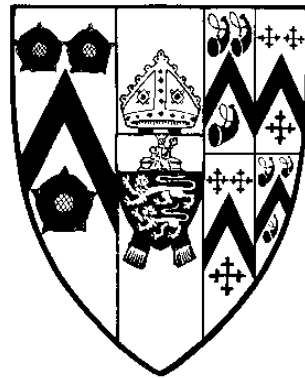


Brasenose College

Trustee Report and Accounts

for the year ended 31 July 2016



Registered Charity 1143447

Brasenose College
Annual Report and Financial Statements
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Brasenose College
Governing Body, Officers and Advisers
Year ended 31 July 2016

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.

Fellows in their first year of probation are not entitled to vote, and thus are not yet trustees of the charity; where applicable for the 2015-16 year the date of commencement of Fellowship is given below, marked #.

Principal: Prof Alan Bowman (retired 30th September 2015)
Mr John Bowers QC (from 1st October 2015)

Prof Konstantin Ardakov	Dr Dave Leal (resigned Sept 2015)
Dr Ed Bispham	Prof Owen Lewis
Dr Harvey Burd	Prof Christopher McKenna
Prof Richard Cooper (retired Sept 2016)	Dr Elizabeth Miller
Prof Ron Daniel	Dr Llewelyn Morgan
Prof Anne Davies	Prof Conrad Nieduszynski
Dr Elias Dinas	Prof Simon Palfrey
Dr Anne Edwards	Mr Philip Parker
Dr Sos Eltis	Prof. Adam Perry (from October 2015)
Prof Rui Esteves	Dr David Popplewell
Prof Rob Fender	Prof Nicholas Purcell
Prof Eamonn Gaffney	Dr Ferdinand Rauch
Prof Elspeth Garman	Prof Jeremy Robertson
Prof Abigail Green	Prof Andrea Ruggeri
Prof David Groiser	Dr Simon Smith
Prof Birke Haecker (from Oct 2016 #)	Dr Alan Strathern
Prof Guy Houlsby	Prof William Swadling
Prof William James	Prof Eric Thun
Prof Thomas Johansen (resigned March 2016)	Dr Christopher Timpson
Prof Jonathan Jones	Prof Stefan Vogenauer (resigned Sept 2015)
Revd Dr Dominic Keech	Prof Giles Wiggs
Prof Ian Kiaer (from Oct 2016 #)	Prof Mark Wilson
Prof Thomas Krebs	Prof Giovanni Zifarelli (from Jan 2015 #)
Prof Paul Klenerman (resigned December 2016)	

Brasenose College
Governing Body, Officers and Advisers
Year ended 31 July 2016

The activities of the Governing Body are carried out through a number of committees. The major committees are listed below. Membership is for the 2015/16 academic year, and committee members are also members of Governing Body unless otherwise indicated by #.

Academic Committee

Principal
Vice-Principal
Bursar
Senior Tutor
Tutor for Graduates
Fellow Librarian
Prof Rob Fender
Prof Chris McKenna
Dr Harvey Burd
Prof Thomas Johansen

Development Committee

Principal
Director of Development
Bursar
Vice-Principal
Prof Richard Cooper
Curator of Common Room (Prof Rui Esteves)
Prof Jonathan Jones
Editor of Brazen Nose (Dr Llewelyn Morgan)
President of Brasenose Society (# Mrs Penny Andrews)

Estates and Finance Committee

Principal
Vice-Principal
Bursar
Senior Tutor
Prof Eamonn Gaffney
Prof Eric Thun
Prof Giles Wiggs
Dr Ferdinand Rauch
Dr Andrea Ruggeri
Prof Peter Brown (# Senior Golding Fellow)

Investment Advisory Committee

Principal
Bursar
Prof Daniel
Prof Giles Wiggs
Mr Mark Boulton (# Matriculated 1984)
Mr Charles Scott (# Matriculated 1976)
Mr Gerald Smith (# Matriculated 1985)
Mr David Watts (# Matriculated 1968)
Mr Nigel Wightman (# Matriculated 1971)

Personnel Committee

Principal
Bursar
Senior Tutor
Domestic Bursar
Prof Anne Davies
Dr Anne Edwards
Dr Ed Bispham
Dr Chris Timpson

Remuneration Committee

Prof Andrew Burrows (# Honorary Fellow)
Prof John Jeffreys (# Senior Kurti Fellow)
Prof Peter Sinclair (# Emeritus Fellow)
Prof Nicholas Purcell

Brasenose College
Governing Body, Officers and Advisers
Year ended 31 July 2016

COLLEGE OFFICERS AND SENIOR STAFF

The principal officers and senior staff of the College to whom day to day management is delegated were:

Vice-Principal:	Prof Sos Eltis
Bursar:	Philip Parker
Senior Tutor:	Dr Simon Smith
Tutor for Graduates:	Prof Elspeth Garman
Chaplain:	Revd Dr Dominic Keech
Dean:	Dr David Popplewell
Director of Development & Alumni Relations:	Dr Elizabeth Miller
Domestic Bursar:	Matthew Hill
College Accountant:	Julia Palejowska
HR Manager:	Julia Dewar

Brasenose College
Governing Body, Officers and Advisers
Year ended 31 July 2016

COLLEGE ADVISERS

Auditor

Grant Thornton LLP
3140 John Smith Drive
Oxford Business Park South,
Oxford OX4 2WB

Bankers

Barclays Commercial Bank plc
Southern Team
Apex Plaza 4th Floor
Forbury Rd
Reading RG1 1AX

Solicitors (Property)

Knights (formerly Darbys Solicitors LLP)
Midland House
West Way
Botley
Oxford OX2 0PH

Solicitors (General)

Blake Morgan LLP
Seacourt Tower
West Way
Oxford OX2 0FB

Land Agent

Bidwells LLP
Seacourt Tower,
West Way,
Oxford OX2 0JJ

COLLEGE ADDRESS

Brasenose College
Radcliffe Square
Oxford OX1 4AJ

www.bnc.ox.ac.uk

Brasenose College
Report of the Governing Body
Year ended 31 July 2016

The Members of the Governing Body present their Annual Report for the year ended 31 July 2016 under the Charities Act 2011 together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The King's Hall and College of Brasenose in Oxford, which is known as Brasenose College, ("the College") is an eleemosynary chartered charitable corporation aggregate. It was founded by William Smyth, Bishop of Lincoln, and Sir Richard Sutton, a lawyer, in 1509, and received its royal charter from Henry VIII in 1511.

The object of the College is to advance education, learning, religion and research, for the public benefit, through the provision, support and conduct of a perpetual College in the University of Oxford. The College registered with the Charity Commission on 18 August 2011 (registered number 1143447).

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its Statutes dated 28 April 1954, as amended in December 1999 and May 2013. The College has agreed further revision to the statutes, which were submitted to the Privy Council for approval in July 2016.

Governing Body

The Governing Body is constituted and regulated in accordance with the College statutes, the terms of which are enforceable ultimately by the Visitor, who is the Bishop of Lincoln. The Governing Body is self-appointing.

The majority of Governing Body consists of Official Fellows who are either tutors, jointly appointed with the University because of their academic excellence and suitability to meet teaching and research needs of the College, or College Officers appointed to fulfil specific administrative or managerial roles in the College.

New members of the Governing Body are usually recruited by advertisement and inducted into the workings of the College, including Governing Body policy and procedures, by the Principal and Officers. In accordance with College Statutes, new Fellows do not vote at Governing Body during their first year in office, and are therefore not Trustees of the charity.

The Governing Body determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It meets at least eleven times per year under the chairmanship of the Principal. It delegates many of its governance functions to governance and advisory committees, of which those with the widest remit are listed on page 3, and it delegates day to day management of the College to the Officers and senior members of staff, listed on page 4.

Remuneration of Members of the Governing Body and Senior College Staff

No Fellows receive remuneration or benefits from their trusteeship of the College. Those trustees that are also employees of the College receive remuneration for their work as employees of the College, which is set on the basis of the advice of the College's Remuneration Committee, members of which are Fellows not in receipt of remuneration from the College. Where possible, remuneration is set in line with that awarded to the University's academic staff.

The remuneration of senior college staff is set in accordance with policies agreed by Personnel Committee in line with relevant University of Oxford grades.

Group structure and relationships

The College administers many special trusts, as detailed in Notes 19 to 20 to the financial statements.

The College also has a wholly owned non-charitable subsidiary, Brasenose Ltd, whose annual profits are donated to the College under the gift aid scheme. This subsidiary undertakes the College's trading activities, including the sale of merchandise and commercial events and conferences. It has also undertaken significant building works in the past. The subsidiary's 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. Where applicable, and particularly on matters relating to the recruitment and teaching of students and academic staff, the College liaises closely with the University and the other Colleges.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The object of the College is to advance education, learning, religion and research, for the public benefit, through the provision, support and conduct of a perpetual college in the University of Oxford.

