



Exeter College

Annual Report and Financial Statements

Year ended 31 July 2018

EXETER COLLEGE
Annual Report and Financial Statements
Contents

	Page
Governing Body, Officers and Advisers	2
Report of the Governing Body	7
Auditor's Report	16
Statement of Accounting Policies	19
Consolidated Statement of Financial Activities	24
Consolidated and College Balance Sheets	25
Consolidated Statement of Cash Flows	26
Notes to the Financial Statements	27

EXETER COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2018

MEMBERS OF THE GOVERNING BODY

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

Trustee	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Rector										
Professor Sir Richard Trainor	•	•	•	•	•	•	•	◆	•	•
Official Fellows										
Dr Michael Hart				•						
Ms Jeri Johnson			•		•		•			
Dr Helen Spencer										
Dr Maureen Taylor	•		•		•					
Prof Jonathan Herring			•				•		•	
Prof Andrew Steane			•				•			•
Prof Simon Clarke			•							
Prof Zhongmin Qian			•							
Prof Jane Hiddleston										
Prof Christina de Bellaigue			•							
Mr William Jensen	•	•	•	•	•	•	•	◆	•	•
Professor Cornelia Drutu			•							
Dr Chris Ballinger	•		•		•	•	•			•
Dr Philipp Kukura			•							
Prof Michael Osborne			•			•				
Prof Jared Tanner		•	•							
Prof Karin Sigloch	•		•	•						
Dr James Grant			•		•					•
Prof Rachel Taylor			•							
Dr Martin Davy			•							
Rev'd Mr Andrew Allen				•						•

EXETER COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2018

Trustee		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Dr Sophie Butler	Demitted 30 Sept 2017										
Dr Alice Brooke	Demitted 30 Sept 2017										
Dr Adrien Vigier	Demitted 1 Aug 2017										
Prof Conall MacNiocaill		•		•							
Prof Garret Cotter				•							
Dr Barnaby Taylor		•		•		•		•			
Dr Imogen Choi	Appointed 11 October 2017			•							
Prof Giuseppe Marcocci	Appointed 11 October 2017			•							
Dr Natasha Simonova	Appointed 11 Oct 2017			•							
Prof Dan Snow	Appointed 10 Oct 2018										
Prof Rachel Fraser	Appointed 10 Oct 2018										
Ms Eleanor Burnett	Elected 7 Feb 2018	•	•				•				•
Mr Babis Karakoulas	Appointed 18 June 2018	•								•	•
Prof Dan Quigley	Appointed 10 Oct 2018										
Fellows by Special Election											
Dr James Kennedy					•						
Professor Andrew Farmer		•							•		
Prof Dapo Akande				•							
Dr Asli Niyaziloglu	Appointed 11 Oct 2017								•		
Prof Oreet Ashery	Appointed 11 Oct 2017										
Research Fellows											
Dr Jason Carter	Demitted 30 Sept 2018						•				
Dr Christopher Markiewicz	Demitted 31 August 2017										
Dr Gail Hayward	Demitted 30 Sept 2018						•				
Dr Catherine Green	Appointed 11 Oct 2017										
Dr Dexnell Peters	Appointed 10 Oct 2018										
Dr Katherine Bull	Appointed 10 Oct 2018										

EXETER COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2018

Trustee		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Professorial Fellows											
Prof Marc Lauxtermann				•							
Mr Nigel Portwood			•						•		
Prof Dame Carol Robinson				•							
Prof Ervin Fodor									•		
Prof Christoph Tang				•					•		
Dr Chris Fletcher											
Prof Keith Channon						•					
Prof Jonathan Thacker	Appointed Jan 2018										
Dr Michael Glover	Appointed Jan 2018										
Prof Luciano Floridi	Appointed May 2018										

During the year the activities of the Governing Body were carried out through ten main committees. The membership of these committees during the 2017/18 academic year is shown above for each Fellow.

- (1) Finance and General Purposes Committee
- (2) Investment Committee
- (3) Education, Research and Welfare Committee
- (4) Staff Committee
- (5) Fellowships Committee
- (6) Development Committee
- (7) Governance and Policy Committee
- (8) Remuneration and Benefits Committee
- (9) Health & Safety Committee
- (10) Buildings and Gardens Committee

◆ Represents in attendance

There are external committee members on the Investment Committee and the Development Committee.

EXETER COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2018

COLLEGE SENIOR OFFICERS AND STAFF

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

Professor Sir Richard Trainor	<i>Rector</i>
Mr William Jensen	<i>Finance & Estates Bursar</i>
Dr Chris Ballinger	<i>Academic Dean</i>
Mr Babis Karakoulas	<i>Domestic Bursar</i>
Ms Eleanor Burnett	<i>College Accountant</i>
Ms Pamela Stephenson	<i>Director of Development & Alumni Relations</i>
Ms Josie Cobb	<i>Academic Registrar</i>

COLLEGE ADVISERS

Investment Advisers

Sand Aire Ltd
105 Wigmore Street
LONDON
W1U 1QY

Land Agents

Savills (L&P) Ltd
Wytham Court
11 West Way
Botley
OXFORD OX2 0QL

Property Adviser & Planning Consultant

Turnberry Planning Ltd
41-43 Maddox Street
LONDON W1S 2PD

Auditor

Kingston Smith LLP
Devonshire House
60 Goswell Rd
LONDON
EC1M 7AD

Bankers

Barclays Bank Plc
Corporate Services
4th Floor, Apex Plaza
Forbury Rd
READING
RG1 1AX

EXETER COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2018

Bankers (*cont'd*)

Royal Bank of Scotland
Business & Commercial Banking
Willow Court
Minns Business Park
7 West Way
OXFORD
OX2 0JB

Santander Corporate Banking
2 Triton Square
Regent's Place
London
NW1 3AN

Solicitors

Mills & Reeve LLP
Francis House
112 Hills Road
CAMBRIDGE CB2 1PH

Maples Teesdale LLP
30 King Street
LONDON EC2V 8EE

Stone King Solicitors
28 Ely Place
LONDON EC1N 6TD

College address

Turl Street,
Oxford,
OX1 3DP

Website

www.exeter.ox.ac.uk

EXETER COLLEGE

Report of the Governing Body

Year ended 31 July 2018

The Members of the Governing Body present their Annual Report for the year ended 31 July 2018 under the Charities Act 2011 together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Rector and Scholars of Exeter College in the University of Oxford, commonly known as Exeter College, is an eleemosynary charitable corporation aggregate. It was founded in 1314 by Walter de Stapledon, Bishop of Exeter, and was enlarged by Sir William Petre under a charter granted by Queen Elizabeth I in 1566. The corporation comprises the Rector and Fellows. The College registered with the Charities Commission on 12 April 2011 (registered number 1141333).

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 advisers to the College, are given on pages 2 to 6.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its Letters Patent of Queen Elizabeth I dated 1566 and by its Statutes as approved by order of Her Majesty in Council from time to time, in accordance with the Universities of Oxford and Cambridge Act 1923 (the current Statutes having been approved on 6 March 2007).

Governing Body

The Governing Body of the College comprises the Rector and Fellows. This body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, the Bishop of Exeter for the time being. The Governing Body holds to itself the responsibilities for the ongoing strategic direction of the College, for its administration and for the management of its finances and assets. It meets regularly under the chairmanship of the Rector and is advised by a range of committees.

The Finance and General Purposes Committee is responsible for the operational budgeting and financial control of the College and the Investment Committee is responsible for the governance and management of the College Endowment.

The Investment Committee comprises Fellows of the College and four independent members with professional investment experience, who serve in a voluntary capacity. The Investment Committee is further supported by an investment adviser, Sand Aire Ltd, a private family investment office which evaluates third-party funds and other investments that may be incorporated within the portfolio and provides asset allocation and market strategy guidance. The College's Land Agent, Savills, provides professional advice on the management of the land investments; other professional consultants are retained for specific issues. The College investments are maintained in accordance with an investment policy which is approved by the Governing Body and reviewed periodically.

The academic operations of the College are guided by the Education, Research and Welfare Committee.

Recruitment and training of Members of the Governing Body

Fellows of the College are recruited through open competition to their teaching and research positions or to offices of the College (such as Bursar or Development Director) as such vacancies arise, except for the few Fellows whose Fellowship arises from a University appointment. Vacancies are advertised on the College website, in the University Gazette, on the Jobs.ac.uk website and in such professional or national journals as may be appropriate.

All Fellows are inducted into the workings of the College and given information on the duties of a trustee. They are advised that they will carry such responsibilities as members of Governing Body at the time they are offered their job, and are required to confirm that they have read and understood those obligations as a condition of taking up their appointment.

Trustee indemnity insurance is in place for the College.

EXETER COLLEGE

Report of the Governing Body

Year ended 31 July 2018

Remuneration of Members of the Governing Body and Senior College Staff

Members of the Governing Body, all of whom are Fellows, are administrative, teaching or research employees of the College or University and receive no remuneration or benefits from their trusteeship of the College.

Those trustees that are also employees of the College receive remuneration for their work as employees of the College which is determined on the advice of the College's Remuneration Committee, members of which are Fellows not in receipt of remuneration from the College. For academic staff, remuneration is set in line with that awarded to the University's academic staff according to the published academic scales.

The remuneration of senior college staff is set with reference to the seniority and qualifications required for such a post and in most cases the remuneration is set by reference to the published University of Oxford academic-related scales.

Organisational management

The members of the Governing Body meet six times a year. The work of developing their policies and monitoring the implementation of these is carried out by ten management committees. These committees take their business to Governing Body in the form of recommendations, supported by background information and analysis.

