical provisions basis	83%	87%
• Statutory Pension Protection Fund basis	64%	74%
• 'Buy-out' basis	51%	60%
Employer contribution rate (as % of pensionable salaries) **e**:	21.1% to 21.4% from 01/10/21	19%
Effective date of next valuation:	31/03/23	31/03/22

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

Fixed interest gift yield curve plus: Pre-retirement 2.75%,post-retirement 1.00%

b The discount rate for the OSPS valuation was:

Pre-retirement: Equal to the UK nominal gilt curve at the valuation date plus 2.25% p.a. at each term.

Post-retirement: Equal to the UK nominal gilt curve at the valuation date plus 0.5% p.a. at each term.

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

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.1% p.a to 2030, reducing linearly by 0.01% p.a. to a long term difference of 0.01% p.a. from 2040.

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

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

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

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

Sensitivity of actuarial valuation assumptions

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

21 PENSION SCHEMES (continued)

Assumption	USS Change in assumption	Impact on USS liabilities
Initial pre-retirement discount rate	increase 0.25%	decrease by £1.3bn
Post-retirement discount rate	Decrease by 0.25%	increase by £2.8bn
CPI	decrease 0.1%	decrease by £1.5bn
Life expectancy	more prudent assumption (reduce the adjustment to the line base mortality table by 0.5%.	increase by £1.2bn
Rate of mortality	more prudent assumption (increase the annual mortality improvements long-term rates by 0.2%	Increase by £0.6bn

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

Deficit Recovery Plans

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

	2021/22		2020/21	
	OSPS	**USS**	**OSPS**	**USS**
Finish Date for Deficit Recovery Plan	31/01/28	31/03/28	31/01/28	31/03/28
Average staff number increase	3.00%	0%	0%	0%
Average staff salary increase	2.00%	2.00%	2.00%	2.00%
Average discount rate over period	0.89%	0.89%	0.89%	0.89%
Effect of 0.5% change in discount rate	£10k	£20k	£10k	£20k
Effect of 1% change in staff growth	£12k	£10k	£12k	£10k

A provision of £3,481k has been made at 31 July 2022 (2021 - £1,539k) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

Pension charge for the year

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

	2022	2021
	£'000	£'000
Scheme		
Universities Superannuation Scheme	**793**	535
University of Oxford Staff Pension Scheme	**440**	268
Other Schemes Contributions	**1**	17
	1,234	820

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

22 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 purposes that are exclusively charitable.

No liability to corporation tax arises in the College's subsidiary company because the directors of this company 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.

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

	2022 £'000	2021 £'000
Net income	**3,047**	(514)
Elimination of non-operating cash flows:		
– Investment income	**(1,748)**	(1,655)
– Endowment donations	**(7,118)**	(449)
Depreciation	**1,007**	1,050
(Increase)/ decrease in stock	**(4)**	1
(Increase)/decrease in debtors	**(465)**	414
Increase) / (decrease) in creditors	**1**	(25)
Increase)/ (decrease) in pension scheme liability	**1,942**	(42)
Net cash used in operating activities	**(3,338)**	(1,220)

24 CAPITAL COMMITMENTS

The College had no contracted commitments at 31 July for capital projects (2021: £nil).

25 RELATED PARTY TRANSACTIONS

The College is part of the collegiate University of Oxford. Material interdependencies between the University and the College arise as a consequence of this relationship. For reporting purposes, the University and the other Colleges are not treated as related parties as defined in FRS102.

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.

Two properties are owned under joint equity agreements between the Trustees, named below, 50% and the College, 50%. Full market values of the properties, following an inspection valuation carried out by Carter Jonas LLP:

	2022 £'000	2021 £'000
Dr J Parrington	**820**	844
Prof J Quinn	**730**	751

These trustees do not receive Housing Allowance. All joint equity properties are subject to sale on the departure of the trustee from the College.

One Trustee (Dr Ben Morgan) had a family member or other connected party who was employed by the College on either a permanent or casual basis during the year; neither of these Trustees had supervisory responsibility for the relevant employee or was involved in their recruitment, and all cases have been declared in the register of Trustees' interests. The total value of these transactions was £14,168.

25 RELATED PARTY TRANSACTIONS (continued)

A proportion of the College's endowed funds are held at arm's length in the Worcester College Oxford Endowment Trust, which is not controlled by the College but which has the support of the College as its principal charitable objective. The Trust has agreed under a memorandum of understanding to make the College an annual grant (currently at 4.25% of the value of the Trust's assets at year-end).

26 CONTINGENT LIABILITIES

There were no known contingent liabilities.

27 POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

28 ULTIMATE CONTROLLING PARTY

The Trustees believe that the College does not have an Ultimate Controlling Party.

WORCESTER COLLEGE, OXFORD

England & Wales - Charity number 1143479

Accounts

Charity Registration No. 1143479

Worcester College

Annual Report and Financial Statements

Year ended 31 July 2021

WORCESTER COLLEGE
Annual Report and Financial Statements
Contents

Governing Body, Officers and Advisers	2 - 4
Report of the Governing Body	5 - 14
Auditor's Report	15 - 18
Statement of Accounting Policies	19 - 23
Consolidated Statement of Financial Activities	24
Consolidated and College Balance Sheets	25
Consolidated Statement of Cash Flows	26
Notes to the Financial Statements	27 - 43

WORCESTER COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2021

MEMBERS OF THE GOVERNING BODY

The Members of the Governing Body are the College's charity trustees under charity law. The members of the Governing Body, who served in office as trustees during the financial year, or subsequently during the period until September 30th 2021, are listed below together with details for those who also held College Officerships:

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Mr David Isaac	Provost appointed 1-7-21									
Dr Simon Cowan				●	●					
Dr Peter Darrah	Vice Provost retired 30-6-21	●	●	●	●		●			●
Prof Kate Tunstall	Interim Provost (to 30-6-21) Vice Provost (from 1-7-21)	●		●	●	●	●	●		
Prof Robert Saxton					●		●			
Prof Donal Nolan				●	●					
Dr Nir Vulkan			●		●					
Prof Andrew Carr									●	
Dr Ben Morgan					●	●				
Dr John Parrington				●	●					
Dr Richard Earl					●				●	
Dr Scott Scullion	Senior Tutor (to 31-8-21)	●		●	●		●	●		●
Prof Deborah Cameron									●	
Prof Josephine Quinn										
Prof Andreas Willi										
Prof Julian Roberts	Garden Master					●				
Prof Endre Süli		●			●					
Prof Robert Gildea	Retired 30-9-20									
Prof Grant Ritchie					●			●		
Prof Bob Harris	Senior Treasurer of Clubs		●		●					
Dr Paul Azzopardi	Dean				●	●				●
Dr Mark Howarth					●	●				
Dr David Steinsaltz					●	●				
Dr Conrad Leyser					●					
Prof Laura Ashe	Tutor for Admissions (to 31-8-21)				●			●		
Prof Gabriel Stylianides				●						
Prof Kim Dora					●	●				
Dr Antonis Papachristodoulou		●			●					
Dr Michail Peramatzis					●					
Dr Zofia Stemplowska				●	●	●		●		
Prof Felix Parra Diaz	Demitted 5-9-21	●			●			●		
Dr Afifi al-Akiti										
Prof Sadie Creese										
Dr James Edwards					●		●			
Prof Andrew Stephen		●								
Mrs Coleen Day	Development Strategy Fellow retired 30-9-20									
Mr Mark Bainbridge	Fellow Librarian	●								●
Rev Dr Tess Kuin Lawton	Chaplain Tutor for Women (to 31-8-20)				●					●
Dr Alexander Sturgis										

MEMBERS OF THE GOVERNING BODY (continued)

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Dr Peta Fowler					●	●				
Dr Alice Violet					●					
Dr Andrzej Murawski					●					
Dr Ton van den Bremer	Demitted 31-12-20	●			●					
Dr Robert Smith		●			●					
Dr Hauke Marquardt					●	●				
Dr Merve Emre					●	●				
Mr Gareth Prior	Finance & Estates Bursar demitted 30-9-21	●	●			●	●			●
Dr Marchella Ward	Tinsley Outreach Fellow				●		●			●
Dr Lisa Wedding					●					
Dr Michael Mayo	Tutor for Graduates (1-9-20 to 31-8-21) Equalities Officer (from 1-10-20)				●					●
Dr Laura Quick	Tutor for Women (from 21-2-21)				●					●
Dr Leah Trueblood					●					
Dr Natalia Waights-Hickman					●					
Prof Tsilly Dagan		●								
Ms Kate Foley	Development Director	●					●			
Prof Iain McCulloch	Appointed 19-7-20				●					
Prof Daniel Neyland	Senior Tutor appointed 1-9-21									

During the year the activities of the Governing Body were carried out through nine principal committees. Membership of these committees of governance during the year is shown above for each Fellow.

(1) Finance Committee, which also includes 2 senior members of staff and 1 external member

(2) Investment, which is a sub-committee of Finance Committee, and also includes 1 senior member of staff and 3 external members

(3) Academic Strategy Committee, which also includes 1 member of staff

(4) Tutors' Committee, which also includes Director of Visiting Student Programme, Chaplain, Career Development teaching JRFs, lecturers with tutorial responsibilities during Fellows' sabbatical leave

(5) Domus Committee, which also includes 3 senior members of staff

(6) Development and External Relations Committee, which also includes 2 external members

(7) Nominating Committee

(8) Audit and Risk Committee, which has an external chair and a further 3 external members

(9) Human Resources Committee, which also includes 1 external member

Other business is conducted through further committees:

Remuneration Committee has 2 internal and 3 external members.

Further committees are primarily concerned with managing or administering a service; Chapel Committee, Gardens & Grounds Committee, Library Committee, IT Committee, Housing & Accommodation Committee, Buildings Committee and Travel Grants Committee.

The Joint Consultative Committee comprising membership from Governing Body, senior staff and Officers of the Middle and Junior Common Rooms discusses matters affecting Middle and Junior Common Room members. Such matters include (but are not limited to) the domestic management of the College, food service provision, and sports and recreational facilities.

Membership details for all committees are available on request.

COLLEGE SENIOR STAFF

The senior staff of the College to whom day to day management is delegated are:

Mr Mark Bainbridge	Librarian
Mrs Coleen Day	Development Strategy Fellow (to 30-9-20)
Jaine Fitzpatrick	Home Bursar (to 31-12-20)
Ms Kate Foley	Development Director
Ms Heidi Madden	Home Bursar (from 6-9-21)
Prof Daniel Neyland	Senior Tutor (from 1-9-21)
Mr Richard Noonan	Head of Works
Ms Patricia Pease	College Accountant
Mr Gareth Prior	Finance and Estates Bursar (to 30-09-21)
Mr Wilf Stephenson	Interim Finance and Estates Bursar (from 27-09-21)

COLLEGE ADVISERS

Investment managers
Oxford University Endowment Management Ltd
King Charles House
Park End Street
Oxford
OX1 1JD

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

Bankers
The Royal Bank of Scotland
Customer Service Centre
Drummond House
1 Redheughs Avenue
Edinburgh
EH12 9JN

Surveyor
Carter Jonas
Mayfield House
256 Banbury Road
Summertown
Oxford, OX2 7DE

COLLEGE ADDRESS

Worcester College
Walton Street
Oxford
OX1 2HB

College website
www.worc.ox.ac.uk

The Members of the Governing Body 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.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Provost, Fellows & Scholars of Worcester College in the University of Oxford, which is known as Worcester College, ("the College") is an eleemosynary chartered charitable corporation aggregate. It was founded through a legacy of Sir Thomas Cookes Bt. under a Royal Charter of Queen Anne dated 1714. The corporation comprises the Provost and Fellows. The College is registered under the Charity Commission (registered number 1143479).

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

Until 13 December 2011, the College was governed by its Statutes dated 21 December 1966. Notice of new Statutes to alter and amend the Statutes of the College, passed at meetings of the Governing Body and approved by the University, were submitted for the approval of Her Majesty in Council. Her Majesty, having taken the Statute into consideration by and with the advice of Her Privy Council approved the revisions to the existing Statutes on 14 December 2011.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Master of the Rolls on behalf of the Crown. New Governing Body fellows are appointed by the existing trustees, for specified periods of time or until retirement. New members of the Governing Body are elected on the basis of expertise in their particular field.

The Governing Body devises and approves the College's strategy and oversees its administration and also the management of its finances and assets. It meets regularly under the chairmanship of the Provost.

Recruitment and training of Members of the Governing Body

New Members of the Governing Body are normally recruited by open application and interview and are inducted into the workings of the College, including Governing Body policy and procedures, by means of being provided with a copy of the College Statutes, the Fellows' Handbook, Charity Commission Guidance Notes and informal discussions with colleagues.

Training courses and information to keep members of the Governing Body informed about current issues in the sector and on regulatory requirements are kept under review and offered, as appropriate.

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 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. This is set based on the advice of the College's Remuneration Committee, which has a majority of external members. Where possible, remuneration is set in line with that awarded to the University's academic staff.

The remuneration of senior college staff is approved by Governing Body on the recommendation of the Remuneration Committee.

Organisational management

The members of the Governing Body normally meet six times a year, with the provision for an additional 3 extraordinary meetings, if required. Governing Body has established a series of committees to attend to and advise upon the wide range of matters for which Trustees are accountable:

- **Finance Committee (meets twice per term or more frequently if needed)**
  The Finance Committee is responsible for business related to the financial management of the College, including financial strategy, monitoring of financial performance and consideration of requests for expenditure. The Committee meets twice per term and more frequently if needed. A sub-committee of the Finance Committee, the Investment Sub-Committee, meets once each term to consider the College's investment strategy.

- **Audit and Risk Committee (meets once per term)**
  This committee oversees audit and risk management across the College, recommends the appointment of auditors, scrutinises the College's risk register and risk management activities, and scrutinises the financial statements and audit report for recommendation to Governing Body.

- **Academic Strategy Committee (meets as needed)**
  This committee has responsibility for monitoring and developing the medium and long-term academic strategies of the College including the subject balance and decisions about associations with new posts.

- **Tutors' Committee (meets twice per term)**
  This committee considers business related to the academic and teaching aspects of the College including admissions, changes of course, student progress, requests for student suspensions, graduate matters etc.

- **Domus Committee (meets once per term)**
  This committee is responsible for the general management of the College, including accommodation, housekeeping, catering and security.

- **Human Resources Committee (meets once per term)**
  This committee is responsible for human resources, data protection, health & safety and equality and diversity across the College.

- **External Relations Committee (usually meets once per term)**
  The External Relations Committee is responsible for business related to fund-raising and alumni relations.

- **Nominating Committee (usually meets once per year)**
  The Nominating Committee proposes membership of committees and appointments of College Officers.

Further committees meet regularly to discuss specific areas of the College (including Chapel, Library, Computing, Gardens and Grounds, Buildings, Student Matters, Housing and Accommodation).

The day-to-day running of the College is delegated to the Provost, supported by the following College Officers and senior staff: Vice-Provost, Finance and Estates Bursar, Senior Tutor, Dean, Home Bursar, Director of Development and Alumni Relations, Librarian, IT Manager, Human Resources Manager, Head of Works, College Accountant and Academic Administrator. All meetings of the committees listed above are attended by one or more of these individuals.

Group structure and relationships

The College has a wholly owned trading subsidiary, Worcester College Enterprises Limited whose accounts are consolidated into the accounts of the College.

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.

A proportion of the College's endowed funds are held at arm's length in the Worcester College Oxford Endowment Trust, which is not controlled by the College but which has the support of the College as its principal charitable objective. The Trust has agreed under a memorandum of understanding to make the College an annual grant (currently at 4.25% of the value of the Trust's assets at year end).

The College also administers many special funds, as detailed in Notes 17 and 18 to the financial statements.

OBJECTIVES AND ACTIVITIES

Worcester College promotes freedom of thought and expression, academic integrity and a willingness (indeed an expectation) to challenge ideas and in turn to be challenged. The College is an academic community providing a stimulating and supportive teaching and learning environment for students (of all levels), with modern facilities and a range of opportunities for extra-curricular activity. The College's educational provision complements the educational opportunities available to our students within the departments and faculties of the University of Oxford. In particular, the College operates a tutorial system where each student's education is steered by research-active academics whom the students meet (usually either individually or in pairs) on a weekly basis. In this way the College provides an informing, inspiring and also challenging learning environment.

For centuries Worcester College has prepared students of outstanding talent and potential for graduation in a wide range of academic disciplines. Alumni have gone on to lead fulfilling professional lives and, individually and collectively, have made major contributions in their chosen fields including in commerce, the professions, in the arts, science and engineering, in medicine, faith communities, the military and in public service.

Charitable Objects and Aims

The College's Objects are the advancement of education, religion, learning and research, by the provision of a college in the University of Oxford, for the benefit of the public.

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 advance education, including extending access

  Working with the University of Oxford's departments and faculties, the College educated 647 students (undergraduate and graduate) during the year in a wide range of subject areas, plus 16 visiting students who attended for subsets of the year. Students are admitted from diverse backgrounds solely on the basis of their academic ability and potential.

  Opportunities are provided to develop students' academic knowledge and potential, and the transferable skills needed by them to contribute in the workplace and more widely. To support these activities, the College provides tutorial (small-group) and class teaching to undergraduates, maintains a range of teaching and learning facilities (including three libraries and a number of lecture/seminar rooms) and organises events for all students to advance their education. A range of welfare, pastoral and administrative systems and social, cultural, and extra-curricular activities are also provided by the College.

  The College employs an Admissions and Access Officer and has an Outreach Fellow to undertake outreach and widening-participation work and to work with the Senior Tutor to develop and implement policies associated with access and the selection of undergraduate students. The Senior Tutor, supported by a Graduate Officer, is responsible for work associated with the admission of graduate students.

- To provide bursaries

  The College recognises academic achievement through the award of scholarships, exhibitions and prizes for strong performance. Funds are provided to assist students with the purchase of academic books, to help with vacation residence and field trip costs, and for travel associated with attendance at conferences and in furtherance of their academic work.

