



Linacre College

Annual Report and Financial Statements

Year ended 31 July 2018

LINACRE COLLEGE
Annual Report and Financial Statements
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LINACRE COLLEGE
Governing Body, Officers and Advisers
Year ended 31 July 2018

MEMBERS OF THE GOVERNING BODY

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

		1	2	3	4	5	6	7
Abate, Dr Alessandro		•						
Ackermann, Dr Silke								
Alexander, Prof Jocelyn								
Allen, Prof Myles								
Assender, Dr Hazel								
Awrey, Prof Dan			•					
Bailey, Mr Simon					•			
Brown, Dr Nick		•	•	•	•	•	•	•
Burlakov, Dr Victor								
Burton, Dr Rebecca		•						
Castell, Prof Martin								
Dudarev, Dr Sergei								
Ewart, Dr Elizabeth			•					
Gibney, Prof Matthew								
Hall, Prof Jim								
Hector, Prof Andrew								
Hoverd, Dr Jane		•	•					•
Illiffe, Prof Robert								
Ingram, Dr Jenni		•	•	•		•		•
Ionescu, Dr Cezar								
Kan, Dr Man Yee								
Keene, Dr Anne		•		•		•		
Khatiwala Prof Samar			•					
Kirkland, Prof Angus								
Kleanthous, Prof Colin								
La Thangue, Prof Nick								
MacKay, Prof John		•						
Marginson, Dr Simon								
Morton, Dr Christopher								
Mustafa, Dr Asma			•					
Peers, Prof Laura	Left 30 April 2018							
Pollard, Prof Mark		•			•			
Preston, Dr Gail								
Reid, Mrs Alison		•		•	•	•		•

LINACRE COLLEGE**Governing Body, Officers and Advisers****Year ended 31 July 2018**

		1	2	3	4	5	6	7
Rival, Dr Laura								
Rose, Dr Heath			•					
Sarkar, Prof Subir								
Stein, Prof Alan				•				
Travis, Prof Simon				•				
Tsai, Dr Jerry	Left 14 July 2018							
Van Broekhoven, Dr Laura								
Whiteley, Dr Jonathan								
Ye, Dr Hua Cathy								

One Fellow Trustee is not disclosed for professional reasons.

LINACRE COLLEGE
Governing Body, Officers and Advisers
Year ended 31 July 2018

		1	2	3	4	5	6	7
Common Room President: Sophie Hall James King	April 2017 to March 2018 April 2018 to March 2019	•	•	•		•	•	•
Junior Research Fellow: Toby Young	January 2017 to September 2019							
Common Room Treasurer: Abdossalam Madkhali Isabel Al-Dhahir	April 2017 to March 2018 April 2018 to March 2019	•	•	•				
Common Room Secretary: Talha Pirzada	April 2018 to March 2019		•					
Publicity Officer: James King Kimberley Shoemaker	November to December 2017 January 2018 to March 2018		•				•	
Welfare and Equalities Officer: Mala Gunadasa-Rohling Nehir Banaz	November to December 2017 January 2018 to March 2018		•					
Social Secretary: Joseph Khazen	April 2018 to June 2018	•						

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

1. Finance Committee. The Finance Committee also had four external members, three of whom are students.
2. Academic Committee. There were two external members on the Academic Committee - 1 Emeritus Fellow and 1 Junior Research Fellow.
3. Development Committee. The Development Committee also had five external members, of whom two are members of staff and two are students.
4. Remuneration Committee. The Remuneration Committee also had six external members.
5. Domestic and Buildings Committee. The Domestic and Buildings Committee also had seven external members of whom three are members of staff and three are students.
6. Health and Safety Committee. The Health and Safety committee also had eight external members of whom five are members of staff and three are students.
7. Equality Committee. The Equality Committee also had four external members - all members of staff.

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Governing Body, Officers and Advisers

Year ended 31 July 2018

COLLEGE SENIOR STAFF

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

Brown, Dr Nick	Principal
Morton, Dr Chris	Vice Principal to 30 September 2017
Ingram, Dr Jenni	Vice Principal from 1 October 2017
Hoverd, Dr Jane	Senior Tutor
Reid, Mrs Alison	Bursar
Keene, Dr Anne	Development Director
Barker, Mr Simon	Domestic Bursar

COLLEGE ADVISERS

Investment managers

Oxford University Endowment Management, King Charles House, Park End Street, Oxford OX1 1JD

Royal London Asset Management, 55 Gracechurch Street, London EC3V 0RL

Ethical Investors, 60 St. Georges Road, Cheltenham GL50 3PN

Auditor

Critchleys Audit LLP, Beaver House, 23 - 38 Hythe Bridge Street, Oxford, OX1 2EP

Bankers

Barclays Corporate, Wytham Court, 11 West Way, Oxford, OX2 0JB

Solicitors

Pennington Manches LLP, 9400 Oxford Business Park, Garsington, Oxford OX4 2HN

Surveyors

Ridge and Partners LLP, The Cowyards, Blenheim Park, Oxford Road, Woodstock OX20 1QR

Employment Advisors

Peninsula Business Services, The Peninsula, Victoria Place, Manchester M4 4FB

Health and Safety Consultants

Peninsula Business Services, The Peninsula, Victoria Place, Manchester M4 4FB

College address

Linacre College, St. Cross Road, Oxford OX1 3JA

Website

www.linacre.ox.ac.uk

LINACRE COLLEGE

Report of the Governing Body

Year ended 31 July 2018

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

REFERENCE AND ADMINISTRATIVE INFORMATION

The Principal and Fellows of Linacre College in the University of Oxford, which is known as Linacre College, ("the College") is an eleemosynary chartered charitable corporation aggregate. It was established by Oxford University in 1962 as a Society for men and women graduates reading for advanced degrees and diplomas of the University and granted a Royal Charter of Incorporation on 5 June 1986.

The College is registered with the Charities Commission (registered number 1142130).

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 5.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its statutes dated 5 April 1986.

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 High Steward of The University of Oxford.

The Governing Body is self-appointing, with new members elected on the basis of academic distinction, their capacity to advise the College and its students on practices in the range of academic disciplines in the University and (Common Room members) their capacity to represent the interests of junior members of the College.

The Governing Body determines the on-going strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the Principal and is advised by seven main committees.

Recruitment and training of Members of the Governing Body

The Principal and the President of the Common Room are *ex officio* members of the Governing Body. New Official, Professorial and Senior Research Fellows are elected by a majority decision of the official members of the Governing Body. Four members of the Common Room (including one Junior Research Fellow) are elected to the Governing Body by the members of the Common Room (excluding those who are already members of the Governing Body). New Members of the Governing Body are inducted into the workings of the College, including Governing Body policy and procedures, by the Principal and other senior staff members.

New members of the Governing Body receive information and guidance on the role and requirements of charity trustees prepared by the Charity Commission and are kept informed of regulatory requirements.

Remuneration of Members of the Governing Body and Senior College Staff

Members of the Governing Body who are primarily Fellows are teaching and research employees of the University and receive no remuneration or benefits from their trusteeship of the College. Those trustees who are also employees of the College receive remuneration for their work as employees of the College which is set based on the advice of the College's Remuneration Committee, members of which include Fellows who are not in receipt of remuneration from the College. Remuneration is set in line with that awarded to the University's academic staff.