The Governing Body has considered the Charity Commission's guidance on public benefit and, in keeping with its objects, the College provides public benefit by offering, in conjunction with the University of Oxford's departments and faculties, higher education to graduates and undergraduates, and by supporting the pursuit of publicly disseminated research.

The objective of the College's subsidiary is to help finance the achievement of the College's aims as above.

Activities and objectives of the College

Brasenose College advances learning, for the benefit of the public, by providing higher education for undergraduate and postgraduate students within Oxford University, and by supporting the pursuit of publicly disseminated research. On the census date of 1 December 2015, Brasenose had 125 postgraduate research students, 78 postgraduate taught students, 367 undergraduate students, and 3 recognised visiting students, making a total of 573 students of all types. The College had 31 Tutorial Fellows who have contractual obligations to teach and to undertake research, 2 other Official Fellows (the Bursar and Senior Tutor), 4 Professorial Fellows, 15 Supernumerary Fellows, 14 Senior or Junior Kurti/Golding Research Fellows, and 39 College Lecturers.

In Brasenose, as in all of the collegiate University of Oxford, the tutorial system underpins undergraduate teaching, providing students with the opportunity to receive personal or small group tuition from a Fellow or Lecturer on at least a weekly basis during term time. In addition, the College provides classes, seminars and other forms of teaching as appropriate. Pastoral and administrative support is provided to students through the undergraduate advisory system, at the hub of which is the College's welfare network and Senior Tutor, who exercises general oversight over undergraduate academic progress. Graduates at the College form an integral part of the academic community. While they are taught or supervised at their University faculty, every graduate student is assigned a College Graduate Adviser who provides academic and pastoral support. The College also appoints a Tutor for Graduates to have general oversight of the academic progress of graduates and their welfare needs.

To enable students to realise their academic potential and develop other personal qualities while at university, the College maintains high-quality facilities, including three libraries, a Chapel, teaching and multi-purpose rooms, and student accommodation. The wider cultural, religious and social development of its students is promoted actively through music and other arts, sports, welfare support, careers advice and other facilities. Non-academic staff provide medical, catering, security, and cleaning services to a very high standard to ensure that undergraduates and graduates are fully supported while resident members of College.

The College also advances research across a range of disciplines by employing tutors and lecturers and supporting research fellows. Tutorial Fellows have a contractual and statutory obligation to undertake published research, and are provided with support services and assistance that include the provision of sabbatical leave, research grants, library and computer facilities, office accommodation and meals. The high levels of research activity by College Fellows have been audited by the national Research Assessment Exercise (2008) and by the Research Excellence Framework (2014). Research findings are disseminated through a wide range of media including published papers, books, broadcasts, websites, and lectures. The College also provides financial support to some graduate researchers who, at the beginning of their careers, have demonstrated outstanding early promise in their chosen field of research for a period of up to three years to enable them to concentrate on their topic of research.

Recruitment and support for students

Brasenose College's aim is to admit students who have the greatest potential to benefit from the education offered by the College and the University regardless of family income, previous educational opportunity, or protected characteristics such as ethnic origin, religious observance, gender, or disability. Fellows, lecturers, the Senior Tutor (who is also the Tutor for Admissions), and the Schools Liaison Officer are pro-active in encouraging qualified students from non-traditional backgrounds to apply, particularly those drawn from groups currently under-represented at Oxford. There are no geographical restrictions in the College's objectives; both students and academic staff are drawn from across the UK and other countries.

The College charges students fees which, where applicable, are set in accordance with rates approved by Government, and also charges for accommodation, meals and other services at reasonable, subsidised rates. Financial support is available to students to assist them with the costs of tuition fees and living costs whilst at Oxford. In addition to student loans provided by the Student Loans Company, which remain available to undergraduates from within the EU, other financial support, in the form of fee waivers or bursaries, is available to UK undergraduates who are from households where income is below a certain level. In the 2015/16 academic year 69 students (over 20% of the College's UK undergraduates) received a total of £185,000 under this bursary scheme (2014/15 70 students received £185,000). A third of these students received £3,300, the maximum award, with some receiving an additional first year allowance. In addition, in 2015/16 the College awarded a total of £107,000 to undergraduate and graduate students in the form of hardship grants, bursaries, travel grants and vacation residence grants for the support of both academic and extra-curricular activities, funded by the College's 'Greatest Need' and Student Support Annual Funds. (2014/15 £82,000)

Graduate funding is available predominantly in the form of either Research Council awards or scholarship funds administered and awarded by the College and University divisions jointly. In 2015/16, approximately 30 students received a total of £212,000 from College funds for these studentships (in 2014/15, 25 students received £159,000). In addition during the year the College provided £26,000 in smaller grants and scholarships to support the academic studies of its postgraduate students (2014/15 £23,000).

The College also awarded £31,000 in academic prizes to undergraduates and graduates in the year (2014/15 £27,000). Prizes are awarded on the basis of academic excellence and serve to encourage academic endeavour at the College.

ACHIEVEMENTS AND PERFORMANCE

Over the past 12 months, Brasenose's reputation for excellence in learning and research has been reflected in the achievements of its students and academics. 108 undergraduates completed Final Honours School examinations. There were 42 Firsts, 59 Upper-Seconds, and 7 Lower-Seconds. For the fourth year in succession no student graduated with a Third-Class degree and there were no unclassified students. Results in the First Public Examination (Honour Moderations or Prelims) were as follows: of the 101 students sitting these examinations, 26 obtained a distinction or (where the result was classified) a First, while 71 achieved a pass or an Upper-Second and 4 students obtained a partial pass, all of whom passed on a resit.

Brasenose College
Report of the Governing Body
Year ended 31 July 2016

The following undergraduates were awarded prizes in recognition of their performances in University examinations:

Harry Ager (Classics) was jointly awarded the Arnold Ancient History Prize for the best performance in the Ancient History papers in the Honour Schools of Literae Humaniores, Ancient & Modern History and Classical Archaeology & Ancient History

Abigail Bradshaw (Experimental Psychology) was awarded a Congratulatory First, the Gibbs Prize in Psychological Studies for the best overall performance in the Honour School of Experimental Psychology and the George Humphrey Prize in Psychological Studies for the best overall performance in Psychology papers

Sam Couldrick (PPE) was awarded the Gibbs Prize for the best performance in the Philosophy papers in the Honour School of Philosophy, Politics, and Economics

William Dudley (Classics) was awarded the Harold Lister Sunderland Prize 2016 for the best performance in the Greek literature papers in the Honour Schools of Literae Humaniores and Classics & Modern Languages

Andreas Haensele (Biochemistry) was awarded the Gibbs Book Prize for his performance in the Honour School

Oscar Heyde (Classics) was awarded the Hertford Prize and the Craven Prize

Edward Howell (Geography) was awarded proxime accessit for the Gibbs Prize

Owen Riddall (Physics & Philosophy) was awarded the Gibbs Prize for the best performance in the Physics papers in Part C of the Honour School of Physics & Philosophy and the BP Prize for MPhys Project in Theoretical Physics

Hugo Sever (History) was awarded the Gibbs Book Prize

Timothy Yap (Law) was awarded the Law Faculty Prize for Human Rights Law, the Gibbs Book Prize and proxime accessit for the Wronker Law Prize.

On the graduate side, academic results were also encouraging. From 1 October 2015 to 30 September 2016, the College's taught masters students achieved 13 distinctions and 35 passes. Five students suspended or requested submission extensions rolling forward into the next academic year. During the same period, 18 Brasenose graduates completed DPhils successfully. Ten graduate students were awarded University prizes.

On 30th September 2015, Prof Alan Bowman retired as Principal. He was succeeded by John Bowers QC.

During the year Prof Birke Hacker was appointed to replace Prof Stefan Vogenauer as Professorial Fellow for Comparative Law. Following the retirement of Maria Chevska, Dr Ian Kiaer was appointed Official Fellow in Art.

In 2015-16, the College awarded two Honorary Fellowships to members of the College. Professor Andrew Stephen Burrows and Professor Martin Feldstein.

Undergraduate Admissions and Outreach

Brasenose aims to admit as undergraduates those individuals demonstrating the greatest potential for benefitting from the educational opportunities offered by the College and University. The strength of recruitment is evidenced by the fact that the College received 10 applications for every place available. The exceptional quality of candidates is reflected in the fact that 103 applicants received offers from other Colleges in addition to the 122 Brasenose offer-holders. Open Days contribute significantly to these outcomes: over the three July and September Open Days, the College welcomed in the region of 6,000 visitors through the main gate.

Brasenose College
Report of the Governing Body
Year ended 31 July 2016

Outreach activity and schools liaison seek to encourage gifted students from under-represented backgrounds to consider applying to the University of Oxford, as well as maintaining links with those schools which have a tradition of Oxford applications. The College is an extremely active participant in outreach and schools liaison and in 2014-15 made the most state school contacts of any college.

