



WINCHESTER  
COLLEGE

REPORT AND FINANCIAL STATEMENTS  
31 AUGUST 2018

**WINCHESTER COLLEGE**  
**REPORT AND FINANCIAL STATEMENTS**

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**WINCHESTER COLLEGE**  
**FELLOWS, OFFICERS AND ADVISERS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**The Visitor**

The Lord Bishop of Winchester

**GOVERNING BODY (The Warden and Fellows)**

The Fellows of Winchester College who held office during the year and subsequently were:

Warden (Chairman)	Charles Sinclair CBE, BA, FCA
Sub-Warden (Vice-Chairman)	Robert Sutton BA ( <i>retired 4 October 2018</i> ) Andrew Sykes MA ( <i>appointed a Fellow 2 December 2017 and Sub-Warden 4 October 2018</i> )

Fellows	Dr John Nightingale MA, DPhil ( <i>retired 2 December 2017</i> ) Jean Ritchie QC, LL.M ( <i>retiring 1 December 2018</i> ) Professor Christopher Sachrajda FRS, PhD, FInstP, CPhys Dr Peggy Frith MA, MD, FRCP, FRCOphth Major General Jonathan Shaw CB, CBE, MA Clarissa Farr MA Andrew Joy MA Nicholas Ferguson CBE, FSA Scot, BSc, MBA William Holland BA, FCA Dr William Poole MA, DPhil, FSA Miles Young MA The Hon Sir Stephen Cobb LLB Dr Magnus Ryan MA, DPhil ( <i>appointed 17 March 2018</i> )
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**GOVERNING BODY COMMITTEE STRUCTURE**

During the year, the activities of the Governing Body were carried out through seven primary committees. The current membership of these committees is as follows:

**Academic and Pastoral Committee**

Miles Young ( <i>Chairman</i> )	Headmaster
Professor Christopher Sachrajda	Bursar
Dr Peggy Frith	Second Master
Clarissa Farr	Deputy Head (Academic)
Dr William Poole	
Dr Magnus Ryan	

**Finance Committee**

William Holland ( <i>Chairman</i> )	Headmaster
Charles Sinclair	Bursar
Andrew Sykes	Chief Accountant
Andrew Joy	HR Director

**Works Committee**

Jean Ritchie ( <i>Chairman</i> )	Headmaster
William Holland	Bursar
Dr Peggy Frith	Second Master
Major-General Jonathan Shaw	Works Bursar
Dr Magnus Ryan	
Oliver Caroe ( <i>Adviser</i> )	
Simon Crago ( <i>Adviser</i> )	

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**Development Committee**

Nicholas Ferguson ( <i>Chairman</i> )	Headmaster
Miles Young	Bursar
Alasdair Maclay ( <i>Adviser</i> )	Director of Development
Andrew Watt ( <i>Adviser</i> )	Deputy Director of Development
	Director of the Winchester College Society
	Don Associate & Director of Friends
	Development Associate, Legacies
	Domestic Bursar

**Nominations Committee**

Charles Sinclair ( <i>Chairman</i> )	Headmaster
Jean Ritchie	Bursar
Andrew Sykes	
Clarissa Farr	

**Audit & Risk Committee**

Major-General Jonathan Shaw ( <i>Chairman</i> )	Headmaster
Sir Stephen Cobb	Bursar
Hugh Green ( <i>Adviser</i> )	Chief Accountant

**Investment Committee**

Andrew Joy ( <i>Chairman</i> )	Bursar
Nicholas Ferguson	Chief Accountant
Andrew Sykes	Estates Bursar
Rupert Sebag-Montefiore ( <i>Adviser</i> )	
Roger Gray ( <i>Adviser</i> )	
Charles Park ( <i>Adviser</i> )	

**OFFICERS**

Timothy Roderick Hands BA, AKC, DPhil, FKC	<i>Headmaster</i>
Steven Little MA, FCA	<i>Bursar and Secretary to the Governing Body</i>

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**SENIOR MANAGEMENT COMMITTEE**

Timothy Hands	<i>Headmaster</i>
Steven Little	<i>Bursar</i>
Nick Wilks	<i>Second Master</i>
Derek Valentine	<i>Chief Accountant</i>
Liam Taylor	<i>Senior Housemaster</i>
John Cullerne	<i>Under Master</i>
Andrew Shedden	<i>Registrar</i>
Simeon Cox	<i>Works Bursar</i>
Patrick Herring	<i>Deputy Head (Academic)</i>
James Webster	<i>Director of External Affairs</i>
Lorna Stoddart	<i>Director of Development</i>
Alex Roe	<i>Director of the Winchester College Society</i>
Callum Barnes	<i>Designated Safeguarding Lead</i>
Nicholas MacKinnon	<i>Chairman of Common Room (from 13 September 2017, resigned 4 October 2018)</i>
Jenny Michalczuk	<i>Director of Communications (from 16 October 2017)</i>
Tom Thomas	<i>Director of Studies (from 16 April 2018)</i>

**Principal Address**

Winchester College, College Street, Winchester, Hampshire, SO23 9NA

**Bankers**

National Westminster Bank plc, 105 High Street, Winchester, Hampshire, SO23 9AW

**Solicitors**

Farrer & Co LLP, 66 Lincoln's Inn Fields, London, WC2A 3LH

Dutton Gregory, Trussell House, 23 St Peter's Street, Winchester, Hampshire, SO23 8BT

DAC Beachcroft LLP, Portwall Place, Portwall Lane, Bristol, BS99 7UD

Warner & Richardson, 29 Jewry Street, Winchester, Hampshire, SO23 8RR

**Auditor**

Crowe U.K. LLP, St. Bride's House, 10 Salisbury Square, London, EC4Y 8EH

**Investment Advisers**

Cambridge Associates Limited, 80 Victoria Street, London, SW1E 5JL

**Insurance Brokers**

Marsh Limited, 1 Tower Place West, Tower Place, London, EC3R 5BU

**WINCHESTER COLLEGE**  
**REPORT OF THE WARDEN AND FELLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**REFERENCE AND ADMINISTRATIVE INFORMATION**

The Warden and Fellows present their annual report for the year ended 31 August 2018.

The full title of the charity is 'The Warden and Scholars of St Mary College of Winchester'. The College is registered with the Charity Commission under the working name Winchester College and with the registration number 1139000.

The College was founded in 1382 by Royal Charter of King Richard II, confirmed by later Acts of Parliament. The Royal Charter, which sets out the College's charitable objects was last amended in 1989. The College's Statutes set out details of the appointment of Fellows, the administration and governance of the College and the powers of investment and were revised and received approval by HM The Queen in Council in October 2017.

The information in respect of Fellows, Officers and Advisers is listed on pages 1 to 3.

**Group structure**

The results and activities of the Winchester College Foundation and the College's two trading subsidiaries are incorporated into this report and accounts.

The Winchester College Foundation is a linked charitable trust set up by the Warden and Fellows in 1989 by deed of trust with objects ancillary to those of the College, including the support and promotion of the objects of the College with particular regard to the maintenance, preservation and improvement of the buildings and grounds comprising the College in accordance with the obligations imposed by the founder in the first statutes.

The Foundation is registered as a constituent charity under registration number 1139000-1. The Warden and Fellows are the sole corporate trustee of the Foundation.

The Warden and Fellows are trustees of and manage many other special trusts, as detailed in notes 21 to 24 to the Financial Statements.

The College has two wholly owned non-charitable subsidiaries: Winchester College Trading Company Limited, whose annual profits are donated to the College under the Gift Aid Scheme, and Beam Design Limited, which undertakes building works on behalf of the College. The trading activities of Winchester College Trading Company Limited, which trades as Winchester College Enterprises, primarily comprise revenue from letting of the school campus facilities when not in use by the College.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Body**

The Governing Body of Winchester College is known as 'The Warden and Fellows', the Warden being the elected Chairman. Charles Sinclair served as Warden during the year.

Under the Statutes of the College, the maximum number of Fellows, including the Warden, is fifteen. Three of these are appointed by specified external institutions as shown below, allowing the Warden and Fellows to elect up to eleven Fellows plus the Warden:

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**REPORT OF THE WARDEN AND FELLOWS (continued)**  
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Appointment	Current Fellow(s)	Date of first appointment
The Warden of New College, Oxford	Miles Young ( <i>from 4 September 2016</i> )	2016
One Fellow elected by the Warden and Fellows of New College, Oxford	Dr William Poole	2016
One Fellow appointed by the Lord Chief Justice of England	The Hon Sir Stephen Cobb QC ( <i>from 11 March 2017</i> )	2017
Up to eleven Fellows elected by the Warden and Fellows	Jean Ritchie	2008
	Major-General Jonathan Shaw	2011
	Clarissa Farr	2013
	Andrew Joy	2013
	Nicholas Ferguson	2014
	William Holland	2015
	Dr Peggy Frith	2016
	Andrew Sykes	2017
	Dr Magnus Ryan	2018

In addition, Professor Christopher Sachrajda was elected a Fellow by the President and Council of the Royal Society in 2009. The Royal Society have subsequently notified the College that they will make no further appointments and the Warden and Fellows have resolved that Professor Sachrajda should continue to serve as a Fellow to the end of his term.

#### **Recruitment and Training of Governors**

Prospective candidates for vacancies on the Governing Body are put forward on the basis of nominations from the Warden and Fellows, and the Headmaster and Bursar. Candidates are considered in detail by the Nominations Committee, which then makes recommendations to the full Governing Body.

Prospective candidates are considered in light of the skills and experience required at the time, which will include eligibility, personal competence, professional qualities, specialist skills, experience and local availability. New Fellows are appointed for a term of five years and, subject to a performance review, may be re-appointed for up to a further five years by mutual agreement.

New Fellows are formally 'admitted' as Fellows at a full Governing Body meeting, or other such meeting, at which there is a quorum of the Governing Body, and are expected to join at least one of the working committees. New Fellows are inducted into the workings of the College, including Governing Body policy and procedures, through meetings with existing Fellows and management of the School, written material, and by spending time at the College before attending their first meeting. New Fellows attend specialist external training on the role and responsibilities of governors and trustees.

Existing Fellows are encouraged to involve themselves in School events and to spend at least one half-day in the School each year attending lessons and examining the review and implementation of key policies and procedures. Relevant seminars for governors and trustees and in-service training at Governing Body and Committee meetings are arranged where appropriate, for all Fellows. Away Days are held as required.

The board commissions an external review of its activities and effectiveness every three years. The most recent was performed by Bvalco in 2017.

Fellows are aware of The Charity Governance Code published in 2017, which sets out the principles and recommended good practice within the sector. The School is reviewing its current governance arrangements against the principles within the code and expects to address, where required, any issues raised over time.

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**REPORT OF THE WARDEN AND FELLOWS (continued)**  
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**Organisational Management**

The Warden and Fellows, as the Trustees of the College, are legally responsible for the overall management and control of the College.

The full Governing Body meets three times a year towards the end of each school term, and is supported by seven committees. All Committees meet at least once each term except for the Nominations Committee, which meets as and when necessary. The members of these committees are listed on pages 1 and 2. The Warden is entitled to attend any Committee meeting.

The day-to-day running of the College is delegated to the Headmaster and the Bursar. The Headmaster and the Bursar are also entitled to attend any meetings of the above Committees.

They are supported by the Senior Management Committee, which represent the various functions of the College (their composition are shown on page 3). Together, this group is considered the key management team of the College. Other consultative committees and working groups are established as necessary to deal with the detailed implementation of matters as they arise.

Remuneration, including that of the key management team, is set by the Warden and Fellows, with the objective of providing appropriate incentives to encourage excellence and of rewarding fairly and responsibly individual contributions to the College's success. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with the local labour market and to comparisons with other independent schools to ensure that the College remains sensitive to broader issues of pay and employment terms and conditions elsewhere.

The College's ability to deliver its charitable purpose and objects is primarily dependent on its key management personnel and staff. Staff costs are the largest single element of the College's charitable expenditure, accounting for some 60% of the total. The College aims to recruit teachers who are the very best specialists in their field and, subject to experience, provide them with an attractive remuneration package commensurate with their expertise; it aims to recruit support staff at the lower to mid-point within the local employment market, providing scope to reward excellence.

**OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

**Charitable Objects**

The Objects of the College were redefined in a Charter of 1989, supplementing the original Charter of 1382, as follows:

1. The advancement of education through the provision at the College of classical, literary, historical, mathematic, scientific, engineering, cultural and general education of the highest class for scholars and pupils and the provision of financial assistance for such education.
2. The preservation for the public benefit of the whole or any part or parts of the buildings and grounds comprising the College and the preservation for the public benefit of furniture and pictures and chattels of any description ordinarily kept at the College and the doing of all such other things as shall be necessary or appropriate for the preservation of the College.
3. The use and occupation of the said buildings, grounds and chattels for the advancement of the Christian religion and the practice of worship in such manner as shall be consistent with the work of the College and with the expressions of religious intention contained in the Founder's charter.
4. In connection with object 1 and 3, the promotion and maintenance of the choral foundation of the College.
5. The provision of facilities for recreation and other leisure-time occupation (within the meaning of the Recreational Charities Act 1958 and as therein limited), in such manner as shall be consistent with the work of the College and shall increase the public benefit flowing therefrom.
6. The pursuit of other charitable purposes, in so far as consistent with the work of the College and liable to increase the public benefit flowing therefrom.



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To these ends the College:

- i) provides an education for boys aged thirteen to eighteen, which is recognised worldwide as being of the highest standard:
- ii) provides substantial financial support towards fee remission, benefiting nearly one quarter of the pupils in its care:
- iii) has a continuous programme of maintenance and refurbishment of its ancient buildings and other buildings and property:
- iv) allows controlled access by the public to its grounds, ancient buildings and facilities generally:
- v) holds a variety of religious services on weekdays and on Sundays, in Chapel, in Chantry and in St. Michael's Church, many of which are open to members of the public:
- vi) is unique amongst schools in still supporting the education, both academic and musical, of the sixteen Quiristers who sing at its services:
- vii) provides a wide range of sporting and cultural facilities, many of which are available to children from other local schools and which are also made available to members of the public:
- viii) supports the wider community by 'community service' and other activities: and
- ix) demonstrates significant public benefit through its academic and other activities as described in paragraphs (i) to (viii) above.

**Aims and targets**

Within these Objects, the College, a Christian foundation, aims to have an international reputation for academic excellence in one of the best boarding schools in the world, to maintain its independence to the greatest possible degree, and to offer the widest possible access to pupils capable of profiting from the education it offers. The College aims to encourage, train, and form confident, enthusiastic, well-rounded young adults with a strong ethical sense and a respect for the life of the mind, and who are at ease in their relationships with other people, whatever the circumstances. The College recognises that it is a community of past and present pupils, staff and parents. It aims to foster a sense of individual and collective responsibility for the College, the community and the wider world.

**Objectives**

The Warden and Fellows carry out the College's Charitable Objects for the public benefit by seeking to ensure, wherever possible, that such education is available to all who can best profit from it irrespective of financial circumstances and that the College's buildings, facilities and other resources are made available, insofar as practicable, to other schools and the wider community. Additionally, the College's buildings with their contents of historic, artistic and cultural importance and the College's environment are made as widely available to the local, national and international community as practicably possible.

Through formal consideration at meetings of the full Governing Body and its Committees, input from the Senior Management Committee, discussions with a wide range of other interested parties and a series of Away Days of the Governing Body, the College identifies its strategic objectives for the present and coming years, and reviews its processes and procedures to achieve them. Current objectives include:

1. Promoting intellectual and educational excellence within the curriculum and beyond.
2. Offering the widest possible access to pupils capable of profiting from the education it offers.
3. Conserving and developing the college's buildings and facilities.
4. Completion of the boarding house refurbishment cycle.
5. Undertaking a sustained fundraising programme to enable and support the preceding activities.
6. Sustaining the College on a secure financial footing.

**PUBLIC BENEFIT**

William of Wykeham founded Winchester College in 1382. He rose from modest social origins to become Bishop of Winchester and Lord Chancellor, the trusted adviser of contrasting monarchs: "nothing was done, in any respect, without his advice," wrote Froissart. Wykeham directed the wealth he had acquired for the provision of an education of a kind he himself had not been able to experience.

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Wykeham gave the distinctive motto: “Manners Makyth Man” to the College. Deliberately expressed in the vernacular, rather than in the adopted languages of court or church, this adaptation of a contemporary proverb expresses two of Wykeham’s guiding principles: first, commitment to wider society and to mobility within that society; and second, the provision of a holistic education, productive of character as well as intellect, of broad personal virtues and sympathies, rather than narrow intellectual or social judgements.

The original Foundation provided for the education of seventy “poor and needy scholars”. Subsequent revisions to the Charter have expanded the College’s charitable objects and made explicit the need for public benefit, most recently in the 1989 Supplemental Charter, which set out the six charitable objects referred to on page 6, several of which expressly impose a public benefit requirement on the College. The Warden and Fellows are mindful of the long-standing drive to provide public benefit, which has more recently been restated in the requirements of the Charities Act 2011. They have also given careful consideration to the Charity Commission’s guidance on public benefit, together with its supplemental guidance on fee-charging.

The College remains committed to the aim of providing public benefit, in accordance with the Founder’s intention and recognises that it is itself a community of past and present pupils, staff and parents and has an individual and collective responsibility for the College, the community and the wider world. Charity legislation now includes a requirement to demonstrate public benefit for any charitable purpose where it had hitherto been presumed in the absence of evidence to the contrary. The Warden and Fellows prefer to provide details of the many activities undertaken by the College for the public benefit throughout this Report rather than offering a separate description without context.

The College continues to provide benefit in a wide variety of ways. In summary, bursaries are the most readily measurable means of providing public benefit. The Warden and Fellows take the view that bursaries awarded to those who would not otherwise be able to afford the fees are important, but not to the exclusion of the much wider benefit that the College provides within the community. Those pupils who attend the College and who receive financial support contribute to the school community in a variety of ways, and so the benefit is not purely to these pupils but also to the whole College and wider community. The preservation for the public benefit of the College’s buildings and grounds, the advancement of the Christian religion and the promotion and maintenance of the choral foundation of the College also form measurable means of providing public benefit.

The financial cost of the many other activities undertaken by the College, including working with local charities, schools, and cultural and sporting bodies, is more difficult to measure accurately, but it is certainly substantial. Notable examples include, the extensive Community Service programme (page 13), academic links with Midhurst Rother College and Crown and Manor Club (page 18) and general public access to the Treasury, Archives and Fellows’ Library (pages 19-20).

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Warden and Fellows have prioritised a number of risks for special attention.

