



BRASENOSE COLLEGE

STATEMENT OF ACCOUNTS

For the year ended 31 July 2006

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

Report of the Governing Body

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

Status

Brasenose College is an eleemosynary chartered charitable corporation aggregate. It was founded by William Smyth, Bishop of Lincoln, and Sir Richard Sutton, Knight, under a Charter of King Henry the Eighth, dated the 15th of January in the third year of his reign. The corporation comprises the Principal and Fellows. The College is an exempt charity under s3(5a) Charities Act 1993 (as listed in Schedule 2(b) to that Act).

Objects

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

Governance

The Governing Body of the College comprises the Principal and Fellows. This body is constituted and regulated in accordance with the College Statutes, which are as made from time to time by order of Her Majesty in Council in accordance with the Royal Charter of 1512, and the Universities of Oxford and Cambridge Act 1923.

The Governing Body holds to itself the responsibilities for the ongoing strategic direction of the College, for its administration and for the management of its finances and assets. It meets regularly under the chairmanship of the Principal and is advised by a range of committees which include the Finance Committee.

Scope of financial statements

The financial statements consolidate the accounts of Brasenose College and its subsidiary, Brasenose Utilities Limited. Brasenose Utilities Limited is the wholly-owned vehicle for trading activities of Brasenose College.

Review of operations and finance

The College recorded a surplus of £709,422 (2005 £361,626) on the consolidated income and expenditure account. This surplus includes non-endowment donations of £320,614 for both restricted and unrestricted use.

The College receives three main sources of income: Academic Fees and Tuition Income amounted to £1,883,059 (2005 £1,747,924); Other Operating Income, which includes student accommodation, food and conference income amounted to £2,378,332 (2005 £1,988,963) and Endowment Income and Other Interest Receivable amounted to £2,870,831 (2005 £2,347,960).

The significant increase in student accommodation represents the third year in a phased increase as recommended by the Governing Body and agreed with the student body.

Staff Costs amounted to £3,088,453 (2005 £2,818,146), an increase due to the first full year of operation of the Development Office, payrises and the increased premiums for one of the staff pension schemes.

Other Operating Expenditure amounted to £2,736,921 (2005 £2,331,070) with increased costs explained by the first full year of operation of the Development Office, energy costs and general maintenance. Certain of endowment investment management charges, previously netted off against income are now included within Operating Expenses.

Expenditure was incurred throughout the year as part of the ongoing programme of maintenance and refurbishment.

The College has recognised the need to maintain the college buildings, and an annual expenditure of 1% of the insured value of the buildings has been deemed appropriate. This expenditure may take the form of capital or revenue expenditure.

Shortly after the end of the period reported in these accounts, the College made a purchase of freehold land at Hollybush Row at a cost of £1,283,000, with the intention of developing this land as student accommodation.

Investment performance

During the year the College restructured its Endowment investments, and has consolidated these funds under two Investment Managers. The College also has an in-house investment portfolio consisting of a number of funds. The performance of these funds show an improvement during the year, and the new arrangements will result in a significant saving in management fees.

Reserves

The balance on Reserves at the year end amounted to £16,702,238 (note 19). After allowing for the amounts invested in fixed assets and designated reserves for special purposes, the College general reserve was £3,641,909 before any transfers to other designated reserves.

The Governing Body has reviewed the reserves of the College and has concluded that they are sufficient for the current need of the College.

Risk Management

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

Approved by the Governing Body on

Prof. R. Cashmore - Principal

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

	Notes	2006 £	2005 £
INCOME			
Academic fees and tuition income	1	1,883,059	1,747,924
Research grants and contracts	2	0	36,187
Other operating income	3	2,378,332	1,988,963
Endowment return and interest receivable	4	2,870,831	2,347,960
Total income		7,132,221	6,121,034
EXPENDITURE			
Staff costs	5	3,088,453	2,818,146
Depreciation		416,053	409,630
Other operating expenses		2,736,921	2,331,070
Interest payable		29,088	29,488
Contribution under Statute XV		152,284	171,074
Total expenditure	7	6,422,799	5,759,408
Surplus for the year on continuing operations before taxation and disposal of fixed assets		709,422	361,626
Surplus (deficit) on disposal of fixed assets		0	0
Taxation	8	0	0
Surplus for the year after taxation	9	709,422	361,626