While the pursuit of academic excellence remains Brasenose's primary aim, the College provides a rich social and cultural space for students and academics to enjoy, acknowledging the contribution that sport, music, and the arts make to the community. The initiative for the majority of activities taking place during term time springs from junior members. Particularly noteworthy events and achievements are reported in the news section of the College's website <https://www.bnc.ox.ac.uk/about-brasenose/news> and in the College magazine, the Brazen Nose.

Library Restoration, Refurbishment and expansion into Cloisters

During the year the College completed the second of three phases of work in a major project to refurbish the main library and history library, restore the Cloisters to provide additional study space for students and provide a new archive store. The restoration of this grade I listed 17th-century building is very sensitive, and included the remodelling of the "Deer Park" quad. The work was completed successfully in April to allow students access to the Cloisters as a temporary reading room during Trinity Term. The third and final phase of work started in July 2016 and is due for completion in April 2017. The work is fully funded by the generous donations of alumni.

Fundraising

The College benefits from significant support from former students, staff and friends. Many gave generously of their time to provide mentoring and career advice to the current students. We are particularly grateful to the alumni who serve on the Brasenose Society Committee and the Investment Advisory Committee for their time and invaluable expertise.

Philanthropic support for the College is essential to the maintenance of high standards in teaching, research and student support and the excellence of the facilities. Total income in the year from donations and legacies was £5,344,000, of which £2,844,000 was received in the year (2015 £2,348,000) and £2,500,000 was accrued in accordance with new accounting standard FRS102.

The College is very grateful to over one thousand alumni who supported the Annual Fund with gifts totalling £473,000 (2015: £381,000), and also to the donors who were able to make a permanent contribution to the financial well-being of the College with gifts to the endowment totalling £2,053,000 in this year (2015: £673,000). This includes a donation of £1,500,000 from Jeffrey Cheah for the foundation of the Jeffrey Cheah Professorial Fellows and an annual Cheah visiting scholarship programme. The College is also grateful to three alumni who have pledged a total of £4,000,000 to fund the Library restoration and Cloisters refurbishment project, of which £2,621,000 is included in the 2015-16 income. Other gifts including legacies totalled £74,000 (2015: £15,000).

FINANCIAL REVIEW

The College's consolidated total funds increased by £15.8m in the year, standing at £149.6m at 31 July 2016. The endowment funds increased by £12.9m to £126.0m, the restricted funds increased by £2.7m to £4.6m and the College's unrestricted funds increased by £0.25m to £18.9m.

The College adopted FRS102 at 31 July 2016, with a transition date of 1 August 2014. The balance sheet was thus re-stated as at that date, and the comparative figures in this report are as re-stated. Under FRS102, the College has recognised a liability, at the balance sheet date, for the discounted value of the expected future contribution payments under the agreements with multi-employer pension schemes to fund the past service deficits, referred to as the pension deficit liability. The total college liability, over all pension schemes, stood at £1.4m as at 31 July 2016 (2015 £1.2m), and the movement was set against unrestricted reserves. See Note 32 for details of the movement in reserves arising from transition to FRS102.

Brasenose College
Report of the Governing Body
Year ended 31 July 2016

The College's incoming resources were £14.1m in the year, compared with £10.7m in 2014-15. Tuition and Research income remained constant at £2.5m, with residential income increasing slightly to £3.5m (2015 £3.4m). It is College policy to subsidise residential provision to students. This supports the charitable objective of the advancement of education for the public benefit and to support access to the most academically gifted regardless of financial background.

Voluntary income, comprising legacies and donations recognised in the year increased to £5.3m (2014-15 £2.3m). This includes £2.5m restricted funding for the Old Cloisters Library development project, committed, but not yet received, which meets the requirements of the college's income recognition policy as amended to reflect FRS102. These funds were not spent in the year, and are hence added to the restricted funds carried forward. Once the project is complete, and the new library is brought in to use to support education and research, these restricted funds will be used to fund the depreciation of the capitalised project over its 50 year depreciable life.

In accordance with the College's total return policy, £3.6m was transferred from endowment to unrestricted and restricted funds, to support current expenditure (2015 £3.4m).

Expenditure in the year totalled £10.4m in 2015-16 (£10.3m in 2014-15), leaving the College with net incoming resources before capital gains on investments of £3.7m (2015: £0.4m).

The endowment funds saw a net outflow of £0.8m, before the attribution of investment gains on land and property of £2.4m and gains on the investment portfolio of £9.7m (2014-15 £0.9m and £6.0m respectively), which brought the closing value of the endowment to £126m. The College's investment policy ensures a diversified asset allocation that helps mitigate shocks in parts of the market, such as seen since the EU referendum, and which, together with the investment return spending policy, is designed with a view to ensuring financial sustainability.

The unrestricted funds saw an inflow of £0.2m, ending the year at £19m, representing general and designated funds which are consistent with the reserves policy. There are no funds, restricted or unrestricted, that were in deficit at the balance sheet date.

Reserves policy

The College's reserves policy is to maintain free reserves of between 3 and 6 months of expected expenditure at the end of each financial year. These reserves are required in order to provide both working capital to finance the College operations, despite the uneven pattern of receipts which are weighted to the start of the academic year, and some reserves to enable it to meet its short-term financial obligations without interruption to services in the event of an unexpected revenue shortfall or increase in financial liabilities.

Free reserves are net current assets that are not restricted or designated.

The College's free reserves at the year end amounted to £3.5m (2014/15 as re-stated under FRS102 £2.7m), representing 3.9 months of expected expenditure (re-stated 2014/15: 3.2 months)

Risk management

The College has on-going processes which operated through-out the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiary in undertaking their activities. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College committee, chaired by the Principal or other relevant officer. Financial risks are assessed by the Estates and Finance Committee, which receives advice on investment risks from the Investment Advisory Committee. The Health and Safety Committee meets regularly to review health and safety issues and reports at least once a year on health and safety matters to Governing Body. Training

courses and other forms of career development are available, when requested, to members of staff to enhance their skills in risk-related areas.

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

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

- Failure to attract admit and retain sufficiently high quality students. This is mitigated by active outreach programmes and intensive admissions processes, and on course, intensive feedback and welfare support;
- Failure to attract and retain leading academics. Remuneration is monitored by an independent committee, the College is committed to preserving academic reputation, and supports academics in their research activities;
- Failure to protect the real value of the endowment. This is monitored by a committee containing experts in investment management, and mitigated through a diversified investment strategy and a prudent spending rule;
- Fraud is a risk in any complex organisation, and is mitigated in the college by robust purchasing controls, financial procedures and strong budgetary management;
- Risk of shortfalls in income generation from donations or commercial and conference business are managed by close monitoring and management, and by diversity of income streams
- Other risks relating to the operational activities of the college such as employment of staff and use of IT are managed through the implementation and monitoring of clear procedures, and where appropriate, technology.

Investment policy, objectives and performance

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

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

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

The investment policy and strategy are set by the Governing Body as advised by the Investment Advisory Committee from time to time. Performance is regularly monitored by the Investment Advisory Committee. At the year end, the College's long term investments, combining the securities and property investments, totalled £124.3m. The overall total investment return was 9.0% over the 12 months to June 2016 year which compared to the relevant RPI related benchmark of 5.1%.

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

On the total return basis of investing, it is the Governing Body's policy to extract as income 3.5% (after costs) of the value of the relevant investments. However, to smooth and moderate the amounts withdrawn this 3.5% is calculated on the average of the year end values in each of the last five years. Due to increasing investment values over the previous five years, the amounts withdrawn were equivalent to 3.2% of the opening value of the securities and property investments. after costs. The Governing Body will keep the level of income withdrawn under review to balance the needs and interests of current and future beneficiaries of the College's activities.

FUTURE PLANS

The College will continue to recruit the best possible students from the widest possible background, with particular energy directed to encouraging applicants from schools that do not traditionally send students to Oxford. Brasenose will share with the University the costs of supporting those students from families with lower incomes through Oxford's package of fee waivers and bursaries, which is the most generous universal package offered by any English University.

The College will continue to recruit and retain world class academics to carry out research, and to provide academic teaching and guidance to its students so they can achieve to the best of their abilities, and to provide the facilities and environment required for the development and enjoyment of students outside their academic studies.

The College will seek financial support for the development of all its activities, and particularly for the support of students, the endowment of Fellowships, and for the development of its facilities, both through donations and where appropriate by accessing capital markets.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

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

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

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

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

Approved by the Governing Body on 9th November 2016 and signed on its behalf by:

John Bowers QC
Principal

Brasenose College
Report of the Auditor
Year ended 31 July 2016

Independent auditor's report to the trustees of Brasenose College

We have audited the financial statements of Brasenose College for the year ended 31 July 2016 which Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities (Account and Reports) Regulations 2008 made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in Report of the Governing Body set out on pages 6 to 13, the governing body is responsible for the preparation of the financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 July 2016 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 and regulations made thereunder.

