

Trinity College

Financial Statements

Year 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.

TRINITY COLLEGE
Report of the Governing Body

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

Status

Trinity College is an eleemosynary chartered charitable corporation. It was founded by Thomas Pope under a Letters of Patent issued by Philip and Mary, dated 8 March 1555, and a Deed of Foundation dated 25 March 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).

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 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 Lord Bishop of Winchester. The College Statutes are as made from time to time by order of Her Majesty in Council in accordance with the Letters of Patent of 8 March 1555, and the Universities of Oxford and Cambridge Act 1923. The Governing Body is responsible for the 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 President and is supported by a comprehensive committee structure.

Scope of financial statements

The financial statements consolidate the accounts of Trinity College and its subsidiary undertakings, Wroxton Estates Ltd and Trinity College Developments Ltd. Wroxton Estates Ltd owns 50% of Drayton Farms, a farming partnership, and Trinity College Developments Ltd provides design and construction services to the College.

Review of operations and finance

The financial statements have been prepared in accordance with the reporting requirements for Oxford Colleges as set out in Statute XV made by the University under the Universities of Oxford and Cambridge Act, 1923.

The income and expenditure account on page 8 of the financial statements shows a surplus of £297,000 against the previous year's figure of £258,000. Over the year the total net assets of the College increased from £62.3m to £67.6m as detailed in the Statement of Total Recognised Gains and Losses.

The College subsidizes its core activities of education and research to a considerable degree, with only approximately a quarter of its revenue being derived from student fee income. Income from the letting of College accommodation and facilities and from the endowment is vital to the College's ability to continue to fulfill its objectives.

Investment performance

During the year the endowment fund was managed in accordance with Statute XIX of the College Statutes. The endowment comprises a passive equity portfolio managed by Barclays Global Investors and an active equity/bond portfolio managed by Aberdeen Asset Management. There is a property portfolio managed by the College land agent, Laws and Fiennes. Performance is reviewed termly by an Investment Management Committee that comprises internal and external members with experience and expertise in investment management.

TRINITY COLLEGE
Report of the Governing Body

Reserves

The balance on reserves at the year end amounted to £5.3m (note 15) all of which was general reserve. After allowing for the amounts invested in fixed assets the College's general reserve was £519,000. The Governing Body has reviewed the reserves of the College and has concluded that a general reserve of £500,000 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 been established to mitigate these risks.

Approved by Governing Body on 8 November 2006



Sir Ivor Roberts KCMG

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

	Notes	2006 £	2005 £
INCOME			
Academic fees and tuition income	1	1,359,702	1,331,356
Other operating income	2	2,148,080	1,853,578
Endowment return and interest receivable	3	1,558,609	1,588,346
Total income		<u>5,066,391</u>	<u>4,773,280</u>
EXPENDITURE			
Staff costs	4	2,823,061	2,627,022
Depreciation		358,798	329,278
Other operating expenses		1,524,259	1,457,668
Contribution under Statute XV		63,003	100,446
Total expenditure	6	<u>4,769,121</u>	<u>4,514,414</u>
Surplus for the year	7	297,270	258,866

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

	Notes	2006 £	2005 £
Reserves			
Surplus for the year		297,270	258,866
Endowments			
Income receivable from endowment asset investments	14	1,591,187	1,566,500
Endowment return transferred to income and expenditure account	14	(1,514,339)	(1,558,712)
Appreciation of endowment asset investments	14	4,118,491	7,079,566
New endowments received	14	797,425	671,830
Total recognised gains relating to the year		<u>5,290,034</u>	<u>8,018,050</u>
Opening reserves and endowments		62,316,284	54,298,234
Closing reserves and endowments		<u>67,606,318</u>	<u>62,316,284</u>