In common with all schools, the safeguarding and protection of children in the College’s care is of paramount importance and the Governing Body ensures that adequate time and resources are devoted to it; appropriate policies and procedures and training are in place and followed; and a policy of openness and collaboration, both within the School and with relevant external authorities, is pursued.

Adverse changes to the public policy framework within which charitable independent schools operate and adverse media interest could potentially have a detrimental effect on the reputation and finances of both the School and independent education in general. The School retains appropriate legal, PR and other professional advice and in 2017 appointed its first Director of Communications. More broadly, the School works with sector representative bodies to promote the benefits to society that come from independent schools.

The Warden and Fellows are also mindful of the need to maintain pupil numbers and the academic performance of the School, matters which are interdependent. The College is currently significantly oversubscribed but it is not complacent.

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The school is also dependent on the quality and suitability of its buildings and facilities, including increasingly IT. This brings its own challenges, including data protection and cyber-security risks, and the School is aware of the need to spend appropriately on continuous improvement and development.

Through good planning and management across all its many, varied activities, the College seeks to ensure that these major risks are minimised and controlled in so far as practicable.

The key controls used by the College to minimise risk include:

- Formal agenda and minutes for all Governing Body and Committee activity;
- Detailed terms of reference for all Committees;
- Strategic planning, budgeting and management accounting;
- Established organisational structures and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels, and
- Well publicised policies and procedures as required by law for the safeguarding and protection of children, including procedures for the vetting of staff, volunteers and contractors.

Through both its internal management structures and the Audit & Risk Committee reporting to the Governing Body, the College has carried out a wide-ranging review of the risks facing the organisation and continues to monitor those risks.

The Warden and Fellows examine the principal areas of the College's operations and other activities and consider the major risks in each of those areas. The College has established controls and procedures, which, under normal circumstances, should allow those risks to be managed appropriately and, where necessary, mitigated to an acceptable level. Detailed consideration of risk is delegated to the Audit and Risk Committee, which comprises Fellows and members of senior management and. In addition to its own agenda, it receives reports and assessments brought up by management from within the school's own reporting structures. The Committee, which reports to the Governing Body each term, also re-allocates identified risks to the relevant Governing Body Committee for scrutiny and mitigation. The risk management process identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as most pressing.

## **ACHIEVEMENTS AND PERFORMANCE TO FULFIL THE PRIMARY OBJECTIVES**

### **EDUCATION**

**Objective 1: "Offering the widest possible access to pupils capable of profiting from the education it offers"**

#### **Admissions**

To maintain a secure academic, pastoral and financial footing, the School aims to have an average of 690 pupils during the year. With the exception of College with its seventy scholars, boarding houses normally have between 60 and 65 pupils. This supports the School's intention of providing high quality accommodation and pastoral care.

In September 2017, 136 pupils were admitted into the first year and a further thirteen direct into the sixth form. At the start of the academic year 2017/2018 there were 701 pupils in School, with an average of 697 over the year.

At the start of the 2018/2019 year, 140 pupils were admitted into the first year and a further fourteen direct into the sixth form. In total, there were 691 pupils in School in September 2018.

Registrations and numbers applying to the School for future years continue at record levels.

#### **Scholarships, Bursaries and Other Awards**

The Governing Body is determined to maintain the Founder's intention to offer the best possible intellectual and cultural formation to boys who can best profit from it. The Warden and Fellows continue to pursue a two-fold

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strategy: to redirect awards out of existing resources towards bursaries and to increase the total value of awards available by building up the endowment. Over time and as funds allow, the College aims to be in a position to fund the equivalent of 10% of the School on full bursaries and a further 20% on an average of half a bursary (i.e. about 200 pupils overall on an average bursary of 66%).

In 2017/2018, 132 pupils (2017: 127) received bursary assistance with school fees totalling £3,294,000 (2017: £3,080,000), the equivalent of 87 full fees and 12.4% of gross fee income. A further £19,000 (2017: £15,000) was provided towards the cost of extras and school trips so that, in total, 133 pupils received some form of a bursary support.

In addition, scholarships and other awards totalling £419,000 were given to 76 pupils (2017: 75 pupils; £291,000). Overall, 188 pupils received fee awards totalling £3,732,000 representing more than 14% of gross fee income.

At the start of the current academic year (2018/2019), 117 pupils are receiving bursaries totalling £3,307,000. The value of these bursaries is equivalent to 81 full fees. Nearly 1 in 5 pupils currently in the school receive support with school fees.

The award offered to each family reflects their individual circumstances and need for support. To allow the broadest possible range of pupils to attend the College, awards range from 5% to 100% of the school fee, and for those on the largest bursaries, this may include additional support for books, exam entry fees and extras such as educational visits.

In 2017/2018, the average award per pupil was equivalent to 66% of the school fee (2016/2017: 66%). 91 pupils received support equivalent to 50% or more of the school fee; among these 59 pupils received awards of 80% or more and fourteen 100%.

The School has increased its bursary programme very substantially over the last decade or so. This growth puts considerable pressure on the resources available to support bursaries and the School cannot fully satisfy the demand for support for very able boys, who would benefit from the opportunities offered at the College but whose parents cannot afford the school fees. The School is, therefore, for the time being, having to limit the number and value of the awards it can make. The School is actively taking steps to increase the size of its endowment to support bursaries and has made changes to its admissions procedures to allow it to manage better and prioritise fairly the awards it makes. Bursary applications reflect a wide range of family circumstances, and accordingly the Bursar is empowered and required to exercise his complete discretion in making awards.

The College's Statutes also make provision for sixteen boys, called Quiristers, to sing at Chapel services and this inheritance is still maintained. Quiristers currently receive 40% remission of fees at The Pilgrims' School at an annual cost to the College of £204,000 (2017: £208,000). This includes bursary support of £44,000 (2017: £39,000) for five specific pupils as a result of means testing. A fundraising campaign to provide additional bursary and day-to-day support for Quiristers has to date raised nearly £1,200,000.

**Objective 2: "Promoting intellectual and educational excellence within the curriculum and beyond"**

Whilst the College enjoys an enviable academic reputation and public examination performance, its overriding objective is to prepare a boy for life, not just for examination success and university entrance. To that end, it aims to cultivate a life-long interest in, and enjoyment of, intellectual and cultural matters. Winchester pupils flourish in being free to pursue their academic interests with maximum flexibility, both in terms of combinations of subjects and timing of examinations. The College has always delivered intellectual breadth through Div, a series of courses designed to foster a love and respect for learning for its own sake. New programmes in the second and third years were introduced in the year. While retaining their central historical thread, from the classical to the modern period, they place greater emphasis on rigorous development of skills, especially written and oral communication and closer integration with PSHE.

The College offers a distinctive and rigorous curriculum with a strong non-examined element, as well as a very wide range of sport, music, art, drama and other cultural and physical opportunities. Div continues to be the hallmark of a Winchester education, the quality of which the College continues to develop, together with a rich and extensive programme of other activities.

The College continues to maintain and expand wider academic links with schools in the UK, particularly with Midhurst Rother College, and a group of leading schools across the world.

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**Wider academic and intellectual activities**

*Art*

The School hosted over a dozen exhibitions of work by pupils, teachers, visiting and contemporary artists including John Virtue and items from the school collections. Members of the sixth form travelled to Europe on Drew Travel Scholarships and exhibited on their return.

*Design Technology*

The 2017/2018 academic year saw the introduction of new GCSE and A/Pre-U level qualifications. These provide complementary routes for those interested in technical innovation (Engineering Design) and aesthetic design (Art & Design). Those studying the former tend to go on to study Engineering, Computer Science or Materials Science at University, while those studying the latter, Architecture and other design related subjects.

*Music*

The strength of the College's classical music is of particular importance in the School's common life. In addition to the Quiristers who sing at services in Chapel, two-thirds of pupils learn a musical instrument, many two or three, and nearly 750 individual musical lessons are taught each week by the School's own staff and sixty visiting music teachers. There are formal and informal concerts every week, allowing every pupil to perform. The School also has a thriving jazz band and many boys are instructed in contemporary music.

The year saw the reintroduction of the School's Visiting Artists Series – a set of six professional concerts open to the public. Performers included the Heath Quartet, Benjamin Grosvenor, Adrien Brendel, James Gilchrist and Stile Antico, directed by Andrew Griffiths. In October, Mitsuko Uchida, playing on a Steinway grand piano that had been donated to the College, opened the 2018/2019 season.

The Quiristers and Chapel Choir enjoyed another successful year, including the release of two CDs and recording "A Winchester Christmas" for Classic FM for the third year running. With the Glee Club, orchestra and soloists they also performed Brahms's German Requiem and Song of Destiny in Winchester Cathedral and Bach's Mass in B Minor at the School.

There was an extensive series of Orchestral and Chamber Concerts and other recitals during the year, which were well attended by members of the public, and pupils gave lunchtime performances in the cathedral. The Symphony Orchestra's performances included Prokofiev's First Piano Concerto and Tchaikovsky's Fifth Symphony. The Chamber Orchestra gave concerts at Milton Court in London and in Hong Kong, which included Hayden's Symphony No. 99 and Mozart's Bassoon Concerto.

Three of the 2017 leavers gained choral or organ scholarships to Cambridge, including one a choral scholarship to King's College by a sixth-form entrant.

*Science*

Particularly noteworthy were independent laboratory projects carried out by keen sixth formers, including a cucurbituril synthesis project and the preparation of a high-temperature superconductor, and demonstrating the Meissner effect with it.

The popular primary schools outreach programme was expanded and a two-day symposium shared with The Cheltenham Ladies College.

There was considerable success in the science Olympiads. In Biology 27 pupils in Year 10 gained a gold award in the Biology Challenge and four pupils achieved gold in the Intermediate Olympiad. Every biologist in the Upper Sixth participated in the Senior Olympiad; four were awarded gold and two were invited to the second round of the competition. In Chemistry, a pupil made the second round and was invited to train with the national team and two pupils attended the reception for the winners of the Cambridge Chemistry Challenge for lower sixth. In Physics, one pupil represented the UK at the International Physics Olympiad in Lisbon, with two more reaching the final stages of selection in Physics and Astrophysics respectively. The Physics department hosted and assisted in the final stages of training for the whole British team.

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*Stodium*

In addition to Div, Winchester sets aside from normal teaching a day each October for a festival with more than thirty lectures and workshops spread over five one-hour sessions. The topics covered in 2017 were many and varied, including Eye Surgery, Kosovo, The House of Lords, Sir Ernest Shackleton, the French Resistance and the Huguenots.

*Poetry and literature*

Beyond the classroom, the prominence of poetry and literature continue to be promoted by the Empson Society, with visiting lecturers and speakers, including the poet Matthew Francis, Byron biographer Alexander Larman and English Project academic Christopher Mulvey. The in-house literary magazine Spirit Lamp, ensures a good mix of cultural and creative enrichment and the School supported the Winchester Poetry festival, of which the Head of English is a trustee.

*Languages*

All candidates in the UK Linguistics Olympiad achieved bronze award or higher. There have been trips and exchanges to Valladolid and Bad Reichenhal. The School continues to buck the national trend with languages remaining popular choices at GCSE and Pre-U.

*Chapel*

Chapel remains at the heart of the School, as the living expression of Winchester's understanding of the nature of the human person, cultivating a strong sense of community, personal reflectiveness and responsibility in all pupils, regardless of their religious background. From September 2018, the Chaplaincy team consists of two ordained chaplains and three lay chaplains, one of whom is preparing for ordination. Pupils of other faiths continue to meet weekly for discussion and reflection in Faith Circles, fully supported by the School.

Evensong, which is held in the chapel on Tuesday and Thursday evenings, is open to the public. The College shares in the patronage of eleven parish churches and has chancel responsibilities for three.

*Sport*

Sport is a vital component of a pupil's time at Winchester. Pupils must take a certain amount of physical exercise in the course of a week and the choice of that exercise is largely up to the individual. The range of options is wide. The most important aim is for pupils to realise the importance of activity for a healthy lifestyle, and to acquire the habit of exercise for life through enjoyable and rewarding activity. The major sports on offer are soccer, Winchester College football, cricket and rowing. More than 25 other sports are available.

The Prep Schools Cricket and Soccer Tournaments continue to promote the school and its sporting excellence. Sports staff also give taster sessions and coach at district and county levels.

During the year, the first Sports Awards were announced for new 13+ entrants in September 2018. Sports Award holders are provided with specialist coaching sessions, a regularly assessed strength and conditioning programme, a selection of lectures, workshops and presentations based on various aspects of sport (e.g. nutrition, sports injury, rehabilitation, sports psychology etc.), support in balancing sporting goals with maintaining a sensible and sustainable routine in the school, and permission to attend external county level (or equivalent) training sessions.

In Soccer, a Winchester pupil played for AFC Bournemouth in the England U17 vs U16/U15 AFC Bournemouth Futsal match and he was also selected to tour Scotland with the ISFA national U15s team at Easter. Over the summer, he was selected for the Nigerian Football Federation's U17 squad.

Cricket saw one pupil score 1016 runs in the season, including 103\* (vs Radley), 147\* (vs the OWs), 102\* (vs I Zingari) and 144 (vs the Leopards) and take 33 wickets, including a 4-2 against Marlborough. On the back of this, he was selected to play in the prestigious MCC Schools game at Lords in September.

In Rowing, bolstered from a very strong performance by the club at the National School's Regatta, our top 8 attended the Metropolitan Regatta, racing in the Academic eights, which they won by one and a half lengths, beating 4 university crews. Further afield, a recent alumnus was awarded the British Rowing 'National Rising Star Award' and another has continued his excellent year by being selected for both World Cup 1 and 2 in the LM2x and LM1x respectively. This is the highest standard of GB representation by an OW since George Nash's Olympic achievements in 2016.

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The Sailing team won the BSDRA Midland Area Team Racing Championship in very challenging, blustery winds, thereby successfully defending last year's trophy. Outside school competition, our seniors raced against teams around the country to win bronze in the RYA Eric Twiname National Youth and Junior Team Racing Championships. During Cloister Time, the seniors won 3rd and 5th positions in the Southern and Thames Valley Championships with the juniors winning the South Eastern Area Championships.

The exceptional record of success in Fives goes on. The season started with our top pair winning the Schools' National Winchester Fives Tournament. This was followed up by one of the winning pair competing in the Adult National Singles where he beat a number of nationally ranked players and qualified for the Adult National Singles finals. Only a handful of schoolboys have ever made it to this stage in the National Adult Competition. In addition, Winchester won the U18 West of England singles and the doubles. This success was repeated in the U18 National Singles and doubles Championships meaning one of our pupils completed his School fives career by becoming only the second boy in the last 55 years of competition to win both major singles titles two years running.

In Golf, Winchester reached the regional semi-final of the HMC foursomes and the OW team won the Halford-Hewitt Competition, the first time since 1948!

In Fencing, pupils won a variety of medals in competitions at school, county, national and international levels, with two pupils qualifying for the Junior Commonwealth Games held in July in Newcastle, representing Scotland and Jersey respectively.

There has been considerable success in the minor sports too. In Karate, the School now has nine 1st Dan and two 2nd Dan black belts; two boys won bronze medals in the HMC National Judo Competition; Winchester won the Independent Schools' Basketball Tournament and six boys represented Eastleigh and Winchester district in the Hampshire County Track and Field Championships.

### **Leadership**

#### *Community Service*

The Community Service programme is designed to stretch and challenge the College's pupils in a range of demanding and rewarding activities, in volunteering at the sharp end. The programme involves nearly fifty activities involving more than 300 senior pupils, fifty teachers and thirty external organisations within the City of Winchester and Southern Hampshire.

Pupils engage in weekly commitments of service both to broaden their life skills, and to nurture a caring ethos. Notable amongst these are:

The Blue Apple Theatre - Blue Apple is a professional theatre company which enables adults with learning difficulties to develop thespian skills. Senior boys volunteer at weekly rehearsals, assisting with drama exercises, and help adults to learn lines. Senior boys participate and assist actors in winter and summer productions at the Theatre Royal. Eight of our senior boys are currently working towards the Blue Apple production of 'A Christmas Carol'.

Butterfly Conservation - Winchester College has developed a new link with Butterfly Conservation: senior boys are involved in an innovative project at In-tech, near Magdalen Down to the east of Winchester. The aim of the project is to develop an outdoor exhibit with a five-year lifespan which educates visitors to the Science Centre and other members of the public about the wildlife found in the local area. Specifically, the part of the exhibit that the boys are working on will focus on habitats for reptiles, small mammals, birds and other wildlife found on the chalk grassland which surrounds the Magdalen Down reserve.

Work with Local Schools - The College works alongside seven local primary schools and two special schools in the Winchester area. Senior boys visit the schools on a weekly basis and assist pupils from Years 1-6 with individual numeracy and literacy skills. Senior pupils who are native Arabic speakers have assisted with language lessons for a Syrian refugee who has settled into a local school. The College assists with a number of after school clubs at local

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primary schools, such as a Board Game Club at St Bede primary school. The games get the pupils to develop their skills of memory, spatial awareness, dexterity, arithmetic, and probability, and to maximise their enjoyment. In the summer term, the College hosts an eclectic range of after school clubs for local children, including chess, drama, science and creative writing.

Specific School activities include:

- Angling with Autism - The College's Community Service programme runs a weekly fly fishing session in the Summer Term for pupils from Osborne School. The pupils receive instruction from a qualified fly fishing coach.
- CS Jazz - A 15-piece jazz band perform regularly to local primary schools. The boys provide an eclectic and entertaining repertoire, and local pupils are given a brief introduction to the instruments. The children are inspired to learn their own instruments.
- Primary Schools Art - In 2017 a group of senior boys led by one of the school's art teachers designed, created and built a stage set for the Stanmore Primary School production of 'Charlie and the Chocolate Factory'. Pupils spent several weeks undertaking the preliminary planning, design and sketching, with the construction and painting taking place on site.
- Primary Schools Drama - Year 6 pupils from All Saints Primary School spend a term working towards a theatrical production which is performed in the Queen Elizabeth Theatre. In December 2017, pupils performed 'Macbeth' to an audience of 250 people, including the Deputy Mayor and Mayoress of Winchester, pupils, staff, the headteacher, parents and governors of the school. The children were able to utilise an extensive range of props, with costumes provided by the theatre wardrobe.
- Primary Schools Maths and Science Programme (years 5 and 6), for aspiring and enthusiastic pupils who wish to further their knowledge and understanding of Maths and Science. Eighteen after-school sessions are provided on a weekly basis in the autumn and spring term.
- Primary Schools Music - Year 4 pupils from All Saints Primary School receive weekly choral sessions from one of the school's music teachers, who is a former King's singer. The pupils spend a term preparing for a public performance at mayoral and other public events. The children are currently working towards the release of a new song especially commissioned for the Rainbow Trust.
- Primary Schools Rivers Project - Over the past four years, the school has established a partnership with the Wessex Chalk Stream and Rivers Trust to deliver environmental education to Winchester Schools. Over the past year, 500 pupils have participated in our Rivers Project. Each school spends two afternoons at the College, one in the College Nature Reserve and the other in the Biology laboratories. Pupils study the invertebrate life and hydrology of the River Itchen, which flows through the College grounds, and acquire an understanding of the ecology of chalk rivers.
- Primary Schools Science - Senior boys deliver a diverse range of scientific experiments to pupils at Sparsholt Primary School in a weekly enrichment session for Year 5 and 6 pupils. A group of primary school pupils largely work with the same Science mentor throughout the year, giving them a positive role model and individual attention. The activities are designed to allow the primary school pupils to experiment using equipment and resources they might not otherwise have readily available, and cover a range of topics in all three Sciences. The class sometimes takes a topic covered and look at it in more detail over the rest of their time. We provide extra stimulus and reinforcement rather than curriculum focus, but always aim to develop the pupils' inquisitiveness and scientific thought processes.