- The Finance and General Purposes Committee is responsible for the operational finances of the College, for the management of the functional buildings and for reviewing and approving all contractual arrangements of the College.
- The Investment Committee is responsible for the oversight and operation of the College's global investment portfolio and of its investment property.
- The Education, Research and Welfare Committee is responsible for all questions of educational policy and welfare policy relating to Junior Members of the College.
- The Staff Committee is responsible for the development of employment policies and for the recruitment, personal development and welfare of all non-academic staff.
- The Fellowships Committee is responsible for all matters connected with fellowships of the College and, in particular, makes recommendations on (i) elections to all Governing Body Fellowships, (ii) the renewal of all Governing Body Fellowships, and (iii) elections to Honorary, Visiting and Emeritus Fellowships.
- The Development Committee is responsible for advising the College on policies and priorities for its fund raising operations, for engaging and mobilising volunteers and supporters of the College and for alumni relations.
- The Governance & Policy Committee is responsible for reviewing constitutional and legislative changes affecting the College and for preparing relevant changes to the Statutes, Bylaws and other governing and policy documents of the College, for the consideration of the Governing Body.
- The Remuneration and Benefits Committee is responsible for advising the Governing Body on the remuneration and benefits of the Rector and Fellows and those College Officers and other such staff as the Governing Body may from time to time specify. The voting members of the Remuneration Committee do not receive any remuneration or benefit from the College, other than Common Table.
- The Health and Safety Committee is responsible for the implementation of the College's Health and Safety Policies and advises the Governing Body on necessary changes to those Policies.
- The Buildings and Gardens Committee is responsible for proposals relating to major refurbishment, alterations redecoration and furnishing of existing College buildings, plans for new College buildings and matters relating to the College gardens.

The day-to-day running of the College is delegated to the Rector, the Sub-Rector, the Finance & Estates Bursar, the Domestic Bursar, the College Accountant and the Academic Dean supported by the Academic

EXETER COLLEGE

Report of the Governing Body

Year ended 31 July 2018

Registrar. The Rector and the Finance & Estates Bursar attend all meetings of the Governing Body's management committees.

Group structure and relationships

The College administers many special trusts, as detailed in Notes 18 to 19 to the financial statements.

The College has three wholly owned non-charitable trading subsidiaries: Exeter College Trading Limited, for non-charitable trading, Collexoncotoo Limited, which undertakes all the College's building works and Exeter College Yew Tree Hill Development Company Ltd which is a property investment company. All companies Gift Aid their annual profits to Exeter College. The trading activities of Exeter College Trading Limited primarily comprise revenue from letting of the College facilities when not in use by the College, through commercial conferences and banquets. The subsidiaries' aims, objectives and achievements are covered in the relevant sections of this report.

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

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The College's Objects are to maintain and support a College within the University of Oxford for the advancement of knowledge, education, research, learning and religion.

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

- to admit undergraduate and graduate students to pursue their studies and research in the University of Oxford and to support those students in the successful pursuit of their learning, research and personal development through the teaching, supervision, intellectual resources and pastoral care offered by the College; and
- to employ and support leading professional academics across a wide range of fields to teach and supervise undergraduate and graduate students of the University of Oxford and to advance knowledge and learning through their research and publishing.

The College's long and short term objectives are to support and promote excellent research across the disciplines represented in the College and to recruit the most able undergraduate and graduate students and ensure that they are taught and supervised to high academic standards. The cost of maintaining the undergraduate tutorial system and supporting the research of the College's academics greatly exceeds the total fee income received by the College. This means that the College is under constant pressure to increase income from endowment, donations and surpluses on commercial activity to meet the shortfall.

To these ends, the College has two strategic objectives, which are: (1) to create and maintain the highest quality College buildings, historic or new, necessary for acceptable, affordable living and teaching, and (2) to grow the endowment and increase profitable trading activity such that both can sustain the costs of teaching and research that are not met from public funds.

The College measures its success by its appeal to professional academics and students as a place to study and by the results they achieve in the Oxford University Public Examinations and in the affirmation of research excellence through publications, the award of competitive grant funding and the international recognition of the quality of research published by its Fellows and research students.

The aims set for the College's subsidiaries are to help finance the achievement of the College's aims as above.

EXETER COLLEGE

Report of the Governing Body

Year ended 31 July 2018

Activities and objectives of the College

The activities of the College are teaching and research. The achievements of the College's students and academics recorded below demonstrate how the College has furthered its objectives in the past year.

The student body comprised 588 full-time students: 333 full time undergraduates (of whom 285 were Home/EU/Islands, 48 were Overseas); 254 students engaged in full time postgraduate study or research, (including 73 taught-course students and 153 research students); 28 were visiting undergraduate students. The College's student body also included 16 part-time postgraduate students.

Ninety-three undergraduates completed their courses in 2017-18, of whom 86% received First or Upper Second class Honours. Fifty-eight postgraduates completed taught courses in 2017-18 (21 of them gaining Distinctions), and 28 research students successfully defended their theses.

The Collegiate University maintains a number of bursary schemes for both undergraduate and graduate students. The College contributes to the funding of these schemes (in particular the Oxford Bursary Scheme for Home/EU undergraduates) and admits students on bursary schemes, both as undergraduate and graduate students.

In addition to the Oxford Bursary Scheme, which is operated and funded equally by the University of Oxford and the colleges, Exeter College offers generous financial support to its students through hardship grants and academic grants. The College also has a number of graduate scholarship and bursary schemes funded from specific trusts. The total value of student support through bursaries and scholarships, including the Oxford Bursaries, was £736k (2017: £604k).

The way the Oxford Bursary Scheme is being administered within the Collegiate University, means that the College paid £81k (2017: £79k) as its share towards the full cost of the scheme. However, a total of 57 Exeter undergraduates received the Oxford Bursary from Exeter College, with 15 students receiving a Moritz-Heyman Bursary of either £3,700, £4,500 or £5,500 and 26 students receiving the maximum bursary for their year of entry. The total value of Oxford Bursaries provided to Exeter College students was £158k (2017: £141k). In addition to the provision of Oxford Bursaries, 18 undergraduates were entitled to fee remission in the financial year. The total fee remission granted to the College's undergraduates was £51k, of which the College bore £6k.

In addition, the College provides hardship bursaries with the generous support of its alumni through Annual Fund donations and also from specific Trust Funds of the College. Full details of scholarships and bursaries can be found in Note 7 and Note 19 of the accounts.

The College also maintains a very active access programme to encourage applications from schoolchildren who might otherwise not consider applying to Oxford and to Exeter College. This access programme is managed by the College's Schools Liaison & Admissions Officer (SL&AO) and is extensively supported by current students, the Fellows and by the Academic Dean and the Academic Registrar. The activities on this form of access promotion (which is in addition to the College's financial contribution to the Collegiate University's access programme) are detailed below.

Access programme 2017/18

Exeter has particular links with schools in Somerset, Devon and Cornwall under Oxford University's regionalisation programme, now in its 9th year, which ensures that schools and colleges in every part of the UK are systematically linked to Oxford Colleges or the University Admissions Office.

This year the College ran six regional conferences (jointly with Downing College, Cambridge): multi-school events for sixth formers based in Devon and Cornwall. This year the venues covered Barnstaple, Exeter, Falmouth, Plymouth, St. Austell and Torquay.

As in previous years, Exeter organised and hosted a residential programme in Oxford for Sixth Formers from the south west. We allocated 60 places to this residential, and 51 places were taken up (a significant increase on the 33 from last year). Feedback from this event (which included admissions information and workshops, tours of several colleges, and a demonstration interview, among other activities) was positive, and the

EXETER COLLEGE

Report of the Governing Body

Year ended 31 July 2018

increase in the number of people attending the programme suggests that the schools involved found it valuable in previous years and are more actively encouraging their students to take part in the programme.

Many other school visits were undertaken throughout the year, visiting 13 separate schools in the southwest, as well as a number visits to schools more locally in Oxford. The number of outbound visits was similar to 2016/17 as we made the decision to maintain a more targeted approach to outreach in order to make best use of our limited time and Outreach resource. In total, Exeter's Outreach work involved over 90 different schools and colleges in the course of the 2017-18 academic year (excluding events with many attendees – such as UCAS fairs, and faculty Open Days). We also welcomed 35 different school groups to Exeter for events ranging from full day-long visits to short College tours; we provide target schools with a “menu” of 20 dates to choose from for a full day ‘Standard visit’ to Oxford, and actively encourage visits involving students from multiple schools.

In 2017/18, Exeter hosted two subject-specific study days, and this year targeted Year 12 students with interests in Modern Languages and Law, respectively. The purpose of these days was both Student Recruitment and Widening Access, and invitations were initially sent to UNIQ ‘near miss’ candidates, before being opened out to applications from other students.

Exeter also made a major contribution to other outreach projects in Oxford, as it has done in previous years. The College remains an active supporter of the Pathways Programme, a collaboration between most of Oxford's undergraduate colleges, and this year Exeter hosted several Pathways events. We also hosted a conference on equality in education in our new Cohen Quad.

During the 2017/18 academic year the College took the decision to make a major investment in its outreach programme. To date our programme has been run on a part-time basis by an Admissions and Outreach officer, who spends half their time on outreach, and half their time on supporting admissions. The College has taken the decision to make the outreach role a full-time one, and we will be recruiting a full-time Outreach and Access officer in the 2018/19 academic year.

ACHIEVEMENTS AND PERFORMANCE

Undergraduate students were awarded prestigious prizes by the University for excellent academic performance. These included: two Gibbs Prizes for the best performance in a subject in the University (Mathematics, Medical Science); one prize for high performance in Biomedical Sciences Part 2 examinations, one HWC Davis Prize in History, three prizes in Literae Humaniores, one Proxime Accessit Gibbs Prize in Philosophy, Politics and Economics. The Chancellor's Prize for Latin Prose was awarded to a student of the College.