The remuneration of senior college staff who are not Trustees is set by a separate Staff Committee.

LINACRE COLLEGE

Report of the Governing Body

Year ended 31 July 2018

Organisational management

The members of the Governing Body meet nine times a year. The work of developing their policies and monitoring the implementation of these is carried out by seven main committees:

- The Finance Committee provides financial oversight of the College. It is responsible for budgeting and financial planning, investments and financial reporting. It monitors the cost, efficiency and effectiveness of operations, reliability of financial reporting, and compliance with laws and regulations. It makes decisions on investments taking account of risk, financial objectives, legal and ethical requirements.
- The Academic Committee co-ordinates academic activities in the College. It makes recommendations for the election of new Fellows, academic visitors and introduced and continuing members of the Common Room. It awards scholarships to students and small academic grants to Fellows. It sets student admissions targets and reviews admissions policies.
- The Development Committee is responsible for planning and overseeing all activities to raise money and other forms of support for the College through voluntary donations and for encouraging Old Members of the College to remain actively engaged in its development.
- The Remuneration Committee determines the salaries and stipends paid to the Principal and Fellows of the College to ensure that they are set and maintained at an appropriate level.
- The Domestic and Buildings Committee oversees the operation and maintenance of the all College buildings and estate. It monitors the provision of security, catering and cleaning.
- The Health and Safety Committee is responsible for ensuring regulatory compliance with all health and safety legislation, for setting emergency procedures, for monitoring and updating risk assessments, for reviewing reports and statistics on accidents and ill health, and for health and safety training.
- The Equality Committee reviews policies and practice to ensure that they do not result in unintended discrimination, monitors the effectiveness of equal opportunity programmes in the College, ensures regulatory compliance with equality legislation and advises Governing Body on matters that may affect equal opportunities.

The day-to-day running of the College is delegated to a senior management team comprised of the Principal, the Vice-Principal, the Bursar, the Domestic Bursar, the Senior Tutor and the Development Director, supported by 14 administrative staff, four maintenance staff and catering and cleaning teams. The Principal and/or Vice-Principal attend all meetings of the Governing Body's Committees.

Group structure and relationships

The College also administers many special funds as detailed in Notes 13 to 15 to the financial statements.

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.

AIMS, OBJECTIVES AND ACTIVITIES

Charitable Aims and Objectives

The College's aim is to benefit society by the advancement of knowledge and understanding through excellence in education and research as a College of the University of Oxford.

The Governing Body has considered the Charity Commission's guidance on public benefit and in keeping with this purpose, it has set the College's principal objectives to be:

- to provide academic, pastoral, administrative, and financial support for the post-graduate education, at Oxford University, of students who have the highest potential to benefit, regardless of their financial, social, religious or ethnic background;
- to facilitate and support research and teaching at Oxford University, by a community of advanced scholars in order to increase public learning and knowledge in specific areas of study that are of academic merit and value.

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Report of the Governing Body
Year ended 31 July 2018

Activities and Achievements of the College

The College's activities are focused on achieving its objectives and thereby its aim of advancing knowledge and understanding for public benefit. Performance during the reporting year against each of these activities is described.

1. Recruitment of academically outstanding students and Fellows from across the world

Student Numbers. The College admitted 217 new students in October 2017. A break-down of student admissions statistics is given in the table below. In total the College had 572 registered students in October 2017, of whom 33 were studying part time.

	2017		2016	
Applications received	413		387	
Offered	329	80%	313	81%
Withdrawn/Deferred	112		118	
Admitted	217	66%	195	62%
UK	68	31%	73	38%
EU	34	16%	30	15%
Overseas	115	53%	92	47%
Male	112	52%	98	50%
Female	105	48%	97	50%
Taught	117	54%	107	55%
Research	100	46%	88	45%

Of the whole student body 84 different nations were represented. 43% of Linacre's students identified as black or minority ethnic compared with a University average of 28%. 47% of students were female compared with a University average of 46%.

166 students had their post-graduate degrees conferred on them during the year.

In July 2018 the College had 25 Official Fellows, 11 Professorial Fellows, 7 Senior Research Fellows and 24 Junior Research Fellows (of which 13 were newly appointed in October 2017).

The high cost of study at Oxford University continues to be a barrier to many students who are offered places. The College has prioritised raising funds for new scholarships in order to ensure that those who are offered a place are able to come regardless of their financial circumstances. The College offered seven new scholarships to students enrolling in October 2017:

- The Hicks Scholarship in Economics
- Three John Bamborough Scholarships in the Humanities
- Oxford-Saïd Rhodes Scholarship for a student from Jordan, Lebanon, Syria, Palestine or Israel
- The Trapnell Scholarship for an African student to study African ecology.
- The Women in Science Scholarship supporting a female scientist.

In total the College supported 40 students with a Linacre scholarship.

2. Promoting academic activity, including hosting high profile public lectures on the themes of 'Human Values' and 'The Environment' and regular research seminars by members; hosting academic meetings and workshops and fostering peer support of members through subject related groupings.

The 2018 Tanner Lecture on Human Values was given jointly by Professors Abhijit Banerjee and Professor Esther Duflo from the Department of Economics, Massachusetts Institute of Technology. The

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title of the lecture was "Economics for the human race", and it was attended by over 200 people. A podcast of the lecture is available on-line <http://podcasts.ox.ac.uk/economics-human-race>.

The College hosted a Visiting Fellow, Professor Pauline Dube, supported by an Association of Commonwealth Universities fellowship. Professor Dube is a global environmental change scientist and an Associate Professor in the Department of Environmental Science at the University of Botswana. She contributed to the Intergovernmental Panel on Climate Change assessment reports which received the Nobel Peace Prize in 2007. Professor Dube delivered the 2018 ACU Linacre Lecture "Resilience building in the Anthropocene: the case of least developed countries".

The College hosted a series of four lectures in Philosophy co-ordinated by Adjunct Fellow Professor Michael Krausz (Bryn Mawr College) in November-December 2017.

More than 20 research seminars were given by college members (both Fellows and students) on their research.

The College hosted University research meetings, including those of the International Advisory Board of the Environmental Change Institute, the Climate Research Network, the Innovative Food Systems Teaching and Learning programme, Wytham Woods Research Management Committee, and many others.

3. Monitoring the academic progress of graduate students and the provision of independent advice and guidance to those who are facing problems in their study in order to help them gain maximum benefit from their studies at Oxford University

All students of the College are allocated an academic advisor. This person is a senior member of staff, University researcher or lecturer, often, but not necessarily, in a cognate discipline. The advisor is responsible for reading termly reports on their advisee written by their supervisor and course director, to confirm that good progress is being made and to check on the student's well-being. Problems are reported to the Senior Tutor. Advisors meet with their advisees socially, and if necessary, at other times to give advice and guidance. The College also provided an Advisory Panel with specialist knowledge of financial, administrative and welfare issues.