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:

- proper accounting records have not been kept by the charity in accordance with Section 130 of the Charities Act 2011; or
- the statement of accounts is not in agreement with the accounting records; or
- the information given in the statement of accounts is not consistent in all material respects with the Trustee's Annual Report; or
- we have not received all the information and explanations we require for our audit.

Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants
OXFORD
Date:

Grant Thornton is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its wholly owned subsidiary Brasenose Limited. The subsidiary has been consolidated from the date of their formation being the date from which the College has exercised control through voting rights in the subsidiary. 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 the subsidiary for the reporting year are disclosed in note 13.

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 College has adopted FRS 102 for the first time when preparing these financial statements. The transition date to FRS 102 was 1 August 2014 and the last financial statements prepared under the previous financial reporting framework were prepared for the year ended 31 July 2015. An explanation and reconciliation of how the transition to FRS 102 has affected the reported financial position and financial performance is provided in note 32.

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.

- I. Discount rate. Where long term liabilities or assets or other financial instruments are required to be discounted to net present value under FRS102, a rate of 3.5% is used.
- II. Investment properties are held at fair value, based on an estimated open market value on an existing use basis. There is inherent uncertainty in such valuation, but potential uplift for, for example, development opportunities is not reflected, thus ensuring that the valuation is not overstated.
- III. Pledged or legacy income that is recognised when probable, rather than certain, could potentially fail to be fulfilled. Any major donation that is recognised before having been received in full will be identified in the notes to the accounts.

4. Income recognition

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

(a) Income from fees, HEFCE support and other charges for services

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

(b) Income from donations, grants and legacies

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

Legacies are recognised following grant of probate and once the College has received sufficient information from the executor(s) of the deceased's estate to be satisfied that the gift can be reliably measured and that the economic benefit to the College is probable. Donations and grants accruing for the general purposes of the College are credited to unrestricted funds. Legacies for general purposes are credited to expendable endowment funds.

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

(c) Investment income

Interest on bank balances is accounted for on an accrual basis with interest recognised in the period to which the interest relates. Income from fixed interest debt securities is recognised using the effective interest rate method. Interest on bank balances and fixed interest securities is accounted for in the period to which the interest relates.

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

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

5. Expenditure

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

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

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

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

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 to the College 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 £10,000 is capitalised.

Where a part of a building or equipment is replaced and the costs capitalised, the carrying value of those parts replaced is no longer recognised as an asset and is taken as an expense in the SOFA.

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

8. Depreciation

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

Freehold properties, including major extensions	50 years
Leasehold properties	50 years or period of lease if shorter
Building improvements	50 years or period of lease if shorter
Plant and Machinery	20 years
Computer Systems and Equipment	4 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 economic lives of assets are reviewed and adjusted if necessary. In addition, if events or changes in circumstances indicated that the carrying value may not be recoverable, the carrying values of tangible fixed assets are reviewed for impairment.

9. Heritage Assets

The College does not have any assets that it considers should be treated as heritage assets under FRS102, as all such assets are used for operational purposes, to meet the college's charitable objects of education, learning, religion and research.

10. Investments

As allowable under FRS102 the College has adopted the option to apply the recognition, measurement and disclosure requirements of sections 11 & 12 of FRS102.

Investment properties are initially recognised at their cost and subsequently measured at their fair value at each reporting date, as assessed annually by the Trustees based on estimated open market values on an existing use basis, after taking advice from the College Property Advisers. A formal valuation is undertaken every 5 years. Purchases and sales of investment properties are recognised on exchange of contracts.

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

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

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

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

11. Other Financial Instruments

a. Derivatives

The College does not currently invest in derivatives. These include forward foreign currency contracts which are used to reduce exposure to foreign exchange rates, and interest rate swaps that are used to adjust interest rate exposures. Derivative financial instruments are initially measured at fair value on the date the contract is entered into and are subsequently measured at fair value. Changes in fair value are credited or charged to the income or expenditure section of the SOFA. Hedge accounting is not currently applied to derivatives.

b. Cash and cash equivalents

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

c. Debtors and creditors

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

12. Stocks

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

13. Foreign currencies

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

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.

14. 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

Brasenose College
Statement of Accounting Policies
Year ended 31 July 2016

total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can be either be retained for investment or release to income at the discretion of the Governing Body.

The Governing Body has decided that it is in the best interests of the College to account for its invested expendable endowment capital in the same way, though there is no legal restriction on the power to spend such capital.

For the carrying value of the preserved permanent capital, the Trustees have taken its open market value as at 1 August 2002, together with the original gift value of all subsequent endowments received.

15. Fund accounting

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

Unrestricted funds can be used in furtherance of the objects of the College at the discretion of the Governing Body. The Governing Body may decide that part of the unrestricted funds shall be used in future for a specific purpose and this will be accounted for by transfers to appropriate designated funds. Restricted funds comprise gifts, legacies and grants where the donors have specified that the funds are to be used for particular purposes of the college. They consist of either gifts where the donor has specified that both the capital and any income arising must be used for the purposes given or the income on gifts where the donor has required that the capital be maintained and the income used for specific purposes.

Permanent endowment funds arise where donors specify that the funds should 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 restricted 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.

16. Pension costs

The costs of retirement benefits provided to employees of the College through three 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.

Brasenose College
Consolidated Statement of Financial Activities
For the year ended 31 July 2016

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2016 Total £'000	2015 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:						
Teaching, research and residential	1	5,860	-	-	5,860	5,784
Other Trading Income	3	212	-	-	212	119
Donations and legacies	2	365	2,926	2,053	5,344	2,348
Investments						
Investment income	4	77	-	2,594	2,671	2,457
Total return allocated to income	13	3,188	430	(3,618)	-	-
Other income		36	-	-	36	3
Total income		9,738	3,356	1,029	14,123	10,711
EXPENDITURE ON:						
Charitable activities:						
Teaching, research and residential		8,891	618	-	9,509	9,508
Generating funds:						
Fundraising		594	-	-	594	529
Trading expenditure		68	-	-	68	46
Investment management costs		-	-	233	233	204
Total Expenditure		9,553	618	233	10,404	10,287
Net Income/(Expenditure) before gains		185	2,738	796	3,719	424
Net gains/(losses) on investments	10, 11	2	-	12,138	12,140	6,862
Net Income/(Expenditure)		187	2,738	12,934	15,859	7,286
Transfers between funds	18	41	(41)	-	-	-
Net movement in funds for the year		228	2,697	12,934	15,859	7,286
Fund balances brought forward	18	18,715	1,919	113,061	133,695	126,409
Funds carried forward at 31 July		18,943	4,616	125,995	149,554	133,695

Brasenose College
Consolidated and College Balance Sheets
As at 31 July 2016

	Notes	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
FIXED ASSETS					
Tangible assets	9	25,536	24,385	25,973	24,824
Property investments	10	33,525	25,755	33,525	25,755
Other Investments	11	91,105	77,268	91,105	77,268
Total Fixed Assets		150,166	127,408	150,603	127,847
CURRENT ASSETS					
Stocks		265	253	257	245
Debtors	14	4,910	2,660	4,967	2,778
Investments		3,000	11,000	3,000	11,000
Cash at bank and in hand		3,006	3,690	2,873	3,537
Total Current Assets		11,181	17,603	11,097	17,560
LIABILITIES					
Creditors: Amounts falling due within one year	15	1,357	1,060	1,217	1,026
NET CURRENT ASSETS/(LIABILITIES)		9,824	16,543	9,880	16,535
TOTAL ASSETS LESS CURRENT LIABILITIES		159,990	143,951	160,483	144,382
CREDITORS: falling due after more than one year	16	9,000	9,000	9,000	9,000
Provisions for liabilities and charges	17	50	43	50	43
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		150,940	134,908	151,433	135,339
Defined benefit pension scheme liability	22	1,386	1,213	1,386	1,213
TOTAL NET ASSETS/(LIABILITIES)		149,554	133,695	150,047	134,126
FUNDS OF THE COLLEGE					
	18				
Endowment funds		125,995	113,061	125,995	113,061
Restricted funds		4,616	1,919	4,616	1,919
Unrestricted funds					
Designated funds		686	524	686	524
General funds		18,257	18,191	18,750	18,622
		149,554	133,695	150,047	134,126

The financial statements were approved and authorised for issue by the Governing Body of Brasenose College on 9th November 2016

Trustee:

Trustee:

Brasenose College
Consolidated Statement of Cash Flows
For the year ended 31 July 2016

	Notes	2016 £'000	2015 £'000
Net cash provided by (used in) operating activities	25	<u>(1,703)</u>	<u>(1,936)</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		2,671	2,457
Finance costs paid		(413)	(412)
Purchase of property, plant and equipment		(1,824)	(998)
Capital receipts in relation to Investment Land & Property		273	2,576
Purchase of investment Land & Property		(5,642)	(239)
Proceeds from sale of investments		23,105	13,814
Purchase of investments		<u>(27,208)</u>	<u>(11,033)</u>
Net cash provided by (used in) investing activities		<u>(9,038)</u>	<u>6,165</u>
Cash flows from financing activities			
Receipt of endowment		2,053	673
Net cash provided by (used in) financing activities		<u>2,053</u>	<u>673</u>
Change in cash and cash equivalents in the reporting period		<u>(8,688)</u>	<u>4,902</u>
Cash and cash equivalents at the beginning of the reporting period		5,692	789
Change in cash and cash equivalents due to exchange rate movements		-	-
Cash and cash equivalents at the end of the reporting period	26	<u>(2,994)</u>	<u>5,692</u>

Brasenose College
Notes to the financial statements
For the year ended 31 July 2016

1 INCOME FROM CHARITABLE ACTIVITIES

	2016	2015
	£'000	£'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	1,633	1,607
Tuition fees - Overseas students	542	502
Other fees	75	47
Other HEFCE support	174	236
Other academic income	130	136
College residential income	3,306	3,256
	<u>5,860</u>	<u>5,784</u>
Total Teaching, Research and Residential	<u>5,860</u>	<u>5,784</u>
Total income from charitable activities	<u>5,860</u>	<u>5,784</u>

The above analysis includes £2,349k received from Oxford University from publicly accountable funds under the CFF Scheme (2015: £2,345k).

