



ST JOHN'S COLLEGE
OXFORD

Report and Financial Statements

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 JOHN'S COLLEGE

Report of the Governing Body

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

Status

St John's College is an eleemosynary chartered charitable corporation aggregate. It was founded by Sir Thomas White under a Royal Patent of Foundation, dated 1 May 1555. The corporation comprises the President and Fellows. The College is an exempt charity under s3(5a) Charities Act 1993 (as listed in Schedule 2(b) to that Act).

Objectives

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.

The College 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 President 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 Winchester. The College Statutes are as made from time to time by order of Her Majesty in Council in accordance with the Royal Charter of 1555, and the Universities of Oxford and Cambridge Act 1923. The Governing Body is responsible for the direction of the College, for its administration and for the management of its finances and assets. It meets regularly under the chairmanship of the President and is advised by a range of committees, which include the Educational Policy, Finance, Estates, Equality and Risk Management Committees.

Scope of financial statements

The financial statements consolidate the accounts of St John's College and its subsidiary undertaking, The Lamb & Flag (Oxford) Ltd. The Lamb & Flag (Oxford) Ltd is the wholly-owned vehicle for the trading activities of the Lamb & Flag public house in St Giles. The College applies the profits from this public house towards the financing of graduate studentships.

Review of operations and finance

In the year under review the College is reporting a deficit on continuing operations of £476K against a deficit of £532K in 2005. In addition a surplus arose on the sale of tangible fixed assets of £1,594K. Income has increased in real terms; expenditure has increased by 7.0%. The College has been celebrating its 450th Anniversary, and as part of the Anniversary an appeal was launched during 2004-2005 to its alumni for the support for future students. At the year end £370K had been received and a further £200K had been pledged. The amount received during the year is included as new endowments.

The College in support of its academic objectives during the year has funded three research projects through the St John's College Research Centre at a cost of £121K. Support for both undergraduate and graduate members of the College has increased. This is the third year of the Sir Richard Southern awards, which cost £80.9K in 2005-6. Graduate support has increased by fully funding 6 graduate scholarships at a cost including fees of £93K. Profits from the Lamb & Flag of £18K have been contributed towards these costs. The College is committed to the purchase of a new organ for the Chapel at a cost of around £460K. An amount of £115k has been charged in these accounts.

The College Contributions scheme continues to have a major impact on the College resources. In 2006 the contribution is £894K (2005 £816K); this sum is payable in Hilary Term 2007. The College Contributions Committee has agreed that where the sum raised substantially exceeds the target of £3.4million a rebate would be made to the contributing Colleges. During the year the College had to pay £219K less than reported last year. (see note 5)

Investment performance

During the year the College's asset allocation has been maintained as in the previous years, but changes have been made within the sectors. The total return for the Cazenove managed portfolio was 11.8%. The UK equities provided the best asset class with a return of 21.2% which was 4.0% ahead of the FTSE All Share Index. The overseas equities produced a return of 18.0% against the FTSE World Index Ex UK which showed a return of 7.6%. The bond portfolio recorded a return of 3.3% for UK bonds and a negative return for overseas bonds of 0.7% which was 4.2% ahead of the JPM Global Government Bond Ex UK Index. The Egdewood and ACP managed portfolios both recorded increases in US \$ terms but the sterling equivalent shows a negative increase due to the depreciation of the US dollar.

Reserves

The balance on reserves at the year end amounted to £22.6M (note 14) net of pension reserve. After allowing for the amounts invested in fixed assets the College's general reserve was £0.5M. The Governing Body has reviewed the reserves of the College and has concluded that a general reserve at this level should be maintained to allow the College to be managed efficiently and to provide a buffer for uninterrupted services.