Graduate students were awarded prestigious prizes by the University for excellent academic performance. These included one prize for academic achievement in the EMBA, three prizes for best performance in individual papers for students studying the BCL, and the Gaisford Verse Prize for Greek Verse.

Academic achievements of Fellows and Lecturers have been widely recognised. For example, a tutorial Fellow was nominated for an Oxford Student-Led Teaching Award; one secured a major prize in the initial UK Blavatnik Awards for Young Scientists; another won her professional association's annual thesis publication prize. One Fellow won the Jarman Film Award during her first term at the College. Awards and positions of distinction bestowed upon Professorial Fellows included the 2019 recipient of the Astra Zeneca Award; being named as chair of a board advising the UK Parliamentary Commission on Technology Ethics; giving the 2018 Mabel Fitzgerald Lecture; being reappointed Senior Investigator in the National Institute of Health Research.

FINANCIAL REVIEW

The Cohen Quadrangle is now fully embedded within the collegiate environment, and continues to be a tremendous success and the resources that it brings to Exeter continue to be recognised within and beyond the College as a transformation of its potential for future development and higher academic aspiration. The

EXETER COLLEGE

Report of the Governing Body

Year ended 31 July 2018

2017/18 financial year is the first complete year in which the Cohen Quadrangle has been utilised, which is reflected in the increased student residential and educational summer school and conference income.

The College held its second Exeter College Summer Programme (ECSP) at Cohen Quadrangle over July and August 2018, which was attended by 80 undergraduate students from around the world. The Summer Programme has been established as a fee-paying study-abroad programme aimed mainly at undergraduates in North America and South East Asia. Exeter creates the academic programme and recruits tutors from Oxford and beyond to deliver the six-week courses, which are assessed and are capable of earning 'credits' toward the students' degree course at their home universities. In addition to adding a new stream of vacation revenue, the programme expects to attract future Oxford graduate applicants from its programme alumni and the visibility which the programme gives Exeter internationally is a significant boost to its reputation. This second year built upon lessons learned from the inaugural programme and was a huge success and it is anticipated that the ECSP will continue in future years.

On the financial front, the College's consolidated total funds increased by £5.7m in the year to £128.8m at 31 July 2018 (2017: £123.1m). This increase in funds is represented by the endowment funds increasing by £4.4m, the restricted funds decreasing by £1.3m and the unrestricted funds increasing by £2.58m.

The College's income was £11m (2017: £11.6m), of which £2.8m was from tuition fees, other academic income and other HEFCE support; £2.5m was from legacies and donations; £3.9m was from residential income, and £1.1m was from investment income. Donations included £800k of a £4m pledge towards the Cohen Quad project. Fee income increased slightly on the 2017 figures due to a larger cohort of graduate students and investment income remained broadly the same as in 2017. Residential income has increased due to this being the first full financial year of Cohen Quad activity with the resultant income from students, summer schools and conferences.

Total expenditure increased marginally from £11.97m to £12.03m, leaving the College with net income of £5.7m after investment gains (2017: £5.4m). Of the £12m, £10.3m was spent directly on teaching, research and residential activity, with the balance being spent on activities which underpin the charitable purposes of the College.

With the introduction of the disclosure and calculation of a defined benefit pension scheme deficit liability from 2016, the balance sheet holds a liability against its General Funds of £931k (2017: £994k). General funds have increased by £1.37m since 31 July 2017, as was anticipated now that the call on unrestricted reserves for the construction and ancillary costs of Cohen Quad has ended.

The endowment assets delivered a total return of 9.75% in the year to 31 July 2018 (9.81% in the previous year). Public equity made a meaningful contribution to this outcome with a weighted contribution of 7.02%, as did property at 2.49%, but Private Equity was disappointing at 0.27%. The portfolio has limited exposure to fixed interest which, with rising yields in the US had a mildly negative overall impact of -0.10%. Within public equity, the main driver was the US, with Emerging Markets and Asian Markets struggling over the period.

Within the directly held property portfolio, land at Grove Farm in East Sussex produced a good uplift within the year. This is attributable to the successful rescue of a site which had an allocation in the local plan for the development of 30 dwellings but which was in danger of being lost in a new plan. A planning consent has been achieved and this caused a significant re-valuation of the site. Planning conditions were still in the course of being discharged at the end of the financial year so the site had not yet been brought to market. That will happen in the second half of 2018 and a further uplift in value is expected.

In September 2017, after certain contractual commitments were met, the sale of half the development site at Yew Tree Hill to the homebuilder Taylor Wimpey completed and the first tranche of completion monies was received; two further deferred payments were received in the financial year, with a final deferred payment due in December 2018, which will complete the sale of the housing development, leaving only the land designated for a care home and local centre to be sold. The local centre and care home site was being actively promoted by Savills at the year-end and it is anticipated that a sale will be agreed during the next financial year.

The College is also promoting two significant sites north of Oxford in the Cherwell District Council Local Plan. The cost of this promotion is reflected in higher endowment management costs.

EXETER COLLEGE

Report of the Governing Body

Year ended 31 July 2018

The portfolio also carried 12.5% cash at the year end. The Investment Committee has been concerned with the level of valuations and the expectation of rising interest rates and considers that cash should be re-invested with caution and that it also functions as a substitute for bonds which, were yields not so compressed, would normally account for a greater proportion of a diversified portfolio than has been the case through the cycle following the credit crisis that erupted in 2009.

Reserves policy

The Governing Body has previously agreed that the free general reserves should be maintained at six months expenditure to allow the College to be managed efficiently and to provide a buffer to maintain its charitable activities even in the event of an unexpected drop in income or exceptional expense. In monetary terms, this equates to a figure of approximately £6m and with free reserves at 31 July 2018 being £2.3m (2017: £945k), this is lower than the policy target. However, the increase in free reserves in the current financial year is to be welcomed and the aim of the College is that this balance continues to improve over the next few financial years.

In practice, the College's expendable endowment funds are available to support unexpected fluctuations in income and expenditure. The College maintains a level of liquidity that ensures there is both sufficient cash to meet expected future calls from private equity investments, cover the next year's distribution to the College under the spend rule and cope with unexpected emergencies without having to sell investment assets in volatile markets.

Total funds of the College and its subsidiaries at the year-end amounted to £128.8m (2017: £123.1m). This includes endowment capital of £74.5m and unspent restricted income funds totalling £2.6m. Free reserves at the year-end amounted to £2.3m (2017: £945k), representing retained unrestricted income reserves excluding an amount of £48.3 m for the book value of tangible fixed assets less associated funding arrangements, and funds designated at the year-end amounting to £991k (2017: £801k).

Risk management

The College has on-going processes which operate throughout the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiaries in undertaking their activities. The principal risks and uncertainties faced by the College and its subsidiaries that have been identified are categorised into three main elements - 1) Finances, Premises, Employment and Operations, 2) Academic Risk, and 3) Governance & Compliance. Included within these categories are a number of individual risks which are reviewed annually and managed with various controls and procedures. The following bullet points highlight the key risks:

- A material drop in donations from the Annual Fund which would result in a downturn in spending capacity and pressure to cut costs. Controls that are in place include systematic processes for cultivating donors and consistently reviewing prospects and related donor engagement strategies;
- Consistent underperformance of the endowment, which would result in a downturn in spending capacity and pressure to cut costs. The Investment and Accounts Committee and investment advisers review performance, risk and the investment climate quarterly, which is considered sufficient for reacting to market changes;
- Key officer risk arising from reliance on single individuals with large portfolios of responsibilities and specialist knowledge, mitigated largely by documented procedures and frequent meetings between senior officers to review present issues within the College; and
- Failure to attract high calibre students from a diverse range of backgrounds, resulting in reputational damage and failure to compete with other colleges and universities. Measures are in place to communicate and market the College's distinctive characteristics. A Schools Liaison Officer is employed to manage communication with schools in the Devon and Cornwall area and a systematic program of access initiatives is in place.

When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College Committee, chaired by the Rector. Financial risks are assessed by the Finance and

EXETER COLLEGE

Report of the Governing Body

Year ended 31 July 2018

Estates Committee and investment risks are monitored by the Investment Committee. In addition, the Health and Safety Committee meets regularly to review health and safety issues. The Equality Review Committee regularly reviews and amends the College's policies relating to employment, harassment, disability, gender, freedom of speech and internal codes of conduct in the light of both legislation and best practice. Training courses and other forms of career development are available, when appropriate, to members of staff to enhance their skills in risk-related areas.

The Governing Body has ultimate responsibility for managing those identifiable risks faced by the College and is committed to ensuring that appropriate and adequate systems, procedures and arrangements are in place to manage these risks. It is recognised that systems, procedures and arrangements can only provide reasonable but not absolute assurance that major risks have been managed. The College maintains a Risk Register which is used to identify potential risks and their impact and likelihood; the Register is reviewed annually.

Investment policy, objectives and performance

The College's investment objectives are to balance the needs of current and future beneficiaries by:

- maintaining (at least) the value of the investments in real terms;
- producing a consistent and sustainable annual transfer to support the general expenditure of the College; 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 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.

Under the total return accounting basis, it is the Governing Body's policy to operate a spend rule which calculates the total transfer to income based on 70% of the previous year's transfer, uplifted by inflation, plus 30% of 3.25% of the market value of the assets at the 31 July of the year in question. In addition, the Governing Body has agreed to make an additional, exceptional transfer in each year equivalent to half the interest charge on the commercial loan. The Investment Committee keeps this policy under review in the light of investment returns to maintain an equitable balance between present and future beneficiaries.

The carrying value of the preserved permanent capital and the amount of any unapplied total return available for expenditure was taken as the open market values of these funds as at 1 August 2002 together with the original gift value of all subsequent endowment received.