The Senior Tutor, Principal and Vice Principal held individual review meetings with over 260 students during the year. The Senior Tutor was available to support students on a daily basis throughout the year and gave advice and practical support in a large number of academic, welfare and domestic cases. The College trained and funded a Peer Supporter Network and a team of Welfare First Responders to support students outside of office hours.

The Senior Tutor and the Academic Administrator provided support in a large number of individual cases where students were facing personal or academic problems. Where problems could not be resolved locally, students were referred on to the University Counselling Service and / or the Senior Tutor took up their case with the Proctors or University Central Administration.

4. Provision of affordable, comfortable, secure and well-equipped accommodation for graduate students, in close proximity to their places of study

Linacre offers accommodation to all new student members for at least their first full year in Oxford. The College has accommodation consisting of 181 single rooms and 17 double rooms or flats. 2 self-contained flats are suitable for small families. The majority of student rooms are provided in buildings which include the use of shared bathroom and kitchen facilities.

The rents for these rooms were between £395 and £610 per month depending on size and facilities. These rents include services. All rooms have network access to University computing facilities.

The College carried out a major refurbishment of Ursula Hicks House, a property it owns at 105 Banbury Road, Oxford. The refurbishment focussed on the building's external envelope, specifically on preventative measures to mitigate exposure to unnecessary reactive maintenance costs as a result of building fabric failure. The work consisted of, but was not limited to, new roof coverings, replacement lead work, structural chimney repairs, brickwork repointing, stone cleaning and repairs and redecorating of all external joinery and woodwork. As a result the highest market value of the property should be

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maintained and kept to a standard commensurate with neighbouring properties in this desirable part of North Oxford.

5. Provision of a Common Room and Dining Hall where students and Fellows can meet and interact in ways which support and enhance their academic study. Provision of social events and recreational facilities for students and Fellows that enhance their enjoyment of Oxford University and help them maintain an appropriate work-life balance.

The College provided a grant of £77k to the Common Room for the provision of sports, social and recreational activities. This supported almost twenty clubs and societies and funded a diverse programme of social events enjoyed by College members. Events included wine and cheese exchanges, movie nights, brunches and exchange dinners with other Oxford colleges, as well as new events such as the Persian Dinner. The College hosted its annual Ball under the theme "Lost in the Woods". Other social highlights included the Chinese New Year Dinner, a 'Sexy Sub Fusc' Bop which attracted approximately 1,000 attendees, and an End of Year BBQ in July, where a live band featured. The Common Room remained committed to promoting the social and recreational elements of Linacre life and it also continued its support for charities by raising over £6,000.

Linacre excelled in sporting achievements. Notable moments included the women's boat club attaining its best performance since the 1980s and the men's football team coming second in the Division 1 MCR league.

The Common Room transferred a further amount from its accumulated surpluses to the Common Room Capital Fund, with the resulting investment returns feeding into the annual budget.

The Dining Hall offered affordable and high quality food every week-day lunch and dinner time to students, staff, Fellows and their guests. Guest night dinners were held on Tuesday and Thursday evenings in term time.

6. Provision of a library, quiet study spaces, high quality IT facilities and technical support in order to assist Fellows and students in their academic study

The library has continued to be popular and well-used, especially by Linacre's students.

162 books were acquired for the library in 2017-18, at a cost of £4,892. A large percentage (77%) of books bought were acquired as a result of student requests or from taught-course reading lists. £1,000 was received towards the book budget from the Gift Collections scheme.

The inter-library loan service has continued to be much in demand. 36 requests were made, of which 31 were supplied, at a total cost of £743.

In terms of circulation figures, there were 557 new loans of books from the library, and 4,130 loans and renewals combined. The main borrowers were taught-course students (286 loans) followed by research students (215 loans). The library was little used by Fellows.

The library also provides the college's major study space and access to computers, printers and scanners. The library door was entered 45,878 times in 2017-18, an average of 3,823 entries per month. An average of 227 individual users per month entered the library. A popular resource is the Small Study Room in the library, which is bookable for group study and tutorials. This was booked 313 times during the year, an average of 26 times per month. When not booked for group use, it is a popular resource for quiet study.

The pattern of use over the last three years is for a small but steady decline in book borrowing, purchasing and inter-library loans, probably as a result of the increased availability of e-books through the Bodleian Libraries. Linacre College Library contributes £200 annually to these purchases via the College Libraries E-book Fund. At the same time we are seeing an increase in the use of the library for study space (library entries up from 40,140 in 2016-17 to 45,878 in 2017-18). In term time, the library is in heavy use through most of the working day, and there are rarely unoccupied spaces.

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Linacre's IT department have been continuing to focus on upgrading and improving the infrastructure of the network, as well as the security and resilience of services. Neil Fraser Bell House, Holloway House and The Rhodes Building have all benefitted from internal cabling upgrades to improve WiFi coverage.

There is an ongoing project to upgrade all staff and Library PCs to Windows 10, and to streamline the way college PCs are built and configured in order to increase security and allow changes to be made more efficiently and consistently.

The College is also working towards utilising the new features and services offered by the Nexus365 system. The Maintenance Department is now using Microsoft Teams and OneDrive in order to streamline working practices, particularly when working offsite. By using tablets and mobile devices to share and edit documents, and accessing systems electronically, they are reducing duplication and errors in data entry.

7. The provision of prizes and scholarships to support and reward those students who are deemed to have the highest academic potential

The College provided 40 scholarships in October 2017:

- Anthropology Scholarship (£3,021)
- Brewer Street Scholarship (£3,021)
- Sir Bryan Cartledge Scholarships in Humanities (2 awards totalling £6,042)
- Canadian National Scholarship (2 awards totalling £10,000)
- Carolyn & Franco Gianturco Scholarships 2 awards totalling (£8,042)
- CSSS Oxford-Trapnell Scholarship (£13,194)
- CSSS Oxford-Normal & Ivy Lloyd Scholarship (£13,194)
- David Daube Law Scholarship (£3,021)
- EPA Cephalosporin Scholarships (5 awards totalling £15,105)
- Eldred Scholarship (2 awards totalling £47,267)
- Hicks Scholarship in Economics (£3,021)
- Hitachi Chemical Environmental Scholarship (£18,021)
- John Bamborough Scholarships in Humanities (3 awards totalling £9,063)
- Mary Blaschko Scholarships (2 awards totalling £6,042)
- Oxford-Agnese Nelms Haury Scholarship (£36,909)
- Oxford-Allan & Nesta Ferguson Scholarship (£36,909)
- Oxford-EPA Abraham Scholarship (2 awards totalling £21,769)
- Oxford-Keith Lloyd Scholarship (£27,958)
- Oxford-Linacre African Graduate Scholarship (£16,125)
- Oxford-Saïd Rhodes Scholarship (£3,728)
- Professor Paul Slack Scholarship in Humanities (£3,021)
- Rausing Scholarships (2 awards totalling £6,042)
- Ronald and Jane Olson Scholarship (£5,521)
- Ruth & Nevill Mott Scholarship (2 awards totalling £6,042)
- Ryle Scholarship (£3,021)
- Women in Science Scholarship (£3,021)

The College awarded two Thomas Linacre Studentships in recognition of outstanding contributions to College life. The College awarded one Moorbath Domus Research Prize, one Busutil Domus Prize and two Linacre Domus Prizes for excellent research communication skills.