Risk management

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

Approved by the Governing Body on 8 November 2006

Sir Michael Scholar - President

ST JOHN'S COLLEGE
 Consolidated Income and Expenditure Account
 Year ended 31 July 2006

	Notes	2006 £	2005 £
INCOME			
Academic fees and tuition income	1	1,885,394	1,815,451
Other operating income	2	2,673,130	2,418,929
Endowment return and interest receivable	3	9,058,005	8,396,041
Total income		<u>13,616,529</u>	<u>12,630,421</u>
EXPENDITURE			
Staff costs	4&5	5,949,393	5,778,525
Depreciation	5&8	838,120	682,682
Other operating expenses	5	6,630,351	5,885,547
Contribution under Statute XV	5	674,274	816,396
Total expenditure	5	<u>14,092,138</u>	<u>13,163,150</u>
(Deficit) for the year on continuing operations before taxation and disposal of fixed assets		(475,609)	(532,729)
Surplus on disposal of fixed assets		1,594,902	0
Taxation	6	0	0
Surplus/(Deficit) for the year after taxation	7	<u>1,119,293</u>	<u>(532,729)</u>

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

	Notes	2006 £	2005 Restated (note 14) £
Reserves			
(Deficit)/Surplus for the year		1,119,293	(532,729)
Endowments			
Income receivable from endowment asset investments	13	9,141,470	8,474,047
Endowment return transferred to income and expenditure account	13	(9,054,713)	(8,390,405)
Appreciation of endowment asset investments	13	21,061,206	48,403,553
New endowments received	13	250,237	237,415
Movement in surplus under FRS 17	19	393,000	432,000
Other			
Net additions to (deductions from) deferred capital			
Total recognised gains relating to the year		<u>22,910,493</u>	<u>48,623,861</u>
Prior year adjustment	14		1,632,000
Opening fund balances		280,940,262	230,584,381
Closing fund balances		<u>303,850,755</u>	<u>280,940,262</u>

ST JOHN'S COLLEGE
Balance Sheets
As at 31 July 2006

	Notes	CONSOLIDATED		COLLEGE	
		2006 £	2005 <i>Restated</i> <i>(note 14)</i> £	2006 £	2005 <i>Restated</i> <i>(note 14)</i> £
Fixed assets					
Tangible assets	8	22,083,763	20,113,903	22,057,407	20,880,865
Investments	9	0	0	20,000	20,000
		<u>22,083,763</u>	<u>20,113,903</u>	<u>22,077,407</u>	<u>20,100,865</u>
Endowment asset investments					
Securities and cash deposits		199,856,214	182,461,413	199,956,214	182,461,413
Land and property		78,955,004	74,951,605	78,955,004	74,951,605
	10	<u>278,811,218</u>	<u>257,413,018</u>	<u>278,811,218</u>	<u>257,413,018</u>
Current assets					
Stocks		90,262	83,921	79,845	72,198
Debtors	11	8,423,033	4,720,275	8,737,105	5,016,649
Cash at bank and in hand		3,673,311	7,154,492	3,366,235	6,862,984
		<u>12,186,606</u>	<u>11,958,688</u>	<u>12,183,185</u>	<u>11,951,831</u>
Creditors:					
Amounts falling due within one year	12	(11,687,832)	(10,609,347)	(11,661,627)	(10,574,164)
		<u>498,774</u>	<u>1,349,341</u>	<u>521,558</u>	<u>1,377,667</u>
Net current assets					
		<u>498,774</u>	<u>1,349,341</u>	<u>521,558</u>	<u>1,377,667</u>
TOTAL NET ASSETS EXCLUDING PENSION ASSET		<u>301,393,755</u>	<u>278,876,262</u>	<u>301,410,183</u>	<u>278,891,650</u>
PENSION ASSET	19	2,457,000	2,064,000	2,457,000	2,064,000
TOTAL NET ASSETS		<u>303,850,755</u>	<u>280,940,262</u>	<u>303,867,183</u>	<u>280,955,650</u>
Endowments					
Specific		10,559,340	9,152,207	10,559,340	9,152,207
General		268,251,878	248,260,811	268,251,878	248,260,811
	13	<u>278,811,218</u>	<u>257,413,018</u>	<u>278,811,218</u>	<u>257,413,018</u>
Reserves					
General reserves		25,039,537	23,527,244	25,055,965	23,542,632
	14	<u>25,039,537</u>	<u>23,527,244</u>	<u>25,055,965</u>	<u>23,542,632</u>
TOTAL FUNDS		<u>303,850,755</u>	<u>280,940,262</u>	<u>303,867,183</u>	<u>280,955,650</u>

