THE QUEENS' COLLEGE OF SAINT MARGARET AND SAINT BERNARD IN THE UNIVERSITY OF CAMBRIDGE

England & Wales · Charity number 1137495

Details

Other names	COMMONLY KNOWN AS QUEENS' COLLEGE IN THE UNIVERSITY OF CAMBRIDGE, QUEENS' COLLEGE
Status	Registered
Legal form	Other
Company number	RC000422
Registered	2010-08-16
Register	View on the Charity Commission register

Contact

Address	Queens College Cambridge CB3 9ET
Phone	01223 335511
Email	info@queens.cam.ac.uk
Website	www.queens.cam.ac.uk

Activities

Objects: A COLLEGE IN THE UNIVERSITY OF CAMBRIDGE FOR STUDY AND PRAYER.(IN DICTA UNIVERSITATE NOSTRA CANTEBR, MORATURORUM AD STUDENDUM ET ORANDUM)

Activities: A College in the University of Cambridge

Classification

- **How:** Makes Grants To Individuals, Provides Buildings/facilities/open Space, Provides Services, Sponsors Or Undertakes Research
- **What:** Education/training
- **Who:** Other Defined Groups

Downloaded from opencharities.uk/ew/1137495

Geography

- **Area of benefit:** CAMBRIDGESHIRE
- Cambridgeshire

Finances

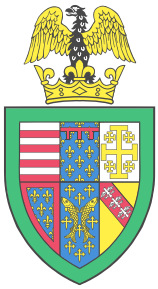
Period end	Income	Expenditure	Assets	Employees
2025-06-30	£28,075,096	£22,747,124	£173,988,882	160
2024-06-30	£25,796,343	£20,050,160	£167,501,501	185
2023-06-30	£19,843,157	£19,270,198	£154,440,463	180
2022-06-30	£18,812,198	£17,057,772	£149,979,410	148
2021-06-30	£25,853,640	£14,415,363	£143,049,550	154

Downloaded from opencharities.uk/ew/1137495

THE QUEENS' COLLEGE OF SAINT MARGARET AND SAINT BERNARD IN THE UNIVERSITY OF CAMBR

England & Wales - Charity number 1137495

Accounts



QUEENS' COLLEGE, CAMBRIDGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2025

QUEENS' COLLEGE, CAMBRIDGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2025

Contents

	Page
Reference and Administrative Details	3 - 6
Structure, Governance and Management	7 - 10
Aims and Objectives of the College	10 - 11
Public Benefit	12 - 13
Review of Operations	14 - 19
Financial Review	20 - 30
Responsibilities of the Governing Body	31
Independent Auditors Report	32 - 36
Statement of Principal Accounting Policies	37 - 43
Consolidated Statement of Comprehensive Income & Expenditure	44
Statement of Changes in Reserves	45
Consolidated Balance Sheet	46
Consolidated Cash Flow Statement	47
Notes to the Financial Statements	48 - 65

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 30th JUNE 2025

The full name of the College is "The Queen's College of St Margaret and St Bernard, commonly called Queens' College in the University of Cambridge". The College is a corporate body consisting of the President, Fellows and Scholars.

The Governing Body, which consists of the President and the Fellows, with four student observers, holds at least six meetings each year. The Governing Body met ten times in the year to which this report relates. The President, Professorial Fellows and Official Fellows are the voting members of the Governing Body and, since the Governing Body exercises general control and management of the College, its voting members are the trustees of the charity.

*President
Dr M A El-Erian

Life Fellows
Prof. A C Spearing
Dr B A Callingham
Prof. J Diggle, FBA
Prof. J E Carroll
Dr J T Green
Dr W A Phillips
Dr R D H Walker
Dr A D Cosh
Prof. R R Weber
Prof. A. N. Hayhurst
Prof J Jackson, CBE FRS
Dr C J Pountain
Prof. R G Fentiman KC Hon Causa
Prof. Lord Oxburgh, KBE FRS FREng
Revd Dr J M Holmes
Dr H J Field
Prof. R L Jones
Prof. A N Lasenby
Prof. K F Priestley
Dr C N Pitelis
Prof. E A H Hall, CBE
Dr E G Kahrs
Prof. D R Ward
Prof. J L Scott
Prof. Lord Eatwell
Dr M J Milgate
Dr I K Patterson
Prof. D K Menon CBE

*Professorial Fellows
Prof. D Cebon, FREng
Prof. R W Prager, FREng
Prof. N D Lawrence
Prof. L Reisch
Prof. J D Brenton
Prof. H Fry[3]

*Official Fellows
Prof. P H Haynes, FRS
Prof. A H Gee
Prof. J W F Allison
Prof. B J Glover
Prof. R A W Rex
Prof. C E Bryant, FBPhS, FLSW, FMedSci
Prof. M P V Crowley
Prof. J C Muldrew
Prof. J W P Campbell
Dr H R N Jones
Prof. M J Dixon, KC Hon Causa, FacSS
Dr A C Thompson
Prof. J R Gog, OBE
Prof. A A Seshia
Prof. E M Terentjev
Prof. I Sitaridou
Dr A Zurcher
Dr A M Rossi
Mr J Spence, DL
Dr G J McShane
Prof. M Edmonds, FRS
Prof. H J Stone
Dr J J Maguire
Dr L S Tiley
Dr T S Butlin
Prof. S J Price
Dr E Moyroud
Dr A Paterson
Dr M E B Tait
Dr F I Paddeu
Mr R M C Kitt
Revd T C Harling
Dr S Haggarty
Prof. C J Bickerton
Dr C Brendon
Dr D J Parker
Prof. G Denyer Willis
Dr E McPherson
Prof. C Warnick
Prof. A Beresford
Dr G Atkins
Prof. A Marsham
Prof. J Blundell
Dr T Denmead
Dr P McMurray
Mr A D Bainbridge
Dr T J Eggington
Dr J Garrison
Dr C Peñasco Patón
Dr P Bambrough[5]
Dr C Clark
Dr G M Fraser
Dr S Haines
Revd A H Jones
Dr R K Bhagat
Dr J Cobbe
Dr M Kilkenny
Dr D Indar
Dr A Bonsor[1]
Dr L Bhullar[1]
Dr O Branson[1]
Dr L Eldridge[1]
Dr S Graves[1]
Dr S Williams[1]
Dr A Key[5]

Bye-Fellows
Prof. A D Challinor
Prof. G H Treece
Prof. A C Rice
Dr R M Faragher
Dr C Hill
Dr A C Bonner
Dr P Bambrough[4]
Dr J Jahić
Dr C Mishra
Dr E Weir
Mr N Morris
Prof. K Hendry
Mr M Boase
Mr J Perkins
Dr J Mitchell
Dr D Orchard
Mr C Edsall
Ms M Fuchs
Dr I Kater
Dr L Escudero Sanchez
Dr M Loy[2]
Dr D Bose[1]
Dr J Chen[1]
Dr D Isaacs[1]
Dr T Muller[1]
Dr T Potocnik[1]
Dr S Razavi[1]
Dr J Williams[1]
Dr A Borodavka[3]
Dr J S Nascimento[3]

Research Fellows
Dr H Symington
Dr E O'Keeffe
Dr K Ilko
Dr J Tsay
Dr J Agullo[1]
Dr S Drago[1]
Dr S Radionovskaya[1]

Emeritus Fellows
Dr A M W Glass
Prof. J Russell
Prof. A M Gamble
Dr J W Kelly
Dr T Forster

[1] From 1 October 2024
[2] To 31 December 2024
[3] From 31 January 2025
[4] To 28 April 2025
[5] From 29 April 2025

* Charity Trustee

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 30th JUNE 2025

Senior Officers

President	Dr M A El-Erian
President Elect	Dame Menna Rawlings
Vice-President	Professor M Edmonds
Senior Bursar	Mr J Spence
Senior Tutor	Dr A C Thompson

PRINCIPAL COMMITTEES

Bursarial Committee

Dr M A El-Erian, President
Professor M Edmonds, Vice-President
Mr J Spence, Senior Bursar
Mr A D Bainbridge, Domestic Bursar
Dr A C Thompson, Senior Tutor
Mr R M C Kitt, Development Director
Dr G Atkins
Professor G Denyer Willis
Dr E McPherson
Dr E Moyroud
Dr F I Paddeu
Professor R A W Rex
Professor A C Rice
Professor I Sitaridou
Professor C Warnick

Education Committee

Dr M A El-Erian, President
Dr A C Thompson, Senior Tutor
Dr T Eggington, Librarian
Dr S Haines, Admissions Tutor (on maternity leave)
Mr J Spence, Senior Bursar
Professor C J Bickerton (on leave 2024-2025)
Professor M Crowley
Dr M Kilkenny, Acting Admissions Tutor
Professor N Lawrence
Dr S Haggarty
Dr J J Maguire
Dr M Tait
Dr L Tiley
Dr S Williams (on maternity leave)
Dr A E Zurcher (on leave LT and ET25)
Representatives of the JCR and MCR

Investments Committee

Dr M A El-Erian, President
Professor M Edmonds, Vice-President
Mr J Spence, Senior Bursar
Professor M J Dixon
Professor D Cebon (on leave 2024-2025)
Dr J R Garrison
Professor A H Gee
Professor L Reisch
Professor R R Weber
Mrs A Koerling (Queens' Alumna)

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30th JUNE 2025

GOVERNING BODY ATTENDANCE LIST 2024-2025

ON LEAVE 2023-2024:
Prof. Peter Haynes
Prof. Beverley Glover
Prof. James Campbell
Prof. Marie Edmonds
Dr Cristina Peñasco Patón
Prof. Martin Crowley (Easter 2024)
Prof. Ashwin Seshia (Easter 2024)
Dr Sarah Haggarty (Easter 2024)

ON LEAVE 2024-2025:
Prof. David Cebon
Prof. Beverley Glover
Prof. Julia Gog
Prof. Ashwin Seshia
Prof. Howard Stone
Dr Anna Paterson
Prof. Chris Bickerton
Dr Cristina Peñasco Patón
Dr Susan Haines
Prof. John Allison (Easter 2025)
Dr Andrew Zurcher (Lent and Easter 2025)
Dr Ana Rossi (Michaelmas 2024 and Lent 2025)
Mr Rowan Kitt (November and December 2024)
Prof. Jamie Blundell
Dr Tyler Denmead (Lent and Easter 2025)
Dr Peter McMurray (Michaelmas 2024)
Dr Gillian Fraser (Michaelmas 2024 and Lent 2025)
Dr Sarah Williams (Easter 2025)

Ten Governing Body Meetings took place between 1 July 2024 – 30 June 2025.
Fellows' attendance was recorded as follows:

Dr M A El-Erian	9/10	Dr J J Maguire	10/10	Mr A D Bainbridge	10/10
Prof. P H Haynes	9/10	Dr L S Tiley	8/10	Dr T J Eggington	10/10
Prof. D Cebon	0/1	Dr T Butlin	6/10	Dr J Garrison	10/10
Prof. R W Prager	5/10	Prof. S J Price	6/10	Dr P Bambrough	3/3
Prof. A H Gee	10/10	Dr E Moyroud	9/10	Dr C Clark	6/10
Prof. J W F Allison	6/7	Dr A Paterson	1/1	Prof. N D Lawrence	3/10
Prof. R A W Rex	10/10	Dr M E B Tait	9/10	Prof. L Reisch	10/10
Prof. C E Bryant	3/10	Dr F I Paddeu	8/10	Dr G Fraser	4/4
Prof. M P V Crowley	5/9	Dr R M C Kitt	8/8	Dr S Haines	0/1
Prof. C Muldrew	8/10	Revd T C Harling	9/10	Revd A H Jones	10/10
Prof. J W P Campbell	3/6	Dr S Haggarty	7/9	Prof. J D Brenton	10/10
Dr H R N Jones	9/10	Prof. C J Bickerton	0/1	Dr R J Bhagat	8/10
Prof. M J Dixon	9/10	Dr C Brendon	5/5	Dr J Cobbe	7/10
Dr A C Thompson	10/10	Dr D J Parker	1/10	Dr M Kilkenny	10/10
Prof. J R Gog	1/1	Prof. G Denyer Willis	7/10	Dr D Indar	8/10
Prof. E M Terentjev	4/10	Dr E McPherson	5/10	Dr A Bonsor	8/9
Prof. I Sitaridou	10/10	Prof. C Warnick	10/10	Dr L Bhullar	6/8
Dr A Zurcher	4/4	Prof. A Beresford	8/10	Dr O Branson	5/8
Dr A M Rossi	3/4	Dr G Atkins	10/10	Dr L Eldridge	8/8
Mr J Spence	10/10	Prof. A Marsham	7/10	D S Graves	5/8
Dr G J McShane	9/10	Prof. J Blundell	4/4	Dr S Williams	2/5
Prof. M Edmonds	9/9	Dr T Denmead	4/4	Prof. H Fry	2/3
Prof. H J Stone	1/2	Dr P McMurray	6/7	Dr A Key	2/2

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30th JUNE 2025

PROFESSIONAL ADVISORS

Auditors

PEM Audit Limited
Salisbury House
Station Road
Cambridge
CB1 2LA

Actuaries

Cartwright Group Ltd
Suite 7, 2nd Floor, The Hub, IQ Farnborough
Farnborough
Hampshire
GU14 7JP

Bankers

National Westminster Bank plc
21 Petty Cury
Cambridge
CB2 3NE

Investment Fund Managers

Rathbones Group Plc
8 Finsbury Circus
London
EC2M 7AZ

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Property Advisors

Bidwells LLP
Trumpington Road
Cambridge
CB2 9LD

Carter Jonas LLP
6 – 8 Hills Road
Cambridge
CB2 1NH

Solicitors

Mills & Reeve LLP
Francis House
112 Hills Road
Cambridge
CB2 1PH

CHARITY INFORMATION

Charity Registration 1137495

Registered Address Silver Street, Cambridge, CB3 9ET

Website www.queens.cam.ac.uk

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisation

Queens' College, Cambridge is a self-governing academic community and body corporate, comprising the President, Fellows and Scholars. It is one of the thirty-one Colleges in the University of Cambridge. The provisions which regulate the purposes and administration of the College are to be found in its Royal Charter, dated 30th March 1448, and its Statutes, as made in 1955 and variously amended from time to time, most recently in 2017.

The Governing Body

The Charity Trustees of the College are the voting members of the Governing Body, being its President, Professorial Fellows and Official Fellows, appointed by the Governing Body in accordance with the Statutes of the College. The membership of the Governing Body is given on pages 3 to 5.

The Governing Body is responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College's Statutes.

Under the College Statutes, the Governing Body has the discretion to form committees to consider and to make recommendations to the Governing Body in accordance with the College's Statutes. The Governing Body also has the discretion to delegate powers to committees. The Governing Body has formed a number of committees, the principal ones being:

- **Bursarial Committee** – to oversee the financial management of the College in accordance with the College Statutes, under the overall direction of the Governing Body. In accordance with the College Statutes, the Senior Bursar, advised by the Bursarial Committee, is responsible for the financial management of the College, subject to the overall direction of the Governing Body. The Bursarial Committee, without the Bursars, acts as an Audit Committee;

- **Education Committee** – to oversee the Educational and Tutorial function of the College in accordance with the College Statutes, under the overall direction of the Governing Body, and to advise the Senior Tutor on matters pertaining to the admission, education and wellbeing of our students;

- **Investments Committee** – to keep under continual review the investments of the College, against agreed benchmarks, to recommend and implement the investment policy approved by the Governing Body, to maintain consultation with the College's financial advisors.

These Committees are a key component of the College's system of internal control, which is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the extent and nature of those risks and to manage them efficiently, effectively and economically. These Committees undertake detailed scrutiny of the issues which the Governing Body has placed within their respective remits, and this work informs the recommendations each Committee makes to the Governing Body. This process was in place for the year ended 30th June 2025 and up to the date of approval of the financial statements. The Governing Body is responsible for ensuring the effectiveness of the systems of internal control: all the above Committees make regular reports to the Governing Body through the medium of detailed minutes, as well as dedicated reports. During the year, all Governing Body meetings were held in a hybrid format.

The Governing Body's review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Senior College Officers and other College Officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

Induction and Training of Members of the Governing Body

Upon admission to the Fellowship, new members of the Governing Body receive, inter alia:-

- A copy of the College Statutes; and
- A copy of the most recent Annual Report and Accounts; and
- A copy of procedures and policies relating to the College; and
- An up-to-date list of College Officers, Committees and their membership; and
- A copy of the Charity Commission's guide to the responsibilities of a Charity Trustee (both the full and summary versions); and
- A copy of Being a Trustee (the Charity Commission's easy read guidance, which explains the main things that a Trustee needs to know); and
- Copies of minutes of previous meetings of the Governing Body and its principal committees; and
- A declaration of qualifications to be a Trustee (to be signed and held by the College); and
- A list of all diary dates relevant to membership of the Governing Body; and
- Information about the management of conflicts of interest; and
- The latest circulars from the Charity Commission; and
- A copy of the latest Corporate Risk Register.

Each new member has an induction meeting with the Senior Bursar and the Senior Tutor, prior to attending a meeting of the Governing Body. All members of the Governing Body receive the circulars of the Charity Commission as they are issued.

Attendance of Trustees at meeting of the Governing Body during the year is given on page 5.

Key Management

As detailed in note 8 to the accounts, the key management personnel are the President, Senior Bursar and Senior Tutor. These Officers have the authority and responsibility for planning, directing and controlling the activities of the College. These Officers, together with the Vice-President, the Senior Fellow, Admissions Tutor, Deputy Senior Tutor, Domestic Bursar, Dean of College, Deputy Dean of College, Dean of Chapel, who is also the Head of Welfare, the Chaplain, the Financial Tutor, the Development Director, the DEI lead, and the Secretary of the SCR meet on a regular basis to consider developing operational issues as they arise to assist in formulating the College's response. During the year this group has met usually three times during each Term.

Risk Management

The Governing Body is committed to an ongoing policy of identifying, monitoring and managing the risks that might adversely affect the operations, reputation and general well-being of the College. The Bursarial Committee, chaired by the President, usually reviews at least twice each year the operational, financial, regulatory and legal risks facing the College, (including reviewing the Corporate Risk Register) and reports accordingly to the Governing Body. The Governing Body keeps under review the structures to deal with risk and is satisfied that appropriate structures are in place to identify, manage and mitigate the risks faced by the College.

The principal areas of risk faced by the College, and the measures taken to manage them, have been identified by the Governing Body as follows and are covered in detail in the Corporate Risk Register mentioned above:

- Financial Performance: Risks to income, expenditure and/or investment performance as a result of external factors, e.g., a health emergency, change to fee regime, economic downturn, poor investment markets, persistently high inflation, a war with global disruption to supply chains, unanticipated changes to Government policy.

  The College has implemented a robust process of budgeting and forecasting to keep costs associated with the College's core activities under constant review in the light of any changes in funding or other income sources. The College's Investments' Committee benefits from the expertise of an external member and aims to maintain a diversified portfolio of investment assets to try to minimise the incidence of correlation between asset classes. The College also undertakes a Scenario Planning exercise which has a four year time horizon. This exercise is undertaken as an integral part of the College's budgeting process.

- Academic Staff: Failure to attract and retain high quality academic staff to deliver the College's teaching and other academic needs.

  The College has a strong Fellowship and an ethos of supportive inter-personal relationships within the Fellowship, service from welfare and other support staff and pastoral support arrangements allowing Directors of Study/Supervisors to retain focus on intellectual engagement. The College regularly reviews its stipend structures and benchmarks appropriately within the Collegiate University and is continually monitoring terms and benefits. There is a regular review of teaching needs and engagement in the University Teaching Officer ("UTO") Scheme, where possible.

- Student Admissions: Adverse admissions outcomes in terms of potential, commitment, width of participation and/or compliance failures.

  The College has a transparent process with academic criteria uniformly applied across all fields and University-trained interviewers. The College runs an extensive outreach programme aimed at attracting the strongest candidates regardless of socio-economic background.

- Student Development: Failure to enable students to flourish academically.

  Academic reviews conducted by the students' Directors of Studies, alongside analysis of students' feedback by the Senior Tutor. Academic and pedagogical best practice encouraged by regular review, at the Education Committee. Benchmarking against other Colleges via the Senior Tutor's Committee and direct liaison with both the JCR and MCR Committees, Cambridge University Student Union where necessary. Engagement with the Office for Students as PREVENT regulator.

- Student Welfare and well-being: Risk of failures of student welfare and/or pastoral support leading to mental health, safeguarding or monetary issues for students.

  The College has extensive in-house pastoral and welfare provision together with access to additional external expertise.

- Buildings, Infrastructure, Facilities and Security: Risk of compromised security (including cyber-attack through physical or digital means), poor-quality accommodation and facilities due to lack of timely investment, unanticipated failures in infrastructure, persistently unset needs, or unexpected high building maintenance expenditure.

  The condition of the estate is regularly monitored by the Maintenance Department through a programme of planned preventative maintenance, along with the assessment of maintenance requests and complaints, ensuring a proactive approach to estates management. In addition to this, there is an ongoing maintenance capital program in place addressing the refurbishment and decarbonisation of the buildings. IT and other infrastructure, both physical and digital, undergo regular review and are supported by a continuous investment program, emphasising the importance of business continuity, staff training and awareness in relation to cyber security. Both the Domus Committee and the Bursarial Committee oversee and monitor these activities.

Scope of Financial Statements

The financial statements are a consolidation of the results of Queens' College and its subsidiaries, QC Enterprises Limited, Q College Property Limited, Q C Trading Limited and QC Functions Limited which are wholly owned by the College. Q College Property Limited has continued to be non-trading during the year. Q C Trading Limited has been non-trading during the year. QC Enterprises is the corporate vehicle through which the College undertakes its commercial conference and catering activities, while the College undertakes directly all other accommodation and catering activities. QC Functions Limited undertakes the biennial May Ball. Any financial surpluses made by QC Enterprises and QC Functions are donated to the College.

AIMS AND OBJECTIVES OF THE COLLEGE

The College is an institution of higher education. Its purposes are the promotion of study and prayer.

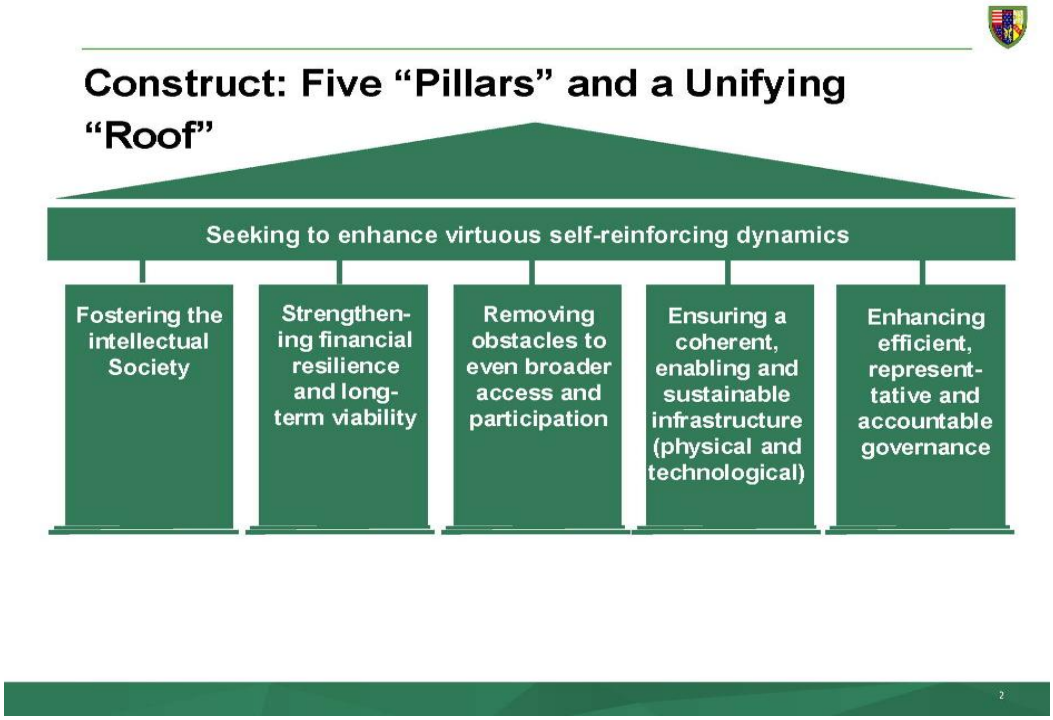
The College has the following aims and objectives:

- to maintain the College's emphasis on the individual in academic and pastoral provision; to deliver an excellent Undergraduate education by safeguarding the provision of small-group teaching through the College-based supervision system; and to achieve and maintain the highest standards in education at both Undergraduate and Postgraduate levels while maintaining welfare support through the dedicated student support team;
- to support a community of Fellows, students and staff, allowing the benefits of a large, internationally renowned University to be realised in a small and close-knit community;
- to promote academic research of the highest quality by Fellows and students; and
- to maintain and enhance the endowments and benefactions, historic buildings and grounds of the College for the benefit of future generations.

Remaining an independent foundation, while forming an integral part of a collegiate university, is fundamental to the College's long-term strategy and well-being. The College endorses the University's mission and core values and agrees that the partnership between the University and the Colleges is central to Cambridge's future development. The College will continue to play an active role in University bodies and in contributing to the formulation of University policy.

In pursuit of its aims and objectives, as well as its charitable objects, the College admits (as junior members) Undergraduate and Postgraduate students matriculated in the University of Cambridge. It provides financial and other support to those of its members who require it in order to achieve its aims and objectives and it supports teaching and research in the University. In furtherance of its objects, the College maintains and manages an endowment of property and financial assets. Besides financial and tutorial support, the College also supplies accommodation, catering and other services to its members and others.

The Governing Body has considered how best to support delivery of the College's aims and objectives and adopted a strategic approach represented by the diagram below.



The College adopted the review of its strategy and strategic imperatives under the "Five Pillars" approach in 2022/23, having previously outlined it in the 2021/22 Report and Accounts. This is to build on and significantly enhance the College's current position in all aspects of its activities. The College has continued to implement the strategy during the course of the year under review in line with the agreed five to ten-year time horizon approved by the Governing Body.

To restate the position, the Five Pillars to which approaches were developed with the diverse participation of Fellows are; 1) Fostering the intellectual society; 2) Strengthening financial resilience and long-term viability; 3) Removing obstacles to even broader access and participation; 4) Ensuring a coherent, enabling, and sustainable infrastructure (both physical and technological); 5) Enhancing efficient, representative and accountable governance.

The Five Pillars approach reflects the interdependencies within the College's activity and need to ensure they are aligned, coherent and consistent to strengthen the College for the future. They also allow for exploiting synergies and efficiencies.

PUBLIC BENEFIT STATEMENT

In accordance with its Royal Charter of 1448, the College's charitable objects are the promotion of study and prayer through the provision of a College in the University of Cambridge.

The Governing Body has complied with its duty regarding public benefit, showing regard to the Charity Commission's guidance.

The College provides, in conjunction with the University of Cambridge, an education for some 508 Undergraduate, 414 full-time and 132 part-time Postgraduate students (2023/24: 508, 442, 123 respectively), which is recognised internationally as being of the highest standard. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial and graduate mentoring systems; and

- social, cultural, musical, recreational, and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

The College additionally advances study through:

- providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;

- providing Post Doctorate Research Associateships to outstanding Early Career Researchers in a range of subjects in the University bringing together researchers in a range of disciplines and enabling them to collaborate in an interdisciplinary community, and benefit from the intellectual and social life of the College;

- supporting research work pursued by its other Fellows through promoting interaction across disciplines, providing facilities and grants for national and international conferences, research trips and research materials;

- encouraging visits from outstanding academics from outside the University of Cambridge; and

- enhancing the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

The College maintains an extensive Library (including important special collections), so providing a valuable resource for students and Fellows of the College, members of other Colleges and the University of Cambridge more widely, as well as external scholars and researchers.

The College carries forward the tradition, continuous since its foundation, of being a place of prayer. In particular, the College:

- Maintains and supports the Chapel as a place of prayer and holds a variety of religious services on weekdays and at weekends during term, which are open to the general public and visitors; and

- Supports, through the College Chaplaincy team, the emotional, mental and spiritual well-being of all members of the College community whatever their faith tradition, or none and provides a Faith Centre in the Cripps Building to facilitate interactions within and between the different faiths within the College community.

The resident members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in study.

However, beneficiaries also include students and academic staff from other Colleges in Cambridge and the University of Cambridge more widely, visiting academics from other higher education institutions and visiting schoolchildren and alumni of the College who have an opportunity to attend educational events at the College or use its academic facilities. The services in the College Chapel are open to the public and are attended by local residents and visitors to Cambridge.

REVIEW OF OPERATIONS

Queens' admits students who have the greatest potential to benefit from the educational environment provided by the College and the University, and it recruits academic staff who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background.

Undergraduate student applications are in the table below, showing the level of diversity of students attending Queens'. About one fifth of Undergraduate students are from overseas (including EU) backgrounds:

Applicants in Michaelmas Term 2024

- Number of applicants 868
- Male 55%, female 44%, undisclosed 1%
- Home 66%; overseas 34%
- Office for Fair Access (OfS***) applicants – maintained sector 64.6%; independent sector 35.4%

Offers in 2024

- Number of offers 202 (23.3.% of applicants)
- State educated 72.3%, independent educated 27.7% (of home offers)
- Male 51.5%, female 47.5%, undisclosed 1%
- 11 offers made through the pool and 45 of our applicants received offers through the pool

*** OfS applicants are defined broadly as applicants normally resident within the UK.

The above outcomes are entirely consistent with the College's objectives in respect of admissions.

The College charges the following fees:

- Home Undergraduates are charged a combined University and College fee of £9,250, (2023-2024: £9,250), of which the College share is £4,625 (2023-2024: £4,625);
- Undergraduates from overseas are charged a College fee of £11,526 (2023-2024: £10,467);
- Postgraduates are charged a combined University and College fee which varies according to the course. The total fee income is then allocated across Colleges at an equal average rate per student which for 2024-2025 is £5,410 (2023-2024: £5,123); and
- Accommodation and meals are charged at reasonable rates.

Widening Participation

The College's extensive widening participation programmes help young people from backgrounds which are traditionally under-represented at Cambridge to have the confidence and information to apply on the basis of merit to top universities, including Cambridge. We work hard to provide age-relevant information and guidance about higher education and, in particular, to demystify the application process at Cambridge. Interactions with those in years 12 and 13 target the application process and supports super-curricular discovery. Key stage 4 students receive advice on A level selection and early preparation, while younger pupils are encouraged to think about the benefits of higher education more generally and to broaden their horizons.

We work with teachers and careers advisors to guide them in how our application process works and to identify the qualities that we look for in our students. Our programme includes events for schools and those, such as Open Days, with a focus on individual applicants.

Our Admissions team visits schools and colleges across the UK, and host groups in Cambridge. We have particularly deep links with Bradford, Kent and the borough of Havering. We update our events programme regularly and are always looking for ways to enhance our offering and to work effectively with external partners. Our programme typically includes visit days, open days, personal statement and interview workshops and residential events.

We welcome school groups back to Cambridge and our programme of in-person visits to schools has regained pace, as a new team settles in. Among the several ways in which we measure the impact of our outreach work, the growth in applications, and therefore admissions, from schools with which we work closely stands out. Within total admissions and access costs of £0.866 million shown on page 49, £0.306 million was spent on Access and Widening Participation activity in the year. The College continues to regard Widening Participation as an essential activity and will continue to support and enhance it further.

Student Support

The Cambridge colleges collectively provide a bursary scheme for those of limited financial means. In 2024-25, 103 Undergraduates (out of our 419 Home Undergraduates) (2023-24: 119 and 432 respectively) received such bursaries with a total value of £348,406 (2023-24: £378,266). The scheme is approved by the Office for Students and provides benefits at a substantially higher level than the minimum OFS requirement. It is widely advertised on the University website, on the College websites and in the Admissions Prospectus. The College spent £253,539 on additional bursaries, including for Postgraduate students, in 2024-25 (2023-24: £312,029).

The College also supports all students through a grant scheme open to all to assist with attendance at conferences and travel grants. In 2024-25 the College spent £90,286 on this scheme (2023-24: £94,696).

In addition to its other programmes, the College operates a hardship scheme for all students in financial hardship. In 2024-25 the College made hardship grants totalling £64,967 (2023-24: £50,700).

Provision of Welfare Support

The Health and Well-being team and Tutors provide specialist and professional care for students of the College. This consists of (although is not restricted to) general pastoral provision, professional counselling, Cognitive Behavioural Therapy, mental and physical health support, bereavement counselling, eating disorder interventions and a series of programmes to help the move from school to university which brings with it increased independence.

Individual college welfare provision is widely compared by students and applicants and is seen as a key indicator of the "student experience". The university has also reviewed and deepened its own provision in recent years – the spend by all Cambridge colleges is significantly above the sector average and it is hoped that a new partnership with the NHS might further improve access to services for students without providing a wider strain on health infrastructure in Cambridge and its environs.

Students from disadvantaged backgrounds may have additional concerns or issues that require support. Welfare, in this way, is part of the College's commitment to increase access for all.

The Health and Well-being team works alongside the Tutors of the College in providing pastoral support to students. Overall responsibility for this activity rests with the Senior Tutor, however the day-to-day management is devolved to the Head of Welfare (operationally) and the Head of Academic and Tutorial Services (administratively).

The Head of Health and Well-being also acts as the College Safeguarding Officer, one of the Harassment and Assault Officers, Police Liaison Officer and Deputy Head of Prevent and Dean of Chapel.

At present (in addition to the above roles) the College employs a part time Clinical Lead (also one of the Harassment and Assault Officers), a part time Mental Health Nurse/Welfare Officer/CBT Counsellor, a part time Counsellor/Coach, and a Chaplain (part of whose job involves providing pastoral support to the wider College community). There are also two further Harassment and Assault Officer who can be used in complex cases.

Where more specialist treatment is needed this is organised with professionals on a contracted basis by the Health and Well-being team. This, in the past, has included Psychiatric Services, Psychological practitioners, Scientific Coaching, Essay writing guidance, physical trainers, legal advice and Physiotherapists.

Academic Staff

To fulfil its charitable purposes, the College employs College Lecturers, Tutors, Clergy and senior academic and administrative officers. These posts are qualifying offices under the College Statutes. The appointment of Fellows is a result of their employment in a qualifying office which office is undertaken with the intention of furthering the College's aims and their employment directly contributes to the fulfilment of those aims. The private benefit accruing to the President and Fellows occurs solely through their employment in a relevant qualifying office by means of salaries, stipends and employment related benefits and is objectively reasonable, measured against academic stipends generally; moreover, annual pay increases normally follow national settlements applying to the university sector, as implemented by the University of Cambridge. Without the employment through qualifying offices of Fellows, the College could not fulfil its charitable aims as a College in the University of Cambridge.

The President and Fellows of the College also receive benefits as beneficiaries. These comprise research grants, conference grants, book grants, etc. These benefits are provided with the intention of furthering the College's aims. The amounts of the benefits provided are objectively reasonable, measured against the academic benefits made available to other beneficiaries of the College.

Academic Performance

During this Academic Year 488 Undergraduates took Tripos Examinations and 89% of those achieved a grade of 2:1 or better.

Capital Expenditure, Maintenance and Environmental Management

During the 2024–25 financial year, the College continued to make significant progress in delivering its long-term estates strategy, focused on enhancing student facilities, improving energy performance, and supporting the College's pathway to Net Zero by 2045.

The most notable capital project completed during the year was the environmental refurbishment of the Erasmus Building. This £8.6 million scheme was delivered on time and under budget, with the final outturn expected to be £7.6 million including VAT. The refurbishment included a comprehensive upgrade of the building's fabric and systems, incorporating air source heat pumps, mechanical ventilation with heat recovery, known as Mechanical Ventilation and Heat Recovery (MVHR), high-performance insulation, triple glazing, and solar panels. These measures are projected to reduce annual carbon emissions by approximately 50,000 kg. The project also delivered significant enhancements to the student accommodation, with all 41 student rooms converted to en-suite, in addition to two new en-suite Fellows' sets. The building now features smart environmental controls and fully accessible facilities. The College secured £415,749 in Salix funding in relation to the decarbonisation elements.

Construction work on the Nursery Relocation project at Owlstone Croft continued this year, with handover completed in June 2025. The £2.7 million scheme, partnered with Pembroke College, includes a new lift and modern facilities to accommodate the nursery's move from its existing location. This relocation is a necessary enabling step for the wider redevelopment of the Owlstone Croft site.