- To support impecunious students through targeted financial aid

  The College advises and assists students who are in financial hardship. A Student Financial Aid Committee considers applications for assistance from the College's hardship funds and is able to provide help by means of grants, loans or a combination of the two.

- To support college-funded and independent research

  The College funds a number of career development Junior Research Fellowships and Tutorial Fellowships, whose responsibilities include research. Associations are also offered, by means of Senior Research Fellowships and Supernumerary Fellowships, to individuals in University departments and faculties who are undertaking research. Through the standard University scheme for sabbatical leave, and in considering requests for special leave, it also provides replacement teaching to enable Fellows to dedicate between 1 and 3 terms to specific research projects. All Tutorial Fellows and career development Junior Research Fellows are eligible to receive a Teaching and Research Allowance and may apply for assistance towards expenses incurred in attending academic conferences.

  Students and academic staff are able to make use of the College's three libraries, and researchers can also apply to access material in the College's special collections of prints, manuscripts and material in the archive.

- To promote religion

  The College employs a full-time Chaplain who conducts services in the Chapel, is a member of the welfare team and can be approached by students of any faith, or none. The Chapel acts as a centre of Christian worship but its use by anyone as a space for quiet reflection is also encouraged.

  The Chapel is open every day and supports two flourishing choirs; a mixed-voice choir and a choir incorporating boy trebles from Christ Church Cathedral School. Services are also sometimes sung by 'Frideswide Voices', a new choir for girl choristers, aged 7-14, co-founded by the Chaplain in 2014.

  Interfaith services are offered on a regular basis and all services are promoted, internally and externally, by means of notice boards and websites. Information about the variety of faith societies, belief groups and religious centres within the University is provided in the Undergraduate and Graduate Handbooks. The College also has a multi-faith prayer room which is available for all members to use.

  There are various events outside of the Chapel, to discuss religion, ethics and morality, organised by the Chaplain, usually including a weekly discussion group and a termly dinner with guest speaker.

  Due to lockdown restrictions, Chapel services were delivered by a mixture of online broadcast and restricted in-person worship. Online services included music from the choir, and were well-attended and well-received by both current students and our wider community, including old members.

ACHIEVEMENTS AND PERFORMANCE

Covid-19

The Covid-19 pandemic continued to affect all College activities during the financial year, although the majority of students were able to be in residence. Teaching was delivered through a combination of in-person teaching and remotely, with students again taking their public examinations remotely. Take-away meals were provided for students throughout the year, with special arrangements to support those self-isolating or with Covid symptoms. The Hall was also able to open for a number of events, including limited student household dining. Administrative and governance meetings continued to take place remotely throughout the year.

Access and Admissions

Much of our access and outreach work has been virtual this year because of the ongoing disruption caused by the COVID-19 pandemic; in spite of this disruption, however, all of our sustained programmes of engagement have continued in new forms, and we have continued to visit schools across our link areas and around the country.

The majority of our access work is local to our link areas (prioritising work in Bradford, Calderdale, Kirklees, Leeds, Wakefield and Northamptonshire) but we also run a smaller number of national access programmes promoting access to Higher Education for the most under-represented groups.

As well as providing information and guidance on Higher Education for students in years 11, 12 and 13, and targeted programmes for groups particularly under-represented in Higher Education (including introducing a new programme for British Caribbean students this year) we have provided learning resources (via the Worcester Bookshelf for students in year 10, 11 and 12; and via our lockdown learning hub for students in years 8-13) and curriculum enrichment projects for students from the beginning of secondary education.

We continue to see the effects of this work at admissions. Among UK students admitted in 2020 for October 2021 entry, 83.5% were educated at state schools, 27% were from areas with the lowest levels of progression to Higher Education (POLAR4 quintiles 1 and 2) and 27.8% were from the most socioeconomically disadvantaged areas (Acorn categories 4 and 5).

Overall, according to the University's contextual measure of disadvantage ('Band A'), 35.8% of our intake were among the most socio-economically and educationally disadvantaged applicants to Oxford University. Data relating to race and ethnicity is not available to us at this point in the admissions cycle, though racial equality has been a key focus of our access work, and in our 2020 intake just over 36% of our UK intake were BAME students.

In 2019, the College's Governing Body set a number of access targets for undergraduate admissions, focussing on groups currently under-represented at Oxford University. We have made dramatic progress towards achieving these targets: in 2018 67% of our intake were educated at state schools, 15.4% came from areas with the lowest levels of progression to Higher Education, and 13.7% came from the most socio-economically disadvantaged areas. The COVID-19 pandemic has drastically increased the effects of educational inequalities, and we will therefore need to work even harder in the coming years to achieve our fair access goals.

Fellowship and Staff

The Governing Body comprised the Provost, 35 Official Tutorial Fellows, 2 Fellow-Lecturers, 5 Official Non-Tutorial Fellows, 6 Professorial Fellows and 7 Supernumerary Fellows. In addition, there were 20 Senior Research Fellows and 7 Junior Research Fellows.

Teaching was further supported by a number of College Lecturers, including 17 Stipendiary appointments and external tuition was provided by tutors from across the collegiate university. Eighteen terms of sabbatical or special leave for research purposes were granted to a total of eight Fellows. A total of 109 non-academic staff (by headcount, not FTE) supported the College's activities.

Student Numbers and Progress

During the 2020-21 academic year there were 433 undergraduates, 214 graduates and 16 visiting students in College, a total of 663 students. In Finals, Worcester's undergraduates obtained 48 Firsts, 58 Upper Seconds, and 1 Lower Second. Due to changes in the timing of the production of the Norrington Table showing the relative performance in Finals by each of the Oxford colleges, we do not yet know how these results compare with the wider University. Students also achieved excellent results in their First Public Examinations (normally taken in the first year). The graduate community continued to thrive and a very wide range of postgraduate taught and research degrees were completed successfully.

Student Financial Support

The College has continued to offer financial support to its students, including for academic provision, hardship, bursaries, study grants and extra-curricular activities. Funds were also provided to support other activities including field trips, medical electives, undergraduate research / conference travel, book bursaries, sports bursaries and language tuition. A total of £400k was disbursed during the year (2020: £433k).

Development

Following the closure of the Tercentenary Campaign in financial year 2018-19, the College had expected to enter a period of donor stewardship and planning in its development operations, coinciding with the recruitment of a new Development Director and the retirement of the outgoing Development Strategy Fellow.

The Covid-19 pandemic meant that the new Development Director joined during lockdown, and that the Development Office had to delay its planned consolidation and strategy work to run a Covid relief campaign with many of our major donors. The level of support we saw in this was extraordinary, and meant that College was able to navigate the financial and operational disruption of Covid without having to resort to actions that might damage our longer-term ability to deliver against our charitable objects. To-date, £5.5 million has been pledged to the Covid appeal, with £4.8 having been received and the remainder due by 2023.

During the year we received a total of £5,464k in donations (2020 £3,021k) which included a gift of £1.5m towards the refurbishment of the Library, as well as pledge instalments against a $1 million gift and a $1.5million gift from donors to the appeal, for unrestricted purposes and an additional distribution of £500k from the Worcester College Oxford Endowment Trust.

The College is deeply grateful to all its generous donors.

FINANCIAL REVIEW

The principal funding sources of the College continues to be fees, accommodation charges, conference income, donations and endowment income. Fee income received via the University, is from the Office for Students (OfS), various funding bodies and students.

The College also receives financial support from many benefactors to whom it is extremely grateful.

Total income and endowments for the year were £12,615k (compared with £11,157k in 2019-20). As noted above, this included £5,464k from donations and legacies (compared with £3,021k in 2019-20).

The College's charitable objects continue to be met with resources expended on charitable activities for the year of £12,564k (2020: £12,264k).

Incoming resources from charitable activities in the year, principally fees and residential income were £5,119k compared with £5,679k in 2019-20. The prior year includes income from charitable conferences hosted between August 2019 and March 2020. All conference activity was suspended during the initial COVID lockdown in March 2020 and has only recently resumed operations in July 2021.

As planned, the spending gap on charitable activities caused by the excess of expenditure over incoming resources, was met principally from generated funds including investment income, trading income, legacies and donations. The operating cash deficit reduced from £4,061k in 2019-20 to £1,220k in 2020-21, reflecting continued spending (£3m) on the backlog maintenance programme but partly offset by tight control over operating budgets, and the generous support of our donors through the Covid response appeal.

All of the College's securities and other investments are managed by Oxford University Endowment Management Limited (OUEM) and total £46,983k (2019-20: £39,592k).

The Trustees have given particular attention to the College's ability to continue as a going concern in the light of the financial impact of Covid. In addition to the financial impact during the year from lost student rents, catering and conference income, it is likely that the conference business will take some time to recover from the disruption caused by Covid, and that pressure on commercial revenue will therefore continue into at least the medium term. The College's ongoing programme of essential maintenance puts additional pressure on funding, and existing concerns about the economic environment have been exacerbated by the likely ongoing impact of Covid on the world economy. Having reviewed the current cash position and forecast income and expenditure, and in the light of the Covid appeal donations received and pledged to support the College, plus material savings in operating costs, the trustees are satisfied that the College is a going concern. However, the operating budget for the coming years remains challenging, and additional income will need to be generated and/or cost reductions delivered to ensure that the College's finances remain healthy into the medium term and beyond.

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, to allow the College to be managed efficiently and to provide a buffer that would ensure uninterrupted delivery of services. In 2018-19, having reviewed current risks and uncertainties in the external environment, the Trustees set a new target range for free reserves equal to 3-6 months of operating costs to allow operations to continue in the event of short-term economic disruption or other revenue shocks, and committed to developing financial strategies to achieve this over the next 2-3 years. In setting this target, the Trustees were also mindful that the College's Expendable Endowment provides a degree of protection in the event of short-term revenue pressure, although taking the view that it is preferable and prudent also to increase the level of free reserves given the long-term purpose of the Endowment.

The Group's unrestricted reserves (excluding Pension reserve) at the year-end amounted to £39,194k (2019-20: £38,889k), represented by £33,753k of fixed assets, £4,583k of long term property investments and free reserves of £858k (2019-20: £(808k)). The improvement in free reserves compared with the previous year is mainly due to an exceptional distribution from Worcester College Endowment Trust and proceeds from the sale of two joint equity properties.

The Pension reserve of £(1,539)k represents a commitment to pay additional pension contributions over a 7 year period. The College is confident that it can meet these contributions from projected future cash flows without significant impact on planned levels of charitable activity, therefore in line with Charity Commission guidance, this commitment does not impact free reserves.

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 on a total return basis, maintaining 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 total return and to make available for expenditure each year an appropriate proportion of the unapplied total return.

The investment strategy, policy and performance are monitored by the Investment Sub-Committee. At the year end, the College's long term securities totalled £46,983k, which during the year generated income of £1,630k and included the recognition of an unrealised gain in the year of £7,391k (2020: £1,920k loss).

Under the total return accounting basis, it is the Governing Body's policy to extract as income up to 4.5% of the value of the relevant invested funds. The Governing Body will keep the level of drawdown under review to balance the needs and interests of current and future beneficiaries of the College's activities.

Risk management

The College has on-going processes which operated through-out the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiary in undertaking their activities.

The Governing Body has ultimate responsibility for managing any risks faced by the College, and the Audit and Risk Committee helps it monitor the major risks to which the College is exposed. A risk register and action plan has been established and responsibility for the management of the key risks resides with the College officers and their relevant committees, with the Audit and Risk Committee receiving periodic reports on the effectiveness of this.

The principal risks and uncertainties faced by the College and its subsidiaries that have been identified are categorised as follows:

- Failure to attract admit and retain sufficiently high quality students from diverse backgrounds. Principal mitigation is via the College's access and outreach activities detailed above, and by the provision of a range of welfare support throughout students' time at the College.

- Failure to attract and retain high quality staff. On the academic side this is mitigated by ensuring appropriate remuneration and by a range of additional measures including flexibility of funded leave to support research, and assistance securing housing in Oxford's competitive market. More broadly, the College mitigates this risk by working to attract a wide-range of qualified applicants for positions, including from backgrounds or previous career-paths that might not traditionally apply for roles in an Oxford college.

- Governance and financial control risks inherent in any charity of the College's size and complexity. These risks are mitigated by robust financial and governance controls including strong budgetary and purchasing controls, independent membership of key Committees and clear protocols for managing potential conflicts of interest.

- Risks relating to the management and operations of the College, including health and safety, risk of damage to the historic fabric of the estate, and potential interruption to the College's activities. Mitigation involves a range of preventative and control measures, alongside thorough reporting and oversight, contingency planning and insurance. Other risks relating to the operational activities of the college such as employment of staff and use of IT are managed through clear procedures and monitoring.

- Other risks of harm to the beneficiaries of the charity. This is mitigated through appropriate safeguarding procedures, continued investment in student welfare provision, and the active risk-assessment of events and activities on the College site.

- Financial risk to the College's endowment, including loss of real value through inappropriate investment, and failure to attract sufficient additional endowment funds. The College's endowment is invested with Oxford University Endowment Management to ensure direct oversight and management by investment professionals, with an Investment Subcommittee monitoring performance and reviewing future strategy, including potential concentration risk. Risk of insufficient future donations is mitigated by the activities of the Development Office and the Provost, overseen by both the External Relations Committee and the Finance Committee.

In Trinity Term, the Governing Body identified a potential lack of clarity in relation to risk tolerance and therefore approved a new Risk Management Policy. Significant risks and key actions were identified and allocated to a senior responsible manager and one of the College committees. These will be a standing item on committee agendas and progress monitored, co-ordinated by the Finance Committee. The Governing Body also commissioned an independent review of College governance to be delivered in 2021-22. During the financial year, the Governing Body adopted a range of new student-facing policies and procedures to take effect in Michaelmas 2021, including new disciplinary, complaints, and harassment & bullying policies, to address a number of potential risks that had been highlighted.

FUTURE PLANS

The College does not have plans to adjust significantly either the size of its student body or the range of subjects offered for study. It will continue to deliver teaching and learning through the tutorial system, to support research, fund scholarships and scholarly activity and to recognise scholarly achievement, support students in financial hardship and provide for the spiritual welfare of its students through its chapel provision.

David Isaac CBE took office as Provost on 1st July 2021. Professor Daniel Neyland took office as full-time Senior Tutor on 1st September. The College is in the process of recruiting of a new Finance and Estates Bursar to replace Gareth Prior who left Worcester on 30 September to take up the position of Bursar at another college. Wilf Stephenson is currently covering as Interim Finance and Estates Bursar.

These senior appointments bring legal, academic and leadership expertise to the College as well as a commitment to continuing to widen access, equality of opportunity and excellence to Worcester.

Following the success of the Covid appeal, the College's Development office will revert to the planned period of consolidation and strategic planning, alongside strengthening relations with our alumni community and introducing the new Provost to our donors and old members. The College will continue to explain our activities and plans to alumni and prospective donors in a series of events, through publications and through the College website. The Covid pandemic has restricted our scope for "in-person" events; we plan to resume these as soon as practicable.

The extraordinary generosity of our donors to the Covid appeal has allowed the College to balance its operating budget without having to take action that might harm our ability to deliver our charitable objects going forward. However, the impact of the Covid pandemic on our conference business is significant and expected to continue into the medium term. During 2021-22 we face the operational challenges of resuming the full range of College activities and operations after an extended period of remote working, continuing to drive efficiencies in our cost base, especially support costs, and laying the foundations to rebuild our commercial revenue.

The College's ongoing essential maintenance programme is planned to continue into the next two financial years and represents a significant expenditure commitment. Alongside this, the free reserves will need to be increased to the target level that the trustees have set in the light of uncertainties in the external environment. These factors further increase the importance of the cost reduction and commercial revenue work noted above.

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 must:

- select the most suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- 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 1 December 2021 and signed on its behalf by:

David Isaac
Provost

Independent auditor's report to the trustees of Worcester College

Opinion

We have audited the financial statements of Worcester College (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Statement of Cash Flows 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 Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and College's affairs as at 31 July 2021 and of the group's incoming resources and application of resources, including the group's and the College's income and expenditure for the 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, set out on pages 5 to 14 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and College'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 trustees either intend to liquidate the group or parent 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 group and the parent 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.

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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.

Use of this report

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

Moore Kingston Smith LLP, Statutory Auditor

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.

Date:

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its wholly owned subsidiary, Worcester College Enterprises Limited.

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 its subsidiary for the reporting year are in note 13.

The accounts of the affiliated student bodies, Worcester College Clubs, Middle Common Room and Junior Common Room have not been consolidated because 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'.

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' (The Charities SORP (FRS102)).

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the measurement of investments and certain financial assets and liabilities at fair value with movements in value reported within the Statement of Financial Activities (SOFA).

The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

3. Going concern

The Trustees 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 pandemic. Having reviewed the current cash position and forecast income and expenditure, and in the light of the Covid appeal donations received and pledged to support the College, material savings in operating costs and the significant expendable endowment funds available, the trustees have concluded that 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.

4. 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 participates in two multi-employer defined benefit pension plans. In the judgement of the Governing Body, there is insufficient information about the plan assets and liabilities to be able to account reliably 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 21).

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.

4 Accounting judgements and estimation uncertainty (continued)

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.

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

5. 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, OfS support and other charges for services

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

Conference income in relation to conferences that span the year end is accrued for in accordance with the proportion of completion.

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.

Other income includes government grants received in respect of furloughed employees under the Coronavirus Job Retention Scheme

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.

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.

6. Expenditure

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

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

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

Support costs which 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.

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, together with expenditure on equipment costing more than £2,000, is capitalised.

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

Other expenditure on equipment incurred in the normal day-to-day running of the College and 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, Fixtures and Fittings	4 - 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 changes in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

9. Investments

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

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

9. Investments (continued)

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

10. 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. Where necessary, provision is made for obsolete, slow moving and defective stock.

