

Exeter College

Financial Statements
for the
Year ended 31st 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.

EXETER COLLEGE

REPORT OF THE GOVERNING BODY

The Governing Body of Exeter College presents the annual report and financial statements for the year ended 31 July 2006.

Status

Exeter College is an eleemosynary charitable corporation aggregate. It was founded in 1314 by Walter de Stapledon, Bishop of Exeter, and was enlarged by Sir William Petre under charter granted by Queen Elizabeth in 1565. The corporation comprises the Rector 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 Rector and Fellows. This body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, the Bishop of Exeter for the time being. The College Statutes are as made from time to time by order of Her Majesty in Council in accordance with 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 Rector and is advised by a range of committees which include the Finance & Estates Committee and the Investment & Accounts Committee.

Scope of Financial Statements

The financial statements consolidate the accounts of Exeter College and its subsidiary undertaking Collexoncotoo Ltd. This is a wholly-owned vehicle for trading activities of Exeter College.

Review of Operations & Finance

The College showed a surplus for the year of £226k after taking into account £354k from donations credited to the income for the year. The College has continued with plans to make significant improvements to its functional property, particularly in catering facilities and student accommodation. This is being funded in part by donations from old members, in part by borrowings, and in part by the sale of functional properties which have been identified as surplus to current requirements.

Investment Performance

In 2004 the College reviewed its investment policy, and moved to a total return policy for investment management and the allocation of investment income. During the year the investments generated a total return of 9.1% (2005:20.2%). The College has decided that the initial income transfer will be 3.25% of average balances. This will be reviewed from time to time by the Governing Body.

Reserves

The balance on reserves at the year end amounted to £8.761 million (note 19). After allowing for the amounts invested in fixed assets and designated reserves for special purposes, the College's general reserve was £2.267 million. The Governing Body has reviewed the reserves of the College and has concluded that a general reserve of £2.0 million should be maintained to allow the College to be managed efficiently and to provide a buffer for uninterrupted services. This equates to approximately six months of expenditure.

Risk Management

The major risks to which the College is exposed, as identified by the Governing Body, have been reviewed and systems have been established to mitigate these risks.

Auditors

On 1st May 2006, Kingston Smith transferred their business to Kingston Smith LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000. Kingston Smith LLP have indicated their willingness to

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REPORT OF THE GOVERNING BODY

incorporated under the Limited Liability Partnership Act 2000. Kingston Smith LLP have indicated their willingness to continue in office and it is proposed that they be re-appointed auditors for the ensuing year.

Approved by the Governing Body on 1 November 2006:

F Cairncross
Rector

P Johnson
Bursar

EXETER COLLEGE
Consolidated Income and Expenditure Account
Year ended 31 July 2006

	Notes	2006 £	2005 £
INCOME			
Academic fees and tuition income	1	1,663,047	1,540,842
Research grants and contracts	2	50,116	31,070
Other operating income	3	2,683,739	2,303,571
Endowment return and interest receivable	4	1,325,323	1,204,895
		<u>5,722,225</u>	<u>5,080,379</u>
Total income			
EXPENDITURE			
Staff costs	5	3,160,112	2,859,039
Depreciation		334,523	378,770
Other operating expenses		1,958,576	1,638,321
Interest Payable		10,770	0
Contribution under Statute XV		32,000	32,000
		<u>5,495,981</u>	<u>4,908,130</u>
Total expenditure	7		
Surplus for the year on continuing operations before taxation and disposal of fixed assets		226,244	172,248
Surplus (deficit) on disposal of fixed assets		0	0
		<u>226,244</u>	<u>172,248</u>
Surplus for the year after taxation	9		

Consolidated statement of total recognised gains and losses
Year ended 31 July 2006

	Notes	2006 £	2005 £
Surplus for the year		226,244	172,248
Appreciation in value of endowment asset investments	18	2,386,412	5,520,448
Appreciation in value of fixed asset investments		129,835	279,229
Endowment asset appreciation credited to income	18	(320,002)	(237,571)
Specific endowment income retained for the year	18	0	0
Transfer to income & expenditure account from endowment	18	0	0
New endowments received	18	396,135	271,636
		<u>2,818,624</u>	<u>6,005,991</u>
Total recognised gains relating to the year		44,012,499	38,006,508
Opening reserves and endowments		<u>46,831,123</u>	<u>44,012,499</u>
Closing reserves and endowments			