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 £35k (2015: £41k). These are not included in the fee income reported above.

2 DONATIONS AND LEGACIES

	2016	2015
	£'000	£'000
Donations and Legacies		
Unrestricted funds	365	361
Restricted funds	2,926	1,314
Endowed funds	2,053	673
	<u>5,344</u>	<u>2,348</u>

3 INCOME FROM OTHER TRADING ACTIVITIES

	2016	2015
	£'000	£'000
Subsidiary company trading income	210	118
Other trading income	2	1
	<u>212</u>	<u>119</u>

4 INVESTMENT INCOME

	2016	2015
	£'000	£'000
<i>Unrestricted funds</i>		
Equity dividends	11	8
Bank interest	51	62
Other interest	15	13
	<u>77</u>	<u>83</u>
<i>Endowed funds</i>		
Agricultural rent	164	163
Commercial rent	620	628
Other property income	148	151
Equity dividends	1,560	1,405
Other investment income	87	-
Bank interest	15	26
	<u>2,594</u>	<u>2,373</u>
Total Investment income	<u>2,671</u>	<u>2,456</u>

5 ANALYSIS OF EXPENDITURE

	2016	2015
	£'000	£'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	4,097	4,123
Other direct costs allocated to:		
Teaching, research and residential	2,853	3,162
Support and governance costs allocated to:		
Teaching, research and residential	2,559	2,223
Total charitable expenditure	<u>9,509</u>	<u>9,508</u>

Brasenose College
Notes to the financial statements
For the year ended 31 July 2016

	2016	2015
	£'000	£'000
Expenditure on generating funds		
Direct staff costs allocated to:		
Fundraising	345	292
Trading expenditure	2	23
Other direct costs allocated to:		
Fundraising	171	183
Trading expenditure	38	23
Investment management costs	145	155
Support and governance costs allocated to:		
Fundraising	78	54
Trading expenditure	28	-
Investment management costs	88	49
Total expenditure on raising funds	895	779
Total expenditure	10,404	10,287

The 2015 resources expended of £10,285k represented £9,626k from unrestricted funds, £461k from restricted funds and £198k from endowed funds.

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

The teaching and research costs include College Contribution payable of £62k (2015 - £82k).

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	2016 Total £'000
2016			
Financial administration	72	273	345
Domestic administration	36	469	505
Investment Management	56	-	56
Human resources	3	272	275
IT	24	263	287
Depreciation	-	673	673
Bank interest payable	-	413	413
Other finance charges	-	172	172
Governance costs	3	24	27
	194	2,559	2,753
2015			
Financial administration	118	445	564
Domestic administration	37	495	532
Investment Management	85	0	85
Human resources	3	146	149
IT	24	240	264
Depreciation	-	718	718
Bank interest payable	-	412	412
Other finance charges	-	240	240
Governance costs	3	21	24
	271	2,717	2,988

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 estimated audit workload.

	2016	2015
	£'000	£'000
Governance costs comprise:		
Auditor's remuneration - audit services	25	24
Auditor's remuneration - assurance services other than audit	-	-
Auditor's remuneration - tax advisory services	2	2
Auditor's remuneration - other services	-	-
Legal and other fees on constitutional matters	-	-
Other governance costs	-	-
	27	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.

Brasenose College
Notes to the financial statements
For the year ended 31 July 2016

7 GRANTS AND AWARDS	2016	2015
	£'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	152	117
Bursaries and hardship awards	1	76
Graduate Studentships	52	57
Total unrestricted	205	251
Restricted funds		
Grants to individuals:		
Scholarships, prizes and grants	30	26
Bursaries and hardship awards	106	38
Graduate Studentships	160	101
Grants to other institutions	7	-
Total restricted	303	165
Total grants and awards	508	416

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £185k (2015: £185k). Some of those students also received fee waivers amounting to £35k (2015: £41k).

The above costs are included within the charitable expenditure on Teaching and Research. Grants to other institutions comprise an increase in the provision set aside for the sharing of unspent income funds with a common beneficiary.

8 STAFF COSTS	2016	2015
	£'000	£'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	4,250	4,189
Social security costs	294	265
Pension costs:		
Defined benefit schemes	668	542
Defined contribution schemes	6	7
Other benefits	61	96
Pension deficit liability movement	131	186
	5,410	5,285
The average number of employees of the College, excluding Trustees, on a full time equivalent basis was as follows.		
Tuition and research	31	33
College residential	78	76
Fundraising	5	5
Support	20	19
Total	134	133
The average number of employed College Trustees during the year was as follows.		
University Lecturers	19	18
CUF Lecturers	12	9
Other teaching and research	2	3
Other	4	4
Total	37	34

Redundancy payments are accounted for in the period in which the employee was informed of the decision. Where redundancy costs are uncertain, the figure in the accounts represents a best estimate. These costs are met through unrestricted funds. One such payment of £11k was made in the year.

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	2
£70,001-£80,001	1	1

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

In defined benefits schemes	144	141
In defined contribution schemes	21	25
	£'000	£'000
The College contributions to defined contribution pension schemes totalled	6	7

Brasenose College
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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	31,047	1,366	934	33,347
Additions	1,649	28	147	1,824
Disposals	-	-	-	-
At end of year	32,696	1,394	1,081	35,171
Depreciation and impairment				
At start of year	7,833	245	885	8,963
Depreciation charge for the year	589	68	15	672
Depreciation on disposals	-	-	-	-
Impairment	-	-	-	-
At end of year	8,422	313	900	9,635
Net book value				
At end of year	24,274	1,081	181	25,536
At start of year	23,214	1,121	49	24,384
College				
Cost				
At start of year	31,485	1,366	934	33,785
Additions	1,649	28	147	1,824
At end of year	33,134	1,394	1,081	35,609
Depreciation and impairment				
At start of year	7,833	245	885	8,963
Charge for the year	590	68	15	673
At end of year	8,423	313	900	9,636
Net book value				
At end of year	24,711	1,081	181	25,973
At start of year	23,652	1,121	49	24,822

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

10 PROPERTY INVESTMENTS

Group and College	Agricultural £'000	Commercial £'000	Other £'000	2016 Total £'000	2015 Total £'000
Valuation at start of year	12,556	9,505	3,694	25,755	27,237
Additions and improvements at cost / capital expenditure	51	5,576	15	5,642	239
Disposals net proceeds / capital receipts	(80)	-	(193)	(273)	(2,576)
Revaluation gains/(losses) in the year	1,994	(471)	878	2,401	855
Valuation at end of year	14,521	14,610	4,394	33,525	25,755

A formal valuation of the agricultural properties was prepared by George Thomas MRICS of Savills LLP as at 31 July 2012. This valuation was updated to 31 July 2016 based on information supplied by the College's Land Agent, Bidwells LLP. A formal valuation of the commercial and other properties was prepared by Cluttons as at 31 July 2012. This valuation was updated to 31 July 2016 by the College's Land Agent, Bidwells LLP. The next external valuation is due in 2017.

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11 OTHER INVESTMENTS

All investments are held at fair value.

			2016			2015
			£'000			£'000
Group investments						
Valuation at start of year			77,267			74,042
New money invested			27,208			11,033
Amounts withdrawn			(23,105)			(13,814)
(Decrease)/increase in value of investments			9,735			6,006
Group investments at end of year			91,105			77,267
Investment in subsidiaries			-			-
College investments at end of year			91,105			77,267
Group investments comprise:	Held outside	Held in	2016	Held outside	Held in	2015
	the UK	the UK	Total	the UK	the UK	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Equity investments	14,095	52,382	66,477	10,905	49,015	59,920
Global multi-asset funds	14,995	5,384	20,379	13,249	-	13,249
Property funds	-	4,249	4,249	-	4,098	4,098
Total group investments	29,090	62,015	91,105	24,154	53,113	77,267

Group investments include £20,626k of unlisted investments valued as at 30th June 2016. These investments are illiquid, and the June valuation is considered to provide an adequate estimate of value as at July.