The Owlstone Croft project remains a central strategic development for the College. To date, £5.98 million has been committed, including £1.7 million under a Pre-Construction Services Agreement (PCSA) with the appointed contractor Morgan Sindall. However, delays to the discharge of planning conditions and rising construction costs prompted a reappraisal of the programme. In March 2025, the Bursarial Committee recommended a revised, phased approach to ensure progress can be maintained and key funding streams such as the £750,000 Salix contribution are preserved. Subject to planning outcomes and Governing Body approval, initial works may now commence with the refurbishment of B-Block, demolition activities, and substation construction. This approach also buys valuable time to refine the scheme's cost and scope. The current budget sits at £34.5 million, though updated figures from Morgan Sindall suggest pressures that could push this towards £39 million, which includes a much deeper refurbishment of B-Block. The revised phasing may extend the project to 2028, with the possibility of separating refurbishment and new-build components to manage financial and programme risks. The College received final planning approvals in late July 2025 and demolition of the relevant buildings commenced on site.

To facilitate these works, the College has implemented plans for the displacement of students from Owlstone Croft from summer 2025. Undergraduates will be housed at alternative College-owned properties at Grange Road, Panton Street, and Norwich Street. A new lease agreement is under negotiation with Lucy Cavendish College to secure up to 50 Postgraduate rooms per annum at its Castle Street site, with a projected annual cost of £701,250 covering associated room charges.

Progress was also made on the Silver Street Masterplan and associated decarbonisation strategy. The Buildings Working Party was reformed in Michaelmas 2024 to coordinate delivery across the estate, and proposals are being developed for future projects including the Fisher Building refurbishment and Cluster 3

(West of the river Cam) energy infrastructure. Early design work and feasibility studies are complete for a number of schemes, including the Fisher Building (budgeted at £60,000 for RIBA Stage 1).

The College's non-sensitive archives were moved to the Chapel Building at Grange Road, in phase one of the archive project, which saw the relocation of the archive storage units from Owlstone. The Library Committee has since requested further investment to refurbish this facility to house the full archive and Special Collections, currently stored at the University Library, with a £1 million budget earmarked when funding permits.

Other projects have been paused to focus resources on Erasmus and Owlstone Croft. These include the construction of new bedrooms at Grange Road, the refurbishment of the Sports Pavilion, and the Fisher Building upgrade (2027-2028), although the latter has progressed to feasibility stage. Planning is underway for significant infrastructure development, including proposals for Cluster 3 – decarbonisation plan, which will feed into future plant rooms at Fisher and Cripps. Preliminary Cluster 1 proposals are already being explored, with potential to decarbonise Walnut Tree Court, Friars, Docket, and the Chapel using the Erasmus ASHP system as a shared heat source.

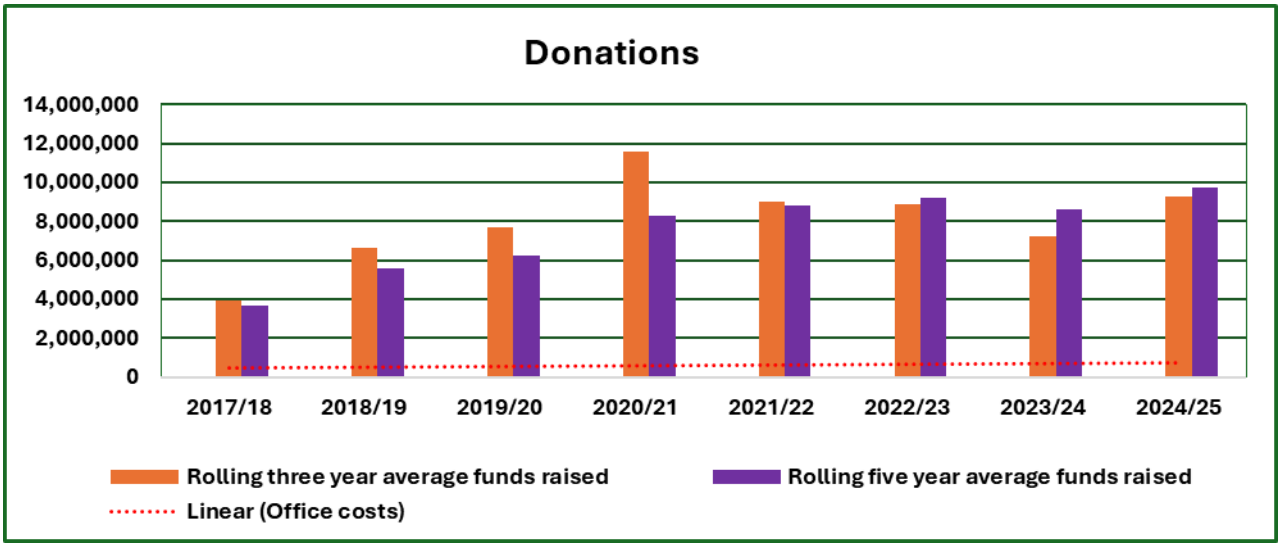
Several smaller scale but important maintenance and improvement works have also been planned for the coming months. These include the refurbishment of the Cloister Court roof above the Bursary passage, and a survey of the riverbank between Silver Street and King's College Bridge, which may lead to restoration works in 2026/27. A final addition to the year's projects is the impending refurbishment of the condemned Cripps kitchen floor. This essential work, due before the next academic year begins, presents a further opportunity to advance the College's sustainability goals by removing the gas supply entirely and transitioning to all-electric cooking.

The works undertaken during the year have been carefully managed to align with available resources, and future phases of work will be brought forward as planning, design and funding milestones are achieved.

Donations and Fundraising

The College's fundraising efforts are primarily directed at raising money from our alumni. Our fundraising approach ensures that we understand and respect individual preferences for contact in relation to approaches seeking support, as well as more generally. Key objectives for the College include providing new and enhancing existing student accommodation and related facilities, particularly the project at Owlstone Croft, teaching, particularly endowing Fellowships, research, student support, widening participation as well as enhancing the endowment. The College is very grateful to its alumni and others who continue to support it so generously. In 2024/2025 the College received unrestricted donations totalling £2,651,000, new expendable restricted funds £7,539,000, and new endowments totalling £1,618,000, giving a total of £11,809,000 (£10.14 million 2023/2024) in support of its objectives.

The cost of the Alumni and Development Office (ADO), a College department, for the year was £799,180 compared to £686,966 in 2023/2024. The ADO costs include both fundraising and alumni relations activity, such as reunions and other events and publications. This year there have been some 'in person' events held and costs have been stable. As the amount received can vary significantly from year to year, the chart below details the three and five-year rolling average of donations received, as well as the annual cost of the ADO.



All fundraising is carried out by the ADO, which reports detailed quarterly results to the Bursarial Committee and a summary report to the Governing Body. The College is registered with the Fundraising Regulator and was not the subject of any complaints to that body in 2024/2025, nor did the College receive complaints about its fundraising activities from any other source. The College does not seek support from the public and takes active steps to respect the needs of any potential supporter who may be in a vulnerable circumstance or require additional care and support to make an informed decision.

Data handling

The College continues to monitor its data handling, reporting and Data Protection Statement in accordance with the UK GDPR requirements.

Equal Opportunities

The College is committed to the principle and practice of equal opportunities and strives to be an equal opportunities employer.

FINANCIAL REVIEW

In common with other organisations, the financial year to 30 June 2025 has been a particularly challenging one in highly uncertain economic circumstances. The effects of the disruptions of the last five years continue to be felt and the consequential and continued higher inflationary environment affects the College greatly. The College has continued to pursue its principal goals of providing a first class educational and research environment to Undergraduates, Postgraduates, and Fellows alike, whilst striving to live within its means and manage the challenges and uncertainties presented to it.

Financial Results

Consolidated Income and Expenditure Account

The College recorded an Unrestricted Deficit of £1,647,000, (2023/2024: -£1,327,000), after unrestricted donations of £2,651,000 (2023/24: £1,795,000), a Restricted Surplus of £7,026,000, (2023/24: £8,061,000) after restricted donations, which mainly relate to supporting redevelopment and refurbishment of the Owlstone Croft site, of £7,539,000 (2023/24: £8,061,000). The overall surplus, before other gains and losses, is £5,328,000 (2023/24: £5,746,000).

Year ended 30th June	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Unrestricted Income	18.14	16.66	15.60	14.00	11.69
Unrestricted Expenditure	19.78	17.99	17.23	14.94	13.21
(Deficit) Surplus	(1.64)	(1.33)	(1.63)	(0.94)	(1.52)
Restricted Surplus (Deficit)	7.03	8.06	2.02	1.31	8.51
Endowments Surplus (Deficit)	(0.05)	(0.99)	0.18	1.38	4.44
Total Surplus (Deficit) before Other Gains and Losses	5.34	5.74	0.57	1.74	11.43

The level of deficit for the "Endowment" column -£52,000 (2023/2024: -£988,000) largely reflects a combination of the Endowment expenditure on education and the difference between the investment income received in the year and the drawdown under the College's total return methodology. This is covered further below.

The Unrestricted Deficit of £1,647,000 is realised after charging depreciation of £3,162,000 (2023/2024: £2,795,000). Adding back the depreciation charge and other non-cash items in the Income and Expenditure account, such as pension deficit provisions and any underspend on Restricted Funds, is a reasonable proxy for the cash the College has generated.

This year the College shows as part of its Comprehensive Income and Expenditure account other gains and losses relating to investments assets as determined by the RCCA Accounting Standard: there is a gain of £274,000 (2023/2024: £6,951,000 gain) and a decrease in pension liabilities of £885,000 (2023/2024: £364,000 liability decrease).This year there were no unrealised gain on revaluation of fixed assets (2023/24: zero). The total surplus is £6,487,000 (2023/2024: £13,061,000 surplus).

There are several matters to draw to your attention:

- The continuing, challenging operating environment is covered under the Scenario Planning section below;
- In 2023 the College adopted a Total Return Approach to Investment income which, in line with the experience of many others, acts as a smoothing mechanism and reduces the volatility of investment income from which the College has historically suffered. As described above, the drawdown is calculated by reference to a weighted average of the investment assets over a five-year period, with a one year time lag for the amount of drawdown. The weighted investment assets used in this year's Accounts is for the five-year period to 30th June 2023. The drawdown is set at a rate of 3%;
- The Gross Unrestricted Deficit on the Education Account was £3,816,000 (2023/2024: £3,951,000 deficit, with the net deficit after a one off USS credit of £2,734,000);
- Academic fees in respect of Home Undergraduate students have not changed since 2017 so have declined by 34.4% in real terms.
- There will be an increase of 3.1% in the forthcoming Academic Year which will do little to address the real terms decline in the value of the regulated Academic fee, so we might reasonably expect the Education deficit to continue to rise;
- The Gross Unrestricted Deficit on the Education Account, is £427,000 greater than the unrestricted investment income, and is 113% of unrestricted investment income, (2023/2024: £1,037,000 and 136%);
- This effectively means over recent years all the investment income has been devoted to the education of current students;
- The College's accommodation, conference and catering activities showed a deficit of £2,828,000 (2023/2024: £2,319,000 deficit). This area was the most affected by the pandemic in 2020/2021 as discussed below;
- This year the revenues from student accommodation were reduced by c£500,000 as the Erasmus Building was closed for refurbishment and undergraduates were located elsewhere in the College estate and, consequently, the number of postgraduates being housed was reduced;
- The external revenue from conference and catering during the year were £159,000 greater than last year. The income from this activity remains some 17% below the nominal level of income enjoyed before the onset of the Covid pandemic and this affects the College adversely;
- The Investment Assets per the RCCA Accounting Standard includes monies held from restricted donations for expenditure for future expenditure, mainly on building projects and academic related items and lead to an overstatement of the College's Investment Assets until these monies have been spent in accordance with the terms of the donations. As these cash balances are reduced they will mask the gains and losses on the college's Investment Assets. Further details of this are contained in the section below on Main Endowment and Investment Assets;

- The College has few levers available to it when cost inflation is high but the revenue streams which the College has the ability to increase in a similar way are very limited, and this is evident in the results.

Funding of the College

Queens' College is funded from several sources as follows:

Year ended 30th June	**2025**	**2024**	**2023**	**2022**	**2021**
Academic Fees	17.8%	18.0%	24.9%	26.3%	19.8%
College Accommodation	16.1%	17.5%	20.3%	21.3%	11.0%
College Catering	5.0%	5.0%	5.8%	4.5%	0.8%
Conference Activities (including Catering)	5.6%	5.2%	6.6%	2.4%	0.0%
Investment Income	15.8%	14.6%	17.1%	18.6%	13.7%
Donations	38.5%	38.6%	24.5%	26.0%	52.8%
Other	1.2%	1.1%	0.8%	0.9%	2.9%

The above table excludes new endowments from the calculations. Future income from the new endowments will appear as Investment Income. Again, Restricted Donations have been included in the table. The College has been particularly fortunate to receive significant, restricted donations to enable the Owlstone Croft Project to proceed, which results in the percentage of income from donations being higher than in 2022 and 2023. Last year there was significant donor support for the refurbishment of the Erasmus Building.

Balance Sheet

The net tangible assets of the College stood at £173.99 million compared to £167.50 million in 2024. The increase is caused by the rise in fixed assets following the completion of the Erasmus Building project and a 70.5% fall in the pension liability under FRS 102 (2023/2024: 57.4% reduction).

The gearing ratio is 17.2% compared to 17.9 % last year. The change in gearing ratio is a function of the new debt issue and the change in net tangible assets.

Main Endowment and Investment Assets

The College, as a long-term investor, has a medium risk appetite for the management of its investments. Risk parameters are agreed with the College's Fund Managers and the Managers are required to have due regard to a company's environmental, social and governance record when investing. The College does not hold any fossil fuel investments in direct holdings or funds in which it controls the investment. The College, is a beneficiary of a trust where the holdings are managed by the University as trustee and so the College does not control that investment or the policy applied to it.

The market value of the main Endowment and Investment Assets at 30th June 2025 stood at £144.49 million (2023/2024: £145.95 million). This figure includes £11.27 million of cash donations and other monies for operational property investment and other restricted expendable items; when this is excluded the investment assets stand at £133.22 million (2023/24: £127.69 million). The College has yet to deploy the new debt issue of £7 million from its private placement in 2024 in new revenue generating operational assets last year (2023/24: £7 million unutilised).

Year ended 30th June	**2025 £mn**	**2024 £mn**	**2023 £mn**	**2022 £mn**	**2021 £mn**
Closing position previous years Endowment & Investment Assets	127.69	119.67	115.31	112.01	93.32
New Endowments & unspent Endowment Income from previous year invested	1.00	1.07	1.38	4.51	4.11
Opening Position	128.69	120.74	116.69	116.52	97.43
Closing Position Endowment & Investment Assets	133.22	127.69	119.67	115.31	112.01
Investment Income Received	4.53	3.71	3.21	3.20	2.92
Gains (Losses)	4.25	6.95	2.98	(0.93)	14.42
Total Return	8.78	10.66	6.19	2.27	17.34

The portfolio was invested in Global Equities, including Carbon Free holdings, (33%), residential property and agricultural estates (23%), cash (10%), UK gilts (9%), Multi-Asset Funds which have a significant exposure to quoted equities, including holdings in the Cambridge University Endowment Fund, (10%) and the balance in the recognised alternative asset class of private equity. It should be noted that the private equity investments are shown at managers' estimated value on a "marked to market" basis.

During the year the College has continued to maintain its holding in ESG funds and has invested in key themes for the future, including clean energy, healthcare, automation, and digital intelligence. It will continue to rebalance the portfolio in future years away from purely geographic allocations to "thematics" with a long-term horizon. It should be noted that with the College's stance on fossil fuel, the returns the College receives at times when there is a significant market shock leading to higher oil and gas prices will be lower than those achieved by other investors with such holdings. The College is aware of this but as a long-term investor it accepts these short-term impacts will occur without invalidating the College approach.

The College now undertakes an ESG analysis of its quoted holdings representing 38% of its total portfolio, relying on data provided by Morningstar and Sustainalytics, as a means of tracking the effectiveness of its investment policies regarding ESG. At the year end, this part of the portfolio had a sustainability rating of

4.0 out of a possible 5.0 (2023/24: 4.1 out of a possible 5.0). This type of analysis is still evolving, and the College will continue to address this issue over time and seek improvements. In due course, it will apply this analysis to all its non-property holdings.

The College's direct investment property assets have been re-valued during the year.

The total recorded return on the investment assets in the year was 6.8% (2023/2024: 8.8%). The Total Return policy of the College has been described above.

The College takes a long-term view of the investment portfolio and attempts to protect its value in real terms and, as a result, to strike an equitable balance between the interests of the present members of the College and future generations. Any new donations or bequests received during the year are added to Unrestricted Funds, unless the donor has made it clear that the funds are to be spent on a particular project.

Future Capital Projects

In 2025/2026 the College will continue with capital expenditure which is deemed to be critical for the maintenance of the estate and investment for the future. The Owlstone Croft project commenced in July 2025 and is estimated it will be completed in two years. Details of this project are contained in the Capital Expenditure section on page 17. The estimated cost of this ambitious project is £39.5 million. This figure excludes the cost of the Nursery project which was a key enabling project for the main Owlstone Croft project. The College made further progress in mobilising resources to cover the project's funding needs, including through philanthropic support. It intends to build on this progress.

Long Term Debt Issue

The significant projects in 2014 and 2015 were funded, as previously reported, using the proceeds of an unsecured long-term debt issue in which the College participated with 18 other Colleges. The College's share of the issue was £8 million, with an average life of 34 years, at an effective rate of 4.42% per annum fixed for the duration of the loan. Although issued through a funding vehicle, the College has no responsibility for the obligations of any other of the issuing Colleges. This issue was a good example of the Cambridge Colleges working well together for a common purpose.

In January 2018, the College raised a further £15 million through a private placement. This is unsecured, at a fixed rate of interest of 2.62% per annum with repayment in one amount after 40 years. This fixed rate funding has been used to invest in further operational assets for the College to house more of its Postgraduate students and to eradicate some historic anomalies in the provision of Undergraduate accommodation.

In April 2024, the College issued a further £7 million through an additional private placement. This is again unsecured, at a fixed rate of interest of 5.59% per annum and is repayable in one amount in 2058, matching the repayment profile of the earlier issue of £15 million.

The issued debt has a gearing covenant (maximum 50% of net tangible assets) and a negative pledge. The College is comfortably within its covenants. This debt appears as a long-term liability on the balance sheet.

The College, as a perpetual institution, must plan effectively for repayment of the four issues of its long-term debt. To this end the College had a plan to purchase almost matching gilt issues for the various maturity dates of the different tranches. These gilts are to be held to maturity in the investment portfolio and will be used to affect the repayment. The disruption to the Gilts market in September and October 2022, where the price of the relevant gilts fell significantly, provided an opportunity to purchase gilts at sensible prices in furtherance of this strategy. Further purchases have been made during the course of this year. The

total nominal value of the gilts held by the College represents 75.05% of the debt issued as at 30th June 2025.

Pension Funds

The College participates in two pension schemes detailed below.

The College's academic staff are members of the Universities Superannuation Scheme and the issues and challenges facing this Scheme, and the College's staff who are members of it, have been well publicised. The effect of the FRS102 adjustment in respect of this Scheme, following completion of the latest valuations, in the Income and Expenditure Account this year is zero (2023/2024: £1,208,000 credit).

The Cambridge Colleges Federated Pension Scheme (CCFPS), a pension scheme exclusively for non-academic staff, has its full liability recorded in the balance sheet under FRS102. The deficit shown this year has declined by £885,000 (2023/2024: £364,000 reduction). The decrease in the deficit is driven principally by a higher discount rate used to calculate the present value of the scheme's liabilities. There is also a positive impact in the staff costs shown in the Income and Expenditure account of £320,000 (2023/2024: +£732,000) arising from FRS102. The College is currently reducing its pension liability under the scheme with additional contributions over an eleven-year period, with four and a half years remaining.

The effect of the above changes in respect of both Schemes is a positive balance sheet movement of £1.206 million (2023/2024: £2.30 million positive).

Reserves Policy

The Governing Body, in approving these accounts, has adopted the reserves policy and target reserves as detailed below.

The reserves policy ensures that the College has sufficient financial resources to continue, but also constrains the extent to which reserves are built up from operating surpluses to help maintain intergenerational equity and balance the needs of current and future students.

Free reserves represent the unrestricted general funds of the College. The calculation involves analysis of the composition of the total reserves shown in the Balance Sheet, after adding back any provisions for pension liabilities. The following categories are excluded: Special Trust Funds, permanent restricted endowment, restricted funds and fixed and heritage assets. Net free reserves are after deducting the provision for pension liabilities.

Total Reserves	**2025**	**2024**	**2023**	**2022**	**2021**
	£mn	**£mn**	**£mn**	**£mn**	**£mn**
Total Reserves (excluding Pension Provision)	173.99	169.2	158.5	154.7	152.9
Less: Restricted Reserves	104.00	108.2	97.4	93.2	91.2
Less: Fixed & Heritage Assets	59.84	52.0	50.3	40.9	39.5
Free Reserves	10.15	9.0	10.8	20.6	22.2
Less: Pension Provision	0.50	1.7	4.0	4.8	9.9
Net Free Reserves	9.65	7.3	6.8	15.8	12.3

The College's target reserves are as follows:

Reserve	Target Reserve	Rationale
Contingency Income & Expenditure	£5.05 million	Contingency to cover extreme/unexpected shortfall in income or additional extreme/unexpected expenditure – equivalent to nine months accommodation conference and catering income being the average of the last three non-pandemic years, viz 2023, 2024 & 2025, (previously 12 months)
Emergency Building Repair Contingency	£2.5 million	To fund unexpected urgent repairs to buildings in the estate e.g. roof failures, etc. this is equivalent to 4.1% of buildings (including assets under construction) as fixed assets (previously 5% of fixed assets)
Total	£7.55 million	

As of 30th June 2025, the College's free reserves were £9.65 million (2023/24 £7.3 million) compared with a target reserve of £7.55 million (2023/24: £9.00 million). The movement is almost entirely due to the transfer to unrestricted reserves from restricted reserves as restricted donations have been spent on various building projects and the corresponding increase in the value of operational properties in the balance sheet, together with the reduced level of pension liabilities. The College has reduced the period used for the Income & Expenditure contingency from twelve to nine months as the need for so large a contingency, based on the experience of the pandemic years, is too restrictive: the aggregate loss of revenue in the College's conference and catering activities over the four financial years from 2020 (2020 to 2023 inclusive) is equal to nine months revenue of the average of the revenues in the three years detailed above. The worst year of the four shows a loss of revenue equal to six months of this revenue stream. The College will continue to keep the appropriateness and level of this contingency under review.

The College has also reviewed the level of contingency held within free reserves for unanticipated expenditure for urgent repairs for its operational assets. With the increase in the amount of fixed assets, and based on experience of needing to fund such unanticipated, urgent repairs over the last twenty years, a fixed level of £2.5 million for this reserve is deemed an appropriate level. This is still substantially more than any level of expenditure actually incurred on any individual urgent repair to a building or physical infrastructure in the relevant period. The College will also continue to keep the appropriateness and level of this contingency under review.

The significant factors which will affect future reserves is any impact of the disruptions arising from the wars in Ukraine, Gaza and elsewhere, including disruptions caused to supply chains, any further increases in interest rates, a higher level of inflation than being experienced now, particularly in respect of its operations and the financial and other markets in which the College has invested. This level of reserves, while modestly above the target, enables the College to consider carefully and react appropriately in the event of further, unforeseen extreme circumstances or a significant prolongation of the economic volatility.

The College is focusing on maximising unrestricted income and unrestricted donations, managing costs, effective use of restrictive income from Special Trust Funds, permanent restricted endowment and other restricted funds, and investing in the endowment and investment assets in order to recover from the impact of the last four years and rebuild and enhance its free reserves.

The College needs to maintain and enhance its unrestricted reserves as it is one of the measures of its relative financial strength in terms of its pension obligations as well as for its external funders. The Governing Body will keep the reserves policy under review and consider the need for further specific reserves from time to time as circumstances change.

Scenario Planning

With the advent of the Covid 19 pandemic, the College introduced a four-year scenario planning exercise. This continues to be used and is now an integral part of the College's approach to identifying and managing its financial and other risks.

The Governing Body has considered carefully the aftermath of the higher inflation environment and the possible disruptions to supply from the wars in Ukraine and the Middle East and other factors, both international and domestic, on the College's finances in the new financial year and beyond. At meetings in May 2025, it considered a base case scenario of normal academic activities and an effective flatline performance in external revenue from conference and catering activity. Inflation was assumed to remain elevated during the period falling gradually from 5.6% in year one to 3% by year four. The College being able to adjust its charges over the period to meet the change in inflation together with a reduced initial level in donations with a steady improvement thereafter.

Investment markets were assumed to go through a sustained period of instability with a decline in capital values in the first three years and the commencement of a recovery in year four. Investment income declining slowly from the distribution under the Total Return policy as it reduces sharp and sudden swings in the drawdown. The base case scenario also allowed for the reduction in room revenues from students from the total refurbishment of the Owlstone Croft project which necessitates the closure of Owlstone Croft for two years and the reduction in the number of postgraduate students housed by the College during this period.

The base case scenario was over a four-year time horizon and showed the College being able to maintain cash generation, but not returning to a surplus over the period. The Governing Body also considered one severe downside sensitivity analysis, with significantly higher inflation for longer with limited ability to maintain charges in real terms and a decline in both investment and donation income. The Governing Body also considered the College's holdings of cash and other liquid assets.

The budget for the new financial year was adopted based on the base case scenario.

Going Concern and Viability

The Governing Body has assessed the viability of the College and its subsidiaries over the duration of the four-year scenario planning exercise. The Governing Body considered and approved the detailed budget for the forthcoming year, and the actions required by it, as part of the review and have concluded there is a reasonable expectation that there are adequate resources, including the strength to operate and meet the liabilities of the College as they fall due, over the period of the assessment and for the foreseeable future.

Principal Risks and Uncertainties

The principal risks and uncertainties that the College faces in the forthcoming year may be briefly summarised:

- Sustained higher inflation with the College having limited room for manoeuvre in respect of addressing its impact in mitigating a widening deficit. Such an environment may also adversely affect both investment markets and possibly pension obligations;

- Sudden, unanticipated changes to Government policy with a consequential impact on the College's cost base which the College has minimal opportunities to offset with increased revenues;

- The ongoing aftermath of world events, including the recent pandemic and the Ukraine/Russia and Hamas/Israel wars, volatile levels of inflation and the impact on interest rates, and consequential global economic and financial uncertainties, may have a significant effect on the College's revenue streams and on the markets in which the College invests. It is possible that capital values will be highly volatile and investment income may be adversely affected. Investment capital losses would affect adversely the College's level of free reserves;

- A similar "off model" event to the pandemic, leading to the suspension of the College's usual activities. The College has a specific reserve for this eventuality;

- Unforeseen events disrupt the College's education and other activities such as to prevent the College from operating;

Although the College has a long-term programme of building renewal and improvement, it is always possible with buildings of the age of the College's estate that there will be unexpected issues that may arise.

The College keeps under review the conditions of the fabric to identify further issues and enable them to be addressed on a timely basis. The College has also

- maintained a detailed remedial programme of works on the buildings in the estate. There is a specific reserve for this matter;

- The volatility in investment markets could be one of the factors that may give rise to a deterioration in the pension liability and a consequential adverse impact on the College's free reserves;

- The continuing failure of academic fees to keep up with the rise in academic costs, as well as the inevitable uncertainties with a potential significant change to the funding of Universities in England, mean that the funding and costs associated with the College's core activity will need to be kept under constant review.

Future Plans

The principal focus at present is to continue raising significant funds to support the completion of the Owlstone Croft project, as well as unrestricted funds to support our core activity of education. As part of the "Five Pillars" review, the College will also continue to develop plans for raising funds, including to

enhance significantly the College's endowment to enable it to continue achieving its objectives. In this respect, for the medium term, the College will focus principally on raising permanent capital funds for fellowships and teaching, the core activity of the College, as well as unrestricted funds, so the College may continue to invest in the future and strengthen its financial position.

The College is looking to enhance both the resilience and agility of its operating practices, including by being able to deploy staff resources where there is greatest need and maximising the flexibility of our response as circumstances change.

Retirement of the President

Dr El-Erian retired as President at the conclusion of his term of office on 30th September 2025. Dr El-Erian was President during one of the most challenging periods in the College's long history. The Governing Body records its profound thanks for all that he has achieved in his term of office and is most grateful for his leadership, advice and engagement in all that he has done during his tenure.

Election of a New President

As was detailed in last year's Report and Accounts, the Governing Body commenced the process to seek a new President in succession to Dr El-Erian. The Governing Body concluded this process in April 2025. As the College has already announced, the Governing Body elected Dame Menna Rawlings to succeed Dr El-Erian. Dame Menna was installed as President on 30th September. 2025.

Conclusion

While less acute than in the last few years, the College's financial position remains challenging and by no means comfortable; there is a great deal to be done to secure properly the long-term future of the College especially for the continued provision of teaching and research excellence, providing for Postgraduate students and refurbishing and enhancing the historic and other operational buildings.

The College will endeavour to work as efficiently as possible and maintain its resilience within the context of being an academic community. The College will regularly review its position as circumstances unfold, against its projections and its scenario planning model, to ensure it responds appropriately, proportionately and on a timely basis to the situation in which it may find itself.

In the medium term, the College would hope to increase its endowment from all sources by at least £100 million to £150 million from its current position. The College will also continue to control costs and manage resources to best effect to support its principal objective of providing a first-class education. Although regulated academic fees will rise at the start of the new Academic Year, it is not at all certain that academic fees will be increased further or indeed adequately to meet the full costs of educating our Undergraduates. The College needs to plan and act accordingly.

There is no doubt that the very challenging environment in which the College has operated in the last year will continue for the foreseeable future as the uncertainties it faces evolve and develop. The College will strive to use its resources wisely and efficiently in these difficult circumstances.

On behalf of the Governing Body

Dame Menna Rawlings
President

Mr Jonathan Spence
Senior Bursar

The Governing Body is responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards.

The Bursarial Committee has day to day responsibility, under the overall direction of the Governing Body, for ensuring that there is an effective system of internal control and that accounting records are properly kept in accordance with the College's Statutes. It is required to present audited financial statements for each financial year, prepared in accordance with the Statutes of the University, for approval by the Governing Body which give a true and fair view of the state of affairs of the College and of the surplus or deficit of the College for that period.

In preparing these financial statements, the Governing Body is required to:

- select suitable accounting policies and then apply these consistently;
- make judgements 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.

The Governing Body is satisfied that the College has adequate resources to continue in operation for the foreseeable future. The financial statements are accordingly prepared on a going concern basis.

The Governing Body has taken reasonable steps to ensure that there are appropriate financial and management controls in place to achieve policy, aims and objectives and to safeguard the assets of the College and prevent and detect fraud and other irregularities.

Any system of internal control, however, is designed to manage rather than eliminate risk and can only provide reasonable, not absolute, assurance against failure to achieve policy aims and objectives and material misstatement or loss.

The Governing Body is responsible for the maintenance and integrity of the corporate and financial information included on the College's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

QUEENS' COLLEGE, CAMBRIDGE

INDEPENDENT AUDITORS' REPORT TO THE GOVERNING BODY

FOR THE YEAR ENDED 30th JUNE 2025

Opinion

We have audited the financial statements of Queens' College (the 'College') and its subsidiaries (the 'Group') for the year ended 30 June 2025, which comprise of the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and the related notes, 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 College's affairs as at 30 June 2025 and of its incoming resources and application of resources 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 and the Statutes of the University of Cambridge.

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 United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Governing Body are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to 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.

Opinion on other matters prescribed by the Statutes of the University of Cambridge

In our opinion, based on the work undertaken in the course of the audit:

- the contribution due from the College to the University has been computed as advised in the provisional assessment by the University of Cambridge and in accordance with the provisions of Statute G,II, of the University of Cambridge.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and College and its environment obtained in the course of the audit, we have not identified material misstatements in the Review of Operations and Financial Review.

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:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Governing Body

As explained more fully in the responsibilities of the Trustees statement, set out on page 31, the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Body 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 Governing Body are responsible for assessing the Group's and College'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 Group or the College or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our

opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the Group and College through discussions with management, and from our commercial knowledge and experience of the education sector;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the College, including the Charites Act 2011, the Statutes of the University of Cambridge and taxation legislation;

- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's and College's ability to operate or to avoid material penalties;

- we obtained an understanding of the College's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance.

- we made enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

- we considered the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

- we assessed the susceptibility of the College's financial statements to material misstatement, including how fraud might occur;

- laws and regulations identified were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

As a result of the above risk assessment procedures we identified the greatest risk of material misstatement on the financial statements arising from irregularities and fraud to be within the potential for management to override controls together with the risk of fraudulent revenue recognition. We considered the risk of fraudulent revenue recognition to be most prevalent in the completeness and cut off of donation and legacy income together with the cut off of conference income. In response to these identified risks, we designed procedures which included, but were not limited to:

- performing analytical procedures to identify any unusual or unexpected relationships;
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business;
- assessing whether judgements and assumptions made in determining the accounting estimates set out on page 43 were indicative of potential bias;
- use of Audit Data Analytics to review the Group and College data for unusual anomalies;
- performing substantive testing for a sample of donations from Raiser's Edge to supporting documentation to ensure that all income was appropriately recognised in the general ledger in the correct period and any restrictions appropriately recognised;
- testing a sample of donations around the year end and discussing ongoing legacies with the Development Office to ensure cut off had been correctly applied;
- performing substantive testing for a sample of conferences from the booking system to invoice to ensure that all income was appropriately recognised in the general ledger in the correct period;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing the financial statement disclosures to underlying supporting documentation;
- assessing the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence;
- reviewing minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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. This description forms part of our Auditor's Report.

QUEENS' COLLEGE, CAMBRIDGE

INDEPENDENT AUDITORS' REPORT TO THE GOVERNING BODY

FOR THE YEAR ENDED 30th JUNE 2025

Use of our report

This report is made solely to the College's Governing Body as a body, in accordance with the Statutes of the University of Cambridge and the Charities Act 2011. Our audit work has been undertaken so that we might state to the Governing Body those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the College's Governing Body as a body, for our audit work, for this report, or for the opinions we have formed.



PEM Audit Limited

Registered Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 3 October 2025

PEM Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge and applicable United Kingdom accounting standards. In addition, the financial statements comply with the Statement of Recommended Practice: Accounting for Further and Higher Education (the SORP).

The Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate that all fee income is spent for educational purposes. The analysis required by the SORP is set out in note 7.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified in respect of the treatment of investments which are included at valuation.

Basis of consolidation

The consolidated financial statements include the College and its subsidiary undertakings. Details of the subsidiary undertakings included are set out in note 17. Intra-group balances are eliminated on consolidation.

A separate balance sheet and related notes for the College are not included in the accounts because the College's subsidiary companies are a conference and banqueting trading company, and a company providing functions held at the College which donate their profits to the College each year. The balance sheet for the College alone would not be materially different to the one included in the accounts.

Recognition of income

Academic fees
Academic fees are recognised in the period to which they relate and include all fees chargeable to students or their sponsors.

Grant income
Grants received from non-government sources (including research grants from non-government sources) are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance related conditions have been met.

Income received in advance of performance related conditions is deferred on the balance sheet and released to the Consolidated Statement of Comprehensive Income and Expenditure in line with such conditions being met.

Donations and endowments
Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income. Income is retained within restricted reserves until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

Donations and endowments (continued)

There are four main types of donations and endowments with restrictions:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the College.
3. Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Donations with no restrictions are recorded within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

Investment income and change in value of investment assets
Investment income and change in value of investment assets is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

Other income
Income is received from a range of activities including accommodation, catering conferences, job retention scheme grant income and other services rendered.

Cambridge Bursary Scheme
In 2024-2025, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). As a consequence, Cambridge University reimbursed the SLC for the full amount and each College paid their portion (based on their own eligible students) to the University.

The net payment of £262,722 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£85,685
Expenditure	£348,406

Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates or, where there are forward foreign exchange contract, at contract rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Fixed assets

Land and buildings
Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the College.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over their expected useful economic lives of 25-50 years.

Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred. They are not depreciated until they are brought into use.