The financial statements were approved by the Governing Body of St John's College on 8 November 2006

Sir Michael Scholar
President

A J Boyce
Principal Bursar

ST JOHN'S COLLEGE
Consolidated Cash Flow Statement
Year ended 31 July 2006

	Note	2006 £	2005 £
Net cash outflow from operating activities	16	<u>(12,030,279)</u>	<u>(5,436,782)</u>
Returns on investments and servicing of finance			
Income from endowments received		9,141,470	8,474,047
Other income from investments and interest received		3,292	5,936
Net cash inflow from returns on investments and servicing of finance		<u>9,144,762</u>	<u>8,479,983</u>
Capital expenditure and financial investment			
Net realisation/(acquisition) of tangible fixed assets		(1,213,078)	(2,514,289)
Net realisation/(acquisition) of endowment asset investments		367,177	(2,584,087)
Endowments received		250,237	237,415
Net cash inflow/(outflow) from capital expenditure and financial investment		<u>(595,664)</u>	<u>(4,860,961)</u>
Net cash outflow before use of liquid resources and financing		<u>(3,481,181)</u>	<u>(1,818,060)</u>
Decrease in cash	17	<u>(3,481,181)</u>	<u>(1,818,060)</u>
Reconciliation of net cash flow to movement in net funds			
(Decrease)/increase in cash for the year		(3,481,181)	(1,818,060)
Change in net funds		<u>(3,481,181)</u>	<u>(1,818,060)</u>
Net funds at 1 August		7,154,492	8,972,552
Net funds at 31 July		<u>3,673,311</u>	<u>7,154,492</u>

ST JOHN'S COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

	2006 £	2005 £
1 ACADEMIC FEES AND TUITION INCOME		
Tuition fees from UK and European Union students	1,628,776	1,603,049
Tuition fees from overseas students	161,949	145,857
Other tuition income	94,669	66,545
	<u>1,885,394</u>	<u>1,815,451</u>

The above analysis includes fee income in respect of UK and European Union publicly funded students amounting to £1,382,578 (2005 - £1,412,052).

	2006 £	2005 £
2 OTHER OPERATING INCOME		
Residential income from college members	1,855,665	1,967,002
Conferences and function income	817,465	751,927
Grants and donations	0	0
Other income	0	0
	<u>2,673,130</u>	<u>2,418,929</u>

	2006 £	2005 £
3 ENDOWMENT RETURN AND INTEREST RECEIVABLE		
Transferred from specific endowments (note 13)	158,961	132,913
Transferred from general endowments (note 13)	8,895,752	8,257,492
Other investment income	3,292	5,636
Other interest receivable	0	0
	<u>9,058,005</u>	<u>8,386,041</u>

	2006 £	2005 £
4 STAFF COSTS		
Gross pay	4,998,966	4,874,571
Social Security costs	419,239	396,993
Other pension costs	465,757	449,142
Other benefits	65,431	57,819
	<u>5,949,393</u>	<u>5,778,525</u>

It is standard accounting practice to disclose further information relating to staff numbers and analyses of remuneration for higher paid employees. This information has not been included due to the particular difficulty of presenting meaningful data for staff jointly employed by the University and colleges.