11. 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 prevailing rates of exchange 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 balance sheet date. The resulting exchange differences are taken to the SOFA.

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 balance sheet date are recognised in the income and expenditure section of the SOFA.

12. Total return investment accounting

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

13. Fund accounting

The total funds of the College and its subsidiaries are allocated to unrestricted, restricted or endowment funds based on the origins of the funds and 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 earmarked funds for specific 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 income 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 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.

14. Pension costs

The costs of retirement benefits provided to employees of the College through two multi-employer defined benefit 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.

WORCESTER COLLEGE

Consolidated Statement of Financial Activities

For the year ended 31 July 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	**2021 Total £'000**	2020 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities	1					
Teaching, research and residential		5,119	0	0	**5,119**	5,679
Other trading income	3	13	0	0	**13**	371
Donations and legacies	2	2,987	2,028	449	**5,464**	3,021
Investment income	4	25	0	1,630	**1,655**	1,611
Other income	5	364	0	0	**364**	475
Total income		8,508	2,028	2,079	**12,615**	11,157
EXPENDITURE ON:						
Charitable activities	6					
Teaching, research and residential		8,234	4,330	0	**12,564**	12,264
Generating funds:	6					
Fundraising		503	4	0	**507**	485
Trading expenditure		24	0	0	**24**	79
Investment management costs		34	0	0	**34**	43
Total expenditure		8,795	4,334	0	**13,129**	12,871
Net (expenditure)/income before gains		(287)	(2,306)	2,079	**(514)**	(1,714)
Net gains/(losses) on investments		244	0	7,391	**7,635**	(1,833)
Net (expenditure)/income		**(43)**	**(2,306)**	**9,470**	**7,121**	(3,547)
Transfers between funds		390	3,909	(4,299)	**0**	0
Net movement in funds for the year	17	**347**	**1,603**	**5,171**	**7,121**	(3,547)
Fund balances brought forward	17	37,308	1,586	48,324	**87,218**	90,765
Funds carried forward at 31 July	17	37,655	3,189	53,495	**94,339**	87,218

WORCESTER 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	10	**33,838**	34,888	**33,838**	34,888
Property investments	11	**4,583**	4,683	**4,583**	4,683
Securities and other investments	12	**46,983**	39,592	**46,983**	39,592
		85,404	79,163	**85,404**	79,163
CURRENT ASSETS					
Stocks		**132**	133	**132**	133
Debtors	15	**1,002**	1,416	**997**	1,565
Cash at bank and in hand		**10,762**	9,534	**10,674**	9,131
		11,896	11,083	**11,803**	10,829
CREDITORS: falling due within one year	16	**(1,422)**	(1,447)	**(1,329)**	(1,404)
NET CURRENT ASSETS		**10,474**	9,636	**10,474**	9,425
TOTAL ASSETS LESS CURRENT LIABILITIES		**95,878**	88,799	**95,878**	88,588
CREDITORS: falling due after more than one year		**0**	0	**0**	0
NET ASSETS BEFORE PENSION LIABILITY		**95,878**	88,799	**95,878**	88,588
Defined benefit pension scheme liability		**(1,539)**	(1,581)	**(1,539)**	(1,581)
NET ASSETS		**94,339**	87,218	**94,339**	87,007
FUNDS OF THE COLLEGE	17				
Endowment funds		**53,495**	48,324	**53,495**	48,324
Restricted funds		**3,189**	1,586	**3,189**	1,586
Unrestricted funds					
Designated fixed assets fund		**33,753**	34,803	**33,753**	34,803
General funds (excluding pension reserve)		**5,441**	4,086	**5,441**	3,875
Pension reserve		**(1,539)**	(1,581)	**(1,539)**	(1,581)
		94,339	87,218	**94,339**	87,007

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

David Isaac, Provost

WORCESTER COLLEGE

Consolidated Statement of Cash Flows

For the year ended 31 July 2021

	Notes	2021 Group £'000	2020 Group £'000
Net cash used in operating activities	24	**(1,220)**	(4,061)
Cash flows from investing activities			
Dividends, interest and rents from investments		**1,655**	1,611
Purchase of property, plant and equipment		**(0)**	(202)
Proceeds from sale of investments		**656**	0
Purchase of investments	13	**(312)**	(1,578)
Net cash provided by / (used in) investing activities		**1,999**	(169)
Cash flows from financing activities			
Receipt of endowment		**449**	775
Net cash provided by financing activities		**449**	775
Change in cash and cash equivalents in the reporting period		**1,228**	(3,455)
Cash and cash equivalents at the beginning of the reporting period		**9,534**	12,989
Cash and cash equivalents at the end of the reporting period		**10,762**	9,534

The College has no net debt and accordingly no net debt note is presented.

1 INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£'000	£'000
Teaching, research and residential		
Unrestricted Funds		
Tuition fees - UK and EU students	**2,116**	2,042
Tuition fees - Overseas students	**625**	513
Other fees	**219**	393
Other grant support	**132**	116
Other academic income	**188**	164
College residential income	**1,839**	2,451
	5,119	5,679

The above analysis includes £2,873k received from Oxford University from publicly accountable funds under the College Funding Formula Scheme (2020: £2,671k).

2 DONATIONS AND LEGACIES

	2021	2020
	£'000	£'000
Unrestricted funds	**2,987**	1,712
Restricted funds	**2,028**	534
Endowed funds	**449**	775
	5,464	3,021

3 INCOME FROM OTHER TRADING ACTIVITIES

	2021	2020
	£'000	£'000
Subsidiary company trading income	**11**	367
Other trading income	**2**	4
	13	371

4 INVESTMENT INCOME

	2021	2020
	£'000	£'000
Unrestricted funds		
Equity dividends	**1**	1
Interest on fixed term deposits and cash	**24**	53
Other investment income	**0**	2
	25	56
Restricted funds		
Other investment income	**0**	0
Endowed funds		
Other investment income	**1,630**	1,555

5 OTHER INCOME

Other income includes grants of £354k (2020: £361k) claimed from the Coronavirus Job Retention Scheme.

6 ANALYSIS OF EXPENDITURE

		2021	2020
		£'000	£'000
Charitable expenditure			
Direct staff costs allocated to :	Teaching, research and residential	**4,858**	4,410
Other direct costs allocated to:	Teaching, research and residential	**5,684**	5,608
Support and governance costs allocated to:	Teaching, research and residential	**2,022**	2,246
		12,564	12,264
Expenditure on raising funds			
Direct staff costs allocated to :	Fundraising	**343**	313
	Trading Expenditure	**20**	35
Other direct costs allocated to:	Fundraising	**105**	97
	Trading expenditure	**0**	42
Support and governance costs allocated to:	Fundraising	**59**	75
	Trading expenditure	**4**	2
	Investment management costs	**34**	43
		565	607
		13,129	12,871

The 2020 resources expended of £12,871k represented £9,212k from unrestricted funds and £3,659k from restricted funds.

7 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds	Teaching Research & Residential	**2021 Total**
	£'000	£'000	**£'000**
Financial and domestic admin	50	452	**502**
Human resources	16	173	**189**
IT	27	306	**333**
Depreciation	0	1,050	**1,050**
Other finance charges	0	21	**21**
Governance costs	4	20	**24**
	97	**2,022**	**2,119**

	Generating Funds	Teaching Research & Residential	**2020 Total**
	£'000	£'000	**£'000**
Financial and domestic admin	57	505	**562**
Human resources	34	220	**254**
IT	27	313	**340**
Depreciation	0	1,107	**1,107**
Other finance charges	0	82	**82**
Governance costs	2	19	**21**
	120	**2,246**	**2,366**

7 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS (continued)

Finance and administration and human resources costs are attributed according to the estimated staff time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. IT costs are attributed according to the estimated time spent on each activity. Interest and other finance charges are attributed according to the purpose of the related financing.

	2021	2020
	£'000	£'000
Governance costs comprise:		
Auditor's remuneration – audit services	**24**	21

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.

8 GRANTS AND AWARDS

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

		2021	2020
Grants to individuals from:		**£'000**	£'000
Unrestricted funds	Scholarships, prizes and grants	**25**	26
	Bursaries and hardship awards	**3**	9
		28	35
Restricted funds	Scholarships, prizes and grants	**134**	248
	Bursaries and hardship awards	**238**	150
		372	398
Total grants and awards		**400**	433

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

The figure included above represents the cost to the College of the Oxford Bursaries scheme. Students in the College received £262k in bursaries in 2020-21 (2019-20: £236k).

9 STAFF COSTS

The aggregate payroll costs for the year were as follows:

	2021	2020
	£'000	£'000
Salaries and wages	**4,707**	4,999
Social security costs	**421**	452
Pension costs	**873**	847
	6,001	6,298
Pension provision adjustment	**(53)**	(811)
	5,948	5,487

9 STAFF COSTS (continued)

The average number of employees of the College, excluding Trustees, was as follows:	**2021**	2020
Tuition and research	**185**	228
College residential	**87**	118
Fundraising	**5**	4
Support	**17**	20
Total	**294**	370

The average number of employed College Trustees during the year was as follows:	**2021**	2020
University Lecturers	**19**	19
CUF Lecturers	**12**	12
Other teaching and research	**7**	8
Other	**4**	4
Total	**42**	43

Salary and wages costs includes severance costs of £15k for 3 members of staff.

The College also benefits from temporary staff, agency workers and those part-time external tutors who are not on the College payroll.

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 to £70,000	**2**	3
£70,001 to £80,000	**0**	1

Details of the remuneration and reimbursed expenses of the College Trustees are included as a separate note in these financial statements.

10 TANGIBLE FIXED ASSETS

Group and College	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	**Total £'000**
Cost			
At start of year	44,603	2,106	**46,709**
Disposals	0	(522)	**(522)**
At end of year	**44,603**	**1,584**	**46,187**
Depreciation			
At start of year	10,160	1,661	**11,821**
Disposals	0	(522)	**(522)**
Charge for the year	886	164	**1,050**
At end of year	**11,046**	**1,303**	**12,349**
Net book value			
At end of year	**33,557**	**281**	**33,838**
At start of year	34,443	445	34,888

10 TANGIBLE FIXED ASSETS (continued)

Included within Fixtures, Fittings and Equipment above are intangible assets of £80k cost and £70k depreciation.

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

11 PROPERTY INVESTMENTS

Group and College	**2021 Total £'000**	2020 Total £'000
Valuation at start of year	**4,683**	3,018
Disposals	**(656)**	0
Additions and improvements	**312**	1,578
Revaluation gains in the year	**244**	87
Valuation at end of year	**4,583**	4,683

A formal inspection valuation of the College properties was prepared by Mark Charter MRICS of Carter Jonas LLP as at 31 July 2021. Governing Body is satisfied that these valuations remain materially accurate at the balance sheet date.

12 SECURITIES AND OTHER INVESTMENTS

Group and College	**2021 £'000**	2020 £'000
Valuation at start of year	**39,592**	41,512
Increase/(decrease) in value of investments	**7,391**	(1,920)
Valuation at end of year	**46,983**	39,592

Group and College investments comprise:

	Held outside the UK £'000	Held in the UK £'000	**2021 Total £'000**	2020 Total £'000
Global multi-asset funds	39,419	7,564	**46,983**	39,592

100% of the portfolio is invested with Oxford University Endowment Management (Endowment Fund).

13 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Worcester College Enterprises Limited, a company providing conference and accommodation services.

The results of the College and subsidiary, and their assets and liabilities at the year-end were as follows.

Worcester College	**2021 £'000**	2020 £'000
Income	**12,816**	10,946
Expenditure	**(13,119)**	(12,871)
Gains/(losses)	**7,635**	(1,833)
Result for the year	**7,332**	(3,758)
Total assets	**97,207**	89,992
Total liabilities	**(2,868)**	(2,985)
Net funds at the end of year	**94,339**	87,007

Worcester College Enterprises Limited	**2021 £'000**	2020 £'000
Turnover	**11**	367
Expenditure	**(10)**	(156)
Result for the year	**1**	211
Donation to College (gift aid)	**(212)**	0
	(211)	211
Total assets	**107**	415
Total liabilities	**(107)**	(204)
Net funds at the end of year	**0**	211

14 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns, with effect from November 2003. The investment return, to be applied as income, is calculated as up to 4.5% of the brought forward values of the relevant investments. The preserved (frozen) value of the invested endowment capital represents its open market value in 1992, except where the original donation can be identified, together with the original gift value of all subsequent endowments.

	Permanent Endowment			Expendable	**Total**
	Trust for Investment	Unapplied Total Return	Total	Endowment	**2021**
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	16,060	0	16,060	0	**16,060**
Unapplied total return	0	6,273	6,273	0	**6,273**
Expendable endowment	0	0	0	25,991	**25,991**
Total Endowments	16,060	6,273	22,333	25,991	**48,324**
Movements in the reporting period:					
Gift of endowment funds	11	0	11	438	**449**
Investment return: total investment income	0	754	754	876	**1,630**
Investment return: realised and unrealised gains and losses	0	3,416	3,416	3,975	**7,391**
Other transfers	0	0	0	0	**0**
Total	11	4,170	4,181	5,289	**9,470**
Unapplied total return allocated to income in the reporting period	0	(612)	(612)	0	**(612)**
Expendable endowments transferred to income	0	0	0	(3,687)	**(3,687)**
Net movements in reporting period	11	3,558	3,569	1,602	**5,171**
At end of the reporting period:					
Gift component of the permanent endowment	16,071	0	16,071	0	16,071
Unapplied total return	0	9,831	9,831	0	9,831
Expendable endowment	0	0	0	27,593	27,593
Total Endowments	**16,071**	**9,831**	**25,902**	**27,593**	**53,495**

14 STATEMENT OF INVESTMENT TOTAL RETURN (continued)

	Permanent Endowment			Expendable	**Total**
	Trust for Investment	Unapplied Total Return	Total	Endowment	**2020**
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	15,317	0	15,317	0	**15,317**
Unapplied total return	0	6,892	6,892	0	**6,892**
Expendable endowment	0	0	0	29,227	**29,227**
Total Endowments	15,317	6,892	22,209	29,227	**51,436**
Movements in the reporting period:					
Gift of endowment funds	743	0	743	32	**775**
Investment return: total investment income	0	672	672	883	**1,555**
Investment return: realised and unrealised gains and losses	0	(710)	(710)	(1,210)	**(1,920)**
Other transfers	0	0	0	0	**0**
Total	743	(38)	705	(295)	**410**
Unapplied total return allocated to income in the reporting period	0	(581)	(581)	0	**(581)**
Expendable endowments transferred to income	0	0	0	(2,941)	**(2,941)**
Net movements in reporting period	743	(619)	124	(3,236)	**(3,112)**
At end of the reporting period:					
Gift component of the permanent endowment	16,060	0	16,060	0	16,060
Unapplied total return	0	6,273	6,273	0	6,273
Expendable endowment	0	0	0	25,991	25,991
Total Endowments	**16,060**	**6,273**	**22,333**	**25,991**	**48,324**

15 DEBTORS: falling due within one year

	2021 Group £'000	2020 Group £'000	**2021 College £'000**	2020 College £'000
Trade debtors	**86**	179	**76**	167
Amounts owed by College members	**172**	145	**172**	145
Amounts owed by Group undertakings	**0**	0	**13**	161
Loans repayable within one year	**4**	3	**4**	3
Prepayments and accrued income	**720**	1,071	**712**	1,071
Other debtors	**20**	18	**20**	18
	1,002	1,416	**997**	1,565

16 CREDITORS: falling due within one year

	2021 Group £'000	2020 Group £'000	**2021 College £'000**	2020 College £'000
Trade creditors	**382**	392	**376**	392
Amounts owed to College Members	**416**	382	**416**	382
Taxation and social security	**131**	119	**131**	119
Accruals and deferred income	**265**	325	**262**	321
Other creditors	**228**	229	**144**	190
	1,422	1,447	**1,329**	1,404

17 MOVEMENTS OF THE COLLEGE FUNDS

The College accounts for its investment income on a total return basis, which allows the College to invest permanent endowments to maximise total return and to make available an appropriate proportion of the total return for expenditure each year. Until this power is exercised the total return is the 'unapplied total return' and remains as part of the permanent endowment. The College has adopted a total return rate of up to 4.5% on opening values. An amount equal to eligible expenditure is transferred from the permanent endowment fund to restricted funds from which eligible expenditure is spent.

