



St Hilda's College, Oxford

**Report and Accounts
for the period ended 31 July 2006**

The accounts' index (if any), Responsibilities of the Governing Body, Statement of Principal Accounting Policies and Independent Auditors' Report have been omitted from this 150 dpi Akme scan.

ST HILDA'S COLLEGE

Report of the Governing Body

The Governing Body of St Hilda's College presents the annual report and financial statements for the year ended 31 July 2006.

Status

St Hilda's College is an eleemosynary chartered charitable corporation aggregate. It was founded by Dorothea Beale in 1893 as a Hall for Women Students. In 1896 the Hall was incorporated under the Companies Acts of 1862-90 and in 1910 it was admitted by a degree of Convocation as a recognised society under the Delegacy for Women Students, and in June 1920 was admitted by Decree to the privileges of Statt. Tit.XXIII of Women Students. In 1926 the College was incorporated by Royal Charter under the "Principal and Council of St Hilda's College, Oxford". In 1955 a supplemental charter was granted by which the Principal and Fellows became the Governing Body. In 1960 St Hilda's ceased to be a Society of Women Students and became a College of the University. In 2006 the Governing Body voted to open the College to men and the Charter and Statutes are being revised accordingly. The first male students will be admitted in 2008.

The corporation comprises the Principal and Fellows. The College is an exempt charity under s3(5a) Charities Act 1993 (as listed in Schedule 2(b) to that Act).

Objects

The College exists to provide and promote undergraduate and graduate education within the University of Oxford, and also to provide and promote university academic research. Within these Objects, the College also has various permanently endowed trust funds held for special purposes in connection with the development of College facilities and for scholarships, bursaries, prizes and other educational purposes.

Governance

The Governing Body of the College comprises the Principal and Fellows. This body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, Dame Elizabeth Butler-Sloss. The College Statutes are as made from time to time by order of Her Majesty in Council in accordance with the Royal Charter of 1926, and the Universities of Oxford and Cambridge Act 1923. The Governing Body holds to itself the responsibilities for the ongoing strategic direction of the College, for its administration and for the management of its finances and assets. It meets regularly under the chairmanship of the Principal and is advised by a range of committees which include the Finance and Resources Management Committee and the Investment Committee.

Scope of financial statements

The financial statements consolidate the accounts of St Hilda's College and its subsidiary undertakings, The Jacqueline du Pré Music Building Limited and St Hilda's Properties Limited. The Jacqueline du Pré Music Building Limited is the wholly-owned vehicle for promoting Music at St Hilda's College; St Hilda's Properties Limited was founded to promote acquisition of residences for students of St Hilda's, but did not trade in 2005-06.

ST HILDA'S COLLEGE

Report of the Governing Body (continued)

Review of operations and finance

The combined operations of the College and its subsidiaries posted an operating deficit of £(240,759) for the year ended 31 July 2006. This compares to the 2005 deficit of £(109,983) on a restated basis (see below). This takes into account restructuring costs of £45,000 in the Academic Administration department, and unplanned recruitment costs of £34,695 for a replacement Bursar.

Conference income declined 25.7%, the result of lost (retired) customers and smaller summer schools delegate numbers, and the Junior Year Abroad programme income, which is entirely volume dependent, was impacted by a 20% reduction in student numbers. Market price increases forced Utility costs up by £85,000, 66%.

On the positive side, endowment income increased by £129,617, a 16.1% improvement, as the market upswing resulted in a higher revalued base; fee income rose 4.4% with extra graduate students, and a favourable quantum settlement rate, and residential charges to students and other members rose by 7.1%, as part of the economic rent pricing review and achievement of the targeted increase in student catering revenues. There were concomitant increases in staff expenditure as a result of increased activity levels and the 27.3% increase in OSPS pension contribution rates.

The College invested £282,329 in property and equipment assets, of which £68,137 was for the retentions on the Library extension, £52,012 for final settlements for the Jack Straws Lane site and £151,046 on major refurbishment of College properties to improve residential quality and ensure compliance with Health and Safety regulations.

Significant management effort is being exerted by all areas of College to develop revenue growth and programmes to reduce the structural cost base so that continuing activities are brought to a break-even position, while longer-term strategies are being evaluated.

Investment performance

A revised benchmark allocation was implemented by the Fund Managers with effect from 1 April 2005. Over the year the portfolio performance was 1.8% under the benchmark. Over a 5 year period the fund managers have fallen short of the benchmark by 1.2%.

In 2006 with the agreement of its auditors St Hilda's has revised its method of stating income derived from the Portfolio. This is reported as a total return appropriation of the opening portfolio, based on a return rate of 3.5%. This has the effect of increasing Endowment Income by £223,411 in 2006, and £191,179 as restated for 2005. This policy is consistent with both the Charity and Higher Education SORP.