

# Keble College

Annual Report and Financial Statements

Year ended 31 July 2020

**KEBLE COLLEGE**  
**Annual Report and Financial Statements**  
**Contents**

---

	<b>Pages</b>
Governing Body, Officers and Advisers	2-3
Report of the Governing Body	4-14
Auditor's Report	15-16
Statement of Accounting Policies	17-20
Consolidated Statement of Financial Activities	21
Consolidated and College Balance Sheets	22
Consolidated Statement of Cash Flows	23
Notes to the Financial Statements	24 – 41

## KEBLE COLLEGE

### Governing Body, Officers and Advisers

Year ended 31 July 2020

#### MEMBERS OF THE GOVERNING BODY

The Members of the Governing Body are the College's charity trustees under charity law. The Governing Body determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It is served by five principal committees:

- (1) Finance Committee
- (2) Investment Advisory Committee
- (3) Academic Committee
- (4) Development Committee
- (5) Remuneration Committee

The members of the Governing Body who served in office as Governors during the 2019-20 year or subsequently, and the membership of the five principal committees, are detailed below. In addition the Governing Body, the Finance Committee and the Academic Committee have non-voting student representatives.

		(1)	(2)	(3)	(4)	(5)
Sir Jonathan Phillips	Warden	•	•	•	•	•
Mr RJ Boden	Bursar	•	•		•	•
Dr AP Rogers	Senior Tutor			•		
Ms J Tudge	Director of Development				•	
Prof HL Anderson	Professorial Fellow					
Dr IW Archer	Fellow & Tutor in Modern History, Academic Director of the H B Allen Centre		•	•		
Dr LM Bendall	Fellow & Tutor in Archaeology and Anthropology			•		
Dr M Bevis	Fellow & Tutor in English			•		
Prof M Bockmuehl	Professorial Fellow	•				
Prof C Bountra	Professorial Fellows					
Dr S Butt	Fellow & Tutor in Neurophysiology, Deputy Senior Tutor			•		
Prof H Byrne	Fellow & Tutor in Mathematics					
Prof F Caron	Fellow & Tutor in Statistics	•				
Prof G-Q Chen	Professorial Fellow					
Dr M Clarke	Fellow & Tutor in Social Anthropology					
Prof U Coope	Professorial Fellow					
Prof B Cuenca-Grau	Fellow and Tutor in Computer Science					
Prof D Downs	Fellow and Tutor in Theology					
Revd N Everett	Chaplain					
Prof S Faulkner	Fellow & Tutor in Inorganic Chemistry					
Dr J Fix	Fellow and Tutor in Philosophy					
Prof S Fletcher	Fellow & Tutor in Chemistry			•		
Prof N Gardini	Fellow & Tutor in Italian					
Prof C Gosden	Professorial Fellow					
Dr J Goudkamp	Fellow & Tutor in Law			•		
Dr B Greenhough	Fellow & Tutor in Geography	•				
Dr U Gruneberg	Fellow & Tutor in Exp. Pathology			•		
Dr ERF Harcourt	Fellow & Tutor in Philosophy					
Dr MN Hawcroft	Fellow & Tutor in French			•		
Prof A Hawkins	Fellow by Special Election	•			•	
Prof D Jaksch	Fellow & Tutor in Physics					
Prof TJ Jenkinson	Professorial Fellow		•			
Prof A Juhasz	Fellow & Tutor in Mathematics			•		
Prof SE Kearsey	Fellow & Tutor in Biology					
Prof R Klose	Professorial Fellow					
Prof S Knowles	Fellow and Tutor in Zoology					
Dr F Leach	Fellow & Tutor in Engineering Science					
Prof A Lvovsky	Fellow & Tutor in Physics					

## KEBLE COLLEGE

### Governing Body, Officers and Advisers

Year ended 31 July 2020

Prof K Macfarlane	Fellow and Tutor in Theology					
Dr S Martin	Fellow by Special Election					
Prof V Mayer-Schonberger	Professorial Fellow				•	
Dr D McDermott	Fellow & Tutor in Politics					
Dr A-MS Misra	Fellow & Tutor in Modern History					
Prof P Newman	Professorial Fellow					
Prof S Payne	Fellow & Tutor in Engineering Science, Deputy Bursar and Sub-Warden	•	•			
Prof WE Peel	Fellow & Tutor in Jurisprudence					
Prof D Purkiss	Fellow & Tutor in English Language & Literature					
Prof S Rayner	Professorial Fellow (to 17.1.20)				•	
Prof G Reinert	Professorial Fellow					
Dr K Sheppard	Fellow & Tutor in Economics					
Dr H Smith	Fellow & Tutor in Economics					
Dr K Soonawalla	Fellow & Tutor in Management					
Prof J Tomlinson	Professorial Fellow					
Prof R Washington	Fellow & Tutor in Geography					
Prof S Whatmore	Professorial Fellow					

#### Non-Trustee Committee Members

		(1)	(2)	(3)	(4)	(5)
Mr S Barnes	External – to July 2019				•	
Mr J Buchanan	External					
Mr M Chambers	External		•			
Mr A Dalkin	External					•
Ms H Harrison	External					•
Mr R Jolliffe	External		•			
Dr H Jones	Fellow by Special Election		•			
Mr M Jones	External		•			
Mr G Kerr	Fellow by Special Election	•				
Mr J Mooney	External – from July 2019				•	
Ms Y Murphy	Librarian			•		
Ms J Newbury	External					•
Mr G Robinson	External		•			
Mr A Shilston	External					•
Mr J Church	External					•

#### COLLEGE SENIOR STAFF

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

The Warden: Sir Jonathan Phillips  
The Bursar: Mr RJ Boden

The Senior Tutor:  
The Development Director:

Dr AP Rogers  
Ms J Tudge

#### AUDITOR

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

#### INVESTMENT MANAGER

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

#### COLLEGE ADDRESS

Keble College  
Parks Road  
Oxford  
OX1 3PG

#### BANKERS

Handelsbanken  
Seacourt Tower  
West Way  
Oxford  
OX2 0JJ

#### SOLICITORS

Mills & Reeve LLP  
Botanic House  
100 Hills Road  
Cambridge  
CB2 1PH

#### WEBSITE

[www.keble.ox.ac.uk](http://www.keble.ox.ac.uk)

## **KEBLE COLLEGE**

### **Governing Body, Officers and Advisers**

**Year ended 31 July 2020**

The Members of the Governing Body present their Annual Report for the year ended 31 July 2020 under the Charities Act 2011 together with the audited financial statements for the year.

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

The Warden Fellows and Scholars of Keble College in the University of Oxford, known as Keble College ("the College"), is an eleemosynary chartered charitable corporation aggregate. It was founded by public subscription in 1870 in memory of the Reverend John Keble, on land in the parish of St Giles purchased from St John's College, with the object of providing a University education for young men in a College conducted in accordance with the principles of the Church of England.

The College is registered with the Charity Commission (registered number 1143997). 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 3.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing documents**

The College was incorporated by Royal Charter dated 6 June 1870. The Charter of Incorporation was modified by a Supplemental Charter dated 7 April 1902, and subsequently by Statutes made by the University of Oxford Commissioners on 14 July 1925, under the provisions of the Universities of Oxford and Cambridge Act, 1923. The Charter of Incorporation and the Statutes of 1925 were further amended in 1952 and further modified by subsequent amendments. The current Statutes were approved by Her Majesty in Council on 10<sup>th</sup> February 2016.

##### **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 Archbishop of Canterbury. The Governing Body is self-appointing, has such powers as are conferred on it by its Charter and Statutes, and has the entire direction and management of the affairs of the College.

The Governing Body appoints the Warden, Fellows, Tutors, Lecturers and such administrative and other officers as the Governing Body thinks necessary from time to time. It determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It appoints committees and delegates to them such powers as it thinks fit. The committees charged with overseeing the conduct of College business are listed below in the section headed "The management of the College".

##### **Recruitment and training of Members of the Governing Body**

New Members of the Governing Body are, in the case of academics, normally recruited through a joint appointment process with the University of Oxford which includes open advertisement of the posts and a professional selection and appointment process. In the case of posts funded solely by the College, recruitment is also usually through open advertisement of the post followed by a professional selection and appointment process including external representatives as appropriate. New members of the Governing Body are inducted into the workings of the College, including Governing Body policy and procedures, through meetings with the Warden, the Senior Tutor and the Bursar and the provision of a comprehensive set of reference documents.

Members of the Governing Body attend trustee training and information courses as appropriate to keep them informed on current issues in the sector and on regulatory requirements.

##### **Remuneration of Members of the Governing Body and Senior College Staff**

Members of the Governing Body receive no remuneration or benefits from their role as College trustees. 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. The Committee when complete consists of five individuals, none of whom may be either trustees or employees of the College. Remuneration for trustees who are teaching or research fellows is set in line with that awarded to the University's academic staff. Remuneration for trustees who are full-time administrators is set at an appropriate point on the College's salary scale based on a full job evaluation and reference to comparable posts elsewhere.

## KEBLE COLLEGE

### Report of the Governing Body

The remuneration of senior college staff is set by the College's Pay and Benefits Committee at an appropriate point on the College's salary scale based on a full job evaluation and reference to comparable posts elsewhere.

#### The management of the College

The Governing Body meets 9 times a year. The work of developing College policy and monitoring implementation is carried out by 15 standing committees and any temporary working groups the Governing Body deems it expedient to create. The 15 standing committees are:

- *Finance Committee*  
Oversees all matters of financial policy and practice, and in particular the financial implications of any proposals under consideration. Reviews and makes recommendations concerning annual statements of accounts for the preceding year, budgets and management accounts, College charges, trading activities, IT provision, salary policy and investment recommendations from the Investment Advisory Committee.
- *Investment Advisory Committee*  
Provides advice to Governing Body, through Finance Committee, on the investments of the College and the appropriate level of income drawdown.
- *Academic Committee*  
Oversees planning in academic matters and the level and quality of academic provision and library services to junior members. Monitors the appropriateness of the existing establishment of Tutors and Lecturers in relation to the academic needs of the College. Considers and makes recommendations on advice from the Research Committee concerning the use of funds available for the purpose of research.
- *Development Committee*  
Oversees the activities of the development office, which is responsible for alumni relations and fundraising.
- *Remuneration Committee*  
The Remuneration Committee is responsible for reviewing and approving the pay and benefits of members of the Governing Body. Its members are all external, with the Warden and Bursar in attendance (except for items relating to their remuneration). It considers any recommendations on the pay and benefits of trustees put forward by the Governing Body. These it may either approve or refer back to Governing Body with a recommendation that the proposed pay and benefits be reconsidered with a view to their being reduced.
- *Pay and Benefits Committee*  
Conducts an annual review of pay and benefits of employees, within a financial framework set by Finance Committee. Makes recommendations on policy to Finance Committee.
- *Research Committee*  
Monitors and co-ordinates research activities within the College and makes recommendations on the distribution of College research funds and the appointment of research visitors and associates.
- *Fellowships Committee*  
Advises on nominations to honorary and emeritus fellowships and fellowships by special election.
- *Student Support Committee*  
Makes recommendations concerning the overall level of student support. Considers and makes awards in response to individual applications for support.
- *Advowsons Committee*  
Oversees the College's patronage of 69 Church of England parishes throughout the UK and makes recommendations on the application of income from the Harlow Trust, Poor Parishes Trust, and Ordinands' Fund.
- *Buildings and Gardens Committee*  
Oversees the maintenance and development of the College's buildings and grounds.
- *Domestic Committee*  
Oversees the provision of board and lodging to College members.
- *Human Resources and Equality Committee*  
Oversees all aspects of HR and Equality policy and implementation.