FUTURE PLANS

The completion and occupation of Cohen Quadrangle continues to open up new opportunities for the College to enhance and grow its core mission which is to pursue excellence in teaching and research. Undergraduates and graduate students alike are making use of the new light-filled spaces in the Learning Commons to study and the seminar rooms are heavily used for general teaching and for specialist seminars and lectures. During the year, the building was booked by College fellows and by University departments for important academic conferences and symposiums and is anticipated that this will continue in the forthcoming years. The Exeter College Summer Programme, referred to earlier, is an example of how Cohen Quadrangle is enabling the College to break into new academic activities. The emerging new College strategy envisages building on the success of the ECSP to increase the College's international visibility and to develop fruitful collaboration with other academic institutions around the world.

EXETER COLLEGE

Report of the Governing Body

Year ended 31 July 2018

The next pressing capital project is the regeneration of the College Library at Turl Street. The transfer of the Special Collection to Cohen Quadrangle in 2017 marked the first logistical stage in that ambition and an exceptionally generous pledge made by a former undergraduate student provides the foundation for further matched funding to make this important project a fully-philanthropic enterprise. The College has completed a detailed assessment of its requirements for regenerating the College Library to meet the expectations of students and academics in the 21st century and in the next year anticipates selecting a design team to prepare detailed plans to obtain the necessary planning consents.

The College is focused on its access programme and has committed to funding a full-time professional officer. In conjunction with this the College is conducting a high-level review of its outreach programme in order to ensure that it continues to help to attract the students with the highest academic potential to the College and provides best value for the investment that the College is making.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

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

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

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

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

Approved by the Governing Body on 28 November 2018 and signed on its behalf by:

Sir Rick Trainor

Rector

EXETER COLLEGE

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

Opinion

We have audited the financial statements of Exeter College for the year ended 31 July 2018 which comprise the Group Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Group Charity Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 July 2018 and of the group's incoming resources and application of resources, including its 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

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's and parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

EXETER COLLEGE

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities 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 charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the 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

EXETER COLLEGE

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

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 of 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 which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Date:

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

EXETER COLLEGE

Statement of Accounting Policies

Year ended 31 July 2018

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 subsidiaries; Exeter College Trading Limited, Collexoncotoo Limited and Exeter College Yew Tree Hill Development Company Limited. The subsidiaries have been consolidated from the date of their formation by the College, which owns 100% of the share capital in each company. No separate SOFA has been presented for the College alone as currently permitted by the Charity Commission on a concessionary basis for the filing of consolidated financial statements. A summary of the results and financial position of the charity and each of its material subsidiaries for the reporting year are in note 12.

2. Basis of accounting

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

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

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

3. Accounting judgements and estimation uncertainty

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

- The College participates in a multi-employer defined benefit pension plan. In the judgement of the Governing Body there is insufficient information about the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets in the financial statements and therefore the plan is accounted for as a defined contribution scheme (see note 22).
- The College and its subsidiaries carry investment property at fair value in the balance sheet, with changes in fair value being recognised in the income and expenditure section of the SOFA. Independent valuations are obtained to determine fair value at the balance sheet date.
- Before legacies are recognised in the financial statements, the Governing Body has to exercise judgement as to what constitutes sufficient evidence of entitlement to the bequest. Sufficient entitlement exists once notification of payment has been received from the executor(s) of the estate or estate accounts are available which indicate there are sufficient funds in the estate after meeting liabilities for the bequest to be paid.

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

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

EXETER COLLEGE

Statement of Accounting Policies

Year ended 31 July 2018

4. Income recognition

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

a. Income from fees, 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.

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 valued at the market value of the underlying assets received at the date of the gift receipt.

c. Investment income

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

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

Dividend income and similar distributions are recognised on the date the share interest becomes ex-dividend or when the right to the dividend can be established.

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

5. Expenditure

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

Grants 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

EXETER COLLEGE

Statement of Accounting Policies

Year ended 31 July 2018

the estimated amount attributable to that activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

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

6. Leases

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

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

7. Tangible fixed assets

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

Expenditure on the acquisition or enhancement of land and on the acquisition, construction and enhancement of buildings which is directly attributable to bringing the asset to its working condition for its intended use and amounting to more than £10,000, together with expenditure on equipment costing more than £1,000 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	40 - 50 years
Building improvements	10 - 40 years
Equipment	3 - 10 years

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

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

EXETER COLLEGE

Statement of Accounting Policies

Year ended 31 July 2018

9. Investments

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

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

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

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

10. Other financial instruments

a. Cash and cash equivalents

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

b. Debtors and creditors

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

11. Stocks

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

12. Foreign currencies

The functional and presentation currency of the College and its subsidiaries is pound sterling, rounded to the nearest thousand.

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

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

13. Total Return investment accounting

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

EXETER COLLEGE

Statement of Accounting Policies

Year ended 31 July 2018

14. Fund accounting

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

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

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

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

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

15. Pension costs

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

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

The College also contributes to the personal pension arrangements of one employee. Contributions to these arrangements are charged to the SOFA in the period in which they are payable.

Exeter College
Consolidated Statement of Financial Activities
For the year ended 31 July 2018

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2018 Total £'000	2017 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:	1					
Teaching, research and residential		6,698	-	-	6,698	6,060
Other Trading Income	3	617	-	-	617	433
Donations and legacies	2	1,045	1,328	148	2,521	3,960
Investments						
Investment income	4	679	114	379	1,172	1,128
Other income		-	-	-	-	-
Total Income		9,039	1,442	527	11,008	11,581
EXPENDITURE ON:						
Charitable activities:	5					
Teaching, research and residential		8,734	1,585	-	10,319	10,554
Generating funds:						
Fundraising		524	4	-	528	409
Trading expenditure		467	-	-	467	390
Investment management costs		333	89	296	718	617
Total Expenditure		10,058	1,678	296	12,032	11,970
Net Income/(Expenditure) before gains		(1,019)	(236)	231	(1,024)	(389)
Net gains on investments	10, 11	1	-	6,684	6,685	5,749
Net Income/(Expenditure)		(1,018)	(236)	6,915	5,661	5,360
Transfers between funds	18	3,598	(1,095)	(2,503)	-	-
Other recognised gains/losses						
Gains/(losses) on revaluation of fixed assets		-	-	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes		-	-	-	-	-
Net movement in funds for the year		2,580	(1,331)	4,412	5,661	5,360
Fund balances brought forward	18	49,084	3,925	70,121	123,130	117,770
Funds carried forward at 31 July		51,664	2,594	74,533	128,791	123,130

None of the group's activities were acquired or discontinued during the above two financial periods. The group has no recognised gains or losses other than those dealt with in the above Statement of Financial Activities.

Exeter College
Consolidated and College Balance Sheets
As at 31 July 2018

	Notes	2018 Group £'000	2017 Group £'000	2018 College £'000	2017 College £'000
FIXED ASSETS					
Tangible assets	9	62,758	62,538	63,449	63,212
Property investments	10	18,346	19,548	18,346	16,793
Other Investments	11	55,664	50,301	56,187	53,330
Total Fixed Assets		136,768	132,387	137,982	133,335
CURRENT ASSETS					
Stocks		93	89	93	89
Debtors	14	1,254	1,144	1,088	1,056
Cash at bank and in hand		7,888	10,033	7,025	9,225
Total Current Assets		9,235	11,266	8,206	10,370
LIABILITIES					
Creditors: Amounts falling due within one year	15	1,757	4,204	1,262	3,590
NET CURRENT ASSETS		7,478	7,062	6,944	6,780
TOTAL ASSETS LESS CURRENT LIABILITIES		144,246	139,449	144,926	140,115
CREDITORS: falling due after more than one year	16	14,400	15,200	14,400	15,200
Provisions for liabilities and charges	17	-	-	-	-
NET ASSETS BEFORE PENSION LIABILITY		129,846	124,249	130,526	124,915
Defined benefit pension scheme liability	22	1,055	1,119	1,055	1,119
TOTAL NET ASSETS		128,791	123,130	129,471	123,796
FUNDS OF THE COLLEGE					
Endowment funds	18	74,533	70,121	74,533	70,121
Restricted funds		2,594	3,925	2,594	3,925
Unrestricted funds					
Designated funds		49,349	48,139	50,040	48,813
General funds		2,315	945	2,304	937
		128,791	123,130	129,471	123,796

The financial statements were approved and authorised for issue by the Governing Body of Exeter College on 28 November 2018

Sir Rick Trainor (Trustee):

William Jensen (Trustee):

Exeter College
Consolidated Statement of Cash Flows
For the year ended 31 July 2018

	Notes	2018 £'000	2017 £'000
Net cash (used in)/provided by operating activities	25	<u>(3,528)</u>	<u>2,672</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		1,172	1,128
Purchase of property, plant and equipment		(1,660)	(10,023)
Proceeds from sale of investments		14,611	10,071
Purchase of investments		(12,088)	(5,668)
Net cash used in investing activities		<u>2,035</u>	<u>(4,492)</u>
Cash flows from financing activities			
Cash inflows from new borrowing		-	2,950
Cash repayment of borrowing		(800)	-
Receipt of endowment		148	319
Net cash provided by (used in) financing activities		<u>(652)</u>	<u>3,269</u>
Change in cash and cash equivalents in the reporting period		<u>(2,145)</u>	<u>1,449</u>
Cash and cash equivalents at the beginning of the reporting period		10,033	8,584
Cash and cash equivalents at the end of the reporting period	26	<u>7,888</u>	<u>10,033</u>

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

1 INCOME FROM CHARITABLE ACTIVITIES

	2018	2017
	£'000	£'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	1,392	1,275
Tuition fees - Overseas students	921	802
Other fees	85	83
Other HEFCE support	163	163
Other academic income	209	191
College residential income	3,928	3,546
Total Teaching, Research and Residential	6,698	6,060
Total income from charitable activities	6,698	6,060

The above analysis includes £1496k received from Oxford University from publicly accountable funds under the CFF Scheme (2017: £1497k).

