Annual Report and Financial Statements

Year ended 31 July 2021

Registered charity 1142701

NEW COLLEGE
Annual Report and Financial Statements
Contents

	page
Governing Body, Officers, and Advisers	2 - 5
Report of the Governing Body	6 - 12
Auditor's Report	13 - 14
Statement of Accounting Policies	15 - 20
Statement of Financial Activities	21
Balance Sheet	22
Statement of Cash Flows	23
Notes to the Financial Statements	24 - 37

NEW COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2019

MEMBERS OF THE GOVERNING BODY

The Members of the Governing Body as the Warden & Fellows are the College's charity trustees under charity law. The Members of the Governing Body during the year and at the date of this Report are listed below:
(* indicates from 1/10/19; the year is the year of election to a Fellowship; the College appointment is listed in italics, including as a College Officer, and then any University appointment)

Warden

2016 Young, Peter Miles, MA Oxford

Fellows

1984 Ratcliffe, Richard George, MA DPhil Oxford *Tutor in Biochemistry; Professor of Plant Sciences*

1988 Palfreyman, David, OBE, FRSA, LLB Oxford Brookes, MBA Aston, MA Oxford *Bursar*

1989 Williams, Martin Stewart, BSc PhD Bristol, MA Oxford *Professor of Engineering Science, Pro-Vice Chancellor - Education*

1990 Frazer, Elizabeth Joan, MA DPhil Oxford *Tutor in Politics; University Lecturer in Politics*

1990 Helm, Dieter, CBE, MA DPhil Oxford *Tutor in Economics; Professor of Energy Policy*

1992 Parrott, David Anthony, MA DPhil Oxford *Tutor in History, Precentor; CUF Lecturer in History*

1993 Leeder, Karen, MA DPhil Oxford *Tutor in German; Professor of Modern German Literature*

1995 * U L I ¿ W K 0 D U N 6 W H S K H Q 0 $ ' 3 K L O 2 [I R U G Richard Ellmann Fellow (to Tutor in English 31.08.18)

1995 Burden, Michael John, BA MA Adelaide, MA Oxford, PhD Edinburgh *Tutor in Music, Dean, Chattels and Pictures Fellow, Portraits Fellow, Professor of Opera Studies*

1995 Warner, Andrew John, MA Oxford, DPhil Reading *Tutor in Mathematics; Professor of*

0 Tw 20.1 Tw 32.518 MA 54 fd (1995 Reading Tutor in Mathematics; Professor of) Tj 0 -1.166 Td 2.229 0 Td 5.643c12.72 Tc 0.001 Tw 1.3

2014 Quinney, Robert James Henry, MA MPhil Cambridge Tutor in Music, Organist; Associate Professor in Music

2014 Meadows, Andrew Robert, MA DPhil Oxford, AM Michigan Tutor in Ancient History; Associate Professor in Ancient History

2015 Counter, Andrew Joseph, MA MPhil PhD Cambridge Tutor in French; Associate Professor in French

2015 Stokes, Mark Geoffrey, BA, BSc Melbourne PhD Cambridge Tutor in Experimental Psychology; Associate Professor in Cognitive Neuroscience

COLLEGE OFFICERS

Besides the Warden, there are certain College Officers, all of whom are also Fellows: the Sub-Warden (elected and changing annually); Bursar, Dean, Development Director, Fellow Librarian, Home Bursar, Senior Tutor, Tutor for Admissions, Tutor for Graduates, Chaplain, and Precentor. The Fellows holding such posts are listed above.

COLLEGE SENIOR STAFF

There are certain College Senior Staff: Headmaster of New College School, Accountant, Catering Manager, Clerk of Works, IT Services Director, Librarian.

COLLEGE ADVIS :

The major increases in spend in the year were:

- x USS pension scheme deficit £1.8m

College Committee. Financial risks are assessed by the Finance Committee and investment risks are monitored by the Endowment Committee. In addition, the Home Bursar and domestic staff heads meet regularly to review health and safety issues. Training courses and other forms of career development are available to members of staff to enhance their skills in risk-related areas.

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

Risk	Measures
Fall in endowment asset value	Monitoring by Endowment Committee (see below)

Policy on ethical investment

The College has considered the issues involved in underpinning its investment policy with a specifically ethical stance and, in consultation with the Junior and Middle Common Rooms, has started to examine how an effective ethical policy might be implemented. In light of its broad charitable objects, the conclusion has previously been that it would be difficult to isolate any particular sector or company whose activities were specifically antithetical to those of the College without excluding many companies whose activities, taken in the round, are broadly positive for the College's charitable objectives. It is also concluded that any such policy on ethical investment would risk limiting the overall investment return to the College by excluding particular areas of investment but without necessarily advancing the College's charitable objectives.

The Endowment Committee continues to review the investment portfolios and will instruct the managers accordingly if they believe that, despite the broad policy set out above, any specific investment should be excluded on ethical grounds.

FUTURE PLANS

The College's forward planning is agreed and monitored by the Governing Body, on the advice of a series of committees and sub-committees.