The cost of additions to operational property shown in the balance sheet includes the cost of land. All other assets are capitalised and depreciated over their expected useful life as follows:

Furniture and fittings	10% per annum
Motor vehicles and general equipment	20% per annum
Computer equipment	33.33% per annum

Heritage assets
The College holds and conserves a number of collections, exhibits, artefacts and other assets of historical, artistic or scientific importance. Heritage assets acquired before 1st July 1999 have not been capitalised since reliable estimates of cost or value are not available on a cost-benefit basis. Acquisitions since 1 July 1999 have been capitalised at cost or, in the case of donated assets, at expert valuation on receipt. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

Investments

Fixed asset investments are included in the balance sheet at fair value, except for investments in subsidiary undertakings which are stated in the College's balance sheet at cost and eliminated on consolidation.

Stocks

Stocks are stated at the lower of cost and net realisable value after making provision for slow moving and obsolete items.

Provisions

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities and assets

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events, not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the College a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College.

Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes.

Financial instruments

The College has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement, and disclosure of financial instruments. Financial assets and liabilities are recognised when the College becomes party to the contractual provision of the instrument, and they are classified according to the substance of the contractual arrangements entered into.

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Basic financial assets include trade and other receivables, cash and cash equivalents and investments in commercial paper (i.e. deposits and bonds). These assets are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method. Financial assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets carried at amortised cost the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate.

Other financial assets, including investments in equity instruments, which are not subsidiaries or joint ventures, are initially measured at fair value which is typically the transaction price. These assets are subsequently carried at fair value and changes in fair value at the reporting date are recognised in the Statement of Comprehensive Income. Where the investment in equity instruments is not publicly traded and where the fair value cannot be reliably measured, the assets are measured at cost less impairment. Investments in property or other physical assets do not constitute a financial instrument and are not included.

Statement of Principal Accounting Policies

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of ownership are transferred to another party.

Financial instruments (continued)

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of ownership are transferred to another party.

Financial liabilities

Basic financial liabilities include trade and other payables, bank loans and intergroup loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at the reporting date. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

To the extent that the College enters into forward foreign exchange contracts which remain unsettled at the reporting date the fair value of the contracts is reviewed at that date. The initial fair value is measured as the transaction price on the date of inception of the contracts. Subsequent valuations are considered on the basis of the forward rates for those unsettled contracts at the reporting date. The College does not apply any hedge accounting in respect of forward foreign exchange contracts held to manage cash flow exposures of forecast transactions denominated in foreign currencies.

Financial liabilities are de-recognised when the liability is discharged, cancelled, or expires.

Taxation

The College is a registered charity (number 1137495) and also a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

The College receives no similar exemption in respect of Value Added Tax.

Contribution under Statute G, II

The College is liable to be assessed for Contribution under the provisions of Statute GII of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The liability for the year

as advised to the College by the University is based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

Pension costs

The College participates in two funded defined benefit pension schemes, Cambridge Colleges Federated Pension Scheme (CCFPS) and the Universities Superannuation Scheme (USS)

Pension costs are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the Fellows' or employees' services.

Universities Superannuation Scheme (USS)
Throughout the current and preceding periods, the Universities Superannuation Scheme was a defined benefit only pension scheme until 31st March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Since the institution has entered into an agreement (the Recovery Plan that determines how each employer within the scheme will fund the overall deficit), the College also recognises a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense in the income and expenditure account.

Cambridge Colleges Federated Pension Scheme (CCFPS)
The College participates in the Cambridge Colleges Federated Pension Scheme (CCFPS), a defined benefit scheme which is externally funded and until 31st March 2016 was contracted out of the State Second Pension (S2P). As CCFPS is a federated scheme and the College is able to identify its share of the underlying assets and liabilities, the College values the fund as required by Section 28 Employee Benefits of FRS102 'Retirement Benefits'. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the amount calculated under FRS102 guidelines.

Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the College. Any material unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

Reserves

Reserves are allocated between restricted and unrestricted reserves. Endowment reserves include balances which, in respect of endowment to the College, are held as permanent funds, which the College must hold to perpetuity.

Restricted reserves include balances in respect of which the donor has designated a specific purpose and therefore the College is restricted in the use of these funds.

Critical Accounting Estimates and Judgements

The preparation of the College's accounts requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management consider the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities.

Income recognition – Judgement is applied in determining the value and timing of certain income items to be recognised in the accounts. This includes determining the appropriate recognition timing for donations, bequests and legacies. In general, the later are recognised when at the probate stage.

Useful lives of property, plant, and equipment – Property, plant and equipment represent a significant proportion of the College's total assets. Therefore, the estimated useful lives can have a significant impact on the depreciation charged and the College's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets, Professional advice and anticipation of future events. Details of the carrying values of property, plant and equipment are shown in page 53.

Investment property – Properties are revalued to their fair value at the reporting date by Carter Jonas and Bidwells. The valuation is based on the assumptions and judgements which are impacted by a variety of factors including market and other economic conditions.

Retirement benefit obligations – The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in pages 62 - 65.

Management is satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the accounts.

The latest USS triennial valuation no longer requires a deficit recovery plan and liability previously recognised on the balance sheet has been reversed. Further details are set out in pages 61 to 62.

QUEENS' COLLEGE, CAMBRIDGE

Consolidated Statement of Comprehensive Income and Expenditure

FOR THE YEAR ENDED 30 JUNE 2025

		2024-25				2023-24			
		Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Note								
INCOME									
Academic fees & charges	1	4,707			4,707	4,599			4,599
Accommodation, catering and conferences	2	7,084			7,084	7,063			7,063
Endowment and investment income	3	1,218	370	2,582	4,171	1,006	375	2,327	3,709
Endowment return transferred to I&E account	3	2,171	1,168	(3,340)	0	1,908	1,016	(2,924)	0
Other income		304			304	287			287
Total income before donations and endowments		**15,485**	**1,539**	**(758)**	**16,267**	**14,863**	**1,391**	**(597)**	**15,658**
Donations		2,651	7,539		10,191	1,795	8,061		9,857
Deferred Capital write back					0				0
New endowments			0	1,618	1,618		0	282	282
Capital grants from colleges fund					0				0
Other capital grants for assets			0		0		0		0
Total income		**18,137**	**9,078**	**860**	**28,075**	**16,659**	**9,453**	**(315)**	**25,796**
EXPENDITURE									
Education	4	8,523	2,052	912	11,486	8,550	1,391	673	10,614
Change in USS deficit recovery provision contributions.	8,16	0			0	(1,208)			(1,208)
Accommodation, catering and conferences	5	9,912			9,912	9,382			9,382
Other expenditure		1,312			1,312	1,228			1,228
Contribution under Statute G, II		37			37	34			34
Total expenditure	6	**19,784**	**2,052**	**912**	**22,747**	**17,986**	**1,391**	**673**	**20,050**
Surplus (deficit) before other gains and losses		(1,647)	7,026	(52)	5,328	(1,327)	8,061	(988)	5,746
Gains(loss) on disposal of fixed assets	9	0			0	0			0
Gains(loss) on investments	10	(44)	31	288	274	3,234	360	3,357	6,951
Surplus (deficit) for the year		(1,691)	7,057	236	5,602	1,906	8,422	2,369	12,697
Other comprehensive income									
Unrealised surplus on revaluation of fixed assets		0			0	0			0
Actuarial gain(loss) in respect of pension schemes	16	885			885	364			364
Total comprehensive income for the year		**(806)**	**7,057**	**236**	**6,487**	**2,270**	**8,422**	**2,369**	**13,061**

The notes on pages 48 to 65 form part of these accounts

QUEENS' COLLEGE, CAMBRIDGE

Statement of Changes in Reserves
Year Ended 30th June 2025

	Income and expenditure reserve			
	Unrestricted	Restricted	Endowment	Total
Balance at 1 July 2024	**£'000**	**£'000**	**£'000**	**£'000**
Opening balance	59,274	33,730	74,497	167,502
Change of Fund Classification	0	0	0	0
Surplus/(Deficit) from income and expenditure statement	(1,691)	7,057	236	5,602
Other comprehensive income	885	0	0	885
Release of restricted capital funds spent in year	11,516	(11,516)	0	0
Balance at 30th June 2025	**69,985**	**29,271**	**74,733**	**173,989**

	Income and expenditure reserve			
	Unrestricted	Restricted	Endowment	Total
Balance at 1 July 2023	**£'000**	**£'000**	**£'000**	**£'000**
Opening balance	57,004	25,308	72,128	154,440
Change of Fund Classification	0	0	0	0
Surplus/(Deficit) from income and expenditure statement	1,906	8,422	2,369	12,697
Other comprehensive income	364	0	0	364
Release of restricted capital funds spent in year	0	0	0	0
Balance at 30th June 2024	**59,274**	**33,730**	**74,497**	**167,502**

The notes on pages 48 to 65 form part of these accounts

QUEENS' COLLEGE, CAMBRIDGE

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2025

	Note	2025 Group £'000	2024 Group £'000
NON CURRENT ASSETS			
Fixed assets	9	59,843	51,906
Heritage Assets	9	103	103
Investments	10	144,487	145,955
Total non-current assets		204,432	197,964
CURRENT ASSETS			
Stocks	11	359	379
Trade and other receivables	12	1,596	2,405
Cash and cash equivalents	13	822	490
Total current assets		2,777	3,274
Creditors: amounts falling due within one year	14	2,718	2,029
Total Assets less current liabilities		204,490	199,209
Creditors: amounts falling due after more than one year	15	(30,000)	(30,000)
Provisions			
Pension provisions	16	(502)	(1,708)
Other provisions		0	0
Total net assets		173,989	167,502
Restricted reserves			
Income and expenditure reserve-endowment reserve	18	74,733	74,497
Income and expenditure reserve-restricted reserve	19	29,271	33,730
Unrestricted Reserves			
Income and expenditure reserve-Unrestricted		69,985	59,274
TOTAL RESERVES		173,989	167,502

The notes on pages 48 to 65 form part of these accounts

These accounts were approved by the Governing Body on 30 October 2025 and signed on their behalf by

Dame Menna Rawlings
President

Jonathan Spence
Senior Bursar

QUEENS' COLLEGE, CAMBRIDGE

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 £'000	2024 £'000
Net cash inflow from operating activities	21	6,657	4,003
Cash flows from investing activities	22	(5,185)	(10,148)
Cash flows from financing activities	23	(1,140)	6,160
Increase/(decrease) in cash equivalents in the year		332	15
Cash and cash equivalents at beginning of the year		490	475
Cash and cash equivalents at end of the year	13	822	490

The notes on pages 48 to 65 form part of these accounts

1 Academic fees and charges

	2025 £000	2024 £000
Fee income received at the Regulated undergraduate rate	2,723	2,674
Fee income received at the Unregulated undergraduate rate	183	179
Fee income received at the Graduate rate	1,650	1,569
Other Income	151	177
	4,707	4,599

2 Income from accommodation, catering and conferences

Accommodation:	College members	4,256	4,458
	Conferences and banquets	551	490
Catering:	College members	1,335	1,269
	Conferences and banquets	943	845
Total		7,084	7,063

3 Endowment and investment income

3a Analysis

	2025 £000	2024 £000
Actual Income from:		
Land and buildings	1,141	743
Quoted securities	1,810	1,959
Fixed interest securities	430	0
Income from short-term investments	63	71
Other interest receivable	726	936
Total	4,171	3,709

3b Analysis of investment gains

	2025 £000	2024 £000
(Losses)/Gains on endowment assets		
Land and buildings	(1,024)	(1,154)
Quoted and other securities and cash	2,340	8,117
	1,316	6,964
(Losses)/Gains on other assets		
Quoted and other securities and cash	(1,042)	(50)
Total	274	6,913

3c Summary of Total Return

Actual Income from:		
Land and buildings	1,141	743
Quoted securities	1,810	1,959
Fixed interest securities	430	0
Income from short-term investments	63	87
Other interest receivable	726	920
Total	4,171	3,709
(Losses)/Gains on endowment assets (see note 3b)	274	6,913
Investment management costs	(306)	(363)
Total return for year	4,139	10,260
Total return transferred to income & expenditure reserve	(3,340)	(2,924)
Unapplied total return for the year included within Statement of Comprehensive Income and Expenditure (note 20)	799	7,335

3d Investment management costs	2025	2024
	£000	£000
Land and buildings	(220)	(218)
Quoted securities - equities	(86)	(145)
Fixed interest securities	0	0
Other investments	0	0
Cash	0	0
Total	(306)	(363)

4 Education expenditure	2025	2024
	£000	£000
Teaching	4,809	4,654
Tutorial	2,369	2,259
Admissions	866	856
Research	542	412
Scholarships and awards	1,894	1,491
Other educational facilities	1,007	942
Total	11,486	10,614

5 Accommodation, catering and conferences expenditure		2025	2024
		£000	£000
Accommodation:	College members	6,631	6,722
	Conferences and banquets	875	740
Catering:	College members	1,628	1,336
	Conferences and banquets	778	585
Total		9,912	9,382

6 Other Expenditure

	2025	2024
	£'000	£'000
Loan Interest	1,140	840
Investment management fees & administration	86	145
USS pension interest charge	0	28
FRS102 pension schemes interest charge	91	149
	1,317	1,162

7a Analysis of 2024/2025 expenditure by activity

	Staff costs (note 8a)	Other operating expenses	Depreciation	Total
	£000	£000	£000	£000
Education	5,564	4,854	1,066	11,484
Change in USS deficit recovery prvision	0	0	0	0
Accommodation, catering and conferences	3,882	3,933	2,097	9,912
Other	587	762	0	1,349
	10,033	9,549	3,162	22,745

Expenditure includes fundraising costs of £619,255 and £181,599 on alumni relations.

7b Analysis of 2023/2024 expenditure by activity

	Staff costs (note 8a)	Other operating expenses	Depreciation	Total
	£000	£000	£000	£000
Education	6,058	3,687	941	10,686
Change in USS deficit recovery prvision	(1,208)	0	0	(1,208)
Accommodation, catering and conferences	3,377	3,157	1,831	8,364
Other	495	933	0	1,428
	8,722	7,777	2,772	19,270

Expenditure includes fundraising costs of £452,993 and £267,268 on alumni relations.

7c Auditors' remuneration

	2025	2024
	£000	£000
Other operating expenses include:		
Audit fees payable to the College's external auditors	57	52
Other fees payable to the College's external auditors	4	4

8a Staff costs

Consolidated	Academic	Non- academic	Total 2025	Total 2024
	£000	£000	£000	£000
Staff Costs:				
Salaries	2,676	5,856	8,532	7,377
National Insurance	239	590	829	685
Pension costs	293	700	993	1,767
Net change in deficit recovery provision (see Note 8b)	0	(321)	(321)	(1,940)
Subtotal of pension costs (see Note 8B)	293	379	673	(173)
	3,207	6,826	10,033	7,889

Based on the 2024 valuation of the Universities Superannuation Scheme (USS), the impact of the net change in the USS deficit recovery provision was a credit of £1,235,674 in 2024. Comprising of a non-cash credit resulting from the change in assumptions, including the discount rate, of £1,184,975 and cash contributions made to reduce the deficit in the year of £50,699.

	Average staff numbers 2025		Average staff numbers 2024	
	Number of Fellows	Full-time equivalents	Number of Fellows	Full-time equivalents
Academic	65		55	
Non-academic		160		152.75

At the Balance Sheet date there were 72 members of the Governing Body. During the year the average number receiving remuneration was the 65 shown above.

The number of officers and employees of the College, including Head of House, who received remuneration in the following ranges was

	2025	2024
£100,001 - £110,000	1	0
£110,001 - £120,000	3	2
£120,001 - £130,000	0	0
£130,001 - £140,000	1	2
£140,001 - £150,000	1	2
£150,001 - £160,000	1	1
£160,001 - £170,000	0	0
£170,001 - £180,000	1	0

The total cost of remuneration includes salary, employer's national insurance contributions, employer's pension contributions plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College.

The aggregated remuneration paid to key management personnel consists of salary, employer's national insurance contributions, employer's pension contributions, plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements.

The President, Senior Bursar, and Senior Tutor are the College's key management personnel.

	Total 2025	Total 2024
	£'000	£'000
Key management personnel aggregated remuneration	412	443

The Trustees received no remuneration in their capacity as Trustees of the Charity.

8b Pension costs

The total pension cost included in staff costs for the year (see note 8a) was:

	Employer contributions 2025	Provisions (Note 16) 2024	Total 2024	Employer contributions 2024	Provisions (Note 16) 2024	Total 2024
	£000	£000	£000	£000	£000	£000
USS	293	0	293	303	(1,208)	(905)
CCFPS	695	(321)	375	1,460	(732)	728
Other	5	0	5	4	0	4
Total	993	(321)	673	1,767	(1,940)	(173)

9 Fixed assets

	Land and buildings	Assets in construction	Equipment	Heritage Assets	2025 Total	2024 Total
	£000	£000	£000	£000	£000	£000
Cost or valuation						
At beginning of year	73,360	3,291	2,676	103	79,430	75,441
Additions at cost	2,489	8,109	501	0	11,099	4,356
Revaluation of assets	0	0	0	0	0	0
Transfer between classes	6,972	(6,972)	0	0	0	0
Disposals	(1,603)	0	(337)	0	(1,940)	(368)
At end of year	81,218	4,427	2,841	103	88,589	79,430
Depreciation						
At beginning of year	26,311	0	1,110	0	27,421	24,994
Charge for the year	2,667	0	495	0	3,162	2,795
Eliminated on Disposal	(1,603)	0	(337)	0	(1,940)	(368)
Eliminated on Transfer	0	0	0	0	0	0
Written back on revaluation	0	0	0	0	0	0
At end of year	27,375	0	1,268	0	28,643	27,421
NET BOOK VALUE						
At end of year	53,843	4,427	1,573	103	59,945	52,009
At beginning of year	47,049	3,291	1,566	103	52,009	50,447

The insured value of freehold land and buildings as at 30 June 2025 was £244m (2024: £236m).

9 Tangible fixed assets (continued)

Heritage assets

The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance.

As stated in the statement of principal accounting policies, heritage assets acquired since July 2005 have been capitalised. However the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of the cost or valuation are not available for these on a cost-benefit basis, they have not been capitalised. As a result the total included in the balance sheet is partial.

Amounts for the current and previous years were as follows:

	2025	2024	2023	2022	2021
	£000	£000	£000	£000	£000
Acquisitions purchased with specific donations	0	0	0	0	0
Acquisitions purchased with College funds	0	0	0	0	0
Total cost of acquisitions purchased	0	0	0	0	0
Value of acquisitions by donation	0	0	0	0	0
Total acquisitions capitalised	0	0	0	0	0

10 Fixed asset investments

	2025 Total £000	2024 Total £000
Balance at beginning of year	145,955	129,504
Additions	31,656	24,336
Tranferred from fixed assets	0	0
Disposals	(33,399)	(14,836)
Less: impairment on unquoted securities	0	0
Gain/(loss)	274	6,951
Balance at end of year	144,487	145,955
Represented by:		
Property	30,890	31,247
Quoted securities – equities	49,429	59,363
Fixed interest securities	12,473	10,661
Other investments	27,187	24,372
Cash in hand & at investment managers	24,508	20,312
Total	144,487	145,955

11 Stocks and work in progress

	2025 £000	2024 £000
Goods for resale	359	379
Work in progress	0	0
Other Stocks	0	0
	359	379

12 Trade and other receivables

	2025 £000	2024 £000
Members of the College	15	15
Amounts due from subsidiary undertakings	0	0
Other receivables	1,526	2,322
Prepayments and accrued income	55	68
	1,596	2,405

13 Cash and cash equivalents

	2025 £000	2024 £000
Short-term money market investments		
Bank deposits		
Current accounts	856	536
Cash in hand	(33)	(46)
	822	490

14 Creditors: amounts falling due within one year

	2025 £000	2024 £000
Trade creditors	2,126	1,467
Members of the College	346	331
Amounts due to subsidiary undertakings	0	0
Receipts in advance	139	127
University Fees	71	71
Contribution to Colleges Fund	37	34
Accruals and deferred income		
Other creditors		
	2,718	2,029

15 Long term loans

During 2013-14, the College borrowed from instutional investors, collectively with other Colleges, the College's share being £8 million. The Loans are unsecured and repayable during the period 2043-2053, and are at fixed interest rates of approximately 4.42%. The College has agreed a financial covenant of the ratio of Borrowings to Net Assets, and has been in compliance with the covenant at all times since incurring the debt.

During the course of 2017-2018, the College raised a further £15 million of unsecured debt from institutional investors at a fixed rate of interest of 2.62% per annum. Repayment is due in one amount a the end of 40 years. There is an agreed covenant in respect of the borrowings with which the College has been in compliance.

During 2023-24, the College raised a further £7 million of unsecured debt from instituitional investors at a fixed rate of interest of 5.59% per annum. Repayment is due in one amount at the end of 34 years. There are agreed covenants in respect of the borrowings with which the College has been in compliance.

16 Pension provisions

	2025 £000	2024 £000
CCFPS		
Balance at beginning of year	1,708	2,803
Movement in year:		
Current service costs including life assurance	732	719
Contributions	(1,052)	(1,451)
Other finance cost	0	0
Actuarial loss/(gain) recognised in Statement of Comprehensive Income and Expenditure	(885)	(364)
Balance at end of year	502	1,708
USS		
Balance at beginning of year	0	1,208
Current service costs including life assurance	0	51
Contributions	0	(51)
Other finance cost	0	28
Net change in underlying assumptions (see Note 8)-		
- Change in underlying assumptions	0	(1,185)
- USS deficit contributions payable	0	(51)
Balance at end of year	0	0

17 Principal subsidiary undertakings

The College owns 100% of the ordinary share capital of QC Enterprises Limited, a company incorporated in England. The principal activity of the company is the provision of conference and banqueting services at the College.
The College also owns 100% of the ordinary share capital of QC Trading Limited, a company incorporated in England. The principal activity of the company is the provision of branded merchandise.
The College also owns 100% of the ordinary share capital of QC Functions Limited, a company incorporated in England. The principal activity of the company is the provision of functions held at the College.

18 Endowment funds

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments £000	Unrestricted permanent endowments £000	2025 Total £000	2024 Total £000
Balance at beginning of year				
Capital	44,504	29,993	74,497	72,128
New Donations and endowments	1,608	10	1,618	282
Increase/(decrease) in market value of investments	162	(1,543)	(1,382)	2,087
Balance at end of year	46,274	28,459	74,733	74,497
Analysis by type of purpose				
Fellowship funds	31,372	0	31,372	31,267
Scholarship funds	6,685	0	6,685	5,239
Prize Funds	0	0	0	0
Hardship funds	142	0	142	141
Bursary funds	5,423	0	5,423	5,399
Travel grant funds	480	0	480	478
Other funds	341	0	341	158
General	1,831	28,459	30,291	31,816
	46,274	28,459	74,733	74,497
Analysis by asset				
Property	7,376	4,536	11,912	11,874
Investments	36,263	22,302	58,566	58,381
Cash	2,635	1,621	4,256	4,243

19 Restricted Reserves

Reserves with restrictions are as follows:

	Capital grants unspent £000	Permanent unspent and other restricted income £000	Restricted expendable endowment £000	2025 Total £000	2024 Total £000
Balance at beginning of year	0	2,965	30,764	33,730	25,308
Capital	0	0	30,213	30,213	22,215
Accumulated income	0	2,965	551	3,517	3,093
Change of Fund Classification	0	0	0	0	0
New grants	0	0	0	0	0
New donations	0	0	7,539	7,539	8,061
Endowment return transferred	0	983	186	1,168	1,016
Other investment income	0	370	0	370	375
Increase/(decrease) in market value of investments	0	0	31	31	360
Expenditure	0	(987)	(1,065)	(2,052)	(1,391)
Capital grants utilised	0	0	(11,516)	(11,516)	0
Balance at end of year	0	3,331	25,939	29,271	33,730
capital	0	0	25,293	25,293	30,213
Accumulated income	0	3,331	646	3,977	3,517
Analysis of other restricted funds/donations by type of purpose					
Fellowship funds	0	2,628	1,136	3,764	3,540
Scholarship funds	0	162	641	802	783
Prize Funds	0	0	0	0	0
Hardship funds	0	(4)	1,716	1,712	1,689
Bursary funds	0	451	736	1,187	1,051
Travel grant funds	0	44	38	82	78
Other funds	0	46	21,363	21,409	26,281
General	0	5	309	314	307

20 Memorandum of Unapplied Total Return

Within the reserves representing investments held by the College, the following are the cumulative surpluses of total return on the main investment portfolio

	2025 £000	2024 £000
Unapplied Total Return at start of year	42,425	35,090
Surplus of total return for year (note 3)	799	7,335
Unapplied total return at end of year	43,224	42,425

21 Reconciliation of consolidated surplus for the year to net cash inflow from operating activities

		2025 £000	2024 £000
Surplus/(deficit) for the year		5,602	12,697
Adjustment for non-cash items			
Depreciation	8	3,162	2,795
Loss/(gain) on endowments, donations and investment property	17	(274)	(6,951)
Decrease/(increase) in stocks	10	20	17
Decrease/(increase) in trade and other receivables	11	809	(254)
Increase/(decrease) in creditors	13	689	507
Increase/(decrease in provisions		0	0
Pension costs less contributions payable	15	(321)	(1,940)
Loss/(gain) on sale of property		0	0
Adjustment for investing or financing activities			
Investment income		(4,171)	(3,709)
Interest payable		1,140	840
Net cash inflow from operating activities		6,657	4,003

22 Cash flows from investing activities

	2025 £000	2024 £000
Proceeds from the sales of non-current fixed assets	0	0
Non-current investment disposal	33,399	14,836
Investment income	4,171	3,709
Endowment funds invested	0	0
Withdrawal of deposits	0	0
Payments made to acquire non-current assets	(42,755)	(28,693)
Total cash flows from investing activities	(5,185)	(10,148)

23 Cash flows from financing activities

	2025 £000	2024 £000
Interest paid	(1,140)	(840)
Interest element of finance rental payment	0	0
New unsecured loans	0	7,000
Repayments of amounts borrowed	0	0
Capital element of finance lease rental payment	0	0
Total cash flows from financing activities	(1,140)	6,160

24 Capital commitments

	2025 £000	2024 £000
Capital commitments at 30 June 2025 are as follows:		
Authorised and contracted	0	6,500
Authorised but not yet contracted for	0	0

25 Consolidated reconciliation and analysis of net debt

	At 1 July 2024 £000	Cash Flows £000	Other non-cash changes £000	At 30 June 2025 £000
Cash and cash equivalents	490	332		822
Borrowings:				
Amounts falling due after more than one year				
Unsecured loans	(30,000)			(30,000)
Total net debt	(29,510)	332	0	(29,178)

26 Financial Instruments

	2025 £000	2024 £000
Financial assets		
Financial assets at fair value through Statement of Comprehensive income		
Listed equity investments	61,902	70,024
Other investments	58,077	55,620
Financial assets that are debt instruments measured at amortised cost		
Cash and cash equivalents	25,330	20,802
Other debtors	1,541	2,337
Financial liabilities		
Financial liabilities measured at amortised cost		
Loans	30,000	30,000
Trade creditors	2,126	1,467
Other creditors	593	562

27 Related Party Transactions

Owing to the nature of the College's operations and the composition of the Governing Body, it is inevitable that transactions will take place with organisations in which a Governing Body member may have an interest. All transactions involving organisations in which a member of the Governing Body may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

The College maintains a Register of Interest for all Fellows and College employees with spending authority. It is updated every six months and during the year to 30th June 2025 it reveals that no material events occurred.

During the year no fees or expenses were paid to Fellows in respect of their duties as Trustees.

Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for any private catering. The Trustees remuneration is overseen by the Stipends Committee.

The salaries paid to Trustees in the year are summarised in the table below:

From	To	2025	2024
£0	£10,000	21	18
£10,001	£20,000	19	14
£20,001	£30,000	7	8
£30,001	£40,000	3	3
£40,001	£50,000	2	0
£50,001	£60,000	2	2
£60,001	£70,000	2	1
£70,001	£80,000	2	2
£80,001	£90,000	2	2
£90,001	£100,000	1	0
£100,001	£110,000	1	3
£110,001	£120,000	1	1
£120,001	£130,000	0	0
£130,001	£140,000	2	1
	Total	65	55

The total Trustee salaries were £1,951,525 for the year (2024: £1,746,197)

The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £74,134 for the year (2024: £58,416)

The College has two trading and two dormant subsidiary undertakings, all of which are consolidated into these accounts. All subsidiary undertakings are 100% owned by the College and are registered and operating in England and Wales.
The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

During the course of the year the College received donations totalling £3,503,706 from the President, Dr El Erian and his family in support of the Owlstone Croft project to be used on a matched funded basis. The donations were fully matched by other donations.
Dr El-Erian made other donations to the College of £65,125.

UNIVERSITIES SUPERANNUATION SCHEME

Pension scheme funding position

A deficit recovery plan was put in place as part of the 2020 valuation. It required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the statement of income and expenses in the prior year.

The latest available complete actuarial valuation of the Retirement Income Builder, the defined benefit part of the scheme, is as at 31 March 2023 (the valuation date), which was carried out using the projected unit method.

Since the institution cannot identify its share of the Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1bn and the value of the scheme's technical provisions was £65.7bn indicating a surplus of £7.4bn and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles:
(**uss.co.uk/about-us/valuation-and-funding/statement-of-funding- principles**).

Price inflation – Consumer Prices Index (CPI)	3.0% p.a. (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations)
RPI/CPI gap	1.0% p.a. to 2030, reducing to 0.1% p.a. from 2030
Discount rate	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post-retirement: 0.9% p.a.
Pension increases (all subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a 'soft cap' of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2023 valuation
Mortality base table	101% of S2PMA 'light' for males and 95% of S3PFA for females
Future improvements to mortality	CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.40% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.80% p.a. for males and 1.60% p.a. for females

The current life expectancies on retirement at age 65 are:

	2025	**2024**
Males currently aged 65 (years)	23.8	23.7
Females currently aged 65 (years)	25.5	25.4
Males currently aged 45 (years)	25.7	25.6
Females currently aged 45 (years)	27.2	27.2

CAMBRIDGE COLLEGES FEDERATED PENSION SCHEME

The College operates a defined benefits plan for the College's employees of the Cambridge Colleges' Federated Pension Scheme.

The liabilities of the plan have been calculated at 30th June 2025 for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Cambridge Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

The principal actuarial assumptions at the balance sheet date were as follows:

	30th June 2025	30th June 2024
Discount rate	5.50%	5.10%
Increase in salaries	Pre 2030: 2.40%	2.85%
	Post 2030: 3.30%	3.75%
RPI assumption	2.90%	3.35%
CPI assumption	Pre 2030: 1.90%	2.35%
	Post 2030: 2.80%	3.25%
Pension increased in payment (RPI Max 5% pa)	2.85%	3.15%
Pension increases in payment (CPI Max 2.5% pa)	1.85%	2.00%

The underlying mortality assumption is based upon the standard table known as S3PxA on a year of birth usage with CMI_2023 future improvement factors and a long-term rate of future improvement of 1.25% per annum (2024: same). This results in the following life expectancies:

- Male age 65 now has a life expectancy of 21.4 years (previously 21.4 years).
- Female age 65 now has a life expectancy of 24.0 years (previously 23.9 years).

- Male age 45 now, retiring at age 65, has a life expectancy from 65 of 22.7 years (previously 22.6 years).
- Female age 45 now, retiring at 65, has a life expectancy from 65 of 25.4 years (previously 25.3 years).

PENSION SCHEMES (CONTINUED)

The assets in the Scheme and the expected rates of return were:

	Long-term rate of return expected at 30/06/2025	*Value at 30/06/2025*	*Long-term rate of return expected at 30/06/2024*	*Value at 30/06/2024*	*Long-term rate of return expected at 30/06/2023*	*Value at 30/06/2023*
Equities and Hedge Funds		10,118,239		9,273,574		8,843,100
Cash, Bonds & Net Current Assets		7,487,497		8,467,176		6,857,914
Property		2,630,743		2,419,194		2,346,128
Total		20,236,479		20,159,944		18,047,142

The following results were measured in accordance with the requirements of FRS102

	2025 £	**2024 £**	**2023 £**
Total market value of assets	20,236,479	20,159,944	18,047,142
Present value of Scheme liabilities	(20,738,083)	(21,867,505)	(20,850,393)
Surplus/(deficit) in the Scheme	(501,604)	(1,707,561)	(2,803,251)

The amounts recognised in income and expenditure are as follows:

	30th June 2025 £	**30th June 2024 £**
In staff costs: Current service cost (net of employee contributions)	559,211	516,351
In endowment and investment income:		
Interest cost	1,118,388	1,090,488
Expected return on pension scheme assets	1,027,694	941,293
Net return	90,694	149,195
Actual return on pension scheme assets	(438,273)	1,064,388

PENSION SCHEMES (CONTINUED)

Changes in the present value of the plan liabilities are as follows:

	30th June 2025	30th June 2024
	£	£
Present value of plan liabilities at beginning of period	21,867,505	20,850,393
Current service cost (including employee's contributions)	559,211	516,351
Interest on plan liabilities	1,118,388	1,090,488
Actuarial (gains) losses	(2,355,546)	(253,942)
(Gain)/loss on plan changes	0	0
Curtailment (gain)/loss	0	0
Benefits paid	(859,180)	(718,282)
Present value of plan liabilities at end of period	20,738,083	21,867,505

Changes in the fair value of scheme assets are as follows:

	30th June 2025	30th June 2024
	£	£
Market value of plan assets at beginning of year	20,159,944	18,047,142
Contributions by the College	1,052,294	1,451,007
Additional contributions by members (including AVCs)	407,705	382,497
Benefits (and expenses) paid	(859,180)	(718,282)
Interest on plan assets	1,027,694	941,293
Return on assets, less interest included in Profit & Loss	(1,465,967)	123,095
Market value of plan assets at end of year	20,236,479	20,159,944

Amounts for the current and previous four periods are as follows:

	30th June 2025	30th June 2024	30th June 2023	30th June 2022	30th June 2021
	£	£	£	£	£
Present value of plan liabilities	(20,738,083)	(21,867,505)	(20,850,393)	(23,294,743)	(31,397,694)
Market value of plan assets	20,236,479	20,159,944	18,047,142	19,726,335	22,096,264
Surplus/(deficit)	(501,604)	(1,707,561)	(2,803,251)	(3,568,408)	(9,301,430)
Experience adjustments on plan liabilities	(215,500)	(192,689)	2,241,885	1,108,641	(459,639)
Change in assumptions underlying present value of plan liabilities	2,135,840	47,869	(5,949,985)	(10,597,748)	(416,040)

The plan has no investments in property occupied by assets used by or financial instruments issued by the College.

Funding policy

Actuarial valuations are carried out every three years on behalf of the Management Committee, acting as the Trustee of the Scheme, by a qualified independent actuary. The actuarial assumptions underlying the actuarial valuation are different to those adopted under FRS102.

The last such valuation was at 31st March 2023. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall.

These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 7th June 2024 and are as follows:

- Annual contributions of not less than £274,247 per annum, payable for the period to 1st July 2024 to 31st January 2030.

These payments are subject to review following the next funding valuation, due as at 31st March 2026.

THE QUEENS' COLLEGE OF SAINT MARGARET AND SAINT BERNARD IN THE UNIVERSITY OF CAMBR

England & Wales - Charity number 1137495

Accounts



QUEENS' COLLEGE, CAMBRIDGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2024

QUEENS' COLLEGE, CAMBRIDGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2024

Contents

	Page
Reference and Administrative Details	3 - 6
Structure, Governance and Management	7 - 10
Aims and Objectives of the College	10 - 11
Public Benefit	12 - 13
Review of Operations	14 - 20
Financial Review	21 - 31
Responsibilities of the Governing Body	32
Independent Auditors Report	33 - 36
Statement of Principal Accounting Policies	37 - 43
Consolidated Statement of Comprehensive Income & Expenditure	44
Statement of Changes in Reserves	45
Consolidated Balance Sheet	46
Consolidated Cash Flow Statement	47
Notes to the Financial Statements	48 - 67

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 30th JUNE 2024

The full name of the College is "The Queen's College of St Margaret and St Bernard, commonly called Queens' College in the University of Cambridge". The College is a corporate body consisting of the President, Fellows and Scholars.

The Governing Body, which consists of the President and the Fellows, with four student observers, holds at least six meetings each year. The Governing Body met ten times in the year to which this report relates. The President, Professorial Fellows and Official Fellows are the voting members of the Governing Body and, since the Governing Body exercises general control and management of the College, its voting members are the trustees of the charity.