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

	Notes	2006 £	2005 £
Reserves			
Surplus for the year	19	709,422	361,626
Endowments			
Income receivable from endowment asset investment	18	2,731,660	2,259,585
Endowment return transferred to income & expenditure account	18	(2,558,757)	(2,252,453)
Appreciation (depreciation) of endowment asset investments	18	6,801,495	11,009,772
New endowments received	18	71,818	315,000
Other			
Net additions to deferred capital	17	(7,000)	343,000
Total recognised gains relating to the year		7,748,639	12,036,530
Opening fund balances		89,982,570	77,946,040
Closing fund balances		97,731,209	89,982,570

BRASENOSE COLLEGE
Balance Sheets
As at 31 July 2006

	Notes	CONSOLIDATED		COLLEGE	
		2006	2005	2006	2005
		£	£	£	£
Fixed assets					
Tangible assets	10	12,678,768	12,786,201	12,678,768	12,786,201
Investments	11	0	0	2	2
		<u>12,678,768</u>	<u>12,786,201</u>	<u>12,678,770</u>	<u>12,786,203</u>
Endowment asset investments					
Securities and cash deposits		64,484,988	58,905,904	64,484,988	58,905,904
Land and property		16,208,022	14,740,849	16,208,022	14,740,849
	12	<u>80,693,010</u>	<u>73,646,753</u>	<u>80,693,010</u>	<u>73,646,753</u>
Current assets:					
Stocks		58,164	10,716	58,164	10,716
Debtors	13	1,399,232	1,309,072	1,399,232	1,309,072
Short term investments		0	0	0	0
Cash at bank and in hand		3,950,009	3,829,276	3,949,990	3,829,230
		<u>5,407,406</u>	<u>5,149,064</u>	<u>5,407,387</u>	<u>5,149,018</u>
Creditors:					
Amounts falling due within one year	14	(851,504)	(1,403,018)	(847,959)	(1,399,446)
Net current assets (liabilities)		<u>4,555,901</u>	<u>3,746,046</u>	<u>4,559,427</u>	<u>3,749,572</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		97,927,678	90,179,000	97,931,207	90,182,528
Creditors:					
Amounts falling due after more than one year	15	0	0	0	0
Provision for liabilities and charges	16	(196,430)	(196,430)	(196,430)	(196,430)
TOTAL NET ASSETS		<u>97,731,248</u>	<u>89,982,570</u>	<u>97,734,777</u>	<u>89,986,098</u>
Deferred capital	17	336,000	343,000	336,000	343,000
Endowments					
Specific		9,887,631	9,094,143	9,895,631	9,094,143
General		70,805,378	64,552,610	70,797,378	64,552,610
	18	<u>80,693,010</u>	<u>73,646,753</u>	<u>80,693,010</u>	<u>73,646,753</u>
Reserves					
Designated reserves		431,105	381,562	431,105	381,562
General reserves		16,271,134	15,611,255	16,274,663	15,614,783
	19	<u>16,702,239</u>	<u>15,992,817</u>	<u>16,705,768</u>	<u>15,996,345</u>
TOTAL FUNDS		<u>97,731,248</u>	<u>89,982,570</u>	<u>97,734,777</u>	<u>89,986,098</u>

The financial statements were approved by the Governing Body of Brasenose College on