Annual events for local schools:

- Annual Primary Schools Day where local pupils enjoy a lunch in the boarding houses, participate in CCF activities and lessons in Science, English and Humanities, and have a tour of the College.
- Annual Primary Schools Concert, held in New Hall for 400 local pupils. The School Orchestra perform a broad mix of contemporary and historical pieces to pupils in Year 5 and 6.
- Annual Primary Schools Wildlife talk in partnership with the Cameron Bespolka Trust which links children with nature. The lecture is held in New Hall: hundreds of local children are inspired to appreciate their environment and to engage in wildlife conservation. In 2017, the lecture was given by Keith Betton, Vice-President of the British Ornithology Society and Chairman of the African Bird Club. Keith Betton also gave two evening lectures to the Winchester Scouts and to local ornithological groups. New Hall was full for the afternoon and evening lectures.



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River Park Leisure Centre - Senior boys assist disabled swimmers at the River Park Leisure Centre on a weekly basis.

The Royal Hampshire County Hospital - Senior boys undertake an intensive training and induction programme to work on the dementia, surgical and medical wards. Boys deliver meals to the patients' bedside, they help to remove packaging and assist with feeding for those patients who are struggling, or not self-sufficient. The boys develop an effective bedside manner and learn the importance of personable patient care. Many of the volunteers go on to read Medicine.

Visiting the Elderly - forty senior boys undertake weekly visits to eight local nursing homes where they develop inter-generational friendships whilst participating in a range of activities. Many of the boys develop long lasting acquaintances, which can extend beyond their time at the College.

- CS Entertainers, an experienced troupe of musicians, provide an eclectic range of songs, sketches and individual solo performances to local nursing homes. The Entertainers give concerts on a weekly basis and make a huge contribution in transforming lives. They are immensely popular, and always in demand.
- CS Music and Dementia Senior boys volunteer on a weekly basis at the Dementia unit of Sunrise Nursing Home, Winchester, playing old favourites on string and wind instruments. The boys engage closely with the residents and endeavour week by week to communicate effectively. Music is a powerful medium here, and great results have been achieved.

Annual events:

- CS Christmas Party for the Elderly, attended by 100 elderly people from local nursing homes. Guests are given a festive tea and enjoy festive entertainment by the Quiristers, Entertainers and CS Jazz.
- Summer Tea for the Elderly. The elderly have the opportunity to enjoy an afternoon tea in the Warden's Garden.

The Winchester Churches Night Shelter and Trinity Winchester - Every night during term-time boys undertake the washing up and assist with kitchen chores at the Winchester Churches Night Shelter kitchen. Evening meals are provided on a daily basis for the Night Shelter users. In 2017, all volunteers at the Night Shelter were acknowledged with the Queen's Award for Voluntary Service. Boys also volunteer at Trinity Winchester, a day centre for homeless people.

Community Service in Winchester - Senior boys also volunteer in local charity shops, the Cathedral Refectory, the Cathedral, the Hampshire Fire Service, running for the visually impaired at Winchester Sports Stadium, the Winchester Museum and City Space, Winchester Gold and have led tours and activities for the Winchester and District Scouts.

#### *Mathematics Outreach*

The School's Mathematics outreach programme has developed substantially. In addition to the Community Service activities, the Maths Department runs a number of regular maths activities, which are open to members of the wider community. Some of these are:

- Maths Challenge Programme and Primary Schools Maths and Science Programme: weekly sessions to stretch and challenge local pupils (years 5 and 6)
- Maths lectures 2018 (all welcome): 'How to win at Dots and Boxes' by Professor Kevin Buzzard, Imperial College London.
- Maths lunches for local sixth form students to collaborate ideas
- Maths Masterclasses (years 9 and 10). Students from King's School, The Westgate School, Henry Beaufort School, Perins School and The Wildern School attend.
- Primary Schools Inset Training – the Maths department offers inset for primary school teachers both independently and in collaboration with the Winchester Schools Teaching Alliance.
- Win@Maths (Years 1-6), held weekly at the Winchester Discovery Centre.
- Winchester Maths Summer School (WMSS) – In July 2018, a six-day residential course was held for year 12 students from maintained sector schools planning to read mathematics at university.

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*Charity Committee*

The School's Charity Committee is led by sixteen sixth form pupils who fundraise on behalf of local, national and international charities over a two-year period, currently Naomi House & Jackspace, Brendoncare (local); The Anthony Nolan Trust (national) and Mary's Meals (international). Other pupils raise substantial sums for charity through a broad range of fundraising and sponsored activities each year; and through the sale of cards and other art items, provide travel awards to allow state sixth-form students, who would not otherwise be able to do so, to visit exhibitions at a distance from where they live.

Boarding houses and other groups within the school also raise money for a variety of further charities, including ACE Africa and for thirty-two children from the Philippines who scavenge and live on the dumpsites to go to school where they are guaranteed a cooked meal each day.

*International*

The College works closely with the Lotus Flower Trust, a registered charity, to build schools, homes and similar constructions in remote, rural and often environmentally challenging areas of India, working with local people helping bring education and dignity to some of the poorest children in the world. All projects utilise local labour and materials, which is of great financial benefit to the community, ensuring real ownership of the projects thus enabling buildings to be sustained long-term, in addition to providing a trustee and funding towards staffing and fundraising for the Trust. The Summer 2018 project team that travelled to Ladakh to work on accommodation at Lamdon Jamyang School, Khalatse, raised £22,000.

*Adventure Education*

In addition to the School's long established CCF Corps, the School runs an "Adventure Education" programme covering canoeing, kayaking, track cycling, mountain biking, climbing and mountain walking. Expeditions during the year were geared to the Duke of Edinburgh programme and more than twenty pupils completed the Award in the year.

**Examination Results for Summer 2018**

***Pre-U***

There were 509 entries: 21.8% achieved a D1; 49.3% D1/D2 (the equivalent of A\* at A-Level); 74.5% D1/D2/D3 and 95.5% D1 to M3. The overall pass rate was 98.6%.

Over the five years from 2014 to 2018, results have averaged: 20.0% D1; 49.1% D1/D2; 75.2% D1/D2/D3 and 96.3% D1 to M3. The overall pass rate was 99.1%.

***GCSE/IGCSE***

There were 1,283 entries. 68.4% of results were A\* or equivalent (grades 8 and 9); 92.1% of results were A\* or A or equivalent (grades 7, 8 and 9); 99.6% received A\*-C (grades 4 to 9).

Over the five years from 2014 to 2018 results have averaged 64.9% A\*, 90.9% A\* or A, and 99.5% received A\*-C.

For the first time, History was offered as a separate subject at GCSE and seventy pupils will sit the subject in summer 2019.

***University Entrance***

Virtually all the College's pupils enter higher education at leading universities and institutes both in the UK and increasingly across the world.

In the academic year 2017/2018, pupils received 37 offers for places at Oxford or Cambridge for entry in 2018. Eleven boys will be going to premier universities in North America.

In the years 2009 to 2018 a total of 401 pupils have gained offers from Oxford and Cambridge. Over the same period a further 120 places have been secured at North American universities.

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In 2018, places were taken up at the following universities, predominantly by pupils who left the School in 2018, together with those who left in 2017 and had taken a gap year:

<b>UK</b>		<b>Canada</b>
Academy Of Contemporary Music	Manchester	McGill
Bath	Newcastle	
Birmingham	Oxford	<b>USA</b>
Bristol	Queen's Belfast	Chicago
Cambridge	Royal Holloway	Columbia
Coventry	St Andrews	Pomona
Durham	Saint George's, London	Princeton
Edinburgh	SOAS	Purdue
Exeter	Surrey	San Diego
Glasgow	Swansea	Stanford
Imperial	UCL	Yale
KCL	University of West of England	
Liverpool	Warwick	
LSE	York	

#### **ACADEMIC LINKS**

##### **Midhurst Rother College**

Winchester College has been involved with Midhurst Rother College (MRC) since it became an academy in January 2009 and in 2018 renewed its commitment to MRC for a further five-year term. MRC was formed to replace three predecessor schools; two middle schools and one upper secondary. The latter was put into Special Measures by Ofsted in 2006 and in the same year West Sussex County Council judged one of the middle schools as being at risk of receiving a Notice to Improve. It was, therefore, particularly gratifying that in May 2013 Ofsted judged MRC Outstanding in every category.

The School has worked closely with MRC on governance and academic improvement. Winchester's Headmaster chairs MRC's Academic and Pastoral Committee that meets each term in Winchester and the School provides three members of MRC's governing body (the Headmaster, a Fellow and a senior teacher). Tuition is given at Winchester to groups of Year 10 and 11 pupils, especially in mathematics and science. The School assisted and advised MRC pupils on university applications and interview technique and MRC sent more than twenty pupils to Russell group universities including one to Oxford. There are regular sports fixtures and joint activities; MRC pupils attended "Studium" and MRC collaborated in the Education Sunday service at Winchester Cathedral. These relationships develop a spirit of awareness and opportunity, a true and mutually beneficial partnership.

##### **Other partnerships**

The school and its staff undertake a wide range of other activities with state schools, ranging from lectures given by members of the English department at Kings School, language tuition to pupils in Years 3, 4, 5 and 6 at Compton All Saints Primary School, maths at Stanmore Primary School and inviting local secondary schools and sixth form College to staff CPD training. Local schools are invited to talks and lectures given at the College by visiting lecturers. The College contributes to the "Aspire" extension programme at Barton Peveril College by providing an eclectic range of lectures on specialist subjects; in 2017, 'Cancer Biology', 'Epic, and the world of the hero', 'Cryptography', 'The geopolitics of Africa', 'Listen, it's not just the Nazis who burn books: war, satire and Kurt Vonnegut's Slaughterhouse-Five', 'The ethics of Aliens: where moral values come from'. The College also works with Barton Peveril College on practice interviews for sixth form university candidates with thirty visiting the College in autumn 2017.

Many of the College's staff act as governors to local schools, and others act as trustees to a variety of local charities including The Hospital of Saint Cross and Broadhalfpenny Down, the oldest cricket ground still in use.

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A chess club for primary school children is run each week in term time, the College hosts the Hampshire Junior Chess Congress for the Hampshire Junior Chess Association and the qualifying rounds of the National Schools' Chess Tournament, while also sponsoring the senior section of the National Schools' Chess Tournament. Likewise, in recent months the Drama Wardrobe has assisted the Winchester Cathedral Choir, Winchester Players performing at The Minack Theatre, Discarded Nut and Encore (local youth theatre and musical theatre groups respectively), students from Winchester University, Winchester Girl Guides, GAF – Bursledon, Firefly (a local children's theatre company) and internationally, Next Technical Training College, Copenhagen.

**Crown and Manor Club**

The College provides support for the Crown and Manor Club a boys club in Hoxton, East London. The club offers a safe haven for boys aged 7 to 25 as well as a variety of sporting and academic activities. First started in 1903, the Club greatly expanded under the influence of two Old Wykehamists, Arthur and Harold Llewellyn Smith, and took its current name when it moved into the disused Crown public house. Now in totally new premises and on a firm financial footing, the Club retains strong links with the College. Old Wykehamists chair and serve on the Council and together with teachers from Winchester, help in the homework club. Crown and Manor play a soccer fixture at the College, and last summer the Crown and Manor summer school reappeared in the calendar. In September 2018, one of the Crown and Manor Club's members started in the sixth form at the School.

**Winchester Symposium**

There have been a number of symposia during the course of the academic year. On each occasion pupils, staff and guest speakers took part in serious academic research and presentation and enjoyed stimulating intellectual conversation.

In November 2017, pupils studying Design Technology shared a fruitful day mixing guest speakers and practical sessions. In March 2018, students from Alton Convent joined sixth form pupils in studying maps and other documents in the School's collections. The Science School maintains a continuing collaboration with The Cheltenham Ladies' College, including a two-day symposium.

**Winchester International**

The College focuses on establishing links with schools operating in different educational systems, which provides a challenge to Winchester's educational outlook and practice and valuable professional development for the College's staff; providing first-hand experience of other languages and cultures for our pupils; and cultivating long-term links with other schools to provide depth of relationship.

The College's regular links with schools in other countries take a variety of forms, including established exchanges with schools in countries whose languages we teach: the Winchester European Symposium with reciprocal links to schools in Italy and Romania, the Winchester International Symposium with links to a defined group of schools covering every major region of the world, and reception of groups of pupils from selected schools for a month, term or year for academic or cultural enrichment; this year, these included Montgomery Bell Academy, Colegio Claustro Moderno, Johannes Kepler Grammar School, Germantown Friends School, Campus Manilla School (Stockholm), St Petersburg Classical Gymnasium and Jiyu Gaukuen (Japan), one of the preparatory schools for Keio University in Tokyo.

At Easter 2018, the School took part in the ninth Winchester International Symposium hosted by Nada High School in Kobe, Japan. The subject of this year's discussion was "Society and the Natural World". All participants had prepared for six months by reading and writing essays.

The College maintains links with US universities, particularly Columbia, University of Pennsylvania and the University of North Carolina, and through the Winchester Junior Fellowship scheme, recruits young graduates to come to Winchester. The scheme opens up familiarity with the sphere of university study in USA for our pupils and provides us with a resource for their SAT preparation.

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**HERITAGE AND ANCIENT BUILDINGS**

**Objective 3: “conserving and developing the College’s buildings and facilities”**

One of the College’s main charitable objects is the preservation of the ancient buildings with their contents, for the public benefit.

The College maintains entirely at its own expense listed buildings including medieval buildings of national importance from the late 14<sup>th</sup> Century. These encompass seventeen Grade I listings, five Grade II\* and eighty two Grade II. In doing so, the College receives no support, financial or otherwise, from local or central Government.

The College is also principal sponsor of, and a leading participant in, the City of Winchester Heritage Open Day weekends in September 2017 and 2018, opening many of its collections and offering talks and lectures to the public over the four-day weekend.

**Winchester College Treasury**

The College has significant collections of early English silver, ancient Greek vases and other antiquities, Chinese ceramics, stained glass, tapestries, furniture, and English watercolours. Many of these objects are now on public display in the College Treasury, which has been made possible entirely through the generosity of a small group of donors, who have not just provided for the building’s creation but also endowed it to help deliver, along with the School’s own contribution, its long-term operations and activities.

While primarily a teaching-space for the College’s pupils, the Treasury welcomes visitors from the wider community. It is open to members of the public on four (six from January 2019) afternoons each week and to special interest groups by appointment. An outreach programme has been developed and taught sessions provided to local primary and secondary schools. Recent exhibitions have included Ancient Greece for KS2 pupils, entitled “Groovy Greeks” and the Chinese New Year for KS1 pupils. For the ‘Museums Take Over Day’, Year 6 pupils from All Saints Primary school were invited to take over the Treasury for the day in Autumn, 2017 and created their own ‘pop up’ art show inspired by the Treasury collections. The children produced artwork and spent the day framing and hanging, before showing around their parents during the afternoon.

In addition to the core collection, there are several special exhibitions each year. In 2017/2018, these included “Winchester and the Reformation”, “Playing Our Game: a history of Sport at Winchester College”, and “Mapping the World”.

**Archives**

The College’s archives are of national importance. Access is granted to a broad range of the general public, scholars and researchers – family historians, local historians, military historians, students from sixth form colleges through to PhD students, academics, local councils and organisations, special interest groups and societies, other schools/museums/archives in the UK and beyond. Some are interested in our alumni, our former teachers, land and property once owned by the college, the tenants living on those estates, the history of the school, aspects of school sport and school traditions, service of OWs in WW1 and WW2, etc. Others are undertaking thematic studies across a number of schools. Enquiries come from people living locally, across the UK and from abroad; and from Old Wykehamists, parents and former parents and those with no previous connection with the College. Some visit the College to carry out their own research, others contact the Archivist by letter, phone or email and she undertakes research on their behalf.

The archives are also visited by groups for tours of the archive rooms and to see exhibitions of documents. In the last year, groups have included: the Whitchurch Local History Society, students from the University of Winchester to see our Anglo Saxon charters, pupils from Sparsholt Primary School to learn about Victorian education, an LGBT group from Hampshire Y Services to see documents relating to one of our former pupils and the Winchester Catholic History Society. The Archives were also a major attraction during the Heritage Open Day weekend in September 2017.

In 2018, the School worked with staff from Totton and Eling Town Council about the history of Eling Mill - copies of documents were used in an exhibition about the history of the town in the new heritage centre at Eling Mill.

In the calendar year 2017, the Archivist received 577 external enquiries and 42 visitors and in the first nine months of 2018, 617 and 33 respectively. No charge is made for answering enquiries nor to those wishing to visit the archive.

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Opening up the College's archives provides benefit to those seeking information and also brings benefit to the School. Researchers usually share their knowledge and research and so the College learns more about different aspects of its history.

