



Development Report



MAGDALEN



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Jani Riordan (2009)

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Academic Excellence in Challenging Times

At Magdalen our aim is to achieve excellence in teaching, learning, scholarship and research. We are fortunate to attract outstanding students, who come to Magdalen to benefit from the exceptional teaching provided under the tutorial system. With a wide range of extra-curricular activities and a wonderful learning environment, our students enjoy the full breadth of the Oxford experience and the opportunity to excel.

Each year Magdalen admits around 118 undergraduate students, and our recent examination results have been outstanding. In 2010 Magdalen came top of the Norrington Table (which ranks undergraduate final examination results for each college), with a record score for any college in any year. Over the past three years the College has been in one of the top four positions in the table. The number of graduates taking Masters and Research Degrees has increased significantly in recent years and they now form about one third of our students. This is a very international group with over 60% coming from outside the UK.

Tutorial teaching at the highest level is the priority. All our undergraduates are taught by Fellows with international research reputations in very small groups. This allows them to develop skills that are essential not only for academic study, but are also transferable in their subsequent careers. However, maintaining the tutorial system is difficult financially. Some Fellows are funded jointly by the College and by the University, and the University is finding it increasingly difficult to fund such posts. Raising funds to support our Tutorial Fellowships is now a major priority.



Access and outreach to all prospective students is essential, so that we can offer places to those applicants who our tutors feel will excel at Oxford. An Oxford education is expensive and the average total cost of educating a student has recently been estimated as £16,000 per annum. Our needs-blind admissions process requires generous provision of bursaries and scholarships, so that any student can take up a place at Magdalen, irrespective of their financial circumstances. This need will increase with the proposed sharp rise in student fees.

Many members of Magdalen have already been exceptionally generous in their donations towards student support, tutorial fellowships and other projects. In doing so you are playing a major role in the College's continued success, and I want to thank you for all you have done. However, it is vital that this support continues, if the College is to meet the new challenges we are facing, whilst maintaining our standards of academic excellence.

The President

A handwritten signature in black ink that reads "David Clary". The signature is written in a cursive, slightly slanted style.

The Magdalen College Development Trust

Report from the Chairman, Mark Loveday (1962)

I am very pleased that this Development Report is being produced for the first time, as it is important for old members to see that there is full transparency and accountability in the College's activities. Our members need to understand the College's vision, its aims and aspirations, the challenges it faces, the state of its finances, its needs and its strategy for the future. At the same time they need to be assured that the College is managing its existing resources efficiently, that it is raising money for the right reasons and that any money raised is being used effectively and as designated by the donors.

The Development Trust, which was set up in 1977, is responsible for assessing and monitoring the College's development activities and for assisting the Development Office in fundraising. There are currently 20 Trustees, including five Fellows and 15 old members. Four of the non-Fellow Trustees sit on the College's Development & Alumni Relations Committee and three old members sit on its Investment Committee, which enables external advice and views to be accessed. All gifts to the College are received and disbursed by the Development Trust and a summary of the Annual Accounts for 2010 are shown on the opposite page. The College pays for virtually all the costs of the Development Office and fundraising, so that every pound donated goes entirely towards the cause.

Since 1977 the Development Trust has raised over £32 million to restore the Great Tower, the Chapel



and New Building, to build the Grove Quad with its Auditorium and to provide additional rooms in College and Holywell. All undergraduates can now live in College accommodation throughout their degree course and graduates can live in for at least two years. The Trust has also increased the size of the Student Support Fund to enable the brightest to come to Magdalen regardless of means and it has added to the Academic Fund for the future endowment of Fellowships. The support that the College has received over the years from its old members has been fantastic, averaging £2 million per annum over the past five years.

But, as always, new challenges are looming and it is clear that a larger endowment will be necessary for even more student support, for the maintenance of the tutorial system and research, and for the upkeep of the ancient buildings. If Magdalen is to remain one of the finest Colleges, and Oxford is to remain one of the great universities of the world, as it has for over 800 years, then our generation is going to have to step up to the mark yet again to enable future generations to benefit as we did in our day.