R Cashmore
Principal

J Knowland
Bursar

BRASENOSE COLLEGE
Consolidated Cashflow Statement
Year ended 31 July 2006

	Note	2006 £	2005 £
Net cash inflow (outflow) from operating activities	25	<u>(1,789,240)</u>	<u>(1,986,737)</u>
Returns on investments and servicing of finance			
Income from endowments received		2,608,309	2,520,276
Other income from investments and interest received		<u>312,114</u>	<u>95,508</u>
		2,920,423	2,615,784
Interest paid		(29,088)	(29,488)
Net cash inflow from returns on investments and servicing of finance		<u>2,891,335</u>	<u>2,586,296</u>
Capital expenditure and financial investment			
Net realisation/(acquisition) of tangible fixed assets		(308,420)	(499,700)
Net realisation/(acquisition) of fixed asset investments		0	0
Net realisation/(acquisition) of endowment asset investments		2,677,833	(2,173,557)
Endowments received		71,818	315,000
Deferred capital received		0	350,000
Other net capital movements		0	0
Net cash inflow (outflow) from capital expenditure and financial investment		<u>2,441,231</u>	<u>(2,008,257)</u>
Net cash (outflow) inflow before use of liquid resources and financing		3,543,326	(1,408,698)
Management of liquid resources	26	0	0
Financing	27	0	0
Increase/(decrease) in cash	28	<u>3,543,326</u>	<u>(1,408,698)</u>
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash for the year		3,543,325	(1,408,698)
Increase/(decrease) in liquid resources and current asset investments		0	0
Increase/(decrease) in debt		0	0
Change in net funds		<u>3,543,325</u>	<u>(1,408,698)</u>
Net funds at 1 August		5,957,283	7,365,981
Net funds at 31 July		<u>9,500,608</u>	<u>5,957,283</u>

BRASENOSE COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

	2006	2005
	£	£
1 ACADEMIC FEES AND TUITION INCOME		
Tuition fees from UK and European Union students	1,605,026	1,521,758
Tuition fees from overseas students	223,394	177,647
Other fees	36,523	33,230
Other tuition income	18,116	15,289
	<u>1,883,059</u>	<u>1,747,924</u>

The above analysis includes fee income in respect of UK and European Union publicly funded students amounting to £ 1,420,563. (2005 1,375,585).

	2006	2005
	£	£
2 RESEARCH GRANTS AND CONTRACTS		
Research councils	0	36,187
UK based charities	0	0
European commission	0	0
Other grants and contracts	0	0
	<u>0</u>	<u>36,187</u>

	2006	2005
	£	£
3 OTHER OPERATING INCOME		
Residential income from college members	1,411,589	1,288,021
Conference and function income	574,969	587,355
Grants and donations	357,102	78,903
Release of deferred capital contributions	7,000	7,000
Other income	27,672	27,684
	<u>2,378,332</u>	<u>1,988,963</u>

	2006	2005
	£	£
4 ENDOWMENT RETURN AND INTEREST RECEIVABLE		
Transferred from specific endowments (note 18)	99,503	183,873
Transferred from general endowments (note 18)	2,459,214	2,068,580
Other investment income	3,453	2,583
Other interest receivable	308,661	92,925
	<u>2,870,831</u>	<u>2,347,960</u>

	2006	2005
	£	£
5 STAFF COSTS		
Gross pay	2,624,429	2,415,004
Social Security costs	178,749	172,414
Other pension costs	285,275	230,728
Other benefits	0	0
	<u>3,088,453</u>	<u>2,818,146</u>

6 PENSION SCHEMES

The college participates in the Universities Superannuation Scheme (USS) and in the Oxford Staff Pension Scheme (OSPS). Both are defined benefit schemes which are externally funded and contracted out of the State Second Pension (S2P). The assets of the schemes are held in a separate trustee-administered fund. The college is unable to identify its share of the underlying assets and liabilities of these schemes on a consistent and reasonable basis and therefore, as required by FRS17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income & expenditure account represents the contributions payable to the scheme in respect of the accounting period.

The schemes are periodically valued by qualified actuaries using the projected unit method; in addition, both USS and OSPS valuation embrace a market value approach. The levels of contribution take account of any actuarial surpluses or deficiencies in each scheme.