Under the terms of the undergraduate student support package offered by Oxford University to students from lower income households, the college share of the fees waived amounted to £6k (2017: £16k). These are not included in the fee income reported above.

2 DONATIONS AND LEGACIES

	2018	2017
	£'000	£'000
Donations and Legacies		
Unrestricted funds	1,045	733
Restricted funds	1,328	2,908
Endowed funds	148	319
	2,521	3,960

3 INCOME FROM OTHER TRADING ACTIVITIES

	2018	2017
	£'000	£'000
Subsidiary company trading income	617	416
Other trading income	-	17
	617	433

4 INVESTMENT INCOME

	2018	2017
	£'000	£'000
<i>Unrestricted funds</i>		
Agricultural rent	102	131
Commercial rent	208	208
Other property income	81	79
Equity dividends	270	246
Bank interest	18	9
	679	673
<i>Restricted funds</i>		
Agricultural rent	28	32
Other property income	22	19
Equity dividends	64	54
	114	105
<i>Endowed funds</i>		
Agricultural rent	92	108
Other property income	73	65
Equity dividends	214	177
	379	350
Total Investment income	1,172	1,128

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

5 ANALYSIS OF EXPENDITURE	2018 £'000	2017 £'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	3,988	3,923
Other direct costs allocated to:		
Teaching, research and residential	3,492	3,784
Support and governance costs allocated to:		
Teaching, research and residential	2,839	2,847
Total charitable expenditure	<u>10,319</u>	<u>10,554</u>
Expenditure on generating funds		
Direct staff costs allocated to:		
Fundraising	333	154
Trading expenditure	249	214
Investment management costs	-	-
Other direct costs allocated to:		
Fundraising	137	205
Trading expenditure	176	142
Investment management costs	717	616
Support and governance costs allocated to:		
Fundraising	58	50
Trading expenditure	42	34
Investment management costs	1	1
Total expenditure on raising funds	<u>1,713</u>	<u>1,416</u>
Total expenditure	<u>12,032</u>	<u>11,970</u>

The 2017 expenditure of £11970k represented £10259k from unrestricted funds, £1472k from restricted funds and £239k from endowed funds.

The College Contribution Scheme was set up under the provisions of Statute XV of the University of Oxford, creating a Contribution Fund to be used to make grants and loans to colleges on the basis of need. Contributions are calculated annually in accordance with regulations made by the Council of the University of Oxford. The current scheme ran for a fixed period of ten years, ending in the accounts prepared at 31 July 2017. The terms of any future scheme have not been decided or agreed and therefore there is no liability for the College at 31 July 2018.

The teaching and research costs include a College Contribution credit of -£12k due to an over-accrual in the previous financial year (2017: £9k payment).

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	2018 Total £'000
Financial administration	51	436	487
Human resources	-	116	116
IT	-	261	261
Depreciation	48	1,392	1,440
Loss/(profit) on fixed assets	-	-	-
Bank interest payable	-	664	664
Other finance charges	-	(64)	(64)
Governance costs	2	34	36
	101	2,839	2,940

	Generating Funds £'000	Teaching and Research £'000	2017 Total £'000
Financial administration	34	437	471
Human resources	-	116	116
IT	-	241	241
Depreciation	49	1,539	1,588
Loss/(profit) on fixed assets	-	(5)	(5)
Bank interest payable	-	659	659
Other finance charges	-	(164)	(164)
Governance costs	2	24	26
	85	2,847	2,932

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

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

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

Governance costs are allocated according to the time spent on each activity.

	2018 £'000	2017 £'000
Governance costs comprise:		
Auditor's remuneration - audit services (current year)	24	22
Auditor's remuneration - audit services (prior year under accrual)	10	-
Other governance costs	-	-
	36	26

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.

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

7 GRANTS AND AWARDS **2018** **2017**
£'000 **£'000**

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

Unrestricted funds

Grants to individuals:		
Scholarships, prizes and grants	65	55
Bursaries and hardship awards	9	11
Graduate studentships	23	15
Total unrestricted	97	81

Restricted funds

Grants to individuals:		
Scholarships, prizes and grants	58	58
Bursaries and hardship awards	108	113
Graduate studentships	473	352
Total restricted	639	523

Total grants and awards	736	604
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Within the bursaries and hardships awards figure above, is the cost to the College of the Oxford Bursary Scheme. Students of this College received £158k (2017: £141k) of Oxford Bursaries. Some of those students also received fee waivers amounting to £51k (2017: £70k).

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

8 STAFF COSTS **2018** **2017**
£'000 **£'000**

The aggregate staff costs for the year were as follows.

Salaries and wages	4,227	3,908
Social security costs	322	302
Pension costs:		
Defined benefit schemes	604	631
Defined contribution schemes	-	1
Movement in pension deficit liability	(64)	(164)
	5,089	4,678

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

	2018	2017
Tuition and research	25	19
College residential	97	90
Fundraising	7	4
Support	10	11
Total	139	124

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

University Lecturers	12	14
CUF Lecturers	10	8
Other teaching and research	5	6
Other	5	5
Total	32	33

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

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

£60,001-£70,000	-	1
£80,001-£90,001	1	-
	1	1

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

In defined benefits schemes	1	1
	1	1

The College contributions to defined contribution pension schemes totalled	-	1
	-	1

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

9 TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At start of year	69,141	-	2,074	71,215
Additions	1,422	-	238	1,660
Disposals	-	-	(20)	(20)
At end of year	70,563	-	2,292	72,855
Depreciation and impairment				
At start of year	7,343	-	1,334	8,677
Depreciation charge for the year	1,260	-	179	1,439
Depreciation on disposals	-	-	(19)	(19)
At end of year	8,603	-	1,494	10,097
Net book value				
At end of year	61,960	-	798	62,758
At start of year	61,798	-	740	62,538

The above includes:

£0k (2017:£0k) of plant and machinery held under finance leases.

£0k (2017:£0k) of fixtures, fittings and equipment held under finance leases.

College	Freehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At start of year	69,815	-	2,074	71,889
Additions	1,440	-	238	1,678
Disposals	-	-	(20)	(20)
At end of year	71,255	-	2,292	73,547
Depreciation and impairment				
At start of year	7,343	-	1,334	8,677
Charge for the year	1,261	-	179	1,440
On disposals	-	-	(19)	(19)
At end of year	8,604	-	1,494	10,098
Net book value				
At end of year	62,651	-	798	63,449
At start of year	62,472	-	740	63,212

The above includes:

£0k (2017:£0k) of plant and machinery held under finance leases.

£0k (2017:£0k) of fixtures and fittings held under finance leases.

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

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

10 PROPERTY INVESTMENTS

Group			2018	2017
	Agricultural £'000	Other £'000	Total £'000	Total £'000
Valuation at start of year	12,638	6,910	19,548	19,038
Additions and improvements at cost	-	-	-	-
Disposals	(2,755)	-	(2,755)	-
Revaluation gains/(losses) in the year	1,553	-	1,553	510
Valuation at end of year	11,436	6,910	18,346	19,548
College				
	Agricultural £'000	Other £'000	2018 Total £'000	2017 Total £'000
Valuation at start of year	9,883	6,910	16,793	16,283
Additions and improvements at cost	-	-	-	-
Disposals	-	-	-	-
Revaluation gains/(losses) in the year	1,553	-	1,553	510
Valuation at end of year	11,436	6,910	18,346	16,793

A formal valuation of the agricultural and other properties was prepared by Savills, the College Land Agent as at 31 July 2018, the basis of the valuation being open market value as defined by the RICS Appraisal and Valuation Manual.

11 OTHER INVESTMENTS

All investments are held at fair value.

	2018 £'000	2017 £'000
Group investments		
Valuation at start of year	50,301	49,469
New money invested	12,088	5,668
Amounts withdrawn (Decrease)/increase in value of investments	(11,856)	(10,071)
	5,131	5,235
Group investments at end of year	55,664	50,301
Investment in subsidiaries	523	3,029
College investments at end of year	56,187	53,330

Group investments comprise:	2018		2017	
	Held outside the UK £'000	Held in the UK £'000	Held outside the UK £'000	Held in the UK £'000
Equity investments	16,571	19,815	16,669	14,101
Global multi-asset funds	3,347	836	7,533	987
Property funds	-	2,540	-	2,616
Fixed interest stocks	1,302	2,290	1,369	2,347
Fixed term deposits and cash	-	8,963	-	4,679
Total group investments	21,220	34,444	25,571	50,301

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

12 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Exeter College Trading Limited, a company providing conference and other event services on the College premises, 100% of the issued share capital of Collexoncotoo Limited, a company providing design and build construction services to the College, and 100% of the issued share capital of Yew Tree Hill Development Company Limited, a property investment company.

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

	Exeter College £'000	Exeter College Trading Limited £'000	Collexoncotoo Limited £'000	Yew Tree Hill Development Company £'000
Income	11,008	620	856	-
Expenditure	(5,347)	(474)	(851)	264
Result for the year	5,661	146	5	264
Donation to College under gift aid	-	(146)	(5)	(2,770)
Movement in reserves	5,661	-	-	(2,506)
Total assets	146,188	241	482	618
Total liabilities	(16,717)	(241)	(471)	(96)
Net funds at the end of year	129,471	-	11	522

13 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns as provided in the College Statutes. The investment return to be applied as income is calculated by combining 70% of the previous year's transfer together with 3.25% of 30% of the closing market value of assets at 31 July. The preserved (frozen) value of the invested endowment capital represents its open market value in 2002 together with all subsequent endowments valued at date of gift.