Endowment Funds	At 31 July 2020 £'000	Incoming Resources £'000	Resources Expended £'000	Gains / (Losses) £'000	Transfers £'000	**At 31 July 2021 £'000**
Permanent						
Fellowships	14,562	494	0	2,227	(477)	**16,806**
Research Support	1,025	35	0	157	0	**1,217**
Scholarships	2,405	81	0	368	(55)	**2,799**
Studentships	1,104	37	0	169	(30)	**1,280**
Donated Collection	1,252	42	0	192	(2)	**1,484**
Library & Book Conservation	486	16	0	74	(11)	**565**
The Marriott Trust	872	29	0	133	(8)	**1,026**
Other Funds	626	32	0	96	(29)	**725**
Expendable						
General Fund	8,008	270	0	1,225	(1,584)	**7,919**
Fellowships	7,734	264	0	1,183	(250)	**8,931**
Visiting Fellows	1,701	57	0	260	37	**2,055**
Gardens and Grounds	1,243	55	0	190	(24)	**1,464**
Student Bursaries & Grants	2,107	71	0	322	(45)	**2,455**
Teaching Fund	668	25	0	102	(1)	**794**
The Fabric Fund	1,511	52	0	231	(1,794)	**0**
Other Funds	3,020	519	0	462	(26)	**3,975**
Total Endowment Funds	48,324	2,079	0	7,391	(4,299)	**53,495**
Restricted Funds						
Fellowships	0	0	(679)	0	679	**0**
Research Support	0	0	(0)	0	0	**0**
Scholarships	0	0	(53)	0	53	**0**
Studentships	0	0	(30)	0	30	**0**
Donated Collection	0	0	(3)	0	3	**0**
Library & Book Conservation	0	0	(11)	0	11	**0**
The Marriott Trust	0	0	(8)	0	8	**0**
Visiting Fellows	0	0	(11)	0	11	**0**
Student Bursaries & Grants	0	0	(30)	0	30	**0**
Teaching Fund	0	0	(1)	0	1	**0**
The Fabric Fund	0	1,500	(3,019)	0	3,018	**1,499**
Other Funds	1,586	528	(489)	0	65	**1,690**
Total Restricted Funds	1,586	2,028	(4,334)	0	3,909	**3,189**
Unrestricted Funds						
General Reserve	(808)	8,497	(7,777)	0	946	**858**
Fixed Assets Designated	34,803	0	(1,050)	0	0	**33,753**
Designated Reserves	4,683	0	(0)	244	(344)	**4,583**
Pension Reserve	(1,581)	0	42	0	0	**(1,539)**
Subsidiary	211	11	(10)	0	(212)	**0**
Total Unrestricted Funds	37,308	8,508	(8,795)	244	390	**37,655**
Total Funds	87,218	**12,615**	**(13,129)**	**7,635**	**0**	**94,339**

17 MOVEMENTS OF THE COLLEGE FUNDS (continued)

Endowment Funds	At 1 Aug 2019 £'000	Incoming Resources £'000	Resources Expended £'000	Gains / (Losses) £'000	Transfers £'000	**At 31 July 2020 £'000**
Permanent						
Fellowships	14,747	699	0	(447)	(437)	**14,562**
Research Support	1,000	30	0	(0)	(5)	**1,025**
Scholarships	2,018	540	0	(81)	(72)	**2,405**
Studentships	1,131	34	0	(46)	(15)	**1,104**
Donated Collection	1,270	38	0	(52)	(4)	**1,252**
Library & Book Conservation	502	15	0	(20)	(11)	**486**
The Marriott Trust	890	27	0	(37)	(8)	**872**
Other Funds	650	32	0	(27)	(29)	**626**
Expendable						
General Fund	8,484	257	0	(351)	(382)	**8,008**
Fellowships	8,118	259	0	(335)	(308)	**7,734**
Visiting Fellows	1,764	53	0	(73)	(43)	**1,701**
Gardens and Grounds	1,261	50	0	(52)	(16)	**1,243**
Student Bursaries & Grants	2,176	67	0	(90)	(46)	**2,107**
Teaching Fund	679	23	0	(29)	(5)	**668**
The Fabric Fund	3,589	110	0	(149)	(2,039)	**1,511**
Other Funds	3,157	96	0	(131)	(102)	**3,020**
Total Endowment Funds	51,436	2,330	0	(1,920)	(3,522)	**48,324**
Restricted Funds						
Fellowships	0	0	(745)	0	745	**0**
Research Support	0	0	(5)	0	5	**0**
Scholarships	0	0	(72)	0	72	**0**
Studentships	0	0	(15)	0	15	**0**
Donated Collection	0	0	(4)	0	4	**0**
Library & Book Conservation	0	0	(11)	0	11	**0**
The Marriott Trust	0	0	(8)	0	8	**0**
Visiting Fellows	0	0	(43)	0	43	**0**
Student Bursaries & Grants	0	0	(46)	0	46	**0**
Teaching Fund	0	0	(5)	0	5	**0**
The Fabric Fund	0	0	(2,038)	0	2,038	**0**
Other Funds	1,739	534	(667)	0	(20)	**1,586**
Total Restricted Funds	1,739	534	(3,659)	0	2,972	**1,586**
Unrestricted Funds						
General Reserve	1,216	7,926	(8,721)	87	(1,316)	**(808)**
Fixed Assets Designated	35,709	0	(1,107)	0	201	**34,803**
Designated Reserves	3,018	0	(0)	0	1,665	**4,683**
Pension Reserve	(2,353)	0	772	0	0	**(1,581)**
Subsidiary	0	367	(156)	0	0	**211**
Total Unrestricted Funds	37,590	8,293	(9,212)	87	550	**37,308**
Total Funds	90,765	**11,157**	**(12,871)**	**(1,833)**	**0**	**87,218**

18 DETAILS OF THE COLLEGE FUNDS

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

Permanent Endowment Funds

Fellowships: A total of 13 funds where income, but not capital, is used to support fellowships.

Research Support: A donation where income, but not capital, is used to support research.

Scholarships: A total of 7 funds where income, but not capital, is spent on student scholarships.

Studentships: A donation where income, but not capital, is spent on studentships in a named subject area.

Donated Collection: A bequest where income, but not capital, can be used to conserve a donated collection.

Library and book conservation: Donations and bequests where income, but not capital, can be used to support book conservation and preserve the Old Library.

The Marriott Trust: A donation where income, but not capital, can be used to support the education of the children of the clergy.

Other Funds: Donations and bequests where income, but not capital, can be used for general purposes.

Expendable Endowment Funds

General Fund: A consolidation of benefactions and donations where either income, or income and capital, can be used for the general purposes of the College.

Fellowships: A total of 5 funds where the income and capital can be applied to support named Fellowships in conjunction with the University of Oxford.

Visiting Fellows: A donation where the income and capital can be applied to support visiting fellows.

Gardens and Grounds: A consolidation of benefactions and donations where either income, or income and capital, can be used for expenses relating to the upkeep of the gardens and grounds.

Student Bursaries and Grants: A consolidation of benefactions and donations where either income, or income and capital, can be used for student bursaries and scholarship grants.

Teaching Fund: A consolidation of benefactions and donations where either income, or income and capital, can be used to support teaching.

The Fabric Fund: Donations and bequests where either income, or income and capital can be used for the maintenance of historic buildings.

Other Funds: A diverse group of donations and bequests where either income, or income and capital, can be used for specific purposes including support for fellowships and students.

Restricted Funds

Fellowships: Income used to support named tutorial and research fellowships.

Research Support: Income used to support research in a named subject area.

Scholarships: Income that can be spent on student scholarships.

Studentships: Income that can be spent on studentships in a named subject area.

Donated Collection: Income used to conserve a donated collection.

Library & Book Conservation: Income used to support book conservation and preserve the Old Library.

The Marriott Trust: Income used to support the education of the children of the clergy.

Visiting Fellows: Income used to support visiting fellows.

Student Bursaries and Grants: Income that can be used for student bursaries and scholarship grants.

Teaching Fund: Income used to support teaching.

The Fabric Fund: Income that can be used for the maintenance of historic buildings.

Other Funds: A diverse group of income and donations to support student activities, fellowships, research, the Library, archives, upkeep of the gardens and maintenance projects.

Designated Funds

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

Designated: Unrestricted Funds allocated by the Trustees for joint equity and other investment properties.

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

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	**2021 Total £'000**
Tangible fixed assets	33,753	85	0	**33,838**
Property investments	4,583	0	0	**4,583**
Securities and other investments	0	0	46,983	**46,983**
Net current assets	858	3,104	6,512	**10,474**
Defined benefit pension scheme liability	(1,539)	0	0	**(1,539)**
	37,655	3,189	53,495	**94,339**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	**2020 Total £'000**
Tangible fixed assets	34,803	85	0	**34,888**
Property investments	4,683	0	0	**4,683**
Securities and other investments	0	0	39,592	**39,592**
Net current assets	(597)	1,501	8,732	**9,636**
Defined benefit pension scheme liability	(1,581)	0	0	**(1,581)**
	37,308	1,586	48,324	**87,218**

20 TRUSTEES' REMUNERATION

Trustee remuneration

The trustees of the College comprise the Governing Body, primarily fellows who are teaching and research employees of the College and who sit on Governing Body by virtue of their employment.

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 scales and often are joint arrangements with the University of Oxford.

The Remuneration Committee consists of a majority of external members and makes recommendations to the Governing Body on levels of remuneration, allowances and expenses.

Trustees of the College fall into the following categories: Provost, Tutorial Fellows, Professorial Fellows, Supernumerary Fellows, and Official Non-Tutorial Fellows.

There are three trustees who work almost full time on management and fundraising; Finance and Estates Bursar (full time), Interim Provost (full time) and Director of Development & Alumni Relations (full time).

Some trustees, tutorial fellows, are eligible for College housing schemes. Five trustees lived in properties owned by the College and did not receive housing allowance. Others may be eligible for a housing allowance which is disclosed within the salary figures below. Four trustees lived in houses owned jointly with the College, as detailed in Note 25.

Some trustees receive additional allowances for additional work carried out as part time College Officers, for example, the Vice Provost, Senior Tutor and Dean. These amounts are included within the remuneration figures below. The total remuneration and taxable benefits as shown below is £1,477,908 (2019-20: £1,644,463). The total of pension contributions is £293,663 (2019-20: £292,882).

The following table sets out the remuneration received by Trustees as employees of the College:

20 TRUSTEES' REMUNERATION (continued)

	Gross Pay £		Taxable benefits £	Pension Contributions £	2020-21 Total £	2019-20 Total £
Mr David Isaac	8,867		0	1,871	10,738	0
Prof Sir Jonathan Bate	0		0	0	**0**	105,885
Dr Simon Cowan	48,525	*b*	1,904	10,239	**60,668**	60,345
Dr Peter Darrah	17,906	*a*	3,314	3,282	**24,502**	45,866
Prof Susan Gillingham	0		0	0	**0**	9,429
Prof Kate Tunstall	71,858		0	15,162	**87,020**	86,254
Prof Robert Saxton	10,937	*a*	0	2,308	**13,245**	16,003
Prof Donal Nolan	48,908	*b*	1,505	10,320	**60,733**	61,386
Dr Nir Vulkan	20,015	*a*	1,693	4,223	**25,931**	25,689
Dr Ben Morgan	8,088	*b*	1,764	1,707	**11,559**	40,736
Dr John Parrington	10,421	*a*	1,904	2,199	**14,524**	15,440
Dr Richard Earl	39,311	*b*	1,585	8,214	**49,110**	48,578
Dr Scott Scullion	53,332	*c*	2,677	11,095	**67,104**	67,757
Prof Josephine Quinn	4,342	*a*	0	916	**5,258**	3,127
Dr Rory Bowden	0		0	0	**0**	443
Prof Endre Süli	20,015	*a*	2,870	4,223	**27,108**	26,776
Prof Grant Ritchie	13,827	*a*	0	2,789	**16,616**	12,592
Prof Bob Harris	45,886	*b*	0	9,682	**55,568**	47,042
Dr Paul Azzopardi	25,164	*a*	2,504	5,310	**32,978**	33,126
Dr Mark Howarth	20,015	*a*	0	4,223	**24,238**	24,086
Dr David Steinsaltz	15,011	*a*	0	3,167	**18,178**	24,086
Dr Conrad Leyser	50,736	*b*	0	10,705	**61,441**	59,313
Prof Laura Ashe	56,954	*b*	0	12,017	**68,971**	68,200
Prof Kim Dora	20,015	*a*	290	4,223	**24,528**	25,771
Dr Antonis Papachristodoulou	20,015	*a*	1,177	4,223	**25,415**	25,228
Dr Michail Peramatzis	48,525	*b*	0	10,239	**58,764**	58,309
Dr Zofia Stemplowska	20,015	*a*	0	4,223	**24,238**	27,965
Prof Felix Parra Diaz	20,015	*a*	1,019	4,223	**25,257**	23,363
Dr Josephine van Zeben	0		0	0	**0**	9,118
Dr James Edwards	44,027	*b*	0	9,290	**53,317**	51,893
Dr Steven Methven	0		0	0	**0**	29,419
Mrs Coleen Day	12,318		1,644	2,340	**16,302**	91,030
Mr Mark Bainbridge	50,114		0	10,574	**60,688**	61,592
Rev Dr Tess Kuin Lawton	41,161		0	9,874	**51,035**	51,139
Dr Peta Fowler	28,265		0	5,673	**33,938**	34,464
Dr Alice Violet	28,547		0	5,673	**34,220**	32,329
Prof Andrzej Murawski	20,015	*a*	0	4,223	**24,238**	24,086
Dr Ton Van Den Bremer	3,928	*a*	7,195	829	**11,952**	26,411
Dr Robert Smith	10,592	*a*	9,594	2,188	**22,374**	27,440
Dr Hauke Marquardt	20,015	*a*	3,198	4,223	**27,436**	27,865
Dr Merve Emre	33,432	*b*	10,519	7,054	**51,005**	53,395
Mr Gareth Prior	87,113		0	18,381	**105,494**	105,262
Dr Marchella Ward	32,234		0	6,801	**39,035**	38,952
Dr Lisa Wedding	10,370	*a*	10,702	2,188	**23,260**	22,362
Mr Michael Mayo	56,172		0	10,794	**66,966**	58,364
Dr Laura Quick	41,601	*b*	0	8,778	**50,379**	48,653
Dr Leah Trueblood	38,396		0	8,102	**46,498**	41,633
Dr Natalia Waights-Hickman	29,435		10,676	6,117	**46,228**	34,604

20 TRUSTEES' REMUNERATION (continued)

	Gross Pay £		Taxable benefits £	Pension Contributions £	2020-21 Total £	2019-20 Total £
Ms Kate Foley	83,755		0	17,672	101,427	24,539
Prof Iain McCulloch	9,981	*a*	0	2,106	12,087	0

Where indicated the gross pay includes the College part of a joint arrangement with the University on the following scales; *a* University Lecturer, *b* CUF Lecturer, *c* Faculty Lecturer.

There were twelve trustees during the year who were not employees of the College and did not receive remuneration.
All employed trustees, together with other senior employees, are eligible for private health insurance as part of their package of remuneration.
All trustees may eat at common table, as can all other employees who are entitled to meals while working.
No fellow claimed any expenses for work as a trustee.

Other transactions with trustees

During the year the partners of some trustees were paid for providing tutorials for students of the College.

Key management remuneration

The total cost of remuneration paid to key management was £989k (2020: £971k). Key management are considered to be the College officers and senior as staff identified on pages 2 -3 of these financial statements.

21 PENSION SCHEMES

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

In the event of the withdrawal of any of the participating employers in USS or OSPS, the amount of any pension funding shortfall (which cannot be otherwise recovered) in respect of that employer will be spread across the remaining participating employers and reflected in the next actuarial valuation of the scheme.

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

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

Actuarial valuations

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

	USS	OSPS
Date of valuation:	31/03/18	31/03/19
Date valuation results published:	16/09/19	19/06/20
Value of liabilities:	£67.3bn	£848m
Value of assets:	£63.7bn	£735m
Funding (deficit) / surplus:	(£3.6bn)	(£113m)

21 PENSION SCHEMES (continued)

	USS	OSPS
Principal assumptions: • Discount rate • Rate of increase in salaries • Rate of increase in pensions	CPI –0.73% to CPI +2.52% **a** n/a CPI **c**	Gilts + 0.5% -2.25% **b** RPI Average RPI/CPI **d**
Assumed life expectancies on retirement at age 65: • Males currently aged 65 • Females currently aged 65 • Males currently aged 45 • Females currently aged 45 Funding Ratios: • Technical provisions basis • Statutory Pension Protection Fund basis • 'Buy-out' basis	 24.6 years 26.1 years 26.6 years 27.9 years 95% 76% 56%	 21.7 years 24.4 years 23.0 years 25.8 years 87% 74% 60%
Employer contribution rate (as % of pensionable salaries):	21.1% increasing to 23.7% on 01/10/21	19%
Effective date of next valuation:	31/03/20	31/03/22

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

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

b The discount rate for the OSPS valuation was:

Pre-retirement: Equal to the UK nominal gilt curve at the valuation date plus 2.25% p.a. at each term.
Post-retirement: Equal to the UK nominal gilt curve at the valuation date plus 0.5% p.a. at each term.

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

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

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

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

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

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

Sensitivity of actuarial valuation assumptions

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

21 PENSION SCHEMES (continued)

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

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

Deficit Recovery Plans

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

	2020/21		**2019/20**	
	OSPS	**USS**	**OSPS**	**USS**
Finish Date for Deficit Recovery Plan	31/01/28	31/03/28	30/01/28	31/03/28
Average staff number increase	0%	0%	0%	0%
Average staff salary increase	2.00%	2.00%	2.00%	2.00%
Average discount rate over period	0.89%	0.89%	0.74%	0.63%
Effect of 0.5% change in discount rate	£10k	£20k	£13k	£19k
Effect of 1% change in staff growth	£12k	£10k	£12k	£10k

A provision of £1,539k has been made at 31 July 2021 (2020 - £1,581k) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

Pension charge for the year

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

	2021	2020
	£'000	£'000
Scheme		
Universities Superannuation Scheme	**535**	(178)
University of Oxford Staff Pension Scheme	**268**	198
Other Schemes Contributions	**17**	16
	820	36

Included in other creditors are pension contributions payable of £nil (2020: £nil).

Post balance sheet event update for USS relating to the March 2020 Valuation

Since the year end, following the completion of the 2020 actuarial valuation, a new dual rate schedule of contributions has been agreed with an effective date of 1 October 2021. Recalculating the USS provision on the basis of these contributions would result in an increased obligation to fund a deficit of £2,819k, an increase of £1,785k.

A further change to deficit recovery contributions will become applicable under the 2020 valuation if the Joint Negotiating Committee recommended deed on benefit changes has not been executed by 28 February 2022. In this scenario, higher deficit recovery contributions will commence from 1 October 2022 at 3% and then increase every 6 months until they reach 20% at 1 October 2025. They remain at this level until 31 July 2032. Negotiations continue and an increase to this level is considered remote.

If the Schedule of Contributions remains unchanged, the University's Financial Statements for the year ended 31 July 2022 will reflect these changes to the provision, subject to any other changes in financial and operational assumptions.

22 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 purposes that are exclusively charitable.

No liability to corporation tax arises in the College's subsidiary company because the directors of this company 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.