## **KEBLE COLLEGE**

### **Report of the Governing Body**

- *Health and Safety Committee*  
Monitors the College's health and safety record, commissions and reviews an annual independent health and safety audit, and makes policy recommendations.
- *Data Protection and Information Security Committee*  
Oversees development and implementation of data protection and information security policies and procedures.

The day-to-day running of the College is delegated by Governing Body to the Warden, the Bursar and the Senior Tutor, with the Development Director having delegated responsibility for the College's fundraising activities.

### **Group structure and relationships**

As noted above, the College, through an Advowsons Committee, appoints to the livings of 67 Church of England parishes and, among other activities, administers two trusts whose objects, external to those of the College, are the support of parishes and Church of England activities.

The College also has two wholly owned non-charitable subsidiaries. Conference Keble Limited arranges conferences and other residential and non-residential events which generate trading revenue from the use of the College's facilities when they are not required for its primary purpose. The annual profits of Conference Keble are donated to the College under the Gift Aid Scheme. Keble Properties Limited undertakes major design and build works under contract to the College.

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.

## **OBJECTIVES AND ACTIVITIES**

### **Charitable Objects and Aims**

The College's Objects are:

- (1) The provision of a University education in a College in the University of Oxford to be called Keble College conducted in accordance with the principles of the Church of England
- (2) The advancement of education and learning and the promotion of research

The Governing Body has considered the Charity Commission's guidance on public benefit and, in keeping with its objects, the College's aims for the public benefit are set out below.

### **Public benefit**

The College provides, in conjunction with the University of Oxford, an education for some 423 undergraduate and 426 graduate students which is recognised internationally as being of the highest standard. This education develops students academically and enables them to develop their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities, individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial and graduate mentoring systems;
- welfare services, including the availability of the Chaplain to assist every member of the College of every religious belief and none, and medical support including a College nurse and doctor;
- student grants for study purposes and for cases of financial need, partly provided through the continuing support of the Keble Association of alumni of the College;
- IT and other administrative support;
- specialist choral musical education for its choral students, who are members of the College's renowned choir;
- specialist organ musical education for its organ students;
- social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

## **KEBLE COLLEGE**

### **Report of the Governing Body**

The College advances research through:

- providing Research Fellowships, Career Development Fellowships, and Research Associateships to outstanding academics at the early stages of their careers, which enable them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- supporting research work pursued by its Fellows and others through promoting interaction within and across disciplines, granting sabbatical leave to enable them to concentrate on research work, enabling the exchange and dissemination of research ideas, and providing facilities and grants for national and international conferences, research trips and research materials;
- encouraging visits from outstanding academics from abroad; and
- encouraging members of the College to disseminate the results of their research to other academics and the general public through the publication of papers in academic journals and books, through presentations at conferences, through media appearances and press articles and other suitable means.

The College maintains an extensive Library (including important special collections), so providing a valuable resource for students and Fellows of the College. On a discretionary basis, the College makes its library available to members of other Colleges and the University of Oxford more widely, external scholars and researchers, as well as local children from maintained and other schools as part of educational visits.

The College supports a Chapel with a programme of religious services open to all.

Through its outreach and schools liaison activities, the College fosters the general educational and university aspirations of students from a wide range of social backgrounds.

The College does not consider that there is any detriment or harm that arises from carrying out the College's aims and is not aware of views among others that such detriment or harm might arise.

The members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in education, learning and/or research.

However, beneficiaries also include: students and academic staff from other colleges in Oxford and the University of Oxford more widely, visiting academics from other higher education institutions and visiting schoolchildren and alumni of the College who have an opportunity to attend educational events at the College and use its academic facilities. The general public are also able to attend various educational activities in the College such as lectures, seminars, and conferences, and benefit also from being admitted without charge to the College's grounds and able to view its historical and artistic heritage and holdings.

The College admits as students those who have the highest potential for benefiting from the education provided by the College and the University and recruits as academic staff those who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background:

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects but students of the College are predominantly between 18 and 24 years old; and
- there are not considered to be any religious restrictions in the College's objects and members of the College have a wide variety of faith traditions or none.

The focus of the College is strongly academic and students need to satisfy high academic entry requirements.

The College charges the following fees:

- a) College fees, at externally regulated rates, to undergraduates entitled to Student Support and to graduate students; and a fee determined by the College annually to Overseas undergraduates and any Home/EU undergraduates not entitled to Student Support; and
- b) Accommodation and meal charges at reasonable rates.



## **KEBLE COLLEGE**

### **Report of the Governing Body**

In order to assist undergraduates entitled to Student Support, there is a comprehensive bursary scheme in place to support students from lower income backgrounds, which is funded by both the University and College. The following is a summary of awards made to Home/EU undergraduates during the year:

*Oxford Bursary (October 2015 starters):* 1 award out of a Home/EU population of 4: 1 award at £1,500

*Oxford Bursary (October 2016 starters):* 10 awards out of a Home/EU population of 40: 5 awards at the maximum of £3,700: the average value of the awards was £2,610

*Oxford Bursary (October 2017 starters):* 22 awards out of a Home/EU population of 108: 10 awards at the maximum of £3,700: the average value of the awards was £2,791

*Oxford Bursary (October 2018 starters):* 15 awards out of a Home/EU population of 113: 8 awards at the maximum of £3,700: the average value of the awards was £2,740

*Oxford Bursary (October 2019 starters):* 23 awards out of a Home/EU population of 105: 12 awards at the maximum of £3,700: the average value of the awards was £2,891

To assist graduate students the College provides substantial financial support through schemes operated in conjunction with the University. These include scholarship packages to fund fees and living costs and 'top-up' assistance to fill shortfalls in students' funding.

The College also supports students through grant schemes to assist with the purchase of books and equipment, attendance at conferences, childcare support and travel grants.

The College also makes awards for academic development and has various scholarships and prizes available to reward academic excellence.

In addition to its other programmes, the College operates a hardship scheme for students in financial hardship and provides access to hardship schemes operated by the University.

To raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to Keble, the College operates an extensive outreach programme as part of University-wide initiatives to widen access. This programme is under the responsibility of the Senior Tutor and includes an extensive programme of visits by schools to the College, open days, admissions symposia for teachers, as well as visits to schools and guidance and information on the College website for prospective applicants. In agreement with the other Oxford colleges as an outreach initiative, the College has particular links with prospective applicants from Birmingham and surrounding areas. More detail is provided below.

In order to fulfil its charitable purpose the College employs a Warden, who serves as head of the College, and, as Governing Body Fellows, senior academic staff, many of whom supervise and tutor students, the College Chaplain, and senior administrative officers. These all serve as charity trustees through being members of the College's Governing Body. The employment of the Warden and Fellows is undertaken with the intention of furthering the College's aims and their employment directly contributes to the fulfilment of those aims. The private benefit accruing to the Warden and Fellows through salaries, stipends and employment related benefits is objectively reasonable, measured against academic stipends generally, and is subject to the oversight of a Remuneration Committee. Without the employment of the Warden, academic fellows, Chaplain and senior administrative officers the College could not fulfil its charitable aims as a College in the University of Oxford.

Many of the trustees also receive benefits (for example research, conference and book grants) which are provided with the intention of furthering the College's aims, including that of advancing research. The amounts of the benefits provided are objectively reasonable, measured against the academic benefits made available to other beneficiaries of the College.

### **ACHIEVEMENTS AND PERFORMANCE**

The College's aim is that every undergraduate should leave with a good degree, i.e. a first class or upper second. In 2019-20, 115 of the 119 finalists achieved this goal, 97% of those sitting their final examinations. Of those, 52 were awarded first class degrees. The College continues to work hard to ensure that every student realises their academic ambitions. All Oxford undergraduates normally also take a qualifying examination in their first year. This year, because of the restrictions on examinations caused by the Covid-19 pandemic, there were no First Public Examinations. Alternative arrangements were made to enable undergraduates to be assessed. Excellence in the assessment and sustained excellence in course work is recognised by the award of an undergraduate scholarship. Eighty-three Keble students hold academic scholarships.

The size and shape of Keble's graduate community is changing, particularly with the opening in 2018 of the new graduate centre, the H B Allen Centre. This not only enables the College to provide good accommodation to a growing number of graduates, but it also presents the opportunity to accommodate graduates on modular, part-time courses. Of the 426

## **KEBLE COLLEGE**

### **Report of the Governing Body**

graduates in the College, 112 were part-time, mostly undertaking courses in advanced professional qualifications. Among full-time graduates, the majority (57 per cent) are on research degrees (for example DPhil) and the rest are on taught masters, including some professional qualifications (for example, MBA). Twenty-two Keble graduates successfully submitted for DPhils in 2019-20. Among those taking taught masters programmes, 62 were awarded either a Merit or a Distinction.

Keble continues to receive a very high number of direct applications for undergraduate degrees, 1,201 in 2019-20. A total of 162 offers were made to applicants at Keble, and a further 40 applicants to Keble were made offers by other colleges. Among UK applicants only, 70 per cent of offers were made to students from maintained schools. Comprehensive statistical data on admission is published by the University as a separate report; selective data is also published in the College's annual equality report. All admissions procedures and outcomes are routinely monitored for equality objectives.

The College continues to play a full part in the University's initiatives to widen undergraduate access. Keble participated in the new Opportunity Oxford programme, designed to reduce the admission gap between the areas with the highest and lowest participation in higher education. Four students arrived under this programme. Highlights of the access and outreach programme in 2019-20 included: Keble hosted two events for UNIQ, the University's flagship access initiative, i.e. a residential programme for 58 students and a celebratory dinner for 250 people; in July, we welcomed 50 participants in Target Oxbridge for two days; we provided accommodation over the summer to 4 participants in the University's new access programme for graduates, UNIQ+; we launched schemes to support travel expenses for attendance at Open Days and admissions interviews; our offers to applicants from disadvantaged backgrounds and areas were well above target; we hosted our first Teachers' Evening in Birmingham, exclusively aimed at teachers working in the state sector within our link region.

Because of the Covid-19 crisis many students left Oxford in March/April and did not return for Trinity Term. All teaching was provided remotely, whilst lab-based research activity was severely curtailed. Staff at the College used the April-June lockdown and the Long Vacation that followed to make preparations so that students could return to College for the 2020-21 academic year and continue their studies and research in a Covid-secure environment.

## **FINANCIAL REVIEW**

### **Operations, funding and capital expenditure**

The charitable activities of the College consist of teaching and research, together with the provision of board and lodging to College members in buildings owned by the College, most of which are Grade 1 or Grade 2\* listed. The income generated by these activities amounted to £7.13m, a £903k decrease compared with the previous year, reflecting the loss of accommodation income as students were forced to remain at home because of the Covid-19 lockdown in the second quarter of 2020. The cost of undertaking these charitable activities amounted to £12.3m. Whilst costs were unchanged at the aggregate level, the composition of those costs changed significantly as a result of the bringing on-stream of the H B Allen Centre: the depreciation charge increased by £1.55m whilst the interest charge of £1.38m p.a., previously capitalised whilst the Centre was under construction, was brought into operating costs. These increases were masked by a 3.1m reversal in the (non-cash) movement on provision for defined benefit pension schemes. Adjusting for these factors, the underlying increase in operating costs was £248k.