The College's archive is of national importance – allowing researchers access introduces a large number of people to the school who would not ordinarily contact or visit us. During 2018, some of the most frequently consulted items from the College Archives have been digitised and a new website (<https://winchestercollegearchives.org/>) created to allow researchers to access these records on-line. Anyone wishing to use it should apply to the College Archivist for a log-on. Records digitised so far:

- Biographical registers of pupils, staff, wardens and fellows: the Winchester College Registers, 1836-1975
- The manuscript registers of scholars, 1393-1964
- Thomas Kirby's printed edition of Winchester Scholars, covering all scholars admitted from 1393 to 1887
- The War Service Rolls and Roll of Honours for WW1 and WW2
- The Wykehamist from 1866 to 1920
- Winchester College Muniments, the published catalogue for the College Archives pre c1870
- Photographs of the school, taken from glass slides and negatives, late 19th and early 20th century

#### **The Fellows' Library**

The Fellows' Library is a varied and important collection of around 12,000 books and manuscripts. There are about 40 medieval manuscripts, 52 incunabula (15th-century printed books), almost 1,000 16th-century books, and around 2,000 items from each of the 17th, 18th and 19th centuries. Books have been central to the School since its foundation. Among the earliest gifts to the Library were books from the library of the Founder, William of Wykeham (d. 1404). Over the centuries, there have been many major gifts, including those of William Moryn in 1543 and Alexander Thistlethwayte in 1767.

The Library collections are often used in teaching. For example, English classes come to see the First Folio of Shakespeare and History classes to look at medieval manuscripts; the excellent collection of early scientific books is often used by pupils studying Physics and Biology and the library's collection of 20th century artists' books forms a part of the Art School curriculum. The collections are made available to pupils from other local schools and external groups. Eleven external groups visited the Library in the year, including in June the Anniversary meeting of the Roxburghe Club.

Books from the Library are always on display around the College: in Treasury, Moberly Library, the Headmaster's offices, and in the Library itself. Owing to the nature of the collection, however, access cannot be entirely open.

Visiting scholars are accommodated by appointment and the Librarian responds to enquiries from researchers unable to visit Winchester. The Library catalogue is being added to COPAC, an on-line resource that allows researchers and scholars to search the catalogues of ninety libraries at once, including the UK national libraries, University libraries, and specialist libraries, thereby making knowledge of the College's holdings publicly available.

Similarly, the College's early English imprints have been added to the British Library's Electronic Short Title Catalogue and detailed information about the College's fifteenth-century printed books have been catalogued for the Material Evidence in Incunabula (MEI) project and detailed records can now be viewed online.

The Library collections continue to grow with contributions from various sources. In 2017/2018, the Library purchased a copy of Thomas Weelkes's *Madrigals for 5 and 6 Voices* (1600) and a collection of sixteen reformation pamphlets dating from 1518 and 1550.

#### **Loans**

The College provides free loans, where appropriate, of the College's treasures and archival materials to local and national museums and galleries for public display. Francois Lemoyne's *Annunciation* (1727) has been on loan to the National Gallery since 2011.

The Angel of the Annunciation, a late 14th century sculpture originally above Middle Gate, remains on long-term loan to Hampshire Cultural Trust. It is displayed in Winchester City Museum.

**WINCHESTER COLLEGE**  
**REPORT OF THE WARDEN AND FELLOWS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**Conservation and development of the College's buildings and facilities**

The Governing Body is committed both to maintaining the College's ancient buildings and to supporting a major programme of capital expenditure, subject to available funding. Following extensive public consultation, the College published a Conservation and Development Framework in March 2009. The Framework set out priorities and was designed to provide a flexible template which would guide detailed decisions on the use and development of the campus over a period of ten to fifteen years, examine opportunities for improvements to the environment and landscape, and how better to use the College's assets for the benefit of the local community and economy. It recognised that the College's needs would change over time and that its plans would need to remain flexible to meet changing demands and requirements.

The medieval Warden's Stables, which for many years had been unused, were converted to provide a display and teaching space for the College's collections of art-works and other artefacts and the new building, known as the Winchester College Treasury, opened in September 2016. While primarily a teaching-space for the College's pupils, it is open to the local and wider community, special interest groups and the public in general when not in school use.

Not least, work continues to renew, improve and expand the College's sports facilities as befits the renewed importance placed on sport and exercise and the benefits they bring. Planning permission was obtained in August 2017 for a major redevelopment of the campus to the south of Kingsgate Park. This is to include construction of a new Sport Centre, incorporating a double sports hall, squash and fives courts, a pool, cardio-vascular training area, rifle range and dojo, as well as substantially expanded changing and spectator facilities. In addition, Mill (Design and Technology), Antrim House (the current Medical Centre), the Works Department and Laundry will be replaced or modernised. The total plan will take some years to realise in full. Substantial funding is in place for the first phase, which is the largest part of the project and centres on the new sports centre; work is expected to start in first half of 2019. Other elements will be brought forward as capacity and funding allow.

**Objective 4: "Completion of the boarding house refurbishment cycle"**

The programme of major refurbishment of the ten boarding houses and College is now well established. Work on the eleventh house (Fearon's) was completed in September 2018. Thereafter, a second cycle of refurbishment and modernisation will start, albeit at a lesser scale than the first. Sergeant's kitchen was refurbished during the 2018 summer holidays.

Numerous other projects were carried out as part of the planned maintenance programme, to maintain and improve the School's buildings and facilities. Future projects include the refurbishment of Michla, repairs to College Hall roof, construction of an outdoor classroom and phase two of the project to replace the boiler and heating systems in the classroom block.

**Gardens and Grounds**

Extensive parts of the campus are public access areas, Sites of Special Scientific Interest (SSSI) or Special Areas of Conservation, managed at the College's expense. The Nature Reserve is an SSSI and the main River Itchen with its carriers is a Special Area of Conservation. There is public access via footpaths through parts of the College grounds. The College owns St. Catherine's Hill, which is designated as a public access area under the Countryside and Rights of Way Act 2000 and is leased to the Hampshire Wildlife Trust. The College has given access rights over parts of its land to the City Council in order to complete the new Sustrans cycle track that makes use of the old railway viaduct.

A five-year project to restore the water meadows, which qualified for Higher Level Stewardship, and which involved new fencing, bridges, felling of non-indigenous plants and trees planted in the 1960s and reintroduction of controlled grazing, was completed in 2017.

**Environmental Initiatives**

For a number of years, the College has been conscious of the need to reduce its energy use and this has influenced both maintenance strategy and project specifications.

A survey of the College estate to gauge the potential use of low carbon technologies was completed in 2010. As a result, the College invested in solar panels on five College roof top locations; results are already exceeding expectations. The College's more recent focus has been on the installation of a wood pellet fired biomass boiler and associated installations. The boiler was constructed in conjunction with the redevelopment of New Hall. The boiler serves New Hall and through a new district main connects into existing boiler rooms serving the Ancient Buildings and the medieval heart of the College, including the Treasury.

**WINCHESTER COLLEGE**  
**REPORT OF THE WARDEN AND FELLOWS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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Similarly, the College continues to identify and implement energy-efficient projects, for example, by connecting Art School to the new, energy-efficient boiler in Science School through a ring-main, enabling five older and inefficient boilers to be removed. The College continues to explore low carbon and energy efficient solutions as it maintains and plans the development of its facilities. Particular attention has been paid in the Kingsgate Park project where the School is targeting a BREEAM “excellent” rating.

Appropriate measures are implemented as each building on the campus is refurbished.

**Objective 5: “Undertaking a sustained fundraising programme”**

**Development Office**

The College is committed to best practice in relation to all fundraising activities, which are carried out by the in-house Development team who are subject to the scrutiny of the Development Committee and Governing Body. The College did not engage any third parties to carry out fundraising activities on its behalf during the year. The College is registered with the Fundraising Regulator and has set up internal protocols and procedures to adhere to the Code of Fundraising Practice as a set of guiding principles to ensure fundraising is legal, open, honest and respectful, and the school’s Privacy Notices have been updated accordingly. This national code of practice includes rules governing consent, data sharing, data protection and privacy relating to all electronic and print communications. Within this framework, the College strives for full compliance with GDPR and PECR regulations and continues to review the management of data and its communication strategy in line with best practice. Face to face meetings with donors and potential donors are always made by appointment and with full disclosure in advance of the purpose of each meeting. No formal complaints have been received in the financial year 1 September 2017 to 31 August 2018. A series of guidelines, in line with the recommendations as set out in the Fundraising Regulator’s Code of Fundraising Practice, has been adopted to protect vulnerable people and to guard against intrusion on a person’s privacy. Unreasonably persistent behaviour by fundraisers or undue pressure on a person to give money or other property is neither tolerated nor encouraged by operating guidelines.

Particular emphasis is placed on attracting sufficient donations to allow the College to achieve the bursary target outlined above and to support the Quiristers and Ancient Buildings. Winchester College Society, for which further information can be found in note 8 to these financial statements, pursues fundraising as one of its aims, for the College’s present and future needs. Details of funds raised in the year can be found within the Financial Review later in this Report. In addition, the College’s ambitious plans for the campus to the south of Kingsgate Park, including the site of the current PE Centre described above, has provided new focus and impetus for fundraising efforts.

**Winchester College Trading Company (Enterprises)**

Winchester College Enterprises hosts residential courses and sports and activity camps for children, organises catered events including wedding receptions, conferences and private parties, provides film locations and manages charity events on campus.

There is extensive use of the College’s PE Centre and squash facilities by local schools and through sports club membership. Enterprises also arrange guided tours of the ancient buildings seven days a week throughout the year, except Christmas and New Year. Approximately 8,000 visitors a year enjoy access to the College; this is considered an important feature in the attractiveness to tourists of Winchester as a historically significant city, which attracts four million tourists per annum.

Many of the College facilities are made available to the public and the College continues to forge links with the community through various economic, sports and tourism initiatives of the Winchester City Council, including the Cultural Consortium, Discover Winchester, Kingsgate Village and the Business Improvement initiative.

Enterprises also organise, either free or at cost, on behalf of the College, numerous charity and community events making use of the College’s facilities, including carol services, fundraising concerts (Brendoncare), providing venues (Naomi House, Firefly theatre group, Alresford Art Society Group) and meeting spaces (Russian Circle) for local community groups as well as outdoor activities for local educational and community bodies Charity Tennis, and Pedal Paddle Pace for MacMillan Cancer Support. In addition, facilities were made available to the University of Winchester (Swimathon and access to Itchen Navigation for a Geography Field Trip), Rotary Club (Swimathon), Hampshire Music Services concert, and Winchester Symphony Orchestra and Winchester Music Club (use of concert halls for rehearsals and performances).



**WINCHESTER COLLEGE**  
**REPORT OF THE WARDEN AND FELLOWS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**FINANCIAL REVIEW**

The financial statements are presented in the standard format required by the Statement of Recommended Practice on Accounting and Reporting by Charities issued in 2015 (“the Charities SORP”) and Financial Reporting Standard 102. These consolidated accounts incorporate the results of the College and its two wholly-owned trading subsidiaries, Beam Design Limited and Winchester College Trading Company Limited.

The Statement of Financial Activities is a complex document and the simplified statement below seeks to bring out the College’s main sources of income and the results of its activities:

	2018	2017
	£'000	£'000
<b>Income</b>		
Gross school fees	26,555	25,737
Gross scholarships and bursaries	(3,732)	(3,386)
Other school income including contributions towards bursaries	1,277	1,485
School fees and other school income	24,100	23,836
Trading and other income	716	714
Investment income	2,671	2,495
Kingsgate Park fundraising income	2,265	150
Other fundraising income	1,680	685
	31,432	27,880
<b>Expenditure</b>		
On charitable activities	(26,951)	(26,080)
On generating other income	(2,154)	(2,147)
	(29,105)	(28,227)
Net operating income/(loss)	2,327	(347)
New endowment	1,539	2,679
<b>Net income</b>	3,866	2,332
<i>Analysis of net income by source:</i>		
School income	(1)	437
Depreciation	(2,850)	(2,681)
Deficit in school income	(2,851)	(2,244)
Trading, investment and fundraising	5,178	1,897
Net operating income/(loss)	2,327	(347)
New endowment	1,539	2,679
<b>Net income</b>	3,866	2,332

The College and its subsidiaries have four separate income streams and in the 2017/2018 financial year these produced income totalling £31,432,000, a 12.74% increase over the previous year’s £27,880,000.

The School’s core, charitable activities produce by far the largest part of this income, with school fees and income from other activities associated with running the School producing a net £24,100,000, 1.1% higher than the previous year. Included within this, gross school fee income grew by 3.1%, reflecting a 3.9% increase in school fees in September 2017 from £36,678, to £38,100 and a decrease in the average number of pupils in School from 701 to 698. Bursaries, scholarships and other awards totalling £3,732,000 were deducted from these gross fees. As explained more fully on pages 9-10, the value of bursaries awarded increased in the year, as a result of continued strong demand and the College’s desire to increase bursary provision as funds allow.

**WINCHESTER COLLEGE**  
**REPORT OF THE WARDEN AND FELLOWS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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Trading income rose by £2,000 to £716,000. Winchester College Enterprises saw a decrease in turnover as a result of planned maintenance work to some central areas of campus resulting in fewer bookings for wedding receptions, although further growth in residential group lettings and steady business in other areas of activity across the year helped to reduce the impact on overall results. The College continues to invest in green technology and receives a steady income from the Government's Feed-in and Renewable Heat Incentive Schemes.

Income from the College's investments and cash deposits increased by £176,000 to £2,671,000. Investment income from the College's financial assets increased by £195,000 to £905,000 due to increased dividend income received during the year from our passive funds, managed by BlackRock. Property investment income was, at £1,641,000, similar to last year, as although there were a number of agricultural rent increases, these were offset by a decrease in the residential houses rental return due to a rental house being vacant for a large part of the year. Interest receivable, at £77,000, is down on last year due to maturity of fixed rate accounts with higher interest rates than currently available in the fixed deposit markets.

Fundraising plays a critical role in the College's financing. In total, the amount raised in the year was £5,484,000, up £1,970,000 on the previous year (2017: £3,514,000). The College remains extremely grateful to all donors.

Fundraising falls into two distinct categories. Donations to endowed funds, down £1,140,000 at £1,539,000, included £684,000 for the College Bursary Fund, and £340,000 for the Wykeham Fund, which supports the College's charitable objectives through the three principal areas of the provision of bursaries, the maintenance of the Ancient Buildings and collections and support for the Quiristers. Although new endowment is treated as income under charity accounting, in practice this money has to be ring-fenced and invested, and hence is not immediately available to support the College's activities.

Other fundraising and development income, which is available for immediate use, increased by £3,110,000 to £3,945,000, due principally to the ongoing Kingsgate Park fundraising campaign for the major redevelopment of the PE Centre and squash courts, Works Department, Laundry, Mill and Medical Centre, which raised £2,265,000 during the year. Additionally, a £900,000 gift of a house used for staff accommodation was part of a large legacy receipt.

Total expenditure in the year was £29,105,000. This was £878,000 or 3% higher than the previous year, although slightly below the College's planned budgeted expenditure. Staff costs, which make up around 55% of total expenditure, experienced the largest increase of £709,000. The College continued to spend and invest in its academic and pastoral priorities, while ensuring that costs are controlled. Expenditure on generating non-school income, which includes trading, investment management and fundraising costs, were broadly as last year and remains closely scrutinised.

Overall, the group's net incoming resources for the year were, therefore, £3,866,000, an increase over the previous year of £1,534,000. The College and its charitable operations produced a deficit of £1,000 before depreciation, but this becomes a deficit of £2,851,000 after including depreciation of the College's buildings and equipment. This remains a stark reminder that fee income alone is insufficient to pay for the College's primary objectives: education and bursaries, the Quiristers and Ancient Buildings. Income from trading, investments and fundraising contributed a further £5,178,000 to turn the deficit into a surplus of £2,327,000. As noted above, a further £1,539,000 was received for the endowment and this has been added to the College's investments so that the income generated may benefit both current and future generations.

The College has a strong balance sheet enabling £3.81m (2017: £3.24m) to be spent on capital expenditure in the year, including £1.5m on Fearon's boarding house refurbishment and £1.2m on professional fees relating to the proposed redevelopment on the southern edge of Kingsgate Park.

As reported last year, the College has put in place a loan facility to enable it to manage its cash flow requirements. Further information can be found in note 28 to these financial statements.

#### **Reserves policy**

The College needs to have sufficient unrestricted reserves to enable it to meet its charitable obligations in the short term should there be an unexpected revenue shortfall. The existence of unrestricted reserves also offers the College flexibility to plan and fund major projects to develop and maintain its buildings and facilities. The unrestricted reserve (or "General Purposes Reserve") is expendable at the discretion of the Warden and Fellows in the furtherance of the Objects of the College.

**WINCHESTER COLLEGE**  
**REPORT OF THE WARDEN AND FELLOWS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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In addition, the Warden and Fellows may call on the Winchester College Foundation, which is an expendable endowment intended to support the general purposes of the College. It is the intention of the Warden and Fellows to maintain the real value of the Foundation and use the income derived to support the College's three main charitable objectives: bursaries, the Ancient Building and Quiristers. However, in extremis, the Foundation could provide adequate cover for the College's longer-term capital expenditure commitments and any other longer-term financial obligations.

The College also has substantial other reserves, though by their very nature the use the College may make of the income and capital of each fund is limited in accordance with the wishes of the donors when the funds were established. These reserves are shown under restricted and endowed funds in these Report and Financial Statements.

The College's total reserves at the balance sheet date were £369.1m (2017: £360.2m). This comprised endowed reserves of £330m (2017: £327m), restricted reserves of £3m (2017: £0.7m) and net unrestricted reserves of £36m after deducting the actuarially calculated, but volatile, funding deficit on the support staff final salary pension scheme of £0.5m (2017: £32m and £2.6m respectively). The endowed funds are split between permanent endowment of £4m and expendable endowment of £326m (2017: £4m and £323m respectively).

Free reserves, i.e. the unrestricted funds excluding the value of fixed assets less associated funding arrangements, stand at £2.9m (2017: £2.2m). The level of free reserves are considered by the College to be adequate, particularly when taken in conjunction with the availability of funds from the Winchester College Foundation if required.

**Investment policies and performance**

The College invests those funds it has been given to support its activities for the long term across a spread of different asset classes. The three main components are:

- just under 9,500 acres of rural properties with their ancillary residential, commercial, sporting and woodland interests,
- 12 residential properties in Winchester which are let out on the open market, with 11 further units completed at the year end which will be let out in 2018/19, and
- a diversified portfolio of stocks, shares and alternative investments.

These investments form the principal assets of the College's expendable and permanent endowed funds. In addition, the College maintains significant cash holdings.

The College's investment objectives are to:

1. maintain (at least) the value of the investments in real terms;
2. produce a consistent and sustainable amount to support expenditure; and
3. deliver (1) and (2) within acceptable levels of risk.

The College uses returns from these investments to help pay for:

- scholarships and bursaries awarded to pupils;
- the Quiristers, the College's choral foundation;
- the preservation and maintenance of the ancient buildings; and
- other purposes specified by endowed and restricted funds.