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

	2021 **£'000**	2020 £'000
Net income	**(514)**	(1,714)
Elimination of non-operating cash flows:		
– Investment income	**(1,655)**	(1,611)
– Endowment donations	**(449)**	(775)
Depreciation	**1,050**	1,107
Decrease/ (increase) in stock	**1**	6
Decrease in debtors	**414**	186
(Decrease) / increase in creditors	**(25)**	(488)
(Decrease)/ increase in pension scheme liability	**(42)**	(772)
Net cash used in operating activities	**(1,220)**	(4,061)

24 CAPITAL COMMITMENTS

The College had no contracted commitments at 31 July for capital projects (2020: £nil).

25 RELATED PARTY TRANSACTIONS

The College is part of the collegiate University of Oxford. Material interdependencies between the University and the College arise as a consequence of this relationship. For reporting purposes, the University and the other Colleges are not treated as related parties as defined in FRS102.

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.

Two properties (2020: 4) are owned under joint equity agreements between the Trustees, named below, 50% and the College, 50%. Full market values of the properties, following an inspection valuation carried out by Carter Jonas LLP:

	2021 **£'000**	2020 £'000
Dr J Parrington	**844**	783
Prof J Quinn	**751**	700
Prof G Ritchie	**0**	505
Prof B Harris	**0**	744

These trustees do not receive Housing Allowance. All joint equity properties are subject to sale on the departure of the trustee from the College.

25 RELATED PARTY TRANSACTIONS (continued)

Two Trustees (Dr Ben Morgan and Professor Robert Saxton) had a family member or other connected party who was employed by the College on either a permanent or casual basis during the year; neither of these Trustees had supervisory responsibility for the relevant employee or was involved in their recruitment, and all cases have been declared in the register of Trustees' interests. The total value of these transactions was £13,626.

A proportion of the College's endowed funds are held at arm's length in the Worcester College Oxford Endowment Trust, which is not controlled by the College but which has the support of the College as its principal charitable objective. The Trust has agreed under a memorandum of understanding to make the College an annual grant (currently at 4.25% of the value of the Trust's assets at year-end).

26 CONTINGENT LIABILITIES

There were no known contingent liabilities.

27 POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

28 ULTIMATE CONTROLLING PARTY

The Trustees believe that the College does not have an Ultimate Controlling Party.

WORCESTER COLLEGE, OXFORD

England & Wales - Charity number 1143479

Accounts

Charity Registration No. 1143479

Worcester College

Annual Report and Financial Statements

Year ended 31 July 2020

WORCESTER COLLEGE
Annual Report and Financial Statements
Contents

Governing Body, Officers and Advisers	2 - 4
Report of the Governing Body	5 - 14
Auditor's Report	15 - 17
Statement of Accounting Policies	18 - 22
Consolidated Statement of Financial Activities	23
Consolidated and College Balance Sheets	24
Consolidated Statement of Cash Flows	25
Notes to the Financial Statements	26 - 42

WORCESTER COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2020

MEMBERS OF THE GOVERNING BODY

The Members of the Governing Body are the College's charity trustees under charity law. The members of the Governing Body, who served in office as trustees during the financial year, or subsequently during the period until September 30th 2020, are listed below together with details for those who also held College Officerships:

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Dr Simon Cowan					●	●				
Dr Peter Darrah	Vice Provost	●	●	●	●	●	●			●
Prof Susan Gillingham	Retired 30/09/19				●					
Prof Kate Tunstall	Interim Provost (from 23/9/19)	●		●	●	●	●	●		●
Prof Robert Saxton					●		●			
Prof Donal Nolan				●	●					
Dr Nir Vulkan			●		●					
Prof Andrew Carr									●	
Dr Ben Morgan					●					
Dr John Parrington					●					
Dr Richard Earl					●				●	
Dr Scott Scullion	Senior Tutor	●		●	●		●	●		●
Prof Deborah Cameron									●	
Prof Josephine Quinn			●		●					
Prof Andreas Willi										
Dr Rory Bowden	Demitted 31/12/19					●				
Prof Julian Roberts	Senior Treasurer of Clubs									
Prof Endre Süli		●			●					
Prof Robert Gildea	Retired 30/9/20									
Prof Grant Ritchie								●		●
Prof Bob Harris			●		●					
Dr Paul Azzopardi					●	●				●
Dr Mark Howarth					●					
Dr David Steinsaltz		●	●		●	●				
Dr Conrad Leyser					●					
Prof Laura Ashe	Tutor for Admissions				●			●		
Prof Gabriel Stylianides										
Prof Kim Dora					●					
Dr Antonis Papachristodoulou		●			●					
Dr Michail Peramatzis					●					
Dr Zofia Stemplowska	Tutor for Graduates			●	●	●		●		
Prof Felix Parra Diaz		●			●			●		
Dr Afifi al-Akiti					●					
Prof Sadie Creese										
Dr Josephine van Zeben	Demitted 30/9/19									
Dr James Edwards					●		●			
Prof Andrew Stephen		●								
Dr Steven Methven	Demitted 30/9/19				●					
Mrs Coleen Day	Development Strategy Director (Retired 30/9/20)	●				●	●			●
Mr Mark Bainbridge	Librarian	●								●
Rev Dr Tess Kuin Lawton	Chaplain & Tutor for Women				●					●
Dr Alexander Sturgis										
Dr Peta Fowler					●	●				
Dr Alice Violet					●					
Dr Andrzej Murawski					●					
Dr Ton van den Bremer		●			●					
Dr Robert Smith		●			●					

MEMBERS OF THE GOVERNING BODY (continued)

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Dr Hauk Marquardt					•	•				
Dr Merve Emre					•	•				
Mr Gareth Prior	Finance & Estates Bursar	•	•			•	•			•
Dr Marchella Ward	Outreach Fellow				•		•			•
Dr Lisa Wedding					•					
Mr Michael Mayo					•					
Dr Laura Quick					•					
Dr Leah Trueblood	Appointed 1-9-19				•					
Dr Natalia Waights-Hickman	Appointed 1-10-19				•					
Prof Tsilly Dagan		•								
Ms Kate Foley	Appointed 4-5-20	•					•			
Prof Iain McCulloch	Appointed 19-7-20				•					

During the year the activities of the Governing Body were carried out through nine principal committees. Membership of these committees of governance during the year is shown above for each Fellow.

(1) Finance Committee, which also includes 2 senior members of staff and 1 external member

(2) Investment, which is a sub-committee of Finance Committee, and also includes 1 senior member of staff and 3 external members

(3) Academic Strategy Committee, which also includes 1 member of staff

(4) Tutors' Committee, which also includes Director of Visiting Student Programme, Chaplain, Career Development teaching JRFs, lecturers with tutorial responsibilities during Fellows' sabbatical leave

(5) Domus Committee, which also includes 3 senior members of staff

(6) External Relations Committee, which also includes 2 external members

(7) Nominating Committee

(8) Audit and Risk Committee, which has an external chair and a further 3 external members

(9) Human Resources Committee, which also includes 1 external member

Other business is conducted through further committees:

Remuneration Committee has 2 internal and 3 external members.

Further committees are primarily concerned with managing or administering a service; Chapel Committee, Gardens & Grounds Committee, Library Committee, IT Committee, Housing & Accommodation Committee, Buildings Committee and Travel Grants Committee.

The Joint Consultative Committee comprising membership from Governing Body, senior staff and Officers of the Middle and Junior Common Rooms discusses matters affecting Middle and Junior Common Room members. Such matters include (but are not limited to) the domestic management of the College, food service provision, and sports and recreational facilities.

Membership details for all committees are available on request.

COLLEGE SENIOR STAFF

The senior staff of the College to whom day to day management is delegated are:

Mr Mark Bainbridge	Librarian
Mrs Coleen Day	Development Strategy Fellow (retired 30-9-20)
Jaine Fitzpatrick	Home Bursar
Ms Kate Foley	Development Director (from 4-5-20)
Mr Richard Noonan	Head of Works (from 1-8-19)
Ms Patricia Pease	College Accountant
Mr Gareth Prior	Finance and Estates Bursar

COLLEGE ADVISERS

Investment managers
Oxford University Endowment Management Ltd
King Charles House
Park End Street
Oxford
OX1 1JD

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

Bankers
The Royal Bank of Scotland
Customer Service Centre
Drummond House
1 Redheughs Avenue
Edinburgh
EH12 9JN

Surveyor
Carter Jonas
Mayfield House
256 Banbury Road
Summertown
Oxford, OX2 7DE

College address
Worcester College
Oxford
OX1 2HB

College website

www.worc.ox.ac.uk

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 Provost, Fellows & Scholars of Worcester College in the University of Oxford, which is known as Worcester College, ("the College") is an eleemosynary chartered charitable corporation aggregate. It was founded through a legacy of Sir Thomas Cookes Bt. under a Royal Charter of Queen Anne dated 1714. The corporation comprises the Provost and Fellows. The College is registered under the Charity Commission (registered number 1143479).

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

Until 13 December 2011, the College was governed by its Statutes dated 21 December 1966. Notice of new Statutes to alter and amend the Statutes of the College, passed at meetings of the Governing Body and approved by the University, were submitted for the approval of Her Majesty in Council. Her Majesty, having taken the Statute into consideration by and with the advice of Her Privy Council approved the revisions to the existing Statutes on 14 December 2011.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Master of the Rolls on behalf of the Crown. New Governing Body fellows are appointed by the existing trustees, for specified periods of time or until retirement. New members of the Governing Body are elected on the basis of expertise in their particular field.

The Governing Body devises and approves the College's strategy and oversees its administration and also the management of its finances and assets. It meets regularly under the chairmanship of the Provost.

Recruitment and training of Members of the Governing Body

New Members of the Governing Body are normally recruited by open application and interview and are inducted into the workings of the College, including Governing Body policy and procedures, by means of being provided with a copy of the College Statutes, the Fellows' Handbook, Charity Commission Guidance Notes and informal discussions with colleagues.

Training courses and information to keep members of the Governing Body informed about current issues in the sector and on regulatory requirements are kept under review and offered, as appropriate.

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 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. This is set based on the advice of the College's Remuneration Committee, which has a majority of external members. Where possible, remuneration is set in line with that awarded to the University's academic staff.

The remuneration of senior college staff is approved by Governing Body on the recommendation of the Remuneration Committee.

Organisational management

The members of the Governing Body normally meet six times a year, with the provision for an additional 3 extraordinary meetings, if required. Governing Body has established a series of committees to attend to and advise upon the wide range of matters for which Trustees are accountable:

- **Finance Committee (meets twice per term or more frequently if needed)**
  The Finance Committee is responsible for business related to the financial management of the College, including financial strategy, monitoring of financial performance and consideration of requests for expenditure. The Committee meets twice per term and more frequently if needed. A sub-committee of the Finance Committee, the Investment Sub-Committee, meets once each term to consider the College's investment strategy.

- **Audit and Risk Committee (meets once per term)**
  This committee oversees audit and risk management across the College, recommends the appointment of auditors, scrutinises the College's risk register and risk management activities, and scrutinises the financial statements and audit report for recommendation to Governing Body.

- **Academic Strategy Committee (meets as needed)**
  This committee has responsibility for monitoring and developing the medium and long-term academic strategies of the College including the subject balance and decisions about associations with new posts.

- **Tutors' Committee (meets twice per term)**
  This committee considers business related to the academic and teaching aspects of the College including admissions, changes of course, student progress, requests for student suspensions, graduate matters etc.

- **Domus Committee (meets once per term)**
  This committee is responsible for the general management of the College, including accommodation, housekeeping, catering and security.

- **Human Resources Committee (meets once per term)**
  This committee is responsible for human resources, data protection, health & safety and equality and diversity across the College.

- **External Relations Committee (usually meets once per term)**
  The External Relations Committee is responsible for business related to fund-raising and alumni relations.

- **Nominating Committee (usually meets once per year)**
  The Nominating Committee proposes membership of committees and appointments of College Officers.

Further committees meet regularly to discuss specific areas of the College (including Chapel, Library, Computing, Gardens and Grounds, Buildings, Student Matters, Housing and Accommodation).

The day-to-day running of the College is delegated to the Provost, supported by the following College Officers and senior staff: Vice-Provost, Senior Tutor, Tutor for Graduates, Dean, Director of Development and Alumni Relations, Librarian, IT Manager, Human Resources Manager, Finance and Estates Bursar, Home Bursar, Head of Works, College Accountant, Academic Administrator and Tutor for Admissions. All meetings of the committees listed above are attended by one or more of these individuals.

Group structure and relationships

The College has a wholly owned trading subsidiary, Worcester College Enterprises Limited whose accounts are consolidated into the accounts of the College.

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.

A proportion of the College's endowed funds are held at arm's length in the Worcester College Oxford Endowment Trust, which is not controlled by the College but which has the support of the College as its principal charitable objective. The Trust has agreed under a memorandum of understanding to make the College an annual grant (currently at 4.25% of the value of the Trust's assets at year end).

The College also administers many special trusts, as detailed in Notes 17 and 18 to the financial statements.

OBJECTIVES AND ACTIVITIES

Worcester College promotes freedom of thought and expression, academic integrity and a willingness (indeed an expectation) to challenge ideas and in turn to be challenged. The College is an academic community providing a stimulating and supportive teaching and learning environment for students (of all levels), with modern facilities and a range of opportunities for extra-curricular activity. The College's educational provision complements the educational opportunities available to our students within the departments and faculties of the University of Oxford. In particular, the College operates a tutorial system where each student's education is steered by research-active academics whom the students meet (usually either individually or in pairs) on a weekly basis. In this way the College provides an informing, inspiring and also challenging learning environment.

For centuries Worcester College has prepared students of outstanding talent and potential for graduation in a wide range of academic disciplines. Alumni have gone on to lead fulfilling professional lives and, individually and collectively, have made major contributions in their chosen fields including in commerce, the professions, in the arts, science and engineering, in medicine, faith communities, the military and in public service.

Charitable Objects and Aims

The College's Objects are the advancement of education, religion, learning and research, by the provision of a college in the University of Oxford, for the benefit of the public.

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 advance education, including extending access

  Working with the University of Oxford's departments and faculties, the College educated 656 students (undergraduate and graduate) during the year in a wide range of subject areas, plus 45 visiting students who attended for subsets of the year. Students are admitted from diverse backgrounds solely on the basis of their academic ability and potential.

  Opportunities are provided to develop students' academic knowledge and potential, and the transferable skills needed by them to contribute in the workplace and more widely. To support these activities, the College provides tutorial (small-group) and class teaching to undergraduates, maintains a range of teaching and learning facilities (including three libraries and a number of lecture/seminar rooms) and organises events for all students to advance their education. A range of welfare, pastoral and administrative systems and social, cultural, and extra-curricular activities are also provided by the College.

  The College employs an Admissions and Access Officer and has an Outreach Fellow to undertake outreach and widening-participation work and to work with the Tutor for Admissions to develop and implement policies associated with access and the selection of undergraduate students. The Tutor for Graduates, supported by a Graduate Officer, is responsible for work associated with the admission of graduate students.

- To provide bursaries

  The College recognises academic achievement through the award of scholarships, exhibitions and prizes for strong performance. Funds are provided to assist students with the purchase of academic books, to help with vacation residence and field trip costs, and for travel associated with attendance at conferences and in furtherance of their academic work.

- To support impecunious students through targeted financial aid

  The College advises and assists students who are in financial hardship. A Student Financial Aid Committee considers applications for assistance from the College's hardship funds and is able to provide help by means of grants, loans or a combination of the two.

- To support college-funded and independent research

  The College funds a number of career development Junior Research Fellowships and Tutorial Fellowships, whose responsibilities include research. Associations are also offered, by means of Senior Research Fellowships and Supernumerary Fellowships, to individuals in University departments and faculties who are undertaking research. Through the standard University scheme for sabbatical leave, and in considering requests for special leave, it also provides replacement teaching to enable Fellows to dedicate between 1 and 3 terms to specific research projects. All Tutorial Fellows and career development Junior Research Fellows are eligible to receive a Teaching and Research Allowance and may apply for assistance towards expenses incurred in attending academic conferences.

  Students and academic staff are able to make use of the College's three libraries, and researchers can also apply to access material in the College's special collections of prints, manuscripts and material in the archive.

- To promote religion

  The College employs a full-time Chaplain who conducts services in the Chapel, is a member of the welfare team and can be approached by students of any faith, or none. The Chapel acts as a centre of Christian worship but its use by anyone as a space for quiet reflection is also encouraged.

  The Chapel is open every day and supports two flourishing choirs; a mixed-voice choir and a choir incorporating boy trebles from Christ Church Cathedral School. Services are also sometimes sung by 'Frideswide Voices', a new choir for girl choristers, aged 7-14, co-founded by the Chaplain in 2014.

  Interfaith services are offered on a regular basis and all services are promoted, internally and externally, by means of notice boards and websites. Information about the variety of faith societies, belief groups and religious centres within the University is provided in the Undergraduate and Graduate Handbooks. The College also opened its new multi-faith prayer room during the financial year.

  There are various events outside of the Chapel, to discuss religion, ethics and morality, organised by the Chaplain, usually including a weekly discussion group and a termly dinner with guest speaker.

  With the closure of the Chapel and much of the College site at the end of Hilary Term during the initial Covid lockdown, Chapel services for Trinity Term were delivered remotely. Online services included music from the choir, and were well-attended and well-received by both current students and our wider community, including old members.

ACHIEVEMENTS AND PERFORMANCE

Covid-19

The Covid-19 pandemic affected all College activities during the second half of the financial year. The majority of the College site was closed during the Easter Vacation and Trinity Term and teaching was delivered remotely, although a significant minority of students remained in residence. Final year students took their public examinations remotely, and support operations across the College had to be redesigned to operate in lockdown conditions. The impact on the College's finances was substantial (see below) but was mitigated by significant cost savings and by a series of extremely generous exceptional donations from old members, the majority of which are pledged for financial year 2020-21. As we move into the new financial year, the College is working to ensure that we can continue to deliver against our charitable objects to our usual high standards in spite of the ongoing financial and operational disruption. We are also conscious of the sustained burden that the pandemic is taking on our students and staff, and of the ongoing importance of our welfare operation.