Development Trust Accounts and Committee Membership

i. The Development Trust Accounts for the Year ending 31st July 2010

Development Trust Income

	£000's
*Donations	4,485
Legacies	314
Investment Income	6
Total	4,805

**This includes a major gift of £3,015,000 from an old member and his wife to establish the Calleva Research Centre for Evolution and Human Science, an interdisciplinary research centre which bridges the humanities and the social, cognitive and evolutionary sciences.*

Development Trust Expenditure

Grant to the College allocated as follows:	£000's
Calleva Research Centre	3,015
Fellowship Funds	897
Student Support Funds	456
Buildings and Grounds Funds	197
Academic Funds for Current Use	75
Other Grants	59
Unrestricted Funds Pending Designation	54
Chapel and Choir Funds	25
Sports and Societies Grants	17
Boat Club Funds	7
Sub total	4,802
Trust Governance/Other Costs	3
Total	4,805

Of the grant to the College of £4,802k, £4,382k (91%) was restricted by donors for a particular purpose and £420k (9%) was unrestricted. Unrestricted funds are designated by the College's Development and Alumni Relations Committee.

ii. Committee Membership

Current Trustees of The Magdalen College Development Trust

†Mr Mark Loveday (1962), *Chairman*

†Prof David Clary, *President*

Dr Viva Bartkus (1989)

†Dr Paul Beckwith (1979)

Dr Barbara Domayne-Hayman (1980)

Mr David Foxtan (1983)

Dr Toby Garfitt, *Fellow & Vice-President*

†Mr Simon Haslam (1975)

†Ms Judith Hibbert (1980)

Mr Antony Hichens (1956)

Prof Adrian Hill, *Fellow*

Dr Jan Hruska (1979)

Lord Jay of Ewelme (1965)

Mr James Joll (1957)

Mr Mark Mussared (1976)

†Dr John Nightingale, *Fellow*

Mr Trevor Pitman (1977)

Mr Anthony Todd (1979)

Ms Felicity Toubé (1990)

†Mr Charles Young, *Senior Bursar*

†*Members of The Development and Alumni Relations Committee*

Current members of the Magdalen College Investment Committee

Mr Jeremy Palmer (1974), *Chairman*

Mr Stephen Butt (1969)

Prof David Clary, *President*

Prof Alison Etheridge, *Fellow*

Mr Peter Davies (1990)

Mr Bertie Ross

Dr Nicholas Stargardt, *Fellow*

Mr Charles Young, *Senior Bursar*

The College Financial Report

Charles Young
Senior Bursar

On the opposite page is a summary of the Accounts for the year ending 31 July 2010, in which the College reported a small surplus of £85,000 on income of £11.2 million. The charts show the sources of income and an analysis of the breakdown of expenditure in the year.

Fees and accommodation charges for College members, the revenue streams which flow from the College's primary function of teaching and research, account for only 43% of total income; 8% comes from conferences and associated activities; 9% from other sources including donations. The single most significant source of income, accounting for more than 40% of the total, is transferred from endowment.

The heart of the College is the people who deliver all its services, and the environment in which they do this. It is therefore not surprising that 56% of expenditure is absorbed in employment costs and a further 8% on upkeep of the buildings, grounds, and environment of the College. For a number of reasons expenditure on buildings in 2009/10 was lower than normal, and less than is required in the medium term to keep the fabric in good repair.

The endowment (which at 31st July 2010 was valued at £135.5 million) is managed for total return, irrespective of whether that return is derived from rent and dividend income or capital growth. In 2003 the College adopted a Policy Document to govern expenditure from endowment. This caps expenditure at no more than 3.5% of the average rolling five-year value of the relevant endowment assets. In the seven



years from 2004 to 2010 actual draw down from endowment has averaged 3.27%. Over the same seven-year period annual total return from the invested assets has averaged 6.35%.

The broad asset allocation of the endowment is Global Equities 49%, Private Equity 12%, Hedge Funds 7%, Commercial and Agricultural Property 15%, Oxford Science Park 12% and Cash 5%. Specialist managers are appointed for day-to-day management in each asset class. The Investment Committee monitors the performance of managers and also advises the College on issues of investment strategy and asset allocation.