This is intended to balance current and future needs of the beneficiaries of the College.

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. The Statutes of the College permit the College's funds to be invested in any asset of any nature and the College has long had a policy of holding different asset classes. In line with this approach, an Order has been obtained from the Charity Commission to allow the College to invest permanent endowments to maximise total return and to make available an appropriate proportion of the total return for expenditure each year.

**WINCHESTER COLLEGE**  
**REPORT OF THE WARDEN AND FELLOWS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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Under this total return accounting basis, it is the Warden and Fellows' policy to extract as income 3%, (plus costs), of the value of the relevant investments. Further information can be found in note 1.9 and 6 of these financial statements.

Investment policy, asset allocation and performance are monitored by the Investment Committee. The Investment Committee consists of six members; three Fellows and three external members selected for their relevant expertise and experience. The Warden may also attend.

The College expects to see significant growth in the value of its endowment over the next decade or more as property developments are realised. In anticipation of this, the College undertook in 2016, with the help of Cambridge Associates, an extensive review of its investment aims and objectives, its investment policy, appropriate extraction rates and an overarching asset allocation, in order to provide a sustainable income stream to support the College's charitable objectives. Over time, this will see capital proceeds reinvested into a broad mix of investments.

At the balance sheet date, the College's investments were valued at £268m (2017: £258m) and gains, mostly unrealised, totalling £2.4m (2017: £3.8m) were recognised in the year in the Statement of Financial Activities. Of the balance sheet value, 69% was represented by the College's rural holdings, 23% by the financial assets portfolio, 7% by the portfolio of residential properties and 1% by the fees in advance scheme investments. The total return for the year on the College's investments, excluding Barton Farm, was 5.6%. The components are analysed below.

The College's rural holdings and their associated interests were valued at the balance sheet date at £182.6 million, a decrease of £17.0m on last year. This includes the College's interest in Barton Farm (land on the outskirts of Winchester), on which outline planning permission has been obtained to develop 2,000 houses. The College received in May 2018 £15m from the sale of the second tranche of land to the developer, CALA, and expects to receive significant additional amounts as CALA draws down further tranches in the coming years. Further information regarding Barton Farm can be found in note 15(a) to these financial statements.

Elsewhere across the College's rural holdings, £155,000 of small land purchases and farm improvements were made during the year, along with small land sales for net proceeds of £822,000. Agricultural rents and forestry income received in the year were similar to last year at £1,371,000. The total return from the College's rural holdings for the year, excluding the Barton Farm revaluation, was 4.0%.

The portfolio of residential houses is held principally for the rental stream they generate. Rents received in the year decreased by £41,000 to £270,000, due to the second largest rental house being vacant for a large part of the year with a subsequent reduction in monthly rental once let, and a rental house being transferred to staff housing in August 2018. The residential houses produce a gross yield of 2.7% on a current valuation of £9,165,000 (excluding units under construction during the year). The redevelopment of 77 to 79 Kingsgate Street and adjacent Wellington Cottage on Canon Street, previously used as general School teaching and office space and staff accommodation, into eleven residential properties (now "Ridding Court") available for rent was completed at the year-end at a total projected cost of £5,168,000. Ridding Court was valued at year-end at £9,265,000 and is anticipated to generate annual rental income of £220,000, giving a yield of 2.4% on market valuation or 4.3% on cost.

The College's financial assets portfolio is managed externally by four investment managers: Ruffer LLP and AQR Ltd manage the absolute return portfolio, BlackRock look after our range of passive funds and UBS hold our private equity fund. The investment managers report to the Investment Committee on a regular basis. The portfolio's asset allocation and major holdings are set out in note 15 (c).

In accordance with the investment review mentioned above, proceeds from land sales, together with new donations to the endowed funds, are invested into the financial assets portfolio. During the year £18,100,000 was added to the passive funds portfolio managed by BlackRock, with the balance of land sale proceeds and endowment funds being held in cash at the year end, waiting to be fed into the financial markets in 2018/2019. Dividends and interest of £905,000 were received, fees of £138,000 paid and £881,000 was extracted. The year-end value of the financial assets portfolio was £63,879,000.

The portfolio overall produced a positive return at 5.2% net of costs for the year. Equities in the passive funds provided positive returns of 7.4%, although it underperformed the MSCI All Country World Index benchmark return of 10.5%. Our absolute return funds did not perform well, with Ruffer down -0.3% for the year, significantly

**WINCHESTER COLLEGE**  
**REPORT OF THE WARDEN AND FELLOWS (continued)**  
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underperforming its benchmark, and AQR overall down -4.6%, also underperforming its benchmark, after a very positive start to the year. Private equity, however, continued to perform well with a positive return of 10.0%.

In addition to the property and financial assets portfolios, the College holds a separate portfolio of lower-risk assets to support the College's fees in advance scheme. This portfolio is invested in a spread of fixed deposits, investment grade corporate bond funds, UK gilts and cash. As these investments are not held as part of the College's long-term investment strategy, but specifically to help meet liabilities under the fees in advance scheme, the income and gains arising are excluded from the overall return figures set out within this Report.

**Responsibilities of the Warden and Fellows**

The Warden and Fellows are responsible for preparing the Report of the Warden and Fellows and the financial statements in accordance with applicable law and regulations.

Charity law requires the Warden and Fellows to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland) and applicable law. Under charity law the Warden and Fellows must not approve the financial statements unless they

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and 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 Warden and Fellows are 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. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Warden and Fellows confirm that they have complied with the above requirements.

Approved by the Warden and Fellows on 1 December 2018 and signed on their behalf by

  
Charles Sinclair  
Warden

# INDEPENDENT AUDITOR'S REPORT TO THE WARDEN AND FELLOWS OF WINCHESTER COLLEGE

## Opinion

We have audited the financial statements of Winchester College for the year ended 31 August 2018 which comprise Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. 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's and of the parent charity's affairs as at 31 August 2018 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 group 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent 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 trustees 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 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.

# INDEPENDENT AUDITOR'S REPORT TO THE WARDEN AND FELLOWS OF WINCHESTER COLLEGE (continued)

## 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 (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 the trustees 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 trustees are responsible for assessing the group's and the parent 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 trustees 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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor

London

12 December 2018

**WINCHESTER COLLEGE**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2018 Total £'000	2017 Total £'000
<b>Incoming resources:</b>						
<b>Income from charitable activities</b>						
School fees receivable	2	23,298	-	-	23,298	22,879
Other income	3	802	-	-	802	957
<b>Income from other activities</b>						
Trading income	4	574	-	-	574	630
Other activities	4	142	-	-	142	84
Investment income	5	66	-	2,528	2,594	2,386
Capital applied to income	6	3,034	547	(3,581)	-	-
Bank and other interest	7	77	-	-	77	109
Grants and donations	8	1,186	2,660	1,539	5,385	3,460
Other development income	8	99	-	-	99	54
<b>Total incoming resources</b>		<b>29,278</b>	<b>3,207</b>	<b>486</b>	<b>32,971</b>	<b>30,559</b>
<b>Expenditure:</b>						
<b>Costs of raising funds</b>						
Trading costs	9	(388)	-	-	(388)	(407)
Financing costs	10	(220)	-	-	(220)	(254)
Investment management	9	(16)	-	(510)	(526)	(592)
Development costs:						
- Fundraising	9	(618)	-	-	(618)	(510)
- Other activities	9	(402)	-	-	(402)	(384)
<b>Total costs of raising funds</b>	9	<b>(1,644)</b>	<b>-</b>	<b>(510)</b>	<b>(2,154)</b>	<b>(2,147)</b>
<b>Charitable activities</b>						
Education and grant making	9	(24,828)	(840)	(839)	(26,507)	(25,644)
Preservation of buildings and contents	9	(425)	(19)	-	(444)	(436)
<b>Total expenditure</b>		<b>(26,897)</b>	<b>(859)</b>	<b>(1,349)</b>	<b>(29,105)</b>	<b>(28,227)</b>
<b>Net incoming/(outgoing) resources before transfers and investment gains</b>		<b>2,381</b>	<b>2,348</b>	<b>(863)</b>	<b>3,866</b>	<b>2,332</b>
Gains on revaluation of tangible fixed assets	12	117	-	839	956	3,599
Gains on property investments	15	-	-	495	495	(137)
Gains on financial assets portfolio	15	-	-	1,894	1,894	3,919
Losses on fees in advance investments	16	(60)	-	-	(60)	(39)
Transfers between funds	23	22	(22)	-	-	-
<b>Net income and capital (inflow)</b>		<b>2,460</b>	<b>2,326</b>	<b>2,365</b>	<b>7,151</b>	<b>9,674</b>
Pension scheme actuarial gains	26	1,721	-	-	1,721	1,980
Net movement in funds for the year		4,181	2,326	2,365	8,872	11,654
Fund balances brought forward		32,070	701	327,443	360,214	348,560
<b>Fund balances carried forward at 31 August 2018</b>		<b>36,251</b>	<b>3,027</b>	<b>329,808</b>	<b>369,086</b>	<b>360,214</b>



**WINCHESTER COLLEGE**  
**CONSOLIDATED AND COLLEGE BALANCE SHEETS**  
**AT 31 AUGUST 2018**

	Note	Group		College	
		2018 £'000	2017 £'000	2018 £'000	2017 £'000
<b>FIXED ASSETS</b>					
Tangible fixed assets	12	98,609	98,983	98,609	98,983
Investments	14	268,461	258,201	268,521	258,261
		<u>367,070</u>	<u>357,184</u>	<u>367,130</u>	<u>357,244</u>
<b>CURRENT ASSETS</b>					
Stock		8	5	-	-
Debtors	17	1,780	5,510	1,638	5,358
Cash and deposits		16,074	15,111	15,779	14,872
		<u>17,862</u>	<u>20,626</u>	<u>17,417</u>	<u>20,230</u>
<b>CREDITORS: amounts falling due within one year</b>	18	<u>(11,094)</u>	<u>(11,004)</u>	<u>(10,716)</u>	<u>(10,681)</u>
<b>NET CURRENT ASSETS</b>		<u>6,768</u>	<u>9,622</u>	<u>6,701</u>	<u>9,549</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		373,838	366,806	373,831	366,793
<b>CREDITORS: amounts falling due after more than one year</b>	19	<u>(4,211)</u>	<u>(3,969)</u>	<u>(4,211)</u>	<u>(3,969)</u>
<b>NET ASSETS BEFORE PENSION DEFICIT</b>		369,627	362,837	369,620	362,824
Pension Scheme deficit	26	<u>(541)</u>	<u>(2,623)</u>	<u>(541)</u>	<u>(2,623)</u>
<b>NET ASSETS AFTER PENSION DEFICIT</b>		<u>369,086</u>	<u>360,214</u>	<u>369,079</u>	<u>360,201</u>
<b>REPRESENTED BY:</b>					
<b>ENDOWED FUNDS</b>	23	329,808	327,443	329,808	327,443
<b>RESTRICTED FUNDS</b>	23	3,027	701	3,027	700
<b>UNRESTRICTED FUNDS</b>					
General Purposes Reserve	23	36,792	34,693	36,785	34,681
Pension Reserve	26	<u>(541)</u>	<u>(2,623)</u>	<u>(541)</u>	<u>(2,623)</u>
		<u>369,086</u>	<u>360,214</u>	<u>369,079</u>	<u>360,201</u>

These financial statements were approved by the Warden and Fellows on 1 December 2018 and were signed on their behalf by:

Warden



Bursar



**WINCHESTER COLLEGE**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £'000	2017 £'000
<b>Net cash inflow from operations</b>	(i)	<b>5,824</b>	<b>3,169</b>
<b>Cash flows from financing activities</b>			
New endowment		1,539	2,679
Fees in advance scheme		405	330
Interest and finance costs paid		(220)	(254)
		<u>1,724</u>	<u>2,755</u>
<b>Cash flows from investing activities</b>			
Investment income and bank interest received		2,671	2,495
Payments for tangible fixed assets		(3,393)	(3,414)
Payments for investments		(22,253)	(1,448)
Acquisition and improvements to estates properties		(155)	(443)
Acquisition and improvements to Winchester Houses		(2,703)	(1,377)
Proceeds from sales of estates properties		15,656	936
Proceeds on sale of investments		3,592	1,886
		<u>(6,585)</u>	<u>(1,365)</u>
<b>Net cash used in investing activities</b>		<b>(6,585)</b>	<b>(1,365)</b>
Change in cash and cash equivalents in the reporting year		963	4,559
Cash and cash equivalents at the beginning of the year		15,111	10,552
		<u>16,074</u>	<u>15,111</u>
<b>Cash and cash equivalents at the end of the year</b>		<b>16,074</b>	<b>15,111</b>

**WINCHESTER COLLEGE**  
**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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(i) **Reconciliation of net income to net cash flow from operating activities**

	2018		2017	
	£'000	£'000	£'000	£'000
Net incoming resources		3,866		2,332
Elimination of non-operating cash flows:				
- Investment income	(2,594)		(2,386)	
- Interest receivable	(77)		(109)	
- Endowment donations	(1,539)		(2,679)	
- Financing costs	220		254	
FRS102 pension adjustments	(361)		(315)	
Depreciation charge	2,850		2,681	
Loss on sale of assets	-		6	
(Increase)/Decrease in debtors and stock	3,728		3,328	
(Decrease)/Increase in creditors (excluding fees in advance scheme)	(296)		139	
(decrease)/increase in parents' deposits	27		(82)	
		1,958		837
<b>Net cash inflow from operations</b>		<b>5,824</b>		<b>3,169</b>

(ii) **Analysis of cash and cash equivalents**

		2018	2017
		£'000	£'000
Cash at bank		15,977	15,014
Bank deposits		97	97
		16,074	15,111
		<b>16,074</b>	<b>15,111</b>

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES**

The College is a Public Benefit Entity. The College was founded in 1382 and registered as a charity with the Charity Commission for England and Wales on 12 November 2010 (charity number 1139000). Its registered office is: Winchester College, College Street, Winchester, Hampshire, SO23 9NA.

The consolidated financial statements have been prepared in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Statement of Recommended Practice on Accounting and Reporting applicable to charities preparing their accounts in accordance with FRS 102 ("The Charities SORP 2015").

The financial statements have been prepared to give a 'true and fair' view and departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved preparing accounts in accordance with FRS 102 rather than SORP 2005 which has since been withdrawn.

The financial statements consolidate those of the College and its wholly owned trading subsidiary companies: Beam Design Limited (company no. 02902175) and Winchester College Trading Company Limited (company no. 02673873).

The financial statements are drawn up on the historical cost basis of accounting, as modified by the revaluation of certain assets including investment properties and other investments. The functional currency of the College is considered to be GBP because that is the currency of the primary economic environment in which the College operates.

After reviewing the College's forecasts and projections, the Warden and Fellows have a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. The College therefore continues to adopt the going concern basis in preparing its financial statements.

**1.1 Fees and similar income**

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the College against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

**1.2 Investment income**

Interest on bank balances and fixed interest securities is accounted for on the accruals basis. Credit is only taken for dividend income and similar distributions when received. Income from investment properties is accounted for in the period to which the rental income relates.

**1.3 Donations, legacies, grants and other voluntary incoming resources**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the College is considered probable. Voluntary income received for the general purpose of the College are credited to unrestricted funds. Voluntary income subject to specific wishes of the donor are credited to the relevant restricted fund or, where the voluntary income is required to be held as permanent capital, to endowed funds. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the College in the case of donated services or facilities.

**1.4 Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Certain expenditure is apportioned to expenditure categories 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. The direct costs incurred in preserving the College's ancient buildings and their contents are shown as a charitable activity separate to that of education and grant making. Irrecoverable Value Added Tax is included with the item of expenditure to which it relates.

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.4 Expenditure (continued)**

Grants are accounted for in the period in respect of which they are made. Governance costs comprise the costs of running the charity and of complying with constitutional and statutory requirements. Intra-group sales and charges between the College and its subsidiaries are excluded from trading income and expenditure.

Termination benefits are recognised in the Statement of Financial Activities when the College has demonstrably committed to making termination payments and there is no realistic possibility of withdrawal from a termination agreement.

**1.5 Tangible fixed assets**

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £50,000 together with artefacts, vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £5,000 are capitalised and carried in the Balance Sheet at historical cost. The cost of ICT equipment is written off as incurred. In certain circumstances, where the original costs of assets are not ascertainable, a reasonable estimate of the cost, if material, has been used.

Other expenditure on equipment incurred in the normal day-to-day running of the College and its subsidiaries is charged to the Statement of Financial Activities as incurred.

The exception to this general policy is that residential houses for staff accommodation are shown at market value. These properties are revalued annually. The surplus or deficit on revaluation is dealt with in the Statement of Financial Activities.

The College also holds certain heritage assets which are not recognised on the balance sheet, in accordance with the requirements of the Charities SORP 2015, as information on their cost or valuation is not available due to the length of ownership and unique nature of the assets in question. Further information on these assets can be found in note 13.

**1.6 Depreciation**

Depreciation is provided to write off the cost of all relevant tangible fixed assets, less their estimated residual value based on current market prices, in equal annual instalments over their expected useful economic lives as follows:

College buildings, including major extensions	50 years
Residential houses for staff	50 years
Refurbishments, alterations and minor extensions	7 to 15 years
Furniture, machinery and equipment	4 to 7 years
Motor vehicles	4 years
Land is not depreciated.	

**1.7 Investments**

Investment properties have been valued as individual investments at their market values as at the balance sheet date. Purchases and sales of investment properties are recognised on unconditional exchange of contracts.

Listed investments are valued at market value as at the balance sheet date. Investments such as hedge funds and private equity funds, which have no readily identifiable market value, are included at the most recent valuations from their respective managers. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets. Investments in subsidiaries are valued at cost less provision for impairment.

**1.8 Stock**

Stock represents goods for resale and is valued at the lower of cost and net realisable value.

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.9 Total return accounting**

The Charity Commission permitted the College to adopt the use of total return in relation to its permanent endowment on 26 June 2008. The power permits the College to invest permanent endowments to maximise total return and to make available an appropriate proportion of the total return for expenditure each year. Until this power is exercised the total return will be an “unapplied total return” and remain as part of the permanent endowment. The Warden and Fellows have decided it is in the interests of the College to present its expendable endowment in the same way, though there is no legal restriction on the power to distribute the expendable reserve.

To represent the “preserved value” of the original gifts the Warden and Fellows have used the gifted values of the permanent endowments where known, or otherwise their values as at 31 December 1954 when a scheme of consolidation was approved by the Privy Council for those funds subject to that scheme, and as at 31 December 1985 for other funds, together with the gifted values of any subsequent additions.