12 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Brasenose Limited, a company providing conference and other event services on the College premises, and which is also authorised to provide design and build construction services to the College.

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

	Brasenose College	Brasenose Ltd
	£'000	£'000
Income	14,042	193
Expenditure	(10,327)	(86)
Donation to College under gift aid	107	(107)
Result for the year	<u>3,822</u>	<u>-</u>
Total assets	161,700	185
Total liabilities	(11,653)	(174)
Net funds at the end of year	<u>150,047</u>	<u>11</u>

13 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns with effect from 1/8/02. The investment return to be applied as income is calculated as 3.5% (2015: 3.5%) (plus costs) of the average of the year-end values of the relevant investments in each of the last five years. For donations to the endowment received within this five year period, income is calculated as 3.5% of the amount received. The amount applied as income for spending is included within the income section of the SOFA on the basis that this gives a clearer understanding of the financial position of the college. The preserved (frozen) value of the invested endowment capital represents its open market value in 2002 together with all subsequent endowments valued at the date of the gift.

	Trust for Investment	Permanent Endowment Unapplied Total Return	Total	Expendable Endowment	Total Endowments
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year:					
Gift component of the permanent endowment	50,472		50,472		50,472
Unapplied total return		48,604	48,604		48,604
Expendable endowment				13,985	13,985
Total Endowments	50,472	48,604	99,076	13,985	113,061
Movements in the reporting period:					
Gift of endowment funds	333		333	1,720	2,053
Investment return: total investment income		2,293	2,293	301	2,594
Investment return: realised and unrealised gains and losses		10,636	10,636	1,502	12,138
Less: Investment management costs		(204)	(204)	(29)	(233)
Total	333	12,725	13,058	3,494	16,552
Unapplied total return allocated to income in the reporting period		(3,159)	(3,159)	(459)	(3,618)
Expendable endowments transferred to income			-	-	-
Net movements in reporting period	333	9,566	9,899	3,035	12,934
At end of the reporting period:					
Gift component of the permanent endowment	50,805	-	50,805		50,805
Unapplied total return		58,170	58,170		58,170
Expendable endowment				17,020	17,020
Total Endowments	50,805	58,170	108,975	17,020	125,995

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14 DEBTORS

	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
Amounts falling due within one year:				
Trade debtors	298	299	253	287
Amounts owed by College members	43	35	43	35
Amounts owed by Group undertakings	-	-	102	130
Loans repayable within one year	10	9	10	9
Prepayments and accrued income	3,069	906	3,069	906
Other debtors	24	2	24	2
Amounts falling due after more than one year:				
Amounts owed by College members	1,466	1,409	1,466	1,409
	4,910	2,660	4,967	2,778

15 CREDITORS: falling due within one year

	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
Trade creditors	377	242	362	237
Amounts owed to College Members	64	57	60	57
Amounts owed to Group undertakings	-	-	-	-
Taxation and social security	87	89	87	88
College contribution	72	82	72	82
Accruals and deferred income	686	522	636	500
Other creditors	71	68	-	62
	1,357	1,060	1,217	1,026

16 CREDITORS: falling due after more than one year

	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
Bank loans	9,000	9,000	9,000	9,000
	9,000	9,000	9,000	9,000

In 2008 the College took out an unsecured bank loan at 4.575% fixed rate repayable in 2049. The College is investing each year in a designated fund to contribute to repayment of this loan in 2048.

17 PROVISIONS FOR LIABILITIES AND CHARGES

	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
At start of year	43	43	43	43
Charged in the Statement of Financial Activities	8	-	8	-
At end of year	50	43	50	43

The above provision relates to an amount that may become payable to a third party institution under the terms of a historic benefactors will.

18 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2015 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2016 £'000
Endowment Funds - Permanent						
Permanent Endowment Fund	81,520	1,896	(167)	(2,595)	8,751	89,406
Hulme Capital Fund	5,345	118	(11)	(170)	574	5,856
Grimbaldson Capital Fund	3,156	70	(7)	(100)	339	3,458
Somerset Thornhill Capital Fund	978	22	(2)	(31)	105	1,072
Tutorial/Classics Fellowship Capital Fund	1,379	59	(3)	(46)	148	1,537
Germaine Capital Fund	879	19	(2)	(28)	94	963
Humphries Capital Fund	709	16	(1)	(23)	76	777
Heath Harrison Cap Fund (1907&1925)	596	13	(1)	(19)	64	653
Lucas Bequest Capital Fund	453	10	(1)	(14)	49	496
Somerset Iver Capital Fund	443	10	(1)	(14)	48	485
John Watson Capital Fund	403	9	(1)	(13)	43	441
Kwai Cheong Graduate Studentship Fund	323	7	(1)	(10)	35	354
Collins Capital Fund	344	8	(1)	(11)	37	377
Undergraduate Bursary Capital Fund	1,210	331	(2)	(42)	128	1,625
Jeffery Bequest (Mod Hist) Capital Fund	137	3	(0)	(4)	15	150
Profumo Capital Fund	96	2	(0)	(3)	10	106
23 Other Funds for General Purposes	1,105	24	(2)	(35)	119	1,210
Total Permanent Endowment	99,076	2,617	(203)	(3,159)	10,633	108,965

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18 continued	At 1 August 2015 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2016 £'000
Endowment Funds - Expendable						
Expendable Endowment (inc legacies) Fund	15	74	(0)	(0)	2	90
Hector Pilling Capital Fund	1,197	27	(2)	(38)	128	1,311
Stallybrass Bequest Capital Fund	1,163	26	(2)	(37)	125	1,275
Trust Fund Surplus Income Capital Fund	1,122	25	(2)	(36)	120	1,229
Fiddian Capital Fund	1,093	24	(2)	(35)	117	1,198
Roger Thomas Bequest Cap Fund	995	22	(2)	(32)	107	1,090
Bedford Capital Fund	879	19	(2)	(28)	94	963
Curran Capital Fund	583	13	(1)	(19)	63	639
Stallybrass Memorial Capital Fund	514	11	(1)	(16)	55	564
Peters Capital Fund	390	9	(1)	(12)	42	427
Economics Fellowship Capital Fund	1,499	33	(3)	(51)	161	1,639
Cashmore Capital Fund	328	17	(1)	(11)	36	370
Garrick Law Fellowship Capital Fund	1,430	32	(3)	(49)	153	1,562
Politics Fellowship Capital Fund	1,013	88	(2)	(35)	109	1,173
Ellesmere Law Endowment Capital Fund	319	69	(1)	(11)	34	411
Kyprianou Grad Stud Capital Fund	613	14	(1)	(21)	66	670
Jeffrey Cheah Fund-Capital Fund	-	1,500	-	-	-	1,500
Various Funds for General Purposes	830	27	(2)	(27)	89	918
Total Expendable Endowment Funds	13,985	2,029	(29)	(459)	1,502	17,028
Total Endowment Funds - College	113,061	4,647	(233)	(3,618)	12,138	125,995
Endowment funds held by subsidiaries	-	-	-	-	-	-
Total Endowment Funds - Group	113,061	4,647	(233)	(3,618)	12,138	125,995
Restricted Funds						
Deferred Capital Fund	273	-	(7)	-	-	266
Fiddian Income Fund	202	-	(18)	35	-	219
Germaine Income Fund	(1)	-	(13)	28	-	14
Hector Pilling Income Fund	62	-	(83)	38	-	17
Peter Moores Chinese Bus Stud Fund	(0)	30	(30)	-	-	(0)
Major Gifts Restricted Campaign Fund	32	21	(27)	(2)	-	24
Barry Nicholas Income Fund	15	-	(7)	4	-	12
Student Support Annual Fund	-	89	(51)	(38)	-	(0)
Old Cloisters Library Project	1,153	2,600	-	-	-	3,753
Kwai Cheong Grad Studentship Income Fund	23	-	(13)	10	-	21
Undergraduate Bursary Income Fund	-	-	(42)	42	-	(0)
Kyprianou Grad Stud Income Fund	14	-	(41)	27	-	(0)
5 funds for Student Support	24	-	(15)	16	-	25
2 funds to support Archive and Library	0	16	(5)	4	-	15
7 funds to support Tutorial Fellowships	32	-	(221)	225	-	36
Other minor funds	89	171	(47)	(1)	-	212
Total Restricted Funds - College	1,919	2,926	(618)	389	-	4,616
Restricted funds held by subsidiaries	-	-	-	-	-	-
Total Restricted Funds - Group	1,919	2,926	(618)	389	-	4,616
Unrestricted Funds						
Loan Repayment Fund	-	-	-	305	-	305
Roger Thomas Bequest Income Fund	123	-	-	32	-	155
Reynolds Prize Inc Fund	4	-	(0)	0	-	5
Thomas & Jones Inc Fund	7	-	-	1	-	8
Benefactions Income Fund	9	-	-	(9)	-	0
Hulme Income Fund	2	70	(2)	(71)	-	0
Bedford Income Fund	127	-	-	28	-	155
Benefits Income Fund	5	-	-	(5)	-	(0)
Junior Research Income Fund	48	-	-	(48)	-	(0)
BNC Charitable History Income Fund	13	-	-	(13)	-	(0)
BNC Charitable Law Income Fund	92	-	-	(92)	-	0
Library Special Income Fund	22	-	-	(22)	-	0
Brasenose Scholarship Income Fund	18	-	-	(18)	-	(0)
Michael Woods Income Fund	5	-	(2)	-	-	3
Unrestricted/Greatest Need Annual Fund	-	197	(148)	(49)	-	(0)
Unrestricted Campaign Fund	-	35	-	(35)	-	0
JCR Dilapidation Fund	7	1	(0)	-	-	7
HCR Dilapidation Fund	9	2	-	-	-	10
BNC Australia Scholarship Income Fund	(1)	-	-	2	-	2
Delafield Fund	33	61	(58)	-	-	36
Total designated funds	524	366	(210)	5	-	686
General funds	18,618	5,990	(9,150)	3,052	2	18,512
Revaluation reserve	-	-	-	-	-	-
Pension reserve	-	-	-	172	-	172
Total Unrestricted Funds - College	19,142	6,550	(9,553)	3,229	2	19,370
Unrestricted funds held by subsidiaries	11	193	(193)	-	-	11
Intercompany profits eliminated on consolidation	(438)	-	-	-	-	(438)
Total Unrestricted Funds - Group	18,715	6,550	(9,553)	3,229	2	18,943
Total Funds	133,695	14,123	(10,404)	0	12,140	149,554