Overall, it is based on the premise of continuing to provide a high quality education of undergraduates and graduates, to a very high standard of academic excellence. The Academic Strategy Committee continues to monitor the 'size and shape' of the College, and to ensure that there is a proper appraisal of subject disciplines and the potential for new subjects not currently covered in the College to be introduced.

The College is focused on how to ensure that, within its overall objective for undergraduate students, it can properly seek to recruit students from under

NEW COLLEGE

Report of the Governing Body

Year ended 31 July 2019

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

4. Income recognition

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

a. Income from fees, OfS support and other charges for services

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

b. Income from donations, grants, and legacies

Donations and grants that do not impose specific future performance-related or other specific conditions are recognised on the date on which the charity has entitlement to the resource, the amount can be reliably measured and the economic bene(4(i)3t)-.1(t)-1312.2(be)(h)-12.2(i)3.1(L2.2(d 7.1( )]T-6.4(al)-82 l)-11.1(h)-of)-

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9. Heritage Assets

The College has chosen to hold heritage assets at cost. The college has a number of assets, including items of art and historic texts that meet the definition of heritage assets under the SORP. The depreciated historic cost of the majority of these items is nil. Items purchased are recognised at cost and items donated to the College are recognised at fair value. The college has taken advantage of the exemption within FRS 102 not to disclose transactions before 1 January 2015 as obtaining fair values for these assets would be impracticable and the cost of obtaining such valuations would outweigh the benefits to the users of these financial statements.

10. Investments

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

Listed investments are initially measured at their cost and subseld

NEW COLLEGE
Consolidated Statement of Financial Activities
For the year ended 31 July 2019

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2019 Total £'000	2018 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:	1					
Teaching, research and residential		7,027	-	-	7,027	7,064
Public worship and Choir School		2,337	-	-	2,337	2,253
Donations and legacies	2	805	2,638	73	3,516	5,330
Other Trading Income	3	214	-	-	214	471
Investments						
Investment income	4	13	1	4,292	4,306	3,603
Total return allocated to income	14	6,758	1,012	(7,770)	-	-
Total income		17,154	3,651	(3,405)	17,400	18,721
EXPENDITURE ON:	5 to 8					
Charitable activities:						
Teaching, research and residential		15,084	1,221	-	16,305	13,552
Public worship and Choir School		2,568	14	-	2,582	2,421
Generating funds:						
Fundraising		550	-	-	550	512
Trading expenditure		24	-	-	24	30
Investment management costs		48	-	618	666	626
Total Expenditure		18,274	1,235	618	20,127	17,141
Net Income/(Expenditure) before gains		(1,120)	2,416	(4,023)	(2,727)	1,580
Net gains/(losses) on investments	11, 12	-	-	258	258	19,263
Net Income/(Expenditure)		(1,120)	2,416	(3,765)	(2,469)	20,843
Transfers between funds	17	2,125	(2,339)			

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Consolidated Statement of Cash Flows
For the year ended 31 July 2019

	Notes	2019 £'000	2018 £'000
Net cash used in operating activities	23	(1,757)	(5,932)
Cash flows from investing activities			
Dividends, interest and rents from investments		4,306	3,603
Proceeds from the sale of property, plant and equipment		4	10
Purchase of property, plant and equipment		(4,511)	(10,367)
Proceeds from sale of investments		27,141	28,522
Purchase of investments		(23,476)	(25,723)
Net cash provided by investing activities		3,464	(3,955)
Cash flows from financing activities			
Receipt of endowment		73	1,757
Net cash provided by (used in) financing activities		73	1,757
Change in cash and cash equivalents in the reporting period		1,780	(8,130)
Cash and cash equivalents at the beginning of the reporting period		1,989	10,119
Cash and cash equivalents at the end of the reporting period	24	3,769	1,989

NEW COLLEGE
Notes to the financial statements
For the year ended 31 July 2019

1 INCOME FROM CHARITABLE ACTIVITIES

	2019	2018
Teaching, Research and Residential	£'000	£'000
Unrestricted funds		
Tuition fees - UK and EU students	1,931	1,907
Tuition fees - Overseas students	705	657
Other fees	351	442

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

2019	Generating Funds	Teaching & Research	Public Worship and Choir School	2019 Total
	£'000	£'000	£'000	£'000
Financial administration	61	649	178	888
Domestic administration	-	252	-	252
Investment management	521	-	-	521
Human resources	-	34	-	34
IT	-	340	-	340
Depreciation	6	1,458	156	1,620
Loss/(surplus) on fixed assets	-	32	(3)	29
Other finance charges	36	1,847	-	1,883
Governance costs	4	21	(1)	24
	628	4,633	330	5,591

2018	Generating Funds	Teaching & Research	Public Worship and Choir School	2018 Total
	£'000	£'000	£'000	£'000
Financial administration	57	596	170	823
Domestic administration	-	235	-	235
Investment management	490	-	-	490
Human resources	-	39	-	39
IT	-	350	-	350
Depreciation	6	1,045	157	1,208
Loss/(profit) on fixed assets	-	3	-	3
Other finance charges	(2)	(71)	-	(73)
Governance costs	2	15	2	19
	553			

8 STAFF COSTS

The aggregate staff costs for the year were as follows.	2019 £'000	2018 £'000
Salaries and wages	8,225	7,687
Social security costs	696	656
Pension costs:		
Defined benefit schemes	1,198	1,151
Pension deficit recovery plan adjustments (note 21)	1,839	(119)
	11,958	9,375

Pension costs are stated to exclude deficit-related finance costs.