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
At the beginning of the year:					
Gift component of the permanent endowment	15,244	-	15,244	-	15,244
Unapplied total return	-	13,731	13,731	-	13,731
Expendable endowment	-	-	-	41,146	41,146
Total Endowments	15,244	13,731	28,975	41,146	70,121
Movements in the reporting period:					
Gift of endowment funds	125	-	125	23	148
Investment return: total investment income	-	379	379	537	916
Investment return: realised and unrealised gains and losses	-	2,769	2,769	3,916	6,685
Less: Investment management costs	-	(296)	(296)	(419)	(715)
Other transfers	-	-	-	-	-
Total	125	2,852	2,977	4,057	7,034
Unapplied total return allocated to income in the reporting period	-	(953)	(953)	(1,348)	(2,301)
Expendable endowments transferred to income	-	-	-	(321)	(321)
	-	(953)	(953)	(1,669)	(2,622)
Net movements in reporting period	125	1,899	2,024	2,388	4,411
At end of the reporting period:					
Gift component of the permanent endowment	15,369	-	15,369	-	15,369
Unapplied total return	-	15,630	15,630	-	15,630
Expendable endowment	-	-	-	43,534	43,534
Total Endowments	15,369	15,630	30,999	43,534	74,533

14 DEBTORS

	2018 Group £'000	2017 Group £'000	2018 College £'000	2017 College £'000
Amounts falling due within one year:				
Trade debtors	717	429	449	383
Provision for bad debt	(38)	(37)	(38)	(37)
Amounts owed by Group undertakings	-	-	102	-
Prepayments and accrued income	438	696	438	655
Other debtors	137	56	137	55
Amounts falling due after more than one year:				
Loans	-	-	-	-
	1,254	1,144	1,088	1,056

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

15 CREDITORS: falling due within one year

	2018	2017	2018	2017
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Trade creditors	354	492	353	462
Amounts owed to Group undertakings	-	-	-	2,170
Taxation and social security	97	80	110	92
College contribution	-	35	-	35
Accruals and deferred income	1,023	3,285	516	519
Other creditors	283	312	283	312
	1,757	4,204	1,262	3,590

Deferred income comprises £77,000 for conference deposits, £111,000 for Summer School income and £34,000 for student vacation rent, all income of which relates to the following financial year.

	2018	2017	2018	2017
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Deferred income at start of year	324	168	324	168
Deferred income released in the year	(324)	(168)	(324)	(168)
New income deferred to following year	227	324	227	324
Deferred income at end of year	227	324	227	324

16 CREDITORS: falling due after more than one year

	2018	2017	2018	2017
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bank loans - due in 2-5 years	2,400	3,200	2,400	3,200
Bank loans - due in more than 5 years	12,000	12,000	12,000	12,000
	14,400	15,200	14,400	15,200

A revolving facility and/or term loan agreement has been arranged enabling the College to borrow up to a maximum of £12m. The loan carries interest at 0.55% above LIBOR. The maximum term of any term loan facility is 27 March 2022. Earlier repayments of term loans from surpluses, the sale of existing assets or donations may be made without penalty.

An additional revolving credit facility to enable the College to borrow up to £4m was signed in 2016, as short term funding for the Cohen Quad project. This will be repaid in instalments from the proceeds of a signed pledge which is due to be received over the five years from 2017 to 2021. The second instalment of £800k was repaid during the year. The loan carries interest at 1% above LIBOR and the maximum term of the loan is five years. Early repayment of the loan can be made without penalty.

17 PROVISIONS FOR LIABILITIES AND CHARGES

There were no provisions at the year end.

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

18 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2017 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2018 £'000
Endowment Funds - Permanent						
Tuition & Fellowship Support	12,920	294	(133)	(427)	1,241	13,895
Scholarships, Exhibitions, Prizes and Travel Funds	4,743	63	(48)	(156)	451	5,053
Studentships	9,010	117	(91)	(295)	857	9,598
Student Assistance, Bursaries and Hardship	2,142	28	(22)	(70)	204	2,282
Other Funds	162	2	(2)	(5)	15	172
Endowment Funds - Expendable						
Tuition & Fellowship Support	4,254	-	-	(127)	404	4,531
Scholarships, Exhibitions, Prizes and Travel Funds	-	-	-	-	-	-
Studentships	1,614	-	-	(63)	154	1,705
Student Assistance, Bursaries and Hardship	2,337	23	-	(70)	225	2,515
Other Funds	486	-	-	(14)	46	518
Exeter College Main Fund	32,453	-	-	(1,276)	3,087	34,264
Total Endowment Funds - College	70,121	527	(296)	(2,503)	6,684	74,533
Endowment funds held by subsidiaries	-	-	-	-	-	-
Total Endowment Funds - Group	70,121	527	(296)	(2,503)	6,684	74,533
Restricted Funds						
Tuition & Fellowship Support	153	314	(891)	554	-	130
Scholarships, Exhibitions, Prizes and Travel Funds	104	-	(29)	32	-	107
Studentships	640	164	(494)	359	-	669
Student Assistance, Bursaries and Hardship	109	38	(140)	141	-	148
Other Funds	2,919	926	(124)	(2,181)	-	1,540
Total Restricted Funds - College	3,925	1,442	(1,678)	(1,095)	-	2,594
Restricted funds held by subsidiaries	-	-	-	-	-	-
Total Restricted Funds - Group	3,925	1,442	(1,678)	(1,095)	-	2,594
Unrestricted Funds						
Designated funds						
Fixed Asset Reserve	48,012	-	-	1,037	-	49,049
Other Designated Reserves	801	597	(76)	(331)	-	991
General funds	935	8,442	(9,982)	2,909	1	2,305
Total Unrestricted Funds - College	49,748	9,039	(10,058)	3,615	1	52,345
Unrestricted funds held by subsidiaries	10	-	-	-	-	10
Consolidation adj on Construction Contract with Sub	(674)	-	-	(17)	-	(691)
Total Unrestricted Funds - Group	49,084	9,039	(10,058)	3,598	1	51,664
Total Funds	123,130	11,008	(12,032)	-	6,685	128,791
Transfers Detail						
	Unrestricted funds	Designated funds	Restricted funds	Permanent Endowment	Expendable Endowment	Total
Transfer for investment total return	1,090	-	1,107	(953)	(1,244)	-
Removal of restriction on CQ/other imm funds	2,202	-	(2,202)	-	-	-
Additional transfer from endowment	306	-	-	-	(306)	-
Designation in year	(706)	706	-	-	-	-
Total	2,892	706	(1,095)	(953)	(1,550)	-

Designated transfers reflect the movement in the net book value of tangible fixed assets.

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

ANALYSIS OF MOVEMENTS ON FUNDS (prior year)

	At 1 August 2016 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2017 £'000
Endowment Funds - Permanent						
Tuition & Fellowship Support	12,241	156	(107)	(388)	1,018	12,920
Scholarships, Exhibitions, Prizes and Travel Funds	4,492	58	(39)	(143)	375	4,743
Studentships	8,536	109	(74)	(271)	710	9,010
Student Assistance, Bursaries and Hardship	2,030	26	(18)	(65)	169	2,142
Other Funds	153	2	(1)	(5)	13	162
Endowment Funds - Expendable						
Tuition & Fellowship Support	4,030	1	-	(112)	335	4,254
Scholarships, Exhibitions, Prizes and Travel Funds	-	-	-	-	-	-
Studentships	1,428	106	-	(48)	128	1,614
Student Assistance, Bursaries and Hardship	2,103	111	-	(61)	184	2,337
Other Funds	361	100	-	(13)	38	486
Exeter College Main Fund	33,359	-	-	(3,681)	2,775	32,453
Total Endowment Funds - College	68,733	669	(239)	(4,787)	5,745	70,121
Endowment funds held by subsidiaries	-	-	-	-	-	-
Total Endowment Funds - Group	68,733	669	(239)	(4,787)	5,745	70,121
Restricted Funds						
Tuition & Fellowship Support	159	350	(857)	501	-	153
Scholarships, Exhibitions, Prizes and Travel Funds	76	30	(32)	30	-	104
Studentships	385	313	(376)	318	-	640
Student Assistance, Bursaries and Hardship	86	35	(138)	126	-	109
Other Funds	3,809	2,285	(69)	(3,106)	-	2,919
Total Restricted Funds - College	4,515	3,013	(1,472)	(2,131)	-	3,925
Restricted funds held by subsidiaries	-	-	-	-	-	-
Total Restricted Funds - Group	4,515	3,013	(1,472)	(2,131)	-	3,925
Unrestricted Funds						
Designated funds						
Fixed Asset Reserve	42,338	-	-	5,674	-	48,012
Other Designated Reserves	1,150	272	(19)	(602)	-	801
General funds	1,508	7,627	(10,240)	2,036	4	935
Total Unrestricted Funds - College	44,996	7,899	(10,259)	7,108	4	49,748
Unrestricted funds held by subsidiaries	10	-	-	-	-	10
Consolidation adj on Construction Contract with Sub	(484)	-	-	(190)	-	(674)
Total Unrestricted Funds - Group	44,522	7,899	(10,259)	6,918	4	49,084
Total Funds	117,770	11,581	(11,970)	-	5,749	123,130
Transfers Detail						
	Unrestricted funds	Designated funds	Restricted funds	Permanent Endowment	Expendable Endowment	Total
Transfer for investment total return	1,039	-	992	(872)	(1,159)	-
Removal of restriction on CQ/other imm funds	3,123	-	(3,123)	-	-	-
Additional transfer from endowment	2,756	-	-	-	(2,756)	-
Designation in year	(5,072)	5,072	-	-	-	-
Total	1,846	5,072	(2,131)	(872)	(3,915)	-

Designated transfers reflect the movement in the net book value of tangible fixed assets.