The assumptions and other data that have the most significant effect on the latest actuarial valuation and the determination of the contribution levels are as follows:

BRASENOSE COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

	USS	OSPS
Date of latest actuarial valuation	2005	2004
Investment returns per annum	4.50	6.95
Salary increases per annum	3.90	4.40
Pension increases per annum	2.90	3.00
Market value of assets at latest actuarial valuation	£21.74m	£157m
Proportion of accrued benefits covered by the actuarial value of these assets	77%	76%

The total of all employer's pension costs was £285,275 (2005 £230,728)

Universities Superannuation Scheme (USS):

The latest actuarial valuation of the scheme was at 31 March 2005. The assumptions which have the most effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest) and the rates of increase in salary and pensions. In relation to the past service liabilities the financial assumptions were derived from market yields prevailing at the valuation date. It was assumed that the valuation rate of interest would be 4.5% pa, salary increases would be at 3.9% pa (plus an additional allowance for increases in salaries due to age and promotion in line with recent experience) and pensions would increase by 2.9% pa. In relation to the future service liabilities it was assumed that the valuation rate of interest would be 6.2% pa, including an additional investment return assumption of 1.7% pa, salary increases would be 3.9% pa (also plus an allowance for increases in salaries due to age and promotion) and pensions would increase by 2.9% pa. The valuation was carried out using the projected unit method.

At the valuation date, the value of the assets of the scheme was £21,740 million and the value of the past service liabilities was £28,308 million indicating a deficit of £6,568 million. The assets therefore were sufficient to cover 77% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The actuary also valued the scheme on a number of other bases as at the valuation date. Using the Minimum Funding Requirement prescribed assumptions introduced by the Pensions Act 1995, the scheme was 126% funded at that date; under the Pension Protection Fund regulations introduced by the Pensions Act 2004 it was 110% funded; on a buy-out basis (ie assuming the Scheme had discontinued on the valuation date) the assets would have been approximately 74% of the amount necessary to secure all the USS benefits with an insurance company; and using the FRS17 formula as if USS was a single employer scheme, the actuary estimated that the funding level would have been approximately 90%.

The institution contribution rate required for future service benefits alone at the date of the valuation was 14.3% of pensionable salaries but the trustee company, on the advice of the actuary, decided to maintain the institution contribution rate at 14% of pensionable salaries.

Surpluses or deficits which arise at future valuations may impact on the institution's future contribution commitment. An additional factor which could impact the funding level of the scheme is that with effect from 16 March 2006, USS positioned itself as a 'last man standing' scheme so that in the event of the insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

The next formal triennial actuarial valuation is due as at 31 March 2008. The contribution rate will be reviewed as part of each valuation.

The contributions payable by the college during the accounting period were equal to 14% of total pensionable salaries. The pensions charge recorded by the College during the accounting period was equal to the contributions payable £128,250. (2005 £121,721).

Oxford Staff Pension Scheme (OSPS):

The college paid contributions of 17.5% during the accounting period, as set out in the statutory schedule of contributions agreed between the University on behalf of all the employers participating in the scheme, and endorsed by the scheme's actuary. The College was not required to make an additional provision under SSAP 24 (2005: £20,156) - see note 16. This provision reflected the latest scheme valuations at 31st July 2001, which identified a required long-term employer contribution rate of 16.4%. The scheme has introduced a stepped annual increase to reach this contribution rate. Employer contributions have been increased to 17.5% for the year ended 31 July 2006. The actuarial valuation as at 31 July 2004 identifies a required long term employer contribution rate of 15.8% of pensionable salaries, but also identified a funding deficit of £51.3m in the scheme. The University, on behalf of all the employers participating in the scheme, has agreed with the Trustees to address the deficit by maintaining the

BRASENOSE COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

employers' contribution rate at 17.5% until 31 July 2008, then increasing it to 21.5%, subject to any revision of the next actuarial valuation due as at 31 July 2007. A revised statutory Schedule of Contributions reflecting the new rates have been agreed, endorsed by the scheme's actuary and published. The pensions charge recorded by the College during the accounting period was equal to the contributions payable £154,084 (2005 £104,583) and the SSAP24 provision of £nil (2005 £20,156).

USS and QSPS are multi-employer schemes where the share of assets and liabilities applicable to each employer is not identified. The college will therefore account for its pension costs for each scheme on a defined contribution basis as permitted by FRS 17.