Access and Admissions

Our access work continued to expand and increase its impact over the course of 2019-20. Although in-person visits to schools and colleges had to be suspended for the second half of the financial year due to the Covid-19 lockdown, the College's outreach team managed to sustain all of our existing visits and programmes, meeting with over 2,000 students (in person and virtually) and launching a number of new sustained engagement programmes aimed at particular groups that are under-represented in higher education. New programmes this year have included a programme for 300 Black and Minority Ethnic students studying in years 11 and 12 at UK state schools; Being Human, a humanities programme for 60 year 12s studying at state schools in the North West and Yorkshire and Humber who have little or no access to the study of the ancient world in their schools; and 'Thinking About Oxford', a programme for students within our link area studying at state schools with very little history of application to highly selective universities like Oxford or Cambridge. With support from educational charity The Brilliant Club we have been able to add another cohort of 60 year 8 pupils to our sustained engagement programme 'Think Big', which aims to raise attainment among disadvantaged students at state schools in Bradford, working with cohorts of students from year 8 to year 11. We have continued our work with the Social Mobility Foundation (working in particular with students from low income backgrounds) and with Target Oxbridge (a specialist outreach programme for Black applicants), as well as working locally in our link area with the Bradford Opportunity Area.

The closure of schools this year presented new challenges for educational equality, and our outreach team has responded by setting up a number of projects to equip young people with the support and enrichment work that they might otherwise have missed out on this year. The College sent out 80 books to state schools across the UK as part of our book-reviewing project 'The Worcester Bookshelf', and our outreach team also built a hub of online resources for school-level study and beyond (both subject-specific and university admissions focussed) with support from academic staff. We will be continuing all of our projects this coming year in their new virtual formats, but will also set our sights on reducing the new educational inequalities created by the Covid-19 pandemic, including through the provision of a tutoring programme in English Literature for GCSE students at state schools who have missed out on teaching time during school closures.

In 2019, Worcester College received 1,253 direct applications. Within this, the proportion of UK applications from the state sector grew to 72% (compared with 66% in 2018).

Despite these high numbers, Worcester applicants continued to have one of the highest success rate across the University. The overall proportion of candidates who applied to Worcester College (or were allocated through the open application scheme) and were made offers by the University was 20.2% (compared to the university-wide figure of 15%).

The composition of offers made in 2019 for 2020 entry was: 58.5% female, 41.5% male; 87% UK and 13% overseas (in 2018 for 2019 entry the composition of offers was 57% female, 43% male; 89% UK and 11% EU/overseas).

In 2019 the College set a number of targets for undergraduate admissions with the aim of increasing the diversity of our student body, with particular attention to groups currently underrepresented at Oxford. Of the UK students receiving offers, 83% applied from the State sector (67% in 2018), and 17% applied from the Independent sector (33% in 2018). Of our UK offers, 23% were made to students from areas with the lowest rates of progression to higher education (15.4% in 2018); and 25% to students from the most socio-economically deprived areas (13.7% in 2018).

When A level exams were cancelled after the end of the financial year, a high degree of uncertainty surrounded the results released in August 2020 and the consequent impact on the offers we had already made in December. The College carefully considered every applicant whose awarded grades did not meet the terms of their offer in light of this uncertainty, and ultimately we confirmed the places of all of our UK offer-holders.

Fellowship and Staff

The Governing Body comprised the Provost, 37 Official Tutorial Fellows, 2 Fellow-Lecturers, 6 Official Non-Tutorial Fellows, 6 Professorial Fellows and 8 Supernumerary Fellows. In addition, there were 15 Senior Research Fellows and 11 Junior Research Fellows.

Teaching was further supported by a number of College Lecturers, including 30 Stipendiary appointments and external tuition was provided by tutors from across the collegiate university. Sixteen terms of sabbatical or special leave for research purposes were granted to a total of eight Fellows. A total of 142 non-academic staff (by headcount, not FTE) supported the College's activities.

Student Numbers and Progress

During the 2019-20 academic year there were 413 undergraduates, 202 graduates and 28 visiting students in College, a total of 643 students. In Finals, Worcester's undergraduates obtained 53 Firsts, 58 Upper Seconds, 2 Lower Seconds and 1 Unclassified degree. Due to changes in the timing of the production of the Norrington Table showing the relative performance in Finals by each of the Oxford colleges, we do not yet know how these results compare with the wider University. Students also achieved excellent results in their First Public Examinations (normally taken in the first year). The graduate community continued to thrive and a very wide range of postgraduate taught and research degrees were completed successfully.

Student Financial Support

The College has continued to offer financial support to its students, including for academic provision, hardship, bursaries, study grants and extra-curricular activities. Funds were also provided to support other activities including field trips, medical electives, undergraduate research / conference travel, book bursaries, sports bursaries and language tuition. A total of £433k was disbursed during the year (2019: £438k).

Development

Following the closure of the Tercentenary Campaign in financial year 2018-19, the College had expected to enter a period of consolidation and planning in its development operations, coinciding with the recruitment of a new Development Director and the retirement of the outgoing Development Strategy Fellow.

The Covid-19 pandemic mean that the new Development Director joined during lockdown, and that the Development Office had to delay its planned consolidation and strategy work to run a Covid relief campaign with many of our major donors. The level of support we saw in this was extraordinary, and meant that College was able to navigate the financial and operational disruption of Covid without having to resort to actions that might damage our longer-term ability to deliver against our charitable objects. To-date, £4.8 million has been pledged to the Covid appeal, with the majority of it due to be received in financial year 2020-21.

During the year we received a total of £3,021k in donations. This was less than the prior year total of £10,502k because of the non-recurrence of several material one-off donations in the final year of the Tercentenary Campaign (most notably, £5 million for the endowment of two Tutorial Fellowships), but it nonetheless materially exceeded original expectations for the year.

The College is deeply grateful to all its generous donors.

FINANCIAL REVIEW

The principal funding sources of the College continued to be fees, accommodation charges, conference income, donations and endowment income. Fee income is received via the University from the Office for Students (OfS), various funding bodies and students.

The College also receives financial support from many benefactors to whom it is extremely grateful.

Total income and endowments for the year were £11,157k (compared with £20,112k in 2018-19). As noted above, this included £3,021k from donations and legacies (compared with £10,502k in 2018-19).

The College's charitable objects continue to be met with resources expended on charitable activities for the year of £12,264k (2019: £13,921k). The decrease in expenditure vs prior year was primarily driven by cost savings during the Covid lockdown, most of which resulted from the necessary suspension of certain on-site activities.

Incoming resources from charitable activities in the year, principally fees and residential income were £5,679k compared with £7,489k in 2018-19, with the reduction primarily due to the material decrease in residential income while the majority of activities were conducted remotely during Trinity Term and to the loss of the conference business in the second half of the academic year.

As planned, the spending gap caused by the excess of expenditure on charitable activities over incoming resources from those same activities was met principally from resources from generated funds including investment income, trading income, legacies and donations. The operating cash deficit increased from £1,581k in 2018-19 to £4,061k in 2019-20, reflecting Covid operating losses plus the ongoing programme of major maintenance works on our historic fabric. During 2019-20, this work was focused on the Terrace buildings in the Main Quad.

All of the College's securities and other investments are managed by Oxford University Endowment Management Limited (OUEM) and total £39,592k (2018-19: £41,512k).

The trustees have given particular attention to the College's ability to continue as a going concern in the light of the financial impact of Covid. In addition to the financial impact during the year from lost student rents, catering and conference income, it is likely that the conference business will take some time to recover from the disruption caused by Covid, and that pressure on commercial revenue will therefore continue into at least the medium term. The College's ongoing programme of essential maintenance puts additional pressure on funding, and existing concerns about the economic environment have been exacerbated by the likely ongoing impact of Covid on the world economy. Having reviewed the current cash position and forecast income and expenditure, and in the light of the Covid appeal donations received and pledged to support the College, plus material savings in operating costs, the trustees are satisfied that the College is a going concern. However, the operating budget for the coming years remains challenging, and additional income will need to be generated and/or cost reductions delivered to ensure that the College's finances remain healthy into the medium term and beyond.

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, to allow the College to be managed efficiently and to provide a buffer that would ensure uninterrupted delivery of services. In 2018-19, having reviewed current risks and uncertainties in the external environment, the Trustees set a new target range for free reserves equal to 3-6 months of operating costs to allow operations to continue in the event of short-term economic disruption or other revenue shocks, and committed to developing financial strategies to achieve this over the next 2-3 years. In setting this target, the Trustees were also mindful that the College's Expendable Endowment provides a degree of protection in the event of short-term revenue pressure, although taking the view that it is preferable and prudent also to increase the level of free reserves given the long-term purpose of Endowed funding.

The Group's unrestricted reserves (excluding Pension reserve) at the year-end amounted to £38,889k (2018-19: £39,943k), represented by £34,803k of fixed assets, £4,683k of long term property investments and free reserves (net of subsidiary trading profit) of £(597)k. Although negative free reserves are unsustainable beyond the short term, and in any case materially short of the target 3-6 months of operating costs, the Trustees are conscious that this situation is a consequence of the immediate impact of the Covid pandemic; that pledges to the Covid appeal are credibly set to bring reserves back to a healthier positive value during 2020-21; and that an exceptional distribution has already been agreed by the trustees of the Worcester College Endowment Trust which will restore positive free reserves in the near future. Taking all of this into account, the Trustees consider the negative free reserves to be a temporary function of the global pandemic, and not in themselves a cause for material concern.

The Pension reserve of £(1,581)k represents a commitment to pay additional pension contributions over a 20 year period. The College is confident that it can meet these contributions from projected future cash flows without significant impact on planned levels of charitable activity, and therefore in line with Charity Commission guidance, this commitment does not impact free reserves.

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 on a total return basis, maintaining 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 total return and to make available for expenditure each year an appropriate proportion of the unapplied total return.

The investment strategy, policy and performance are monitored by the Investment Sub-Committee. At the year end, the College's long term securities totalled £39,592k, which during the year generated income of £1,555k and saw the recognition of an unrealised loss of (£1,920k) due to the impact of Covid on global markets.

Under the total return accounting basis, it is the Governing Body's policy to extract as income up to 4.5% of the value of the relevant invested funds. The Governing Body will keep the level of drawdown under review to balance the needs and interests of current and future beneficiaries of the College's activities.

Risk management

The College has on-going processes which operated through-out the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiaries in undertaking their activities.

The Governing Body has ultimate responsibility for managing any risks faced by the College, and the Audit and Risk Committee helps it monitor the major risks to which the College is exposed. A risk register has been established and responsibility for the management of the key risks resides with the College officers and their relevant committees, with the Audit and Risk Committee receiving periodic reports on the effectiveness of this.

The principal risks and uncertainties faced by the College and its subsidiaries that have been identified are categorised as follows:

- Failure to attract admit and retain sufficiently high quality students from diverse backgrounds. Principal mitigation is via the College's access and outreach activities detailed above, and by the provision of a range of welfare support throughout students' time at the College.

- Failure to attract and retain high quality staff. On the academic side this is mitigated by ensuring appropriate remuneration and by a range of additional measures including flexibility of funded leave to support research, and assistance securing housing in Oxford's competitive market. More broadly, the College mitigates this risk by working to attract a wide-range of qualified applicants for positions, including from backgrounds or previous career-paths that might not traditionally apply for roles in an Oxford College.

- Governance and financial control risks inherent in any charity of the College's size and complexity. These risks are mitigated by robust financial and governance controls including strong budgetary and purchasing controls, independent membership of key Committees and clear protocols for managing potential conflicts of interest.

- Risks relating to the management and operations of the College, including health and safety, risk of damage to the historic fabric of the estate, and potential interruption to the College's activities. Mitigation involves a range of preventative and control measures, alongside thorough reporting and oversight,

contingency planning and insurance. Other risks relating to the operational activities of the college such as employment of staff and use of IT are managed through clear procedures and monitoring.

- Other risks of harm to the beneficiaries of the charity. This is mitigated through appropriate safeguarding procedures, continued investment in student welfare provision, and the active risk-assessment of events and activities on the College site.

- Financial risk to the College's endowment, including loss of real value through inappropriate investment, and failure to attract sufficient additional endowment funds. The College's endowment is invested with Oxford University Endowment Management to ensure direct oversight and management by investment professionals, with an Investment Subcommittee monitoring performance and reviewing future strategy, including potential concentration risk. Risk of insufficient future donations is mitigated by the activities of the Development Office and the Provost, overseen by both the External Relations Committee and the Finance Committee.

In the second half of the year, the College's Audit and Risk Committee held a dedicated meeting on risks relating to the Covid pandemic, including where Covid factors were putting pressure on pre-identified risk areas. The Committee satisfied itself that the College's immediate risk management and mitigations were appropriate and that the short-term risks relating to Covid were adequately managed and mitigated to the extent that this was reasonably possible.

FUTURE PLANS

The College does not have plans significantly to adjust either the size of its student body or the range of subjects offered for study. It will continue to deliver teaching and learning through the tutorial system, to support research, fund scholarships and scholarly activity and to recognise scholarly achievement, support students in financial hardship and provide for the spiritual welfare of its students through its chapel provision.

During the year, the College appointed David Isaac CBE as its new Provost. He will take office in July 2021. The College will also shortly begin recruitment of a full-time Senior Tutor, moving away from the historic model where this role was undertaken part-time by an Official Tutorial Fellow.

All of these senior recruitments are against the backdrop of an increasing focus on expanding access and working toward equality of opportunity and diversity within our academic community, both of which are anticipated to continue to grow in importance over the coming year.

Following the success of the Covid appeal, the College's Development office will revert to the planned period of consolidation and strategic planning, alongside strengthening relations with our alumni community and introducing the new Development Director to our donors and old members. Although the ongoing Covid pandemic will restrict our scope for old member events in the immediate future, the College expects to continue to explain our activities and plans to alumni and prospective donors in a series of events, through publications and through the College website.

The extraordinary generosity of our donors to the Covid appeal has allowed College to balance its operating budget without having to take action that might harm our ability to deliver against our charitable objects in future. However, the impact of the Covid pandemic on our conference business is significant and expected to continue into the medium term. During 2020-21 we face the twin operational challenges of continuing to drive efficiencies in our cost base, especially support costs, and laying the foundations to rebuild our commercial revenue in future.

The College's ongoing essential maintenance programme is planned to continue for the next two financial years and represents a significant expenditure commitment. Alongside this, the free reserves depleted by Covid need to be rebuilt and then increased to the target level that the trustees have set in the light of uncertainties in the external environment. These factors further increase the importance of the cost reduction and commercial revenue work noted above.

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 must:

- select the most suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- 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 25 November 2020 and signed on its behalf by:

Prof Kate Tunstall
Interim Provost

Independent auditor's report to the trustees of Worcester College

Opinion

We have audited the financial statements of Worcester College (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Statement of Cash Flows 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 Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and College's affairs as at 31 July 2020 and of the group's incoming resources and application of resources, including the group's and the College's income and expenditure for the 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

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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group or the College'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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, set out on pages 5 to 14 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and College'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 trustees either intend to liquidate the group or parent 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 group and the parent 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.

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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 this report

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

Moore Kingston Smith LLP

Moore Kingston Smith LLP, Statutory Auditor

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.

Date: 27 November 2020

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its wholly owned subsidiary, Worcester College Enterprises Limited.

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 its subsidiary for the reporting year are in note 13.

The accounts of the affiliated student bodies, Worcester College Clubs, Middle Common Room and Junior Common Room have not been consolidated because 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'.

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' (The Charities SORP (FRS102)).

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the measurement of investments and certain financial assets and liabilities at fair value with movements in value reported within the Statement of Financial Activities (SOFA).

The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

3. Going concern

The Trustees 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.

4. 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 participates in two multi-employer defined benefit pension plans. In the judgement of the Governing Body, there is insufficient information about the plan assets and liabilities to be able to account reliably 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 21).

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.

4 Accounting judgements and estimation uncertainty (continued)

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.

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

5. 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, OfS support and other charges for services

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

Conference income in relation to conferences that span the year end is accrued for in accordance with the proportion of completion.

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.

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.

6. Expenditure

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

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

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

Support costs which 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.

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, together with expenditure on equipment costing more than £2,000, is capitalised.

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

Other expenditure on equipment incurred in the normal day-to-day running of the College and 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, Fixtures and Fittings	4 - 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 changes in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

9. Investments

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

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

9. Investments (continued)

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

10. 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. Where necessary, provision is made for obsolete, slow moving and defective stock.

11. 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 prevailing rates of exchange 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 balance sheet date. The resulting exchange differences are taken to the SOFA.

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 balance sheet date are recognised in the income and expenditure section of the SOFA.

12. Total return investment accounting

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

13. Fund accounting

The total funds of the College and its subsidiaries are allocated to unrestricted, restricted or endowment funds based on the origins of the funds and 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 earmarked funds for specific 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 income 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 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.

14. Pension costs

The costs of retirement benefits provided to employees of the College through two multi-employer defined benefit 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.