Maintaining equilibrium between income and expenditure is becoming more difficult. Looking forward we anticipate there will be increased pressure on academic and tuition income resulting from cuts by central government, and a reduction in conference income which will be eroded by the economic slowdown. Without sharp upturns in world markets in the next couple of years the draw down from endowment will be limited by the College's own long-term spending policy, as the poor returns of 2008 and 2009 replace the buoyant years of 2006 and 2007 in the rolling five-year average upon which distributions are based. Meanwhile, employment costs continue to rise and the buildings must be kept in good repair to avoid bequeathing major problems with the fabric to our successors. All of these forces are pulling the College towards economic disequilibrium and reinforce the need to strengthen income flows to protect the core activity of teaching and research.

Magdalen College Accounts: Year ending 31st July 2010

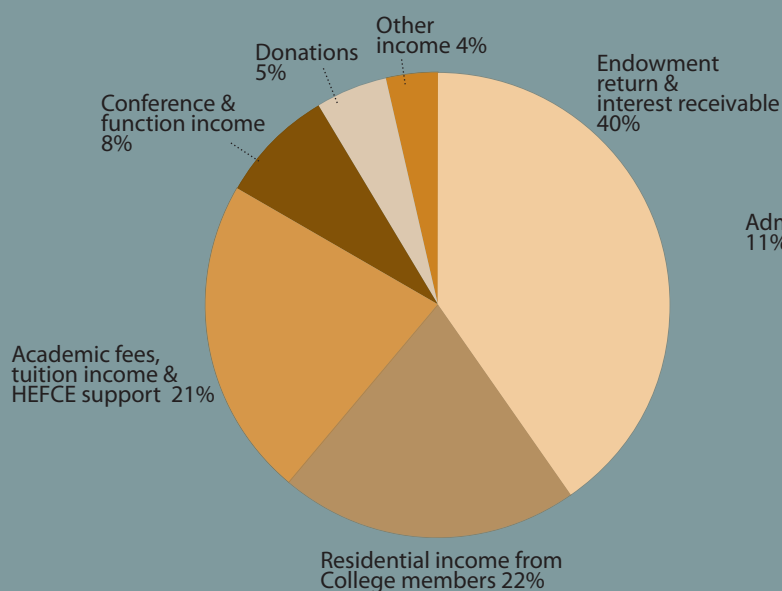
College Income	(£'000)
Academic fees, tuition income and HEFCE support	2,347
Endowment return and interest receivable	4,515
Residential income from College members	2,491
Conference and function income	903
*Donations	565
Other income	391
Total	11,212

**In addition to these donations, we also received new endowments of £4,068k as gifts from old members and friends of the College.*

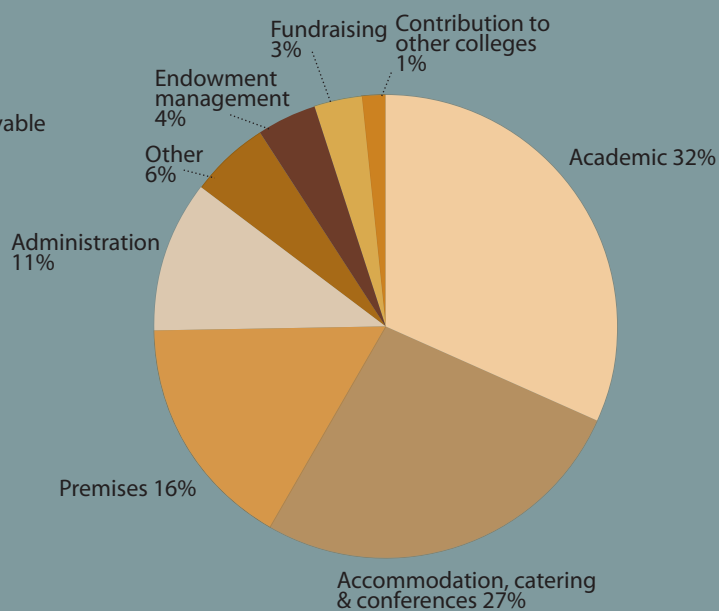
College Expenditure	(£'000)
Academic	3,543
Accommodation, catering and conferences	2,967
Premises	1,812
Administration	1,181
Endowment management	469
Fundraising	354
Other	634
Contribution to other colleges	167
Total	11,127
<i>Operating Surplus</i>	<i>85</i>

The full accounts for Magdalen College for the financial year 2009–10 are available on the Oxford University Website (www.ox.ac.uk) under Facts and Figures: Financial Statements of the Oxford Colleges

College Income 2010 (Total: £11.2m)



College Expenditure 2010 (Total: £11.1m)



Fundraising Report

Sean Rainey
Development Director

Philanthropy has played a defining role throughout Magdalen's 553-year history. Over the centuries many thousands of old members and supporters have made donations during their lifetimes and in their wills which have erected buildings, endowed posts, funded scholarships and shaped every aspect of life at Magdalen.