7 ANALYSIS OF EXPENDITURE

	Staff costs	Depreciation	Other operating expenses	2006 Total	2005 Total
	£	£	£	£	£
Academic	1,225,169	0	491,516	1,716,684	1,748,720
Residences, catering and conferences	1,154,970	0	670,799	1,825,768	1,593,228
Premises	153,261	416,053	910,786	1,480,100	1,213,670
College administration	347,122	0	210,252	557,373	515,185
Endowment management	0	0	232,698	232,698	251,344
Fundraising	169,091	0	191,959	361,050	104,347
Other	38,842	0	28,912	67,754	132,351
	<u>3,088,453</u>	<u>416,053</u>	<u>2,736,921</u>	<u>6,241,427</u>	<u>5,558,845</u>
Interest payable				29,088	29,488
Contribution under Statute XV				152,284	171,074
Total expenditure				<u>6,422,799</u>	<u>5,759,407</u>
				2006	2005
				£	£
Interest payable relates to -					
Bank loans, overdrafts and other loans:					
Repayable within 5 years				0	0
Repayable wholly or partly in more than 5 years				29,088	29,488
Finance leases				0	0
				<u>29,088</u>	<u>29,488</u>
Other operating expenses include auditors' remuneration:					
in respect of the audit of these financial statements				11,400	12,850
in respect of other services				850	850
				<u>11,400</u>	<u>12,850</u>
				<u>850</u>	<u>850</u>

The above analysis includes expenditure in respect of UK and European Union publicly funded students amounting to £1,420,563. (2005 £1,375,585).

BRASENOSE COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

	2006 £	2005 £
8 TAXATION		
United Kingdom corporation tax	<u>0</u>	<u>0</u>

9 SURPLUS FOR THE YEAR

The surplus for the year is made up as follows:

College's gross surplus for the year
 Surplus/(loss) generated by the subsidiary undertaking

	2006 £	2005 £
College's gross surplus for the year	709,422	363,857
Surplus/(loss) generated by the subsidiary undertaking	0	(2,231)
	<u>709,422</u>	<u>361,626</u>

10 TANGIBLE FIXED ASSETS

CONSOLIDATED AND COLLEGE

Land & buildings

	Freehold £	Equipment £	Total £
Cost			
At start of year	15,917,764	580,212	16,497,976
Additions	234,040	74,380	308,420
Disposals	0	0	0
	<u>16,151,803</u>	<u>654,592</u>	<u>16,806,396</u>
At end of year			
Depreciation			
At start of year	3,272,614	439,161	3,711,775
Charge for period	317,917	97,936	415,853
On disposals	0	0	0
	<u>3,590,531</u>	<u>537,097</u>	<u>4,127,628</u>
At end of year			
Net book value			
At end of year	<u>12,561,272</u>	<u>117,495</u>	<u>12,678,768</u>
At start of year	<u>12,645,150</u>	<u>141,051</u>	<u>12,786,201</u>

11 FIXED ASSET INVESTMENTS
COLLEGE

At cost
 Investment in subsidiary company

	2006 £	2005 £
Investment in subsidiary company	<u>2</u>	<u>2</u>

The College owns 100% of the issued share capital of Brasenose Utilities Limited, a company incorporated in England and Wales. The principal business activity of Brasenose Utilities Limited is the provision of fuel and power services for Brasenose College.

BRASENOSE COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

12 ENDOWMENT ASSET INVESTMENTS

	CONSOLIDATED			COLLEGE		
	Securities & cash	Land & property	Total	Securities & cash	Land & property	Total
	£	£	£	£	£	£
At market value						
At start of year	58,905,905	14,740,849	73,646,754	58,905,905	14,740,849	73,646,754
Purchases at cost	44,170,579	235,551	44,406,130	44,170,579	235,551	44,406,130
Sales proceeds	(46,662,065)	(356,905)	(47,018,970)	(46,662,065)	(356,905)	(47,018,970)
Decrease in cash held by fund manager	2,857,599	0	2,857,599	2,857,599	0	2,857,599
Revaluation gains	5,212,969	1,588,526	6,801,495	5,212,969	1,588,526	6,801,495
Rounding						
At end of year	<u>64,484,988</u>	<u>16,208,022</u>	<u>80,693,010</u>	<u>64,484,988</u>	<u>16,208,022</u>	<u>80,693,010</u>
Analysed as						
Fixed interest stocks (listed)	0			0		
Equities (listed)	58,181,506			58,181,506		
Unlisted securities	752,879			752,879		
Cash	5,550,600			5,550,600		
	<u>64,484,985</u>			<u>64,484,985</u>		