WORCESTER COLLEGE

Consolidated Statement of Financial Activities

For the year ended 31 July 2020

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	**2020 Total £'000**	2019 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities	1					
Teaching, research and residential		5,679	0	0	**5,679**	7,489
Other trading income	3	371	0	0	**371**	497
Donations and legacies	2	1,712	534	775	**3,021**	10,502
Investment income	4	56	0	1,555	**1,611**	1,521
Other income	5	475	0	0	**475**	103
Total income		8,293	534	2,330	**11,157**	20,112
EXPENDITURE ON:						
Charitable activities	6					
Teaching, research and residential		8,609	3,655	0	**12,264**	13,912
Generating funds:	6					
Fundraising		481	4	0	**485**	575
Trading expenditure		79	0	0	**79**	139
Investment management costs		43	0	0	**43**	49
Total expenditure		9,212	3,659	0	**12,871**	14,675
Net (expenditure)/income before gains		(919)	(3,125)	2,330	**(1,714)**	5,437
Net gains/(losses) on investments		87	0	(1,920)	**(1,833)**	2,149
Net (expenditure)/income		**(832)**	**(3,125)**	**410**	**(3,547)**	7,586
Transfers between funds		550	2,972	(3,522)	**0**	0
Net movement in funds for the year	17	**(282)**	**(153)**	**(3,112)**	**(3,547)**	7,586
Fund balances brought forward	17	37,590	1,739	51,436	**90,765**	83,179
Funds carried forward at 31 July	17	37,308	1,586	48,324	**87,218**	90,765

WORCESTER COLLEGE

Consolidated and College Balance Sheets

As at 31 July 2020

	Notes	2020 Group £'000	2019 Group £'000	2020 College £'000	2019 College £'000
FIXED ASSETS					
Tangible assets	10	**34,888**	35,793	**34,888**	35,793
Property investments	11	**4,683**	3,018	**4,683**	3,018
Securities and other investments	12	**39,592**	41,512	**39,592**	41,512
		79,163	80,323	**79,163**	80,323
CURRENT ASSETS					
Stocks		**133**	139	**133**	139
Debtors	15	**1,416**	1,602	**1,565**	2,049
Cash at bank and in hand		**9,534**	12,989	**9,131**	12,396
		11,083	14,730	**10,829**	14,584
CREDITORS: falling due within one year	16	**(1,447)**	(1,935)	**(1,404)**	(1,789)
NET CURRENT ASSETS		**9,636**	12,795	**9,425**	12,795
TOTAL ASSETS LESS CURRENT LIABILITIES		**88,799**	93,118	**88,588**	93,118
CREDITORS: falling due after more than one year		**0**	0	**0**	0
NET ASSETS BEFORE PENSION LIABILITY		**88,799**	93,118	**88,588**	93,118
Defined benefit pension scheme liability		**(1,581)**	(2,353)	**(1,581)**	(2,353)
NET ASSETS		**87,218**	90,765	**87,007**	90,765
FUNDS OF THE COLLEGE	17				
Endowment funds		**48,324**	51,436	**48,324**	51,436
Restricted funds		**1,586**	1,739	**1,586**	1,739
Unrestricted funds					
Designated fixed assets fund		**34,803**	35,709	**34,803**	35,709
General funds (excluding pension reserve)		**4,086**	4,234	**3,875**	4,234
Pension reserve		**(1,581)**	(2,353)	**(1,581)**	(2,353)
		87,218	90,765	**87,007**	90,765

The financial statements were approved and authorised for issue by the Governing Body of Worcester College on 25 November 2020.

Prof Kate Tunstall, Interim Provost

Gareth Prior, Finance and Estates Bursar

WORCESTER COLLEGE

Consolidated Statement of Cash Flows

For the year ended 31 July 2020

	Notes	2020 Group £'000	2019 Group £'000
Net cash used in operating activities	24	**(4,061)**	(1,583)
Cash flows from investing activities			
Dividends, interest and rents from investments		**1,611**	1,521
Purchase of property, plant and equipment		**(202)**	(283)
Proceeds from sale of investments		**0**	995
Purchase of investments	13	**(1,578)**	(0)
Net cash provided by / (used in) investing activities		**(169)**	2,233
Cash flows from financing activities			
Receipt of endowment		**775**	8,579
Net cash provided by financing activities		**775**	8,579
Change in cash and cash equivalents in the reporting period		**(3,455)**	9,229
Cash and cash equivalents at the beginning of the reporting period		**12,989**	3,760
Cash and cash equivalents at the end of the reporting period		**9,534**	12,989

1 INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
	£'000	£'000
Teaching, research and residential		
Unrestricted Funds		
Tuition fees - UK and EU students	**2,042**	2,059
Tuition fees - Overseas students	**513**	485
Other fees	**393**	462
Other grant support	**116**	103
Other academic income	**164**	140
College residential income	**2,451**	4,240
	5,679	7,489

The above analysis includes £2,671k received from Oxford University from publicly accountable funds under the College Funding Formula Scheme (2019: £2,647k).

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

2 DONATIONS AND LEGACIES

	2020	2019
	£'000	£'000
Unrestricted funds	**1,712**	1,655
Restricted funds	**534**	268
Endowed funds	**775**	8,579
	3,021	10,502

3 INCOME FROM OTHER TRADING ACTIVITIES

	2020	2019
	£'000	£'000
Subsidiary company trading income	**367**	458
Other trading income	**4**	39
	371	497

4 INVESTMENT INCOME

	2020	2019
	£'000	£'000
Unrestricted funds		
Equity dividends	**1**	2
Interest on fixed term deposits and cash	**53**	25
Other investment income	**2**	25
	56	52
Restricted funds		
Other investment income	**0**	61
Endowed funds		
Other investment income	**1,555**	1,408

5 OTHER INCOME

Other income includes grants of £361k claimed from the Coronavirus Job Retention Scheme.

6 ANALYSIS OF EXPENDITURE

		2020	2019
		£'000	£'000
Charitable expenditure			
Direct staff costs allocated to :	Teaching, research and residential	**4,410**	6,758
Other direct costs allocated to:	Teaching, research and residential	**5,608**	5,125
Support and governance costs allocated to:	Teaching, research and residential	**2,246**	2,029
		12,264	13,912
Expenditure on raising funds			
Direct staff costs allocated to :	Fundraising	**313**	375
	Trading Expenditure	**35**	0
Other direct costs allocated to:	Fundraising	**97**	164
	Trading expenditure	**42**	135
Support and governance costs allocated to:	Fundraising	**75**	36
	Trading expenditure	**2**	4
	Investment management costs	**43**	49
		607	763
		12,871	14,675

The 2019 resources expended of £14,675k represented £11,905k from unrestricted funds, £1,770k from restricted funds and £1,000k from endowed funds.

7 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds	Teaching Research & Residential	**2020 Total**
	£'000	£'000	**£'000**
Financial and domestic admin	57	505	**562**
Human resources	34	220	**254**
IT	27	313	**340**
Depreciation	0	1,107	**1,107**
Other finance charges	0	82	**82**
Governance costs	2	19	**21**
	120	**2,246**	**2,366**

	Generating Funds	Teaching Research & Residential	**2019 Total**
	£'000	£'000	**£'000**
Financial and domestic admin	48	430	**478**
Human resources	12	157	**169**
IT	25	293	**318**
Depreciation	0	1,089	**1,089**
Other finance charges	0	26	**26**
Governance costs	4	34	**38**
	89	**2,029**	**2,118**

7 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS (continued)

Finance and administration and human resources costs are attributed according to the estimated staff time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. IT costs are attributed according to the estimated time spent on each activity. Interest and other finance charges are attributed according to the purpose of the related financing.

	2020	2019
	£'000	£'000
Governance costs comprise:		
Auditor's remuneration – audit services	**21**	23
Auditor's remuneration – other assurance services	**0**	14
Auditor's remuneration – tax advisory services	**0**	1
	21	38

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.

8 GRANTS AND AWARDS

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

		2020	2019
Grants to individuals from:		**£'000**	£'000
Unrestricted funds	Scholarships, prizes and grants	**26**	48
	Bursaries and hardship awards	**9**	17
		35	65
Restricted funds	Scholarships, prizes and grants	**248**	228
	Bursaries and hardship awards	**150**	145
		398	373
Total grants and awards		**433**	438

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

The figure included above represents the cost to the College of the Oxford Bursaries scheme. Students in the College received £236k in bursaries in 2019-20 (2018-19: £230k).

9 STAFF COSTS

The aggregate payroll costs for the year were as follows:

	2020	2019
	£'000	£'000
Salaries and wages	**4,999**	5,078
Social security costs	**452**	447
Pension costs	**847**	814
	6,298	6,339
Pension provision adjustment	**(811)**	1,510
	5,487	7,849

9 STAFF COSTS (continued)

The average number of employees of the College, excluding Trustees, was as follows:	**2020**	2019
Tuition and research	**228**	205
College residential	**118**	124
Fundraising	**4**	9
Support	**20**	20
Total	**370**	358

The average number of employed College Trustees during the year was as follows:	**2020**	2019
University Lecturers	**19**	20
CUF Lecturers	**12**	12
Other teaching and research	**8**	8
Other	**4**	4
Total	**43**	44

Salary and wages costs includes severance costs of £23k for 1 member of staff.

The College also benefits from temporary staff, agency workers and those part-time external tutors who are not on the College payroll.

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

	2020	2019
£60,001 to £70,000	**3**	2
£70,001 to £80,000	**1**	0

Details of the remuneration and reimbursed expenses of the College Trustees are included as a separate note in these financial statements.

10 TANGIBLE FIXED ASSETS

Group and College	Freehold Land and Buildings £'000	Fixtures, Fittings and Equipment £'000	**Total £'000**
Cost			
At start of year	44,603	1,904	**46,507**
Additions	0	202	**202**
At end of year	**44,603**	**2,106**	**46,709**
Depreciation			
At start of year	9,273	1,441	**10,714**
Charge for the year	887	220	**1,107**
At end of year	**10,160**	**1,661**	**11,821**
Net book value			
At end of year	**34,443**	**445**	**34,888**
At start of year	35,330	463	35,793

10 TANGIBLE FIXED ASSETS (continued)

Included within Fixtures, Fittings and Equipment above are intangible assets of £80k cost and £54k depreciation.

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

11 PROPERTY INVESTMENTS

Group and College	**2020 Total £'000**	2019 Total £'000
Valuation at start of year	**3,018**	2,993
Additions and improvements	**1,578**	0
Revaluation gains in the year	**87**	25
Valuation at end of year	**4,683**	3,018

A formal valuation of the College properties was prepared by Mark Charter MRICS of Carter Jonas LLP as at 31 July 2020 in accordance with the current RICS Valuation- Global Standards, which incorporates the International Valuation Standards (the 'RICS Global Red Book').

12 SECURITIES AND OTHER INVESTMENTS

Group and College	**2020 £'000**	2019 £'000
Valuation at start of year	**41,512**	40,383
Investments redeemed	**0**	(995)
(Decrease)/increase in value of investments	**(1,920)**	2,124
Valuation at end of year	**39,592**	41,512

Group and College investments comprise:

	Held outside the UK £'000	Held in the UK £'000	**2020 Total £'000**	2019 Total £'000
Global multi-asset funds	31,278	8,314	**39,592**	41,512

Material investments

Investments valued at more than 10% of the portfolio at the year-end:	Percentage of Portfolio	**Market Value 2020 £'000**	2019 £'000
Oxford University Endowment Management - Endowment Fund	100%	**39,592**	41,512

13 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Worcester College Enterprises Limited, a company providing conference and accommodation services.

The results of the College and subsidiary, and their assets and liabilities at the year-end were as follows.

Worcester College	**2020 £'000**	2019 £'000
Income	**10,946**	19,973
Expenditure	**(12,871)**	(14,536)
(Losses) / gains	**(1,833)**	2,149
Result for the year	**(3,758)**	7,586
Total assets	**89,992**	94,907
Total liabilities	**(2,985)**	(4,142)
Net funds at the end of year	**87,007**	90,765

Worcester College Enterprises Limited	**2020 £'000**	2019 £'000
Turnover	**367**	458
Expenditure	**(156)**	(139)
Result for the year	**211**	319
Donation to College (gift aid)	**0**	(319)
	211	0
Total assets	**415**	653
Total liabilities	**(204)**	(653)
Net funds at the end of year	**211**	0

14 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns, with effect from November 2003. The investment return, to be applied as income, is calculated as up to 4.5% of the brought forward values of the relevant investments. The preserved (frozen) value of the invested endowment capital represents its open market value in 1992, except where the original donation can be identified, together with the original gift value of all subsequent endowments.

	Permanent Endowment			Expendable	**Total**
	Trust for Investment	Unapplied Total Return	Total	Endowment	**2020**
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	15,317	0	15,317	0	**15,317**
Unapplied total return	0	6,892	6,892	0	**6,892**
Expendable endowment	0	0	0	29,227	**29,227**
Total Endowments	15,317	6,892	22,209	29,227	**51,436**
Movements in the reporting period:					
Gift of endowment funds	743	0	743	32	**775**
Investment return: total investment income	0	672	672	883	**1,555**
Investment return: realised and unrealised gains and losses	0	(710)	(710)	(1,210)	**(1,920)**
Other transfers	0	0	0	0	**0**
Total	743	(38)	705	(295)	**410**
Unapplied total return allocated to income in the reporting period	0	(581)	(581)	0	**(581)**
Expendable endowments transferred to income	0	0	0	(2,941)	**(2,941)**
Net movements in reporting period	743	(619)	124	(3,236)	**(3,112)**
At end of the reporting period:					
Gift component of the permanent endowment	16,060	0	16,060	0	16,060
Unapplied total return	0	6,273	6,273	0	6,273
Expendable endowment	0	0	0	25,991	25,991
Total Endowments	**16,060**	**6,273**	**22,333**	**25,991**	**48,324**

14 STATEMENT OF INVESTMENT TOTAL RETURN (continued)

	Permanent Endowment			Expendable	**Total**
	Trust for Investment	Unapplied Total Return	Total	Endowment	**2019**
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	9,997	0	9,997	0	**9,997**
Unapplied total return	0	5,891	5,891	0	**5,891**
Expendable endowment	0	0	0	26,017	**26,017**
Total Endowments	9,997	5,891	15,888	26,017	**41,905**
Movements in the reporting period:					
Gift of endowment funds	5,320	0	5,320	3,259	**8,579**
Investment return: total investment income	0	534	534	874	**1,408**
Investment return: realised and unrealised gains and losses	0	772	772	1,264	**2,036**
Other transfers	0	(9)	(9)	(1,187)	**(1,196)**
Total	5,320	1,297	6,617	4,210	**10,827**
Unapplied total return allocated to income in the reporting period	0	(296)	(296)	0	**(296)**
Expendable endowments transferred to income	0	0	0	(1,000)	**(1,000)**
Net movements in reporting period	5,320	1,001	6,321	3,210	**9,531**
At end of the reporting period:					
Gift component of the permanent endowment	15,317	0	15,317	0	15,317
Unapplied total return	0	6,892	6,892	0	6,892
Expendable endowment	0	0	0	29,227	29,227
Total Endowments	**15,317**	**6,892**	**22,209**	**29,227**	**51,436**

15 DEBTORS: falling due within one year

	2020 Group	2019 Group	**2020 College**	2019 College
	£'000	£'000	**£'000**	£'000
Trade debtors	**179**	293	**167**	253
Amounts owed by College members	**145**	70	**145**	70
Amounts owed by Group undertakings	**0**	0	**161**	507
Loans repayable within one year	**3**	10	**3**	10
Prepayments and accrued income	**1,071**	1,222	**1,071**	1,202
Other debtors	**18**	7	**18**	7
	1,416	1,602	**1,565**	2,049

16 CREDITORS: falling due within one year

	2020 Group	2019 Group	**2020 College**	2019 College
	£'000	£'000	**£'000**	£'000
Trade creditors	**392**	676	**392**	676
Amounts owed to College Members	**382**	462	**382**	462
Taxation and social security	**119**	129	**119**	129
Accruals and deferred income	**325**	408	**321**	401
Other creditors	**229**	260	**190**	121
	1,447	1,935	**1,404**	1,789

17 MOVEMENTS OF THE COLLEGE FUNDS

The College accounts for its investment income on a total return basis, which allows the College to invest permanent endowments to maximise total return and to make available an appropriate proportion of the total return for expenditure each year. Until this power is exercised the total return is the 'unapplied total return' and remains as part of the permanent endowment. The College has adopted a total return rate of up to 4.5% on opening values. An amount equal to eligible expenditure is transferred from the permanent endowment fund to restricted funds from which eligible expenditure is spent.