	Staff costs £	Depreciation £	Other operating expenses £	2006 Total £	2005 Total £
5 ANALYSIS OF EXPENDITURE					
Academic	2,260,771	0	1,234,106	3,494,877	3,602,769
Residences, catering and conferences	1,961,057	0	2,014,015	3,975,072	3,460,047
Premises	887,284	838,120	893,516	2,618,920	2,416,371
College administration	241,575	0	110,889	352,464	344,241
Endowment management	422,346	0	1,913,360	2,335,706	1,993,503
Other	176,360	0	464,465	640,825	529,823
	<u>5,949,393</u>	<u>838,120</u>	<u>6,630,351</u>	<u>13,417,864</u>	<u>12,346,754</u>
Contribution under Statute XV				674,274	816,396
Total expenditure				<u>14,092,138</u>	<u>13,163,150</u>

The above analysis includes expenditure in respect of UK and European students met by publicly funded fee income amounting to £1,382,578 (2005 - £1,412,052).

Contribution under Statute XV is shown net of the rebate received of £218,829 in respect of 2004-05.

	£	£
Other operating expenses include auditors' remuneration: in respect of the audit of these financial statements	<u>40,677</u>	<u>40,539</u>

ST JOHN'S COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

6 TAXATION	2006	2005
	£	£
United Kingdom corporation tax at 30%	<u>0</u>	<u>0</u>

As an exempt charity within the meaning of Schedule 2 of the Charities Act 1993, the College is potentially exempt from taxation in respect of income and capital gains received to the extent that such income or gains are applied to exclusively charitable purposes. No deferred taxation has been provided in the accounts on the basis that future taxable profit of its subsidiary company will be paid to the College by way of Gift Aid payments.

7 SURPLUS/(DEFICIT) FOR THE YEAR	2006	2005
	£	£
College's surplus/(deficit) for the year	1,120,307	(525,888)
Deficit generated by the subsidiary undertaking after donation made under gift aid	(1,014)	(6,861)
	<u>1,119,293</u>	<u>(532,729)</u>

8 TANGIBLE FIXED ASSETS

COLLEGE

	Freehold Land & buildings	Building Improvements	Buildings under Construction	Total
	£	£	£	£
Cost				
At start of year	15,943,952	3,504,703	6,486,969	25,935,624
Additions	105,098	0	2,803,275	2,908,373
Transfer	6,587,944	0	(6,587,944)	0
Disposal	(105,098)	0	0	(105,098)
At end of year	<u>22,531,896</u>	<u>3,504,703</u>	<u>2,702,300</u>	<u>28,738,899</u>
Depreciation				
At start of year	4,405,254	1,449,405	0	5,854,659
Charge for period	476,544	350,289	0	826,833
At end of year	<u>4,881,798</u>	<u>1,799,694</u>	<u>0</u>	<u>6,681,492</u>
Net book value				
At end of year	<u>17,650,098</u>	<u>1,705,009</u>	<u>2,702,300</u>	<u>22,057,407</u>
At start of year	<u>11,538,698</u>	<u>2,055,298</u>	<u>6,486,969</u>	<u>20,080,965</u>

CONSOLIDATED

	Freehold Land & buildings	Building Improvements	Buildings under Construction	Total
	£	£	£	£
Cost				
At start of year	15,943,952	3,667,634	6,486,969	26,098,555
Additions	105,098	4,705	2,803,275	2,913,078
Disposal	(105,098)	0	0	(105,098)
Transfer	6,587,944	0	(6,587,944)	0
At end of year	<u>22,531,896</u>	<u>3,672,339</u>	<u>2,702,300</u>	<u>28,906,535</u>
Depreciation				
At start of year	4,405,254	1,579,398	0	5,984,652
Charge for period	476,544	361,576	0	838,120
At end of year	<u>4,881,798</u>	<u>1,940,974</u>	<u>0</u>	<u>6,822,772</u>
Net book value				
At end of year	<u>17,650,098</u>	<u>1,731,365</u>	<u>2,702,300</u>	<u>22,083,763</u>
At start of year	<u>11,538,698</u>	<u>2,088,236</u>	<u>6,486,969</u>	<u>20,113,903</u>