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The College's scholarship programme has been very effective in improving access to post-graduate education and training for students from non-conventional backgrounds.

8. Provision of support, bursaries and interest-free loans to students facing financial hardship

The College made 15 "writing-up" grants totalling £7,334 to students for whom scholarship support had expired but who needed financial support until they could submit their theses.

The College made 13 hardship grants (in addition to "writing-up" grants) totalling £7,405 and nine interest-free hardship loans totalling £5,125 to students facing unexpected financial difficulties during the year.

Cases of hardship have continued to increase – which may be as a result of debts students are holding from their undergraduate studies. There have also been more demands for disabled student support as sources of funding for DSA from central government have closed.

9. Provision of Junior Research Fellowships to early-career academics to help them establish their professional networks and integrate them more closely into the University academic community

There were 24 Junior Research Fellows at Linacre during the year, working in all five major divisions of the University. 13 new Junior Research Fellowships were awarded to start in October 2017. The new Fellows are conducting research in African Studies, Nanotechnology, Rheumatology, Oncology, Physical and Theoretical Chemistry, Psychology, Natural History, Development Economics, Inorganic Chemistry, Pharmacology, Infectious Diseases and Vaccinology and Quantum Physics.

10. Provision of small grants to students and Fellows for travel in pursuance of their research

The College awarded 37 Travel Grants to enable students to present their research at conferences. A further five grants were awarded to assist students with fieldwork. The average award was £284 and the maximum award was £300. The total amount awarded was £10,508.

Nine grants totalling £3,469 were made to Fellows, and 18 grants totalling £7,053 to Junior Research Fellows for travel or research support.

The College provided a grant to cover the costs of a Linacre DPhil History student travelling and staying for one month at the Huntington Library in California for a period of research as the Linacre Leeds Hoban Exchange Fellow (approximate value £2,100).

11. On-going and dedicated promotion of the College to its Old Members, Friends and Supporters, and fundraising from these constituencies

The biannual College magazine was distributed to over 4,700 Linacre members, in hard copy or electronically as requested. Monthly e-mail news was sent to 3,500 members worldwide. The annual weekend reunion for a 10-year alumni cohort took place in July for 1960s students, as well as evening events during the year in both London and Oxford, where there are concentrations of members. Dinners were held in London for the College's business and law networks and a general reception for all alumni. The Legacy Circle was hosted in College.

Events are regularly organised to support special visits by the Director of Development and Principal—in 2017-18 to Los Angeles, Modena, New York, Rome, and San Francisco. The visits included dinners and individual appointments. Old Member-led events not attended by Linacre staff, were enabled in various countries.

Voluntary income in 2017-18 (excluding College Contribution Fund grants of £9k) totalled £330k from 268 donors. Two new scholarships were set up: the Dapo Olagunju Scholarship to support an MBA student from Africa, and the Giacomo Vaciago Scholarship to support a student in any subject area. A pledge of £250k was made, which, along with other funds, will enable an endowed full Scholarship in Music. Five new legacy pledges were received, totalling a minimum of £550k.

By 25 May 2018, the Development Office had instituted all the requirements of GDPR, having contacted all alumni and other constituents to request updated consents on the media and purposes of messages

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Year ended 31 July 2018

sent to them. All replies were acknowledged and recorded. The College also registered with the Fundraising Regulator and displays its badge on communications. The College does not use third party Fundraisers.

In all communications with constituents, their privacy and confidentiality are paramount. For those who have consented to be contacted, whilst informing them of the College's fundraising priorities, there is no pressure to give support, financial or otherwise.

The College has received no complaints about fundraising activity.

12. Representing the interests of Fellows and graduate students in the wider University and contributing to the development of University policies and practices that affect them in order to assist them in their learning, teaching and research

During the year there were Linacre College representatives on several major University and Conference of Colleges committees. The College took a lead in new initiatives on graduate welfare, graduate housing, access and equality. The Principal was Chair of the University Buildings and Estates Committee, Deputy Chair of Planning and Resource Allocation Committee, Chair of Oxford Graduate Scholarship Matching Fund, and a Commissioner of the Commonwealth Scholarship Commission. The Senior Tutor was a member of the Conference of Colleges Graduate and Senior Tutors' Committees, Graduate Committee Steering Group, University Disciplinary Committee and University Hardship Fund Committee. The College made representation to the City Council on planning and infrastructure issues affecting students and Fellows, and nationally on pension and PREVENT matters.

FUTURE PLANS

Following the publication of a Development Strategy Plan for the period 2016 – 2021, the College has made good progress on all of the priority areas identified:

Accommodation

The College completed a major refurbishment of a large student residence at 5 Bradmore Road having recently negotiated a 30-year extension of the lease from the University of this property. The refurbishment involved a major overhaul of heating and hot water systems, reconfiguration of rooms, new shower rooms and toilet facilities and refurbishment of shared kitchens. Energy saving emergency and non-emergency lighting was installed throughout. It was fully redecorated and fitted with new carpets, curtains and study-bedroom furniture. The property will provide a home for 15 students in high quality single study-bedrooms.

The College is planning a major upgrade to the main Reception area in the summer of 2019 as part of an on-going upgrade of its infrastructure to accommodate a rapidly growing graduate student population. The new Reception will allow two members of Reception staff to work side-by-side and will provide expanded pigeonholes and parcel handling facilities. Once complete, a warm and welcoming environment will be created for guests and visitors, as well as for members of the College.

Academic Plans

As well as running the normal series of major academic lectures in the forthcoming year, the College will host a meeting of the Tanner Lectures Board in July 2019. This will bring the leaders of nine of the world's leading universities to Linacre for a two-day conference.

FINANCIAL REVIEW

Total Incoming resources (excluding voluntary income) increased by 11.5% to £3,606k. This reflects a large increase in student numbers and increased investment income, mostly from an increase of 5.3% in the dividend pay-out rate from the Oxford University Endowment Fund.

The principal funding sources are student fees and residential rents.

Resources expended increased by 14.6% to £3,683k. This is partly as a result of higher staff costs on student support and a large increase in student scholarships and bursaries, but also due to major refurbishment expenditure on student accommodation. 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 deficit funding

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agreements for the two pension schemes the College participates in on behalf of its staff. Resources expended in the year to 31 July 2017 included a marginal reduction in staff costs (due to a lower deficit) net of interest provision of £1k, whereas resources expended in the year to 31 July 2018 included a marginal increase in staff costs (due to a higher deficit) net of interest provision of £5k.

The value of the investment portfolio increased to £18,912k. This included new money invested of £648k and investment gains of £856k.

Reserves policy

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

Total funds of the College totalled £30,418k (2017: £29,140k). This includes endowment capital of £17,676k and unspent restricted income funds totalling £1,221k. Free reserves at the year-end, before providing for the deficits on pension schemes, amounted to £1,343k (2017: £1,069k). These represent retained unrestricted income reserves, excluding an amount of £8,342k for the book value of tangible fixed assets less associated funding arrangements, and funds designated at the year-end amounting to £2,267k (2016: £2,235k).