This philanthropic tradition continues at Magdalen and during the past year the College received its largest ever donation with a £3 million gift from an old member and his wife to fund the Calleva Research Centre for Evolution and Human Science. Over the past ten years Magdalen has raised close to £8 million from old members and supporters to endow a Student Support Fund which in the last academic year provided means-tested support to over one-quarter of our student body. We are currently trying to endow a number of academic posts to enable the College to guarantee the continuance of the tutorial system in the face of dramatically reducing government support. We are very close to securing the £2 million required to endow a Tutorial Fellowship in PPE as well as another £2 million to endow a History Fellowship. It is hoped that we will be able to attract enough support from old members in the coming months and years to endow one further History Fellowship, a Law Fellowship and a Fellowship in Classics so that we can guarantee continued teaching in these subjects through the tutorial system.

Magdalen is entering a period of great financial uncertainty and the College will require the broadest possible support from its alumni community. We are tremendously grateful for the support we have received, and continue to receive. Last year 19% of



Photo: Helen Burt

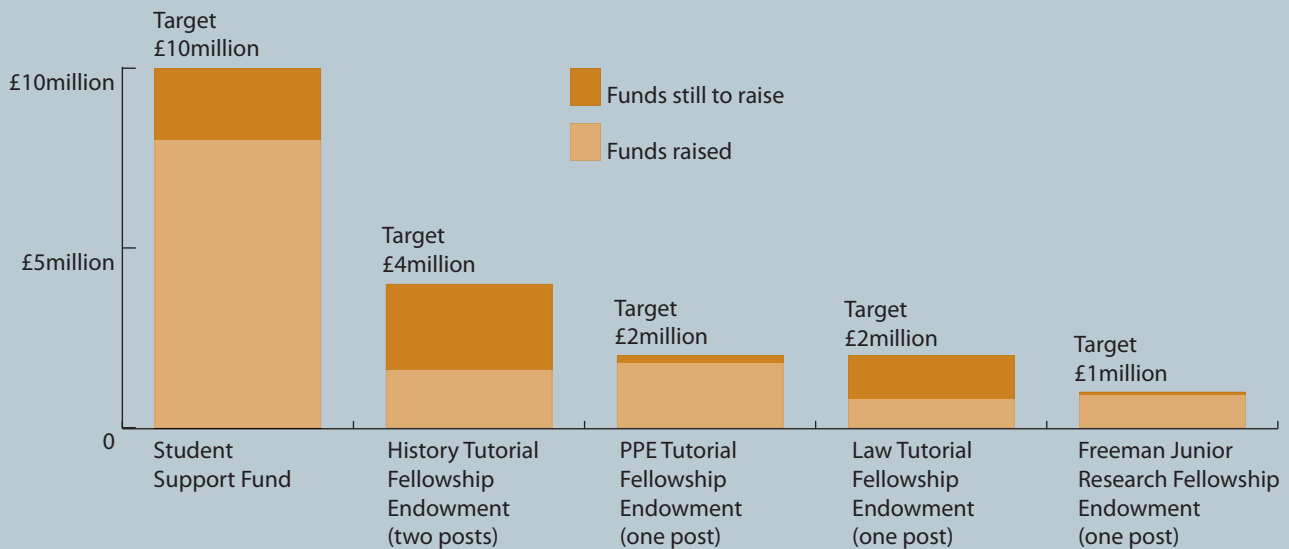
contactable old members made a donation to the College and this percentage figure has been increasing gradually over the past decade. This figure compares favourably with many other Oxford Colleges, but lags considerably behind University and Corpus Christi Colleges who both regularly enjoy alumni support exceeding 30%. Indeed, while Magdalen has one of the largest alumni bases of any Oxford college, recent indicators make it plain that there is much work to do to match the fundraising achievements of many other Colleges.