The Covid-19 pandemic and its economic consequences presented the gravest challenge to the College's finances in living memory. In addition to the loss of student rents, the College experienced the cancellation, from March onwards, of all its conference and bed & breakfast business. Given the impact of the Covid measures on the travel and hospitality industries both nationally and globally, the Governing Body undertook a strategic review of its business model and adopted a budget for 2020-21 that would generate a positive operating cash-flow from core activities assuming zero contribution from conferences and bed & breakfast. The budget involved indefinite postponement of all capital projects not already underway, elimination of non-essential non-staff expenditure, and a £1m reduction in staff costs through a redundancy programme that saw the removal of 25 non-academic posts (18% of the pre-Covid total). The Governing Body is confident that, provided students remain in residence in the normal way, these measures will achieve the objective of a positive operating cash outturn.

The postponement of capital projects came just as the College completed a major multi-year programme of investment in its buildings, plant and machinery. Apart from one remaining major project – phase 2 of the renewal of the main Kitchen, Hall and Servery – the entire Victorian estate has been renovated over the past twenty years at a cost of £17m. The College's more recent buildings on the Parks Road site, Hayward and De Breyne, ARCO and Sloane Robinson, have also received such investment as was needed, whilst the H B Allen Centre is just one year old. This makes it possible to plan for several years of much lower spending on capital projects without detriment to the fabric.

Alongside the losses arising from the Covid crisis, a further drain on cash was the settlement of the final account for the H B Allen Centre at £61.7m, £2.7m above the measured account, reflecting an 11-month delay in the completion of the building. These two setbacks caused a £5.5m deterioration in General Funds, the rebuilding of which will be the College's priority in the coming years. In a post-balance sheet event the College borrowed £3m on a 3-year fixed-rate basis to fund the Allen Centre settlement, resulting in a commensurate reduction in net current liabilities.

## KEBLE COLLEGE

### Report of the Governing Body

Donations received by the College totalled £4.9m. The composition of this total was as follows:

	£000s
Unrestricted income gifts	857
Restricted income gifts	651
Gifts for capital projects	431
Endowment gifts	134
	2,073

The College invests its endowment for total return. 85% of the endowment is invested in the Oxford Endowment Fund, managed by Oxford University Endowment Management. For 2019-20 the College applied a spending rule permitting a maximum transfer of 3.5% of the average closing value of the endowments over the previous five years. Transfers under this spending rule amounted to £1.44m, including £61k for external purposes (the support of Keble parishes). In response to the financial challenges presented by the Covid-19 crisis the Governing Body decided to revise the spending rule such that the annual transfer limit was equal to the annual distribution arising from the College's investment in the Oxford Endowment Fund. The standard OEF distribution is 4.25% of the average NAV of fund units over the previous twenty quarters. Investors may opt for a maximum distribution of 5% of the unit value at 31 December in the year in question. In response to the financial stresses caused by the crisis OUEM announced that, for 2020-21, the maximum distribution would be increased to 7%. The additional 2% distribution is expected to contribute £800k, which will flow to general funds and further improve the College's cash position.

Factors that could adversely affect the College's financial position in the future include:

- students being required to study remotely rather than in residence in Oxford because of the pandemic
- funding for academic activities not keeping pace with costs
- poor investment performance
- decline in philanthropic support

The Governing Body and its constituent committees are well aware of these risks, monitor them regularly and ensure that appropriate measures are taken to reduce or mitigate them.

### Fundraising

The College has an Alumni & Development Office whose role is to nurture strong relations between Keble and its alumni and, through those relations, to raise funds for its charitable activities. The Office consists of a Director and four staff. The College has a network of alumni volunteers – Year Group Representatives – who assist in communicating information regarding College news, events, and fundraising projects to their peers. All communication via Year Group Representatives is directed in terms of content and timing by the Alumni & Development Office staff.

The College is registered with the Fundraising Regulator and voluntarily subscribes to its Code of Fundraising Practice as adapted, by agreement with the Regulator, to meet the particular circumstances of colleges in the University of Oxford. The activities of the Year Group Representatives adhere to the Code of Fundraising Practice as adapted.

The College is not aware of any failure on its part to comply with the Code and has not received any complaints in 2019-20 about its fundraising activity, nor the activity of the Year Group Representatives. The College does not solicit funds from members of the public: its fundraising activities are principally focused on its alumni and on third parties introduced to the College by alumni. The College communicates regularly with its alumni using a variety of media. If an alumnus expresses a wish not to be approached for donations or not to be communicated with, that is recorded and respected.

The College has a policy on fundraising with and responding to people in vulnerable circumstances. All Alumni & Development Office staff and Year Group Representatives are aware of the policy and are instructed to review the content annually. All Fundraising policies are published online at <http://www.keble.ox.ac.uk/about/governance/fundraising-policies>.

### Reserves policy

The College's 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. Because of issues relating to the funding and completion of the H B Allen Centre, the College entered the Covid-19 crisis with significantly less of a buffer than it would have wished. However, with support from its bankers it was able to re-set its business model without detriment to the delivery of its core objects and is now able to concentrate on repaying borrowings and rebuilding general funds.

## KEBLE COLLEGE

### Report of the Governing Body

Total funds of the College and its subsidiaries at the year-end amounted to £129m (2019: £132m). This includes endowment capital of £50.3m (2018: £52.2m) and unspent restricted income funds totalling £648k. General funds at the year-end amounted to -£9.01m (2018: -£3.54m). As noted above, the Governing Body has adopted a strategy to eliminate this deficit and rebuild general funds to the equivalent of three months' expenditure on charitable objects (currently £2.6m).

#### Risk management

Keble has on-going processes for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiaries in undertaking their activities. When it is not able to address risk issues using internal resources, the College takes advice from external experts. All the College committees monitor risk on an ongoing basis and conduct an annual review of the major risks to which the College is exposed in their areas of responsibility. Their findings are aggregated into a report on major risks which is considered by the Governing Body each year. Health and Safety risks are monitored by a committee of heads of department, chaired by the Bursar and subject to annual external audit.

The Governing Body, which has ultimate responsibility for managing any risks faced by the College, has given consideration to the major risks to which the College and its subsidiaries are exposed and has concluded that adequate systems are in place to manage these risks. It is recognised that systems can provide only reasonable but not absolute assurance that major risks have been managed.

The principal risks and uncertainties faced by the College and its subsidiaries that have been identified are categorised as follows:

Activity, risk and potential damage	Risk management measures adopted	Progress report for 2019-20 and further measures to be considered during 2020-21
Board and lodging. Pandemics. Illness, death, loss of business, damage to reputation.	Prepare and update pandemic plan	Plan rapidly superseded by events. Daily Teams meeting involving Warden, Bursar, Senior Tutor and Domestic Bursar has made day-to-day decisions whilst the Strategic Planning Group has met weekly to prepare the longer-term response.
Board and lodging. Failure to observe quarantine or self-isolation order. Spread of the virus.	Amendments to the College Handbook to set out rules and conventions for social distancing. Reliance on peer pressure underpinned by disciplinary sanctions.	Consequences of non-compliance kept constantly under review.
Board and lodging. Failure to observe social distancing. Spread of the virus.	Amendments to the College Handbook to set out rules and conventions for social distancing. Reliance on peer pressure underpinned by disciplinary sanctions.	Review of Handbook. Constant monitoring of actual practice by College staff. Reporting mechanisms and sanctions under constant review.
Owning and operating buildings. Failure of utilities services. Fire (failure of electrical systems); danger to residents from water-borne bacteria; water damage.	Renewal of electrical circuits and plumbing services throughout the College. Well established regimes for flushing water systems and PAT testing electrical appliances. Liability insurance (£10mn limit any one occurrence)	P4 completed. Two further ARCO kitchens upgraded. Final ARCO kitchen upgraded in the summer of 2020
Owning and operating buildings. Excessive carbon emissions. Climate change; reputational damage.	More efficient boilers and better insulation of buildings. Restrictions on car parking.	Chapel boilers replaced in summer of 2020.
Owning and operating buildings. Structural defects. Danger to residents, damage to buildings, loss of facilities.	Rolling programme of capital renovations. Employment of structural engineers to advise on any building alterations.	Repairs to P2 façade and chimneys undertaken. This completes the 15-year programme of renovation of the Victorian buildings.
Funding. Changes in College fee/ external funding; impact on colleges of likely deficit in University funding. Financial loss/ funding shortfall.	Work through Conference of Colleges and Estates Bursars Committee	Covid-19 could impact college fee income, though 2020 admissions have been higher than expected.
Recreation and sports. Accidents. Injury.	Follow University policy and guidelines and take measures to raise awareness of risk	Sporting activity under review because of Covid-19. Social distancing a key concern. Await guidance from national sports organisations as to safe practice.
Activity, risk and potential damage	Risk management measures adopted	Progress report for 2019-20 and further measures to be considered during 2020-21

# KEBLE COLLEGE

## Report of the Governing Body

Activity, risk and potential damage	Risk management measures adopted	Progress report for 2019-20 and further measures to be considered during 2020-21
Information and IT provision. Data Protection failure. Exposure to legal action.	Publicise rules	12 out of 21 retention schedules are now complete, and 10 schedules have been 'mapped' to the ROPA. Work needs to continue in this area, including encouraging departments to act in accordance to their retention schedules. The DARS LIA is still outstanding. GDPR documentation has now had the chance to 'bed in' across the College - breach and SAR procedures are working well. Greater awareness of the DPIA procedure must be achieved (see below). GDPR documentation must be reviewed on an annual basis. New contracts have been reviewed throughout 2019-20 for GDPR clauses. Current contracts should be reviewed in 2020-21. Departmental staff should be trained in awareness of required GDPR clauses.
Employment costs. Sudden and unexpected increases. Financial strain, threats to core activity presented by possible remedial measures.	Estates Bursars' Committee actively engaged in working parties dealing with pensions (both USS and OSPS)	The economic and financial fall-out of the Covid-19 crisis mean that, apart from the Living Wage issue, there is unlikely to be pressure for substantial wage increases in the near future. The issue of pension costs continues to pose threats.
Staff Quality. Failure to attract and retain high quality academic staff. Lose support as centre of excellence.	College housing allowance and housing scheme. College accommodation for single Fellows. Private health insurance scheme. Engagement with faculties to support requests for buy-outs, and special leave. Active engagement with University-wide recruitment	High-level discussions between STC and the PVC of People & GLAM on joint appointments were interrupted by the Covid-19 crisis; it is hoped they will resume in due course
Teaching. Poor quality, poor organisation; implementation of academic strategy; University & external pressure on Fellows. Possible litigation; damage to reputation; inability to attract high quality students.	Feedback questionnaires; structure of tutorial organisation reviewed; informal appraisals of Fellows by Warden before confirmation and re-election and appropriate reviews at other times; tuition records; College template on duties of tutorial fellows	Progress on OLI courses and graduate mentoring has been interrupted. CTL has helped tutors to become more familiar with remote teaching
Recreation and sports. Excessive drinking and other behavioural problems. Inconvenience, offensive behaviour, damage to reputation.	College Regulations and related behavioural codes, decanal structure, professional bar staff	No change.
Fundraising. Loss or breach of personal data. Loss of potential donations, loss of support from donors. Negative publicity.	Staff aware of Data Protection issues & management of risk. Remote access to DARS now technically possible for <b>all</b> A&D staff.	Risk always present but actions continually taken to mitigate against this. Remote access to DARS via Keble VPN much improved reliability, therefore reduced need to carry data in hard copy. All A&D staff with capacity to work from home with access to DARS since March 2020. Guidance on best practice from DARS Central adopted. Most data breach incidents have been caused by user fatigue. Encourage regular screen breaks. Weekly reporting on data issues in Team Meeting.
Fundraising. Inadequate records and lack of fundraising and marketing permissions. Failure to comply with Fundraising Regulations / GDPR1 from May 2018 and updated PECR <sup>2</sup> from May 2018. Systems (and related infrastructure) do not support external legal and regulatory compliance. Loss of potential donations, loss of support from donors. In extreme circumstances potential fine by Fundraising Regulator.	Constant updating of database, regular contact with alumni. Staff adhering to use of agreed alumni preferences.	Documents will be reviewed fully in July 2020. FR Levy paid for 2019/20 and budgeted for 2020/21. Legitimate Interest Assessment - still awaiting final copy from DARS central. All to be read thoroughly by all ADO staff and reviewed annually by Development Committee.