Designated reserves at the year-end include funds set aside for future expenditure on maintenance and refurbishment of buildings.

Risk management

The College is engaged in risk assessment on an on-going basis. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College Committee, chaired by the Principal. Financial and investment risks are assessed and monitored by the Finance Committee. In addition, regular meetings between the Bursar and domestic departmental managers consider health and safety issues. Training courses and other forms of career development are available, when requested, to members of staff to enhance their skills in risk-related areas.

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

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.

Most of the College's endowment funds are managed by Oxford University Endowment Management in the Oxford Endowment Fund.

Since dividends on Oxford Endowment Fund holdings are based on units held at the end of December, the accounts for 2017-18 include a large accrual for 7 months for the dividend on the holding from 1 January 2018. The accrual has been estimated using the best available information. The dividend for the 7 months to 31 July 2018 will be declared in Spring 2019.

The dividend receivable from the Oxford Endowment Fund is based on a 4.25% return on a rolling average of capital values over 5 years.

The investment strategy, policy and performance are monitored by the Finance Committee. At the year end, the College's long term investments totalled £17,408k.

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 has prepared the financial statements in accordance with United Kingdom Generally

LINACRE COLLEGE

Report of the Governing Body

Year ended 31 July 2018

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 it is 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 it to ensure that the financial statements comply with the Charities Act 2011. It is also responsible for safeguarding the assets of the College and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



Dr Nick Brown, Principal

LINACRE COLLEGE

Independent auditor's report to the Members of the Governing Body of Linacre College Year ended 31 July 2018

Opinion

We have audited the financial statements of Linacre College (the "Charity") for the year ended 31 July 2018 which comprise the Statement of Accounting Policies, the Statement of Financial Activities, the and College Balance Sheet, the Cash Flow Statement and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and charity's affairs as at 31 July 2018 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

LINACRE COLLEGE

Independent auditor's report to the Members of the Governing Body of Linacre College Year ended 31 July 2018

Matters on which we are required to report by exception

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

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Members of the Governing Body

As explained more fully in the Statement of Accounting and Reporting Responsibilities set out on pages 14 and 15, the Members of the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Members of the Governing Body are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Members of the Governing Body either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of Our Report

This report is made solely to the College's Governing Body, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Members of the Governing Body those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College's Governing Body as a body, for our audit work, for this report, or for the opinions we have formed.



Critchleys Audit LLP
Statutory Auditor
Oxford

Date: 30/11/2018

Critchleys Audit LLP is eligible to act as an auditor in terms of sections 1212 of the Companies Act 2006.

Scope of the financial statements

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

1. Basis of accounting

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

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

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

2. Accounting judgements and estimation uncertainty

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

The College participates in a multi-employer defined benefit pension plan. In the judgement of the Governing Body there is insufficient information about the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets in the financial statements and therefore the plan is accounted for as a defined contribution scheme (see note 17).

Before legacies are recognised in the financial statements, the Governing Body has to exercise judgement as to what constitutes sufficient evidence of entitlement to the bequest. Sufficient entitlement exists once notification of payment has been received from the executor(s) of the estate or estate accounts are available which indicate there are sufficient funds in the estate after meeting liabilities for the bequest to be paid.

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

3. 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, 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.

LINACRE COLLEGE
Statement of Accounting Policies
Year ended 31 July 2018

Legacies are recognised following grant of probate and once the College has received sufficient information from the executor(s) of the deceased's estate to be satisfied that the gift can be reliably measured and that the economic benefit to the College is probable.

Donations, grants and legacies accruing for the general purposes of the College are credited to unrestricted funds.

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

c. Investment income

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

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

4. 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.

5. Leases

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

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

6. 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 derecognised and expensed in the SOFA.

LINACRE COLLEGE
Statement of Accounting Policies
Year ended 31 July 2018

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.

7. 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
Furniture and Equipment	4 - 10 years
Computer Equipment	3 years

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

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

8. Investments

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

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

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

9. Other financial instruments

a. Derivatives

The college does not deal in 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 at 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.

10. Stocks

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

11. Foreign currencies

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

Transactions denominated in foreign currencies during the year are translated into pounds sterling using the 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.

LINACRE COLLEGE
Statement of Accounting Policies
Year ended 31 July 2018

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.

12. Fund accounting

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

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

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

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

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

13. Pension costs

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

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

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

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2018 Total £'000	2017 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:	1					
Teaching, research and residential		2,757	123	-	2,880	2,605
Donations and legacies	2	92	294	113	499	1,902
Investments						
Investment income	3	537	189	-	726	628
Total income		3,386	606	113	4,105	5,135
EXPENDITURE ON:						
Charitable activities:	4					
Teaching, research and residential		3,026	404	-	3,430	2,978
Generating funds:						
Fundraising		244	-	-	244	227
Investment management costs		9	-	-	9	8
Total Expenditure		3,279	404	-	3,683	3,213
Net Income/(Expenditure) before gains		107	202	113	422	1,922
Net gains/(losses) on investments	9	37	14	805	856	1,497
Net Income/(Expenditure)		144	216	918	1,278	3,419
Transfers between funds	13	12	(12)	-	-	-
Net movement in funds for the year		156	204	918	1,278	3,419
Fund balances brought forward	13	11,365	1,017	16,758	29,140	25,721
Funds carried forward at 31 July		11,521	1,221	17,676	30,418	29,140

Linacre College
Balance Sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
FIXED ASSETS			
Tangible assets	8	10,779	11,012
Other Investments	9	18,912	17,408
CURRENT ASSETS			
Stocks		31	36
Debtors	10	541	1,285
Investments		1,980	198
Cash at bank and in hand		316	410
Total Current Assets		2,868	1,929
LIABILITIES			
Creditors: Amounts falling due within one year	11	519	480
NET CURRENT ASSETS/(LIABILITIES)		2,349	1,449
TOTAL ASSETS LESS CURRENT LIABILITIES		32,040	29,869
CREDITORS: falling due after more than one year	12	1,191	303
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		30,849	29,566
Defined benefit pension scheme liability	17	431	426
TOTAL NET ASSETS/(LIABILITIES)		30,418	29,140
FUNDS OF THE COLLEGE			
Endowment funds		17,676	16,758
Restricted funds		1,221	1,017
Unrestricted funds			
Designated funds		2,267	2,235
General funds		9,685	9,556
Pension reserve	17	(431)	(426)
		30,418	29,140

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

Trustee: *Nick D. Brown*

Trustee: *A Reid*

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

	Notes	2018 £'000	2017 £'000
Net cash provided by (used in) operating activities	19	<u>676</u>	<u>293</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		726	628
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(117)	(2,802)
Proceeds from sale of investments		-	-
Purchase of investments		(648)	(229)
(Additions to)/withdrawals from cash deposits		(1,782)	1,693
Net cash provided by (used in) investing activities		<u>(1,821)</u>	<u>(710)</u>
Cash flows from financing activities			
Repayments of borrowing		(62)	(20)
Cash inflows from new borrowing		1,000	-
Receipt of endowment		113	405
Net cash provided by (used in) financing activities		<u>1,051</u>	<u>385</u>
Change in cash and cash equivalents in the reporting period		<u>(94)</u>	<u>(32)</u>
Cash and cash equivalents at the beginning of the reporting period		410	442
Change in cash and cash equivalents due to exchange rate movements		-	-
Cash and cash equivalents at the end of the reporting period	20	<u>316</u>	<u>410</u>