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19 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

Permanent Endowment Fund	A consolidation of gifts and donations which comprise the historic endowment of the College, and which the Governing Body considers to be permanent endowment
Hulme Capital Fund	1686 capital balance of past donations from the Hulme (Educational) Trust in Manchester, which are given for the general purposes of the College
Grimbaldson Capital Fund	A consolidation of gifts and donations
Somerset Thornhill Capital Fund	1686 capital balance of past donations for general purposes
Tutorial/Classics Fellowship Fund	A 2009/10 fund in support of Tutorial Fellowships.
Germaine Capital Fund	1972 Will Trust Fund to support scholarships for Home/EU graduates
Humphries Capital Fund	1952 Will Trust Fund to support scholarships
Heath Harrison Capital Fund	Capital balance of a past donation to support the general purposes of the College
Lucas Bequest Capital Fund	To support a Junior Research Fellow/research activities
Somerset Iver Capital Fund	1686 for general purposes
John Watson Capital Fund	1899 for general purposes
Kwai Cheong Graduate Studentship Fd	2009/10 to fund a Dphil studentship for a student preferably from China
Collins Capital Fund	1939 for general purposes
Undergraduate Bursary Fund	A 2010/11 to support undergraduate bursaries
Jeffrey Bequest Capital Fund	1975 to support the publication of learned works, and/or an exhibition in History
Profumo Capital Fund	1940 to support extra-curricular activities of undergraduates of educational benefit

Endowment Funds - Expendable:

Hector Pilling Capital Fund	1988 to support graduate scholarships/studentships preferably RAF/Commonwealth
Stallybrass Bequest Capital Fund	1948 to support the teaching of law
Trust Fund Surplus Income Capital Fd	Capitalised balance of past surplus income for general purposes
Fiddian Capital Fund	For the support of undergraduate/graduate students from Monmouth/Haberdashers Schools
Roger Thomas Bequest Capital Fund	For the furtherance of education
Bedford Capital Fund	1996 bequest for general purposes
Curran Capital Fund	1965 supports the Curran Tutor in Physiology
Stallybrass Memorial Capital Fund	Consolidation of donations raised by the Brasenose Society in 1949, for general purposes
Peters Capital Fund	For general purposes
Economics Fellowship Fund	For the endowment of a Fellowship in economics
Cashmore Fund	Valedictory fund in name of former Principal for bursaries
Garrick Law Fellowship Capital Fund	For the endowment of a Fellowship in law
Politics Fellowship Capital Fund	For the endowment of a Fellowship in politics
Ellesmere Law Endowment Capital Fund	For the support of teaching and research in Law
Kyprianou Graduate Studentship Fund	Donated funds to support a graduate studentship for a Cypriot resident
Jeffrey Cheah Capital Fund	Endowment to support the Jeffrey Cheah Fellowships and graduate studentship programmes

Restricted Funds:

Deferred Capital Fund	This fund is amortised over the life time of the relevant capital asset
Peter Moores Fund	An income fund which supports the post of the Tutor in Chinese Management Studies. The underlying endowment funds are held by the University.
Major Gifts Restricted Campaign Fund	A consolidation of recent donations for restricted purposes
Barry Nicholas Income Fund	Anonymous donation in memory of former Principal to support a graduate law scholar intending to practise at the bar of England & Wales
Student Support Annual Fund	Regular giving by alumni in support of grant funding to individual students
Old Cloisters Library Project	Funds raised to support the Old Cloisters library development project
Various Income Funds	For details of the fund which generates income for the related Restricted Income Fund,

Designated Funds

Loan repayment fund	Unrestricted funds which were set aside in order to repay the loan in 2048.
BNC Australia	Funds raised and set aside to match-fund the Oxford Australia Scholarship programme
Delafield Fund	Funds received from the Delafield Trust, which was created by way of a legacy.
Various	The College has designated funds for a variety of purposes, which are currently under review

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.

The College policy is to disclose only the most significant funds individually.

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2016 Total £'000
2016				
Tangible fixed assets	23,715	1,821	-	25,536
Property investments	-	-	33,525	33,525
Other investments	304	-	90,801	91,105
Net current assets	5,310	2,795	1,669	9,774
Long term liabilities	(10,386)	-	-	(10,386)
	<u>18,943</u>	<u>4,616</u>	<u>125,995</u>	<u>149,554</u>
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2015 Total £'000
2015				
Tangible fixed assets	24,007	378	-	24,385
Property investments	-	-	25,755	25,755
Other investments	247	-	77,021	77,268
Net current assets	4,674	1,541	10,285	16,500
Long term liabilities	(10,213)	-	-	(10,213)
	<u>18,715</u>	<u>1,919</u>	<u>113,061</u>	<u>133,695</u>

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21 TRUSTEES' REMUNERATION

Trustees of the college fall into the following categories:

The Principal

Official Fellows, who either undertake teaching and research duties under the terms of their contract of employment with the College or who are Officers of the College

Professorial Fellows

Those Supernumerary Fellows who have been elected to Governing Body.

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.

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. Remuneration is set on the basis of the advice of the College's Remuneration Committee, members of which are Fellows not in receipt of remuneration from the College. Where possible, remuneration is set in line with that awarded to the University's academic staff. The composition of the Remuneration Committee is set out in the section on Governing Body, Officers and Advisers.

All Official Fellows are eligible for a Housing Allowance, which is disclosed within the salary figures below, unless they live in accommodation provided by the College.

Some trustees receive additional allowances for additional work carried out as part time college officers (such as the Dean, Tutor for Graduates, Vice Principal, Fellow Librarian). These amounts are included within the remuneration disclosed below. The total remuneration and taxable benefits as shown below is £1,456k (2014-5 £1,261k).

Remuneration paid to trustees

Range	Number of Trustees/Fellows	2016	Number of Trustees/Fellows	2015
		Gross remuneration, taxable benefits and pension contributions £		Gross remuneration, taxable benefits and pension contributions £
£1,000-£1,999	2	3,226	3	5,352
£4,000-£4,999	1	4,990		
£6,000-£6,999			1	6,100
£7,000-£7,999	1	7,890		
£9,000-£9,999	1	9,541		
£10,000-£10,999	2	20,933	1	10,261
£11,000-£11,999	1	11,658	2	22,374
£12,000-£12,999	1	12,983		
£16,000-£16,999	1	16,009		
£18,000-£18,999			1	18,739
£20,000-£20,999	1	20,987	2	40,912
£21,000-£21,999			2	43,077
£22,000-£22,999	2	44,413	3	67,669
£23,000-£23,999	4	95,189	1	23,289
£24,000-£24,999	2	48,508	5	123,142
£25,000-£25,999			1	25,860
£26,000-£26,999	5	131,187		
£27,000-£27,999	1	27,693		
£30,000-£30,999	1	30,003		
£31,000-£31,999			2	63,832
£33,000-£33,999	2	67,858	1	33,400
£35,000-£35,999	1	35,212		
£39,000-£39,999			1	39,514
£41,000-£41,999	1	41,059		
£42,000-£42,999	1	42,774	1	42,502
£51,000-£51,999			1	51,709
£52,000-£52,999			1	52,856
£54,000-£54,999	1	54,126	1	54,896
£55,000-£55,999	1	55,201	1	55,264
£57,000-£57,999	2	114,728	1	57,236
£59,000-£59,999	1	59,321		
£68,000-£68,999			1	68,662
£69,000-£69,999			1	69,039
£70,000-£70,999	2	141,200		
£73,000-£73,999	1	73,611		
£74,000-£74,999			1	74,699
£84,000-£84,999	1	84,299		
£96,000-£96,999			1	96,159
£100,000-£100,999	2	200,988		
£114,000-£114,999			1	114,794
Total	42	1,455,587	37	1,261,337

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

All trustees, together with other senior employees, are eligible for private health insurance as part of their package of remuneration. The taxable value is included in the banded remuneration figures above.