## **KEBLE COLLEGE**

### **Report of the Governing Body**

#### **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.

To meet these objectives the College's investments as a whole are managed on a total return basis, maintaining diversification across a range of asset classes in order to produce an appropriate balance between risk and return. In line with this approach, the College statutes allow the College to invest permanent endowments to maximise the related total return and to make available for expenditure each year an appropriate proportion of the unapplied total return. The investment strategy, policy and performance are monitored by the Finance Committee. At the year end, the College's endowment totalled £50.3m. The aggregate investment return for the year was -1.1%.

The carrying value of the preserved permanent capital and the amount of any unapplied total return available for expenditure was taken as the open market values of these funds as at 1 August 2004 together with the original gift value of all subsequent endowment received.

Almost all of the College's discretionary funds, apart from its private equity holdings and joint-equity interests in Fellows' housing, are held in the Oxford Endowment Fund managed by OUEM (Oxford University Endowment Management). Over the past 10 years the OEF has achieved an annualised net return of 9.2% nominal and 7.2% real and its distribution per unit has seen an annualised increase of 4.8%.

The Governing Body keeps the Spending Rule and the level of income withdrawn under review to balance the needs and interests of current and future beneficiaries of the College's activities.

#### **FUTURE PLANS**

The Covid-19 crisis has had a major impact on the life and work of the College. The lockdown that began at the end of March gave the College time to respond to both the immediate challenge of re-setting its business model and the longer-term challenge of providing a safe place for students to live and study and College staff to work.

The College is fortunate in having all its accommodation on just two sites, located within five minutes of each other. The accommodation consists of 495 ensuite rooms and 134 twin rooms (2 rooms sharing one bathroom). These make it possible to manage incidences of Covid infection in ways which seek to safeguard the health of the community as a whole. Nevertheless, the pandemic is having a major impact on teaching, research and the cultural, sporting and social life of the College, as it is having for the University and the country as a whole. It is assumed that this disruption will continue until at least the Spring of 2021.

In order to ensure that the College can respond to events as they unfold with minimal disruption to its core activities, no conference or bed & breakfast bookings are being taken before the end of June 2021. The restructuring undertaken during the summer of 2020 will ensure that, provided the students remain in residence for the full academic year, the College will achieve a positive operating cash flow despite the complete absence of commercial business. In the longer term, the return of that business should enable it to accelerate the rebuilding of general funds.

Whilst all capital projects have been put on hold for the duration of the crisis, the College remains committed to completing Phase 2 of its kitchen project – the remodelling of the main kitchen itself – when funds are available. This will generate major improvements in productivity and efficiency as well as significantly improving the working environment of key staff.

## **KEBLE COLLEGE**

### **Report of the Governing Body**

#### **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 United Kingdom Generally 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 them 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 4<sup>th</sup> November 2020 and signed on its behalf by:

Sir Jonathan Phillips  
Warden

## **KEBLE COLLEGE**

### **Report of the Auditor to the Members of the Governing Body of Keble College**

#### **Opinion**

We have audited the financial statements of Keble College (the "Charity") for the year ended 31 July 2020 which comprise the Statement of Accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated 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 2020 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.

#### **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.



## **KEBLE COLLEGE**

### **Report of the Auditor to the Members of the Governing Body of Keble College**

#### **Responsibilities of the Members of the Governing Body**

As explained more fully in the Statement of Accounting and Reporting Responsibilities [set out on page 14], 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](http://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

4<sup>th</sup> November 2020

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

# KEBLE COLLEGE

## Statement of Accounting Policies

Year ended 31 July 2020

---

### 1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its wholly owned subsidiaries, Conference Keble Limited and Keble Properties Limited. No separate SOFA has been presented for the College alone, as currently permitted by the Charity Commission on a concessionary basis. A summary of the results and financial position of the charity and each of its material subsidiaries for the reporting year are in note 12.

### 2. Basis of accounting

The College's individual and consolidated 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 individual and consolidated 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.

### 3. Accounting judgements and estimation uncertainty

In the view of the Governing Body, in applying the accounting policies adopted no judgements were required that have a significant effect on the amounts recognised in the financial statements.

### 4. 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 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.

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. Income from fixed interest debt securities is recognised using the effective interest rate method.

**KEBLE COLLEGE**  
**Statement of Accounting Policies**  
**Year ended 31 July 2020**

---

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. Income from investment properties is recognised in the period to which the rental income relates.

**5. 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 include 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.

Intra-group sales and charges between the College and its subsidiaries are excluded from trading income and expenditure in the consolidated financial statements.

**6. 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.

**7. 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 £20,000 together with expenditure on equipment costing more than £20,000 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.

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.

**8. 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	40 years
Leasehold properties	40 years or period of lease if shorter
Building improvements	40 years
Equipment	5 years

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

**KEBLE COLLEGE**  
**Statement of Accounting Policies**  
**Year ended 31 July 2020**

---

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.

**9. Heritage Assets**

The College has chosen to hold heritage assets at fair value. The college has a number of assets, including items of art and historic texts that meet the definition of heritage assets under the SORP. Heritage assets purchased are initially recognised and subsequently measured at fair value. Items donated to the College are recognised at fair value.

**10. Investments**

Investment properties are initially recognised at their cost and subsequently measured at their fair value (market value) at each reporting date. Purchases and sales of investment properties are recognised on exchange of contracts. 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.

**11. Other financial instruments**

*a. 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.

*b. Debtors and creditors*

Debtors and creditors receivable or payable within one year of the reporting date are carried at their 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.

**12. 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.

**13. 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. 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.

**14. Total Return investment accounting**

The College statutes authorise the College to adopt a 'total return' basis for the investment of its permanent endowment. The College can invest its permanent endowments without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the

**KEBLE COLLEGE**  
**Statement of Accounting Policies**  
**Year ended 31 July 2020**

---

endowment known as the unapplied total return that can be either be retained for investment or released to income at the discretion of the Governing Body.

**15. Fund accounting**

The total funds of the College and its subsidiaries 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.

**16. 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.

Keble College

Consolidated Statement of Financial Activities

For the year ended 31 July 2020

	Notes	Unrestricted Funds £000	Restricted Funds £000	Endowed Funds £000	2020 Total £000	2019 Total £000
<b>INCOME AND ENDOWMENTS FROM:</b>						
<b>Charitable activities</b>						
Teaching, research and residential	1	7,133	-	-	7,133	8,036
<b>Other trading income</b>	3	1,141	-	-	1,141	1,589
<b>Donations and legacies</b>	2	857	878	134	1,869	4,908
<b>Investments</b>						
Investment income	4	682	-	1,699	2,381	1,830
Total return allocated to income	18	621	815	(1,436)	-	-
<b>Other income</b>	31	493	-	-	493	33
<b>Total income</b>		<b>10,927</b>	<b>1,693</b>	<b>397</b>	<b>13,017</b>	<b>16,396</b>
<b>EXPENDITURE ON:</b>						
<b>Charitable activities</b>						
Teaching, research and residential	5	10,766	1,575	-	12,341	12,346
<b>Generating funds</b>						
Fundraising	5	700	7	-	707	697
Trading expenditure		1,395	-	-	1,395	1,497
Investment management costs		-	-	-	-	-
		2,095	7	-	2,102	2,194
<b>Total expenditure</b>		<b>12,861</b>	<b>1,582</b>	<b>-</b>	<b>14,443</b>	<b>14,540</b>
<b>Net income/(expenditure) before gains</b>		(1,934)	111	397	(1,426)	1,856
Net gains/(losses) on investments	12	-	-	(2,268)	(2,268)	2,655
Fixed asset impairment charge		-	-	-	-	-
<b>Net income/(expenditure)</b>		(1,934)	111	(1,871)	(3,694)	4,511
<b>Transfers between funds</b>	18	304	(304)	-	-	-
<b>Other recognised gains/losses</b>						
Gains/(losses) on revaluation of fixed assets		360	-	-	360	-
Actuarial gains/(losses) on defined benefit pension schemes		-	-	-	-	-
<b>Net movement in funds for the year</b>		(1,270)	(193)	(1,871)	(3,334)	4,511
Fund balances brought forward	18	78,887	841	52,184	131,912	127,401
<b>Funds carried forward at 31 July</b>	18	<b>77,617</b>	<b>648</b>	<b>50,313</b>	<b>128,578</b>	<b>131,912</b>

**Keble College**  
**Consolidated and College Balance Sheets**  
**For the year ended 31 July 2020**

	Notes	2020 Group £000	2019 Group £000	2020 College £000	2019 College £000
<b>FIXED ASSETS</b>					
Tangible assets	9	91,090	98,559	91,090	98,559
Heritage assets	10	27,108	27,108	27,108	27,108
Property investments	11	10,075	-	10,075	-
Investments	12	48,075	50,300	48,075	50,300
<b>Total fixed assets</b>		<b>176,348</b>	<b>175,967</b>	<b>176,348</b>	<b>175,967</b>
<b>CURRENT ASSETS</b>					
Stocks		66	70	66	70
Debtors	15	704	1,443	676	953
Cash at bank and in hand	25	183	6	52	(200)
<b>Total current assets</b>		<b>953</b>	<b>1,519</b>	<b>794</b>	<b>823</b>
<b>LIABILITIES</b>					
Creditors: amounts falling due within one year	16	7,444	2,985	7,283	2,362
<b>NET CURRENT ASSETS/ (LIABILITIES)</b>		<b>(6,491)</b>	<b>(1,466)</b>	<b>(6,489)</b>	<b>(1,539)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>169,857</b>	<b>174,501</b>	<b>169,859</b>	<b>174,428</b>
<b>CREDITORS: falling due after more than one year</b>		<b>40,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>
Provisions for liabilities and charges		-	-	-	-
<b>NET ASSETS BEFORE PENSION ASSET OR LIABILITY</b>		<b>129,857</b>	<b>134,501</b>	<b>129,859</b>	<b>134,428</b>
Defined benefit pension scheme liability		1,279	2,589	1,279	2,589
<b>TOTAL NET ASSETS</b>		<b>128,578</b>	<b>131,912</b>	<b>128,580</b>	<b>131,839</b>
<b>FUNDS OF THE COLLEGE</b>					
Endowment funds	18	50,313	52,184	50,313	52,184
Restricted funds		648	841	648	841
<b>Unrestricted funds</b>					
Designated funds		60,803	57,911	60,803	57,911
General funds		(9,015)	(3,543)	(9,013)	(3,616)
Revaluation reserve		27,108	27,108	27,108	27,108
Pension reserve		(1,279)	(2,589)	(1,279)	(2,589)
<b>TOTAL FUNDS</b>		<b>128,578</b>	<b>131,912</b>	<b>128,580</b>	<b>131,839</b>

The financial statements were approved and authorised for issue by the Governing Body of Keble College on 4 November 2020.