*President
Dr M A El-Erian

Life Fellows
Prof. A C Spearing
Dr B A Callingham
Prof. J Diggle, FBA
Prof. J E Carroll
Revd Dr B L Hebblethwaite
Dr J T Green
Dr W A Phillips
Dr R D H Walker
Dr A D Cosh
Prof. R R Weber[3]
Prof. A. N. Hayhurst
Prof J Jackson, CBE FRS
Dr C J Pountain
Prof. R G Fentiman QC Hon Causa
Prof. Lord Oxburgh, KBE FRS FREng
Revd Dr J M Holmes
Dr H J Field
Prof. R L Jones
Prof. A N Lasenby
Prof. K F Priestley
Dr C N Pitelis
Prof R L Jones
Prof. E A H Hall, CBE
Dr E G Kahrs
Prof. D R Ward
Prof. J L Scott
Prof. Lord Eatwell
Dr M J Milgate
Dr I K Patterson
Prof. D K Menon CBE[3]

*Professorial Fellows
Prof. D K Menon, CBE[2]
Prof. R W Prager, FREng
Prof. N D Lawrence
Prof. L Reisch
Prof. J D Brenton

*Official Fellows
Prof. R G Fentiman QC Hon Causa[2]
Prof. P H Haynes, FRS
Prof. D Cebon, FREng
Prof. A H Gee
Prof. J W F Allison
Prof. B J Glover
Prof. R A W Rex
Prof. C E Bryant, FBPhS, FLSW
Prof. M P V Crowley
Prof. J C Muldrew
Prof. J W P Campbell
Dr H R N Jones
Prof. M J Dixon, FAcSS
Dr A C Thompson
Prof. J R Gog, OBE
Prof. A A Seshia
Prof. E M Terentjev
Prof. I Sitaridou
Dr A Zurcher
Dr A M Rossi
Mr J Spence, DL
Dr G J McShane
Prof. M Edmonds
Prof. H J Stone
Dr J J Maguire
Dr G M Fraser
Dr L S Tiley
Dr T S Butlin
Prof. S J Price
Dr E Moyroud
Dr D J Butterfield[7]
Dr A Paterson
Dr M E B Tait
Dr F I Paddeu
Mr R M C Kitt
Revd T C Harling
Dr S Haggarty
Prof. C J Bickerton
Dr C Brendon
Dr D J Parker
Prof. G Denyer Willis
Dr E McPherson
Dr C Warnick
Prof. A Beresford
Dr G Atkins
Prof. A Marsham
Dr J Blundell
Dr T Denmead
Dr P McMurray
Mr A D Bainbridge
Dr T J Eggington
Dr J Garrison
Dr C Peñasco Patón
Dr E Webster[+4]
Dr S Haines
Revd A H Jones
Dr R K Bhagat[3]
Dr J Cobbe[3]
Dr M Kilkenny[3]
Dr C Clark[6]
Dr D Indar[8]

Bye-Fellows
Prof. A D Challinor
Prof. R R Weber[2]
Prof. G H Treece
Prof. A C Rice
Dr R M Faragher
Dr J R Bellis[2]
Dr C Hill
Dr A C Bonner
Dr P Bambrough
Dr C Clark[5]
Dr L Davies[2]
Dr J Jahić
Dr C Mishra
Dr E Weir
Mr N Morris
Dr K Hendry
Mr M Boase
Mr J Perkins
Dr J Mitchell
Dr D Orchard
Mr C Edsall
Dr M Fuchs
Dr L Mullen[2]
Dr I Kater[1]
Dr L Escudero Sanchez[3]
Dr M Loy[3]

Research Fellows
Dr H Symington
Dr E O'Keeffe
Dr K Ilko[3]
Dr J Tsay[3]

Emeritus Fellows
Dr A M W Glass
Prof. J Russell
Prof. A M Gamble
Dr J W Kelly
Dr T Forster

[1] To 31 July 2023
[2] To 30 September 2023
[3] From 1 October 2023
[4] Obit 7 October 2023
[5] To 31 October 2023
[6] From 1 November 2023
[7] To 31 December 2023
[8] From 5 January 2024
* Charity Trustees

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 30th JUNE 2024

Senior Officers

President	Dr M A El-Erian
Vice-President	Professor J R Gog
Senior Bursar	Mr J Spence
Senior Tutor	Dr A C Thompson

PRINCIPAL COMMITTEES

Bursarial Committee

Dr M A El-Erian, President
Professor J R Gog, Vice-President
Mr J Spence, Senior Bursar
Mr A D Bainbridge, Domestic Bursar
Dr A C Thompson, Senior Tutor
Mr R M C Kitt, Development Director
Dr G Atkins
Professor G Denyer Willis
Dr E McPherson
Dr E Moyroud
Dr F I Paddeu
Professor R A W Rex
Professor A C Rice
Professor I Sitaridou

Education Committee

Dr M A El-Erian, President
Dr A C Thompson, Senior Tutor
Dr T Eggington, Librarian
Dr S Haines, Admissions Tutor
Mr J Spence, Senior Bursar
Professor C J Bickerton
Dr H R N Jones
Dr M Kilkenny
Professor N Lawrence
Dr J J Maguire
Dr M Tait
Dr A E Zurcher
Representatives of the JCR and MCR

Investments Committee

Dr M A El-Erian, President
Professor J R Gog, Vice-President
Mr J Spence, Senior Bursar
Professor M J Dixon
Professor D Cebon
Dr J R Garrison
Professor A H Gee
Professor R R Weber
Mrs A Koerling (Queens' Alumna)

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30th JUNE 2024

GOVERNING BODY ATTENDANCE LIST 2023-2024

ON LEAVE 2022-2023:
Prof Beverley Glover
Prof Alastair Beresford
Dr Peter McMurray
Prof Denyer Willis

ON LEAVE 2023-2024:
Prof Peter Haynes
Prof Beverley Glover
Prof James Campbell
Prof Marie Edmonds
Dr Cristina Peñasco Patón
Dr Peter McMurray (Michaelmas 2023)
Dr Gillian Fraser (Lent 2024)
Prof Martin Crowley (Lent and Easter 2024)
Prof Ashwin Seshia (Lent and Easter 2024)
Dr Sarah Haggarty (Lent and Easter 2024)

Ten Governing Body Meetings took place between 1 July 2023 – 30 June 2024.
Fellows' attendance was recorded as follows:

Dr M A El-Erian	10/10	Dr G J McShane	8/10	Prof. A Marsham	10/10
Prof. R G Fentiman	1/1	Prof. M Edmonds	2/2	Dr J Blundell	5/10
Prof. P H Haynes	1/1	Prof. H J Stone	1/10	Dr T Denmead	7/10
Prof. D Cebon	4/10	Dr J J Maguire	10/10	Dr P McMurray	3/6
Prof. R W Prager	4/10	Dr L S Tiley	9/10	Mr A D Bainbridge	9/10
Prof. A H Gee	10/10	Dr T Butlin	9/10	Dr T J Eggington	10/10
Prof. J W F Allison	8/10	Prof. S J Price	9/10	Dr J Garrison	10/10
Prof. R A W Rex	9/10	Dr E Moyroud	5/10	Prof. N D Lawrence	5/10
Prof. C E Bryant	10/10	Dr D J Butterfield	2/4	Dr C Peñasco Patón	0/1
Prof. M P V Crowley	3/4	Dr A Paterson	7/10	Prof. L Reisch	10/10
Prof C Muldrew	4/10	Dr M E B Tait	8/10	Dr G Fraser	4/7
Prof. J W P Campbell	1/1	Dr F I Paddeu	8/10	Dr E Webster	2/2
Dr H R N Jones	9/10	Mr R M C Kitt	10/10	Dr S Haines	10/10
Prof. M J Dixon	7/10	Revd T C Harling	9/10	Revd A H Jones	10/10
Prof. D K Menon	0/1	Dr S Haggarty	2/4	Prof. J D Brenton	6/10
Dr A C Thompson	10/10	Prof. C J Bickerton	5/10	Dr R K Bhagat	5/8
Prof. J R Gog	8/10	Dr C Brendon	5/10	Dr J Cobbe	8/8
Prof. A A Seshia	3/4	Dr D J Parker	1/10	Dr M Kilkenny	8/8
Prof. E M Terentjev	7/10	Prof G Denyer Willis	5/9	Dr C J Clark	6/8
Prof. I Sitaridou	6/10	Dr E McPherson	8/10	Dr D Indar	6/6
Dr A Zurcher	9/10	Dr C Warnick	9/10		
Dr A M Rossi	6/10	Prof. A Beresford	7/9		
Mr J Spence	10/10	Dr G Atkins	10/10		

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30th JUNE 2024

PROFESSIONAL ADVISORS

Auditors

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Actuaries

Cartwright Group Ltd
Suite 7, 2nd Floor, The Hub, IQ Farnborough
Farnborough
Hampshire
GU14 7JP

Bankers

National Westminster Bank plc
21 Petty Cury
Cambridge
CB2 3NE

Investment Fund Managers

Rathbones Group Plc
8 Finsbury Circus
London
EC2M 7AZ

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Property Advisors

Bidwells LLP
Trumpington Road
Cambridge
CB2 9LD

Carter Jonas LLP
6 – 8 Hills Road
Cambridge
CB2 1NH

Solicitors

Mills & Reeve LLP
Francis House
112 Hills Road
Cambridge
CB2 1PH

CHARITY INFORMATION

Charity Registration	1137495
Registered Address	Silver Street, Cambridge CB3 9ET
Website	www.queens.cam.ac.uk

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisation

Queens' College, Cambridge is a self-governing academic community and body corporate, comprising the President, Fellows and Scholars and is one of the thirty-one Colleges in the University of Cambridge. The provisions which regulate the purposes and administration of the College are to be found in its Royal Charter, dated 30th March 1448, and its Statutes, as made in 1955 and variously amended from time to time, most recently in 2017.

The Governing Body

The Charity Trustees of the College are the voting members of the Governing Body, being its President, Professorial Fellows and Official Fellows, appointed by the Governing Body in accordance with the Statutes of the College. The membership of the Governing Body is given on pages 3 to 5.

The Governing Body is responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College's Statutes.

Under the College Statutes, the Governing Body has the discretion to form committees to consider and to make recommendations to the Governing Body in accordance with the College's Statutes. The Governing Body also has the discretion to delegate powers to committees. The Governing Body has formed a number of committees, the principal ones being:-

- **Bursarial Committee** – to oversee the financial management of the College in accordance with the College Statutes, under the overall direction of the Governing Body. In accordance with the College Statutes, the Senior Bursar, advised by the Bursarial Committee, is responsible for the financial management of the College, subject to the overall direction of the Governing Body. The Bursarial Committee, without the Bursars, acts as an Audit Committee;

- **Education Committee** – to oversee the Educational and Tutorial function of the College in accordance with the College Statutes, under the overall direction of the Governing Body, and to advise the Senior Tutor on matters pertaining to the admission, education and wellbeing of our students;

- **Investments Committee** – to keep under continual review the investments of the College, against agreed benchmarks, to recommend and implement the investment policy approved by the Governing Body, to maintain consultation with the College's financial advisors.

These Committees are a key component of the College's system of internal control, which is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the extent and nature of those risks and to manage them efficiently, effectively and economically. These Committees undertake detailed scrutiny of the issues which the Governing Body has placed within their respective remits and this work informs the recommendations each Committee makes to the Governing Body. This process was in place for the year ended 30th June 2024 and up to the date of approval of the financial statements. The Governing Body is responsible for ensuring the effectiveness of the systems of internal control: all the above Committees make regular reports to the Governing Body through the medium of detailed minutes, as well as dedicated reports. During the year, all Governing Body meetings were held in a hybrid format.

The Governing Body's review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Senior College Officers and other College Officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

Induction and Training of Members of the Governing Body

Upon admission to the Fellowship, new members of the Governing Body receive, inter alia:-

- A copy of the College Statutes; and
- A copy of the most recent Annual Report and Accounts; and
- A copy of procedures and policies relating to the College; and
- An up-to-date list of College Officers, Committees and their membership; and
- A copy of the Charity Commission's guide to the responsibilities of a Charity Trustee (both the full and summary versions); and
- A copy of Being a Trustee (the Charity Commission's easy read guidance, which explains the main things that a Trustee needs to know); and
- Copies of minutes of previous meetings of the Governing Body and its principal committees; and
- A declaration of qualifications to be a Trustee (to be signed and held by the College); and
- A list of all diary dates relevant to membership of the Governing Body; and
- Information about the management of conflicts of interest; and
- The latest circulars from the Charity Commission; and
- A copy of the latest Corporate Risk Register.

Each new member has an induction meeting with the Senior Bursar and the Senior Tutor, prior to attending a meeting of the Governing Body. All members of the Governing Body receive the circulars of the Charity Commission as they are issued.

Attendance of Trustees at meeting of the Governing Body during the year is given on page 5.

Key Management

As detailed in note 8 to the accounts, the key management personnel are the President, Senior Bursar and Senior Tutor. These Officers have the authority and responsibility for planning, directing and controlling the activities of the College. These Officers, together with the Vice-President, the Senior Fellow, Admissions Tutor, Deputy Senior Tutor, Domestic Bursar, Dean of College, Deputy Dean of College, Dean of Chapel, who is also the Head of Welfare, the Chaplain, the Financial Tutor, the Development Director, the DEI lead, and the Secretary of the SCR meet on a regular basis to consider developing operational issues as they arise to assist in formulating the College's response. During the year this group has met usually three times during each Term.

Risk Management

The Governing Body is committed to an ongoing policy of identifying, monitoring and managing the risks that might adversely affect the operations, reputation and general well-being of the College. The Bursarial Committee, chaired by the President, usually reviews at least twice each year the operational, financial, regulatory and legal risks facing the College, (including reviewing the Corporate Risk Register) and reports accordingly to the Governing Body. The Governing Body keeps under review the structures to deal with risk and is satisfied that appropriate structures are in place to identify, manage and mitigate the risks faced by the College.

The principal areas of risk faced by the College, and the measures taken to manage them, have been identified by the Governing Body as follows and are covered in detail in the Corporate Risk Register mentioned above:

- Financial Performance: Risks to income, expenditure and/or investment performance as a result of external factors, e.g., a health emergency, change to fee regime, economic downturn, poor investment markets, persistently high inflation, a war with global disruption to supply chains.

  The College has implemented a robust process of budgeting and forecasting to keep costs associated with the College's core activities under constant review in the light of any changes in funding or other income sources. The College's Investments Committee benefits from the expertise of an external member and aims to maintain a diversified portfolio of investment assets to try to minimise the incidence of correlation between asset classes.

- Academic Staff: Failure to attract and retain high quality academic staff to deliver the College's teaching and other academic needs.

  The College has a strong Fellowship and an ethos of supportive inter-personal relationships within the Fellowship, service from welfare and other support staff and pastoral support arrangements allowing Directors of Study/Supervisors to retain focus on intellectual engagement. The College regularly reviews its stipend structures and benchmarks appropriately within the Collegiate University and is continually monitoring terms and benefits. There is a regular review of teaching needs and engagement in the University Teaching Officer ("UTO") Scheme, where possible.

- Student Admissions: Adverse admissions outcomes in terms of potential, commitment, width of participation and/or compliance failures.

  The College has a transparent process with academic criteria uniformly applied across all fields and University-trained interviewers. The College runs an extensive outreach programme aimed at attracting the strongest candidates regardless of socio-economic background.

- Student Development: Failure to enable students to flourish academically.

  Academic reviews conducted by the students' Directors of Studies, alongside analysis of students' feedback by the Senior Tutor. Academic and pedagogical best practice encouraged by regular review, at the Education Committee. Benchmarking against other Colleges via the Senior Tutor's Committee and direct liaison with both the JCR and MCR Committees, Cambridge University Student Union where necessary. Engagement with the Office for Students as PREVENT regulator.

- Student Welfare and well-being: Risk of failures of student welfare and/or pastoral support leading to mental health, safeguarding or monetary issues for students.

  The College has extensive in-house pastoral and welfare provision together with access to additional external expertise.

- Buildings, Infrastructure, Facilities and Security: Risk of compromised security (including cyber-attack through physical or digital means), poor-quality accommodation and facilities due to lack of timely investment, unanticipated failures in infrastructure, persistently unset needs, or unexpected high building maintenance expenditure.

  The condition of the estate is regularly monitored by the Maintenance Department though a programme of planned preventative maintenance, along with the assessment of maintenance requests and complaints, ensuring a proactive approach to estates management. In addition to this, there is an ongoing maintenance capital program in place addressing the refurbishment and decarbonisation of the buildings. IT and other infrastructure, both physical and digital, undergo regular review and are supported by a continuous investment program, emphasising the importance of business continuity, staff training and awareness in relation to cyber security. Both the Domus Committee and the Bursarial Committee oversee and monitor these activities.

Scope of Financial Statements

The financial statements are a consolidation of the results of Queens' College and its subsidiaries, QC Enterprises Limited, Q College Property Limited and Q C Trading Limited which are wholly owned by the College. Q College Property Limited has continued to be non-trading during the year. Q C Trading Limited relates to the Visitors' Shop. QC Enterprises is the corporate vehicle through which the College undertakes its commercial conference and catering activities, while the College undertakes directly all other accommodation and catering activities. Any financial surplus made by QC Enterprises is donated to the College.

AIMS AND OBJECTIVES OF THE COLLEGE

The College is an institution of higher education. Its purposes are the promotion of study and prayer.

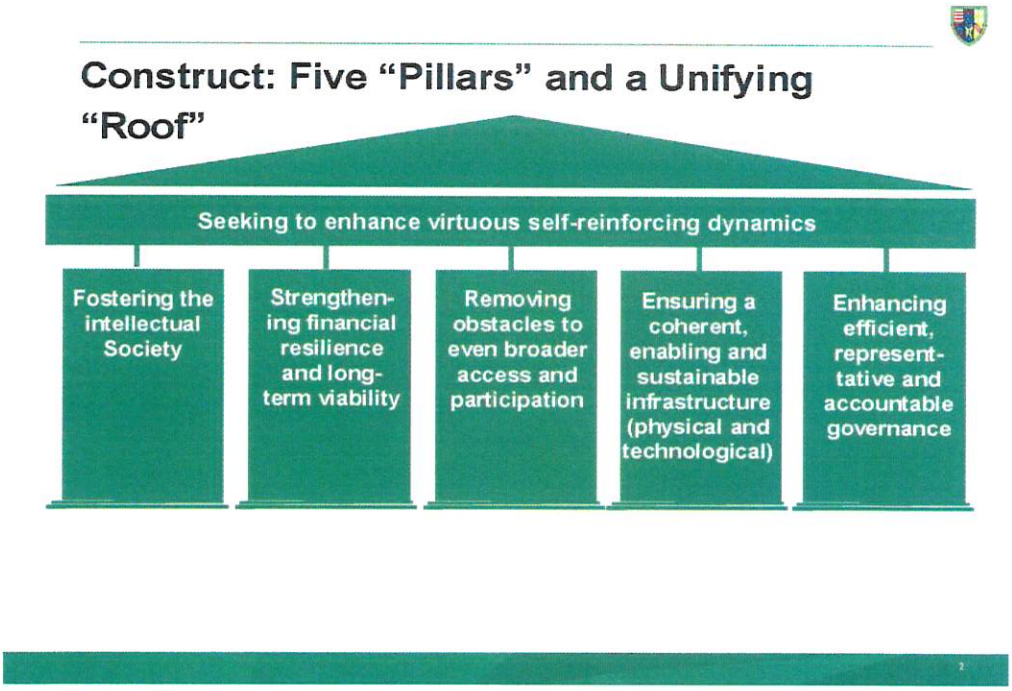
The College has the following aims and objectives:

- to maintain the College's emphasis on the individual in academic and pastoral provision; to deliver an excellent Undergraduate education by safeguarding the provision of small-group teaching through the College-based supervision system; and to achieve and maintain the highest standards in education at both Undergraduate and Postgraduate levels while maintaining welfare support through the dedicated student support team;
- to support a community of Fellows, students and staff, allowing the benefits of a large, internationally renowned University to be realised in a small and close-knit community;
- to promote academic research of the highest quality by Fellows and students; and
- to maintain and enhance the endowments and benefactions, historic buildings and grounds of the College for the benefit of future generations.

Remaining an independent foundation, while forming an integral part of a collegiate university, is fundamental to the College's long-term strategy and well-being. The College endorses the University's mission and core values and agrees that the partnership between the University and the Colleges is central to Cambridge's future development. The College will continue to play an active role in University bodies and in contributing to the formulation of University policy.

In pursuit of its aims and objectives, as well as its charitable objects, the College admits (as junior members) Undergraduate and Postgraduate students matriculated in the University of Cambridge. It provides financial and other support to those of its members who require it in order to achieve its aims and objects and it supports teaching and research in the University. In furtherance of its objects, the College maintains and manages an endowment of property and financial assets. Besides financial and tutorial support, the College also supplies accommodation, catering and other services to its members and others.

The Governing Body has considered how best to support delivery of the College's aims and objectives and has adopted a strategic approach represented by the diagram below.



Last year the College adopted the review of its strategy and strategic imperatives under the "Five Pillars" approach which was previously outlined in the 2021/22 Report and Accounts. This is to build on and significantly enhance the College's current position in all aspects of its activities. The College has continued to implement the strategy during the course of the year under review in line with the agreed five to ten year time horizon approved by the Governing Body.

To restate the position, the Five Pillars to which approaches were developed with the diverse participation of Fellows are; 1) Fostering the intellectual society; 2) Strengthening financial resilience and long-term viability; 3) Removing obstacles to even broader access and participation; 4) Ensuring a coherent, enabling, and sustainable infrastructure (both physical and technological); 5) Enhancing efficient, representative and accountable governance.

The Five Pillars approach reflects the interdependencies within the College's activity and need to ensure they are aligned, coherent and consistent to strengthen the College for the future. They also allow for exploiting synergies and efficiencies.

PUBLIC BENEFIT STATEMENT

In accordance with its Royal Charter of 1448, the College's charitable objects are the promotion of study and prayer through the provision of a College in the University of Cambridge.

The Governing Body has complied with its duty regarding public benefit, showing regard to the Charity Commissions' guidance.

The College provides, in conjunction with the University of Cambridge, an education for some 508 Undergraduate, 442 full-time and 123 part-time Postgraduate students (2022/23: 519, 451 and 138 respectively), which is recognised internationally as being of the highest standard. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial and graduate mentoring systems; and

- social, cultural, musical, recreational, and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

The College additionally advances study through:

- providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;

- supporting research work pursued by its other Fellows through promoting interaction across disciplines, providing facilities and grants for national and international conferences, research trips and research materials;

- encouraging visits from outstanding academics from outside the University of Cambridge; and

- enhancing the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

The College maintains an extensive Library (including important special collections), so providing a valuable resource for students and Fellows of the College, members of other Colleges and the University of Cambridge more widely, as well as external scholars and researchers.

The College carries forward the tradition, continuous since its foundation, of being a place of prayer. In particular, the College:

- Maintains and supports the Chapel as a place of prayer and holds a variety of religious services on weekdays and at weekends during term, which are open to the general public and visitors; and

- Supports, through the College Chaplaincy team, the emotional, mental and spiritual well-being of all members of the College community whatever their faith tradition, or none and provides a Faith Centre in the Cripps Building to facilitate interactions within and between the different faiths within the College community.

The resident members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in study.

However, beneficiaries also include students and academic staff from other Colleges in Cambridge and the University of Cambridge more widely, visiting academics from other higher education institutions and visiting schoolchildren and alumni of the College who have an opportunity to attend educational events at the College or use its academic facilities. The services in the College Chapel are open to the public and are attended by local residents and visitors to Cambridge.

REVIEW OF OPERATIONS

Queens' admits students who have the greatest potential to benefit from the educational environment provided by the College and the University and it recruits academic staff who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background.

Undergraduate student applications are in the table below, showing the level of diversity of students attending Queens'. About one fifth of Undergraduate students are from overseas (including EU) backgrounds:

Applicants in Michaelmas Term 2023

- Number of applicants 900
- Male 53%, female 45%, undisclosed 2%
- Home 67%; overseas 33%
- Office for Fair Access (OFFA ***) applicants – maintained sector 66.1%; independent sector 33.9%

Offers in 2024

- Number of offers 194 (21.5.% of applicants)
- State educated 70.6%, independent educated 29.4% (of home offers)
- Male 47%, female 50%, undisclosed 3%
- 19 offers made through the pool and 34 of our applicants received offers through the pool

*** OFFA applicants are defined broadly as applicants normally resident within the UK.

The above outcomes are entirely consistent with the College's objectives in respect of admissions.

The College charges the following fees:

- Home Undergraduates are charged a combined University and College fee of £9,250, (2022-2023: £9,250), of which the College share is £4,625 (2022-2023: £4,625);
- Undergraduates from overseas are charged a College fee of £10,467 (2022-2023: £10,152);
- Postgraduates are charged a combined University and College fee which varies according to the course. The total fee income is then allocated across Colleges at an equal average rate per student which for 2023-2024 is £5,123 (2022-2023: £4,762); and
- Accommodation and meals are charged at reasonable rates.

Widening Participation

The College's extensive widening participation programmes help young people from backgrounds which are traditionally under-represented at Cambridge to have the confidence and information to apply to top universities, including Cambridge. We work hard to provide age-relevant information and guidance about higher education and, in particular, to demystify the application process at Cambridge. Interactions with those in years 12 and 13 target the application process and supports super-curricular discovery. Key stage 4 students receive advice on A level selection and early preparation, while younger pupils are encouraged to think about the benefits of higher education more generally and to broaden their horizons.

We work with teachers and careers advisors to guide them in how our application process works and to identify the qualities that we look for in our students. Our programme includes events for schools and those, such as Open Days, with a focus on individual applicants.

Our Admissions team make visits to schools and colleges across the UK, and host groups in Cambridge. We have particularly deep links with Bradford, Kent and the borough of Havering. We update our events programme regularly and are always looking for ways to enhance our offering and to work effectively with external partners. Our programme typically includes visit days, open days, personal statement and interview workshops and residential events.

We welcome school groups back to Cambridge and our programme of in-person visits to schools has regained pace, as a new team settles in. Among the several ways in which we measure the impact of our outreach work, the growth in applications, and therefore admissions, from schools with which we work closely stands out. Within total admissions and access costs of £0.856 million shown on page 49, £0.288 million was spent on Access and Widening Participation activity in the year. The College continues to regard Widening Participation as an essential activity and will continue to support and enhance it further.

Student Support

The Cambridge colleges collectively provide a bursary scheme for those of limited financial means. In 2023-24, 119 Undergraduates (out of our 432 Home Undergraduates) (2022-3: 111 and 449 respectively) received such bursaries with a total value of £378,266 (2022-23: £310,315). The scheme is approved by the Office for Students and provides benefits at a substantially higher level than the minimum OFS requirement. It is widely advertised on the University website, on the College websites and in the Admissions Prospectus. The College spent £312,029 on additional bursaries, including for Postgraduate students, in 2023-24 (2022-23: £254,307).

The College also supports all students through a grant scheme open to all to assist with attendance at conferences, and travel grants. In 2023-24 the College spent £94,696 on this scheme (2022-23: £125,378).

In addition to its other programmes, the College operates a hardship scheme for all students in financial hardship. In 2023-24 the College made hardship grants totalling £50,700 (2022-23: £27,236).

Provision of Welfare Support

The Health and Well-being team and Tutors provide specialist and professional care for students of the College. This consists of (although is not restricted to) general pastoral provision, professional counselling, Cognitive Behavioural Therapy, mental and physical health support, bereavement counselling, eating disorder interventions and a series of programmes to help the move from school to university which brings with it increased independence.

Mental health issues are more widely reported and discussed today. This may be due to increased incidence, and the effects of the Covid pandemic are important here, as well as the reduced stigma in articulating problems., Expectations about institutional provision are now higher . Individual college welfare provision is widely compared by students and applicants and is seen as a key indicator of the "student experience". The university has also reviewed and deepened its own provision in recent year.

Students from disadvantaged backgrounds may have additional concerns or issues that require support. Welfare, in this way, is part of the College's commitment to increase access for all.

Students from disadvantaged backgrounds may have additional concerns or issues that require support. Welfare, in this way, is part of the College's commitment to increase access for all.

The Health and Well-being team works alongside the Tutors of the College in providing pastoral support to students. Overall responsibility for this activity rests with the Senior Tutor, however the day-to-day management is devolved to the Head of Welfare (operationally) and the Head of Academic and Tutorial Services (administratively).

The Head of Health and Well-being also acts as the College Safeguarding Officer, one of the Harassment and Assault Officers, Police Liaison Officer and Deputy Head of Prevent and Dean of Chapel.

At present (in addition to the above roles) the College employs a part time Clinical Lead (also one of the Harassment and Assault Officers), a part time Mental Health Nurse/Welfare Officer/CBT Counsellor, a part time Counsellor/Coach, and a Chaplain (part of whose job involves providing pastoral support to the wider College community). There are also two further Harassment and Assault Officer who can be used in complex cases.

Where more specialist treatment is needed this is organised with professionals on a contracted basis by the Health and Well-being team. This, in the past, has included Psychiatric Services, Psychological practitioners, Scientific Coaching, Essay writing guidance, physical trainers, legal advice and Physiotherapists.

Academic Staff

To fulfil its charitable purposes, the College employs College Lecturers, Tutors, Clergy and senior academic and administrative officers. These posts are qualifying offices under the College Statutes. The appointment of Fellows is a result of their employment in a qualifying office which office is undertaken with the intention of furthering the College's aims and their employment directly contributes to the fulfilment of those aims. The private benefit accruing to the President and Fellows occurs solely through their employment in a relevant qualifying office by means of salaries, stipends and employment related benefits and is objectively reasonable, measured against academic stipends generally; moreover, annual pay increases normally follow national settlements applying to the university sector, as implemented by the University of Cambridge. Without the employment through qualifying offices of Fellows, the College could not fulfil its charitable aims as a College in the University of Cambridge.

The President and Fellows of the College also receive benefits as beneficiaries. These comprise research grants, conference grants, book grants etc. These benefits are provided with the intention of furthering the College's aims. The amounts of the benefits provided are objectively reasonable, measured against the academic benefits made available to other beneficiaries of the College.

Academic Performance

During this Academic Year 481 Undergraduates took Tripos Examinations and 87% of those achieved a grade of 2:1 or better.

Capital Expenditure, Maintenance and Environmental Management

The College is navigating economic challenges posed by the high inflation of the last few years, which impact both external revenue and procurement. In response, the College is prioritising prudent financial management, focusing on essential safety and business-critical repairs while progressing with major capital projects.

The wider estates masterplan, aimed at significant developments and refurbishments over the next 20-30 years, requires approximately £150 million in aggregate, at today's prices. This plan includes necessary updates for accessibility and decarbonisation. While the College has secured planning permissions during 2023/24 for key projects like Owlstone Croft and the Erasmus Building, there is a notable funding shortfall.

Due to its modest size relative to the student population and past issues with repayment, the endowment is not a viable funding source for these projects. The challenges include balancing capital expenditure with the high costs of decarbonisation and effective estate maintenance.

A focused fundraising effort is critical, and while the Development Office is engaging with potential donors, securing substantial commitments remains a challenge. The Buildings Working Party, having last met in May 2024, is evaluating the Masterplan considering evolving needs and constraints. Achieving the Masterplan's goals requires a balanced approach to funding, project prioritisation, and financial management to ensure that other critical areas are not compromised.

A review and potential adjustment of the Masterplan are planned for summer 2024. This will involve reassessing priorities, possibly delaying projects, and exploring alternative strategies such as improved space utilization and enhanced revenue opportunities such as conferencing facilities.

In terms of project delivery, the Erasmus Building refurbishment project has been a significant focus this year, with the goal of modernising the facility and enabling it to be heated using heat pumps rather than the existing gas-fired boilers. This is an important step in the decarbonisation of the College's Silver Street site. The refurbishment of the Erasmus Building will cost £8.6 million. A single alumnus donation of £5 million, and £1.25 million in Gift Aid, has enabled this project.

After receiving planning permission in August 2023, the College successfully secured a government Salix Grant to support our decarbonisation objectives. The shortfall of approximately £1.5 million, accounting for grants has been addressed through an additional fundraising campaign.

The project commenced in July 2024 and is scheduled to be completed by June 2025. The aim is to complete all disruptive work by the end of the Easter vacation in 2025, ensuring minimal disruption during the examination and revision periods next year.

One of the biggest challenges of this project is accommodation displacement. During the refurbishment, Undergraduates will be displaced to Owlstone Croft, with most 2nd-year Undergraduates accommodated in Blocks A and B (approximately 100 students).

The purchase of 12-14 Grange Road in January 2023 has provided 32 additional rooms. This property is vital in managing our student accommodation during major refurbishment works, reducing our dependence on external accommodation, and minimising disruption to Postgraduate accommodation levels.

Overall, significant progress has been made this year in advancing plans to decarbonising the estate. The Erasmus Building refurbishment now being well-positioned for completion in 2025.

Following the purchase of 12-14 Grange Road, a feasibility study for converting the Chapel at the site was concluded in November 2023, this identified a viable plan for a long-term archive. However, significant funding is required of c£1 million. Temporarily, the non-sensitive archive material will be relocated to the Chapel from Owlstone Croft and Silver Street stores, here it will be sorted and catalogued. Further funds will be needed for a new home for the Special Collection.

It was reported last year the Owlstone Croft project was refused planning permission in January 2023. This followed a protracted planning review process, which at the time of submission, gained the full support of the City Council Planning Officers, but despite being put forward as recommended for approval, the local Councillors refused the application.

After successfully presenting the scheme at Planning Appeal in September 2023, the College was granted full planning permission in November 2023 by the Secretary of State. This includes refurbishing and decarbonising A and B blocks and constructing four new Postgraduate housing blocks (13 homes for 60 students).

A Salix Application has also been secured, funding the decarbonisation objectives of the refurbishment elements. The project progresses onto detailed design, needed for the new-build elements to meet planning obligations.

Parallel to this, work on the next stage towards tendering continued, with three major contractors expressing strong interest. Plans will soon be submitted to the City Council, aiming to discharge planning conditions within statutory timescales, aiming to start construction in the summer of 2025.

The Nursery relocation project to 26 Barton Road, a joint venture with Pembroke College, and an enabling project for the Owlstone Croft Masterplan, commenced construction in May 2024, with completion expected by January 2025. The total budget is £2.7 million with a government Salix Grant funding of £68,000.

In May 2024, the refurbishment of the Fisher Building has been confirmed as the next major capital project after Owlstone Croft, with approval to proceed with Project Briefing (RIBA Workstage 1) and a budget of £60,000 for this work.

The appointed team will prepare a project execution plan, with RIBA Stage 1 to be presented in December 2024. The construction start date is proposed for July 2027. Additionally, infrastructure and heat source proposals for the "light-side" of College are being developed as part of the Fisher Building briefing exercise.

Work progresses on the sundial, with the new stonework installed during Lent 2024. This will now rest for a year, while the face of the dial is mapped, and sun tracked. The newly painted face is due for decoration in 2025.

The Cripps Kitchen underwent a major project to replace the original walk-in fridge and freezer, expanding capacity and addressing issues with the layouts. Works began in September 2023 and were concluded in

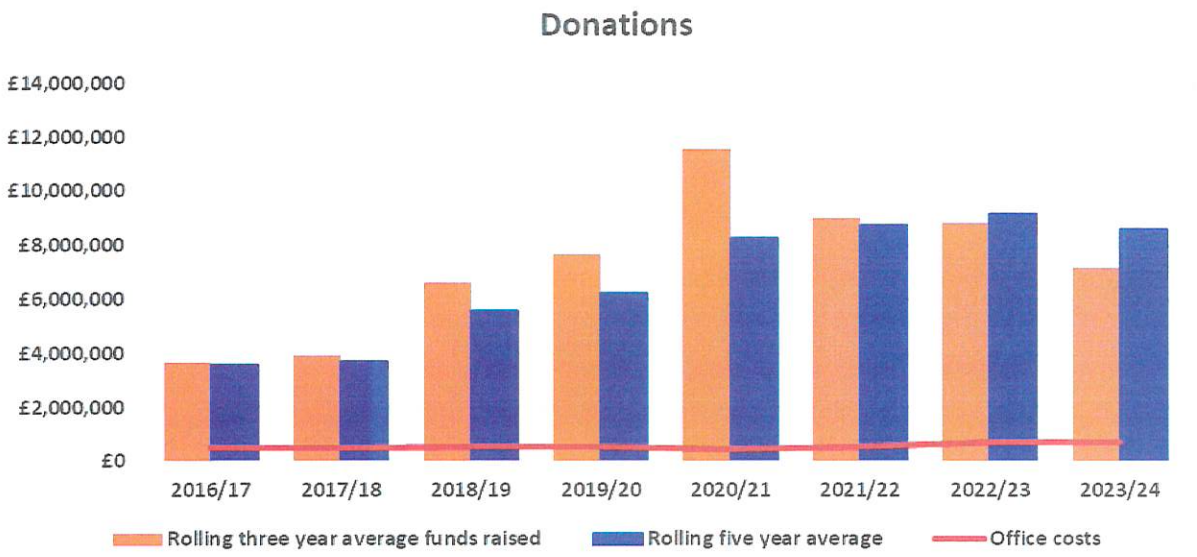
Easter 2024, including the replacement roof over the Western section of the kitchen, overlooking the Loading Bay.