ST JOHN'S COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

9 FIXED ASSET INVESTMENTS

	2006	2005
College	£	£
At cost		
Investment in subsidiary company	20,000	20,000

The College owns 100% of the issued share capital of The Lamb & Flag (Oxford) Limited, a company incorporated in England and Wales. The principal business activity of The Lamb & Flag is to carry on the business of the public house for St John's College

10 ENDOWMENT ASSET INVESTMENTS

	Consolidated & College		
	Securities & cash £	Land & property £	Total £
At market value			
At start of year	182,461,413	74,951,604	257,413,017
Purchases at cost	58,529,161	2,402,429	60,931,590
Sales proceeds	(53,762,533)	(7,536,233)	(61,298,766)
Increase in sums available for reinvestment	704,171	0	704,171
Revaluation gains	11,924,002	9,137,204	21,061,206
At end of year	<u>199,856,214</u>	<u>78,955,004</u>	<u>278,811,218</u>
Analysed as			
Fixed interest stocks (listed)	71,209,678		
Equities (listed)	97,452,332		
Unlisted securities	21,937,808		
Uninvested monies held by the College	9,256,396		
	<u>199,856,214</u>		
Historical cost at end of year	<u>152,882,010</u>		

At the 31 July 2006 the Estate land and property was valued by the College's Property Advisor Savills who is a member of the Royal Institution of Chartered Surveyors.

11 DEBTORS

	CONSOLIDATED		COLLEGE	
	2006	2005	2006	2005
	£	£	£	£
Amounts falling due within one year				
Trade debtors	6,427,604	2,910,109	6,427,604	2,910,109
Amounts owed by College members	260,550	210,163	260,550	210,163
Amounts owed by related undertakings	1,680,569	1,545,281	2,007,239	1,853,951
Prepayments and accrued income	54,310	54,722	41,712	42,426
	<u>8,423,033</u>	<u>4,720,275</u>	<u>8,737,105</u>	<u>5,016,649</u>

ST JOHN'S COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

12 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	CONSOLIDATED		COLLEGE	
	2006	2005	2006	2005
	£	£	£	£
Trade creditors	1,401,213	1,103,807	1,377,568	1,071,228
College Contribution	893,103	816,396	893,103	816,396
Other taxation and social security	137,120	136,918	134,560	134,314
Amounts held by the College for reinvestment	9,256,396	8,552,226	9,256,396	8,552,226
	<u>11,687,832</u>	<u>10,609,347</u>	<u>11,661,627</u>	<u>10,574,164</u>

13 ENDOWMENTS

	CONSOLIDATED AND COLLEGE		
	Specific £	General £	Total £
At start of year	9,152,207	248,260,811	257,413,018
Endowments received	250,237	0	250,237
Appreciation of endowment investments	1,070,139	19,991,867	21,061,206
Income receivable from endowment asset investments	245,718	8,895,752	9,141,470
Transferred to income and expenditure account (note 3)	(158,961)	(8,895,752)	(9,054,713)
Transfer to reserves	0	0	0
	<u>10,559,340</u>	<u>268,251,878</u>	<u>278,811,218</u>

At end of year

Endowments comprise those funds which are regarded as for the long term and which fundamentally underpin and sustain the operations of the College at its desired level of activity. Specific Endowments are those bequests and gifts where the use of the capital and income, or only the income, is for a specific purpose or activity so designated by the donor and which can only be used for that purpose or activity. General Endowments represent the corporate capital of the College and include bequests and gifts where the use of the capital and income, or only the income is for the general purposes of the College. Part of these funds may have been designated for a particular purpose by the Governing Body. Specific endowments (consolidated and College) include funds valued at £1,048 k which provide income for purposes that lie outside the objects of the College. Income arising amounted to £38 k.