Over the next few years Magdalen will need to double the money it raises each year from around £2 million (based on the average income of the last five years) to £4 million. The College will require this level of support to meet the challenges of maintaining the tutorial system and providing help to the increasing number of students experiencing financial difficulties, as well as preserving its historic buildings. This will be no easy task but we are confident that this can be achieved with the backing of the Magdalen community. If you are considering making a donation to Magdalen please do contact me at the telephone number or email address below to discuss how your philanthropy can best support the work of the College and its students.

Sean Rainey
01865 286796
sean.rainey@magd.ox.ac.uk

Current Campaign Totals

The table below summarises the total raised (pledges and donations) by the end of July 2010 for each of Magdalen's current campaigns.



The Student Support Fund – Making a difference



Joseph Delo
(Undergraduate in Medicine, 2008)

Studying at university is never cheap and with a six-year medicine course ahead of me, and three siblings at home, it was becoming increasingly difficult to rely on my parents to support me. The money I've received from the Student Support Fund at Magdalen has made a huge difference to my time at university. First and foremost it has allowed me to concentrate on my studies, particularly during the Christmas and Easter vacations, without having to worry about getting a job to earn money. The money has also enabled me to get the most of what college and university life has to offer. I'm able to lead weekend trips with the walking club, run with the cross-country club and play in a university orchestra. I hope that the support I've had in completing my studies will mean that one day I'll be fortunate enough to be able to help students at Magdalen myself.

Enhancing the Student Experience

We are grateful for the regular support of over 1200 members who contribute to the Annual Fund, raising £240,462 in the financial year to 31st July 2010. This is a remarkable sum in view of the present economic downturn and compares well with the average income over the past four years of £269,241. The Annual Fund is for current use, and supports projects which will benefit current students. This includes giving our undergraduates the opportunity to do research during the vacation, providing grants to students in need, providing book tokens to freshers so that they can afford to purchase essential reading materials, and ensuring our students can enjoy a wide range of sports and extra-curricular activities. The Annual Telethon is now in its 10th year and raises significant donations to the Annual Fund. We hope that members enjoy talking to students about the College and the opportunity to 'keep in touch'.

In addition to the Annual Fund, Magdalen members fund a wide variety of distinct projects that directly support areas of College life. Examples include providing academic prizes and commissioning works for the Choir. This year two Magdalen alumni funded the purchase of six viols, giving students the opportunity to learn to play this instrument and participate in the University's consort playing programme. This project provides a remarkable opportunity – very much in the Magdalen spirit – to achieve something brand new at the same time that we revive and cultivate a venerable tradition. Another area of College life that has benefited from the generosity of old members is the work of the Development Office. Donations have helped to fund alumni events and publications (including this one), as well as contributing to personnel and administrative costs.



We are grateful for the continued generosity of Magdalen alumni and look forward to working with you to secure the future of this remarkable institution

Changing lives...

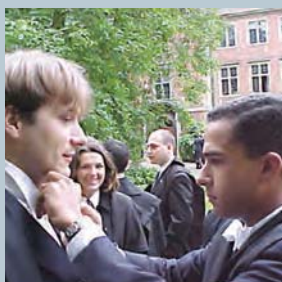


The opportunity to spend three years at Magdalen transformed my life. For the first time I was surrounded by people who were not only unabashedly academic, but who believed in being the very best they could be at everything. I left Magdalen and Oxford with a DPhil in Chemistry, but much more besides, an abiding passion for the *culture* of science, new interests in history, language and the arts, and my

first heady tastes of success at organization and leadership through roles in the MCR and the Boat Club. At the time, I never stopped to ask how much it had cost Magdalen to give me this experience, assuming it had all been covered by my paltry scholarship or the government. Now I know that Magdalen's ability to offer these life altering opportunities to a lucky few each year is largely thanks to the generosity of generation upon generation of donors and benefactors going back to William of Waynesflete in the 15th century. We truly stand upon the shoulders of those who have come before us. It has been one of the easiest decisions of my life to thank those who forged this extraordinary place by donating to the College and its endowment as generously as possible, and encouraging my fellow Magdalen alumni to do the same.

Dr Paul Beckwith (1979)

*Member of the College's Development and Alumni Relations Committee
Trustee of The Magdalen College Development Trust*





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