Following the need to underpin one section of wall at Maids Causeway, the building underwent a complete refurbishment as part of the 2023 summer maintenance programme, this included new bathrooms, kitchen and improvements to the bedrooms.

Donations and Fundraising

The College's fundraising efforts are primarily directed at raising money from our alumni. Our fundraising approach ensures that we understand and respect individual preferences for contact in relation to approaches seeking support, as well as more generally. Key objectives for the College include teaching, particularly endowing Fellowships, research, student support, widening participation as well as enhancing the endowment. The College is very grateful to those of its alumni and others who continue to support it so generously. In 2023/2024 the College received unrestricted donations totalling £1,795,000, new expendable restricted funds £8,061,000, and new endowments totalling £282,000, giving a total of £10,138,000 (£5.66 million 2022/2023) in support of its objectives.

The cost of the Alumni and Development Office (ADO), a College department, for the year was £686,966 compared to £720,261 in 2022/2023. The ADO costs include both fundraising and alumni relations activity, such as reunions and other events and publications. This year there have been some 'in person' events held and costs have been stable. As the amount received can vary significantly from year to year, the chart below details the three and five-year rolling average of donations received, as well as the annual cost of the ADO.



All fundraising is carried out by the ADO, which reports detailed quarterly results to the Bursarial Committee and a summary report to the Governing Body. The College is registered with the Fundraising Regulator and was not the subject of any complaints to that body in 2023/2024, nor did the College receive complaints about its fundraising activities from any other source. The College does not seek support from the public and takes active steps to respect the needs of any potential supporter who may be in a vulnerable circumstance or require additional care and support to make an informed decision.

Data handling

The College continues to monitor its data handling, reporting and Data Protection Statement in accordance with the UK GDPR requirements.

Equal Opportunities

The College is committed to the principle and practice of equal opportunities and strives to be an equal opportunities employer.

FINANCIAL REVIEW

In common with other organisations, the financial year to 30 June 2024 has been a particularly challenging one in highly uncertain economic circumstances. The continuing after effects of the Covid-19 pandemic, together with the war in Ukraine, and high inflation have greatly affected the College. The College has continued to pursue its principal goals of providing a first class educational and research environment to Undergraduates, Postgraduates, and Fellows alike, whilst striving to live within its means and manage the challenges and uncertainties presented by the pandemic.

Financial Results

Consolidated Income and Expenditure Account

The College recorded an Unrestricted Deficit of £1,327,000, (2022/2023: -£1,627,000), after unrestricted donations of £1,795,000 (2022/23: £2,406,000), a Restricted Surplus of £8,061,000, (2022/23: £2,022,000) after restricted donations which mainly relate to supporting refurbishment of a major building on the Silver Street site of £8,061,000 (2022/23: £2,186,000). The overall surplus, before other gains and losses, is £5,746,000 (2022/23: £573,000).

Year ended 30th June	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m
Unrestricted Income	16.66	15.60	14.00	11.69	11.93
Unrestricted Expenditure	17.99	17.23	14.94	13.21	13.81
(Deficit) Surplus	(1.33)	(1.63)	(0.94)	(1.52)	(1.88)
Restricted Surplus (Deficit)	8.06	2.02	1.31	8.51	3.36
Endowments Surplus (Deficit)	(0.99)	0.18	1.38	4.44	2.46
Total Surplus (Deficit) before Other Gains and Losses	5.74	0.57	1.74	11.43	3.94

The level of deficit for the "Endowment" column -£988,000 (2022/2023: surplus £178,000) largely reflects a combination of the Endowment expenditure on education and the difference between the investment income received in the year and the drawdown under the College's total return methodology. This is covered further below.

The Unrestricted Deficit of £1,327,000 is realised after charging depreciation of £2,795,000 (2022/2023: £2,772,000). Adding back the depreciation charge and other non-cash items in the Income and Expenditure account, such as pension deficit provisions and any underspend on Restricted Funds, is a reasonable proxy for the cash the College has generated.

This year the College shows as part of its Comprehensive Income and Expenditure account other gains and losses relating to investments assets: there is a gain of £6,951,000 (2022/2023: £2,977,000 gain) and a decrease in pension liabilities of £364,000 (2022/2023: £466,000 liability decrease).This year there were no unrealised gain on revaluation of fixed assets (2022/23: £446,000 gain). The total surplus is £13,061,000 (2022/2023: £4,461,000 surplus).

There are several matters to draw to your attention:

- The continuing, challenging operating environment is covered under the Scenario Planning section below;
- Last year the College adopted a Total Return Approach to Investment income which, in line with the experience of many others, acts as a smoothing mechanism and reduces the volatility of investment income from which the College has historically suffered. As described above, the drawdown is calculated by reference to a weighted average of the investment assets over a five-year period, with a one year time lag for the amount of drawdown. The weighted investment assets used in this year's Accounts is for the five-year period to 30th June 2022. The drawdown is set at a rate of 3%;
- This year there is a change in the Accounting Standard and the change in respect of the USS Pension scheme deficit recovery contributions is separately identified, rather than being included within the Education Expenditure, all of this item relates only to Academic staff. This year there is a credit of £1,208,000;
- The Gross Unrestricted Deficit on the Education Account was £3,951,000, with the net deficit after the USS credit being £2,734,000 (2022/2023: £2,758,000 deficit);
- Academic fees in respect of Home Undergraduate students have not changed since 2018 so have declined by 31% in real terms. It is unlikely that such fees will rise in the foreseeable future and so we might reasonably expect the Education deficit to continue to rise;
- The Gross Unrestricted Deficit on the Education Account, is £1,037,000 greater than the unrestricted investment income, and is 136% of unrestricted investment income, (2022/2023: 124%);
- This effectively means over recent years all the investment income has been devoted to the education of current students;
- The College's accommodation, conference and catering activities showed a deficit of £2,319,000 (2022/2023: £2,223,000 deficit). This area was the most affected by the pandemic as discussed below;
- The external revenue from conference and catering during the year continues to recover slowly from the disruption caused by the pandemic but remains below the level of income enjoyed before the pandemic's onset, and this has continued to affect the College adversely;
- The College has few levers available to it when cost inflation is high but the revenue streams which the College has the ability to increase in a similar way are very limited, and this is evident in the results.

Funding of the College

Queens' College is funded from several sources as follows:

Year ended 30th June	2024	2023	2022	2021	2020
Academic Fees	18.0%	24.9%	26.3%	19.8%	24.5%
College Accommodation	17.5%	20.3%	21.3%	11.0%	15.5%
College Catering	5.0%	5.8%	4.5%	0.8%	4.4%
Conference Activities (including Catering)	5.2%	6.6%	2.4%	0.0%	8.1%
Investment Income	14.6%	17.1%	18.6%	13.7%	21.9%
Donations	38.6%	24.5%	26.0%	52.8%	22.5%
Other	1.1%	0.8%	0.9%	2.9%	3.1%

The above table excludes new endowments from the calculations. Future income from the new endowments will appear as Investment Income. Again, Restricted Donations have been included in the table. The College has been particularly fortunate to receive significant, restricted donations to enable the refurbishment of the Erasmus Building to proceed, which results in the percentage of income from donations being higher than in the last two years.

Residual Impact of Covid-19 on Financial Results

There has been a continuing effect of the Covid pandemic on the College's results for this financial year, principally on the income side, and particularly in respect of accommodation, catering, and conference revenues. The recovery has continued from the historic lows of 2021, with total revenues from these activities of £7,063,000 (2022/23: £6,141,000). Overall revenues are now higher than those achieved in 2019, but the external conference and catering revenues are still 20% lower in nominal terms than those achieved in 2019.

A persistent higher inflation environment is particularly challenging for all organisations, such as the College, with a relatively fixed cost base and limited opportunities to increase revenues. This may continue for some time.

Balance Sheet

The net tangible assets of the College stood at £167.50 million compared to £154.44 million in 2023. The increase is caused by the rise in investment assets' capital values and a 57.4% fall in the pension liability under FRS 102 (2022/2023: 15.9% reduction).

The College issued a further £7 million of fixed-rate, long dated debt during the year. The gearing ratio is 17.9% compared to 14.9 % last year. The change in gearing ratio is a function of the new debt issue and the change in net tangible assets.

Main Endowment and Investment Assets

The College, as a long-term investor, has a medium risk appetite for the management of its investments. Risk parameters are agreed with the College's Fund Managers and the Managers are required to have due regard to a company's environmental, social and governance record when investing. The College does not hold any fossil fuel investments in direct holdings or funds in which it controls the investment. The College, is a beneficiary of a trust where the holdings are managed by the University as trustee and so the College does not control that investment or the policy applied to it.

The market value of the main Endowment and Investment Assets at 30th June 2024 stood at £145.95 million (2022/2023: £129.50 million). This figure includes £16.06 million of cash donations and other monies for operational property investment and other restricted expendable donations of £2.20 million; when this is excluded the investment assets stand at £127.69 million (2022/23: £119.67 million). The College has yet to deploy the new debt issue but had deployed the proceeds from its £15 million private placement in 2018 in new operational assets last year (2022/23: nil unutilised).

Year ended 30th June	**2024 £mn**	**2023 £mn**	**2022 £mn**	**2021 £mn**	**2020 £mn**
Closing position previous years Endowment & Investment Assets	119.67	115.31	112.01	93.32	91.23
New Endowments & unspent Endowment Income from previous year invested	1.07	1.38	4.51	4.11	11.59
Opening Position	120.74	116.69	116.52	97.43	102.82
Closing Position Endowment & Investment Assets	127.69	119.67	115.31	112.01	93.23
Investment Income Received	3.71	3.21	3.20	2.92	3.68
Gains (Losses)	6.95	2.98	(0.93)	14.42	(9.50)
Total Return	10.66	6.19	2.27	17.34	(5.82)

The portfolio was invested in Global Equities, including Carbon Free holdings, (37%), residential property and agricultural estates (24%), cash (2%), UK gilts (8%), Multi-Asset Funds which have a significant exposure to quoted equities, including holdings in the Cambridge University Endowment Fund, (16%) and the balance in the recognised alternative asset class of private equity. It should be noted that the private equity investments are shown at managers' estimated value on a "marked to market" basis.

During the year the College has continued to increase its holding in ESG funds and has invested in key themes for the future, including clean energy, healthcare, automation, and digital intelligence. It will continue to rebalance the portfolio in future years away from purely geographic allocations to "thematics" with a long-term horizon. It should be noted that with the College's stance on fossil fuel, the returns the College receives at times when there is a significant market shock leading to higher oil and gas prices will be lower than those achieved by other investors with such holdings. The College is aware of this but as a long-term investor it accepts these short-term impacts will occur without invalidating the College approach.

The College now undertakes an ESG analysis of its quoted holdings representing 50% of its total portfolio, relying on data provided by Morningstar and Sustainalytics, as a means of tracking the effectiveness of its investment policies regarding ESG. At the year end, this part of the portfolio had a sustainability rating of

4.1 out of a possible 5.0 (2022/23: 4.3 out of a possible 5.0). This type of analysis is still evolving, and the College will continue to address this issue over time and seek improvements. In due course, it will apply this analysis to all its non-property holdings.

The College's direct investment property assets have been re-valued during the year.

The total recorded return on the investment assets in the year was 8.8% (2022/2023: 5.3%). The Total Return policy of the College has been described above.

The College takes a long-term view of the investment portfolio and attempts to protect its value in real terms and, as a result, to strike an equitable balance between the interests of the present members of the College and future generations. Any new donations or bequests received during the year are added to Unrestricted Funds, unless the donor has made it clear that the funds are to be spent on a particular project.

Future Capital Projects

In 2023/2024 the College will continue with capital expenditure which is deemed to be critical for the maintenance of the estate and investment for the future.

Long Term Debt Issue

The significant projects in 2014 and 2015 were funded, as previously reported, using the proceeds of an unsecured long-term debt issue in which the College participated with 18 other Colleges. The College's share of the issue was £8 million, with an average life of 34 years, at an effective rate of 4.42% per annum fixed for the duration of the loan. Although issued through a funding vehicle, the College has no responsibility for the obligations of any other of the issuing Colleges. This issue was a good example of the Cambridge Colleges working well together for a common purpose.

In January 2018, the College raised a further £15 million through a private placement. This is unsecured, at a fixed rate of interest of 2.62% per annum with repayment in one amount after 40 years. This fixed rate funding has been used to invest in further operational assets for the College to house more of its Postgraduate students and to eradicate some historic anomalies in the provision of Undergraduate accommodation.

In April 2024, the College issued a further £7 million through an additional private placement. This is again unsecured, at a fixed rate of interest of 5.59% per annum and is repayable in one amount in 2058, matching the repayment profile of the earlier issue of £15 million.

The issued debt has a gearing covenant (maximum 50% of net tangible assets) and a negative pledge. The College is comfortably within its covenants. This debt appears as a long-term liability on the balance sheet.

The College, as a perpetual institution, must plan effectively for repayment of the four issues of its long-term debt. To this end the College had a plan to purchase almost matching gilt issues for the various maturity dates of the different tranches. These gilts are to be held to maturity in the investment portfolio and will be used to affect the repayment. The disruption to the Gilts market in September and October 2022, where the price of the relevant gilts fell significantly, provided an opportunity to purchase gilts at sensible prices in furtherance of this strategy. Further purchases have been made during the course of this year. The total nominal value of the gilts held by the College represents 55% of the debt issued as at 30th June 2024.

Pension Funds

The College participates in two pension schemes detailed below.

The College's academic staff are members of the Universities Superannuation Scheme and the issues and challenges facing this Scheme, and the College's staff who are members of it, have been well publicised. The effect of the FRS102 adjustment in respect of this Scheme, following completion of the latest valuations, in the Income and Expenditure Account this year is a credit of £1,208,000 (2022/2023: £10,000 debit).

The Cambridge Colleges Federated Pension Scheme (CCFPS), a pension scheme exclusively for non-academic staff, has its full liability recorded in the balance sheet under FRS102. The deficit shown this year has declined by £364,000 (2022/2023: £466,000 reduction). The decrease in the deficit is driven principally by a higher discount rate used to calculate the present value of the scheme's liabilities. There is also a positive impact in the staff costs shown in the Income and Expenditure account of £732,000 (2022/2023: +£299,000) arising from FRS102. The College is currently reducing its pension liability under the scheme with additional contributions over an eleven-year period.

The effect of the above changes in respect of both Schemes is a positive balance sheet movement of £2.30 million (2022/2023: £0.76 million positive).

Reserves Policy

The Governing Body, in approving these accounts, has adopted the reserves policy and target reserves as detailed below.

The reserves policy ensures that the College has sufficient financial resources to continue, but also constrains the extent to which reserves are built up from operating surpluses to help maintain intergenerational equity and balance the needs of current and future students.

Free reserves represent the unrestricted general funds of the College. The calculation involves analysis of the composition of the total reserves shown in the Balance Sheet, after adding back any provisions for pension liabilities. The following categories are excluded: Special Trust Funds, permanent restricted endowment, restricted funds and fixed and heritage assets. Net free reserves are after deducting the provision for pension liabilities.

Total Reserves	**2024 £mn**	**2023 £mn**	**2022 £mn**	**2021 £mn**	**2020 £mn**
Total Reserves (excluding Pension Provision)	169.2	158.5	154.7	152.9	127.2
Less: Restricted Reserves	108.2	97.4	93.2	91.2	69.8
Less: Fixed & Heritage Assets	52.0	50.3	40.9	39.5	38.0
Free Reserves	9.0	10.8	20.6	22.2	19.4
Less: Pension Provision	1.7	4.0	4.8	9.9	11.3
Net Free Reserves	7.3	6.8	15.8	12.3	8.1

The College's target reserves are as follows:

Reserve	Target Reserve	Rationale
Contingency Income & Expenditure	£6.48 million	Contingency to cover extreme/unexpected shortfall in income or additional extreme/unexpected expenditure – equivalent to 12 months accommodation conference and catering income being the average of the last three non-pandemic years, viz 2019, 2023 & 2024, (previously 18 months)
Emergency Building Repair Contingency	£2.52 million	To fund unexpected urgent repairs to buildings in the estate e.g. roof failures, etc. equivalent to 5% of buildings (including assets under construction) as fixed assets
Total	£9.00 million	

As of 30th June 2024, the College's free reserves were £7.3 million (2022/23 £6.8 million) compared with a target reserve of £9.00 million (2022/23: £11.51 million). The movement is almost entirely due to the receipt of significant restricted donations increasing restricted reserves, together with a small increase in the value of operational properties in the balance sheet, while unrestricted reserves were stable and pension liabilities reduced. The College has reduced the period used for the Income & Expenditure contingency from eighteen to twelve months as the need for so large a contingency, based on the experience of the pandemic years, is too restrictive: the aggregate loss of revenue in the College's conference and catering activities over the four financial years from 2020 (2020 to 2023 inclusive) is equal to ten months revenue of the average of the revenues in the three years detailed above. The worst year of the four shows a loss of revenue equal to seven months of this revenue stream. The College will continue to keep the appropriateness and level of this contingency under review.

The significant factors which will affect future reserves is any impact of the disruptions arising from the wars in Ukraine and Gaza, including disruptions caused to supply chains, any further increases in interest rates, a higher level of inflation than being experienced now, particularly in respect of its operations and the financial and other markets in which the College has invested. This level of reserves, while below the target, enables the College to consider carefully and react appropriately in the event of further, unforeseen extreme circumstances or a significant prolongation of the economic volatility.

The College is focusing on maximising unrestricted income and unrestricted donations, managing costs, effective use of restrictive income from Special Trust Funds, permanent restricted endowment and other restricted funds, and investing in the endowment and investment assets in order to recover from the impact of the last three years and rebuild and enhance its free reserves.

The College needs to maintain and enhance its unrestricted reserves as it is one of the measures of its relative financial strength in terms of its pension obligations as well as for its external funders. The Governing Body will keep the reserves policy under review and consider the need for further specific reserves from time to time as circumstances change.

Scenario Planning

With the advent of the Covid 19 pandemic, the College introduced a four-year scenario planning exercise. This continues to be used and is now an integral part of the College's approach to identifying and managing its financial and other risks.

The Governing Body has considered carefully the aftermath of the higher inflation environment and the possible disruptions to supply from the wars in Ukraine and the Middle East and other factors, both international and domestic, on the College's finances in the new financial year and beyond. At meetings in May 2024, it considered a base case scenario of normal academic activities and a continuing, gradual recovery in external revenue from conference and catering activity with inflation of 3% for this year and then returning to c2% over the period. The College being able to adjust its charges only partially in the early years to meet the change in inflation together with a reduced initial level in donations with a steady improvement thereafter. Investment income rising slowly from the distribution under Total Return policy. It also allowed for the reduction in room revenues from students from the total refurbishment of the Erasmus Building which necessitates its closure for one year.

The base case scenario was over a four-year time horizon and showed the College being able to maintain cash generation and return to a surplus over the period. The Governing Body also considered two downside sensitivity analyses, with the severe case assuming significantly higher inflation for longer with limited ability to maintain charges in real terms and a decline in both investment and donation income. The Governing Body also considered the College's holdings of cash and other liquid assets.

The budget for the new financial year was adopted based on the base case scenario.

Going Concern and Viability

The Governing Body has assessed the viability of the College and its subsidiaries over the duration of the four-year scenario planning exercise. The Governing Body considered and approved the detailed budget for the forthcoming year, and the actions required by it, as part of the review and have concluded there is a reasonable expectation that there are adequate resources, including the strength to operate and meet the liabilities of the College as they fall due, over the period of the assessment and for the foreseeable future.

Principal Risks and Uncertainties

The principal risks and uncertainties that the College faces in the forthcoming year may be briefly summarised:

- Sustained higher inflation with the College having limited room for manoeuvre in respect of addressing its impact in mitigating a widening deficit. Such an environment may also adversely affect both investment markets and possibly pension obligations;

- The ongoing aftermath of world events, including the recent pandemic and the Ukraine/Russia and Hamas/Israel wars, volatile interest rates, and consequential global economic and financial uncertainties, may have a significant effect on the College's revenue streams and on the markets in which the College invests. It is possible that capital values will be highly volatile and investment income may be adversely affected. Investment capital losses would affect adversely the College's level of free reserves;

- A similar "off model" event to the pandemic, leading to the suspension of the College's usual activities. The College has a specific reserve for this eventuality;

- Unforeseen events disrupt the College's education and other activities such as to prevent the College from operating;

Although the College has a long-term programme of building renewal and improvement, it is always possible with buildings of the age of the College's estate that there will be unexpected issues that may arise.

The College keeps under review the conditions of the fabric to identify further issues and enable them to be addressed on a timely basis. The College has also

- maintained a detailed remedial programme of works on the buildings in the estate. There is a specific reserve for this matter;

- The volatility in investment markets could be one of the factors that may give rise to a deterioration in the pension liability and a consequential adverse impact on the College's free reserves;

- The continuing failure of academic fees to keep up with the rise in academic costs, as well as the inevitable uncertainties with a potential significant change to the funding of Universities in England, mean that the funding and costs associated with the College's core activity will need to be kept under constant review.

Future Plans

As part of the "Five Pillars" review, the College will also continue to develop plans for raising funds, including to enhance significantly the College's endowment to enable it to continue achieving its objectives. Currently, the College focuses principally on raising permanent capital funds for fellowships and teaching and funds to augment further support for students the core activity of the College, and unrestricted funds, so the College may continue to invest in the future and strengthen its financial position.

The College is looking to enhance both the resilience and agility of its operating practices, including by being able to deploy staff resources where there is greatest need and maximising the flexibility of our response as circumstances change.

The Governing Body has commenced the process to elect a new President in succession to Dr El-Erian, whose term of office ends on 30th September 2025. A report of Dr El-Erian's address to the Governing Body appears below this Financial Review which gives further information on the matter.

Conclusion

While less acute than in the last few years, the College's financial position remains challenging and by no means comfortable; there is a great deal to be done to secure properly the long-term future of the College especially for the continued provision of teaching and research excellence, providing for Postgraduate students and refurbishing and enhancing the historic and other operational buildings.

The College will endeavour to work as efficiently as possible and maintain its resilience within the context of being an academic community. The College will regularly review its position as circumstances unfold, against its projections and its scenario planning model, to ensure it responds appropriately, proportionately and on a timely basis to the situation in which it may find itself. Our Base Case Scenario over the next few years is a return to generating cash and achieving an operating surplus.

In the medium term, the College would hope to increase its endowment from all sources by at least £100 million to £150 million from its current position. The College will also continue to control costs and manage resources to best effect to support its principal objective of providing a first-class education. It is not at all certain that academic fees will be increased adequately to meet the full costs of educating our Undergraduates and, indeed, there is a possibility they may be reduced. The College needs to plan and act accordingly.

There is no doubt that the very challenging environment in which the College has operated in the last year will continue for the foreseeable future as the uncertainties it faces evolve and develop. The College will strive to use its resources wisely and efficiently in these difficult circumstances.

On behalf of the Governing Body

Dr M A El-Erian
President

Mr J Spence
Senior Bursar

4 October 2024

Report on The President's Address to the Governing Body.

At the end of the 20th July Governing Body meeting, and consistent with the College's Statutes, the President noted that he had been asked whether he would like Official Fellows to consider him serving for another term. He informed the Governing Body of his intention to step down when his 5-year tenure ends in September 2025.

The President noted that he did not make this tough decision lightly, and for good reasons. Queens' is his "happy place," and the Presidency of the College is "the best job" he has held. He has felt at home in this community since he first arrived as a student in 1977, loved his time as a student, and cherished every moment serving as President.

Noting the progress made under the five strategic initiatives – enhanced academic excellence, improved infrastructure, wider participation, sounder financial sustainability, and more streamlined governance – the President noted that Queens' had built on the progress made under Lord Eatwell, the previous President, to put the College in an even stronger position to deliver greater opportunities and an ever-better experience for our community. This superb team effort has taken place against the backdrop in recent years of a pandemic, an inflation shock, and spillovers from tragic conflicts that have seen so many lose their lives, their families, and their livelihoods.

The President noted that his stepping down is not about another professional opportunity, or a newfound desire to learn a new hobby. Rather, it was about family and the desire to be closer to his daughters in the U.S. Indeed, spending so much quality time with the Queens' family had brought home to his wife and him the importance of spending more time with their daughters from whom they have been separated by too vast an ocean and too big a time difference.

He concluded by conveying the depth of his gratitude, which he will expand on over the next year. It will not only be a time to look back and reminisce but also to look forward to all that this extraordinary community, to which he owes so much, will still achieve.

The Governing Body is responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards.

The Bursarial Committee has day to day responsibility, under the overall direction of the Governing Body, for ensuring that there is an effective system of internal control and that accounting records are properly kept in accordance with the College's Statutes. It is required to present audited financial statements for each financial year, prepared in accordance with the Statutes of the University, for approval by the Governing Body which give a true and fair view of the state of affairs of the College and of the surplus or deficit of the College for that period.

In preparing these financial statements, the Governing Body is required to:

- select suitable accounting policies and then apply these consistently;
- make judgements 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.

The Governing Body is satisfied that the College has adequate resources to continue in operation for the foreseeable future. The financial statements are accordingly prepared on a going concern basis.

The Governing Body has taken reasonable steps to ensure that there are appropriate financial and management controls in place to achieve policy, aims and objectives and to safeguard the assets of the College and prevent and detect fraud and other irregularities.

Any system of internal control, however, is designed to manage rather than eliminate risk and can only provide reasonable, not absolute, assurance against failure to achieve policy aims and objectives and material misstatement or loss.

The Governing Body is responsible for the maintenance and integrity of the corporate and financial information included on the College's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

QUEENS' COLLEGE, CAMBRIDGE

INDEPENDENT AUDITORS' REPORT TO THE GOVERNING BODY

FOR THE YEAR ENDED 30th JUNE 2024

Opinion

We have audited the financial statements of Queens' College (the 'College) and its subsidiaries (the 'Group') for the year ended 30 June 2024 which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement 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 College's affairs as at 30 June 2024 and of its incoming resources and application of resources 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 and the Statutes of the University of Cambridge.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Governing Body are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of 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.

Opinion on other matters prescribed by the Statutes of the University of Cambridge

In our opinion based on the work undertaken in the course of the audit:

- The contribution due from the College to the University has been computed as advised in the provisional assessment by the University of Cambridge and in accordance with the provisions of Statute G,II, of the University of Cambridge.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and College and its environment obtained in the course of the audit, we have not identified material misstatements in the Review of Operations and Financial Review.

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:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 28, the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Body 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 Governing Body are responsible for assessing the Group's and College'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 Group or the College or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Group through discussions with Trustees and other management, and from our knowledge and experience of the education sector;
- we obtained an understanding of the legal and regulatory framework applicable to the Group and how the Group is complying with that framework;
- we obtained an understanding of the Group's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the Group. The Laws and regulations we considered in this context were Charities Act 2011, the Statutes of the University of Cambridge and taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items;
- in addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's and College's ability to operate or to avoid material penalty; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policy were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the College's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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/auditorsresponsibilties. This description forms part of our auditors' report.

Use of our report

This report is made solely to the College's Governing Body as a body, in accordance with College's statutes, the Statutes of the University of Cambridge and the Charities Act 2011. Our work has been undertaken so that we might state to the Governing Body those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the College's Governing Body as a body, for our audit work, for this report, or for the opinions we have formed.

Peters, Elworthy & Moore

PETERS ELWORTHY & MOORE
Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA
Date: 4 October 2024

Peters Elworthy & Moore is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

QUEENS' COLLEGE, CAMBRIDGE

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30th JUNE 2024

Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge and applicable United Kingdom accounting standards. In addition, the financial statements comply with the Statement of Recommended Practice: Accounting for Further and Higher Education (the SORP).

The Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate that all fee income is spent for educational purposes. The analysis required by the SORP is set out in note 6.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified in respect of the treatment of investments which are included at valuation.

Basis of consolidation

The consolidated financial statements include the College and its subsidiary undertakings. Details of the subsidiary undertakings included are set out in note 16. Intra-group balances are eliminated on consolidation.

A separate balance sheet and related notes for the College are not included in the accounts because the College's subsidiary companies are a conference and banqueting trading company, and a visitor and branded merchandise trading company which donate their profits to the College each year. The balance sheet for the College alone would not be materially different to the one included in the accounts.

Recognition of income

Academic fees
Academic fees are recognised in the period to which they relate and include all fees chargeable to students or their sponsors.

Grant income
Grants received from non-government sources (including research grants from non-government sources) are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance related conditions have been met.

Income received in advance of performance related conditions is deferred on the balance sheet and released to the Consolidated Statement of Comprehensive Income and Expenditure in line with such conditions being met.

Donations and endowments
Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income. Income is retained within restricted reserves until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

Donations and endowments (continued)

There are four main types of donations and endowments with restrictions:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the College.
3. Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Donations with no restrictions are recorded within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

Investment income and change in value of investment assets
Investment income and change in value of investment assets is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

Other income
Income is received from a range of activities including accommodation, catering conferences, job retention scheme grant income and other services rendered.

Cambridge Bursary Scheme
In 2023-2024, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). As a consequence, Cambridge University reimbursed the SLC for the full amount and each College paid their portion (based on their own eligible students) to the University.

The net payment of £201,441 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£176,825
Expenditure	£378,266

Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates or, where there are forward foreign exchange contract, at contract rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Fixed assets

Land and buildings
Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the College.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over their expected useful economic lives of 25-50 years.

Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred. They are not depreciated until they are brought into use.

The cost of additions to operational property shown in the balance sheet includes the cost of land. All other assets are capitalised and depreciated over their expected useful life as follows:

Furniture and fittings	10% per annum
Motor vehicles and general equipment	20% per annum
Computer equipment	33.33% per annum

Heritage assets
The College holds and conserves a number of collections, exhibits, artefacts and other assets of historical, artistic or scientific importance. Heritage assets acquired before 1st July 1999 have not been capitalised since reliable estimates of cost or value are not available on a cost-benefit basis. Acquisitions since 1 July 1999 have been capitalised at cost or, in the case of donated assets, at expert valuation on receipt. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

Investments

Fixed asset investments are included in the balance sheet at fair value, except for investments in subsidiary undertakings which are stated in the College's balance sheet at cost and eliminated on consolidation.

Stocks

Stocks are stated at the lower of cost and net realisable value after making provision for slow moving and obsolete items.

Provisions

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities and assets

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events, not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the College a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College.

Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes.

Financial instruments

The College has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement, and disclosure of financial instruments. Financial assets and liabilities are recognised when the College becomes party to the contractual provision of the instrument, and they are classified according to the substance of the contractual arrangements entered into.

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Basic financial assets include trade and other receivables, cash and cash equivalents and investments in commercial paper (i.e. deposits and bonds). These assets are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method. Financial assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets carried at amortised cost the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate.

Other financial assets, including investments in equity instruments, which are not subsidiaries or joint ventures, are initially measured at fair value which is typically the transaction price. These assets are subsequently carried at fair value and changes in fair value at the reporting date are recognised in the Statement of Comprehensive Income. Where the investment in equity instruments is not publicly traded and where the fair value cannot be reliably measured, the assets are measured at cost less impairment. Investments in property or other physical assets do not constitute a financial instrument and are not included.

Statement of Principal Accounting Policies

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of ownership are transferred to another party.

Statement of Principal Accounting Policies

Financial Instruments (continued)

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of ownership are transferred to another party.

Financial Liabilities

Basic financial liabilities include trade and other payables, bank loans and intergroup loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at the reporting date. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

To the extent that the College enters into forward foreign exchange contracts which remain unsettled at the reporting date the fair value of the contracts is reviewed at that date. The initial fair value is measured as the transaction price on the date of inception of the contracts. Subsequent valuations are considered on the basis of the forward rates for those unsettled contracts at the reporting date. The College does not apply any hedge accounting in respect of forward foreign exchange contracts held to manage cash flow exposures of forecast transactions denominated in foreign currencies.

Financial liabilities are de-recognised when the liability is discharged, cancelled, or expires.

Taxation

The College is a registered charity (number 1137495) and also a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

The College receives no similar exemption in respect of Value Added Tax.

Contribution under Statute G, II

The College is liable to be assessed for Contribution under the provisions of Statute GII of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The liability for the year

as advised to the College by the University is based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

Pension costs

The College participates in two funded defined benefit pension schemes, Cambridge Colleges Federated Pension Scheme (CCFPS) and the Universities Superannuation Scheme (USS)

Pension costs are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the Fellows' or employees' services.

Universities Superannuation Scheme (USS)
Throughout the current and preceding periods, the Universities Superannuation Scheme was a defined benefit only pension scheme until 31st March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Since the institution has entered into an agreement (the Recovery Plan that determines how each employer within the scheme will fund the overall deficit), the College also recognises a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense in the income and expenditure account.

Cambridge Colleges Federated Pension Scheme (CCFPS)
The College participates in the Cambridge Colleges Federated Pension Scheme (CCFPS), a defined benefit scheme which is externally funded and until 31st March 2016 was contracted out of the State Second Pension (S2P). As CCFPS is a federated scheme and the College is able to identify its share of the underlying assets and liabilities, the College values the fund as required by Section 28 Employee Benefits of FRS102 'Retirement Benefits'. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the amount calculated under FRS102 guidelines.

Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the College. Any material unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

Reserves

Reserves are allocated between restricted and unrestricted reserves. Endowment reserves include balances which, in respect of endowment to the College, are held as permanent funds, which the College must hold to perpetuity.

Restricted reserves include balances in respect of which the donor has designated a specific purpose and therefore the College is restricted in the use of these funds.

Critical Accounting Estimates and Judgements

The preparation of the College's accounts requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management consider the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities.

Income recognition – Judgement is applied in determining the value and timing of certain income items to be recognised in the accounts. This includes determining the appropriate recognition timing for donations, bequests and legacies. In general, the later are recognised when at the probate stage.

Useful lives of property, plant, and equipment – Property, plant and equipment represent a significant proportion of the College's total assets. Therefore, the estimated useful lives can have a significant impact on the depreciation charged and the College's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets, Professional advice and anticipation of future events. Details of the carrying values of property, plant and equipment are shown in page 50.

Investment property – Properties are revalued to their fair value at the reporting date by Carter Jonas and Bidwells. The valuation is based on the assumptions and judgements which are impacted by a variety of factors including market and other economic conditions.

Retirement benefit obligations – The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in pages 59 - 64.

Management is satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the accounts.

The latest USS triennial valuation no longer requires a deficit recovery plan and liability previously recognised on the balance sheet has been reversed. Further details are set out in pages 61 to 63."