Sir Jonathan Phillips  
Warden

R J Boden  
Bursar

**Keble College**  
**Consolidated Cash Flow Statement**  
**For the year ended 31 July 2020**

	Notes	2020 Group £000	2019 Group £000
<b>Net cash provided by (used in) operating activities</b>	24	<b>1,567</b>	942
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		2,381	1,615
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(4,721)	(20,762)
Proceeds from sales of investments		1,791	6,395
Purchase of investments		(1,834)	(3,817)
<b>Net cash provided by (used in) investing activities</b>		<b>(2,383)</b>	(16,569)
<b>Cash flows from financing activities</b>			
Repayments of borrowing		-	-
Cash inflows from new borrowing		-	5,000
Receipt of endowment		134	2,221
Finance costs paid		(1,414)	(58)
<b>Net cash provided by (used in) financing activities</b>		<b>(1,280)</b>	7,163
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(2,096)</b>	(8,464)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>6</b>	8,470
<b>Change in cash and cash equivalents due to exchange rate movements</b>		<b>-</b>	-
<b>Cash and cash equivalents at the end of the reporting period</b>	25	<b>(2,090)</b>	6

Charity law requires separate administration of the cashflows of endowed and other restricted funds of the College. This constraint has not adversely affected group cashflows as stated above.



1	<b>INCOME FROM CHARITABLE ACTIVITIES</b>	<b>2020</b>	2019
		<b>Total</b>	Total
	<b>Teaching, research and residential</b>		
	Unrestricted funds		
	Tuition fees - UK and EU students	2,201	2,148
	Tuition fees - Overseas students	1,183	971
	Other fees	281	322
	Other HEFCE support	124	135
	Other academic income	186	206
	College residential income	3,158	4,254
		<u>7,133</u>	<u>8,036</u>
	Amounts received from the University of Oxford from publicly accountable funds under the College Funding Formula included in the above:	<u>3,508</u>	2,026
2	<b>DONATIONS AND LEGACIES</b>	<b>2020</b>	2019
		<b>£000</b>	£000
	Unrestricted funds	857	396
	Restricted funds	878	2,291
	Endowed funds	134	2,221
		<u>1,869</u>	<u>4,908</u>
3	<b>INCOME FROM OTHER TRADING ACTIVITIES</b>	<b>2020</b>	2019
		<b>£000</b>	£000
	Unrestricted funds		
	Subsidiary company trading income	1,102	1,585
	Other trading income	39	4
		<u>1,141</u>	<u>1,589</u>
4	<b>INVESTMENT INCOME</b>	<b>2020</b>	2019
		<b>Total</b>	Total
		<b>£000</b>	£000
	<b>Unrestricted funds</b>		
	Commercial rent	679	215
	Bank interest	3	9
		<u>682</u>	224
	<b>Endowed funds</b>		
	Investment income	1,699	1,606
	<b>Total investment income</b>	<u>2,381</u>	<u>1,830</u>

5 ANALYSIS OF EXPENDITURE	2020 £000	2019 £000
<b>Charitable expenditure - Teaching, research and residential</b>		
Direct staff costs	5,524	5,091
Other direct costs	3,363	3,609
Support and governance costs see note 6	4,802	1,852
Support and governance - movement on provision for defined benefit pension schemes	(1,348)	1,794
<b>Total charitable expenditure</b>	<b>12,341</b>	12,346
<b>Expenditure on raising funds</b>		
Direct staff costs allocated to:		
Fundraising	487	464
Trading expenditure	866	814
Other direct costs allocated to:		
Fundraising	162	181
Trading expenditure	467	626
Support and governance costs allocated to:		
Fundraising	58	52
Trading expenditure	62	57
<b>Total expenditure on raising funds</b>	<b>2,102</b>	2,194
<b>Total expenditure</b>	<b>14,443</b>	14,540
Teaching, research and residential expenditure includes 'Contribution':	<b>6</b>	-

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. Contribution is calculated annually in accordance with regulations made by the Council of the University of Oxford.

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

2020	Generating Funds £000	Teaching, Research & Residential £000	Total 2020 £000
Financial administration	69	402	471
Domestic administration	4	167	171
Human resources	6	94	100
IT	41	224	265
Depreciation	-	2,475	2,475
Bank interest payable See also notes 9, 17.	-	1,376	1,376
Other finance charges	-	38	38
Governance costs	-	26	26
	<b>120</b>	<b>4,802</b>	<b>4,922</b>
<b>2019</b>			<b>Total 2019</b>
Financial administration	64	379	443
Domestic administration	4	174	178
Human resources	6	100	106
IT	36	193	229
Depreciation	-	924	924
Bank interest payable	-	42	42
Other finance charges	-	17	17
Governance costs	-	23	23
	<b>110</b>	<b>1,852</b>	<b>1,962</b>

**6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS (cont)**

Finance and domestic administration, IT and human resources costs are attributed according to the estimated staff time spent on each activity. Depreciation costs and fixed asset impairment are attributed in full to the College's charitable activities, since it is for the support of those activities that the buildings, plant and equipment being depreciated are held. Interest and other finance charges are attributed according to the purpose of the related financing. Governance costs are allocated to the core charitable activity of tuition.

The increase in the depreciation and bank interest charges in 2020 reflect the bringing into service of the H B Allen Centre.

See also note 31 with respect to the exceptional circumstances due to COVID-19.

	<b>2020</b>	2019
	<b>£000</b>	£000
<b>Governance costs include:</b>		
Auditor's remuneration - audit services	24	21
Auditor's remuneration - assurance services other than audit	-	-
Auditor's remuneration - tax advisory services	1	1
Auditor's remuneration - other services	-	1
Legal and other fees on constitutional matters	1	-
Other governance costs	-	-
	<u>26</u>	<u>23</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 provided in note 21 below.

**7 GRANTS AND AWARDS**

	<b>2020</b>	2019
	<b>£000</b>	£000
<b>Unrestricted funds</b>		
Grants to individuals:		
Undergraduate scholarships, prizes and grants	20	165
Bursaries and hardship awards	49	12
Graduate scholarships, prizes and grants	64	9
Grants to other institutions	-	-
	<u>133</u>	<u>186</u>
<b>Restricted funds</b>		
Grants to individuals:		
Undergraduate scholarships, prizes and grants	70	10
Bursaries and hardship awards	170	49
Graduate scholarships, prizes and grants	220	309
Grants to other institutions	61	10
	<u>521</u>	<u>378</u>
<b>Total grants and awards</b>	<u>654</u>	<u>564</u>

The above costs are included within the charitable expenditure on Teaching and Research. Grants to other institutions mainly comprise awards to Keble parishes from the Harlow Trust and the Poor Parishes Funds.

**8 STAFF COSTS**

	<b>2020</b>	2019
	<b>£000</b>	£000
Salaries and wages	6,074	5,899
Social security costs	504	444
Pension costs		
Defined benefit schemes - employer's contributions	853	716
Defined contribution schemes - employer's contributions	161	13
Supplementation payments	2	3
Defined benefit schemes - movement on pension provision	(1,310)	1,794
Other benefits	-	-
	<u>6,284</u>	<u>8,869</u>
Support for some of these costs under the Government furlough scheme, included in 'other income' came to -	<u>(473)</u>	-

see also note 31.

**8 STAFF COSTS (continued)**

The average number of employees of the College, excluding Trustees, on a full time equivalent basis was as follows:

	<b>2020</b>	2019
	<b>No.</b>	No.
Tuition and research	<b>9</b>	8
College residential	<b>102</b>	90
Fundraising	<b>8</b>	6
Support	<b>16</b>	11
Total	<b>135</b>	115

The average number of employed College Trustees during the year was as follows:

	<b>2020</b>	2019
	<b>No.</b>	No.
Associate Professor and Tutorial Fellow - University	<b>27</b>	27
Associate Professor and Tutorial Fellow - College	<b>7</b>	7
Other teaching and research	<b>1</b>	-
Other	<b>5</b>	5
Total	<b>40</b>	39

The following information relates to the employees of the College excluding the College Trustees. Details of the remuneration of the Fellows and their reimbursed expenses are provided in note 21 below.

The number of employees (excluding the College Trustees) during the year whose gross pay and benefits (excluding employer NI and pension contributions) fell within the following bands was:

	<b>2020</b>	2019
	<b>No.</b>	No.
£80,000 - £90,000	<b>1</b>	1

The number of the above employees with retirement benefits accruing was as follows:

In defined contribution schemes	<b>1</b>	1
	<b>£000</b>	£000

The College contributions to defined contribution pension schemes for these employees totalled

	<b>17</b>	15
--	-----------	----

**9 TANGIBLE FIXED ASSETS**

Group and College	Freehold land and buildings £000	Plant and Machinery £000	Total £000
<b>Cost</b>			
At start of year	111,042	3,687	114,729
Reclassification as investment property at start of year	(10,676)	(448)	(11,124)
Additions	4,501	220	4,721
Disposals	-	-	-
At end of year	<u>104,867</u>	<u>3,459</u>	<u>108,326</u>
<b>Depreciation</b>			
At start of year	13,364	2,806	16,170
Reclassification as investment property at start of year	(1,137)	(272)	(1,409)
Charge for the year	2,367	108	2,475
On disposals	-	-	-
At end of year	<u>14,594</u>	<u>2,642</u>	<u>17,236</u>
<b>Net book value</b>			
At end of year	<u>90,273</u>	<u>817</u>	<u>91,090</u>
At start of year	<u>97,678</u>	<u>881</u>	<u>98,559</u>

**9 TANGIBLE FIXED ASSETS (continued)**

In addition to its heritage assets (see note 10), the College has substantial long-held historic assets all of which are used in the course of the College's teaching and research activities. These comprise listed buildings on the College site together with their contents. Because of their age and, in many cases, unique nature, reliable historical cost information is not available for these assets and could not be obtained except at disproportionate expense. However, in the opinion of the Trustees the depreciated historical cost of these assets is now immaterial.

Last year borrowing costs of £1,213k were capitalised as part of the construction of the H B Allen Centre - this year, following completion of the Centre, £nil.

See also notes 6, 17.

**10 HERITAGE ASSETS**

Group and College	Paintings At Valuation £000	Manuscripts At Valuation £000	Incunabula At Valuation £000	Total £000
At start and end of year	<u>12,550</u>	<u>12,840</u>	<u>1,718</u>	<u>27,108</u>

The College currently holds three classes of assets for heritage purposes: pictures, manuscripts and incunabula. There are two pictures in the collection: *The Light of the World* by Holman Hunt, and *The Lamentation of Christ* from the workshop of Willem Key. The College has 87 manuscripts, all of which are included in the catalogue of the collection by Malcolm B. Parkes: *The medieval manuscripts of Keble College Oxford* (1979). There are 100 items in the collection of early printed books. All these heritage assets were donated to the College in its early years. The pictures are on display in the Chapel and may be viewed by members of the public at no charge when the College is open. The manuscripts and incunabula are held in the College Library and are available to scholars on request. A digital image has been made of the most famous manuscript in the collection - the Regensburg Lectionary. All three classes of assets were valued as at 31 July 2014.