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

19 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

Tuition & Fellowship Support	A total of fourteen Trust Funds where the income can be spent on Fellowship support in specific subject areas, but the original capital cannot be spent.
Scholarships, Exhibitions, Prizes and Travel Funds	A total of six Trust Funds where the income can be spent on student scholarships, exhibitions, prizes and travel funds. The original capital cannot be spent.
Studentships	A total of 11 Trust Funds, the purpose of which is to pay a contribution towards, or all, of the University and College fees together with a maintenance grant. Each Fund specifies the subject area and academic achievements needed for each award. The original capital cannot be spent.
Student Assistance, Bursaries and Hardship	A total of four Trust Funds, the income of which is to provide financial assistance to undergraduates and/or graduates dependent upon their financial need. The capital cannot be spent.
Other Funds	Three Trust Funds for specific purposes of the College. The capital cannot be spent.

Endowment Funds - Expendable:

Tuition & Fellowship Support	A total of five Trust Funds where the income and capital, if required, can be spent on Fellowship support in specific subject areas.
Studentships	Three Trust Funds, the purpose of which is to pay a contribution towards, or all, of the University and College fees together with a maintenance grant for a graduate student. The income and capital may be spent.
Student Assistance, Bursaries and Hardship	Six Trust Funds providing financial assistance to undergraduate and graduate students. Both the income and capital can be spent.
Other Funds	Four Trust Funds for various purposes where both the income and capital can be spent on the restricted purpose of the Fund.
Exeter College Main Fund	This Fund represents donations accumulated over many decades and current policy is to invest it over the long term future of the College. Both income and capital can be spent on the general educational purposes of the College.

Restricted Funds:

Tuition & Fellowship Support	A consolidation of gifts and donations where both income and capital can be used for tuition and fellowship support. Income generated from endowment is allocated to these funds and, if not spent, is available in future years.
Scholarships, Exhibitions, Prizes and Travel Funds	A consolidation of gifts and donations where both income and capital can be used for scholarships and exhibitions. Income generated from endowment is allocated to these funds and, if not spent, is available for future years.
Student Assistance, Bursaries and Hardship	A consolidation of gifts and donations where both income and capital can be used for student assistance and hardship. Income generated from endowment is also allocated to these funds and, if not spent, is available for future years.
Other Funds	A consolidation of gifts and donations where both income and capital can be spent on various restricted purposes.

Designated Funds

Fixed asset designated	Unrestricted Funds which are represented by the fixed assets of the College and therefore not available for expenditure on the College's general purposes
General designated reserve	Unrestricted Funds allocated by the Fellows for future costs of specific projects.

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

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2018 Total £'000
Tangible fixed assets	62,758	-	-	62,758
Borrowings on acquisition of fixed assets	(14,400)	-	-	(14,400)
Property investments	-	-	18,346	18,346
Other investments	-	-	55,664	55,664
Net current assets (including pension provision)	3,306	2,594	523	6,423
	<u>51,664</u>	<u>2,594</u>	<u>74,533</u>	<u>128,791</u>

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2017 Total £'000
Tangible fixed assets	62,539	-	-	62,539
Borrowings on acquisition of fixed assets	(15,200)	-	-	(15,200)
Property investments	-	-	19,548	19,548
Other investments	-	-	50,301	50,301
Net current assets (including pension provision)	1,745	3,925	272	5,942
	<u>49,084</u>	<u>3,925</u>	<u>70,121</u>	<u>123,130</u>

21 TRUSTEES' REMUNERATION

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

Trustees of the college fall into the following categories:

Rector
 Professorial Fellow
 Official Fellow
 Fellow by Special Election
 Research Fellow

No trustee receives any remuneration for acting as a trustee. However, those trustees who are also employees of the college receive salaries for their work as employees. These salaries are paid on external academic and academic-related scales and often are joint arrangements with the University of Oxford. 23 Official Fellows are on a joint appointment with the University of Oxford. The remuneration disclosure below relates to remuneration that is paid by the College.

All Official and Research Fellows are eligible for a Housing Allowance, which is disclosed within the salary figures below. Seven trustees live in houses owned by the college and pay market rent on a monthly basis.

Some trustees receive additional allowances for additional work carried out as part time college officers, for example, the Sub-Rector, Computing Fellow and Fellow Librarian. These amounts are included within the remuneration figures below.
 The total remuneration and taxable benefits as shown below is £1,151,381 (2017: £1,110,620).
 The total of pension contributions is £186,385 (2017: £180,790).

As a consequence of the different remuneration of Fellows dependent on type of appointment (eg joint or College-only) and type of Fellowship (eg. Research or Official Fellow), there is a wide variation in levels of pay.

The College has a Remuneration Committee which makes recommendations to Governing Body on pay and benefits which are outside of external scales. The composition of the Remuneration Committee is set out in p.8 of the section, Governing Body, Officers and Advisers.

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

Remuneration paid to trustees

Range	2018		2017	
	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £
£2,000-£2,999	0	-	1	2,516
£3,000-£3,998	2	6,219	1	3,588
£4,000-£4,999	0	-	1	4,669
£6,000-£6,999	0	-	1	6,747
£7,000-£7,999	1	7,970	0	-
£8,000-£8,999	2	16,734	0	-
£10,000-£10,999	1	10,196	1	10,299
£14,000-£14,999	0	-	1	14,460
£21,000-£21,999	0	-	9	194,559
£22,000-£22,999	9	200,885	2	44,533
£24,000-£24,999	1	24,152	0	-
£25,000-£25,999	0	-	1	25,893
£26,000-£26,999	1	26,151	0	-
£28,000-£28,999	1	28,304	1	28,904
£30,000-£30,999	1	30,056	0	-
£35,000-£35,999	0	-	1	35,432
£36,000-£36,999	1	36,034	0	-
£37,000-£37,999	0	-	2	75,164
£39,000-£39,999	1	39,361	0	-
£41,000-£41,999	1	41,344	0	-
£42,000-£42,999	1	42,269	0	-
£43,000-£43,999	0	-	1	43,502
£44,000-£44,999	1	44,242	0	-
£45,000-£45,999	0	-	1	45,768
£46,000-£46,999	1	46,543	2	93,209
£47,000-£47,999	0	-	1	47,096
£51,000-£51,999	1	51,318	0	-
£52,000-£52,999	1	52,357	1	52,153
£53,000-£53,999	0	-	2	107,246
£54,000-£54,999	3	163,391	2	109,269
£55,000-£55,999	1	55,541	0	-
£56,000-£56,999	1	56,395	0	-
£68,000-£68,999	1	68,019	0	-
£76,000-£76,999	0	-	1	76,731
£82,000-£82,999	1	82,913	2	165,097
£91,000-£91,999	1	91,468	0	-
£103,000-£103,999	0	-	1	104,575
£115,000-£115,999	1	115,907	0	-
Total	36	1,337,769	36	1,291,410

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

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

Other transactions with trustees

Total expenses of £23,321 were paid to 21 trustees (2017: £34,977 to 30 trustees). Of this total, £1,511 (2017: £8,907) was reimbursed travel costs, £16,316 (2017: £17,045) was reimbursed book, research and entertainment allowances and £5,494 (2017: £9,025) was other minor general expenditure incurred in their capacity as a Fellow of the College.

See also note 29 Related Party Transactions

Key management remuneration

The total remuneration paid to key management, of whom a number are trustees, was £619k (2017: £576k).

Key management are considered to be the Rector, Finance & Estates Bursar, Academic Dean, Domestic Bursar, College Accountant, Director of Development and Alumni Relations and the Academic Registrar.

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

22 PENSION SCHEMES

The College participates in two principal 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, 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. However, in OSPS, the amount of any pension funding shortfall in respect of any withdrawing participating employer will be charged to that employer.

Actuarial Valuations

Qualified actuaries periodically value the Schemes. Both USS and OSPS were valued 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 of the latest valuations and the determination of the contribution levels are shown in the following table.

	USS	OSPS
Date of valuation	31/03/2014	31/03/2016
Date valuation results published	24/07/2015	28/04/2017
Value of liabilities	£46.9bn	£661m
Value of assets	£41.6bn	£528m
Funding (deficit)	(£5.3bn) ^a	(£133m) ^b
Principal assumptions:		
-Investment return	5.2%pa ^c	-
- Rate of interest (periods up to retirement)	-	'gilts'+1.2%pa
-Rate of interest (periods after retirement)	-	'gilts'+1.2%pa
-Rate of increase in salaries	RPI+1%pa ^d	RPI+1%pa
-Rate of increase in pensions	CPIpa	Average RPI/CPIpa
Mortality assumptions:		
-Assumed life expectancy at age 65 (males)	24.2 yrs	22.4 yrs
-Assumed life expectancy at age 65 (females)	26.3 yrs	24.7 yrs
Funding ratios:		
-Technical provisions basis	89%	80%
-Statutory Pension Protection Fund basis	82%	67%
-Buy-out basis	54%	42%
-Estimated FRS 102 Totalm Funding level	77%	82%
Recommended Employer's contribution rate (as a % of pensionable salaries)	18%	23% decreasing to 19% from 01/08/2017
Effective date of next valuation	31/03/2017	31/03/2019

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:

USS		
Assumption	Change in assumption	Impact on USS liabilities
Initial discount rate	Increase / reduced by 0.25%	decrease / increase by £0.8bn
Discount rate in 20 years' time	Increase / reduced by 0.25%	decrease / increase by £1.1bn
RPI inflation	increase/decrease by 0.1%	increase / decrease by £0.8bn
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £0.5bn

OSPS		
Assumption	Change in assumption	Impact on OSPS technical provisions (from 80% funded at 31/03/2016)
Valuation rate of interest	decrease by 1%	68%
Rate of pension increases	Increase by 1%	69%
Life expectancy	more prudent assumption (life expectancy increases by 3 years)	72%

Universities Superannuation Scheme

The pension charge for the year includes £359k (2017: £368k) in relation to the USS. This represents contributions of £355k payable to the USS (2017: £325k) as adjusted by the change in the deficit funding liability between the opening and closing balance sheet dates of £4k (2017: 43k).