Consolidated Statement of Comprehensive Income and Expenditure

FOR THE YEAR TO 30 JUNE 2024

		2023-24				2022-23			
	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
INCOME									
Academic fees & charges	1	4,599			4,599	4,678			4,678
Accommodation, catering and conferences	2	7,063			7,063	6,141			6,141
Endowment and investment income	3	1,006	375	2,327	3,709	408	277	2,528	3,213
Endowment return transferred to I&E account	3	1,908	1,016	(2,924)	0	1,821	999	(2,820)	0
Other income		287			287	148			148
Total income before donations and endowments		14,863	1,391	(597)	15,658	13,195	1,276	(292)	14,180
Donations		1,795	8,061		9,857	2,406	2,186		4,592
Deferred Capital write back					0				0
New endowments			0	282	282		0	1,072	1,072
Capital grants from colleges fund					0				0
Other capital grants for assets			0		0		0		0
Total income		16,659	9,453	(315)	25,796	15,601	3,462	780	19,843
EXPENDITURE									
Education	4	8,550	1,391	673	10,614	7,427	1,247	602	9,276
Change in USS deficit recovery provision contributions.	8,16	(1,208)			(1,208)	9			9
Accommodation, catering and conferences	5	9,382			9,382	8,364			8,364
Other expenditure		1,228			1,228	1,389	193		1,582
Contribution under Statute G, II		34			34	39			39
Total expenditure	6	17,986	1,391	673	20,050	17,228	1,440	602	19,270
Surplus (deficit) before other gains and losses		(1,327)	8,061	(988)	5,746	(1,627)	2,022	178	573
Gains(loss) on disposal of fixed assets	9	0			0	446			446
Gains(loss) on investments	10	3,234	360	3,357	6,951	899	202	1,875	2,977
Surplus (deficit) for the year		1,906	8,422	2,369	12,697	(282)	2,224	2,053	3,995
Other comprehensive income									
Unrealised surplus on revaluation of fixed assets		0			0	0			0
Actuarial gain(loss) in respect of pension schemes	16	364			364	466			466
Total comprehensive income for the year		2,270	8,422	2,369	13,061	184	2,224	2,053	4,461

The notes on pages 48 to 67 form part of these accounts

QUEENS' COLLEGE, CAMBRIDGE

Statement of Changes in Reserves
Year Ended 30th June 2024

	Income and expenditure reserve			
	Unrestricted	Restricted	Endowment	Total
Balance at 1 July 2023	£'000	£'000	£'000	£'000
Opening balance	57,004	25,308	72,128	154,440
Change of Fund Classification	0	0	0	0
Surplus/(Deficit) from income and expenditure statement	1,906	8,422	2,369	12,697
Other comprehensive income	364	0	0	364
Release of restricted capital funds spent in year	0	0	0	0
Balance at 30th June 2024	59,274	33,730	74,497	167,502

	Income and expenditure reserve			
	Unrestricted	Restricted	Endowment	Total
Balance at 1 July 2022	£'000	£'000	£'000	£'000
Opening balance	56,820	23,084	70,075	149,979
Change of Fund Classification	0	0	0	0
Surplus/(Deficit) from income and expenditure statement	(282)	2,224	2,053	3,995
Other comprehensive income	466	0	0	466
Release of restricted capital funds spent in year	0	0	0	0
Balance at 30th June 2023	57,004	25,308	72,128	154,440

The notes on pages 48 to 67 form part of these accounts

QUEENS' COLLEGE, CAMBRIDGE

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2024

	Note	2024 Group £'000	2023 Group £'000
NON CURRENT ASSETS			
Fixed assets	9	51,906	50,345
Heritage Assets	9	103	103
Investments	10	145,955	129,504
Total non-current assets		197,964	179,951
CURRENT ASSETS			
Stocks	11	379	396
Trade and other receivables	12	2,405	2,152
Cash and cash equivalents	13	490	475
Total current assets		3,274	3,023
Creditors: amounts falling due within one year	14	2,029	1,522
Total Assets less current liabilities		199,209	181,452
Creditors: amounts falling due after more than one year	15	(30,000)	(23,000)
Provisions			
Pension provisions	16	(1,708)	(4,011)
Other provisions		0	0
Total net assets		167,502	154,440
Restricted reserves			
Income and expenditure reserve-endowment reserve	18	74,497	72,128
Income and expenditure reserve-restricted reserve	19	33,730	25,308
Unrestricted Reserves			
Income and expenditure reserve-Unrestricted		59,274	57,004
TOTAL RESERVES		167,502	154,440

The notes on pages 48 to 67 form part of these accounts

These accounts were approved by the Governing Body on 4 OCTOBER '24 and signed on their behalf by

Dr M A El-Erian
President

Jonathan Spence
Senior Bursar

QUEENS' COLLEGE, CAMBRIDGE

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 £'000	2023 £'000
Net cash inflow from operating activities	21	4,003	(416)
Cash flows from investing activities	22	(10,148)	1,184
Cash flows from financing activities	23	6,160	(747)
Increase/(decrease) in cash equivalents in the year		15	20
Cash and cash equivalents at beginning of the year		475	455
Cash and cash equivalents at end of the year	13	490	475

The notes on pages 48 to 67 form part of these accounts

1 Academic fees and charges

	2024 £000	2023 £000
Fee income received at the Regulated undergraduate rate	2,674	2,629
Fee income received at the Unregulated undergraduate rate	179	199
Fee income received at the Graduate rate	1,569	1,743
Other Income	177	107
	4,599	4,678

2 Income from accommodation, catering and conferences

Accommodation:	College members	4,458	3,813
	Conferences and banquets	490	515
Catering:	College members	1,269	1,096
	Conferences and banquets	845	718
Total		7,063	6,141

3 Endowment and investment income

3a Analysis

	2024 £000	2023 £000
Actual Income from:		
Land and buildings	743	667
Quoted securities	1,959	1,910
Fixed interest securities	0	0
Income from short-term investments	71	129
Other interest receivable	936	508
Total	3,709	3,213

3b Analysis of investment gains

	2024 £000	2023 £000
(Losses)/Gains on endowment assets		
Land and buildings	(1,154)	363
Quoted and other securities and cash	8,117	2,632
	6,964	2,995
(Losses)/Gains on other assets		
Quoted and other securities and cash	(50)	(18)
Total	6,913	2,977

3c Summary of Total Return

Actual Income from:		
Land and buildings	743	667
Quoted securities	1,959	1,356
Fixed interest securities	0	0
Income from short-term investments	87	129
Other interest receivable	920	377
Total	3,709	2,528
(Losses)/Gains on endowment assets (see note 3b)	6,913	2,977
Investment management costs	(274)	(274)
Total return for year	10,348	5,231
Total return transferred to income & expenditure reserve	(2,924)	(2,820)
Unapplied total return for the year included within Statement of Comprehensive Income and Expenditure (note 20)	7,424	2,411

3d Investment management costs	2024	2023
	£000	£000
Land and buildings	(218)	(195)
Quoted securities - equities	(145)	(79)
Fixed interest securities	0	0
Other investments	0	0
Cash	0	0
Total	(363)	(274)

4 Education expenditure	2024	2023
	£000	£000
Teaching	4,654	4,213
Tutorial	2,259	1,962
Admissions	856	798
Research	412	284
Scholarships and awards	1,491	1,165
Other educational facilities	942	864
Total	10,614	9,285

5 Accommodation, catering and conferences expenditure

		2024	2023
		£000	£000
Accommodation:	College members	6,722	5,635
	Conferences and banquets	740	740
Catering:	College members	1,336	1,394
	Conferences and banquets	585	595
Total		9,382	8,364

6 Other Expenditure

	2024 £'000	2023 £'000
Loan Interest	840	747
Investment management fees & administration	145	195
USS pension interest charge	28	40
FRS102 pension schemes interest charge	149	138
	1,162	1,120

7a Analysis of 2023/2024 expenditure by activity

	Staff costs (note 8a) £000	Other operating expenses £000	Depreciation £000	Total £000
Education	5,107	4,559	948	10,614
Change in USS deficit recovery prvision	(1,208)	0	0	(1,208)
Accommodation, catering and conferences	3,526	4,009	1,847	9,382
Other	463	798	0	1,262
	7,889	9,366	2,795	20,050

Expenditure includes fundraising costs of £686,966 and £204,074 on alumni relations.

7b Analysis of 2022/2023 expenditure by activity

	Staff costs (note 8a) £000	Other operating expenses £000	Depreciation £000	Total £000
Education	4,841	3,687	941	9,469
Change in USS deficit recovery prvision	9	0	0	9
Accommodation, catering and conferences	3,377	3,157	1,831	8,364
Other	495	933	0	1,428
	8,722	7,777	2,772	19,270

Expenditure includes fundraising costs of £452,993 and £267,268 on alumni relations.

7c Auditors' remuneration

	2024 £000	2023 £000
Other operating expenses include:		
Audit fees payable to the College's external auditors	52	43
Other fees payable to the College's external auditors	4	0

8a Staff costs

Consolidated	Academic	Non- academic	Total 2024	Total 2023
	£000	£000	£000	£000
Staff Costs:				
Salaries	2,420	4,957	7,377	6,764
National Insurance	193	493	685	635
Pension costs	303	1,464	1,767	1,613
Net change in deficit recovery provision (see Note 8b)	(1,208)	(732)	(1,940)	(290)
Subtotal of pension costs (see Note 8B)	(905)	732	(173)	1,323
	1,708	6,181	7,889	8,722

Based on the 2024 valuation of the Universities Superannuation Scheme (USS), the impact of the net change in the USS deficit recovery provision is a credit of £1,235,674 (2023 £30,614). This comprises a non-cash credit resulting from the change in assumptions, including the discount rate, of £1,184,975 (2023 £65,132) and cash contributions made to reduce the deficit in the year of £50,699 (2023 £95,746).

	Average staff numbers 2024		Average staff numbers 2023	
	Number of Fellows	Full-time equivalents	Number of Fellows	Full-time equivalents
Academic	55		55	
Non-academic		152.75		147.75

At the Balance Sheet date there were 63 members of the Governing Body. During the year the average number receiving remuneration was the 55 shown above.

The number of officers and employees of the College, including Head of House, who received remuneration in the following ranges was

	2024	2023
£100,001 - £110,000	0	1
£110,001 - £120,000	2	1
£120,001 - £130,000	0	0
£130,001 - £140,000	2	2
£140,001 - £150,000	2	3
£150,001 - £160,000	1	0

The total cost of remuneration includes salary, employer's national insurance contributions, employer's pension contributions plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College.

The aggregated remuneration paid to key management personnel consists of salary, employer's national insurance contributions, employer's pension contributions, plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements.

The President, Senior Bursar, and Senior Tutor are the College's key management personnel.

	Total 2024 £'000	Total 2023 £'000
Key management personnel aggregated remuneration	443	434

The Trustees received no remuneration in their capacity as Trustees of the Charity.

8b Pension costs

The total pension cost included in staff costs for the year (see note 8a) was:

	Employer contributions 2024	Provisions (Note 16) 2024	Total 2024	Employer contributions 2023	Provisions (Note 16) 2023	Total 2023
	£000	£000	£000	£000	£000	£000
USS	303	(1,208)	(905)	341	9	350
CCFPS	1,460	(732)	728	1,269	(299)	969
Other	4	0	4	3	0	3
Total	1,767	(1,940)	(173)	1,613	(290)	1,323

9 Fixed assets

	Land and buildings £000	Assets in construction £000	Equipment £000	Heritage Assets £000	2024 Total £000	2023 Total £000
Cost or valuation						
At beginning of year	71,390	1,535	2,413	103	75,441	64,308
Additions at cost	1,970	1,755	631	0	4,356	14,594
Revaluation of assets	0	0	0	0	0	0
Transfer between classes	0	0	0	0	0	0
Disposals	0	0	(368)	0	(368)	(3,461)
At end of year	73,360	3,291	2,676	103	79,430	75,441
Depreciation						
At beginning of year	23,983	0	1,012	0	24,994	23,304
Charge for the year	2,328	0	466	0	2,795	2,772
Eliminated on Disposal	0	0	(368)	0	(368)	(835)
Eliminated on Transfer	0	0	0	0	0	(247)
Written back on revaluation	0	0	0	0	0	0
At end of year	26,311	0	1,110	0	27,421	24,994
NET BOOK VALUE						
At end of year	47,049	3,291	1,566	103	52,009	50,447
At beginning of year	47,407	1,535	1,402	103	50,447	41,004

The insured value of freehold land and buildings as at 30 June 2024 was £217m (2023: £203m).

9 Tangible fixed assets (continued)

Heritage assets

The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance.

As stated in the statement of principal accounting policies, heritage assets acquired since July 2005 have been capitalised. However the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of the cost or valuation are not available for these on a cost-benefit basis, they have not been capitalised. As a result the total included in the balance sheet is partial.

Amounts for the current and previous years were as follows:

	2024 £000	2023 £000	2022 £000	2021 £000	2020 £000
Acquisitions purchased with specific donations	0	0	0	0	0
Acquisitions purchased with College funds	0	0	0	0	0
Total cost of acquisitions purchased	0	0	0	0	0
Value of acquisitions by donation	0	0	0	0	0
Total acquisitions capitalised	0	0	0	0	0

10 Fixed asset investments

	2024 Total £000	2023 Total £000
Balance at beginning of year	129,504	136,267
Additions	24,336	73,791
Tranfered from fixed assets	0	2,825
Disposals	(14,836)	(86,355)
Less: impairment on unquoted securities	0	0
Gain/(loss)	6,951	2,977
Balance at end of year	145,955	129,504
Represented by:		
Property	31,247	31,807
Quoted securities – equities	59,363	52,085
Fixed interest securities	10,661	7,569
Other investments	24,372	22,515
Cash in hand & at investment managers	20,312	15,528
Total	145,955	129,504

11 Stocks and work in progress

	2024 £000	2023 £000
Goods for resale	379	396
Work in progress	0	0
Other Stocks	0	0
	379	396

12 Trade and other receivables

	2024 £000	2023 £000
Members of the College	15	15
Amounts due from subsidiary undertakings	0	0
Other receivables	2,322	1,969
Prepayments and accrued income	68	168
	2,405	2,152

13 Cash and cash equivalents

	2024 £000	2023 £000
Short-term money market investments		
Bank deposits		
Current accounts	536	526
Cash in hand	(46)	(51)
	490	475

14 Creditors: amounts falling due within one year

	2024 £000	2023 £000
Trade creditors	1,467	820
Members of the College	331	326
Amounts due to subsidiary undertakings	0	0
Receipts in advance	127	266
University Fees	71	71
Contribution to Colleges Fund	34	39
Accruals and deferred income		
Other creditors		
	2,029	1,522

15 Long term loans

During 2013-14, the College borrowed from instutional investors, collectively with other Colleges, the College's share being £8 million. The Loans are unsecured and repayable during the period 2043-2053, and are at fixed interest rates of approximately 4.42%. The College has agreed a financial covenant of the ratio of Borrowings to Net Assets, and has been in compliance with the covenant at all times since incurring the debt.

During the course of 2017-2018, the College raised a further £15 million of unsecured debt from institutional investors at a fixed rate of interest of 2.62% per annum. Repayment is due in one amount a the end of 40 years. There is an agreed covenant in respect of the borrowings with which the College has been in compliance.

During 2023-24, the College raised a further £7 million of unsecured debt from instituitional investors at a fixed rate of interest of 5.59% per annum. Repayment is due in one amount at the end of 34 years. There are agreed covenants in respect of the borrowings with which the College has been in compliance.

16 Pension provisions

	2024 £000	2023 £000
CCFPS		
Balance at beginning of year	2,803	3,568
Movement in year:		
Current service costs including life assurance	719	935
Contributions	(1,451)	(1,234)
Other finance cost	0	0
Actuarial loss/(gain) recognised in Statement of Comprehensive Income and Expenditure	(364)	(466)
Balance at end of year	1,708	2,803
USS		
Balance at beginning of year	1,208	1,199
Current service costs including life assurance	51	65
Contributions	(51)	(96)
Other finance cost	28	40
Net change in underlying assumptions (see Note 8)-		
- Change in underlying assumptions	(1,185)	
- USS deficit contributions payable	(51)	
Balance at end of year	0	1,208

17 Principal subsidiary undertakings

The College owns 100% of the ordinary share capital of QC Enterprises Limited, a company incorporated in England. The principal activity of the company is the provision of conference and banqueting services at the College.
The College also owns 100% of the ordinary share capital of QC Trading Limited, a company incorporated in England. The principal activity of the company is the provision of branded merchandise.

18 Endowment funds

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments £000	Unrestricted permanent endowments £000	2024 Total £000	2023 Total £000
Balance at beginning of year				
Capital	42,358	29,770	72,128	70,075
New Donations and endowments	271	11	282	1,072
Increase/(decrease) in market value of investments	1,876	211	2,087	981
Balance at end of year	44,504	29,993	74,497	72,128
Analysis by type of purpose				
Fellowship funds	31,267	0	31,267	30,038
Scholarship funds	5,239	0	5,239	4,746
Prize Funds	0	0	0	0
Hardship funds	141	0	141	133
Bursary funds	5,399	0	5,399	5,115
Travel grant funds	478	0	478	453
Other funds	158	0	158	149
General	1,823	29,993	31,816	31,493
	44,504	29,993	74,497	72,128
Analysis by asset				
Property	7,094	4,781	11,874	11,497
Investments	34,876	23,504	58,381	56,524
Cash	2,534	1,708	4,243	4,108

19 Restricted Reserves

Reserves with restrictions are as follows:

	Capital grants unspent £000	Permanent unspent and other restricted income £000	Restricted expendable endowment £000	2024 Total £000	2023 Total £000
Balance at beginning of year	0	2,606	22,702	25,308	23,084
Capital	0	0	22,215	22,215	20,314
Accumulated income	0	2,606	487	3,093	2,770
Change of Fund Classification	0	0	0	0	0
New grants	0	0	0	0	0
New donations	0	0	8,061	8,061	2,186
Endowment return transferred	0	852	164	1,016	999
Other investment income	0	375	0	375	277
Increase/(decrease) in market value of investments	0	0	360	360	202
Expenditure	0	(868)	(523)	(1,391)	(1,440)
Capital grants utilised	0	0	0	0	0
Balance at end of year	0	2,965	30,764	33,730	25,308
capital	0	0	30,213	30,213	22,215
Accumulated income	0	2,965	551	3,517	3,093
Analysis of other restricted funds/donations by type of purpose					
Fellowship funds	0	2,409	1,131	3,540	3,113
Scholarship funds	0	147	637	783	752
Prize Funds	0	0	0	0	0
Hardship funds	0	(7)	1,696	1,689	1,575
Bursary funds	0	330	721	1,051	1,000
Travel grant funds	0	40	38	78	76
Other funds	0	41	26,240	26,281	18,503
General	0	5	302	307	289

20 Memorandum of Unapplied Total Return

Within the reserves representing investments held by the College, the following are the cumulative surpluses of total return on the main investment portfolio

	2024 £000	2023 £000
Unapplied Total Return at start of year	35,090	32,679
Surplus of total return for year (note 3)	7,424	2,411
Unapplied total return at end of year	42,514	35,090

21 Reconciliation of consolidated surplus for the year to net cash inflow from operating activities

		2024 £000	2023 £000
Surplus/(deficit) for the year		12,697	3,995
Adjustment for non-cash items			
Depreciation	8	2,795	2,772
Loss/(gain) on endowments, donations and investment property	17	(6,951)	(2,977)
Decrease/(increase) in stocks	10	17	0
Decrease/(increase) in trade and other receivables	11	(254)	0
Increase/(decrease) in creditors	13	507	0
Increase/(decrease in provisions		0	0
Pension costs less contributions payable	15	(1,940)	(290)
Loss/(gain) on sale of property		0	(446)
Adjustment for investing or financing activities			
Investment income		(3,709)	(3,213)
Interest payable		840	747
Net cash inflow from operating activities		4,003	588

22 Cash flows from investing activities

	2024 £000	2023 £000
Proceeds from the sales of non-current fixed assets	0	0
Non-current investment disposal	14,836	86,355
Investment income	3,709	3,213
Endowment funds invested	0	0
Withdrawal of deposits	0	0
Payments made to acquire non-current assets	(28,693)	(88,385)
Total cash flows from investing activities	(10,148)	1,184

23 Cash flows from financing activities

	2024 £000	2023 £000
Interest paid	(840)	(747)
Interest element of finance rental payment	0	0
New unsecured loans	7,000	0
Repayments of amounts borrowed	0	0
Capital element of finance lease rental payment	0	0
Total cash flows from financing activities	6,160	(747)

24 Capital commitments

	2024 £000	2023 £000
Capital commitments at 30 June 2024 are as follows:		
Authorised and contracted	6,500	0
Authorised but not yet contracted for	0	0

25 Consolidated reconciliation and analysis of net debt

	At 1 July 2023 £000	Cash Flows £000	Other non-cash changes £000	At 30 June 2024 £000
Cash and cash equivalents	475	15		490
Borrowings:				
Amounts falling due after more than one year				
Unsecured loans	(23,000)	(7,000)		(30,000)
Total net debt	(22,525)	(6,985)	0	(29,510)

26 Financial Instruments

	2024 £000	2023 £000
Financial assets		
Financial assets at fair value through Statement of Comprehensive income		
Listed equity investments	70,024	59,654
Other investments	55,620	54,322
Financial assets that are debt instruments measured at amortised cost		
Cash and cash equivalents	20,802	16,003
Other debtors	2,337	1,984
Financial liabilities		
Financial liabilities measured at amortised cost		
Loans	30,000	23,000
Trade creditors	1,467	820
Other creditors	562	702

27 Related Party Transactions

Owing to the nature of the College's operations and the composition of the Governing Body, it is inevitable that transactions will take place with organisations in which a Governing Body member may have an interest. All transactions involving organisations in which a member of the Governing Body may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

The College maintains a Register of Interest for all Fellows and College employees with spending authority. It is updated every six months and during the year to 30th June 2024 it reveals that no material events occurred.

During the year no fees or expenses were paid to Fellows in respect of their duties as Trustees.

Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for any private catering. The Trustees remuneration is overseen by the Stipends Committee.

The College continues it's investment in joint equity properties with 0 College Fellow (1 Fellow in 2023). The total investment by the College amounted to £0 (2023 £147,175).

The salaries paid to Trustees in the year are summarised in the table below:

From	To	2024	2023
£0	£10,000	18	20
£10,001	£20,000	14	14
£20,001	£30,000	8	7
£30,001	£40,000	3	2
£40,001	£50,000	0	1
£50,001	£60,000	2	1
£60,001	£70,000	1	2
£70,001	£80,000	2	3
£80,001	£90,000	2	0
£90,001	£100,000	0	1
£100,001	£110,000	3	3
£110,001	£120,000	1	1
£120,001	£130,000	0	0
£130,001	£140,000	1	0
	Total	55	55

The total Trustee salaries were £1,746,197 for the year (2023: £1,622,652)

The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £58,416 for the year (2023: £51,260)

The College has one trading and one dormant subsidiary undertaking, both of which are consolidated into these accounts. Both subsidiary undertakings are 100% owned by the College and are registered and operating in England and Wales.
The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

UNIVERSITIES SUPERANNUATION SCHEME

Significant accounting policies

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme and the deficit recovery contributions payable under the scheme's Recovery Plan.

Where a scheme valuation determines that the scheme is in deficit on a technical provisions basis (as was the case following the 2020 valuation), the trustee of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund an overall deficit. The institution recognises a liability for the contributions payable that arise from such an agreement (to the extent that they relate to a deficit) with related expenses being recognised through the income statement. Further disclosures relating to the deficit recovery liability can be found in Note 16.

Critical accounting judgements

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102.

PENSION COSTS

The total credit to the profit and loss account is £1,207,892 (2023 charge: £9,067).

Deficit recovery contributions due within one year for the institution are £50,699 (2023: £95,746).

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Note 16, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (the latest valuation date), which was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective. At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles:
(uss.co.uk/about-us/valuation-and-funding/statement-of-funding- principles).

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1% pa to 2030, reducing linearly by 0.1% pa from 2030
Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% pa Post retirement: 0.9% pa

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2023 Valuation
Mortality base table	101% of S2PMA 'light' for males and 95% of S3PFA for females.
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% pa, 10% W2020 and w2021 parameters and a long-term improvement rate of 1.8% pa for males and 1.6% for females.

The current life expectations on retirement at age 65 are:

	2024	2023
Males currently aged 65 (years)	23.7	24.0
Females currently aged 65 (years)	25.6	25.6
Males currently aged 45 (years)	25.4	26.0
Females currently aged 45 (years)	27.2	27.4

CAMBRIDGE COLLEGES FEDERATED PENSION SCHEME

The College operates a defined benefits plan for the College's employees of the Cambridge Colleges' Federated Pension Scheme.

The liabilities of the plan have been calculated at 30th June 2024 for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Cambridge Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

The principal actuarial assumptions at the balance sheet date were as follows:

	30th June 2024	30th June 2023
Discount rate	5.10%	5.20%
Increase in salaries	To 2030: 2.85% From 2031: 3.75%	3.30%
RPI assumption	3.35%	3.40%*
CPI assumption	To 2030: 2.35% From 2031: 3.25%	2.80%*
Pension increased in payment (RPI Max 5% pa)	3.15%	3.30%*
Pension increases in payment (CPI Max 2.5% pa)	2.00%	2.05%*

*For one year only, we have assumed that RPI will be 9% and CPI will be 7%. The caps under the Rules are applied to assumed pension increases.

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2023 future improvement factors and a long-term rate of future improvement of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements (2023: S3PA with CMI_2022 future improvement factors and a long-term future improvement rate of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Male age 65 now has a life expectancy of 21.4 years (previously 21.4 years).
- Female age 65 now has a life expectancy of 23.9 years (previously 23.9 years).

- Male age 45 now and retiring in 20 years has a life expectancy of 22.6 years (previously 22.6 years).
- Female age 45 now and retiring in 20 years has a life expectancy of 25.3 years (previously 25.3 years).

PENSION SCHEMES (CONTINUED)

The assets in the Scheme and the expected rates of return were:

	Long-term rate of return expected at 30/06/2023	*Value at 30/06/2024*	*Long-term rate of return expected at 30/06/2023*	*Value at 30/06/2023*	*Long-term rate of return expected at 30/06/2022*	*Value at 30/06/2022*
Equities and Hedge Funds		9,273,574		8,843,100		10,257,694
Cash, Bonds & Net Current Assets		8,467,176		6,857,914		6,706,954
Property		2,419,194		2,346,128		2,761,687
Total		20,159,944		18,047,142		19,726,335

The following results were measured in accordance with the requirements of FRS102

	2024	**2023**	**2022**
	£	**£**	**£**
Total market value of assets	20,159,944	18,047,142	19,726,335
Present value of Scheme liabilities	(21,867,505)	(20,850,393)	(23,294,743)
Surplus/(deficit) in the Scheme	(1,707,561)	(2,803,251)	(3,568,408)

The amounts recognised in income and expenditure are as follows:

	30th June 2024	**30th June 2023**
	£	**£**
In staff costs: Current service cost (net of employee contributions)	516,351	706,478
In endowment and investment income:		
Interest cost	1,090,488	893,244
Expected return on pension scheme assets	(941,293)	(754,999)
Net return	149,195	138,245
Actual return on pension scheme assets	1,064,388	(2,487,142)

PENSION SCHEMES (CONTINUED)

Changes in the present value of the plan liabilities are as follows:

	30th June 2024	30th June 2023
	£	£
Present value of plan liabilities at beginning of period	20,850,393	23,294,743
Current service cost (including employee's contributions)	516,351	1,021,287
Interest on plan liabilities	1,090,488	893,244
Actuarial (gains) losses	(253,942)	(3,726,587)
(Gain)/loss on plan changes	0	36,712
Curtailment (gain)/loss	0	0
Benefits paid	(718,282)	(669,006)
Present value of plan liabilities at end of period	21,867,505	20,850,393

Changes in the fair value of scheme assets are as follows:

	30th June 2024	30th June 2023
	£	£
Market value of plan assets at beginning of year	18,047,142	19,726,335
Contributions by the College	1,451,007	1,234,057
Additional contributions by members (including AVCs)	382,497	314,809
Benefits (and expenses) paid	(785,090)	(740,917)
Interest on plan assets	941,293	754,999
Return on assets, less interest included in Prof.it & Loss	123,095	(3,242,141)
Market value of plan assets at end of year	20,159,944	18,047,142

Amounts for the current and previous four periods are as follows:

	30th June 2024	30th June 2023	30th June 2022	30th June 2021	30th June 2020
	£	£	£	£	£
Present value of plan liabilities	(21,867,505)	(20,850,393)	(23,294,743)	(31,397,694)	(30,798,169)
Market value of plan assets	20,159,944	18,047,142	19,726,335	22,096,264	20,021,557
Surplus/(deficit)	(1,707,561)	(2,803,251)	(3,568,408)	(9,301,430)	(10,776,612)
Experience adjustments on plan liabilities	(192,689)	2,241,885	1,108,641	(459,639)	(54,536)
Change in assumptions underlying present value of plan liabilities	(47,869)	(5,949,985)	(10,597,748)	(416,040)	(3,026,582)

The plan has no investments in property occupied by assets used by or financial instruments issued by the College.

Funding policy

Actuarial valuations are carried out every three years on behalf of the Management Committee, acting as the Trustee of the Scheme, by a qualified independent actuary. The actuarial assumptions underlying the actuarial valuation are different to those adopted under FRS102.

The last such valuation was at 31st March 2023. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall.

These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 7th June 2024 and are as follows:

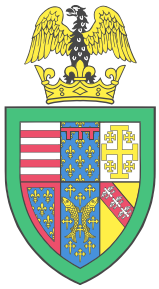
- Annual contributions of not less than £274,247 per annum, payable for the period to 1st July 2024 to 31st January 2030.

These payments are subject to review following the next funding valuation, due as at 31st March 2026.

THE QUEENS' COLLEGE OF SAINT MARGARET AND SAINT BERNARD IN THE UNIVERSITY OF CAMBR

England & Wales - Charity number 1137495

Accounts



QUEENS' COLLEGE, CAMBRIDGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2023

QUEENS' COLLEGE, CAMBRIDGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2023

Contents

	Page
Reference and Administrative Details	3 - 6
Structure, Governance and Management	7 - 10
Aims and Objectives of the College	10 - 11
Public Benefit	12 - 13
Review of Operations	14 - 19
Financial Review	20 - 29
Responsibilities of the Governing Body	30
Independent Auditors Report	31 - 34
Statement of Principal Accounting Policies	35 - 41
Consolidated Statement of Comprehensive Income & Expenditure	42
Statement of Changes in Reserves	43
Consolidated Balance Sheet	44
Consolidated Cash Flow Statement	45
Notes to the Financial Statements	46 - 64

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 30th JUNE 2023

The full name of the College is "The Queen's College of St Margaret and St Bernard, commonly called Queens' College in the University of Cambridge". The College is a corporate body consisting of the President, Fellows and Scholars.

The Governing Body, which consists of the President and the Fellows, with four student observers, holds at least six meetings each year. The Governing Body met ten times in the year to which this report relates. The President, Professorial Fellows and Official Fellows are the voting members of the Governing Body and, since the Governing Body exercises general control and management of the College, its voting members are the trustees of the charity.

*President
Dr M A El-Erian

Life Fellows
Prof. A C Spearing
Dr B A Callingham
Prof. J Diggle, FBA
Prof. J E Carroll
Revd Dr B L Hebblethwaite
Dr J T Green
Dr W A Phillips
Dr R D H Walker
Dr A D Cosh
Prof. A. N. Hayhurst
Prof J Jackson, CBE FRS[6]
Dr C J Pountain
Prof. Lord Oxburgh, KBE FRS FREng
Revd Dr J M Holmes
Dr H J Field
Prof. R L Jones[6]
Prof. A N Lasenby
Prof. K F Priestley
Dr C N Pitelis
Dr E G Kahrs
Prof. D R Ward
Prof. J L Scott
Prof. Lord Eatwell
Dr M J Milgate
Dr I K Patterson

*Professorial Fellows
Prof. D K Menon
Prof. R W Prager, FREng
Prof. E A H Hall, CBE[5]
Prof. N D Lawrence
Prof. M Guillén[9]
Prof. L Reisch
Prof. J D Brenton[6]

*Official Fellows
Prof. R R Weber[5]
Prof. J A Jackson, CBE FRS[5]
Prof. R G Fentiman QC Hon Causa
Prof. P H Haynes, FRS
Prof. D Cebon, FREng
Prof. R L Jones[5]
Prof. A H Gee
Prof. J W F Allison
Prof. B J Glover
Prof. R A W Rex
Prof. C E Bryant, FBPhS, FLSW
Prof. M P V Crowley
Prof. J C Muldrew
Prof. J W P Campbell
Dr H R N Jones
Prof. M J Dixon, FAcSS
Dr A C Thompson
Prof. J R Gog, OBE
Prof. A A Seshia
Prof. E M Terentjev
Prof. I Sitaridou
Dr A Zurcher
Dr A M Rossi
Mr J Spence, DL
Dr G J McShane
Prof. M Edmonds
Prof. H J Stone
Dr J J Maguire
Dr G M Fraser
Dr L S Tiley
Dr T S Butlin
Prof. R Nickl[5]
Prof. S J Price
Dr E Moyroud
Dr D J Butterfield
Dr A Paterson
Dr M E B Tait
Dr F I Paddeu
Mr R M C Kitt
Revd T C Harling
Dr S Haggarty
Prof. C J Bickerton
Dr C Brendon
Dr D J Parker
Prof. G Denyer Willis
Dr E McPherson
Dr C Warnick
Prof. A Beresford
Dr G Atkins
Prof. A Marsham
Dr J Blundell
Dr T Denmead
Dr P McMurray
Mr A D Bainbridge
Dr T J Eggington
Dr J Garrison
Revd M Bayliss[2]
Dr C Peñasco Patón
Dr S Williams[8]
Dr E Webster
Dr S Haines[1]
Revd A H Jones[4]

Bye-Fellows
Prof. A D Challinor
Prof. R R Weber[6]
Prof. E A H Hall, CBE[6]
Prof. G H Treece
Prof. A C Rice
Dr R M Faragher
Dr T Forster[5]
Dr J R Bellis
Dr C Hill
Dr A C Bonner
Dr P Bambrough
Dr C Clark
Dr L Davies
Dr J Jahić
Dr C Mishra
Dr E Weir[6]
Mr N Morris[3]
Dr K Hendry[6]
Mr M Boase[6]
Mr J Perkins[6]
Dr J Mitchell[6]
Dr D Orchard[6]
Mr C Edsall[6]
Dr M Fuchs[6]
Dr L Mullen[6]
Dr I Kater[6]

Research Fellows
Dr R Van Rosenberg[7]
Dr E Noterman[2]
Dr H Symington[6]
Dr E O'Keeffe[6]

Emeritus Fellows
Dr A M W Glass
Prof. J Russell
Prof. A M Gamble
Dr J W Kelly
Dr T Forster[6]

[1] From 18 July 2022
[2] To 31 August 2022
[3] From 1 September 2022
[4] From 12 September 2022
[5] To 30 September 2022
[6] From 1 October 2022
[7] To 31 December 2022
[8] To 31 January 2023
[9] To 30 June 2023

* Charity Trustees

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 30th JUNE 2023

Senior Officers

President	Dr M A El-Erian
Vice-President	Professor M Edmonds
Senior Bursar	Mr J Spence
Senior Tutor	Dr A C Thompson

PRINCIPAL COMMITTEES

Bursarial Committee

Dr M A El-Erian, President
Professor M Edmonds, Vice-President
Mr J Spence, Senior Bursar
Mr A D Bainbridge, Domestic Bursar
Dr A C Thompson, Senior Tutor
Mr R M C Kitt, Development Director
Professor A D Marsham
Dr E McPherson
Dr E Moyroud
Dr F I Paddeu
Professor R A W Rex
Professor A C Rice
Professor I Sitaridou
Professor R R Weber

Fellowships Committee

Dr M A El-Erian, President
Dr A C Thompson, Senior Tutor
Mr J Spence, Senior Bursar
Professor P Haynes
Professor R W Prager (until 1 March 2023)
Professor E Terentjev
Professor M P V Crowley
Professor L Reisch
Dr G Fraser
Dr C Penasco
Dr M E B Tait
Dr A Zurcher

Investments Committee

Dr M A El-Erian, President
Professor M Edmonds, Vice-President
Mr J Spence, Senior Bursar
Professor M J Dixon, Dean of College
Professor D Cebon
Dr J R Garrison
Professor A H Gee
Professor R R Weber
Mrs A Koerling (Queens' Alumnus)
Mr A Pomfret (Queens' Alumnus)

Teaching and Learning Committee

Dr A C Thompson, Senior Tutor
Dr S Haines, Admissions Tutor
All Directors of Studies of the College
Tutors charged with Admissions
Admissions Co-ordinator
Graduate Administrator
JCR President
MCR President

Tutorial Committee

Dr M A El-Erian, President
Dr A C Thompson, Senior Tutor
Professor M J Dixon, Dean of College
All Tutors of the College
Revd T Harling, Dean of Chapel
Revd A H Jones, Chaplain
Mr A D Bainbridge, Domestic Bursar
Ms J Schiller (Health and Wellbeing)
Ms K Fadero (Health and Wellbeing)
Ms E Farrar (Health and Wellbeing)

Graduate Committee

Professor A D Marsham
Deputy Senior Tutor/Senior Tutor
All Graduate Tutors of the College
Mr A D Bainbridge, Domestic Bursar
Student Support Team Representative
Representative for Part-Time Courses
MCR President
MCR Secretary/Vice-President
Post-Doctoral Research Associates Convenor
MPhil Representative
Graduate Administrator

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30th JUNE 2023

GOVERNING BODY ATTENDANCE LIST 2022-2023

ON LEAVE 2021-2022:
Prof. Roderic Jones
Dr Graham McShane
Dr Tore Butlin
Dr Charles Brendon
Dr Ella McPherson
Dr Tyler Denmead
Prof. Beverley Glover
Prof. Graham Denyer Willis
Dr Peter McMurray
Prof. Richard Nickl (Easter 2022)

ON LEAVE 2022-2023:
Prof. Beverley Glover
Prof. Alastair Beresford
Dr Peter McMurray
Prof. Graham Denyer Willis
Dr Andrew Zurcher (Michaelmas 2022)
Dr David Butterfield (Lent 2023)
Prof. Richard Rex (Michaelmas 2022 and Lent 2023)

Ten Governing Body Meetings took place between 1 July 2022 – 30 June 2023.
Fellows' attendance was recorded as follows:

Dr M A El-Erian	8/10	Mr J Spence	9/10	Dr T J Eggington	10/10
Prof. R R Weber	1/1	Prof. H J Stone	4/10	Dr J Garrison	9/10
Prof. J A Jackson	0/1	Prof. M Edmonds	7/10	Revd M Bayliss	1/1
Prof. R G Fentiman	6/10	Dr J J Maguire	10/10	Dr C Peñasco Patón	6/10
Prof. P H Haynes	9/10	Prof. S J Price	6/10	Prof. N D Lawrence	2/10
Prof. D Cebon	4/10	Dr E Moyroud	7/10	Prof. L Reisch	10/10
Prof. E A H Hall	1/1	Dr D J Butterfield	5/7	Prof. M Guillén	7/10
Prof. R W Prager	5/10	Dr A Paterson	8/10	Dr S Williams	3/3
Prof. A H Gee	10/10	Dr M E B Tait	7/10	Dr G Fraser	3/10
Prof. J W F Allison	8/10	Dr F I Paddeu	9/10	Dr E Webster	5/10
Prof. R A W Rex	4/6	Mr R M C Kitt	9/10	Dr S Haines	9/10
Prof. C E Bryant	6/10	Revd T C Harling	9/10	Revd A H Jones	9/9
Prof. M P V Crowley	5/10	Dr S Haggarty	8/10	Prof. J D Brenton	4/9
Prof. J W P Campbell	8/10	Prof. C J Bickerton	4/10	Prof. L Tiley	9/10
Dr H R N Jones	7/10	Dr D J Parker	7/10	Dr Tore Butlin	6/10
Prof. M J Dixon	7/10	Dr E MacPherson	6/9	Prof. R L Jones	0/1
Prof. D K Menon	7/10	Dr C Warnick	10/10	Prof. J C Muldrew	7/10
Dr A C Thompson	10/10	Prof. A Beresford	1/1	Prof. J R Gog	9/10
Prof. A A Seshia	9/10	Dr G Atkins	9/10	Prof. R Nickl	0/1
Prof. E M Terentjev	8/10	Prof. A Marsham	10/10	Dr C Brendon	7/9
Prof. I Sitaridou	9/10	Dr J Blundell	2/10		
Dr A Zurcher	7/7	Dr T Denmead	8/9		
Dr A M Rossi	8/10	Mr A D Bainbridge	10/10		

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30th JUNE 2023

PROFESSIONAL ADVISORS

Auditors

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Actuaries

Cartwright Group Ltd
Suite 7, 2nd Floor, The Hub, IQ Farnborough
Farnborough
Hampshire
GU14 7JP

Bankers

National Westminster Bank plc
23 Market Street
Cambridge
CB2 3PA

Investment Fund Managers

Rathbones Group Plc
8 Finsbury Circus
London
EC2M 7AZ

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Property Advisors

Bidwells LLP
Trumpington Road
Cambridge
CB2 9LD

Carter Jonas LLP
6 – 8 Hills Road
Cambridge
CB2 1NH

Solicitors

Mills & Reeve LLP
Francis House
112 Hills Road
Cambridge
CB2 1PH

CHARITY INFORMATION

Charity Registration 1137495

Registered Address Silver Street, Cambridge CB3 9ET

Website www.queens.cam.ac.uk

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisation

Queens' College, Cambridge is a self-governing academic community and body corporate, comprising the President, Fellows and Scholars and is one of the thirty-one Colleges in the University of Cambridge. The provisions which regulate the purposes and administration of the College are to be found in its Royal Charter, dated 30th March 1448, and its Statutes, as made in 1955 and variously amended from time to time, most recently in 2017.