Estates land and property valuations as at 31 July have been made by the College land agent the basis of valuation being open market value on existing use.

An independent valuation by a firm of Chartered Surveyors is obtained every three years (next due 2007).

13 DEBTORS

	CONSOLIDATED		COLLEGE	
	2006	2005	2006	2005
	£	£	£	£
Amounts falling due within one year				
Trade debtors	201,365	133,432	201,365	133,432
Amounts owed by College members	485,997	246,339	485,997	246,339
Amounts owed by group undertakings	0	0	0	0
Loans	0	0	0	0
Prepayments and accrued income	711,870	929,301	711,870	929,301
	<u>1,399,232</u>	<u>1,309,072</u>	<u>1,399,232</u>	<u>1,309,072</u>

Amounts owed by College Members include housing loans to Fellows totaling £347,121 (2005 £110,825) of which £343,482 is repayable after more than one year. (2005 £106,039).

14 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	CONSOLIDATED		COLLEGE	
	2006	2005	2006	2005
	£	£	£	£
Bank loans and overdrafts	0	500,000	0	500,000
Obligations under finance leases	0	0	0	0
Unsecured loans	0	0	0	0
Trade creditors	206,367	4,621	206,367	4,621
College Contribution	197,930	171,074	197,930	171,074
Corporation tax	0	0	0	0
Other taxation and social security	0	0	0	0
Amounts owed to group undertakings	0	0	0	0
Accruals and deferred income	447,207	727,323	443,662	723,751
	<u>851,504</u>	<u>1,403,018</u>	<u>847,959</u>	<u>1,399,446</u>

BRASENOSE COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

15 CREDITORS: AMOUNT FALLING DUE AFTER MORE THAN ONE YEAR

	CONSOLIDATED		COLLEGE	
	2006 £	2005 £	2006 £	2005 £
Bank loans	0	0	0	0
Obligations under finance leases	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**16 PROVISIONS FOR LIABILITIES AND CHARGES
CONSOLIDATED AND COLLEGE**

	2006 £	2005 £
At start of year	196,430	176,274
Expenditure in the period	0	0
Transfer from income and expenditure account	0	20,156
Transfer to reserves	0	0
At end of year	<u>196,430</u>	<u>196,430</u>

The Provision has been made in respect of the O.S.P.S. Pension Scheme. See Note 6.

17 DEFERRED CAPITAL

	CONSOLIDATED £	COLLEGE £
At start of year	343,000	343,000
New capital	0	0
Released to income and expenditure account	(7,000)	(7,000)
At end of year	<u>336,000</u>	<u>336,000</u>

18 ENDOWMENTS

	CONSOLIDATED			COLLEGE		Total £
	Specific £	General £	Total £	Specific £	General £	
At start of year	9,086,143	64,560,611	73,646,753	9,086,105	64,560,611	73,646,715
Endowments received	71,818	0	71,818	71,818	0	71,818
Appreciation (depreciation) of endowment investments	549,247	6,252,248	6,801,495	549,247	6,252,248	6,801,495
Income receivable from endowment asset investments	279,926	2,451,734	2,731,660	287,964	2,443,734	2,731,698
Transferred to income and expenditure account (note 4)	(99,503)	(2,459,214)	(2,558,717)	(99,503)	(2,459,214)	(2,558,717)
Capital grant from the University	0	0	0	0	0	0
Transfer (to) from reserves	0	0	0	0	0	0
At end of year	<u>9,887,631</u>	<u>70,805,378</u>	<u>80,693,010</u>	<u>9,895,631</u>	<u>70,797,378</u>	<u>80,693,010</u>