**11 PROPERTY INVESTMENTS**

Group and College	Agricultural	Commercial	Other	2020	2019
	£'000	£'000	£'000	Total £'000	Total £'000
Valuation at start of year	-	-	-	-	-
Tangible fixed assets reclassified at start of year (nbv)	-	9,715	-	9,715	-
Additions and improvements at cost	-	-	-	-	-
Disposals net proceeds	-	-	-	-	-
Revaluation gains/(losses) in the year	-	360	-	360	-
<b>Valuation at end of year</b>	<b>-</b>	<b>10,075</b>	<b>-</b>	<b>10,075</b>	<b>-</b>

Following formal completion of the H B Allen Centre, a proportion of this property together with an adjoining building, both leased out commercially, were reclassified as 'investment' properties. This was deemed to have taken place on 1 August 2019. A formal valuation of the commercial properties was prepared by Carter Jonas as at 11th September 2020. The gain in year shown represents the difference between the net book value of the historically-depreciated adjoining building and its valuation. The H B Allen Centre had not been depreciated and so the valuation represents an apportionment of the original costs, as at commission.

**12 INVESTMENTS**

All investments are held at fair value.				<b>2020</b>	2019
				<b>£000</b>	£000
<b>Group investments</b>					
Valuation at start of year				50,300	50,225
New money invested				134	2,210
Amounts withdrawn				(1,791)	(6,395)
Reinvested income				1,700	1,606
Investment management fees				-	-
(Decrease)/ increase in value of investments				(2,268)	2,654
<b>Group investments at end of year</b>				<b>48,075</b>	50,300
Investment in subsidiaries				-	-
<b>College investments at end of year</b>				<b>48,075</b>	50,300

Group investments comprise:	Held outside	Held in	2020	Held outside	Held in	2019
	the UK	the UK	Total	the UK	the UK	Total
	£000	£000	£000	£000	£000	£000
Equity investments	-	1	1	-	1	1
Global multi-asset funds	-	43,275	43,275	-	45,374	45,374
Joint Equity investments	-	1,847	1,847	-	1,746	1,746
Fixed interest stocks	-	-	-	-	-	-
Alternative and other investments	881	2,071	2,952	1,186	1,993	3,179
<b>Total group investments</b>	<b>881</b>	<b>47,194</b>	<b>48,075</b>	<b>1,186</b>	<b>49,114</b>	<b>50,300</b>

**Keble College**

**Notes to the financial statements**

**For the year ended 31 July 2020**

**13 PARENT AND SUBSIDIARY UNDERTAKINGS**

The College holds 100% of the issued share capital in Conference Keble Limited, a company providing conference and other event services on the College premises, and 100% of the issued share capital in Keble Properties Limited, a company providing design and build construction services to the College.

The results of the parent and subsidiaries, and their assets and liabilities at the year end, were as follows:

	Keble College (parent)	Keble Properties	Conference Keble
	£000	£000	£000
Turnover	12,073	3,795	1,102
Expenditure	(13,426)	(3,724)	(1,249)
Donation to College under gift aid	-	-	-
Interest receivable	2	-	1
(Losses)/gains on revaluation	(1,909)	-	-
Result for the year	<u>(3,260)</u>	<u>71</u>	<u>(146)</u>
Total assets	177,142	3,452	131
Total liabilities	(48,562)	(3,381)	(204)
Net funds at the end of year	<u>128,580</u>	<u>71</u>	<u>(73)</u>

See additionally note 32b for prior year comparatives.

**14 STATEMENT OF INVESTMENT TOTAL RETURN**

The Trustees have adopted a duly authorised policy of total return accounting for investment returns with effect from 2003. The return to be applied as income is calculated as 3.5% of the average of the year-end values of the relevant investments in each of the last 5 years. The preserved (frozen) value of the invested endowment capital represents its open market value on 31 July 2004 together with all subsequent endowments valued at date of gift.

	Trust for Investment £000	Permanent Endowment Unapplied Total Return £000	Total £000	Expendable Endowment £000	Total Endowments £000
<b>At the beginning of the year:</b>					
Gift component of the permanent endowment	23,244	-	23,244	-	23,244
Unapplied total return	-	18,560	18,560	-	18,560
Expendable endowment	-	-	-	10,380	10,380
<b>Total Endowments</b>	<u>23,244</u>	<u>18,560</u>	<u>41,804</u>	<u>10,380</u>	<u>52,184</u>
<b>Movements in the reporting period:</b>					
Gift of endowment funds	64	-	64	70	134
Investment return: dividends and interest	-	1,373	1,373	326	1,699
Investment return: realised and unrealised gains and losses	-	(1,834)	(1,834)	(434)	(2,268)
<b>Total</b>	<u>64</u>	<u>(461)</u>	<u>(397)</u>	<u>(38)</u>	<u>(435)</u>
Unapplied total return allocated to income	-	(1,145)	(1,145)	-	(1,145)
Expendable endowments transferred to income	-	-	-	(291)	(291)
	-	(1,145)	(1,145)	(291)	(1,436)
<b>Net movements in reporting period</b>	<u>64</u>	<u>(1,606)</u>	<u>(1,542)</u>	<u>(329)</u>	<u>(1,871)</u>
<b>At end of the reporting period:</b>					
Gift component of the permanent endowment	23,308	-	23,308	-	23,308
Unapplied total return	-	16,954	16,954	-	16,954
Expendable endowment	-	-	-	10,051	10,051
<b>Total Endowments</b>	<u>23,308</u>	<u>16,954</u>	<u>40,262</u>	<u>10,051</u>	<u>50,313</u>

See additionally note 32c for prior year comparatives.

**Keble College**

**Notes to the financial statements**

**For the year ended 31 July 2020**

15	<b>DEBTORS</b>	<b>2020</b>	2019	<b>2020</b>	2019
		<b>Group</b>	Group	<b>College</b>	College
		<b>£000</b>	£000	<b>£000</b>	£000
	<b>All due within one year.</b>				
	Trade debtors	35	690	13	285
	Amounts owed by College members	70	74	70	74
	Amounts owed by Group undertakings	-	-	-	119
	Loans repayable within one year	17	79	17	79
	Prepayments and accrued income	459	426	458	334
	Other debtors	123	174	118	62
		<u>704</u>	<u>1,443</u>	<u>676</u>	<u>953</u>
	Amounts due for Furlough Claims paid after the year-end included above:	<u>109</u>	-	<u>109</u>	-

16	<b>CREDITORS: falling due within one year</b>	<b>2020</b>	2019	<b>2020</b>	2019
		<b>Group</b>	Group	<b>College</b>	College
		<b>£000</b>	£000	<b>£000</b>	£000
	Bank overdrafts	2,273	-	2,273	-
	Trade creditors	605	1,776	405	1,230
	Amounts owed to College Members	94	-	94	-
	Amounts owed to Group undertakings	-	-	3,355	-
	Taxation and social security	117	215	117	215
	College contribution	-	-	-	-
	Accruals and deferred income	4,079	722	763	645
	Other creditors	276	272	276	272
		<u>7,444</u>	<u>2,985</u>	<u>7,283</u>	<u>2,362</u>

Accruals include a final payment of £2,675k in settlement of the construction contract with BAM for the H B Allen Centre, and the release of £518k of retention. These payments were made after the year-end and largely funded by a £3m three-year fixed rate bank loan provided by the College's bankers.

17	<b>CREDITORS: falling due after more than one year</b>	<b>2020</b>	2019	<b>2020</b>	2019
		<b>Group</b>	Group	<b>College</b>	College
		<b>£000</b>	£000	<b>£000</b>	£000
	Private placement	40,000	40,000	40,000	40,000
		<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>

The College issued £30m in long-term notes at par in December 2015 and a further £5m at a premium in June 2018. These notes bear a fixed interest rate of 3.366% p.a. The College issued a further £5m of long-term notes at par in May 2019 at a fixed interest rate of 2.98% p.a. The terms and conditions are otherwise the same for all three tranches, repayment being due in ten equal annual instalments commencing in December 2046. The proceeds have been applied to the construction of the HB Allen Centre on the Acland site. Prior to commencement of the main construction contract the costs associated with the loan, including arrangement fees, legal costs and interest, were expensed, whilst income and gains arising from the temporary reinvestment of the loan proceeds were taken into income. In accordance with FRS 102, from the start of construction in August 2016 interest on the notes, net of any income from temporary reinvestment of the note proceeds, was capitalised as a project cost. From 1st August 2019, the building having been substantially completed and handed over, interest was expensed as incurred.

See also notes 6, 9.



## 18 FUNDS OF THE COLLEGE MOVEMENTS

	At 1 August 2019 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains/ (losses) £000	At 31 July 2020 £000
<b>Endowment Funds - Permanent</b>						
General purposes	16,894	549	-	(498)	(735)	16,210
External purposes	1,931	63	-	(61)	(84)	1,849
Bursaries	1,596	105	-	(48)	(69)	1,584
Scholarships	6,332	206	-	(143)	(275)	6,120
Fellowships	15,304	506	-	(391)	(665)	14,754
Music	138	8	-	(4)	(6)	136
<b>Endowment Funds - Expendable</b>						
General purposes	4,169	136	-	(123)	(181)	4,001
Bursaries	1,291	59	-	(38)	(56)	1,256
Scholarships	709	25	-	(15)	(31)	688
Fellowships	3,248	106	-	(96)	(141)	3,117
Other specified purposes	572	70	-	(19)	(25)	598
<b>Total Endowment Funds</b>	<b>52,184</b>	<b>1,833</b>	<b>-</b>	<b>(1,436)</b>	<b>(2,268)</b>	<b>50,313</b>
<b>Restricted Funds</b>						
Fixed asset projects funding	41	307	-	(310)	-	38
Development office funding	-	8	(14)	6	-	-
Other restricted income funding	800	563	(753)	-	-	610
Applied total return from restricted purpose endowment funds	-	-	(815)	815	-	-
<b>Total Restricted Funds</b>	<b>841</b>	<b>878</b>	<b>(1,582)</b>	<b>511</b>	<b>-</b>	<b>648</b>
<b>Unrestricted Funds</b>						
General	(3,614)	8,469	(12,994)	(1,234)	360	(9,013)
Fixed asset designated fund	57,909	735	-	2,159	-	60,803
Revaluation reserve	27,108	-	-	-	-	27,108
Pension reserve	(2,589)	-	1,310	-	-	(1,279)
<b>Total Unrestricted Funds - College</b>	<b>78,814</b>	<b>9,204</b>	<b>(11,684)</b>	<b>925</b>	<b>360</b>	<b>77,619</b>
Unrestricted funds held by subsidiaries	73	1,102	(1,177)	-	-	(2)
<b>Total Unrestricted Funds - Group</b>	<b>78,887</b>	<b>10,306</b>	<b>(12,861)</b>	<b>925</b>	<b>360</b>	<b>77,617</b>
<b>Total Funds</b>	<b>131,912</b>	<b>13,017</b>	<b>(14,443)</b>	<b>-</b>	<b>(1,908)</b>	<b>128,578</b>

See additionally note 32d for prior year comparatives.