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

1 INCOME FROM CHARITABLE ACTIVITIES

	2018 £'000	2017 £'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	457	426
Tuition fees - Overseas students	771	616
Other fees	-	-
Other HEFCE support	64	60
Other academic income	8	4
College residential income	1,457	1,453
	<u>2,757</u>	<u>2,559</u>
Restricted funds		
Other academic income	123	46
	<u>123</u>	<u>46</u>
Total Teaching, Research and Residential	<u>2,880</u>	<u>2,605</u>
Total income from charitable activities	<u>2,880</u>	<u>2,605</u>

The above analysis includes £138k received from Oxford University from publicly accountable funds under the CFF Scheme (2017: £107k).

2 DONATIONS AND LEGACIES

	2018 £'000	2017 £'000
Donations and Legacies		
Unrestricted funds	92	1,345
Restricted funds	294	152
Endowed funds	113	405
	<u>499</u>	<u>1,902</u>

3 INVESTMENT INCOME

	2018 £'000	2017 £'000
<i>Unrestricted funds</i>		
Interest on fixed term deposits and cash	12	7
Other investment income	525	468
	<u>537</u>	<u>475</u>
<i>Restricted funds</i>		
Interest on fixed term deposits and cash	-	-
Other investment income	189	153
	<u>189</u>	<u>153</u>
Total Investment income	<u>726</u>	<u>628</u>

4 ANALYSIS OF EXPENDITURE

	2018 £'000	2017 £'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	949	907
Other direct costs allocated to:		
Teaching, research and residential	1,665	1,316
Support and governance costs allocated to:		
Teaching, research and residential	816	755
Total charitable expenditure	<u>3,430</u>	<u>2,978</u>

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

4 ANALYSIS OF EXPENDITURE (continued)

	2018 £'000	2017 £'000
Expenditure on raising funds		
Direct staff costs allocated to:		
Fundraising	181	174
Other direct costs allocated to:		
Fundraising	49	40
Investment management costs	-	-
Support and governance costs allocated to:		
Fundraising	14	13
Investment management costs	9	8
Total expenditure on raising funds	<u>253</u>	<u>235</u>
Total expenditure	<u>3,683</u>	<u>3,213</u>

The 2017 resources expended of £3213k represented £2962k from unrestricted funds and £251k from restricted funds.

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

The teaching and research costs include College Contribution payable of £0k (2017 - £0k).

	2018 Total £'000	2017 Total £'000
Included within the resources expended above are:		
Operating lease payments	<u>44</u>	<u>52</u>

5 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	2018 Total £'000
Financial administration	18	134	152
Domestic administration	-	87	87
Investment Management	-	-	-
Human resources	-	5	5
IT	5	189	194
Depreciation	-	350	350
Bank interest payable	-	17	17
Other finance charges	-	12	12
Governance costs	-	22	22
	<u>23</u>	<u>816</u>	<u>839</u>
	Generating Funds £'000	Teaching and Research £'000	2017 Total £'000
Financial administration	16	135	151
Domestic administration	-	83	83
Investment Management	-	-	-
Human resources	-	6	6
IT	5	159	164
Depreciation	-	344	344
Bank interest payable	-	2	2
Other finance charges	-	5	5
Governance costs	-	21	21
	<u>21</u>	<u>755</u>	<u>776</u>

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.

	2018 £'000	2017 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	12	11
Other governance costs	10	10
	<u>22</u>	<u>21</u>

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.

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

6	GRANTS AND AWARDS	2018	2017
		£'000	£'000
	During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:		
	Unrestricted funds		
	Grants to individuals:		
	Scholarships, prizes and grants	9	4
	Bursaries and hardship awards	3	6
	Total unrestricted	<u>12</u>	<u>10</u>
	Restricted funds		
	Grants to individuals:		
	Scholarships, prizes and grants	339	178
	Bursaries and hardship awards	19	30
	Graduate Studentships	1	3
	Total restricted	<u>359</u>	<u>211</u>
	Total grants and awards	<u>371</u>	<u>221</u>

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £0k (2017: £0k). Some of those students also received fee waivers amounting to £0k (2017: £0k).

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

7	STAFF COSTS	2018	2017
		£'000	£'000
	The aggregate staff costs for the year were as follows.		
	Salaries and wages	1,184	1,117
	Social security costs	84	80
	Pension contributions	178	186
		<u>1,446</u>	<u>1,383</u>
	The average number of employees of the College, excluding Trustees, on a full time equivalent basis was as follows.		
		2018	2017
	College residential	12	13
	Fundraising	3	3
	Support	17	16
	Total	<u>32</u>	<u>32</u>
	The average number of employed College Trustees during the year was as follows.		
		2018	2017
	Other teaching and research	1	1
	Other	3	3
	Total	<u>4</u>	<u>4</u>

The college also benefits from temporary staff and agency workers who are not on the College payroll. There were no employees other than trustees whose gross pay and benefits (excluding employer NI and pension contributions) exceeded £60,000.

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

8 TANGIBLE FIXED ASSETS

	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At start of year	150	14,103	-	808	15,061
Additions	67	-	-	50	117
At end of year	217	14,103	-	858	15,178
Depreciation and impairment					
At start of year	128	3,417	-	504	4,049
Charge for the year	22	262	-	66	350
At end of year	150	3,679	-	570	4,399
Net book value					
At end of year	67	10,424	-	288	10,779
At start of year	22	10,686	-	304	11,012

9 SECURITIES AND OTHER INVESTMENTS

All investments are held at fair value.

	2018 £'000	2017 £'000
Valuation at start of year	17,408	15,682
New money invested	648	229
(Decrease)/increase in value of investments	856	1,497
Investments at end of year	18,912	17,408

Investments comprise:

	Held outside the UK £'000	Held in the UK £'000	2018 Total £'000	Held outside the UK £'000	Held in the UK £'000	2017 Total £'000
Equity investments	-	198	198	-	191	191
Global multi-asset funds	-	18,686	18,686	-	17,207	17,207
Fixed term deposits and cash	-	28	28	-	10	10
Total investments	-	18,912	18,912	-	17,408	17,408

10 DEBTORS

	2018 £'000	2017 £'000
Amounts falling due within one year:		
Trade debtors	41	25
Amounts owed by College members	30	44
Amounts owed by Group undertakings	-	-
Loans repayable within one year	9	12
Prepayments and accrued income	460	374
Other debtors	-	830
Amounts falling due after more than one year:		
Loans	1	-
	541	1,285

11 CREDITORS: falling due within one year

	2018 £'000	2017 £'000
Bank overdrafts	-	-
Bank loans	70	20
Trade creditors	172	128
Amounts owed to College Members	167	201
Taxation and social security	26	26
Accruals and deferred income	58	79
Other creditors	26	26
	519	480

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12 CREDITORS: falling due after more than one year

	2018	2017
	£'000	£'000
Bank loans	1,191	303
	<u>1,191</u>	<u>303</u>

The bank loans relate to:

- (i) a 25 year unsecured loan of £500k arranged in 2008 to facilitate the purchase of a functional property. Interest is charged at a margin of 0.3% above bank base rate. The current balance of the loan is currently slightly less than 1/3 of the original cost of the property.
(ii) two 5 year unsecured loans of £500k each arranged in 2017 to facilitate the purchase of a functional property. Interest on one of the loans is charged at the fixed rate of 2.05%. Interest on the other is charged at 1% above bank base rate.
Functional properties are not revalued for accounts purposes, but the first property is considered to have a market value considerably in excess of cost. The second property is considered to have a value similar to the cost paid in 2017.