BRASENOSE COLLEGE
Notes to the Financial Statements
Year ended 31 July 2006

18 ENDOWMENTS (continued)

Endowments comprise those funds which are regarded as for the long term and which fundamentally underpin and sustain the operation of the College at its desired level of activity.
Specific Endowments are those bequests and gifts where the use of the capital and income, or only the income, is for a specific purpose or activity so designated by the donor and which can only be used for that purpose or activity.
General Endowments represent the corporate capital of the College and include bequests and gifts where the use of the capital and income, or only the income, is for the general purposes of the College. Part of these funds may have been designated for a particular purpose by the Governing Body.
Specific endowments (consolidated and College) include funds valued at £2,336 which provide income for purposes that lie outside the objects of the College. Income arising amounted to £733.

19 RESERVES

DESIGNATED RESERVES	CONSOLIDATED		COLLEGE	
	£		£	
At start of year	381,561		381,561	
Transfers (to) from general reserve	49,544		49,544	
At end of year	431,105		431,105	

Designated reserves are those reserves set aside by the College to be used for a special purpose, and which do not form part of College endowments.

GENERAL RESERVES	CONSOLIDATED		COLLEGE	
	£		£	
At start of year	15,611,255		15,614,783	
Prior year adjustment	0		0	
Surplus from income and expenditure account	709,422		709,422	
Transfer from endowment	0		0	
Capital repaid to endowment	0		0	
Transfers (to) from designated reserves	(49,543)		(49,543)	
At end of year	16,271,134		16,274,663	

Representing:	CONSOLIDATED		COLLEGE	
	2006	2005	2006	2005
	£	£	£	£
Undepreciated cost of tangible fixed assets financed out of general reserve	12,443,201	12,443,201	12,443,201	12,443,201
College general reserve	3,168,054	3,168,054	3,171,582	3,171,582
	15,611,255	15,611,255	15,614,783	15,614,783

20 CAPITAL COMMITMENTS
CONSOLIDATED AND COLLEGE

	2006		2005	
	£		£	
Commitments contracted at 31 July	1,283,000		0	
Commitments under finance leases entered into but not yet provided for in the financial statements	0		0	
	1,283,000		0	

At 31st July 06, the College was committed to the purchase of some freehold land at a value of £1,283,000, with the intention of constructing student accommodation. The purchase was completed in early August.

BRASENOSE COLLEGE
Notes to the Financial Statements
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21 FINANCIAL COMMITMENTS

At 31 July the College had annual commitments under non-cancellable operating leases as follows:

	2006 £	2005 £
Land and buildings		
Expiring within one year	0	0
Expiring between two and five years inclusive	0	0
Expiring in over five years	<u>0</u>	<u>0</u>
Other		
Expiring within one year	0	0
Expiring between two and five years inclusive	6,850	0
Expiring in over five years	<u>0</u>	<u>0</u>
	<u>6,850</u>	<u>0</u>

22 POST BALANCE SHEET EVENTS

There are no post balance events to report on.

23 CONTINGENT LIABILITIES

There are no contingent liabilities as at 31st July 2006 nor at 31st July 2005.

24 RELATED PARTY TRANSACTIONS

There are no related party transactions, other than those detailed in note 13 to the financial statements.

**25 RECONCILIATION OF CONSOLIDATED OPERATING SURPLUS TO NET CASH
INFLOW FROM OPERATING ACTIVITIES**

	2006 £	2005 £
Surplus for the year	709,422	361,625
Depreciation	415,853	409,630
Release of deferred capital	(7,000)	(7,000)
Endowment income and interest receivable	(2,870,830)	(2,347,960)
Interest payable	29,088	29,488
Decrease (increase) in stocks	(47,448)	2,222
Decrease (increase) in debtors	33,189	(713,611)
(Decrease) increase in creditors	(51,514)	258,712
(Decrease) increase in provisions	0	20,156
	<u>(1,789,240)</u>	<u>(1,986,737)</u>