Endowment Funds	At 1 Aug 2019 £'000	Incoming Resources £'000	Resources Expended £'000	Gains / (Losses) £'000	Transfers £'000	**At 31 July 2020 £'000**
Permanent						
Fellowships	14,747	699	0	(447)	(437)	**14,562**
Research Support	1,000	30	0	(0)	(5)	**1,025**
Scholarships	2,018	540	0	(81)	(72)	**2,405**
Studentships	1,131	34	0	(46)	(15)	**1,104**
Donated Collection	1,270	38	0	(52)	(4)	**1,252**
Library & Book Conservation	502	15	0	(20)	(11)	**486**
The Marriott Trust	890	27	0	(37)	(8)	**872**
Other Funds	650	32	0	(27)	(29)	**626**
Expendable						
General Fund	8,484	257	0	(351)	(382)	**8,008**
Fellowships	8,118	259	0	(335)	(308)	**7,734**
Visiting Fellows	1,764	53	0	(73)	(43)	**1,701**
Gardens and Grounds	1,261	50	0	(52)	(16)	**1,243**
Student Bursaries & Grants	2,176	67	0	(90)	(46)	**2,107**
Teaching Fund	679	23	0	(29)	(5)	**668**
The Fabric Fund	3,589	110	0	(149)	(2,039)	**1,511**
Other Funds	3,157	96	0	(131)	(102)	**3,020**
Total Endowment Funds	51,436	2,330	0	(1,920)	(3,522)	**48,324**
Restricted Funds						
Fellowships	0	0	(745)	0	745	**0**
Research Support	0	0	(5)	0	5	**0**
Scholarships	0	0	(72)	0	72	**0**
Studentships	0	0	(15)	0	15	**0**
Donated Collection	0	0	(4)	0	4	**0**
Library & Book Conservation	0	0	(11)	0	11	**0**
The Marriott Trust	0	0	(8)	0	8	**0**
Visiting Fellows	0	0	(43)	0	43	**0**
Student Bursaries & Grants	0	0	(46)	0	46	**0**
Teaching Fund	0	0	(5)	0	5	**0**
The Fabric Fund	0	0	(2,038)	0	2,038	**0**
Other Funds	1,739	534	(667)	0	(20)	**1,586**
Total Restricted Funds	1,739	534	(3,659)	0	2,972	**1,586**
Unrestricted Funds						
General Reserve	1,216	7,926	(8,721)	87	(1,316)	**(808)**
Fixed Assets Designated	35,709	0	(1,107)	0	201	**34,803**
Designated Reserves	3,018	0	(0)	0	1,665	**4,683**
Pension Reserve	(2,353)	0	772	0	0	**(1,581)**
Subsidiary	0	367	(156)	0	0	**211**
Total Unrestricted Funds	37,590	8,293	(9,212)	87	550	**37,308**
Total Funds	90,765	**11,157**	**(12,871)**	**(1,833)**	**0**	**87,218**

17 MOVEMENTS OF THE COLLEGE FUNDS (continued)

Endowment Funds	At 1 Aug 2018 £'000	Incoming Resources £'000	Resources Expended £'000	Gains / (Losses) £'000	Transfers £'000	At 31 July 2019 £'000
Permanent						
Fellowships	9,844	4,631	0	479	(207)	14,747
Research Support	0	1,000	0	0	0	1,000
Scholarships	1,910	65	0	93	(50)	2,018
Studentships	1,055	35	0	51	(10)	1,131
Donated Collection	1,179	40	0	56	(5)	1,270
Library & Book Conservation	474	16	0	23	(11)	502
The Marriott Trust	834	28	0	41	(13)	890
Other Funds	592	38	0	29	(9)	650
Expendable						
General Fund	8,091	272	(67)	394	(206)	8,484
Fellowships	7,731	303	(292)	376	0	8,118
Visiting Fellows	1,666	56	(40)	82	0	1,764
Gardens and Grounds	1,153	54	(1)	55	0	1,261
Student Bursaries & Grants	2,156	80	(164)	104	0	2,176
Teaching Fund	627	25	(4)	31	0	679
The Fabric Fund	1,583	3,237	(326)	76	(981)	3,589
Other Funds	3,010	107	(106)	146	0	3,157
Total Endowment Funds	41,905	9,987	(1,000)	2,036	(1,492)	51,436
Restricted Funds						
Fellowships	0	0	(278)	0	278	0
Research Support	0	0	(5)	0	5	0
The Marriott Trust	0	0	(13)	0	13	0
Other Funds	1,815	329	(1,474)	88	981	1,739
Total Restricted Funds	1,815	329	(1,770)	88	1,277	1,739
Unrestricted Funds						
General Reserve	730	9,338	(8,831)	0	(21)	1,216
Fixed Assets Designated	36,562	0	(1,089)	0	236	35,709
Designated Reserves	2,993	0	0	25	0	3,018
Pension Reserve	(826)	0	(1,527)	0	0	(2,353)
Subsidiary	0	458	(458)	0	0	0
Total Unrestricted Funds	39,459	9,796	(11,905)	25	215	37,590
Total Funds	83,179	20,112	(14,675)	2,149	0	90,765

18 DETAILS OF THE COLLEGE FUNDS

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

Permanent Endowment Funds

Fellowships:	A total of 13 funds where income, but not capital, is used to support fellowships.
Research Support:	A donation where income, but not capital, is used to support research.
Scholarships:	A total of 7 funds where income, but not capital, is spent on student scholarships.

18 DETAILS OF THE COLLEGE FUNDS (continued)

Permanent Endowment Funds

Studentships:	A donation where income, but not capital, is spent on studentships in a named subject area.
Donated Collection:	A bequest where income, but not capital, can be used to conserve a donated collection.
Library and book conservation:	Donations and bequests where income, but not capital, can be used to support book conservation and preserve the Old Library.
The Marriott Trust:	A donation where income, but not capital, can be used to support the education of the children of the clergy.
Other Funds:	Donations and bequests where income, but not capital, can be used for general purposes.

Expendable Endowment Funds

General Fund:	A consolidation of benefactions and donations where either income, or income and capital, can be used for the general purposes of the College.
Fellowships:	A total of 5 funds where the income and capital can be applied to support named Fellowships in conjunction with the University of Oxford.
Visiting Fellows:	A donation where the income and capital can be applied to support visiting fellows.
Student Bursaries and Grants:	A consolidation of benefactions and donations where either income, or income and capital, can be used for student bursaries and scholarship grants.
Teaching Fund:	A consolidation of benefactions and donations where either income, or income and capital, can be used to support teaching.
The Fabric Fund:	Donations and bequests where either income, or income and capital can be used for the maintenance of historic buildings.
Other Funds:	A diverse group of donations and bequests where either income, or income and capital, can be used for specific purposes including support for fellowships and students.

Restricted Funds

Fellowships:	Income used to support named tutorial and research fellowships.
Research Support:	Income used to support research in a named subject area.
Scholarships:	Income than can be spent on student scholarships
Studentships:	Income than can be spent on studentships in a named subject area.
Donated Collection:	Income used to conserve a donated collection.
Library & Book Conservation:	Income used to support book conservation and preserve the Old Library.
The Marriott Trust:	Income used to support the education of the children of the clergy.
Visiting Fellows:	Income used to support visiting fellows.
Gardens & Grounds:	Income that can be used for expenses relating to the gardens and grounds.
Student Bursaries and Grants:	Income that can be used for student bursaries and scholarship grants.
Teaching Fund:	Income used to support teaching.
The Fabric Fund:	Income that can be used for the maintenance of historic buildings.
Other Funds:	A diverse group of income and donations to support student activities, fellowships, research, the Library, archives and maintenance projects.

Designated Funds

Fixed Assets Designated:	Unrestricted Funds which are represented by fixed assets of the College and therefore not available for expenditure on the College's general purposes.
Designated:	Unrestricted Funds allocated by the Trustees for joint equity and other investment properties.

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.

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	**2020 Total £'000**
Tangible fixed assets	34,803	85	0	**34,888**
Property investments	4,683	0	0	**4,683**
Securities and other investments	0	0	39,592	**39,592**
Net current assets	(597)	1,501	8,732	**9,636**
Defined benefit pension scheme liability	(1,581)	0	0	**(1,581)**
	37,308	1,586	48,324	**87,218**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	**2019 Total £'000**
Tangible fixed assets	35,709	84	0	**35,793**
Property investments	3,018	0	0	**3,018**
Securities and other investments	0	0	41,512	**41,512**
Net current assets	1,216	1,655	9,924	**12,795**
Defined benefit pension scheme liability	(2,353)	0	0	**(2,353)**
	37,590	1,739	51,436	**90,765**

20 TRUSTEES' REMUNERATION

Trustee remuneration

The trustees of the College comprise the Governing Body, primarily fellows who are teaching and research employees of the College and who sit on Governing Body by virtue of their employment.

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 scales and often are joint arrangements with the University of Oxford.

The Remuneration Committee consists of a majority of external members and makes recommendations to the Governing Body on levels of remuneration, allowances and expenses.

Trustees of the College fall into the following categories: Provost, Tutorial Fellows, Professorial Fellows, Supernumerary Fellows, and Official Non-Tutorial Fellows.

There are three trustees who work almost full time on management and fundraising; Finance and Estates Bursar (full time), Interim Provost (full time) and Director of Development & Alumni Relations (full time).

Some trustees, tutorial fellows, are eligible for College housing schemes. Four trustees live in properties owned by the College and do not receive housing allowance. Others may be eligible for a housing allowance which is disclosed within the salary figures below. Four trustees lived in houses owned jointly with the College, as detailed in Note 25.

Some trustees receive additional allowances for additional work carried out as part time College Officers, for example, the Vice Provost, Senior Tutor and Dean. These amounts are included within the remuneration figures below. The total remuneration and taxable benefits as shown below is £1,644,463 (2018-19: £1,412,030). The total of pension contributions is £292,882 (2018-19: £256,997).

The following table sets out the remuneration received by Trustees as employees of the College:

20 TRUSTEES' REMUNERATION (continued)

	Gross Pay £		Taxable benefits £	Pension Contributions £	2019-20 Total £	2018-19 Total £
Prof Sir Jonathan Bate	97,254		5,948	2,683	**105,885**	159,941
Dr Simon Cowan	48,442	b	1,810	10,093	**60,345**	57,328
Dr Peter Darrah	35,763	a	2,655	7,448	**45,866**	42,273
Prof Susan Gillingham	7,890	b	0	1,539	**9,429**	56,060
Prof Heather Viles	0	a	0	0	**0**	3,643
Prof Kate Tunstall	71,359	b	0	14,895	**86,254**	56,060
Prof Robert Saxton	13,832	a	0	2,171	**16,003**	12,131
Prof Donal Nolan	49,592	b	1,458	10,336	**61,386**	58,030
Dr Nir Vulkan	19,917	a	1,622	4,150	**25,689**	24,171
Dr Ben Morgan	32,309	b	1,685	6,742	**40,736**	59,808
Dr John Parrington	11,289	a	1,810	2,341	**15,440**	16,958
Dr Richard Earl	38,931	b	1,536	8,111	**48,578**	46,574
Dr Scott Scullion	54,293	c	2,526	10,938	**67,757**	65,171
Prof Josephine Quinn	2,605	a	0	522	**3,127**	12,131
Dr Rory Bowden	443		0	0	**443**	1,020
Prof Endre Süli	19,932	a	2,690	4,154	**26,776**	24,977
Prof Grant Ritchie	10,421	a	0	2,171	**12,592**	12,131
Prof Bob Harris	38,931	b	0	8,111	**47,042**	45,318
Dr Paul Azzopardi	25,706	a	2,379	5,041	**33,126**	24,542
Dr Mark Howarth	19,932	a	0	4,154	**24,086**	22,873
Dr David Steinsaltz	19,932	a	0	4,154	**24,086**	22,873
Dr Conrad Leyser	49,161	b	0	10,152	**59,313**	56,060
Prof Laura Ashe	56,436	b	0	11,764	**68,200**	62,958
Prof Kim Dora	19,932	a	1,685	4,154	**25,771**	24,392
Dr Antonis Papachristodoulou	19,932	a	1,142	4,154	**25,228**	23,741
Dr Michail Peramatzis	48,253	b	0	10,056	**58,309**	54,530
Dr Zofia Stemplowska	23,142	a	0	4,823	**27,965**	25,998
Prof Felix Parra Diaz	18,501	a	1,004	3,858	**23,363**	12,959
Dr Josephine van Zeben	8,036		0	1,082	**9,118**	41,412
Dr James Edwards	42,943	b	0	8,950	**51,893**	48,263
Dr Steven Methven	28,308		0	1,111	**29,419**	40,319
Mrs Coleen Day	73,909		3,078	14,043	**91,030**	93,876
Mr Mark Bainbridge	51,718		0	9,874	**61,592**	52,802
Rev Dr Tess Kuin Lawton	41,459		0	9,680	**51,139**	50,818
Dr Peta Fowler	28,863		0	5,601	**34,464**	32,422
Dr Alice Violet	26,754		0	5,575	**32,329**	22,345
Prof Andrzej Murawski	19,932	*a*	0	4,154	**24,086**	22,814
Dr Ton Van Den Bremer	15,145	*a*	9,345	1,921	**26,411**	10,418
Dr Robert Smith	15,997	*a*	9,345	2,098	**27,440**	11,380
Dr Hauke Marquardt	16,349	*a*	9,345	2,171	**27,865**	12,131
Dr Merve Emre	36,502	*b*	10,128	6,765	**53,395**	36,868
Mr Gareth Prior	87,113		0	18,149	**105,262**	84,892
Dr Marchella Ward	32,592		0	6,360	**38,952**	19,871
Dr Lisa Wedding	10,069	*a*	10,195	2,098	**22,362**	3,748
Mr Michael Mayo	48,806		0	9,558	**58,364**	0
Dr Laura Quick	40,264	*b*	0	8,389	**48,653**	0
Dr Leah Trueblood	34,419		0	7,214	**41,633**	0
Dr Natalia Waights-Hickman	24,161		5,345	5,098	**34,604**	0
Ms Kate Foley	20,263		0	4,276	**24,539**	0

20 TRUSTEES' REMUNERATION (continued)

Where indicated the gross pay includes the College part of a joint arrangement with the University on the following scales; *a* University Lecturer, *b* CUF Lecturer, *c* Faculty Lecturer.

Professor Sir Jonathan Bate resigned during the previous financial year. He elected to take early retirement. The cost to the college was £90,000.

Twelve trustees are not employees of the College and do not receive remuneration.

All employed trustees, together with other senior employees, are eligible for private health insurance as part of their package of remuneration.

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

No fellow claimed any expenses for work as a trustee.

Other transactions with trustees

During the year the partners of some trustees were paid for providing tutorials for students of the College.

Key management remuneration

The total cost of remuneration paid to key management was £971k (2019: £922k). Key management are considered to be the College officers and senior as staff identified on pages 2 -3 of these financial statements.

21 PENSION SCHEMES

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

In the event of the withdrawal of any of the participating employers in USS or OSPS, the amount of any pension funding shortfall (which cannot be otherwise recovered) in respect of that employer will be spread across the remaining participating employers and reflected in the next actuarial valuation of the scheme.

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

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

Actuarial valuations

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

	USS	OSPS
Date of valuation:	31/03/18	31/03/19
Date valuation results published:	16/09/19	19/06/20
Value of liabilities:	£67.3bn	£848m
Value of assets:	£63.7bn	£735m
Funding (deficit) / surplus:	(£3.6bn)	(£113m)

21 PENSION SCHEMES (continued)

	USS	OSPS
Principal assumptions: • Discount rate • Rate of increase in salaries • Rate of increase in pensions	CPI –0.73% to CPI +2.52% **a** n/a CPI **c**	Gilts + 0.5% -2.25% **b** RPI Average RPI/CPI **d**
Assumed life expectancies on retirement at age 65: • Males currently aged 65 • Females currently aged 65 • Males currently aged 45 • Females currently aged 45 Funding Ratios: • Technical provisions basis • Statutory Pension Protection Fund basis • 'Buy-out' basis	 24.4 years 25.9 years 26.3 years 27.7 years 95% 76% 56%	 21.7 years 24.4 years 23.0 years 25.8 years 87% 74% 60%
Employer contribution rate (as % of pensionable salaries):	21.1% increasing to 23.7% on 01/10/21	19%
Effective date of next valuation:	31/03/20	31/03/22

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

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

b The discount rate for the OSPS valuation was:

Pre-retirement: Equal to the UK nominal gilt curve at the valuation date plus 2.25% p.a. at each term.
Post-retirement: Equal to the UK nominal gilt curve at the valuation date plus 0.5% p.a. at each term.

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

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

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

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

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

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

Sensitivity of actuarial valuation assumptions

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

21 PENSION SCHEMES (continued)

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

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

Deficit Recovery Plans

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

	OSPS	**USS**
Finish Date for Deficit Recovery Plan	30/01/28	31/03/28
Average staff number increase	0%	0%
Average staff salary increase	2.00%	2.00%
Average discount rate over period	0.74%	0.63%
Effect of 0.5% change in discount rate	£13k	£19k
Effect of 1% change in staff growth	£12k	£10k

A provision of £1,581k has been made at 31 July 2020 (2019 - £2,353k) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

Pension charge for the year

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

	2020	2019
	£'000	£'000
Scheme		
Universities Superannuation Scheme	**(178)**	1,466
University of Oxford Staff Pension Scheme	**198**	846
Other Schemes Contributions	**16**	12
	36	2,324

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

A copy of the full actuarial valuation report and other further details on the scheme are available on the relevant website: www.uss.co.uk, www1.admin.ox.ac.uk/finance/epp/pensions/schemes/osps.

22 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 purposes that are exclusively charitable.

No liability to corporation tax arises in the College's subsidiary company because the directors of this company 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.

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

	2020	2019
	£'000	£'000
Net income	**(1,714)**	5,437
Elimination of non-operating cash flows:		
– Investment income	**(1,611)**	(1,521)
– Endowment donations	**(775)**	(8,579)
Depreciation	**1,107**	1,089
Decrease/ (increase) in stock	**6**	(14)
Decrease in debtors	**186**	47
(Decrease) / increase in creditors	**(488)**	431
(Decrease)/ increase in pension scheme liability	**(772)**	1,527
Net cash used in operating activities	**(4,061)**	(1,583)

24 CAPITAL COMMITMENTS

The College had no contracted commitments at 31 July for capital projects (2019: £nil).

25 RELATED PARTY TRANSACTIONS

The College is part of the collegiate University of Oxford. Material interdependencies between the University and the College arise as a consequence of this relationship. For reporting purposes, the University and the other Colleges are not treated as related parties as defined in FRS102.

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.

Four properties are owned under joint equity agreements between the Trustees, named below, 50% and the College, 50%. Full market values of the properties, following a desk top review carried out by Carter Jonas LLP:

	2020	2019
	£'000	£'000
Dr J Parrington	**783**	765
Prof J Quinn	**700**	680
Prof G Ritchie	**505**	495
Prof B Harris	**744**	729

These trustees do not receive Housing Allowance. All joint equity properties are subject to sale on the departure of the trustee from the College.

Four Trustees (Dr Ben Morgan, Dr John Parrington, Professor Robert Saxton and Dr Nir Vulkan) had a family member or other connected party who was employed by the College on either a permanent or casual basis during the year; none of these Trustees had supervisory responsibility for the relevant employee or was involved in their recruitment, and all cases have been declared in the register of Trustees' interests. The total value of these transactions was £17,839.

A proportion of the College's endowed funds are held at arm's length in the Worcester College Oxford Endowment Trust, which is not controlled by the College but which has the support of the College as its principal charitable objective. The Trust has agreed under a memorandum of understanding to make the College an annual grant (currently at 4.25% of the value of the Trust's assets at year-end).

26 CONTINGENT LIABILITIES

There were no known contingent liabilities.

27 POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

28 ULTIMATE CONTROLLING PARTY

The Trustees believe that the College does not have an Ultimate Controlling Party.