13 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2017 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2018 £'000
Endowment Funds - Permanent						
General Endowment	12,682	16			614	13,312
Scholarships and grants	2,861	91		-	132	3,084
Student Hardship	412				20	432
Fellows Support	803	6			39	848
Endowment Funds - Expendable						
Expendable 1						-
Expendable 2						-
Expendable 3						-
Expendable 4						-
Total Endowment Funds	<u>16,758</u>	<u>113</u>	<u>-</u>	<u>-</u>	<u>805</u>	<u>17,676</u>
Restricted Funds						
Scholarships and grants	594	335	(347)	(3)	5	584
Student Hardship	22	17	(12)	(1)		26
Fellows Research	103	47	(23)	(1)		126
Facilities	150	164	(5)		5	314
Lectures	148	43	(17)	(7)	4	171
Total Restricted Funds	<u>1,017</u>	<u>606</u>	<u>(404)</u>	<u>(12)</u>	<u>14</u>	<u>1,221</u>
Unrestricted Funds						
Fixed Asset Designated Fund	8,487	52	(267)	70		8,342
Other Designated funds	2,235	122	(186)	59	37	2,267
General funds	1,069	3,212	(2,821)	(117)		1,343
Revaluation reserve						-
Pension reserve	(426)		(5)			(431)
Total Unrestricted Funds	<u>11,365</u>	<u>3,386</u>	<u>(3,279)</u>	<u>12</u>	<u>37</u>	<u>11,521</u>
Total Funds	<u>29,140</u>	<u>4,105</u>	<u>(3,683)</u>	<u>-</u>	<u>856</u>	<u>30,418</u>

14 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

General Endowment	A consolidation of gifts and donations where income, but not capital, can be used for the general purposes of the charity
Student Scholarships and grants	Capital balance of past donations where related income, but not the original capital, can be used for student scholarships and grants
Student Hardship	Capital balance of past donations where related income, but not the original capital, can be used for hardship grants for students
Fellows support	Capital balance of past donations where related income, but not the original capital, to support Fellows' research.
Restricted Funds:	
Scholarship and grants Income	A consolidation of gifts and donations for student support together with accumulated income of the Scholarships Endowment Funds
Hardship Income	A consolidation of gifts and donations for student hardship together with accumulated income of the Hardship Endowment Funds
Fellows Research Income	A consolidation of gifts and donations for Fellows' support together with accumulated income of the Fellows Endowment Funds
Facilities Funds	A consolidation of gifts and donations for provision of facilities for college members
Lectures Funds	A consolidation of gifts and donations to support the Linacre Lectures and Tanner Lectures

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14 FUNDS OF THE COLLEGE DETAILS continued

Designated Funds

Fixed Asset designated Fund

Other Designated Funds

Unrestricted Funds which are represented by the fixed assets of the College and therefore not available for expenditure on the College's general purposes
Unrestricted Funds allocated by the Fellows for future costs for various purposes. They include £1.6m Designated Capital funds which are Unrestricted funds allocated by the Trustees for the purpose of preserving the capital and maintaining a long-term income stream in support of the College's activities

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

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2018 Total £'000
Tangible fixed assets	10,779	-	-	10,779
Other investments	927	309	17,676	18,912
Net current assets	1,437	912	-	2,349
Long term liabilities	(1,622)	-	-	(1,622)
	<u>11,521</u>	<u>1,221</u>	<u>17,676</u>	<u>30,418</u>

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2017 Total £'000
Tangible fixed assets	11,012	-	-	11,012
Other investments	745	285	16,378	17,408
Net current assets	337	732	380	1,449
Long term liabilities	(729)	-	-	(729)
	<u>11,365</u>	<u>1,017</u>	<u>16,758</u>	<u>29,140</u>

16 TRUSTEES' REMUNERATION

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

Trustees of the college fall into the following categories:

Head of House
Professorial Fellows
Fellows by Election
Senior Research Fellows
President of the Common Room
5 Common Room representatives including 1 Junior Research Fellow.

There are 4 trustees (Principal, Senior Tutor, Bursar and Development Director) who work full time on management and fundraising.

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.

The College has a Remuneration Committee which makes recommendations to Governing Body on pay and benefits which are outside of external scales. The composition of the Remuneration Committee is set out in pages 2 to 4 of the section, Governing Body, Officers and Advisers.

Remuneration paid to trustees

Range	Number of Trustees/Fellows	2018		2017	
		Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £
£1-£1,000	1		960	1	189
£1,001-£2,000	0			1	1,528
£2,001-£3,000	1		2,553	2	4,551
£4,001-£5,000	1		4,800	0	
£5,001-£6,000	0			1	5,664
£25,001-£26,000	0			1	25,266
£54,001-£55,000	1		54,612	0	
£59,001-£60,000	0			1	59,556
£61,001-£62,000	1		61,516	0	
£76,001-£77,000	0			1	76,990
£79,001-£80,000	1		79,120	0	
£92,001-£93,000	0			1	92,222
£98,000-£99,000	1		98,365	0	
Total	<u>7</u>		<u>301,926</u>	<u>9</u>	<u>265,966</u>

Linacre College
Notes to the financial statements
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16 TRUSTEES' REMUNERATION continued

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

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

Other transactions with trustees

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 £178 (2017 - £391) was reimbursed to 3 (2017 - 4) of the Trustees for travel (£47), postage (£49), disability expenses (£49) and hospitality (£33).

See also note 23 Related Party Transactions

Key management remuneration

The total remuneration paid to key management was £393k (2017: £351k).