14 RESERVES

GENERAL RESERVES

	CONSOLIDATED		COLLEGE	
	£	£	£	£
At start of year as previously reported	21,463,244		21,478,632	
Prior year adjustment	1,632,000		1,632,000	
Movement in surplus under FRS 17 in 2005	432,000		432,000	
Restated reserves for 2005	<u>23,527,244</u>		<u>23,542,632</u>	
Surplus from income and expenditure account	1,119,293		1,120,333	
Movement in surplus under FRS 17	393,000		393,000	
At end of year including pension asset	<u>25,039,537</u>		<u>25,055,965</u>	

	CONSOLIDATED		COLLEGE	
	2006 £	2005 £	2006 £	2005 £
Representing:				
Undepreciated cost of tangible fixed assets financed out of general reserve	22,083,763	20,113,903	22,057,407	20,080,965
College general reserve	498,774	1,349,341	541,558	1,397,667
	<u>22,582,537</u>	<u>21,463,244</u>	<u>22,598,965</u>	<u>21,478,632</u>
Pension Reserve	2,457,000	2,064,000	2,457,000	2,064,000
	<u>25,039,537</u>	<u>23,527,244</u>	<u>25,055,965</u>	<u>23,542,632</u>

As previously reported the College is required to adopt FRS 17 Retirement Benefits and movement relating to the Pension Reserve is detailed in note 19 of these financial statements.

ST JOHN'S COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

15 CAPITAL COMMITMENTS
CONSOLIDATED AND COLLEGE

	2006	2005
	£	£
Commitments contracted at 31 July	<u>3,600,000</u>	<u>1,500,000</u>

16 RECONCILIATION OF CONSOLIDATED OPERATING (DEFICIT)/SURPLUS TO NET CASH
OUTFLOW FROM OPERATING ACTIVITIES

	2006	2005
	£	£
(Deficit)/Surplus for the year	(475,609)	(532,729)
Depreciation	838,120	682,682
Endowment income and interest receivable	(9,058,005)	(8,396,041)
Decrease/(increase) in stocks	(6,342)	(1,603)
(Increase)/decrease in debtors	(3,702,758)	2,614,435
Increase in creditors	374,315	196,474
	<u>(12,030,279)</u>	<u>(5,438,782)</u>

17 ANALYSIS OF CHANGES IN NET FUNDS

	2006	Cash Flow	2005
	£	£	£
Cash at bank and in hand	<u>3,673,311</u>	<u>(3,481,181)</u>	<u>7,154,492</u>

18 RELATED PARTY TRANSACTIONS

	Sales to College £,000	Purchases £,000	Balance owing to the College £,000
Transactions with the Senior Common Room			
2006	104	183	1,243
2005	63	260	1,166

The Senior Common Rooms are presumed to be related parties by virtue of the fact that post holders are all members of the College.

19 PENSION SCHEMES

The three principal pension schemes for the College's staff are the Universities Superannuation Scheme (USS) and the University of Oxford Staff Pension Scheme (OSPS) and the St John's College Staff Pension Fund (SJCSPP). USS and OSPS are contributory, are contracted out from the State Earnings Related Pension Scheme, SJCSPP is a non-contributory scheme and is contracted in to the State Earnings Related Pension Scheme, and each provide benefits based on length of service and final pensionable salary. The assets of USS, OSPS and SJCSPP are each held in separate trustee-administered funds. The schemes are periodically valued by qualified actuaries using the projected unit method; in addition, the 2004 OSPS valuation and the 2003 SJCSPP embraced a market value approach. The levels of contribution take account of any actuarial surpluses or deficiencies in each scheme. The assumptions and other data that have the most effect on the determination of the contribution levels are as follows:

	USS	OSPS	SJCSPP
Date of latest actuarial valuation	2005	2004	2003
Investment returns per annum	6.20%	6.95%	5.80%
Salary increases per annum	3.90%	4.40%	3.70%
Pension increases per annum	2.90%	3.00%	2.70%
Market value of assets at latest actuarial valuation	£21,740m	£167m	£7.12m
Proportion of accrued benefits covered by the actuarial value of these assets	126%	76%	130%

ST JOHN'S COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

19 Pension Schemes (Continued)

USS and OSPS are multi-employer schemes where the share of assets and liabilities applicable to each employer cannot be identified. The costs therefore recognised within the deficit for the year in the income and expenditure account is equal to the contributions payable to the schemes for the year.

