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Financing the College

From the very beginning St Antony’s could not make ends meet, because the Irish trustees of Besse’s gift of £1 250 000 adamantly refused to give the college the money, which had been deposited in Ireland in order to avoid possible death duties. The trustees tenaciously held on to the funds lest Besse’s family had a claim to it, under French laws of inheritance, when Besse died. All they would allow the college was the income of the trust, which they called the building fund, to a maximum of £25 000 a year.¹ By the end of 1951 this was insufficient to cover running expenses and in addition there were further payments on capital expenditure to be met in connection with the reconstruction of the library and completion of work in 25 and 26 Winchester Road. There was also the proposal to purchase 64 Woodstock Road for £4000. This house was used as a hostel by St Anne’s, which had agreed that alternative accommodation would be found after two years.

The trustees refused to pay any more money to the college.² In desperation Deakin turned to Besse’s wife Hilda, who sent a cheque for £2500:

This money is being advanced to you on behalf of myself and the remaining beneficiaries of my late husband’s estate, and on doing this I wish to register my strongest protest at the obstructive methods which the Trustees appear to be employing, and the constant and, in my view, entirely needless legal complications they keep bringing up. The aim of all of us, as you are well aware, is to see that the gift of my late husband is allowed to produce the result he wanted, and not to be frustrated by red tape.³
The next payment from the trustees was due in April, but by 4 March 1952, by which time the family had all signed disclaimers, the trustees relented to the extent of allowing the college £5000 for running expenses from the building fund and giving the Bursar hope that they would disburse £10 000 from capital for capital expenditure. The university thought a solution to the problem would be to take over the trust and indemnify the Irish trustees. Professor Humphrey Waldock, an international lawyer at All Souls, told the Hebdomadal Council that the risk the university was taking in accepting the transfer of the Besse benefaction in trust ‘was so slight that the university would be justified, in my opinion, in taking it’.

The university then decided it would be better not to transfer the capital to the university to be held in trust because this would mean setting up a new trust with accompanying stamp duty; rather, it decided the money would go directly to the St Antony Foundation. On 14 May 1952, at a meeting in the Home Office (Maxwell Fyfe was now Home Secretary), the form of indemnity to be given to the trustees was agreed, and the conditions under which the university retained a measure of control over the endowment for thirty-one years from Besse’s death were drafted. When the question was raised of winding up the St Antony Foundation and transferring its funds to the college, it was decided not to proceed with this, because it might cost £20 000 in stamp duty. Instead, the present company was to be kept in existence, its shareholders being replaced by the college’s Warden and fellows.

After a great deal of legal and financial red tape, the Irish trust was finally wound up in Oxford on 6 October 1952, when the trustees came to Oxford for the day for the transfer of funds, which the Oxford University Chest was to take over. At its meeting on 21 November 1952 the Chest was told by its investment committee that there was theoretically a possibility that the endowment might be challenged by Besse’s heirs. In the event of a challenge the college would have to meet this claim. But the stocks were unlikely to be able to be sold:

The Warden states that these Irish stocks are standing so low that it appears impracticable to exchange them into anything else without loss and accordingly proposes that the College should undertake not to touch any of the existing investments without the consent of the Curators [of the Chest] . . . The Committee was very concerned to find that nearly all the capital of the college was held in Irish