Key management are considered to be The Principal, Vice Principal, Bursar, Domestic Bursar, Senior Tutor and Development Director

17 PENSION SCHEMES

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

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

Actuarial valuations

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

	USS	OSPS
Date of valuation:	31/03/2014	31/03/2016
Date valuation results published:	24/07/2015	28/04/2017
Value of liabilities:	£46.9bn	£661m
Value of assets:	£41.6bn	£528m
Funding surplus / (deficit):	(£5.3bn) ^a	(£133m) ^b
Principal assumptions:		
• Investment return	5.2%pa ^c	-
• Rate of interest (periods up to retirement)	-	'Giltts' + 1.2%pa
• Rate of interest (periods up after retirement)	-	'Giltts' + 1.2%pa
• Rate of increase in salaries	RPI + 1%pa ^d	RPI + 1%pa
• Rate of increase in pensions	CPI pa ^d	Average RPI/CPI pa
Mortality assumptions:		
• Assumed life expectancy at age 65 (males)	24.2 yrs	22.4 yrs
• Assumed life expectancy at age 65 (females)	26.3 yrs	24.7 yrs
Funding Ratios:		
• Technical provisions basis	89%	80%
• Statutory Pension Protection Fund basis	82%	67%
• 'Buy-out' basis	54%	42%
• Estimated FRS 102 Total Funding level	77%	82%
Recommended employer's contribution rate (as % of pensionable salaries):	18% ^e	23% decreasing to 19% from 01/09/2017 ^f
Effective date of next valuation:	31/03/2017	31/03/2019

a. USS's actuarial valuation as at 31 March 2014 takes into account the revised benefit structure effective 1 April 2016 agreed both by the Joint Negotiating Committee and the Trustee in July 2015 following the Employers' consultation which concluded in June 2015. Key changes agreed include: for Final Salary section members, the benefits built up to 31 March 2016 were calculated as at that date using pensionable salary and pensionable service immediately prior to that date and going forwards will be revalued in line with increases in official pensions (currently CPI); all members accrue a pension of 1/75th and a cash lump sum of 3/75ths of salary each year of service in respect of salary up to a salary threshold, initially £55,000 p.a., with the threshold applying from 1 October 2016; member contributions are 8% of salary; a defined contribution benefit for salary above the salary threshold at the total level of 20% of salary in excess of the salary threshold; and optional additional contributions payable into the defined contribution section from 1 October 2016 of which the first 1% of salary is matched by the employer. Further details about the 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 2018 USS reported that the funding deficit was £8.4 bn (88% funded).

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17 PENSION SCHEMES (continued)

- b. OSPS' actuarial valuation as at 31 March 2016 identified a required long-term employer contribution rate of 17.3% of total pensionable salaries, with a funding deficit of £133 m. The valuation results reflect a number of changes to benefits that were agreed following an Employers' consultation in early 2017, including from 1 April 2017 a change in indexation based on the average of RPI and CPI, from 1 October 2017 a defined contribution section for new entrants and from 1 April 2018 breaking the final salary link for certain members and increased employee contributions. The actuary has certified that the recovery plan should eliminate the deficit by 30 June 2027. The next triennial valuation is due with an effective date of 31 March 2019.
- c. USS' actuary has assumed that the investment return is 5.2% in year 1, decreasing linearly to 4.7% over 20 years.
- d. USS' actuary has assumed that general pay growth will be CPI in year 1, CPI + 1% in year 2 and RPI + 1% pa thereafter. It is assumed that CPI is based on the RPI assumption (market derived price inflation of 3.6% p.a less an inflation risk premium) less RPI/CPI gap of 0.8% p.a.
- e. As noted above (note a) the USS employer contribution rate is 18% of salaries from 1 April 2016. The total employer contributions include provisions for the cost of future accrual of defined benefits (DB) (net of member contributions to the DB section), deficit contributions, administrative expenses of 0.4% of salaries and from the implementation of the salary threshold the employer contribution towards defined contribution benefits including employer matching contributions and certain investment management costs relating to the DC section. The 2017 actuarial valuation of USS has been undertaken but this has not yet been formally completed. The 2017 valuation has set out the challenges currently facing the scheme and the likelihood of significant increases in contributions being required to address these challenges. In the judgement of the college, as the 2017 valuation has not formally completed, and there remains various stages of consultation around the key factors specifically relating to the funding of the past deficit, including the level of contributions required, the period of the recovery plan and the level of asset performance over the period, it remains appropriate to continue to account for the past deficit obligation in accordance with the plan agreed after the 2014 actuarial valuation. However, there is a significant risk that the year-end provision as calculated will not reflect the position following the final outcome of negotiations, potentially by a very significant amount depending upon what is finally agreed as regards future deficit contributions and their duration. The college expects to have greater clarity in this respect during the next financial year.
- f. As noted above (note b), the OSPS employer contribution rate required for future service benefits in the defined benefit section alone is 17.3% of total pensionable salaries from 1 April 2018. The employer contribution rate was 23% from 1 August 2016 to 31 July 2017. It was agreed that employer contribution rate would be 19% for both defined benefits members and defined contributions members who join on or after 1 October 2017. Part of contribution for defined contribution members would be paid to the defined benefit section to cover the deficit recovery plan, the provision of ill-health and death-in service benefits and the expenses of administering the defined contribution section.

Sensitivity of actuarial valuation assumptions

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

USS

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

OSPS

Assumption	Change in assumption	Impact on OSPS technical provisions (from 80% funded at 31/03/2016)
Valuation rate of interest	decrease by 1.0%	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

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

	OSPS	USS
Finish Date for Deficit Recovery Plan	30/06/2026	31/03/2031
Average Staff Number Increase	0-5.1%	0-7.7%
Average staff salary increase	2.75%	2.50%
Average discount rate over period	1.95%	2.20%
Effect of 0.5% change in discount rate	£9k	£4k
Effect of 1% change in staff growth	£27k	£8k

A provision of £431k has been made at 31 July 2018 (2017 - £426k) for the present value of the estimated future deficit funding element of the contributions payable under these agreements, using the assumptions shown. The provision reduces as the deficit is paid off according to the pension recovery scheme.

Pension charge for the year

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

Scheme	2018 £'000	2017 £'000
Universities Superannuation Scheme	77	71
University of Oxford Staff Pension Scheme	99	101
Total	176	172

Included in other creditors are pensions contributions payable of £25k (2017 £25k).

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18 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.

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

	2018 £'000	2017 £'000
Net income/(expenditure)	1,278	3,419
Elimination of non-operating cash flows:		
Investment income	(726)	(628)
(Gains)/losses in investments	(856)	(1,497)
Endowment donations	(113)	(405)
Depreciation	350	344
Decrease/(Increase) in stock	5	6
Decrease/(Increase) in debtors	744	(690)
(Decrease)/Increase in creditors	(11)	(255)
(Decrease)/Increase in pension scheme liability	5	(1)
Net cash provided by (used in) operating activities	676	293

20 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £'000	2017 £'000
Cash at bank and in hand	316	410
Total cash and cash equivalents	316	410

21 FINANCIAL COMMITMENTS

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

	< 1 year £'000	2-5 years £'000	> 5 years £'000	2018 Total £'000
Land and buildings	42	194	1,260	1,496
Other	4	11	-	15
	46	205	1,260	1,511
	< 1 year £'000	2-5 years £'000	> 5 years £'000	2017 Total £'000
Land and buildings	26	53	-	79
Other	4	15	-	19
	30	68	-	98

22 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £250k (2017 - £273k).

23 RELATED PARTY TRANSACTIONS

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

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

During the year Members of the Governing Body donated a total of £4,111 (2017: £5,836) to the College without conditions.

There were no other related party transactions.

24 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 July 2018.

25 POST BALANCE SHEET EVENTS

There are no post balance sheet events that require disclosure.