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

Other transactions with trustees

Fellows also receive reimbursement of personal expenses necessarily incurred in connection with their services to the College as Trustees. During the year a total of £182 (2015 - £37) was reimbursed to 1 (2015 - 1) of the Trustees for expenses necessarily incurred in the management of the endowment.

See also note 29 Related Party Transactions

Key management remuneration

The total remuneration paid to key management was £577k (2015: £552k).

Key management are considered to be those trustees who are full time college officers and who are responsible for the management of the College, and the three members of senior staff listed in the Report of the Governing Body.

22 PENSION SCHEMES

The College participates in the Universities Superannuation Scheme ("the USS") and the University of Oxford Staff Pension Scheme ("the OSPS") on behalf its staff. Both schemes are contributory defined benefit schemes (i.e. they provide benefits based on length of service and pensionable salary). The assets of USS and OSPS are each held in separate trustee-administered funds.

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

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

Universities Superannuation Scheme

The pension charge for the year includes £384k (2015 - £492k) in relation to the USS. This represents contributions of £334k payable to the USS as adjusted by the change in the deficit funding liability between the opening and closing balance sheet dates of £50k.

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 will be 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 will 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 will be 8% of salary; a defined contribution benefit for salary in excess of the salary threshold at the total level of 20% (8% employee, 12% employer) 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 to be matched by employer contributions. Further details about the changes 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 2016 USS reported that the funding deficit had increased to £10.0 bn (83% funded) from £8.2bn (86% funded) at 31 March 2015.

USS' actuary has assumed that the investment return is 5.2% in year 1, decreasing linearly to 4.7% over 20 years. 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. As noted above the USS employer contribution rate is 18% of salaries from 1 April 2016. Prior to that date it is 16% of salaries. 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.

A provision of £542k has been made at 31 July 2016 (2015 - £491k) 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

Oxford Staff Pension Scheme

The pension charge for the year includes £447k (2015 - £260k) in relation to the OSPS. This represents contributions of £325k payable to the OSPS as adjusted by the change in the deficit funding liability between the opening and closing balance sheet dates of £122k.

OSPS' actuarial valuation as at 31 March 2013 identified a required long-term employer contribution rate of 20.1% of total pensionable salaries with a funding deficit of £173m. The University of Oxford, on behalf of all the employers participating in the scheme, has agreed with the trustees of OSPS to address this deficit by raising the employer contribution rate in increments of 0.5% of pensionable salary to 23.5%, with this increase being implemented over the three years to 1 August 2017. The actuary has certified that the additional contribution should eliminate the deficit by 30 June 2026. At 31 March 2015 the scheme reported a funding deficit of £213.4m (71% funded) compared to £134.8m (77% funded) as at 31 March 2014. The next triennial valuation is due with an effective date of 31 March 2016.

The OSPS employer contribution rate required for future service benefits alone at the date of the valuation was 20.1% of total pensionable salaries. It was agreed that employers increase their contribution rate by 0.5% each year to 1 August 2017 to 23.5%.

A provision of £813k has been made at 31 July 2016 (2015 - £692k) 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/>.

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The College also contributes to the Church of England Pension Scheme for the Chaplain. Details of the scheme are available from the College on request, or from the Church of England Pensions Board.

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	2016	2015
	£000's	£000's
Universities Superannuation Scheme	384	493
University of Oxford Staff Pension Scheme	447	261
Other schemes – contributions	15	11
Total	846	765

No pension contributions were payable at the balance sheet date (2015: 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 company because the directors of this company have indicated that they intend to make donations each year to the College equal to the taxable profits of the company under the Gift Aid scheme. Accordingly no provision for taxation has been included in the financial statements.

24 FINANCIAL INSTRUMENTS

The financial statements include the following in respect of items held at amortised cost:

	2016			2015		
	Income £'000	Expense £'000	Gains / (losses) £'000	Income £'000	Expense £'000	Gains / (losses) £'000
Financial liabilities measured at amortised cost See Notes 6 and 16	-	413	-	-	412	-

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

	2016 Group £'000	2015 Group £'000
Net income/(expenditure)	15,859	7,286
Elimination of non-operating cash flows:		
Investment income	(2,671)	(2,457)
(Gains)/losses in investments	(12,140)	(6,862)
Endowment donations	(2,053)	(673)
Financing costs	413	412
Depreciation	673	717
Decrease/(Increase) in stock	(11)	(3)
Decrease/(Increase) in debtors	(2,250)	(446)
(Decrease)/Increase in creditors	298	(126)
(Decrease)/Increase in provisions	8	-
(Decrease)/Increase in pension scheme liability	172	215
Net cash provided by (used in) operating activities	(1,703)	(1,937)

26 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £'000	2015 £'000
Cash at bank and in hand	3,006	3,691
Notice deposits (less than 3 months)	3,000	11,000
Bank loans due after one year	(9,000)	(9,000)
Total cash and cash equivalents	(2,994)	5,691

27 FINANCIAL COMMITMENTS

The College had no annual commitments under non-cancellable operating leases at 31 July 2016 or 31 July 2015.

28 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £1,216k (2015 - £0k).

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29 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.

13 trustees had loans outstanding from the College, under the Assisted Housing Scheme, at the start and/or the end of the year, with a total value of £1,466k (y/e 2015 £1,409k).

The number of loans outstanding at 31 July with the balances in the following bands were as follows:

	2016	2015
	£'000	£'000
£10,000-£10,999	0	0
£99,000-£99,999	1	1
£100,000-£100,999	0	2
£103,000-£103,999	1	1
£104,000-£104,999	2	2
£107,000-£107,999	1	2
£110,000-£110,999	1	1
£116,000-£116,999	1	1
£117,000-£117,999	1	1
£118,000-£118,999	1	1
£121,000-£121,999	4	1

Interest is charged at 4% below the official rate of interest or 1%, whichever is the lower, currently 1%. All loans are repayable on retirement or on ceasing to be an Official Fellow of the College, and are secured on the property.

30 CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 July 2016 or 31 July 2015.

31 POST BALANCE SHEET EVENTS

There are no post balance sheet events that require disclosure.

The value of the College's investments in securities has risen since 31 July in line with market conditions and currency movements. As the majority of these investments are endowment which will be held for the long term, the College considers that the volatility will not result in a significant impact on the college's financial position.

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32 TRANSITION TO FRS 102

The College adopted FRS 102 at 31 July 2016. The date of transition is 1 August 2014. The net effect is set out below.

Effect on the SoFA	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2015 Total £'000
Net Income/(Expenditure) as previously stated	19,982	1,919	113,061	134,962
OSPS Pension Deficit Provision at 1/8/14	(680)			(680)
USS pension Deficit Provision at 1/8/14	(282)			(282)
Church of England Pension Deficit Provision at 1/8/14	(36)			(36)
Movement in OSPS Provision y/e 15	(11)			(11)
Movement in USS Provision y/e 15	(209)			(209)
Movement in CEPS Provision y/e 15	5			5
Holiday Pay Accrual	(54)			(54)
Net Income/(Expenditure) as restated	18,715	1,919	113,061	133,695
			As at 1 August 2014 £'000	As at 31 July 2015 £'000
Net Funds (as previously stated)			127,461	134,962
Unrestricted Funds (as previously stated)			19,956	19,982
OSPS Pension Deficit Provision at 1/8/14			(680)	(680)
USS pension Deficit Provision at 1/8/14			(282)	(282)
Church of England Pension Deficit Provision at 1/8/14			(36)	(36)
Holiday Pay Accrual			(54)	(54)
Movement in OSPS Provision y/e 15			-	(11)
Movement in USS Provision y/e 15			-	(209)
Movement in CEPS Provision y/e 15			-	5
Total Unrestricted Funds (as restated)			18,904	18,715
Restricted Funds (as previously stated)			793	1,919
Total Restricted Funds (as restated)			793	1,919
Endowed Funds (as previously stated)			106,712	113,061
Total Endowed Funds (as restated)			106,712	113,061
Net Funds (as restated)			126,409	133,695

The most significant change is the recognition of a liability in respect of the deficit reduction arrangements for multi employer pension defined benefit pension schemes that are accounted for as defined contribution schemes.

FRS 102 explicitly requires accrued compensated absences to be accounted for. An accrual in respect of accrued holiday pay for non-academic staff has been recognised in the financial statements.