**1.10 Fund accounting**

The total funds of the College and its subsidiaries are allocated to unrestricted, restricted or endowed funds based on the terms set by the donors. Endowed 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 Warden and Fellows. The Warden and Fellows 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 earmarked funds for specific purposes. 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 that the capital be maintained and the income used for specific purposes.

Permanent endowment funds arise where donors specify that the funds should be retained as capital for the permanent benefit of the College. Any income arising from the capital will be accounted for as unrestricted funds unless the donor has placed further 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 Warden and Fellows may at their discretion determine to spend all or part of the capital.

Further details of the funds recognised under each heading are set out in notes 21 to 23.

**1.11 Pension costs**

Retirement benefits to employees of the College are provided through three pension schemes, one defined benefit and two defined contribution. The pension costs charged in the Statement of Financial Activities are determined as follows:

*The Teachers' Pension Scheme*

This scheme is a multi-employer pension scheme. It is not possible to identify the assets and liabilities of the Teachers' Pension Scheme, which are attributable to the College, on a consistent and reasonable basis and therefore, as required by FRS102, the College accounts for the scheme as if it were a defined contribution scheme. The College's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.11 Pension costs (continued)**

*The Winchester College Support Staff Pension Fund*

This is an occupational defined benefit scheme. The defined benefit pension scheme current service costs are charged to the Statement of Financial Activities within staff costs. The expected return on the scheme assets less the scheme interest costs are credited within other interest. The scheme actuarial gains and losses are recognised immediately as other recognised gains and losses.

The defined benefit scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the Balance Sheet.

*The Winchester College Group Personal Pension Plan*

This is a defined contribution group personal pension plan with Aviva (Friends Life). Employer's pensions costs are charged in the period in which the salaries to which they relate are payable.

**1.12 Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**1.13 Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost, with the exception of investment properties, which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and deferred income and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year-end exchange rate.

**1.14 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the College's accounting policies, the Warden and Fellows are required to make judgements, estimates, and assumptions, about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

- Valuation land and buildings – The College's land and buildings are stated at their estimated fair value based on professional valuations as disclosed in note 15.
- Pensions liabilities – The College recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 26.

**1.15 Fees in Advance Scheme**

Amounts received under the school's Fees in Advance Scheme contracts for education, not yet utilised to settle school fees, are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**2. CHARITABLE ACTIVITIES – FEES RECEIVABLE**

	2018	2017
	£'000	£'000
Gross school fees	26,555	25,737
Less: Total scholarships, bursaries and other awards	<u>(3,732)</u>	<u>(3,386)</u>
	22,823	22,351
Add back: Bursaries and other awards paid for by restricted funds	<u>475</u>	<u>528</u>
	<b><u>23,298</u></b>	<b><u>22,879</u></b>

A total of 240 awards were made in the year (2017: 230) to 188 individual pupils (2017: 177). Within these, scholarships were paid to Nil (2017: Nil) pupils and means-tested bursaries granted to 132 pupils (2017: 127).

**3. CHARITABLE ACTIVITIES – OTHER INCOME**

	2018	2017
	£'000	£'000
Extras	498	664
Entrance and registration fees	284	259
Social Centre and other sales	11	15
Commissions and other income	<u>9</u>	<u>19</u>
	<b><u>802</u></b>	<b><u>957</u></b>

**4. OTHER ACTIVITIES TO GENERATE FUNDS**

	2018	2017
	£'000	£'000
<b>Trading income</b>		
Winchester College Enterprises	<u>574</u>	<u>630</u>
<b>Other activities</b>		
Interest on overdue fees, feed-in-tariff and other income	<u>142</u>	<u>84</u>



**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**5. INVESTMENT INCOME**

	Unrestricted	Restricted	Endowed	<b>Total</b>	<i>Total</i>
	£'000	£'000	£'000	<b>2018</b>	<i>2017</i>
				<b>£'000</b>	<i>£'000</i>
<b>Portfolio investment income</b>					
Equities	-	-	897	<b>897</b>	659
Fixed interest	-	-	2	<b>2</b>	50
Cash	-	-	6	<b>6</b>	1
	-	-	905	<b>905</b>	710
<b>Fees-in-advance portfolio</b>					
Fixed interest	48	-	-	<b>48</b>	47
<b>Property investment income</b>					
Rents receivable	18	-	1,623	<b>1,641</b>	1,629
	<b>66</b>	-	<b>2,528</b>	<b>2,594</b>	<b>2,386</b>

**6. STATEMENT OF INVESTMENT TOTAL RETURNS**

The Warden and Fellows have adopted a policy of Total Return accounting for the College's permanent endowment investment and invests on a total return basis. The return applied as income is currently 3% (plus costs). The preserved value of the permanent endowments represents the values of the original gifts where known or otherwise the values of the endowment assets in 1954 and 1985 as described in Note 1.9 together with subsequent additional capital received.

	Permanent endowment £'000	Expendable endowment £'000	<b>Total</b> £'000
<b>Investment return</b>			
Investment income	86	2,442	<b>2,528</b>
Capital gains	180	2,209	<b>2,389</b>
Investment management costs	(15)	(495)	<b>(510)</b>
<b>Total return for the year</b>	251	4,156	<b>4,407</b>
Less: application as income	(93)	(3,488)	<b>(3,581)</b>
<b>Total return for the year less amount applied as income</b>	158	<b>668</b>	<b>826</b>
Unapplied total return at 1 September 2017	1,345		
<b>Unapplied total return at 31 August 2018</b>	<b>1,503</b>		
Preserved value	2,796		

The income taken from the permanent and expendable endowments is applied to unrestricted and restricted funds in accordance with the terms of the individual trusts and special funds that make up the endowment. Further analysis can be found in note 23.

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

7. BANK AND OTHER INTEREST	Unrestricted	Restricted	Endowed	<b>Total</b>	<i>Total</i>
	£'000	£'000	£'000	<b>2018</b>	<i>2017</i>
				<b>£'000</b>	<i>£'000</i>
Bank interest	77	-	-	77	109
	<u>77</u>	<u>-</u>	<u>-</u>	<u>77</u>	<u>109</u>
8. DEVELOPMENT INCOME	Unrestricted	Restricted	Endowed	<b>Total</b>	<i>Total</i>
	£'000	£'000	£'000	<b>2018</b>	<i>2017</i>
				<b>£'000</b>	<i>£'000</i>
<b>Grants and donations</b>					
Development donations	1,186	2,660	1,539	5,385	3,428
Fundraising events and activities	-	-	-	-	32
	<u>1,186</u>	<u>2,660</u>	<u>1,539</u>	<u>5,385</u>	<u>3,460</u>
<b>Other development Income</b>					
Friends of Winchester College	18	-	-	18	17
Alumni	52	-	-	52	28
Parents	29	-	-	29	9
	<u>99</u>	<u>-</u>	<u>-</u>	<u>99</u>	<u>54</u>

The College brings together under one “umbrella” its relations with all constituents of the Wykehamical family, including Old Wykehamists, parents past and present, the Quirister Association and the Friends of Winchester College, through Winchester College Society. The aims of the Society are to maintain and build good relations amongst the worldwide Wykehamical family, foster support for the School and pride in all it seeks to achieve and encourage the culture of giving.

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**9. ANALYSIS OF RESOURCES EXPENDED**

**(a) Total expenditure**

	Staff costs (note 11) £'000	Depreciation (note 12) £'000	Other £'000	<b>Total 2018 £'000</b>	<i>Total 2017 £'000</i>
<b>Costs of raising funds</b>					
Trading costs	270	-	118	388	407
Financing costs (note 10)	-	-	220	220	254
Investment and estates management	109	-	417	526	592
Development costs					
- Fundraising costs	295	-	323	618	510
- Other development costs	184	-	218	402	384
<b>Total costs of raising funds</b>	<b>858</b>	<b>-</b>	<b>1,296</b>	<b>2,154</b>	<b>2,147</b>
<b>Charitable expenditure</b>					
<i>Education and grant making</i>					
Teaching	8,979	89	2,089	11,157	11,025
Welfare	2,810	14	1,409	4,233	4,025
Premises repair and maintenance	1,970	2,731	3,417	8,118	7,811
Support costs of schooling	1,494	16	705	2,215	1,967
Grants, awards and prizes (note 9 (b))	-	-	784	784	816
	15,253	2,850	8,404	26,507	25,644
<i>Preservation of ancient buildings and contents</i>	57	-	387	444	436
<b>Total charitable expenditure</b>	<b>15,310</b>	<b>2,850</b>	<b>8,791</b>	<b>26,951</b>	<b>26,080</b>
<b>Total expended</b>	<b>16,168</b>	<b>2,850</b>	<b>10,087</b>	<b>29,105</b>	<b>28,227</b>

**(b) Grants, awards and prizes**

	Unrestricted £'000	Restricted £'000	<b>2018 £'000</b>	<i>2017 £'000</i>
Bursaries and other grants and awards	-	475	475	528
Quiristers	96	109	205	208
Prizes and leaving awards	13	91	104	80
	109	675	784	816

The College contributes to the education of the 16 Quiristers at the Pilgrims' School.

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**9. ANALYSIS OF RESOURCES EXPENDED (CONTINUED)**

<b>(c) Governance included in support costs:</b>	<b>2018</b>	<i>2017</i>
	<b>£'000</b>	<i>£'000</i>
Remuneration paid to auditor for audit services	<b>41</b>	<i>40</i>
Other governance costs	<b>20</b>	<i>23</i>
	<b>61</b>	<i>63</i>

Neither the Warden, Sub Warden, nor any other Fellow, received any remuneration or other benefits from Winchester College or any connected body.

Travel expenses totalling £4,000 (2017: £4,000) were reimbursed to 11 members (2017: 8) of the Governing Body.

In addition to the above audit remuneration, the auditor received fees for other services totalling £6,000 (2017: £14,000).

**10. FINANCE AND OTHER COSTS**

	<b>2018</b>	<i>2017</i>
	<b>£'000</b>	<i>£'000</i>
Fees in advance debt financing cost	<b>42</b>	<i>79</i>
Pension Scheme financing cost	<b>56</b>	<i>94</i>
Other costs	<b>122</b>	<i>81</i>
	<b>220</b>	<i>254</i>

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**11. STAFF COSTS**

The aggregate payroll costs for the year were as follows:

	2018 £'000	2017 £'000
Wages and salaries	13,493	12,898
Social security costs	1,212	1,163
Pension costs	1,463	1,398
	<u>16,168</u>	<u>15,459</u>
Aggregate employee-benefits of key management personnel	<u>1,672</u>	<u>1,543</u>

The number of higher paid employees, as defined by the Charities SORP, was:

	2018 No	2017 No
(exclusive of termination payments)		
£60,001 to £70,000	32	29
£70,001 to £80,000	8	6
£80,001 to £90,000	2	2
£90,001 to £100,000	1	-
£110,001 to £120,000	-	1
£120,001 to £130,000	1	-
£130,001 to £140,000	-	1
£140,001 to £150,000	1	-
£220,001 to £230,000	-	1
£230,001 to £240,000	1	-
	<u>1</u>	<u>-</u>
The number with retirement benefits accruing in		
- money purchase schemes was	10	9
of which the contributions amounted to	£64,000	£66,000
- defined benefit schemes was	<u>32</u>	<u>29</u>

The average number of the College's employees during the year was 538 (2017: 538). Calculated on a full time equivalent basis, there were 377 employees (2017: 365), as detailed below:

	2018 No	2017 No
Teaching	150	145
Welfare	115	114
Premises	69	66
Support	28	26
Other activities	15	14
	<u>377</u>	<u>365</u>

There were no redundancy or termination payments charged during the year (2017: £127,000). There was £Nil (2017: £31,000) outstanding at the year-end.

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**12. TANGIBLE FIXED ASSETS**

<b>Group and College</b>	Freehold land and buildings			Artefacts, vehicles and equipment £'000	<b>Total £'000</b>
	Staff residential houses £'000	Boarding houses £'000	Campus £'000		
<b>Cost/valuation</b>					
At 1 September 2017	71,726	16,688	24,320	2,368	115,102
Additions and transfers in	677	1,582	1,352	202	3,813
Disposals and transfer out	(2,293)	-	-	(69)	(2,362)
Revaluation	-	-	-	-	-
<b>At 31 August 2018</b>	<b>70,110</b>	<b>18,270</b>	<b>25,672</b>	<b>2,501</b>	<b>116,553</b>
<b>Depreciation</b>					
At 1 September 2017	-	(6,530)	(7,857)	(1,732)	(16,119)
Charge for the year	(956)	(977)	(763)	(154)	(2,850)
Disposals	-	-	-	69	69
Revaluation	956	-	-	-	956
<b>At 31 August 2018</b>	<b>-</b>	<b>(7,507)</b>	<b>(8,620)</b>	<b>(1,817)</b>	<b>(17,944)</b>
<b>Net book value</b>					
<b>At 31 August 2018</b>	<b>70,110</b>	<b>10,763</b>	<b>17,052</b>	<b>684</b>	<b>98,609</b>
<i>At 31 August 2017</i>	<i>71,726</i>	<i>10,158</i>	<i>16,463</i>	<i>636</i>	<i>98,983</i>

Assets are held at historical cost less depreciation except for staff residential houses, which are shown at market value.

All tangible fixed assets are held for use on charitable activities except assets with a cost of £36,000 (2017: £36,000) and a net book value of £Nil (2017: £Nil) used in the generation of funds.

An update to the formal valuation of the Staff residential houses on a market value basis as at 31 August 2015 was prepared by Mr Steven Moore of Savills as at 31 August 2018.

The College has substantial historic assets that are used in the course of the College's activities (see note 13).

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**13. HERITAGE ASSETS**

The College has substantial historic assets which are used in the course of its activities. These collections include antiquities, ceramics, coins, watercolours, books and manuscripts, archives and Wiccamica (i.e. ephemera relating to the College), scientific equipment, silver and plated wares, furniture, sculptures, oil paintings and portraits, and the armoury. Many are unique to the College, being either commissioned by the College or donated. They are appropriately preserved, conserved and catalogued, through a continuous and evolving process. These historic assets were appraised by Sotheby's in 2005 and are insured through an appropriate fine arts policy.

The Warden and Fellows consider that these collections are held in accordance with the College's charitable objects as a vital part of the history and heritage of the College and a unique resource for the advancement of education, with a number having a dual use, being frequently used in the day to day operation of the College.

The majority of these historic assets have been held for many years and accurate information on value or cost is not available for these assets. However, the Warden and Fellows consider that their historical cost less depreciation would not be material. More recent acquisitions and gifts are capitalised in accordance with the College's accounting policies and are included within Tangible Fixed Assets under the heading "Artefacts, vehicles and equipment" (note 12). At the balance sheet date, such assets had a cost of £234,000 (2017: £234,000).

**14. INVESTMENTS**

	<b>Group</b>		<b>College</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Investments held in support of endowed funds (note 15)</b>				
Property investments				
- Rural holdings	182,555	199,610	182,555	199,610
- Residential properties	18,430	11,609	18,430	11,609
	<u>200,985</u>	<u>211,219</u>	<u>200,985</u>	<u>211,219</u>
Financial assets portfolio	63,879	43,322	63,879	43,322
	<u>264,864</u>	<u>254,541</u>	<u>264,864</u>	<u>254,541</u>
<b>Other investments</b>				
Investments held in support of the fees in advance scheme (note 16)	3,597	3,660	3,597	3,660
Investments in subsidiaries	-	-	60	60
	<u>268,461</u>	<u>258,201</u>	<u>268,521</u>	<u>258,261</u>

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**15. INVESTMENTS HELD IN SUPPORT OF ENDOWED FUNDS**

**Group and College**

The College invests those funds it has been given to support its activities for the long term across a spread of different asset classes. Currently there are three main components:

- Just under 9,500 acres of rural properties with their ancillary residential, commercial, sporting and woodland interests in Hampshire, Dorset and Cambridgeshire,
- twelve residential properties in Winchester which are let out on the open market, and
- a diversified portfolio of stocks, shares and alternative investments.

These investments form the principal assets of the College's expendable and permanent endowed funds.

The rural holdings and residential properties are managed in-house and the portfolio of financial assets is managed externally.

<b>(a) Rural holdings</b>	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Valuation at 1 September 2017	<b>199,610</b>	200,549
Improvements and additions at cost	<b>155</b>	443
Disposals at net proceeds	<b>(15,656)</b>	(936)
Net revaluation losses in the year	<b>(1,554)</b>	(446)
<b>Valuation at 31 August 2018</b>	<b><u>182,555</u></b>	<b><u>199,610</u></b>

The College's rural holdings consist of two main elements; farm holdings and development land at Barton Farm on the outskirts of Winchester.

A formal valuation of the farm holdings and their associated interests was prepared by Mr T Lockton MRICS of Savills as at 31 August 2018. These holdings were valued in this latest valuation at £70.6m.

In October 2012, outline planning consent was granted at Barton Farm for 2,000 houses. The developers, CALA Homes (Thames) Limited, obtained detailed permission for 423 houses in March 2014. In June 2016, the College received a net £12.1m for a smaller parcel of land sufficient to build 223 houses. In May 2018, the College received a net £15.0m for a parcel of land sufficient to build 200 houses.

The College's Estates Bursar, Mr R V Chute FRICS, in consultation with the College's professional advisors have taken into account the recent sale of the second tranche along with the prevailing market conditions and underlying assumptions and have concluded that the valuation of the College's remaining interest in Barton Farm, net of tranches already disposed, as at 31 August 2018, is £112m, (2017: £130m).

As hitherto, any realisations of the College's investments have to be retained within the endowed funds, and it is the Governing Body's intention that the income is to be used to support the College's charitable objectives, principally the provision of bursaries.



**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**15. INVESTMENTS HELD IN SUPPORT OF ENDOWED FUNDS (continued)**

<b>(b) Residential properties</b>	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Valuation at 1 September 2017	11,609	9,866
Improvements and additions at cost	3,160	1,434
Transfers to tangible fixed assets	(682)	-
Transfers from tangible fixed assets	2,293	-
Net revaluation gains in the year	<u>2,050</u>	<u>309</u>
<b>Valuation at 31 August 2018</b>	<b><u>18,430</u></b>	<b><u>11,609</u></b>

An update to the formal valuation of the residential houses on a market value basis as at 31 August 2015, was prepared by Mr Steven Moore of Savills as at 31 August 2018. In addition, the "Ridding Court" development completed at 31 August 2018 was formally valued by Mr Stephen Moore of Savills as at 31 August 2018 at £9.3m.