**19 FUNDS OF THE COLLEGE DETAILS**

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

**Endowment Funds - Permanent:**

General purposes	A consolidation of gifts and donations where income, but not capital, can be used for the general purposes of the charity.
External purposes	Capital balance of past donations where related income, but not the original capital, can be used for specified objects external to the charity.
Bursaries	Capital balance of past donations where related income, but not the original capital, can be used for bursaries to support students of the College.
Scholarships	Capital balance of past donations where related income, but not the original capital, can be used for scholarships awarded to students of the College
Fellowships	Capital balance of past donations where related income, but not the original capital, can be used for the funding of College fellowships.
Music	Gifts made where related income, but not the original capital, can be used for the funding of choral scholarships and support other music activities within the College.

**Endowment Funds - Expendable:**

General purposes	A consolidation of gifts and donations where related income, or income and capital, can be used for the general purposes of the charity.
Bursaries	Capital balance of past donations where related income, or income and capital, can be used for bursaries to support students of the College.
Scholarships	Capital balance of past donations where related income, or income and capital, can be used for scholarships awarded to students of the College.
Fellowships	Capital balance of past donations where related income, or income and capital, can be used for the funding of College fellowships.
Other specified purposes	Capital balance of past donations where related income, or income and capital, can be used for the funding of other specified College activities.

**Restricted Funds:**

Fixed asset projects funding	Gifts and donations that must be applied to specific fixed asset projects. The transfer from these funds represents the capital expenditure that relates to these funds.
Development office funding	Gifts and donations that must be applied in support of the Development office expenditure relating to the Vision 2020 campaign.
Other restricted income funding	Gifts and donations that must be applied in support of other specified College activities.
Applied total return from restricted purpose endowment funds	Applied total return generated from restricted purpose permanent and expendable endowment funds which must be applied for the specified restricted purpose.

**Designated Funds**

Fixed asset designated	Unrestricted Funds which are represented by the fixed assets of the College and therefore not available for expenditure on the College's general purposes.
Revaluation reserve	Unrestricted Funds which are represented by the revaluation of heritage assets.
Pension reserve	Unrestricted Funds which are represented by the College's pension fund liabilities.

The General Unrestricted Funds represent the balance arising from the College's activities and other sources that are available for the general purposes of the College.

**20 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2020 Total £000
<b>2020</b>				
Tangible fixed assets	91,090	-	-	<b>91,090</b>
Heritage assets	27,108	-	-	<b>27,108</b>
Property investments	10,075	-	-	<b>10,075</b>
Investments	-	-	48,075	<b>48,075</b>
Net current assets/(liabilities)	(9,377)	648	2,238	<b>(6,491)</b>
Long term liabilities	(40,000)	-	-	<b>(40,000)</b>
Pension fund liability	(1,279)	-	-	<b>(1,279)</b>
	<u>77,617</u>	<u>648</u>	<u>50,313</u>	<u><b>128,578</b></u>
				2019 total
<b>2019</b>	£000	£000	£000	£000
Tangible fixed assets	98,559	-	-	98,559
Heritage assets	27,108	-	-	27,108
Investments	-	-	50,300	50,300
Net current assets/(liabilities)	(4,191)	841	1,884	(1,466)
Long term liabilities	(40,000)	-	-	(40,000)
Pension fund liability	(2,589)	-	-	(2,589)
	<u>78,887</u>	<u>841</u>	<u>52,184</u>	<u>131,912</u>

**21 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 (as employees). The salaries of academic employees are paid on external academic and academic-related scales and often involve joint arrangements with the University of Oxford. The salaries of non-academic employees are paid on the College's own scale. All trustees may eat at common table, as can other employees who are entitled to meals while working.

Trustees of the college fall into the following categories:

- Head of House
- Professorial Fellow
- Official Fellow
- Fellow by Special Election
- Research Fellow

All Official and Research Fellows are eligible for a Housing Allowance, which is included within the salary figures below.

	2020 No.	2019 No.
Trustees who live in accommodation owned by the College, for which they are charged a market rent:	<u>2</u>	<u>2</u>
Trustees who are not employees of the College and do not receive remuneration:	<u>15</u>	<u>15</u>

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 the Report of the Governing Body in the section, Governing Body, Officers and Advisers.

<b>Key management remuneration</b>	2020 £000	2019 £000
Warden, Bursar, Senior Tutor and Development Director	<u>441</u>	<u>425</u>

## 21 TRUSTEES' REMUNERATION (continued)

## Remuneration paid to trustees

Range	2020		2019	
	Number of trustees	Gross remuneration, taxable benefits and pension contributions £	Number of trustees	Gross remuneration, taxable benefits and pension contributions £
£1 - £1,000	-	-	1	292
£4,001 - £5,000	1	4,179	1	4,076
£10,001 - £11,000	-	-	1	10,070
£12,001 - £13,000	1	12,720	-	-
£16,001 - £17,000	-	-	1	16,828
£18,001 - £19,000	-	-	1	18,662
£21,001 - £22,000	1	21,683	2	42,875
£22,001 - £23,000	-	-	1	22,810
£23,001 - £24,000	1	23,203	-	-
£24,001 - £25,000	-	-	14	344,354
£25,001 - £26,000	7	177,185	1	25,716
£26,001 - £27,000	13	338,619	1	26,214
£27,001 - £28,000	2	54,420	-	-
£29,001 - £30,000	-	-	1	29,714
£30,001 - £31,000	-	-	1	30,080
£31,001 - £32,000	1	31,148	-	-
£32,001 - £33,000	1	32,678	-	-
£37,001 - £38,000	-	-	1	37,328
£42,001 - £43,000	1	42,458	-	-
£45,001 - £46,000	-	-	1	45,572
£53,001 - £54,000	-	-	1	53,867
£57,001 - £58,000	-	-	2	114,946
£58,001 - £59,000	-	-	2	116,139
£60,001 - £61,000	2	119,521	2	120,083
£61,001 - £62,000	2	120,992	-	-
£62,001 - £63,000	1	61,516	-	-
£63,001 - £64,000	1	62,536	-	-
£71,001 - £72,000	1	70,696	-	-
£87,001 - £88,000	-	-	1	87,955
£92,001 - £93,000	1	91,519	-	-
£93,001 - £94,000	-	-	1	93,613
£97,001 - £98,000	1	96,708	-	-
£121,001 - £122,000	-	-	1	121,624
£123,001 - £124,000	-	-	1	122,038
£127,001 - £128,000	1	125,822	-	-
£129,001 - £130,000	1	127,000	-	-
Total	40	1,614,603	39	1,484,856

**Other transactions with trustees**

No trustee claimed expenses for any work performed in discharge of duties as a trustee.

Note 28 provides further information on related party transactions.

**22 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 each scheme are 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 contribution 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 Income and Expenditure Account 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 or OSPS, 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. The College has also made available the National Employment Savings Trust for employees who are eligible under automatic enrolment regulations to pension benefits but not eligible for either USS or OSPS.

**Schemes accounted for under FRS 102 paragraph 28.11 as defined contribution schemes****Actuarial valuations**

Qualified actuaries periodically value USS and OSPS defined benefits 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 were:

	USS	OSPS
Date of valuation:	31/03/2018	31/03/2019
Date valuation results published:	16/09/2019	19/06/2020
Value of liabilities:	£67.3bn	£848m
Value of assets:	£63.7bn	£735m
Funding surplus / (deficit):	(£3.6bn)	(£133m)
Principal assumptions:		
• Discount rate	CPI-0.73% to CPI+2.52%paa	Gilts+0.5% to 2.25%
• Rate of increase in salaries	n/a	RPI
• Rate of increase in pensions	CPI	Average RPI/CPI
Assumed life expectancies on retirement at age 65:		
• Males currently aged 65	24.4 yrs	21.7 yrs
• Females currently aged 65	25.9 yrs	24.4 yrs
• Males currently aged 45	26.3 yrs	23.0 yrs
• Females currently aged 45	27.7 yrs	25.8 yrs
Funding Ratios:		
• Technical provisions basis	95%	87%
• Statutory Pension Protection Fund basis	76%	74%
• 'Buy-out' basis	56%	60%
Employer's contribution rate (as % of pensionable salaries):	e 21.1% increasing to 23.7% on 01/10/21	0.19
Effective date of next valuation:	31/03/2020	31/03/2022

**Notes:**

a. The discount rate (forward rates) for the USS valuation was:

Years 1-10: CPI + 0.14% reducing linearly to CPI – 0.73%

Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21

Years 21 +: CPI + 1.55%

b. The discount rate for the OSPS valuation was:

Pre-retirement: Equal to the UK nominal gilt curve at the valuation date plus 2.25% p.a. at each term.

Post-retirement: Equal to the UK nominal gilt curve at the valuation date plus 0.5% p.a. at each term.

c. Pensions increases (CPI) for the USS valuation were:

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.

d. Increases to pensions in payment for the OSPS valuation were:

- RPI inflation is derived from the geometric difference between the UK nominal gilt curve and the UK index-linked curve at the valuation date, less 0.3% p.a. at each term. CPI inflation is derived from the RPI inflation assumption, less the Scheme Actuary's best estimate of the long-term difference between RPI and CPI inflation as applies from time to time (1.0% p.a. as at 31 March 2019).

- For pension increases linked to inflation, a pension increase curve is constructed based on either the RPI, CPI or the average of the RPI and CPI inflation curves described above, adjusted to allow for the different maximum and minimum annual increases that apply, and the Scheme Actuary's best estimate of inflation volatility as applies from time to time.

e. The USS and OSPS employer contribution rates include provisions for the cost of future accrual of defined benefits, deficit contributions, administrative expenses and defined contributions.

22 PENSION SCHEMES (continued)

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 by 0.1%	decrease by £1.2bn
Asset values	reduce by 10%	increase by 6.4bn
RPI – CPI spread	increase by 0.1%	decrease by £0.7bn
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £1.6bn

OSPS

Assumption	Change in assumption	Impact on OSPS technical provisions (from 80% funded at 31/03/2016)
Valuation rate of interest	decrease by 0.25%	increase by £45m
RPI	increase by 0.25%	increase by £40m

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:

	USS	OSPS
Finish Date for Deficit Recovery Plan:	31/03/2028	30/01/2028
Average staff number increase :	0.25%	0.80%
Average staff salary increase:	1.75%	1.80%
Average discount rate over period:	0.63%	0.74%
Effect of 0.5% change in discount rate:	£5,047	£24,036
Effect of 1% change in staff growth:	£8,301	£37,128

A provision of £1,279k has been made at 31 July 2020 (2019 - £2,589k) 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:

	2020	2019
Scheme	£000	£000
Universities Superannuation Scheme	500	419
University of Oxford Staff Pension Scheme	353	297
Other schemes – contributions	161	13
Supplementation payments	2	3
Movement in provision on defined benefit schemes	(1,310)	1,794
Total	(294)	2,526

Included in other creditors are pension contributions payable of £nil (2019: £nil).

**23 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. No liability to corporation tax arises in the College's subsidiary companies because the directors of these companies have indicated that they intend to make donations each year to the College equal to the taxable profits of each company under the Gift Aid scheme. Accordingly no provision for taxation has been included in the financial statements.