The average number of employees of the College, including occasional staff and excluding Trustees, was as follows:

	2019	2018
Tuition and research	119	95
College residential	161	152
Public worship and Choir School	93	84
Fundraising	4	4
Support	15	15
Total	392	350

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

University Lecturers	19	19
CUF Lecturers	17	16
Other teaching and research	20	19
Other	7	8
Total	63	62

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	4	2
£70,001-£80,001	1	-
£90,001-£100,001	1	1

The number of the above employees with retirement benefits accruing was as follows:		
In defined benefits schemes	6	3
In defined contribution schemes	-	-

The College contributions to pension schemes were:		
to defined benefit schemes	£71,055	£38,252
to defined contribution schemes	-	-

9 TANGIBLE FIXED ASSETS

Group & College	Freehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At start of year	56,215	404	1,374	57,993
Additions	4,379	-	132	4,511
Disposals	(29)	(49)	(31)	(109)
At end of year	60,565	355	1,475	62,395
Depreciation and impairment				
At start of year	12,318	358	619	13,295
Depreciation charge for the year	1,477	9	134	1,620
Depreciation on disposals	(13)	(49)	(15)	(77)
At end of year	13,782	318	738	14,838
Net book value				
At end of year	46,783	37	737	47,557
At start of year	43,897	46	755	44,698

7KH &ROOHJH KDV VXEVWDQWLDO ORQJ KHOG KLVWRULF DVVHWV DOO RI ZKLFK DUH XVH 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 HERITAGE ASSETS

11 PROPERTY INVESTMENTS

	Agricultural £'000	Commercial £'000	Other £'000	2019 Total £'000	2018 Total £'000
Group & College					
Valuation at start of year	44,360	6,002	3,305	53,667	52,219
Additions and improvements at cost	430	-	13	443	5
Disposals	(1,796)	-	-	(1,796)	(3,348)
Revaluation gains/(losses) in the year	2,964	-	(44)	2,920	4,791
Valuation at end of year	45,958	6,002	3,274	55,234	53,667

12 OTHER INVESTMENTS

All investments are held at fair value.

12a: Fixed Asset investments	2019 £'000	2018 £'000
Investments		
Valuation at start of year	207,253	192,235
Investments transferred from New College Development Fund	-	2
New money invested	23,033	25,718
Amounts withdrawn	(22,606)	(23,034)
Reinvested income	(2,661)	(2,063)
Investment management fees	(79)	(73)
(Decrease)/increase in value of investments	(2,662)	14,468
Group investments at end of year	202,278	207,253
Investment in subsidiaries	-	-
Investments at end of year	202,278	207,253

Investments comprise:	Held outside the UK £'000	Held in the UK	2019 Total	Held outside the UK	Held in the UK	2018 Total

NEW COLLEGE

18 FUNDS OF THE COLLEGE DETAILS (continued)

Designated Funds
Fixed asset designated funds

Major maintenance & projects	Unrestricted funds allocated by the Fellows for future spend on the College's buildings
ex-New College Development Fund designated funds	Donations received where the College intends to observe wishes expressed by the donors

General Fund

ex-New College Development Fund - General Fund

Pension reserve (deficit)

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

2019

21 PENSION SCHEMES

Actuarial valuations

	USS	OSPS
Date of valuation:	31/03/17	31/03/16
Date valuation results published:	28/01/19	28/04/17
Value of liabilities:	£67.5bn	£661m
Value of assets:	£60.0bn	£528m
Funding surplus / (deficit):	(£7.5bn)	(£133m)

21 PENSION SCHEMES (continued)

Oxford Staff Pension Scheme

Teachers' Pension Scheme

Sensitivity of actuarial valuation assumptions

Assumption	USS change in assumption	Impact on USS liabilities
Initial discount rate	increase / reduce by 0.25%	decrease / increase by £3.3bn
Asset values	reduce by 10%	increase by £6.0bn
RPI inflation	increase / reduce by 0.25%	increase/ decrease by £3.3bn
Rate of mortality	more prudent assumption	increase by £1.6bn

Assumption	OSPS change in assumption	Impact on OSPS technical provisions (from 80% funded at 31/03/2016)
Valuation rate of interest	decrease by 1.0%	68%
Rate of pension increases	increase by 1.0%	69%
Life expectancy	more prudent assumption (life expectancy increases by 3 years)	72%

Deficit recovery plans

	USS	OSPS
Finish Date for Deficit Recovery Plan	31/6/34	30/06/27
Average staff number increase	0.00%	0.00%
Average staff salary increase	2.00%	2.50%
Average discount rate over period		