<b>(c) Financial assets portfolio</b>	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
<b>Group investments</b>		
At 1 September 2017	43,322	39,859
New money invested	18,105	720
New money awaiting investment	3,238	-
Withdrawn and transferred to residential properties	(2,565)	(1,435)
Reinvested income	905	711
Amounts extracted	(881)	(335)
Investment management fees	(138)	(116)
Increase in value of investments	<u>1,893</u>	<u>3,918</u>
<b>Group investments at 31 August 2018</b>	<b><u>63,879</u></b>	<b><u>43,322</u></b>

	<b>2018</b>	<b>2017</b>
	<b>£,000</b>	<b>£,000</b>
<b>Investments comprise:</b>		
<b>Listed investments</b>		
Fixed interest	2,592	2,411
Equities	53,859	35,104
<b>Alternative assets</b>		
Private equity	1,537	1,748
Commercial property	53	53
Commodities	315	290
Other	26	47
<b>Cash</b>	<b><u>5,497</u></b>	<b><u>3,669</u></b>
<b>Group investments</b>	<b><u>63,879</u></b>	<b><u>43,322</u></b>

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**15. INVESTMENTS HELD IN SUPPORT OF ENDOWED FUNDS (continued)**

**(c) Financial assets portfolio (continued)**

Investments are all managed and held in the UK by Ruffer LLP, BlackRock Inc, AQR Ltd and UBS AG.

The Alpes 2008 Private Equity fund is valued at the most recent valuation available from the managers, UBS. The holding is illiquid and may not be realisable at the value stated.

**16. FEES IN ADVANCE INVESTMENTS**

	<b>2018</b>	<i>2017</i>
	<b>£'000</b>	<i>£'000</i>
At 1 September 2017	<b>3,660</b>	3,682
Money withdrawn	(8)	-
Reinvested income	5	17
Decrease in value of investments	<b>(60)</b>	<i>(39)</i>
	<hr/>	<hr/>
<b>Group and College investments at 31 August 2018</b>	<b><u>3,597</u></b>	<i><u>3,660</u></i>
 <b>Investments comprise:</b>		
<b>Listed investments</b>		
Fixed interest	<b>1,572</b>	1,633
 <b>Cash</b>	 <b><u>2,025</u></b>	 <i><u>2,027</u></i>
 <b>Group and College investments</b>	 <b><u>3,597</u></b>	 <i><u>3,660</u></i>

In addition to the above investments, the balance of the fees in advance scheme assets at the year-end were held within current assets as cash deposits. Fees in advance investments were managed and held throughout the year in the UK by J M Finn & Co.

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**17. DEBTORS**

	Group		College	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Fees and extras	226	156	226	156
Trade	284	216	142	9
Staff loans	36	32	36	32
Tax recoverable	28	27	28	27
Other debtors	79	4,252	79	4,252
Other prepayments and accrued income	1,127	827	1,127	825
Amounts due from subsidiary companies	-	-	-	57
	<b>1,780</b>	<b>5,510</b>	<b>1,638</b>	<b>5,358</b>

All debtors are due within one year, except for £18,000 (2017: £21,000) of staff loans, which are due after more than one year.

**18. CREDITORS: amounts falling due within one year**

	Group		College	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Deposits from parents	1,693	1,666	1,693	1,666
Trade creditors	999	1,791	956	1,564
Taxation and social security	471	407	414	388
Amounts due to subsidiary companies	-	-	422	-
Other creditors	443	518	406	516
Accruals and deferred income	1,662	1,542	999	1,467
Deferred income - fees received in advance of Short Half	2,735	2,130	2,735	2,130
Deferred income – Fees in Advance Scheme	3,091	2,950	3,091	2,950
	<b>11,094</b>	<b>11,004</b>	<b>10,716</b>	<b>10,681</b>

**19. CREDITORS: amounts falling due after more than one year**

	Group		College	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Sundry creditors	386	408	386	408
Deferred income - Fees in Advance Scheme	3,825	3,561	3,825	3,561
	<b>4,211</b>	<b>3,969</b>	<b>4,211</b>	<b>3,969</b>

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**20. FEES IN ADVANCE SCHEME**

Parents may enter into a contract to pay the College in advance for fixed contributions towards the tuition fees for up to five years. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils will remain in the College, fees in advance will be applied as follows:

	2018	2017
	£'000	£'000
After five years	121	-
Within two to five years	1,886	1,666
Within one to two years	1,818	1,895
	3,825	3,561
Within one year	3,091	2,950
	6,916	6,511

**Summary of movements in liability**

	£'000
Balance at 1 September 2017	6,511
New contracts	3,447
Amounts used to pay fees	(3,098)
Amounts accrued to contract as debt financing cost	56
	6,916

**21. FUNDS OF THE COLLEGE**

The College's funds are analysed under the following headings.

**a) ENDOWED FUNDS**

**Winchester College Foundation**

The Winchester College Foundation is a charitable trust settled by the Warden and Fellows in 1989 to support, promote and assist in the Objects of the College. The Warden and Fellows are its sole trustee. It is maintained as an expendable endowment. Income arising from the assets of the Foundation is available for the general purposes of the College. The Foundation owns most of the College's residential houses and also has investments in the College's investment properties, the pooled portfolio of stocks and shares, cash and long-term 'loans' to the other funds of the College to finance major projects.

**Trusts and Special Funds**

These consist of numerous individual gifts, legacies and grants given to the College over many years for specific purposes. A distinguishing feature of these funds is that there is an express requirement or implicit understanding that the funds shall not be spent immediately but should be retained for the medium or long-term. Where donors have explicitly specified that capital is to be maintained, they are shown as permanent endowment, otherwise as expendable endowment. In both cases income arising is shown as restricted funds. These funds are invested in the College's pooled portfolio of stocks and shares, and cash.

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**21. FUNDS OF THE COLLEGE (continued)**

**The specific endowment funds are:**

**Expendable endowments**

- |                                     |                                                                                                                                                                                        |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Al Gordon Sports Fund               | ○ to improve the sports facilities at the College.                                                                                                                                     |
| Ancient Buildings Fund              | ○ for the long-term preservation of the College's ancient buildings with their contents for the public benefit.                                                                        |
| Archives Fund                       | ○ for the conservation of the College archives and monuments.                                                                                                                          |
| Bursary Fund                        | ○ a consolidated fund of numerous individual gifts to provide bursaries to enable pupils to attend the College.                                                                        |
| Deansley Gift                       | ○ for the benefit of the Scholars.                                                                                                                                                     |
| Duncan Stewart Natural History Fund | ○ to enhance the activities and appeal of the National History Society.                                                                                                                |
| Graham Drew Travel Scholarships     | ○ to fund travel to study some aspect of European civilisation.                                                                                                                        |
| Jackson Bequest                     | ○ for the general purposes of the College but with a preference for defraying the cost of publication of the Winchester College Register and the Roll and Records for Old Wykehamists. |
| Opportunity Fund                    | ○ to provide assistance to boys who are in receipt of a bursary to take full advantage of the opportunities available at the College.                                                  |
| OWGS Micklem Coaching Fund          | ○ to develop golf at the College.                                                                                                                                                      |
| Quirister Funds                     | ○ to maintain the choral foundation of the Quiristers who sing at chapel services. Incorporating the Shedden fund that provides bursaries for Quiristers.                              |
| Ralph & Cathy Townsend Bursary Fund | ○ for bursary provision.                                                                                                                                                               |
| Sparrow Bequest                     | ○ primarily for the maintenance of the library.                                                                                                                                        |
| Thwaites Music Scholarship Fund     | ○ to provide assistance to boys who are in receipt of a bursary of at least eighty percent to fully develop their musical potential.                                                   |
| Warden's Fund                       | ○ for purposes beneficial to the College at the personal discretion of the Warden.                                                                                                     |
| Wykeham Fund                        | ○ for the long-term support of bursaries and the ancient buildings and Quiristers.                                                                                                     |

**Permanent endowments**

- |                                                |                                                                                                                                                          |
|------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Burge Fund                                     | ○ for classical books.                                                                                                                                   |
| Duncan Stewart Natural History Fellowship Fund | ○ to fund one full time Natural History Don.                                                                                                             |
| Firth Bequest                                  | ○ for bursaries and for the augmentation of the salaries of the Chaplains of the College, for Wiccamica and to augment the capital funds of the College. |
| Goddard Masters Fund                           | ○ for stipends for the Headmaster and Second Master.                                                                                                     |
| Goddard Scholarships                           | ○ leavers' scholarships in the Classics.                                                                                                                 |
| Treasury Endowment Fund (formerly the Museum)  | ○ to fund the day-to-day operations of the College's new Treasury and study facility.                                                                    |
| Oakeshott Fund                                 | ○ to support cultural, social and literary activities.                                                                                                   |
| Wiccamica Fund                                 | ○ for the repair and maintenance of Wiccamica.                                                                                                           |
| Consolidated Libraries Funds                   | ○ numerous individual gifts to support the College's various libraries.                                                                                  |

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**21. FUNDS OF THE COLLEGE (continued)**

- |                             |                                                                                                       |
|-----------------------------|-------------------------------------------------------------------------------------------------------|
| Consolidated Prizes Funds   | o numerous individual gifts to establish prizes for pupils.                                           |
| Consolidated Revenue Funds  | o individual gifts to support the upkeep of the War Memorial, playing fields, Treasury and Boat Club. |
| Consolidated Scholars Funds | o individual gifts for the benefit of the Scholars.                                                   |
| Consolidated Travel Fund    | o numerous individual gifts to help pupils travel abroad for educational purposes.                    |

**b) RESTRICTED FUNDS**

**Trusts and Special Funds**

Included under this heading is accumulated, unspent restricted income arising from trusts and special funds.

**Development and other funds**

These represent current gifts, donations, legacies etc. received from external donors for specific purposes but where there is no requirement to preserve capital. Expenditure directly financed by such gifts is shown under restricted funds. The balance of items shown under the heading Development Fund represents donations for projects not yet completed. At 31 August 2018, these balances were:

	£'000
Bursaries	74
Johnny Sutton Memorial Award	58
Boat Club	45
Science School	23
D House	14
E House	34
G House	11
Music	16
Design & Technology	33
Gym Equipment	16
Collections	18
Grounds	32
Natural History	25
32 other balances under £10,000	95
	494

**Friends of Winchester College**

The Friends of Winchester College, an organisation to promote relations between the College and the local community, is incorporated into the College's results. The Friends' Van der Noot Cricket Fund is a fund where the donors have placed restrictions on the uses to which the donations may be put. This is invested in cash.

**c) UNRESTRICTED FUNDS**

Unrestricted funds represent accumulated income from the College's activities and other sources that are available for the general purposes of the College.

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**22. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Current year	Endowed £'000	Restricted £'000	Unrestricted £'000	2018
				Total £'000
Staff residential houses	60,646	-	9,464	70,110
Other tangible assets	-	-	28,499	28,499
Property investments	200,985	-	-	200,985
Financial assets portfolio	63,879	-	-	63,879
Fees in advance investments	-	-	3,597	3,597
Foundation loan (note 25)	4,042	-	(4,042)	-
Net current assets	256	3,027	3,486	6,769
Long term liabilities	-	-	(4,212)	(4,212)
Pension Scheme funding deficit	-	-	(541)	(541)
	<b>329,808</b>	<b>3,027</b>	<b>36,251</b>	<b>369,086</b>
Last year	Endowed £'000	Restricted £'000	Unrestricted £'000	2017 Total £'000
Staff residential houses	62,944	-	8,782	71,726
Other tangible assets	-	-	27,257	27,257
Property investments	210,537	-	682	211,219
Financial assets portfolio	43,322	-	-	43,322
Fees in advance investments	-	-	3,660	3,660
Foundation loan (note 25)	4,204	-	(4,204)	-
Net current assets	6,436	701	2,485	9,622
Long term liabilities	-	-	(3,969)	(3,969)
Pension Scheme funding deficit	-	-	(2,623)	(2,623)
	<b>327,443</b>	<b>701</b>	<b>32,070</b>	<b>360,214</b>

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**23. ANALYSIS OF MOVEMENTS ON FUNDS (Current year)**

	<i>At 1 September 2017 £'000</i>	Incoming resources £'000	Capital applied to income £'000	Resources expended £'000	Other transfers £'000	Gains and losses £'000	<b>At 31 August 2018 £'000</b>
<b>Unrestricted funds</b>							
General Purposes Reserve	34,693	26,244	3,034	(27,258)	22	57	<b>36,792</b>
Pension Reserve	(2,623)	-	-	361	-	1,721	<b>(541)</b>
	<u>32,070</u>	<u>26,244</u>	<u>3,034</u>	<u>(26,897)</u>	<u>22</u>	<u>1,778</u>	<u><b>36,251</b></u>
<b>Restricted funds</b>							
Trusts and special funds	128	-	547	(566)	-	-	<b>109</b>
Development and other funds	414	373	-	(271)	(22)	-	<b>494</b>
Treasury Fund	-	22	-	(22)	-	-	<b>-</b>
Kingsgate Park	150	2,265	-	-	-	-	<b>2,415</b>
Friends of Winchester College	9	-	-	-	-	-	<b>9</b>
	<u>701</u>	<u>2,660</u>	<u>547</u>	<u>(859)</u>	<u>(22)</u>	<u>-</u>	<u><b>3,027</b></u>
<b>Endowed - Expendable</b>							
Al Gordon Sports Fund	384	146	(7)	(1)	-	15	<b>537</b>
Archives Fund	145	3	(3)	(1)	-	6	<b>150</b>
Deansley Gift	51	1	(1)	-	-	2	<b>53</b>
Drew	182	8	(4)	(1)	-	10	<b>195</b>
Duncan Stewart	57	2	(2)	-	-	3	<b>60</b>
Opportunity Fund	-	13	-	-	-	-	<b>13</b>
Thwaites Music Scholarship	-	38	-	-	-	-	<b>38</b>
Jackson	303	7	(7)	(1)	-	14	<b>316</b>
OWGS Micklem Coaching Fund	57	2	(2)	-	-	3	<b>60</b>
Sparrow Bequest	162	3	(3)	(1)	-	7	<b>168</b>
Warden's Fund	336	7	(7)	(1)	-	15	<b>350</b>
Ancient Buildings Fund	239	12	(5)	(1)	-	11	<b>256</b>
Bursary Fund	16,147	1,007	(339)	(60)	-	705	<b>17,460</b>
Foundation	301,309	1,977	(3,035)	(1,255)	-	2,138	<b>301,134</b>
Quirister Funds	112	3	(2)	-	-	5	<b>118</b>
Shedden Fund	778	224	(16)	(3)	-	28	<b>1,011</b>
Wykeham Fund	3,172	396	(54)	(10)	-	85	<b>3,589</b>
	<u>323,434</u>	<u>3,849</u>	<u>(3,487)</u>	<u>(1,335)</u>	<u>-</u>	<u>3,047</u>	<u><b>325,508</b></u>
<b>Endowed - Permanent -Total*</b>							
Burge Fund	9	-	-	-	-	-	<b>9</b>
Duncan Stewart	1,001	52	(30)	(4)	-	53	<b>1,072</b>
Firth Bequest	769	17	(17)	(3)	-	34	<b>800</b>
Goddard Masters Fund	326	7	(7)	(1)	-	14	<b>339</b>
Goddard Scholarships	61	1	(1)	-	-	3	<b>64</b>
Treasury Endowment Fund	1,384	131	(29)	(5)	-	58	<b>1,539</b>
Oakeshott Fund	75	2	(2)	-	-	3	<b>78</b>
Wiccamica	5	-	-	-	-	-	<b>5</b>
Consolidated Libraries Funds	55	1	(1)	-	-	2	<b>57</b>
Consolidated Prizes Funds	202	4	(4)	(1)	-	9	<b>210</b>
Consolidated Revenue Funds	31	1	(1)	-	-	1	<b>32</b>
Consolidated Scholars Funds	47	1	(1)	-	-	2	<b>49</b>
Consolidated Travel Funds	44	1	(1)	-	-	2	<b>46</b>
	<u>4,009</u>	<u>218</u>	<u>(94)</u>	<u>(14)</u>	<u>-</u>	<u>181</u>	<u><b>4,300</b></u>
<b>Total endowment</b>	<u>327,443</u>	<u>4,067</u>	<u>(3,581)</u>	<u>(1,349)</u>	<u>-</u>	<u>3,228</u>	<u><b>329,808</b></u>
<b>Total Funds</b>	<u>360,214</u>	<u>32,971</u>	<u>-</u>	<u>(29,105)</u>	<u>-</u>	<u>5,006</u>	<u><b>369,086</b></u>

Other transfers represent current year expenditure, including capital expenditure on the Winchester College Treasury, funded out of donations to restricted and expendable endowment funds, in furtherance of the Fund's principal aims.