	<b>2020</b>	2019
	<b>£000</b>	£000
On the other hand, the College pays substantial tax as unrecoverable input VAT on purchases incurred in providing its exempt educational supplies:	<u><b>417</b></u>	<u>977</u>

**24 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH FLOW FROM OPERATIONS**

	<b>2020</b>	2019
	<b>£000</b>	£000
<b>Net (expenditure)/ income</b>	<b>(3,694)</b>	4,511
<b>Elimination of non-operating cash flows:</b>		
Investment income	<b>(2,381)</b>	(1,615)
Losses/(gains) in investments	<b>2,268</b>	(2,654)
Endowment donations	<b>(134)</b>	(2,221)
Financing costs	<b>1,414</b>	58
Depreciation	<b>2,475</b>	924
Decrease/(Increase) in stock	<b>4</b>	(15)
Decrease in debtors	<b>739</b>	1,686
Increase/(decrease) in creditors	<b>2,186</b>	(1,542)
(Decrease)/Increase in pension scheme liability	<b>(1,310)</b>	1,810
<b>Net cash provided by operating activities</b>	<u><b>1,567</b></u>	<u>942</u>

**25 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2020</b>	2019	<b>2020</b>	2019
	<b>Group</b>	Group	<b>College</b>	College
	<b>£000</b>	£000	<b>£000</b>	£000
Cash at bank and in hand	<b>182</b>	5	<b>51</b>	(201)
Notice deposits (less than 3 months)	<b>1</b>	1	<b>1</b>	1
Bank overdrafts	<b>(2,273)</b>	-	<b>(2,273)</b>	-
<b>Total cash and cash equivalents</b>	<u><b>(2,090)</b></u>	<u>6</u>	<u><b>(2,221)</b></u>	<u>(200)</u>

A £3M bank loan was arranged in September 2020 to fund the settlement of the BAM contract for the H B Allen Centre. See also note 16.

**26 FINANCIAL COMMITMENTS**

At 31 July the College had future minimum lease payments under non-cancellable operating leases as follows:

	<b>2020</b>	2019
	<b>£000</b>	£000
<b>Land and buildings</b>		
- not later than one year	<u><b>-</b></u>	<u>-</u>

**27 CAPITAL COMMITMENTS**

	<b>2020</b>	2019
	<b>£000</b>	£000
Contracted capital commitments for future capital projects as at the year-end:	<u>-</u>	<u>700</u>

**28 RELATED PARTY TRANSACTIONS**

The College is part of the collegiate University of Oxford. Material interdependencies between the University and of 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, receive remuneration and facilities as employees of the College. Details of these payments and reimbursed expenses as trustees are disclosed separately in these financial statements.

The College has properties owned jointly with trustees under joint equity ownership agreements between the trustee and the College. The net book value of the College's share in each property is as follows:

Trustee	<b>2020</b>	2019
	<b>£000</b>	£000
Dr L Bendall	270	288
Dr S Butt	269	287
Prof S Faulkner	248	257
Dr D McDermott	256	217
Prof S Fletcher	202	265
Ms J S Tudge	262	257
Prof D Downs	175	175
Prof B Grau	165	-
	<u>1,847</u>	<u>1,746</u>

All joint equity properties are subject to sale on the departure of the trustee from the College.

The £60k outstanding balance of a loan to Professor Lvovsky, a Trustee of the College, was fully repaid during the year.

**29 CONTINGENT LIABILITIES**

There were no specific contingent liabilities as at the year-end. The uncertainties with respect to the COVID-19 epidemic are addressed elsewhere.

**30 POST BALANCE SHEET EVENTS**

Post year end the College implemented a redundancy programme in response to the impact of the pandemic resulting in the removal of 25 non-academic posts (18% of the pre-Covid total). Additionally, in response to the impact of the pandemic on general funds and the settlement of building work costs, the College borrowed £3M on a 3-year fixed basis.

**31 COVID-19**

The College's activities during the year were marked by the impact of the COVID-19 pandemic, in particular the non-return of students for Trinity Term and the loss of income from conferences and bed & breakfast business during the summer. Some staff were placed on furlough. Government grants were receivable in respect of these; included in 'Other income', they totalled:

	<b>2020</b>	2019
	<b>£000</b>	£000
Other sundry income	473	-
	<u>20</u>	<u>33</u>
	<u>493</u>	<u>33</u>

The usual allocation of costs by activity (referred to in note 6) was disrupted due to the radical changes in work patterns during the year. Accordingly the allocation has been carried out on the same basis as last year pending a clearer picture of 'normal' activities next year.



**32 ADDITIONAL PRIOR YEAR COMPARATIVES**

Where information is tabulated in the notes for the current year, presentation of comparative information from the previous year is presented here.

**32a SOFA for prior year**

	Unrestricted Funds £000	Restricted Funds £000	Endowed Funds £000	2019 Total £000
<b>INCOME AND ENDOWMENTS FROM:</b>				
Charitable activities				
Teaching, research and residential	8,036	-	-	8,036
Other trading income	1,589	-	-	1,589
Donations and legacies	396	2,291	2,221	4,908
Investments				
Investment income	224	-	1,606	1,830
Total return allocated to income	592	745	(1,337)	-
Other income	33	-	-	33
<b>Total income</b>	<b>10,870</b>	<b>3,036</b>	<b>2,490</b>	<b>16,396</b>
<b>EXPENDITURE ON:</b>				
Charitable activities				
Teaching, research and residential	11,091	1,255	-	12,346
Generating funds				
Fundraising	689	8	-	697
Trading expenditure	1,497	-	-	1,497
Investment management costs	-	-	-	-
	2,186	8	-	2,194
<b>Total expenditure</b>	<b>13,277</b>	<b>1,263</b>	<b>-</b>	<b>14,540</b>
<b>Net income/(expenditure) before gains</b>	<b>(2,407)</b>	<b>1,773</b>	<b>2,490</b>	<b>1,856</b>
Net gains/(losses) on investments	10	-	2,645	2,655
Fixed asset impairment charge	-	-	-	-
<b>Net income/(expenditure)</b>	<b>(2,397)</b>	<b>1,773</b>	<b>5,135</b>	<b>4,511</b>
Transfers between funds	1,336	(1,376)	40	-
Other recognised gains/losses				
Gains/(losses) on revaluation of fixed assets	-	-	-	-
Actuarial loss on defined benefit pension schemes	-	-	-	-
<b>Net movement in funds for the year</b>	<b>(1,061)</b>	<b>397</b>	<b>5,175</b>	<b>4,511</b>

**Keble College**

**Notes to the financial statements**

**For the year ended 31 July 2020**

**32b PARENT AND SUBSIDIARY UNDERTAKINGS for prior year**

These are comparative figures with respect to note 13.

	Keble College (parent)	Keble Properties	Conference Keble
	2019	2019	2019
	£000	£000	£000
Turnover	14,967	15,389	1,585
Expenditure	(13,672)	(15,094)	(1,029)
Donation to College under gift aid	854	(297)	(556)
Interest receivable	6	2	1
Result for the year	<u>2,155</u>	<u>-</u>	<u>1</u>
Total assets	176,790	411	678
Total liabilities	(44,951)	(411)	(605)
Net funds at the end of year	<u>131,839</u>	<u>-</u>	<u>73</u>

**32c STATEMENT OF INVESTMENT TOTAL RETURN for prior year**

These are comparative figures with respect to note 14.

	Trust for Investment	Permanent Endowment Unapplied Total Return	Total	Expendable Endowment	2019 Total Endowments
	£000	£000	£000	£000	£000
At the beginning of the year:					
Gift component of the permanent endowment	21,129	-	21,129	-	21,129
Unapplied total return	-	16,210	16,210	-	16,210
Expendable endowment	-	-	-	9,672	9,672
Total Endowments	<u>21,129</u>	<u>16,210</u>	<u>37,339</u>	<u>9,672</u>	<u>47,011</u>
Movements in the reporting period:					
Gift of endowment funds	2,115	-	2,115	106	2,221
Recoupment of trust for investment	-	-	-	-	-
Allocation from trust for investment	-	-	-	-	-
Investment return: dividends and interest	-	1,289	1,289	317	1,606
Investment return: realised and unrealised gains and losses	-	2,122	2,122	522	2,644
Less: Investment management costs	-	-	-	-	-
Other transfers	-	-	-	40	40
Total	<u>2,115</u>	<u>3,411</u>	<u>5,526</u>	<u>985</u>	<u>6,511</u>
Unapplied total return allocated to income	-	(1,061)	(1,061)	-	(1,061)
Expendable endowments transferred to income	-	-	-	(277)	(277)
	<u>-</u>	<u>(1,061)</u>	<u>(1,061)</u>	<u>(277)</u>	<u>(1,338)</u>
Net movements in reporting period	<u>2,115</u>	<u>2,350</u>	<u>4,465</u>	<u>708</u>	<u>5,173</u>
At end of the reporting period:					
Gift component of the permanent endowment	23,244	-	23,244	-	23,244
Unapplied total return	-	18,560	18,560	-	18,560
Expendable endowment	-	-	-	10,380	10,380
Total Endowments	<u>23,244</u>	<u>18,560</u>	<u>41,804</u>	<u>10,380</u>	<u>52,184</u>

**32d FUNDS OF THE COLLEGE MOVEMENTS - prior year comparatives**

These are comparative figures with respect to note 18.

	At 1 August 2018 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains/ (losses) £000	At 31 July 2019 £000
<b>Endowment Funds - Permanent</b>						
General purposes	15,930	544	-	(476)	896	16,894
External purposes	1,828	62	-	(63)	104	1,931
Bursaries	1,450	100	-	(35)	81	1,596
Scholarships	5,908	202	-	(110)	332	6,332
Fellowships	12,486	2,488	-	(373)	703	15,304
Music	128	6	-	(4)	8	138
<b>Endowment Funds - Expendable</b>						
General purposes	3,893	133	-	(76)	219	4,169
Bursaries	1,171	88	-	(35)	67	1,291
Scholarships	664	26	-	(17)	36	709
Fellowships	3,062	105	-	(91)	172	3,248
Other specified purposes	490	72	-	(17)	27	572
<b>Total Endowment Funds</b>	<b>47,010</b>	<b>3,826</b>	<b>-</b>	<b>(1,297)</b>	<b>2,645</b>	<b>52,184</b>
<b>Restricted Funds</b>						
Fixed asset projects funding	-	1,420	-	(1,379)	-	41
Development office funding	-	5	(8)	3	-	-
Other restricted income funding	443	866	(509)	-	-	800
Applied total return from restricted purpose endowment funds	-	-	(746)	746	-	-
<b>Total Restricted Funds</b>	<b>443</b>	<b>2,291</b>	<b>(1,263)</b>	<b>(630)</b>	<b>-</b>	<b>841</b>
<b>Unrestricted Funds</b>						
General	(2,294)	10,004	(11,467)	133	10	(3,614)
Fixed asset designated fund	55,840	275	-	1,794	-	57,909
Revaluation reserve	27,108	-	-	-	-	27,108
Pension reserve	(779)	-	(1,810)	-	-	(2,589)
<b>Total Unrestricted Funds - College</b>	<b>79,875</b>	<b>10,279</b>	<b>(13,277)</b>	<b>1,927</b>	<b>10</b>	<b>78,814</b>
Unrestricted funds held by subsidiaries	73	-	-	-	-	73
<b>Total Unrestricted Funds - Group</b>	<b>79,948</b>	<b>10,279</b>	<b>(13,277)</b>	<b>1,927</b>	<b>10</b>	<b>78,887</b>
<b>Total Funds</b>	<b>127,401</b>	<b>16,396</b>	<b>(14,540)</b>	<b>-</b>	<b>2,655</b>	<b>131,912</b>