Universities Superannuation Scheme (USS):

The contributions payable by the college during the accounting period were equal to 14% of total pensionable salaries. The pensions charge recorded by the college during the accounting period was equal to the contributions payable (£241k).

Oxford Staff Pension Scheme (OSPS):

The College paid contributions of 17.5% during the accounting period, as set out in the statutory schedule of contributions agreed with the actuary. The OSPS has introduced a stepped annual increase to reach this contribution rate. In accordance with the statutory schedule of contributions employer contributions have been increased to 17.5% for the year ended 31 July 2006. Employee contributions increased from 5.7% to 6.35% for the year ended 31 July 2006. The pensions charge recorded by the College during the accounting period was equal to the contributions payable (£5k).

St John's College Staff Pension Fund

The contributions payable by the College during the accounting period were equal to 8.5% of total pensionable salaries. The pensions charge recorded by the College during the accounting period was equal to the contributions payable £219k (2005: £208k). The fund at 31 July 2006 owed to the College £436,683 (2005: £379,183).

The valuation used for FRS 17 disclosures has been based upon the most recent actuarial valuation as at 31 July 2003 and updated by Hewitt Bacon & Woodrow to take account of the requirements of FRS 17 in order to assess the assets and liabilities of the St John's College Staff Pension Fund at 31 July 2006 and 31 July 2005. The Schemes assets are stated at their market value at the respective balance sheet dates.

Main Assumptions	2006		2005	
		%		%
Rate of increase in salaries		4.1		3.7
Rate of increase in pensions in payment		2.3		2.7
Discount rate		5.1		5.0
Inflation assumption		3.1		2.7
Deferred pension revaluation		3.1		2.7

The assets and liabilities of the Fund and the expected rates of return at 31 July are:

	2006		2005	
	Long term rate of return expected %	Value £000	Long term rate of return expected %	Value £000
Equities	7.4	4,949	7.4	4,305
Bonds	4.4	3,712	4.4	2,714
Other	4.7	494	4.7	963
Total market value of assets		<u>9,155</u>		<u>7,982</u>
Present value of Fund liabilities		6,698		5,918
Net pension asset		<u>2,457</u>		<u>2,064</u>

ST JOHN'S COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

19 Pension Schemes (Continued)

Analysis of the defined benefit cost for the year ended 31 July 2006 is as follows:

	2006 £,000	2005 £,000
Current Service cost	351	327
Total operating charge	<u>351</u>	<u>327</u>
Other finance costs: Expected return on Pension Fund Assets	484	440
Other finance costs: interest on Pension Fund liabilities	(300)	(295)
Net Return from other finance income	<u>184</u>	<u>145</u>
Actual return less expected return on Pension Fund assets	674	806
Experience losses arising on Fund liabilities	9	23
Changes in assumptions underlying the present value of Fund liabilities	(342)	(424)
Actuarial loss that would have been recognised in the statement of total recognised gains and losses	<u>341</u>	<u>405</u>

Analysis of movements in surplus during the year

As at 1 August 2005	2,064	1,632
Total operating charge	(351)	(327)
Net Return from other finance income	184	145
Actuarial loss that would have been in the statement of total recognised gains and losses	341	405
Contributions	219	209
	<u>2,457</u>	<u>2,064</u>

History of experience gains and losses

	2006	2005
Difference between expected return and actual return on Pension Fund assets		
- amount(£000)	674	806
- % of Fund assets	7.4	10.1
Experience loss arising on Fund liabilities		
- amount(£000)	9	23
- % of the present value Fund liabilities	0.1	0.4
Total actuarial loss that would have been recognised in the statement of total recognised gains and losses		
- amount(£000)	341	405
- % of the present value Fund liabilities	5.1	6.8