\* - Totals of the Permanent Endowment Funds preserved Trust for Investment and Unapplied Total Return balances. See preserved balances included within these totals below:



**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**23. ANALYSIS OF MOVEMENTS ON FUNDS (CONTINUED)**

The balances of the preserved Trusts for Investment within the above permanent endowment total balances is as follows:

	<i>At 1</i>		<i>At 1</i>		<b>At 31</b>
	<i>September</i>	<i>Endowment</i>	<i>September</i>	<i>Endowment</i>	<b>August</b>
	<i>2016</i>	<i>donations</i>	<i>2017</i>	<i>donations</i>	<b>2018</b>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<b>£'000</b>
<b>Endowed – Permanent preserved balances</b>					
Burge Fund	4	-	4	-	4
Duncan Stewart	848	32	880	31	911
Firth Bequest	299	-	299	-	299
Goddard Masters Fund	127	-	127	-	127
Goddard Scholarships	5	-	5	-	5
Treasury Endowment Fund	1,079	118	1,197	101	1,298
Oakeshott Fund	40	-	40	-	40
Wiccamica	1	-	1	-	1
Consolidated Libraries Funds	18	-	18	-	18
Consolidated Prizes Funds	63	-	63	-	63
Consolidated Revenue Funds	11	-	11	-	11
Consolidated Scholars Funds	8	-	8	-	8
Consolidated Travel Funds	11	-	11	-	11
	<b>2,514</b>	<b>150</b>	<b>2,664</b>	<b>132</b>	<b>2,796</b>

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**24. ANALYSIS OF MOVEMENT OF FUNDS (Comparative figures to page 51)**

	<i>At 1 September 2016 £'000</i>	Incoming resources £'000	Capital applied to income £'000	Resources expended £'000	Other transfers £'000	Gains and losses £'000	<b>At 31 August 2017 £'000</b>
<b>Unrestricted funds</b>							
General Purposes Reserve	32,723	24,972	2,841	(26,336)	63	430	34,693
Pension Reserve	(4,918)	-	-	315	-	1,980	(2,623)
	<u>27,805</u>	<u>24,972</u>	<u>2,841</u>	<u>(26,021)</u>	<u>63</u>	<u>2,410</u>	<u>32,070</u>
<b>Restricted funds</b>							
Trusts and special funds	133	-	469	(468)	(6)	-	128
Development and other funds	386	397	-	(312)	(57)	-	414
Treasury Fund	-	39	-	(39)	-	-	-
Kingsgate Park	-	150	-	-	-	-	150
Friends of Winchester College	9	1	-	(1)	-	-	9
	<u>528</u>	<u>587</u>	<u>469</u>	<u>(820)</u>	<u>(63)</u>	<u>-</u>	<u>701</u>
<b>Endowed - Expendable</b>							
Al Gordon Sports Fund	314	49	(6)	(1)	-	28	384
Archives Fund	133	2	(2)	(1)	-	13	145
Deansley Gift	46	1	(1)	-	-	5	51
Drew	166	4	(4)	(1)	-	17	182
Duncan Stewart	52	1	(1)	-	-	5	57
Jackson	276	5	(6)	(1)	-	29	303
OWGS Micklem Coaching Fund	51	1	(1)	-	-	6	57
Sparrow Bequest	148	3	(3)	(1)	-	15	162
Warden's Fund	306	6	(7)	(1)	-	32	336
Ancient Buildings Fund	213	10	(5)	(1)	-	22	239
Bursary Fund	13,602	1,449	(300)	(61)	-	1,457	16,147
Foundation	298,921	1,909	(2,842)	(1,291)	-	4,612	301,309
Quirister Funds	102	2	(2)	(1)	-	11	112
Shedden Fund	629	99	(14)	(3)	-	67	778
Wykeham Fund	1,785	1,241	(39)	(8)	-	193	3,172
	<u>316,744</u>	<u>4,782</u>	<u>(3,233)</u>	<u>(1,371)</u>	<u>-</u>	<u>6,512</u>	<u>323,434</u>
<b>Endowed - Permanent -Total*</b>							
Burge Fund	8	-	-	-	-	1	9
Duncan Stewart	875	48	(19)	(4)	-	101	1,001
Firth Bequest	700	14	(15)	(3)	-	73	769
Goddard Masters Fund	297	6	(7)	(1)	-	31	326
Goddard Scholarships	55	1	(1)	-	-	6	61
Treasury Endowment Fund	1,129	140	(25)	(5)	-	145	1,384
Oakeshott Fund	70	1	(2)	(1)	-	7	75
Wiccamica	4	-	-	-	-	1	5
Consolidated Libraries Funds	50	1	(1)	-	-	5	55
Consolidated Prizes Funds	184	4	(4)	(1)	-	19	202
Consolidated Revenue Funds	28	1	(1)	-	-	3	31
Consolidated Scholars Funds	43	1	(1)	-	-	4	47
Consolidated Travel Funds	40	1	(1)	-	-	4	44
	<u>3,483</u>	<u>218</u>	<u>(77)</u>	<u>(15)</u>	<u>-</u>	<u>400</u>	<u>4,009</u>
<b>Total endowment</b>	<u>320,227</u>	<u>5,000</u>	<u>(3,310)</u>	<u>(1,386)</u>	<u>-</u>	<u>6,912</u>	<u>327,443</u>
<b>Total Funds</b>	<u>348,560</u>	<u>30,559</u>	<u>-</u>	<u>(28,227)</u>	<u>-</u>	<u>9,322</u>	<u>360,214</u>

Other transfers represent current year expenditure, including capital expenditure on the Winchester College Treasury, funded out of donations to restricted and expendable endowment funds, in furtherance of the Fund's principal aims.

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**25. LOAN TO THE GENERAL PURPOSES RESERVE FROM THE FOUNDATION**

In earlier years, certain capital works by way of investment in the College's buildings have been financed by loans from the Foundation (endowment) to the General Purposes Reserve (unrestricted funds). This funding is being repaid over periods ranging from 10 to 30 years for College equipment and from 50 to 125 years for building improvements.

The cumulative finance of capital works on College buildings was as follows:

	<b>£'000</b>
At 1 September 2017	4,203
Capital repaid	<u>(161)</u>
<b>At 31 August 2018</b>	<b><u>4,042</u></b>

**26. PENSION SCHEMES**

Retirement benefits to employees of the College are provided through two defined benefit schemes and one defined contribution scheme, which are funded by the College's and employees' contributions.

**(i) Defined benefit schemes**

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £834,000 (2017: £810,000) and at the year-end £119,000 (2017: £115,000) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also currently required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%

This employer rate will be payable until the completion and outcome of the next actuarial valuation which is being prepared as at 31 March 2016. Her Majesty's Treasury published draft Directions for the TPS on 6 September 2018 to allow the Department for Education to finalise this valuation. Early indications from the valuation are that the amount employers will be required to pay towards the scheme may increase substantially from September 2019.

There are also indications that the protections in the new cost cap mechanism required by the Public Service Pensions Act 2013 mean public sector workers will get improved pension benefits for employment over the period April 2019 to March 2023.

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**26. PENSION SCHEMES (continued)**

**Winchester College Support Staff Pension Fund**

The College operates a defined benefit scheme for non-teaching staff, the Winchester College Support Staff Pension Fund (the WCSSP Fund). The scheme was closed to new members with effect from 1 April 2002 and was closed to further accrual by existing members with effect from 31 August 2013.

Whilst no existing member contributions are being made to the scheme, the College paid contributions totalling £435,000 p.a. in respect of the past service deficit and £75,000 contribution towards the scheme's administration costs.

Scheme administration costs are determined by the scheme's actuary and are charged to the Statement of Financial Activities.

	2018	2017
	£'000	£'000
<b>a) The amounts recognised in the Balance Sheet are as follows</b>		
Present value of funded obligations	21,309	23,770
Fair value of scheme assets	<u>(20,768)</u>	<u>(21,147)</u>
Net liability	<u>541</u>	<u>2,623</u>
<b>b) Changes in the present value of the defined benefit obligation</b>		
Opening defined benefit obligation	23,770	25,572
Expenses	93	88
Interest expense	544	497
Actuarial gains	(1,787)	(898)
Benefits paid	<u>(1,311)</u>	<u>(1,489)</u>
Closing defined benefit obligation	<u>21,309</u>	<u>23,770</u>
<b>c) Changes in the fair value of the scheme assets</b>		
Opening fair value of scheme assets	21,147	20,654
Interest income	488	403
Actuarial (losses)/gains	(66)	1,082
Contributions by employer	510	497
Benefits paid and expenses	<u>(1,311)</u>	<u>(1,489)</u>
Closing fair value of scheme assets	<u>20,768</u>	<u>21,147</u>

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**26. PENSION SCHEMES (continued)**

**Winchester College Support Staff Pension Fund (continued)**

<b>d) The amounts included within the Statement of Financial Activities</b>	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Expenses	93	88
Net interest cost	56	94
	<hr/>	<hr/>
Total amount charged within net incoming resources	149	182
Net actuarial gains recognised in the year	(1,721)	(1,980)
	<hr/>	<hr/>
Total amount credited to the Statement of Financial Activities	<b>(1,572)</b>	<b>(1,798)</b>
	<hr/>	<hr/>
Net cumulative actuarial losses (since year ended 31 August 2006)	<b>(3,033)</b>	<b>(4,605)</b>

The College expects to contribute £ 523,000 to the scheme in 2018/2019.

<b>e) Reconciliation of movements in Present Value of Scheme Liabilities and Assets</b>	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Net liability at beginning of the year	2,623	4,918
Movements in the year:		
Employer's expenses	93	88
Employer's contribution	(510)	(497)
Expected return on scheme assets	(488)	(403)
Actual return less expected return on scheme assets	66	(1,082)
Interest on pension liabilities	544	497
Experience losses arising on the scheme liabilities	(378)	(573)
Changes in assumption underlying the scheme liabilities	(1,409)	(325)
	<hr/>	<hr/>
Net liability at end of the year	<b>541</b>	<b>2,623</b>

<b>f) The major categories of scheme assets as a percentage of total assets</b>	<b>2018</b>	<b>2017</b>
Bonds	45%	36%
Equities	45%	55%
Property	6%	6%
Hedge funds	4%	3%
Cash	-	-
	<hr/>	<hr/>

**£'000**      **£'000**

The actual return on the scheme assets in the year was	<b>422</b>	<b>1,485</b>
	<hr/>	<hr/>

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**26. PENSION SCHEMES (continued)**

**Winchester College Support Staff Pension Fund (continued)**

<b>g) Principal actuarial assumptions at the balance sheet date</b>	<b>2018</b>	<b>2017</b>
Financial Assumptions:		
Discount rate	<b>2.60%</b>	2.35%
Rate of increase in salaries	<b>3.65%</b>	3.70%
Inflation assumptions - RPI	<b>3.15%</b>	3.20%
- CPI	<b>2.20%</b>	<b>2.25%</b>
The mortality assumptions adopted imply the following life expectancies:		
Females retiring in 2018	<b>23.8</b>	24.6
Males retiring in 2018	<b>22.1</b>	23.0
Females retiring in 2037	<b>25.0</b>	25.8
Males retiring in 2037	<b>23.5</b>	<b>24.4</b>

**h) History of experience gains and losses**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Defined benefit obligation	<b>(21,309)</b>	(23,770)	(25,572)	(20,757)	(20,124)
Scheme assets	<b>20,768</b>	21,147	20,654	17,518	16,786
Deficit	<b>(541)</b>	(2,623)	(4,918)	(3,239)	(3,338)
Experience adjustments on scheme liabilities	<b>378</b>	573	100	(408)	97
Experience adjustments on scheme assets	<b>(66)</b>	<b>1,082</b>	<b>2,809</b>	<b>314</b>	<b>1,035</b>

**(ii) Defined contribution schemes**

**Winchester College Group Personal Pension Plan**

The Winchester College Group Personal Pension Plan started in August 2007. This is a money purchase group personal pension scheme managed by Friends Life. To facilitate Auto-Enrolment, the scheme has been reorganised into a number of tiers, each with its own minimum employee and employer contribution rates. These vary between 3.0% and 5.6% for employees and 2.0% and 14.1% for employer's contributions. In certain circumstances, employees may contract to exchange salary for higher employer's pension contributions. The employer's contributions are charged in the Statement of Financial Activities in the period in which the salaries to which they relate are due. The employer's contributions in the year amounted to £510,000 (2017: £492,000). At 31 August 2018, there were £2,000 accrued pension contributions (2017: £72,000).

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**27. FINANCIAL INSTRUMENTS**

	<b>2018</b>	<i>2017</i>
	<b>£'000</b>	<i>£'000</i>
Financial assets measured at amortised cost (a)	<b>17,439</b>	<i>20,120</i>
Financial assets measured at fair value (b)	<b>64,238</b>	<i>46,982</i>
Financial liabilities measured at amortised cost (c)	<b>(4,996)</b>	<i>(7,993)</i>
<b>Net Financial assets measured at amortised cost</b>	<b><u>76,681</u></b>	<i><u>59,109</u></i>

(a) Financial assets include cash, trade and fee debtors, staff loans, other debtors, accrued income and amounts due from subsidiaries.

(b) Financial assets held at fair value include assets held as investments, excluding investment properties.

(c) Financial liabilities include deposits, trade creditors, accruals and other creditors.

Impairment losses charged to financial assets measured at amortised cost in the year amounted to £118,000 (2017: £79,000).

**28. LOAN NOTE COMMITMENTS**

On 27 November 2017, the Winchester College Foundation issued, by way of private placement, long term loan notes with a fixed interest rate of 2.73%, for the aggregate principal amount of £40,000,000, maturing November 2057, to provide funding to the College in furtherance of the Foundation's charitable purposes.

Under the terms of the loan notes, the College will receive funds in three tranches:

	<b>2018</b>
	<b>£'000</b>
Within one year	<b>7,500</b>
Within two to five years	<b>32,500</b>
	<b><u>40,000</u></b>

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**29. LEASES**

The future minimum operating lease expenditure under non-cancellable operating leases are payable:

	<b>Equipment</b>	
	<b>2018</b>	<i>2017</i>
	<b>£'000</b>	<i>£'000</i>
Within one year	<b>20</b>	<i>16</i>
Within two to five years	<b>44</b>	<i>23</i>
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	<b>64</b>	<i>39</i>
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

The future minimum operating lease income under non-cancellable operating leases are receivable:

	<b>Land and buildings</b>	
	<b>2018</b>	<i>2017</i>
	<b>£'000</b>	<i>£'000</i>
Within one year	<b>1,578</b>	<i>1,417</i>
Within two to five years	<b>338</b>	<i>354</i>
After five years	<b>822</b>	<i>903</i>
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	<b>2,738</b>	<i>2,674</i>
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>



**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**30. COLLEGE RESULTS**

The College's own results for the year included in the consolidated Statement of Financial Activities were:

	2018	2017
	£'000	£'000
<b>Income from charitable activities</b>		
Fees and other income from charitable activities	24,100	23,836
<b>Income from other activities</b>		
Trading income	48	45
Other income	457	395
Investment income	2,594	2,387
Interest receivable	77	109
Grants and donations	5,385	3,460
Other development income	99	54
	<b>32,760</b>	<b>30,286</b>
<b>Costs of raising funds</b>		
Trading costs	(108)	(101)
Other costs of raising funds	(1,766)	(1,740)
<b>Charitable activities</b>		
Education and grant making	(26,570)	(25,671)
Preservation of buildings and contents	(444)	(436)
	<b>(28,888)</b>	<b>(27,948)</b>
<b>Total expenditure</b>		
	<b>(28,888)</b>	<b>(27,948)</b>
<b>Net income for year</b>	<b>3,872</b>	<b>2,338</b>
Investment and revaluation gains and losses	5,006	9,322
<b>Retained income for year</b>	<b>8,878</b>	<b>11,660</b>
Reserves brought forward	360,201	348,541
<b>Reserves carried forward</b>	<b>369,079</b>	<b>360,201</b>

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**31. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – Comparative figures to page 30 by fund-type**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2017 Total £'000
<b>Incoming resources</b>					
<b>Income from charitable activities</b>					
School fees receivable	2	22,879	-	-	22,879
Other income	3	957	-	-	957
<b>Income from other activities</b>					
Trading income	4	630	-	-	630
Other activities	4	84	-	-	84
Investment income	5	2,386	-	2,321	2,386
Capital applied to income	6	-	469	(3,310)	-
Bank and other interest	7	109	-	-	109
Grants and donations	8	3,460	587	2,679	3,460
Other development income	8	54	-	-	54
<b>Total incoming resources</b>		<b>30,559</b>	<b>1,056</b>	<b>1,690</b>	<b>30,559</b>
<b>Expenditure:</b>					
<b>Costs of raising funds</b>					
Trading costs	9	(407)	-	-	(407)
Financing costs	10	(254)	-	-	(254)
Investment management	9	(15)	-	(577)	(15)
Development costs:					
- Fundraising	9	(510)	-	-	(510)
- Other activities	9	(384)	-	-	(384)
<b>Total costs of raising funds</b>	9	<b>(1,570)</b>	<b>-</b>	<b>(577)</b>	<b>(2,147)</b>
<b>Charitable activities</b>					
Education and grant making	9	(24,037)	(798)	(809)	(25,644)
Preservation of buildings and contents	9	(414)	(22)	-	(436)
<b>Total expenditure</b>		<b>(26,021)</b>	<b>(820)</b>	<b>(1,386)</b>	<b>(28,227)</b>
<b>Net incoming resources before transfers and investment gains</b>		<b>1,792</b>	<b>236</b>	<b>304</b>	<b>2,332</b>
Gains on revaluation of tangible fixed assets	12	443	-	3,156	3,599
Gains on property investments	15	26	-	(163)	(137)
Gains on financial assets portfolio	15	-	-	3,919	3,919
Gains on fees in advance investments	16	(39)	-	-	(39)
Transfers between funds	23	63	(63)	-	-
<b>Net income and capital (outflow)</b>		<b>2,285</b>	<b>173</b>	<b>7,216</b>	<b>9,674</b>
Pension scheme actuarial losses	26	1,980	-	-	1,980
Net movement in funds for the year		4,265	173	7,216	11,654
Fund balances brought forward		27,805	528	320,227	348,560
<b>Fund balances carried forward at 31 August 2017</b>		<b>32,070</b>	<b>701</b>	<b>327,443</b>	<b>360,214</b>

**WINCHESTER COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**32. SUBSIDIARIES AND RELATED PARTY TRANSACTIONS**

The College owns all of the issued share capital of Winchester College Trading Company Limited, a company incorporated in England (company no. 02673873). This company carries out trading activities on behalf of the College, including the major part of the College's commercial lettings business, which trades under the Winchester College Enterprises name.

Winchester College Trading Company Limited had a turnover of £530,000 (2017 - £589,000), gross profit of £350,000 (2017 - £379,000) and a profit before tax and Gift Aid of £91,000 in the year ended 31 August 2018 (2017 - profit of £104,000). At 31 August 2018, the company had shareholder's funds of £60,000 (2017 - £60,000).

The College also owns all of the issued share capital of Beam Design Limited, a company incorporated in England (company no. 02902175), which provides construction services to the College. The entire turnover of Beam Design Limited was derived from Winchester College.

In the year ended 31 August 2018 Beam Design Limited had a turnover of £3,088,000 (2017 - £1,414,000), gross profit of £61,000 (2017 - £27,000) and a profit before tax and Gift Aid to Winchester College of £55,000 (2017 - profit of £21,000). At 31 August 2018, the company had shareholder's funds of £15,000 (2017 - £15,000).

**Related Party Transactions**

In 2018, the College charged £165,000 (2017: £182,000) to Winchester College Trading Company Limited for the provision of staff, property rental and administrative services. The balance owed to the College at 31 August 2018 was £228,000 (2017: £292,000).

In 2018, the College charged £23,000 (2017: £26,000) to Beam Design Limited for the provision of staff and administrative services. The balance owed by the College at 31 August 2018 was £665,000 (2017: £237,000).

Nicholas Ferguson, a Fellow, is Chairman of Savills plc, who are the ultimate parent company of Savills (UK) Ltd, a company who provide property valuation and residential letting services to the College under normal commercial terms. In 2018, the College paid Savills (UK) Ltd £55,000 (2017: £23,000). The balance owed by the College at 31 August 2018 was £1,000 (2017: £nil).