The Governing Body

The Charity Trustees of the College are the voting members of the Governing Body, being its President, Professorial Fellows and Official Fellows, appointed by the Governing Body in accordance with the Statutes of the College. The membership of the Governing Body is given on page 3 to 5.

The Governing Body is responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College's Statutes.

Under the College Statutes, the Governing Body has the discretion to form committees to consider and to make recommendations to the Governing Body in accordance with the College's Statutes. The Governing Body also has the discretion to delegate powers to committees. The Governing Body has formed a number of committees, the principal ones being:-

- **Bursarial Committee** – to oversee the financial management of the College in accordance with the College Statutes, under the overall direction of the Governing Body. In accordance with the College Statutes, the Senior Bursar, advised by the Bursarial Committee, is responsible for the financial management of the College, subject to the overall direction of the Governing Body. The Bursarial Committee, without the Bursars, acts as an Audit Committee;
- **Investments Committee** – to keep under continual review the investments of the College, against agreed benchmarks, to recommend [and implement] the investment policy approved by the Governing Body, to maintain consultation with the College's financial advisors;
- **Fellowships Committee** – to consider and advise the Governing Body on the general needs of the College in relation to appointments to Fellowships, in all classes, in accordance with the Statutes of the College;
- **Teaching and Learning Committee** - to review all aspects of College teaching and its relationship to University teaching and to make recommendations accordingly to the Governing Body;
- **Tutorial Committee** – to review and consider general issues pertaining to the welfare of students of the College and to advise the Governing Body on all matters of policy pertaining to student welfare; and
- **Graduate Committee** – to review and consider general issues pertaining to all aspects of being a Graduate student within the College.

These Committees are a key component of the College's system of internal control, which is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the extent and nature of those risks and to manage them efficiently, effectively and economically. These Committees undertake detailed scrutiny of the issues which the Governing Body has placed within their respective remits and this work informs the recommendations each Committee makes to the Governing Body. This process was in place for the year ended 30th June 2023 and up to the date of approval of the financial statements. The Governing Body is responsible for ensuring the effectiveness of the systems of internal control: all the above Committees make regular reports to the Governing Body through the medium of detailed minutes, as well as dedicated reports. During the year, all Governing Body meetings were held in a hybrid format.

The Governing Body's review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Senior College Officers and other College Officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

Induction and Training of Members of the Governing Body

Upon admission to the Fellowship, new members of the Governing Body receive, inter alia:-

- A copy of the College Statutes
- A copy of the most recent Annual Report and Accounts
- A copy of procedures and policies relating to the College
- An up-to-date list of College Officers, Committees and their membership
- A copy of the Charity Commission's guide to the responsibilities of a Charity Trustee (both the full and summary versions)
- A copy of Being a Trustee (the Charity Commission's easy read guidance, which explains the main things that a Trustee needs to know)
- Copies of minutes of previous meetings of the Governing Body and its principal committees
- A declaration of qualifications to be a Trustee (to be signed and held by the College)
- A list of all diary dates relevant to membership of the Governing Body
- Information about the management of conflicts of interest
- The latest circulars from the Charity Commission
- A copy of the latest Corporate Risk Register

Each new member has an induction meeting with the Senior Bursar and the Senior Tutor, prior to attending a meeting of the Governing Body.

Attendance of Trustees at meeting of the Governing Body during the year is given on page 5.

Key Management

As detailed in note 7 to the accounts, the key management personnel are the President, Senior Bursar and Senior Tutor. These Officers have the authority and responsibility for planning, directing and controlling the activities of the College. These Officers, together with the Vice-President, the Senior Fellow, Admissions Tutor, Deputy Senior Tutor, Domestic Bursar, Dean of College, Dean of Chapel, who is also the Head of Welfare, the Financial Tutor, the Development Director and the Chair of the Graduate Committee meet regularly to consider developing operational issues as they arise to assist in formulating the College's response. During the year this group has met approximately fortnightly during Term.

Risk Management

The Governing Body is committed to an ongoing policy of identifying, monitoring and managing the risks that might adversely affect the operations, reputation and general well-being of the College. The Bursarial Committee, chaired by the President, usually reviews at least twice each year the operational, financial, regulatory and legal risks facing the College, (including reviewing the Corporate Risk Register) and reports accordingly to the Governing Body. The Governing Body keeps under review the structures to deal with risk and is satisfied that appropriate structures are in place to identify, manage and mitigate the risks faced by the College.

The principal areas of risk faced by the College, and the measures taken to manage them, have been identified by the Governing Body as follows and are covered in detail in the Corporate Risk Register mentioned above:

- Financial Performance: Risks to income, expenditure or investment performance as a result of external factors, e.g., a health emergency, change to fee regime, economic downturn, poor investment markets, persistently high inflation, a war with global disruption to supply chains and the impact of a health pandemic.

  The College has implemented a robust process of budgeting and forecasting to keep costs associated with the College's core activities under constant review in the light of any changes in funding or other income sources. The College's Investments Committee benefits from the expertise of two external members and aims to maintain a diversified portfolio of investment assets to try to minimise the incidence of correlation between asset classes.

- Academic Staff: Failure to attract and retain high quality academic staff to deliver the College's teaching and other academic needs.

  The College has a strong Fellowship and an ethos of supportive inter-personal relationships within the Fellowship, service from welfare and other support staff and pastoral support arrangements allowing Directors of Study/Supervisors to retain focus on intellectual engagement. The College regularly reviews its stipend structures and benchmarks appropriately within the Collegiate University and is continually monitoring terms and benefits. There is a regular review of teaching needs and engagement in the University Teaching Officer ("UTO") Scheme, where possible.

- Student Admissions: Adverse admissions outcomes in terms of potential, commitment, width of participation and/or compliance failures.

  The College has a transparent process with academic criteria uniformly applied across all fields and University-trained interviewers. The College runs an extensive outreach programme aimed at attracting the strongest candidates regardless of socio-economic background.

- Student Development: Failure to enable students to flourish academically.

  Academic reviews conducted by the students' Directors of Studies, alongside analysis of students' feedback by the Senior Tutor. Academic and pedagogical best practice encouraged by regular review, at the Teaching and Learning Committee. Benchmarking against other Colleges via the Senior Tutor's Committee and direct liaison with both the JCR and MCR Committees, Cambridge University Student Union where necessary. Engagement with the Office for Students as PREVENT regulator.

- Student Welfare and well-being: Risk of failures of student welfare and/or pastoral support leading to mental health, safeguarding or monetary issues for students.

  The College has extensive in-house pastoral and welfare provision together with access to additional external expertise.

- Buildings, Infrastructure, Facilities and Security: Risk of compromised security (including cyber-attack through physical or digital means), poor-quality accommodation and facilities due to lack of timely investment, unanticipated failures in infrastructure, persistently unset needs, or unexpected high building maintenance expenditure.

  The condition of the estate is regularly monitored by the Maintenance Department though a programme of planned preventative maintenance, along with the assessment of maintenance requests and complaints, ensuring a proactive approach to estates management. In addition to this, there is an ongoing maintenance capital program in place addressing the refurbishment and decarbonisation of the buildings. IT and other infrastructure, both physical and digital, undergo regular review and are supported by a continuous investment program, emphasising the importance of business continuity, staff training and awareness in relation to cyber security. Both the Domus Committee and the Bursarial Committee oversee and monitor these activities.

Scope of Financial Statements

The financial statements are a consolidation of the results of Queens' College and its subsidiaries, QC Enterprises Limited and Q College Property Limited, which are both wholly owned by the College. Q College Property Limited has continued to be non-trading during the year. QC Enterprises is the corporate vehicle through which the College undertakes its commercial conference and catering activities, while the College undertakes directly all other accommodation and catering activities. Any financial surplus made by QC Enterprises is donated to the College.

AIMS AND OBJECTIVES OF THE COLLEGE

The College is an institution of higher education. Its purposes are the promotion of study and prayer.

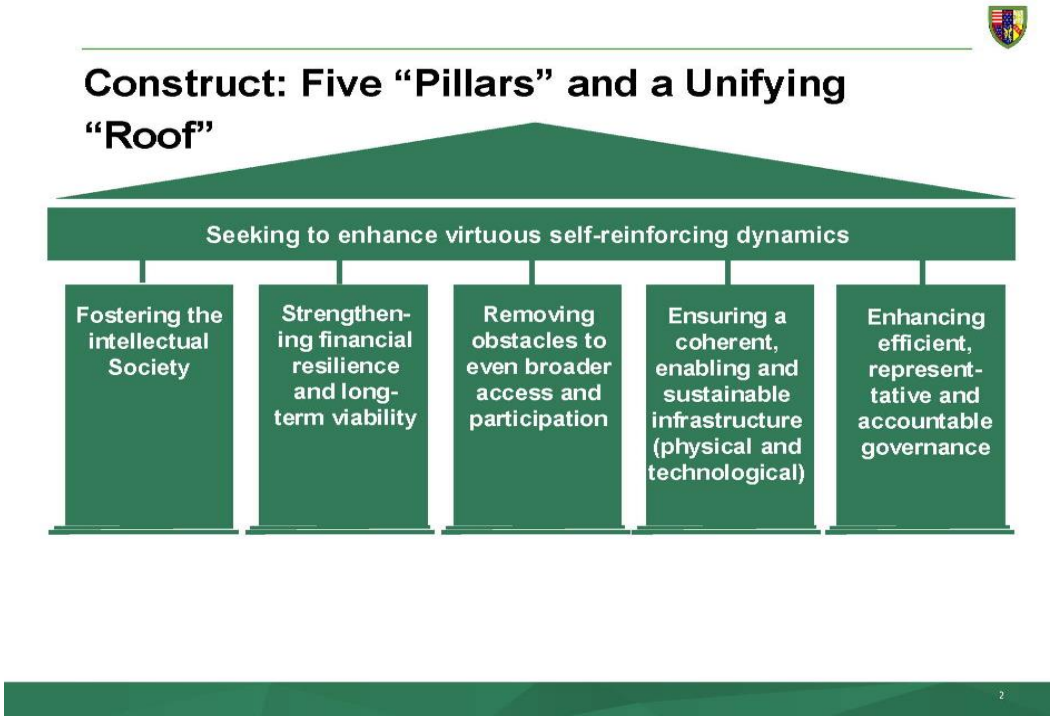
The College has the following aims and objectives:

- to maintain the College's emphasis on the individual in academic and pastoral provision; to deliver an excellent Undergraduate education by safeguarding the provision of small-group teaching through the College-based supervision system; and to achieve and maintain the highest standards in education at both Undergraduate and Postgraduate levels while maintaining welfare support through the dedicated student support team;
- to support a community of Fellows, students and staff, allowing the benefits of a large, internationally renowned University to be realised in a small and close-knit community;
- to promote academic research of the highest quality by Fellows and students; and
- to maintain and enhance the endowments and benefactions, historic buildings and grounds of the College for the benefit of future generations.

Remaining an independent foundation, while forming an integral part of a collegiate university, is fundamental to the College's long-term strategy and well-being. The College endorses the University's mission and core values and agrees that the partnership between the University and the Colleges is central to Cambridge's future development. The College will continue to play an active role in University bodies and in contributing to the formulation of University policy.

In pursuit of its aims and objectives, as well as its charitable objects, the College admits (as junior members) Undergraduate and graduate students matriculated in the University of Cambridge. It provides financial and other support to those of its members who require it in order to achieve its aims and objects and it supports teaching and research in the University. In furtherance of its objects, the College maintains and manages an endowment of property and financial assets. Besides financial and tutorial support, the College also supplies accommodation, catering and other services to its members and others.

The Governing Body has considered how best to support delivery of the College's aims and objectives and has adopted a strategic approach represented by the diagram below.



During the year the College adopted the review of its strategy and strategic imperatives under the "Five Pillars" approach as outlined in last year's Report and Accounts. This is to build on and significantly enhance the College's current position in all aspects of its activities.

The Five Pillars to which approaches have been developed with the diverse participation of Fellows are; 1) Fostering the intellectual society; 2) Strengthening financial resilience and long-term viability; 3) Removing obstacles to even broader access and participation; 4) Ensuring a coherent, enabling, and sustainable infrastructure (both physical and technological); 5) Enhancing efficient, representative and accountable governance. Working parties, comprising members of the Governing Body, were established to undertake detailed work on each of the pillars and consideration was given to the various options available to the College to take matters forward. Each working party held an open meeting via Zoom to discuss the possible options and approached and to which all members of the Governing Body were invited. After consideration at the Governing Body, detailed approaches to each are now in train with a five to ten year time horizon.

The Five Pillars approach reflects the interdependencies within the College's activity and need to ensure they are aligned, coherent and consistent to strengthen the College for the future. They also allow for exploiting synergies and efficiencies.

PUBLIC BENEFIT STATEMENT

In accordance with its Royal Charter of 1448, the College's charitable objects are the promotion of study and prayer through the provision of a College in the University of Cambridge.

The Governing Body has complied with its duty regarding public benefit, showing regard to the Charity Commissions' guidance.

The College provides, in conjunction with the University of Cambridge, an education for some 519 Undergraduate, 451 full-time and 138 part-time Postgraduate students (2021/22: 503, 427 and 133 respectively), which is recognised internationally as being of the highest standard. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial and graduate mentoring systems; and

- social, cultural, musical, recreational, and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

The College additionally advances study through:

- providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;

- supporting research work pursued by its other Fellows through promoting interaction across disciplines, providing facilities and grants for national and international conferences, research trips and research materials;

- encouraging visits from outstanding academics from outside the University of Cambridge; and

- enhancing the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

The College maintains an extensive Library (including important special collections), so providing a valuable resource for students and Fellows of the College, members of other Colleges and the University of Cambridge more widely, as well as external scholars and researchers.

The College carries forward the tradition, continuous since its foundation, of being a place of prayer. In particular, the College:

- Maintains and supports the Chapel as a place of prayer and holds a variety of religious services on weekdays and at weekends during term, which are open to the general public and visitors; and

- Supports, through the College Chaplaincy team, the emotional, mental and spiritual well-being of all members of the College community whatever their faith tradition, or none and provides an Inter-faith Centre in the Cripps Building to facilitate interactions within and between the different faiths within the College community.

The resident members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in study.

However, beneficiaries also include students and academic staff from other Colleges in Cambridge and the University of Cambridge more widely, visiting academics from other higher education institutions and visiting schoolchildren and alumni of the College who have an opportunity to attend educational events at the College or use its academic facilities. The services in the College Chapel are open to the public and are attended by local residents and visitors to Cambridge.

REVIEW OF OPERATIONS

Queens' admits students who have the greatest potential to benefit from the educational environment provided by the College and the University and it recruits academic staff who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background.

Undergraduate student applications are in the table below, showing the level of diversity of students attending Queens'. About one fifth of Undergraduate students are from overseas (including EU) backgrounds:

Applicants in Michaelmas Term 2022

- Number of applicants 894
- Arts 412 or 42%; Science 583 or 58%
- Male 51%, female 49%
- Home 65%; overseas 35%
- Office for Fair Access (OFFA ***) applicants – maintained sector 66.5%; independent sector 33.5%

Offers in 2021

- Number of offers 191 (21.4.% of applicants)
- State educated 69.7%, independent educated 30.3% (of home offers)
- Male 53%, female 47%
- 8 offers made through the pool and 52 of our applicants received offers through the pool

*** OFFA applicants are defined broadly as applicants normally resident within the UK.

The above outcomes are entirely consistent with the College's objectives in respect of admissions.

The College charges the following fees:

- Home Undergraduates are charged a combined University and College fee of £9,250, (2021-2022: £9,250), of which the College share is £4,625 (2021-2022: £4,625);
- Undergraduates from overseas are charged a College fee of £10,152 (2021-2022: £9,885);
- Postgraduates are charged a combined University and College fee which varies according to the course. The total fee income is then allocated across Colleges at an equal average rate per student which for 2022-2023 is £4,767 (2021-2022: £4,472); and
- Accommodation and meals are charged at reasonable rates.

Widening Participation

The College's extensive widening participation programmes help young people from backgrounds which are traditionally under-represented at Cambridge to have the confidence and information to apply to top universities, including Cambridge. We work hard to provide age-relevant information and guidance about higher education and, in particular, to demythologise the application process at Cambridge. Interactions with those in years 12 and 13 target the application process and supports super-curricular discovery. Key stage 4 students receive advice on A level selection and early preparation, while younger pupils are encouraged to think about the benefits of higher education more generally and to broaden their horizons.

We work with teachers and careers advisors to guide them in how our application process works and to identify the qualities that we look for in our students. Our programme includes events for schools and those, such as Open Days, with a focus on individual applicants.

Our Admissions team make visits to schools and colleges across the UK, and host groups in Cambridge. We have particularly deep links with Bradford, Kent and the borough of Havering. We update our events programme regularly and are always looking for ways to enhance our offering and to work effectively with external partners. Our programme typically includes visit days, open days, personal statement and interview workshops and residential events.

We welcome school groups back to Cambridge and our programme of in-person visits to schools has regained pace, as a new team settles in. Among the several ways in which we measure the impact of our outreach work, the growth in applications, and therefore admissions, from schools with which we work closely stands out. Within total admissions and access costs of £0.798 million shown on page 47, £0.256 million was spent on Access and Widening Participation activity in the year. The College continues to regard Widening Participation as an essential activity and will continue to support and enhance it further.

Student Support

The Cambridge colleges collectively provide a bursary scheme for those of limited financial means. In 2022-23, 111 Undergraduates (out of our 449 Home Undergraduates) (2021-2: 115 and 471 respectively) received such bursaries with a total value of £310,315 (2021-2: £338,093). The scheme is approved by the Office for Students and provides benefits at a substantially higher level than the minimum OFS requirement. It is widely advertised on the University website, on the College websites and in the Admissions Prospectus. The College spent £254,307 on additional bursaries, including for post graduate students, in 2022-23 (2021-22: £146,215).

The College also supports all students through a grant scheme open to all to assist with attendance at conferences, and travel grants. In 2022-23 the College spent £125,378 on this scheme (2021-22: £118,039).

In addition to its other programmes, the College operates a hardship scheme for all students in financial hardship. In 2022-23 the College made hardship grants totalling £27,236 (2021-22: £35,233).

Provision of Welfare Support

The Health and Well-being team and Tutors provide specialist and professional care for students of the College. This consists of (although is not restricted to) general pastoral provision, Professional counselling, Cognitive Behavioural Therapy, mental and physical health support, bereavement counselling, eating disorder interventions and a series of programmes to help the move from school to university which brings with it increased independence.

More mental health issues are reported in today's culture. This may be due to the problem increasing, including due to the aftermath of the Covid pandemic, the reduced stigma in articulating problems, feelings and medical conditions, and a raised expectation that institutions have a responsibility to act and support its members with the conditions they have. Welfare provision that individual Colleges provide are widely compared by students and applicants and is seen as a key indicator of the "student experience".

Students from disadvantaged backgrounds may have additional concerns or issues that require support. Welfare, in this way, is part of the Colleges commitment to increase access for all.

The Health and Well-being team works alongside the Tutors of the College in providing pastoral support to students. Overall responsibility for this activity rests with the Senior Tutor, however the day-to-day management is devolved to the Head of Welfare (operationally) and the Head of Academic and Tutorial Services (administratively).

The Head of Health and Well-being also acts as the College Safeguarding Officer, one of the Harassment and Assault Officers, Police Liaison Officer and Deputy Head of Prevent and Dean of Chapel.

At present (in addition to the above roles) the College employs a part time Clinical Lead (also one of the Harassment and Assault Officers), a part time Mental Health Nurse/Welfare Officer/CBT Counsellor, a part time Counsellor/Coach, and a Chaplain (part of whose job involves providing pastoral support to the wider College community). There is also a third Harassment and Assault Officer who can be used in complex cases.

Where more specialist treatment is needed this is organised with professionals on a contracted basis by the Health and Well-being team. This, in the past, has included Psychiatric Services, Psychological practitioners, Scientific Coaching, Essay writing guidance, physical trainers, legal advice and physiotherapists.

Academic Staff

To fulfil its charitable purposes, the College employs College Lecturers, Tutors, Clergy and senior academic and administrative officers. These posts are qualifying offices under the College Statutes. The appointment of Fellows is a result of their employment in a qualifying office which office is undertaken with the intention of furthering the College's aims and their employment directly contributes to the fulfilment of those aims. The private benefit accruing to the President and Fellows occurs solely through their employment in a relevant qualifying office by means of salaries, stipends and employment related benefits and is objectively reasonable, measured against academic stipends generally; moreover, annual pay increases normally follow national settlements applying to the university sector, as implemented by the University of Cambridge. Without the employment through qualifying offices of Fellows, the College could not fulfil its charitable aims as a College in the University of Cambridge.

The President and Fellows of the College also receive benefits as beneficiaries. These comprise research grants, conference grants, book grants etc. These benefits are provided with the intention of furthering the College's aims. The amounts of the benefits provided are objectively reasonable, measured against the academic benefits made available to other beneficiaries of the College.

Academic Performance

While all of our students took examinations and assessments of various sorts through the past academic year, the impact of the University and College Union Marking and Assessment boycott means that it is

impossible to assess how our students performed either in relative or absolute terms with any confidence at the time of writing

Capital Expenditure, Maintenance and Environmental Management

The ever-challenging economic backdrop left by the pandemic and high levels of inflation have challenged both external revenue streams and procurement. The College has continued to work within sensible financial constraints, focusing maintenance and project activity on safety related and business critical repairs, whilst continuing to progress plans capital projects to decarbonise the estate.

The wonderful donation of £1.25m from one of our Alumni towards works specifically related to Cripps Court, has meant the Cripps Hall Lantern, the beautiful vaulted-ceiling and external light source to the Hall, has been carefully refurbished. The works included installing an ambitious scaffold from Cripps Court, up and over the Armitage Room, and onto the Cripps Hall roof. The scaffold was also suspended within the Hall, to allow the Hall to remain operational. New glazing with remote window shutters were installed alongside new energy reducing LED lights. A final external access ladder will be installed during November 2023.

In the President's Lodge, the cloakroom area has been refurbished and expanded, and the final dormer windows on the rear of the Lodge have been repaired and insulated.

The Housekeeping and Maintenance Departments have continued their ambitious refurbishment project of the external properties on Panton Street and in Newnham, replacing kitchens, bathrooms, fitted furniture and fixings, bringing the accommodation up to modern standards. The final stage will be Norwich Street and Maids Causeway planned for the summer of 2023.

To transition towards Net Zero Carbon by 2045 a masterplan has been developed from the site wide energy assessment and estate decarbonisation study completed in 2022. The financial planning is still in the early stages, but the initial studies indicate the decarbonisation and refurbishment demands over the next 20-30 years will require considerable investment of up to £150m.

Several major projects have been identified, including the complete refurbishment of the Erasmus building. Throughout the last year, a detail design has been developed and we are currently awaiting feedback on the planning application. The Erasmus roof will be utilised to discretely house air source heat pumps, and it is estimated, that this area of heat generation will be sufficient to feed Erasmus, Friars and Dokett buildings. Funding this work will be challenging (circa £8.6m) and the College is seeking low carbon government grants. It is hoped this project can start in 2024/25.

Sadly, the Owlstone Croft masterplan was refused planning permission in January 2023. This followed a protracted planning review process which gained the full support of the City Council Planning Officers, but despite being put forward as recommend for approval, the local Councillors refused the application.

The fundamental objective for this project, is to create a community and homes for our Postgraduate students at Owlstone Croft. The homes would be supported by inspirational study and community space and enhance the existing Owlstone Croft site meeting our educational needs and accommodation objectives. The plans also included degassing the existing buildings and enhancing the biodiversity of the site by over 50%, with new trees and native hedgerow and a wetland meadow.

Following the refusal, the College has launched an appeal, and sought a public inquiry over the summer of 2023. The public inquiry is due to commence on 26th September 2023.

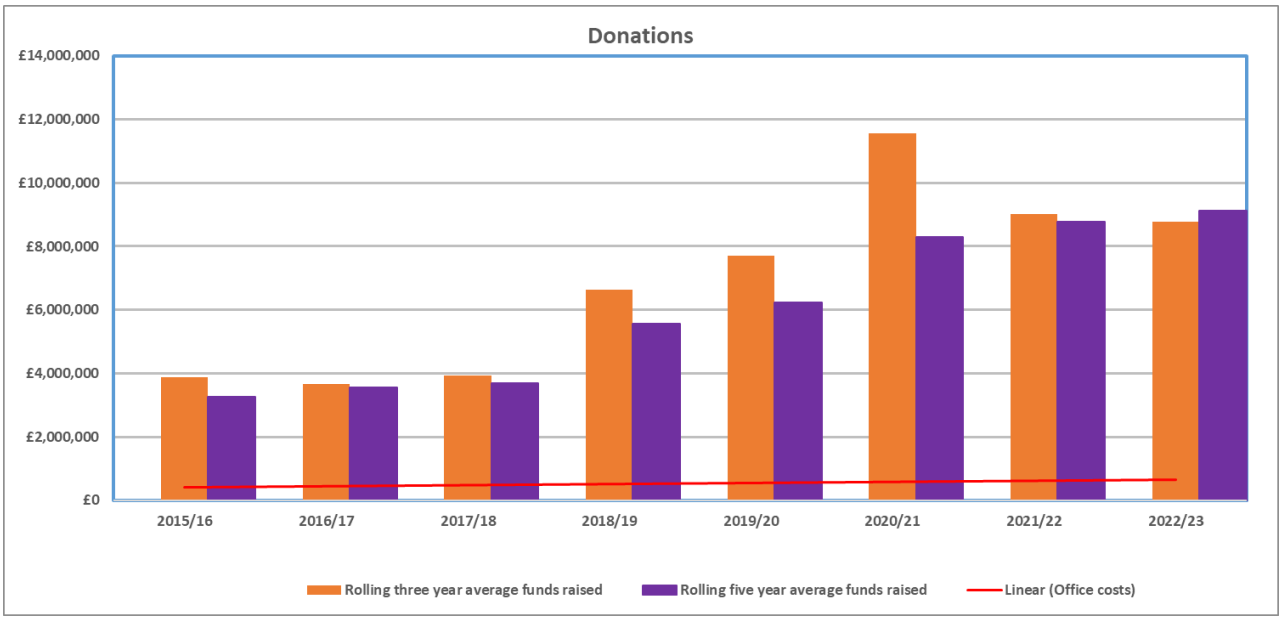
On a more positive note, the College was successful in securing a new property on Grange Road. The house and grounds were previously owned by the Margaret Beaufort Institute of Theology and provide over 30 bedspaces, study and work rooms. This is a strategically important addition to the College estate.

This purchase will enable the College to better manage future refurbishment and sustainability projects elsewhere, including at Owlstone Croft and Erasmus, both of which will result in disruptions to student accommodation over the next 10-15 years. With Grange Road, this means that the College will no longer need to seek alternative external accommodation solutions for students, when tackling large scale developments and refurbishments.

Donations and Fundraising

The College's fundraising efforts are primarily directed at raising money from our alumni. Our fundraising approach ensures that we understand and respect individual preferences for contact in relation to approaches seeking support, as well as more generally. Key objectives for the College include teaching, particularly endowing Fellowships, research, student support, widening participation as well as enhancing the endowment. The College is very grateful to those of its alumni and others who continue to support it so generously and enhanced their support as the College responded to the impact of the Covid-19 pandemic. In 2022/2023 the College received unrestricted donations totalling £2,406,000, new expendable restricted funds £2,186,000, and new endowments totalling £1,072,000, giving a total of £5,664,000 (£5.84 million 2021/2022) in support of its objectives.

The cost of the Alumni and Development Office (ADO), a College department, for the year was £720,261 compared to £579,491 in 2021/2022. The ADO costs include both fundraising and alumni relations activity, such as reunions and other events and publications. This year there have been some 'in person' events held and costs have been stable. As the amount received can vary significantly from year to year, the chart below details the three and five-year rolling average of donations received, as well as the annual cost of the ADO.



All fundraising is carried out by the ADO, which reports detailed quarterly results to the Bursarial Committee and a summary report to the Governing Body. The College is registered with the Fundraising Regulator and was not the subject of any complaints to that body in 2022/2023, nor did the College receive

complaints about its fundraising activities from any other source. The College does not seek support from the public and takes active steps to respect the needs of any potential supporter who may be in a vulnerable circumstance or require additional care and support to make an informed decision.

Data handling

The College continues to monitor its data handling, reporting and Data Protection Statement in accordance with the UK GDPR requirements.

Equal Opportunities

The College is committed to the principle and practice of equal opportunities and strives to be an equal opportunities employer.

Residual Impact of the Covid-19 Pandemic on the College's Operations

The Covid-19 pandemic had a profound impact on the College's operations, both academic and non-academic, and this impact has continued to an extent during the current year, especially in respect of external revenues.

In this year the academic side of the College's activities were restored to a normal level of activity similar to that which prevailed prior to the Covid pandemic. All academic expenditure was restored, some areas such as travel grants for students enhanced, and in all respects the students received the normal experience of the academic and social life Cambridge has to offer.

As reported in last year's accounts, the College faced a secular change in its operating environment with there being no demand during the pandemic for conferences and catering events. This forced us to restructure the operational departments, with teams cross-working and a complete change to how we work and a review of our processes. We continue to review the way in which the College operational teams operate to ensure we continue to learn lessons and seek further improvements. The staff have responded well to the challenges the College continues to face. The operational teams have performed well and cohesively throughout 2022/23, strengthened our effectiveness and ensuring we have strong foundation for further recovery in 2023/24.

There was some recovery in the number of conference and external catering events during the current year, but with an activity and revenue level far below that achieved prior to the onset of the pandemic. It will take time, effort, and a willingness throughout the College community to see further improvements in the revenues generated. The financial impact of this is covered in the financial review below.

FINANCIAL REVIEW

In common with other organisations, the financial year to 30 June 2023 has been a particularly challenging one in highly uncertain economic circumstances. The continuing after effects of the Covid-19 pandemic, together with the war in Ukraine, and high inflation have greatly affected the College. The College has continued to pursue its principal goals of providing a first class educational and research environment to Undergraduates, Postgraduates, and Fellows alike, whilst striving to live within its means and manage the challenges and uncertainties presented by the pandemic.

Financial Results

Consolidated Income and Expenditure Account

The College recorded an Unrestricted Deficit of £1,627,000 (2021/2022: -£944,000), after unrestricted donations of £2,406,000 (2021/22: £3,145,000), a Restricted Surplus of £2,022,000, (2021/22: £1,316,000) after restricted donations which mainly relate to supporting our education activities of £2,186,000 (2021/22: £1,316,000). The overall surplus, before other gains and losses, is £573,000 (2021/22: £1,754,000).

Year ended 30th June	2023 £m	2022 £m	2021 £m	2020 £m	2019 £m
Unrestricted Income	15.60	14.00	11.69	11.93	13.95
Unrestricted Expenditure	17.23	14.94	13.21	13.81	14.66
(Deficit) Surplus	(1.63)	(0.94)	(1.52)	(1.88)	(0.71)
Restricted Surplus (Deficit)	2.02	1.31	8.51	3.36	2.49
Endowments Surplus (Deficit)	0.18	1.38	4.44	2.46	7.90
Total Surplus (Deficit) before Other Gains and Losses	0.57	1.74	11.43	3.94	9.68

The lower level of surplus for the "Endowment" column (£178,000) largely reflects a combination of the Endowment expenditure on education and the difference between the investment income received in the year and the drawdown under the College's total return methodology. This is covered further below.

The Unrestricted Deficit of £1,627,000 is realised after charging depreciation of £2,772,000 (2021/2022: £2,434,000). Adding back the depreciation charge and other non-cash items in the Income and Expenditure account, such as pension deficit provisions and any underspend on Restricted Funds, is a reasonable proxy for the cash the College has generated.