^a USS's actuarial valuation as at 31 March 2014 takes into account the revised benefit structure effective 1 April 2016 agreed both by the Joint Negotiating Committee and the Trustee in July 2015 following the Employers' consultation which concluded in June 2015. Key changes agreed include: for Final Salary section members, the benefits built up to 31 March 2016 were calculated as at that date using pensionable salary and pensionable service immediately prior to that date and going forwards will be revalued in line with increases in official pensions (currently CPI); all members accrue a pension of 1/75th and a cash lump sum of 3/75ths of salary each year of service in respect of salary up to a salary threshold, initially £55,000 p.a., with the threshold applying from 1 October 2016; member contributions are 8% of salary; a defined contribution benefit for salary above the salary threshold at the total level of 20% of salary in excess of the salary threshold; and optional additional contributions payable into the defined contribution section from 1 October 2016 of which the first 1% of salary is matched by the employer. Further details about the benefits may be reviewed on USS' website, www.uss.co.uk. For the period up to 1 April 2016 the employer deficit contribution was 0.7% p.a. of salaries based on the assumptions made. After allowing for those changes, the actuary established a long term employer contribution rate of 18% pa of salaries for the period from 1 April 2016 to 31 March 2031. On the assumptions made and with the salary threshold and defined contribution section implemented this gives rise to deficit contributions of at least 2.1% p.a. of salaries. At 31 March 2018 USS reported that the estimated funding deficit was £8.4 bn (88% funded).

^c USS' actuary has assumed that the investment return is 5.2% in year 1, decreasing linearly to 4.7% over 20 years.

^d USS' actuary has assumed that general pay growth will be CPI in year 1, CPI + 1% in year 2 and RPI + 1% pa thereafter. It is assumed that CPI is based on the RPI assumption (market derived price inflation of 3.6% p.a less an inflation risk premium) less RPI/CPI gap of 0.8% p.a.

^e As noted above (note a) the USS employer contribution rate is 18% of salaries from 1 April 2016. The total employer contributions include provisions for the cost of future accrual of defined benefits (DB) (net of member contributions to the DB section), deficit contributions, administrative expenses of 0.4% of salaries and from the implementation of the salary threshold the employer contribution towards defined contribution benefits including employer matching contributions and certain investment management costs relating to the DC section. The 2017 actuarial valuation of USS has been undertaken but this has not yet been formally completed. The 2017 valuation has set out the challenges currently facing the scheme and the likelihood of significant increases in contributions being required to address these challenges. In the judgement of the college, as the 2017 valuation has not formally completed, and there remains various stages of consultation around the key factors specifically relating to the funding of the past deficit, including the level of contributions required, the period of the recovery plan and the level of asset performance over the period, it remains appropriate to continue to account for the past deficit obligation in accordance with the plan agreed after the 2014 actuarial valuation. However, there is a significant risk that the year-end provision as calculated will not reflect the position following the final outcome of negotiations, potentially by a very significant amount depending upon what is finally agreed as regards future deficit contributions and their duration. The college expects to have greater clarity in this respect during the next financial year.

A provision of £518k has been made at 31 July 2018 (2017 - £514k) for the present value of the estimated future deficit funding element of the contributions payable under this agreement. In determining the level of this provision it has been assumed that the College will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary's projected long-term salary rate increases.

A copy of the full actuarial valuation report and other further details on the scheme are available on the USS website www.uss.co.uk

University of Oxford Staff Pension Scheme

The pension charge for the year includes £181k (2017 - £99k) in relation to the OSPS. This represents contributions of £249k (2017: £306k) payable to the OSPS as adjusted by the change in the deficit funding liability between the opening and closing balance sheet dates of -£67k (2017: -£207k).

^b OSPS' actuarial valuation as at 31 March 2016 identified a required long-term employer contribution rate of 17.3% of total pensionable salaries with a funding deficit of £133m. The valuation results reflect a number of changes to benefits that were agreed following an Employers' consultation in early 2017, including from 1 April 2017 a change in indexation based on the average of RPI and CPI, from 1 October 2017 a defined contribution section for new entrants and from 1 April 2018 breaking the final salary link for certain members and increased employee contributions. The actuary has certified that the recovery plan should eliminate the deficit by 30 June 2027. The next triennial valuation is due with an effective date of 31 March 2019.

^f The OSPS employer contribution rate required for future service benefits in the defined benefit section alone is 17.3% of total pensionable salaries from 1 April 2018. The employer contribution rate was 23% from 1 August 2016 to 31 July 2017. It was agreed that employer contribution rate would be 19% for both defined benefits members and defined contribution members who join on or after 1 October 2017. Part of the contribution for defined contribution members would be paid to the defined benefit section to cover the deficit recovery plan, the provision of ill-health and death-in-service benefits and the expenses of administering the defined contribution section.

A provision of £412k has been made at 31 July 2018 (2017 - £479k) for the present value of the estimated future deficit funding element of the contributions payable under this agreement. In determining the level of this provision it has been assumed that the College will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary's projected long-term salary rate increases.

A copy of the full actuarial valuation report and other further details on the scheme are available on the University of Oxford website <http://www.admin.ox.ac.uk/finance/epp/pensions/schemes/osps/>.

Deficit Recovery Plans

As noted above, the College has recognised a liability for the contributions payable for the agreed deficit funding plans for USS and OSPS, in line with FRS102. The principle assumptions used in these calculations are tabled below.

	USS	OSPS
Finish date for the deficit recovery plan	31/03/2031	30/06/2027
Average staff number increase	0%	0%
Average staff salary increase	2%	2%
Average discount rate over period	2.2%	1.95%
Effect of a 0.5% decrease in discount rate	£19k	£15k
Effect of a 1% increase in staff growth	£39k	£77k

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

Pension charge for the year

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

Scheme	2018	2017
	£'000s	£'000s
Universities Superannuation Scheme	359	368
University of Oxford Staff Pension Scheme	181	99
Other schemes – contributions	0	1
Total	540	468

Defined benefit pension scheme liability

The total provision below includes the balance for USS and OSPS, and additionally there is a provision in respect of pension liabilities for pensions payable to ex-employees of the College and not funded through external pension schemes.

Scheme	2018	2017
	£'000s	£'000s
Universities Superannuation Scheme (USS)	518	515
University of Oxford Staff Pension Scheme (OSPS)	412	479
Provision for three ex-employee pensions	125	125
Total	1,055	1,119

Included in other creditors and accruals are pension contributions payable of £nil (2017: £nil).

23 TAXATION

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

24 FINANCIAL INSTRUMENTS

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

	2018			2017		
	Income £'000	Expense £'000	Gains / (losses) £'000	Income £'000	Expense £'000	Gains / (losses) £'000
Financial assets measured at fair value through profit or loss	548	-	5,131	477	-	5,235

	2018	2017	2018	2017
	Group £'000	Group £'000	College £'000	College £'000
Financial assets that are debt instruments measured at amortised cost				
Trade debtors	679	392	411	346
Accrued income	381	664	381	623
Other debtors	137	56	137	55
	1,197	1,112	929	1,024

Financial liabilities measured at amortised cost

Bank loan - including due in more than one year	14,400	15,200	14,400	15,200
Trade creditors	354	492	353	462
Accruals	796	2,996	289	230
Other creditors	283	312	283	312
	15,833	19,000	15,325	16,204

25 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATIONS

	2018	2017
	Group £'000	Group £'000
Net income/(expenditure)	5,661	5,360
Elimination of non-operating cash flows:		
Investment income	(1,172)	(1,128)
(Gains)/losses in investments	(6,684)	(5,745)
Endowment donations	(148)	(319)
Depreciation	1,440	1,588
(Surplus)/loss on sale of fixed assets	-	(5)
Decrease/(Increase) in stock	(4)	-
(Increase)/Decrease in debtors	(110)	1,266
(Decrease)/Increase in creditors	(2,447)	1,819
(Decrease) in pension scheme liability	(64)	(164)
Net cash (used in)/provided by operating activities	(3,528)	2,672

Exeter College
Notes to the financial statements
For the year ended 31 July 2018

26 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018	2017
	£'000	£'000
Cash at bank and in hand	7,888	10,033
Notice deposits (less than 3 months)	-	-
Bank overdrafts	-	-
Total cash and cash equivalents	<u>7,888</u>	<u>10,033</u>

27 FINANCIAL COMMITMENTS

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

	2018	2017
	£'000	£'000
Land and buildings		
falling due within one year	-	-
falling due between two and five years	-	-
falling due in over five years	-	-
Other		
falling due within one year	11	11
falling due between two and five years	8	19
falling due in over five years	-	-
	<u>19</u>	<u>30</u>

28 OPERATING LEASE INCOME

At 31 July the College had contracted with tenants to receive the following future minimum lease payments:

	2018	2017
	£'000	£'000
Land and buildings		
falling due within one year	306	359
falling due between two and five years	718	914
falling due in over five years	80	120
	<u>1,104</u>	<u>1,393</u>

29 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling nil (2017 - £335,003).

30 RELATED PARTY TRANSACTIONS

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

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

31 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 July 2018.

32 POST BALANCE SHEET EVENTS

There were no post balance sheet events.