This year the College shows as part of its Comprehensive Income and Expenditure account other gains and losses relating to investments assets: there is a gain of £2,977,000 (2021/2022: £932,000 loss) and a decrease in pension liabilities of £466,000 (2021/2022: £6,107,000 liability decrease), and an unrealised gain on revaluation of fixed assets of £446,000 (2021/22: nil). The total surplus is £4,461,000 (2021/2022: £6,930,000 surplus).

There are several matters to draw to your attention:

- The continuing difficult operating environment is covered under the Scenario Planning section below;
- This year the College adopted a Total Return Approach to Investment income which will act as a smoothing mechanism and reduce the volatility of investment income from which the College has historically suffered. As described above, the drawdown is calculated by reference to a weighted average of the investment assets over a five-year period, with a one year time lag for the amount of drawdown. The weighted investment assets used in this year's Accounts is for the five-year period to 30th June 2021. The drawdown is set at a rate of 3%;
- The Unrestricted Deficit on the Education Account was £2,758,000 (2021/2022: £2,514,000 deficit);
- The College has restored all the Education expenditure, and in many cases enhanced it, which was curtailed during the pandemic;
- Academic fees in respect of Home Undergraduate students have not changed since 2018 so are declining in real terms. It is unlikely that such fees will rise in the foreseeable future and so we might reasonably expect the Education deficit to continue to rise;
- The Unrestricted Deficit on the Education Account, is some £529,000 greater than the unrestricted investment income, or some 1.24 times greater, (2021/2022: 1.86 times);
- This effectively means over recent years all the investment income has been devoted to the education of current students;
- The College's accommodation, conference and catering activities showed a deficit of £2,223,000 (2021/2022: £2,070,000 deficit). This area was the most affected by the pandemic as discussed below;
- The external revenue from conference and catering during the year is recovering from the disruption caused by the pandemic but remains below the level of income enjoyed before the pandemic's onset, and this has continued to affect the College adversely;
- The College has few levers available to it when inflation is high as costs will rise but the revenue streams which the College has the ability to increase in a similar way are very limited, and this is evident in the results.

Funding of the College

Queens' College is funded from several sources as follows:

Year ended 30th June	2023	2022	2021	2020	2019
Academic Fees	24.9%	26.3%	19.8%	24.5%	21.5%
College Accommodation	20.3%	21.3%	11.0%	15.5%	20.6%
College Catering	5.8%	4.5%	0.8%	4.4%	5.7%
Conference Activities (including Catering)	6.6%	2.4%	0.0%	8.1%	9.3%
Investment Income	17.1%	18.6%	13.7%	21.9%	11.7%
Donations	24.5%	26.0%	52.8%	22.5%	29.9%
Other	0.8%	0.9%	2.9%	3.1%	1.3%

The above table excludes new endowments from the calculations. Future income from the new endowments will appear as Investment Income. This year Restricted Donations have been included in the table. All prior years have been re-calculated accordingly.

Continuing Impact of Covid-19 on Financial Results

There has been a continuing effect of the Covid pandemic on the College's results for this financial year is principally on the income side and particularly in respect of accommodation, catering, and conference revenues. The recovery has continued from the historic lows of 2021, with total revenues from these activities of £6,141,000 (2021/22: £4,852,000). Revenues are close to, but still below, those achieved in 2019.

This year all the academic activities of the College were fully restored and there was a greater level of activity for conferences and catering events. The disruption to labour markets and supply chains with a high inflation rate is affecting the College. A persistent high inflation environment will be particularly challenging for all organisations, such as the College, with a relatively fixed cost base and limited opportunities to increase revenues. This may continue for some time.

Balance Sheet

The net tangible assets of the College stood at £154.44 million compared to £149.98 million in 2022. The increase is caused by the rise in investment assets' capital values and a 15.9% fall in the pension liability under FRS 102.

There was no increase in the level of debt issued by the College. The gearing ratio is 14.9% compared to 15.3% last year. The change in gearing ratio is solely a function of the change in net tangible assets.

Main Endowment and Investment Assets

The College, as a long-term investor, has a medium risk appetite for the management of its investments. Risk parameters are agreed with the College's Fund Managers and the Managers are required to have due regard to a company's environmental, social and governance record when investing. The College does not hold any fossil fuel investments in direct holdings or funds in which it controls the investment. The College, is a beneficiary of a trust where the holdings are managed by the University as trustee and so the College does not control that investment or the policy applied to it.

The market value of the main Endowment and Investment Assets at 30th June 2023 stood at £129.50 million (2021/2022: £136.27 million). This figure includes £7.31 million of cash donations and other monies for operational property investment and other restricted expendable donations of £2.52 million; when this is excluded the investment assets stand at £119.67 million (2021/22: £115.31 million). The College has now deployed fully the proceeds from its £15 million private placement in new operational assets (2021/22: £8.98 million unutilised).

Year ended 30th June	**2023 £mn**	**2022 £mn**	**2021 £mn**	**2020 £mn**	**2019 £mn**
Closing position previous years Endowment & Investment Assets	115.31	112.01	93.32	91.23	89.46
New Endowments & unspent Endowment Income from previous year invested	1.38	4.51	4.11	11.59	1.62
Opening Position	116.69	116.52	97.43	102.82	91.08
Closing Position Endowment & Investment Assets	119.67	115.31	112.01	93.23	91.23
Investment Income Received	3.21	3.20	2.92	3.68	2.04
Gains (Losses)	2.98	(0.93)	14.42	(9.50)	0.15
Total Return	6.19	2.27	17.34	(5.82)	2.19

The portfolio was invested in Global Equities, including Carbon Free holdings, (35%), residential property and agricultural estates (27%), cash (2%), UK gilts (6%), Multi-Asset Funds which have a significant exposure to quoted equities, including holdings in the Cambridge University Endowment Fund, (16%) and the balance in the recognised alternative asset class of private equity. It should be noted that the private equity investments are shown at managers' estimated value on a "marked to market" basis.

During the year the College has continued to increase its holding in ESG funds and has invested in key themes for the future, including clean energy, healthcare, automation, and digital intelligence. It will continue to rebalance the portfolio in future years away from purely geographic allocations to "thematics" with a long-term horizon. It should be noted that with the College's stance on fossil fuel, the returns the College receives at times when there is a significant market shock leading to higher oil and gas prices will be lower than those achieved by other investors with such holdings. The College is aware of this but as a long-term investor it accepts these short-term impacts will occur without invalidating the College approach.

The College now undertakes an ESG analysis of its quoted holdings representing 50% of its total portfolio, relying on data provided by Morningstar and Sustainalytics, as a means of tracking the effectiveness of its investment policies regarding ESG. At the year end, this part of the portfolio had a sustainability rating of

4.3 out of a possible 5.0 (2021/22: 3.8 out of a possible 5.0). This type of analysis is still evolving, and the College will continue to address this issue over time and seek improvements. In due course, it will apply this analysis to all its non-property holdings.

The College's direct investment property assets have been re-valued during the year.

The total recorded return on the investment assets in the year was 5.3% (2021/2022: 1.95%). The Total Return policy of the College has been described above.

The College takes a long-term view of the investment portfolio and attempts to protect its value in real terms and, as a result, to strike an equitable balance between the interests of the present members of the College and future generations. Any new donations or bequests received during the year are added to Unrestricted Funds, unless the donor has made it clear that the funds are to be spent on a particular project.

Future Capital Projects

In 2023/2024 the College will continue with capital expenditure which is deemed to be critical for the maintenance of the estate and investment for the future.

Long Term Debt Issue

The significant projects in 2014 and 2015 were funded, as previously reported, using the proceeds of an unsecured long-term debt issue in which the College participated with 18 other Colleges. The College's share of the issue was £8 million, with an average life of 34 years, at an effective rate of 4.42% per annum fixed for the duration of the loan. Although issued through a funding vehicle, the College has no responsibility for the obligations of any other of the issuing Colleges. This issue was a good example of the Cambridge Colleges working well together for a common purpose.

In January 2018, the College raised a further £15 million through a private placement. This is unsecured, at a fixed rate of interest of 2.62% per annum with repayment in one amount after 40 years. This fixed rate funding will be used to invest in further operational assets for the College to house more of its Postgraduate students and to eradicate some historic anomalies in the provision of Undergraduate accommodation. Originally raised to finance a joint venture with the University, from which the University withdrew, the College has utilised the remaining undeployed balance of the issue (£9,840,000) to acquire revenue generating operational properties within the City of Cambridge.

The issued debt has a gearing covenant (maximum 50% of net tangible assets) and a negative pledge. The College is comfortably within its covenants. This debt appears as a long-term liability on the balance sheet.

The College, as a perpetual institution, must plan effectively for repayment of the three issues of long-term debt. To this end the College had a plan to purchase almost matching gilt issues for the various maturity dates of the different tranches. These gilts are to be held to maturity in the investment portfolio and will be used to affect the repayment. The disruption to the Gilts market in September and October 2022, where the price of the relevant gilts fell significantly, provided an opportunity to purchase gilts at sensible prices in furtherance of this strategy. The total nominal value of the gilts held by the College represents 45% of the debt issued as at 30th June 2023.

Post the year-end further purchases of the longest dated gilt (1.75% 2057) were made as there was a fall in the price of the relevant gilt and the nominal of gilts held for this purpose now stands at 64% of the total issued debt.

Pension Funds

The College participates in two pension schemes detailed below.

The College's academic staff are members of the Universities Superannuation Scheme and the issues and challenges facing this Scheme, and the College's staff who are members of it, have been well publicised. The effect of the FRS102 adjustment in respect of this Scheme, following completion of the latest valuations, in the Income and Expenditure Account this year is a debit of £10,000 (2021/2022: £631,000 debit).

The Cambridge Colleges Federated Pension Scheme (CCFPS), a pension scheme exclusively for non-academic staff, has its full liability recorded in the balance sheet under FRS102. The deficit shown this year has declined by £466,000 (2021/2022: £6,107,000 reduction). The decrease in the deficit is driven principally by a higher discount rate used to calculate the present value of the scheme's liabilities. There is also a positive impact in the staff costs shown in the Income and Expenditure account of £299,000 (2020/2021: -£374,000) arising from FRS102. The College is currently reducing its pension liability under the scheme with additional contributions over an eleven-year period.

The effect of the above changes in respect of both Schemes is a positive balance sheet movement of £0.76 million (2021/2022: £5.10 million positive).

Reserves Policy

The Governing Body, in approving these accounts, has adopted the reserves policy and target reserves as detailed below.

The reserves policy ensures that the College has sufficient financial resources to continue, but also constrains the extent to which reserves are built up from operating surpluses to help maintain intergenerational equity and balance the needs of current and future students.

Free reserves represent the unrestricted general funds of the College. The calculation involves analysis of the composition of the total reserves shown in the Balance Sheet, after adding back any provisions for pension liabilities. The following categories are excluded: Special Trust Funds, permanent restricted endowment, restricted funds and fixed and heritage assets. Net free reserves are after deducting the provision for pension liabilities.

Total Reserves	**2023 £mn**	**2022 £mn**	**2021 £mn**	**2020 £mn**	**2019 £mn**
Total Reserves (including Pension Provision)	158.5	154.7	152.9	127.2	132.7
Less: Restricted Reserves	97.4	93.2	91.2	69.8	69.3
Less: Fixed & Heritage Assets	50.3	40.9	39.5	38.0	38.3
Free Reserves	10.8	20.6	22.2	19.4	25.1
Less: Pension Provision	4.0	4.8	9.9	11.3	9.2
Net Free Reserves	6.8	15.8	12.3	8.1	15.9

The College's target reserves are as follows:

Reserve	Target Reserve	Rationale
Contingency Income & Expenditure	£8.99 million	Contingency to cover extreme/unexpected shortfall in income or additional extreme/unexpected expenditure – equivalent to 18 months accommodation conference and catering income being the average of the last three non-pandemic years
Emergency Building Repair Contingency	£2.52 million	To fund unexpected urgent repairs to buildings in the estate e.g. roof failures, etc. equivalent to 5% of buildings as fixed assets
Total	£11.51 million	

As of 30th June 2023, the College's free reserves were £6.8 million (2021/22 £15.8 million) compared with a target reserve of £11.51 million (2021/22: £10.75 million). The movement is almost entirely due to the acquisition of the significant additional operational property in Cambridge increasing the value of operational properties in the balance sheet, together with the increase in restricted reserves while unrestricted reserves were stable.

The significant factor which will affect future reserves is the continuing aftermath of the pandemic, the war in Ukraine, the disruptions caused to supply chains, rising interest rates, and the prevailing high inflationary environment, particularly in respect of its operations and the financial and other markets in which the College has invested. This level of reserves, while below the target, enables the College to consider carefully and react appropriately in the event of further, unforeseen extreme circumstances or a significant prolongation of the economic volatility.

The College is focusing on maximising unrestricted income and unrestricted donations, managing costs, effective use of restrictive income from Special Trust Funds, permanent restricted endowment and other restricted funds, and investing in the endowment and investment assets in order to recover from the impact of the last three years and rebuild and enhance its free reserves.

The College needs to maintain and enhance its unrestricted reserves as it is one of the measures of its relative financial strength in terms of its pension obligations as well as for its external funders. The Governing Body will keep the reserves policy under review and consider the need for further specific reserves from time to time as circumstances change.

Scenario Planning

With the advent of the Covid 19 pandemic, the college introduced a four-year scenario planning exercise. This continues to be used and is now an integral part of the College's approach to managing its financial and other risks.

The Governing Body has considered carefully the possible continuing impact of the aftermath of the Covid-19, the high inflation environment and the possible disruptions to supply from the war in Ukraine and other

factors, both international and domestic, on the College's finances in the new financial year and beyond. At meetings in June 2023, it considered a base case scenario of normal academic activities and a continuing, gradual recovery in external revenue from conference and catering activity with inflation of 8% for this year and then returning to c3% over the period. The College being able to adjust its charges only partially in the early years to meet the change in inflation together with a reduced initial level in donations with a steady improvement thereafter. Investment income rising slowly from the distribution under Total Return policy.

The base case scenario was over a four-year time horizon and showed the College being able to maintain cash generation and return to a surplus over the period. The Governing Body also considered two downside sensitivity analyses, with the severe case assuming significantly higher inflation for longer with limited ability to maintain charges in real terms and a decline in both investment and donation income. The Governing Body also considered the College's holdings of cash and other liquid assets.

The budget for the new financial year was adopted based on the base case scenario.

Going Concern and Viability

The Governing Body has assessed the viability of the College and its subsidiaries over the duration of the four-year scenario planning exercise. The Governing Body considered and approved the detailed budget for the forthcoming year, and the actions required by it, as part of the review and have concluded there is a reasonable expectation that there are adequate resources, including the strength to operate and meet the liabilities of the College as they fall due, over the period of the assessment and for the foreseeable future.

Principal Risks and Uncertainties

The principal risks and uncertainties that the College faces in the forthcoming year may be briefly summarised:

- Sustained high inflation with the College having limited room for manoeuvre in respect of addressing its impact in mitigating a widening deficit. Such an environment may also adversely affect both investment markets and possibly pension obligations;

- The ongoing aftermath of world events, including the recent pandemic and the war in Ukraine, rising interest rates, and consequential global economic uncertainties, may have a significant effect on the College's revenue streams and on the markets in which the College invests. It is possible that capital values will be highly volatile and investment income may be adversely affected. Investment capital losses would affect adversely the College's level of free reserves;

- A similar "off model" event to the pandemic, leading to the suspension of the College's usual activities. The college has a specific reserve for this eventuality;

- Unforeseen events disrupt the College's education and other activities such as to prevent the College from operating;

Although the College has a long-term programme of building renewal and improvement, it is always possible with buildings of the age of the College's estate that there will be unexpected issues that may arise.

The College keeps under review the conditions of the fabric to identify further issues and enable them to be addressed on a timely basis. The College has also

- maintained a detailed remedial programme of works on the buildings in the estate. There is a specific reserve for this matter;

- The volatility in investment markets could be one of the factors that may give rise to a deterioration in the pension liability and a consequential adverse impact on the College's free reserves;

- The continuing failure of academic fees to keep up with the rise in academic costs, as well as the inevitable uncertainties with a potential significant change to the funding of Universities in England, mean that the funding and costs associated with the College's core activity will need to be kept under constant review**.**

Future Plans

As part of the "Five Pillars" review, the College will also continue to develop plans for raising funds, including to enhance significantly the College's endowment to enable it to continue achieving its objectives. Currently, the College focuses principally on raising permanent capital funds for fellowships and teaching and funds to augment further support for students the core activity of the College, and unrestricted funds, so the College may continue to invest in the future and strengthen its financial position.

The College is looking to enhance both the resilience and agility of its operating practices, including by being able to deploy staff resources where there is greatest need and maximising the flexibility of our response as circumstances change.

Conclusion

The College's financial position remains challenging and by no means comfortable; there is a great deal to be done to secure properly the long-term future of the College especially for the continued provision of teaching and research excellence, providing for Postgraduate students and refurbishing and enhancing the historic and other operational buildings.

The College will endeavour to work as efficiently as possible and maintain its resilience within the context of being an academic community. The College will regularly review its position as circumstances unfold, against its projections and its scenario planning model, to ensure it responds appropriately, proportionately and on a timely basis to the situation in which it may find itself. Our Base Case Scenario over the next few years is a return to generating cash and achieving an operating surplus.

In the medium term, the College would hope to increase its endowment from all sources by at least £100 million to £150 million from its current position. The College will also continue to control costs and manage resources to best effect to support its principal objective of providing a first-class education. It is not at all certain that academic fees will be increased adequately to meet the full costs of educating our Undergraduates and, indeed, there is a possibility they may be reduced. The College needs to plan and act accordingly.

There is no doubt that the very challenging environment in which the College has operated in the last year will continue for the foreseeable future as the uncertainties it faces evolve and develop. The College will strive to use its resources wisely and efficiently in these difficult circumstances.

On behalf of the Governing Body

Dr M A El-Erian
President

Mr J Spence
Senior Bursar

The Governing Body is responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards.

The Bursarial Committee has day to day responsibility, under the overall direction of the Governing Body, for ensuring that there is an effective system of internal control and that accounting records are properly kept in accordance with the College's Statutes. It is required to present audited financial statements for each financial year, prepared in accordance with the Statutes of the University, for approval by the Governing Body which give a true and fair view of the state of affairs of the College and of the surplus or deficit of the College for that period.

In preparing these financial statements, the Governing Body is required to:

- select suitable accounting policies and then apply these consistently;
- make judgements 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.

The Governing Body is satisfied that the College has adequate resources to continue in operation for the foreseeable future. The financial statements are accordingly prepared on a going concern basis.

The Governing Body has taken reasonable steps to ensure that there are appropriate financial and management controls in place to achieve policy, aims and objectives and to safeguard the assets of the College and prevent and detect fraud and other irregularities.

Any system of internal control, however, is designed to manage rather than eliminate risk and can only provide reasonable, not absolute, assurance against failure to achieve policy aims and objectives and material misstatement or loss.

The Governing Body is responsible for the maintenance and integrity of the corporate and financial information included on the College's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

QUEENS' COLLEGE, CAMBRIDGE

INDEPENDENT AUDITORS' REPORT TO THE GOVERNING BODY

FOR THE YEAR ENDED 30th JUNE 2023

Opinion

We have audited the financial statements of Queens' College (the 'College) and its subsidiaries (the 'Group') for the year ended 30 June 2022 which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement 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 College's affairs as at 30 June 2022 and of its incoming resources and application of resources 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 and the Statutes of the University of Cambridge.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Governing Body are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of 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.

Opinion on other matters prescribed by the Statutes of the University of Cambridge

In our opinion based on the work undertaken in the course of the audit:

- The contribution due from the College to the University has been computed as advised in the provisional assessment by the University of Cambridge and in accordance with the provisions of Statute G,II, of the University of Cambridge.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and College and its environment obtained in the course of the audit, we have not identified material misstatements in the Review of Operations and Financial Review.

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:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 28, the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Body 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 Governing Body are responsible for assessing the Group's and College'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 Group or the College or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Group through discussions with Trustees and other management, and from our knowledge and experience of the education sector;
- we obtained an understanding of the legal and regulatory framework applicable to the Group and how the Group is complying with that framework;
- we obtained an understanding of the Group's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the Group. The Laws and regulations we considered in this context were Charities Act 2011 , the Statutes of the University of Cambridge and taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items;
- in addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's and College's ability to operate or to avoid material penalty; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policy were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the College's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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/auditorsresponsibilties. This description forms part of our auditors' report.

Use of our report

This report is made solely to the College's Governing Body as a body, in accordance with College's statutes, the Statutes of the University of Cambridge and the Charities Act 2011. Our work has been undertaken so that we might state to the Governing Body those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the College's Governing Body as a body, for our audit work, for this report, or for the opinions we have formed.

Peters Elworthy & Moore

PETERS ELWORTHY & MOORE
Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA
Date: 6 October 2023

Peters Elworthy & Moore is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge and applicable United Kingdom accounting standards. In addition, the financial statements comply with the Statement of Recommended Practice: Accounting for Further and Higher Education (the SORP).

The Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate that all fee income is spent for educational purposes. The analysis required by the SORP is set out in note 6.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified in respect of the treatment of investments which are included at valuation.

Basis of consolidation

The consolidated financial statements include the College and its subsidiary undertakings. Details of the subsidiary undertakings included are set out in note 16. Intra-group balances are eliminated on consolidation.

A separate balance sheet and related notes for the College are not included in the accounts because the College's subsidiary company is a conference and banqueting trading company which donates its profits to the College each year. The balance sheet for the College alone would not be materially different to the one included in the accounts.

Recognition of income

Academic fees
Academic fees are recognised in the period to which they relate and include all fees chargeable to students or their sponsors.

Grant income
Grants received from non-government sources (including research grants from non-government sources) are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance related conditions have been met.

Income received in advance of performance related conditions is deferred on the balance sheet and released to the Consolidated Statement of Comprehensive Income and Expenditure in line with such conditions being met.

Donations and endowments
Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income. Income is retained within restricted reserves until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

Donations and endowments (continued)

There are four main types of donations and endowments with restrictions:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the College.
3. Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Donations with no restrictions are recorded within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

Investment income and change in value of investment assets
Investment income and change in value of investment assets is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

Other income
Income is received from a range of activities including accommodation, catering conferences, job retention scheme grant income and other services rendered.

Cambridge Bursary Scheme
In 2022-2023, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). As a consequence, Cambridge University reimbursed the SLC for the full amount and each College paid their portion (based on their own eligible students) to the University.

The net payment of £203,457 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£106,858
Expenditure	£310,315

Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates or, where there are forward foreign exchange contract, at contract rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Fixed assets

Land and buildings
Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the College.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over their expected useful economic lives of 25-50 years.

Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred. They are not depreciated until they are brought into use.

The cost of additions to operational property shown in the balance sheet includes the cost of land. All other assets are capitalised and depreciated over their expected useful life as follows:

Furniture and fittings	10% per annum
Motor vehicles and general equipment	20% per annum
Computer equipment	33.33% per annum

Heritage assets
The College holds and conserves a number of collections, exhibits, artefacts and other assets of historical, artistic or scientific importance. Heritage assets acquired before 1st July 1999 have not been capitalised since reliable estimates of cost or value are not available on a cost-benefit basis. Acquisitions since 1 July 1999 have been capitalised at cost or, in the case of donated assets, at expert valuation on receipt. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

Investments

Fixed asset investments are included in the balance sheet at fair value, except for investments in subsidiary undertakings which are stated in the College's balance sheet at cost and eliminated on consolidation.

Stocks

Stocks are stated at the lower of cost and net realisable value after making provision for slow moving and obsolete items.

Provisions

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities and assets

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events, not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the College a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College.

Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes.

Financial instruments

The College has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement, and disclosure of financial instruments. Financial assets and liabilities are recognised when the College becomes party to the contractual provision of the instrument, and they are classified according to the substance of the contractual arrangements entered into.

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Basic financial assets include trade and other receivables, cash and cash equivalents and investments in commercial paper (i.e. deposits and bonds). These assets are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method. Financial assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets carried at amortised cost the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate.

Other financial assets, including investments in equity instruments, which are not subsidiaries or joint ventures, are initially measured at fair value which is typically the transaction price. These assets are subsequently carried at fair value and changes in fair value at the reporting date are recognised in the Statement of Comprehensive Income. Where the investment in equity instruments is not publicly traded and where the fair value cannot be reliably measured, the assets are measured at cost less impairment. Investments in property or other physical assets do not constitute a financial instrument and are not included.

Statement of Principal Accounting Policies

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of ownership are transferred to another party.

Statement of Principal Accounting Policies

Financial Instruments (continued)

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of ownership are transferred to another party.

Financial Liabilities

Basic financial liabilities include trade and other payables, bank loans and intergroup loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at the reporting date. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

To the extent that the College enters into forward foreign exchange contracts which remain unsettled at the reporting date the fair value of the contracts is reviewed at that date. The initial fair value is measured as the transaction price on the date of inception of the contracts. Subsequent valuations are considered on the basis of the forward rates for those unsettled contracts at the reporting date. The College does not apply any hedge accounting in respect of forward foreign exchange contracts held to manage cash flow exposures of forecast transactions denominated in foreign currencies.

Financial liabilities are de-recognised when the liability is discharged, cancelled, or expires.

Taxation

The College is a registered charity (number 1137495) and also a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

The College receives no similar exemption in respect of Value Added Tax.

Contribution under Statute G, II

The College is liable to be assessed for Contribution under the provisions of Statute GII of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The liability for the year

as advised to the College by the University is based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

Pension costs

The College participates in two funded defined benefit pension schemes, Cambridge Colleges Federated Pension Scheme (CCFPS) and the Universities Superannuation Scheme (USS)

Pension costs are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the Fellows' or employees' services.

Universities Superannuation Scheme (USS)
Throughout the current and preceding periods, the Universities Superannuation Scheme was a defined benefit only pension scheme until 31st March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Since the institution has entered into an agreement (the Recovery Plan that determines how each employer within the scheme will fund the overall deficit), the College also recognises a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense in the income and expenditure account.

Cambridge Colleges Federated Pension Scheme (CCFPS)
The College participates in the Cambridge Colleges Federated Pension Scheme (CCFPS), a defined benefit scheme which is externally funded and until 31st March 2016 was contracted out of the State Second Pension (S2P). As CCFPS is a federated scheme and the College is able to identify its share of the underlying assets and liabilities, the College values the fund as required by Section 28 Employee Benefits of FRS102 'Retirement Benefits'. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the amount calculated under FRS102 guidelines.

Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the College. Any material unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

Reserves

Reserves are allocated between restricted and unrestricted reserves. Endowment reserves include balances which, in respect of endowment to the College, are held as permanent funds, which the College must hold to perpetuity.

Restricted reserves include balances in respect of which the donor has designated a specific purpose and therefore the College is restricted in the use of these funds.

Critical Accounting Estimates and Judgements

The preparation of the College's accounts requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management consider the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities.

Income recognition – Judgement is applied in determining the value and timing of certain income items to be recognised in the accounts. This includes determining the appropriate recognition timing for donations, bequests and legacies. In general, the later are recognised when at the probate stage.

Useful lives of property, plant, and equipment – Property, plant and equipment represent a significant proportion of the College's total assets. Therefore, the estimated useful lives can have a significant impact on the depreciation charged and the College's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets, Professional advice and anticipation of future events. Details of the carrying values of property, plant and equipment are shown in page 50.

Investment property – Properties are revalued to their fair value at the reporting date by Carter Jonas and Bidwells. The valuation is based on the assumptions and judgements which are impacted by a variety of factors including market and other economic conditions.

Retirement benefit obligations – The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in pages 59-64.

Management is satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the accounts.

As the College is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2018 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2021. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in pages 59 - 64.

QUEENS' COLLEGE, CAMBRIDGE

Consolidated Statement of Comprehensive Income and Expenditure

FOR THE YEAR TO 30 JUNE 2023

		2022-23				2021-22			
		Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Note								
INCOME									
Academic fees & charges	1	4,678			4,678	4,530			4,530
Accommodation, catering and conferences	2	6,141			6,141	4,852			4,852
Endowment and investment income	3	408	277	2,528	3,213	1,350	1,249	602	3,201
Endowment return transferred to I&E account	3a	1,821	999	(2,820)	0				
Other income		148			148	128			128
Total income before donations and endowments		**13,195**	**1,276**	**(292)**	**14,180**	**10,860**	**1,249**	**602**	**12,711**
Donations		2,406	2,186		4,592	3,145	1,316		4,462
Deferred Capital write back					0				0
New endowments			0	1,072	1,072		0	1,383	1,383
Capital grants from colleges fund					0				0
Other capital grants for assets			0		0		0		0
Total income		**15,601**	**3,462**	**780**	**19,843**	**14,005**	**2,565**	**1,985**	**18,555**
EXPENDITURE									
Education	4	7,436	1,247	602	9,285	7,044	1,249	602	8,895
Accommodation, catering and conferences	5	8,364			8,364	6,922			6,922
Other expenditure		1,389	193		1,582	948			948
Contribution under Statute G, II		39			39	36			36
Total expenditure	6	**17,228**	**1,440**	**602**	**19,270**	**14,949**	**1,249**	**602**	**16,801**
Surplus (deficit) before other gains and losses		(1,627)	2,022	178	573	(944)	1,316	1,383	1,754
Gains(loss) on disposal of fixed assets	8	446			446	0			0
Gains(loss) on investments	9	899	202	1,875	2,977	(178)	(73)	(681)	(932)
Surplus (deficit) for the year		(282)	2,224	2,053	3,995	(1,122)	1,243	702	823
Other comprehensive income									
Unrealised surplus on revaluation of fixed assets		0			0	0			0
Actuarial gain(loss) in respect of pension schemes	15	466			466	6,107			6,107
Total comprehensive income for the year		**184**	**2,224**	**2,053**	**4,461**	**4,985**	**1,243**	**702**	**6,930**

The notes on pages 46 to 64 form part of these accounts

QUEENS' COLLEGE, CAMBRIDGE

Statement of Changes in Reserves
Year Ended 30th June 2023

	Income and expenditure reserve			
	Unrestricted	Restricted	Endowment	Total
Balance at 1 July 2022	**£'000**	**£'000**	**£'000**	**£'000**
Opening balance	56,820	23,084	70,075	149,979
Change of Fund Classification	0	0	0	0
Surplus/(Deficit) from income and expenditure statement	(282)	2,224	2,053	3,995
Other comprehensive income	466	0	0	466
Release of restricted capital funds spent in year	0	0	0	0
Balance at 30th June 2023	**57,004**	**25,308**	**72,128**	**154,440**

	Income and expenditure reserve			
	Unrestricted	Restricted	Endowment	Total
Balance at 1 July 2021	**£'000**	**£'000**	**£'000**	**£'000**
Opening balance	51,835	21,841	69,373	143,050
Change of Fund Classification	0	0	0	0
Surplus/(Deficit) from income and expenditure statement	(1,122)	1,243	702	823
Other comprehensive income	6,107	0	0	6,107
Release of restricted capital funds spent in year	0	0	0	0
Balance at 30th June 2022	**56,820**	**23,084**	**70,075**	**149,979**

The notes on pages 46 to 64 form part of these accounts

QUEENS' COLLEGE, CAMBRIDGE

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2023

	Note	2023 Group £'000	2022 Group £'000
NON CURRENT ASSETS			
Fixed assets	8	50,345	40,902
Heritage Assets	8	103	103
Investments	9	129,504	136,267
Total non-current assets		179,951	177,271
CURRENT ASSETS			
Stocks	10	396	433
Trade and other receivables	11	2,152	1,702
Cash and cash equivalents	12	475	455
Total current assets		3,023	2,590
Creditors: amounts falling due within one year	13	1,522	2,114
Total Assets less current liabilities		181,452	177,747
Creditors: amounts falling due after more than one year	14	(23,000)	(23,000)
Provisions			
Pension provisions	15	(4,011)	(4,767)
Other provisions		0	0
Total net assets		154,440	149,979
Restricted reserves			
Income and expenditure reserve-endowment reserve	17	72,128	70,075
Income and expenditure reserve-restricted reserve	18	25,308	23,084
Unrestricted Reserves			
Income and expenditure reserve-Unrestricted		57,004	56,820
TOTAL RESERVES		154,440	149,979

The notes on pages 46 to 64 form part of these accounts

These accounts were approved by the Governing Body on Friday 29th September, 2023 and signed on their behalf by

Dr M A El-Erian
President

Jonathan Spence
Senior Bursar

QUEENS' COLLEGE, CAMBRIDGE

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 £'000	2022 £'000
Net cash inflow from operating activities	20	(416)	3,568
Cash flows from investing activities	21	1,184	(2,573)
Cash flows from financing activities	22	(747)	(747)
Increase/(decrease) in cash equivalents in the year		20	248
Cash and cash equivalents at beginning of the year		455	207
Cash and cash equivalents at end of the year	12	475	455

The notes on pages 46 to 64 form part of these accounts

1 Academic fees and charges	2023 £000	2022 £000
Fee income received at the Regulated undergraduate rate	2,629	2,582
Fee income received at the Unregulated undergraduate rate	199	206
Fee income received at the Graduate rate	1,743	1,595
Other Income	107	146
	4,678	4,530

2 Income from accommodation, catering and conferences			
Accommodation:	College members	3,813	3,651
	Conferences and banquets	515	167
Catering:	College members	1,096	780
	Conferences and banquets	718	254
Total		6,141	4,852

3 Endowment and investment income 3a Analysis	2023 £000	2022 £000
Actual Income from:		
Land and buildings	667	494
Quoted securities	1,910	2,072
Fixed interest securities	0	16
Income from short-term investments	129	46
Other interest receivable	508	573
Total	3,213	3,201

3b Analysis of investment gains

	2023 £000	2022 £000
(Losses)/Gains on endowment assets		
Land and buildings	363	1,115
Quoted and other securities and cash	2,632	(1,795)
	2,995	(680)
(Losses)/Gains on other assets		
Quoted and other securities and cash	(18)	(252)
Total	2,977	(932)

3c Summary of Total Return

Actual Income from:	
Land and buildings	667
Quoted securities	1,356
Fixed interest securities	0
Income from short-term investments	129
Other interest receivable	377
Total	2,528
(Losses)/Gains on endowment assets (see note 3b)	2,977
Investment management costs	(274)
Total return for year	5,231
Total return transferred to income & expenditure reserve	(2,820)
Unapplied total return for the year included within Statement of Comprehensive Income and Expenditure (note 19)	2,411

3b Investment management costs	2023	2022
	£000	£000
Land and buildings	(195)	(169)
Quoted securities - equities	(79)	(88)
Fixed interest securities	0	0
Other investments	0	0
Cash	0	0
Total	(274)	(257)

4 Education expenditure	2023	2022
	£000	£000
Teaching	4,213	4,397
Tutorial	1,962	1,810
Admissions	798	576
Research	284	401
Scholarships and awards	1,165	930
Other educational facilities	864	781
Total	9,285	8,895

5 Accommodation, catering and conferences expenditure		2023	2022
		£000	£000
Accommodation:	College members	5,635	5,111
	Conferences and banquets	740	232
Catering:	College members	1,394	1,241
	Conferences and banquets	595	338
Total		8,364	6,922

6a Analysis of 2022/2023 expenditure by activity

	Staff costs (note 7)	Other operating expenses	Depreciation	Total
	£000	£000	£000	£000
Education	4,850	3,687	941	9,478
Accommodation, catering and conferences	3,377	3,157	1,831	8,364
Other	495	933	0	1,428
	8,722	7,777	2,772	19,270

Expenditure includes fundraising costs of £452,993 and £267,268 on alumni relations.

6b Analysis of 2021/2022 expenditure by activity

	Staff costs (note 7)	Other operating expenses	Depreciation	Total
	£000	£000	£000	£000
Education	5,002	3,095	799	8,895
Accommodation, catering and conferences	3,107	2,179	1,636	6,922
Other	417	567	0	984
	8,525	5,841	2,434	16,801

Expenditure includes fundraising costs of £368,193 and £211,298 on alumni relations.

6c Auditors' remuneration

	2023	2022
	£000	£000
Other operating expenses include:		
Audit fees payable to the College's external auditors	43	38
Other fees payable to the College's external auditors	0	0

7 Staff costs

Consolidated	Academic	Non- academic	Total 2023	Total 2022
	£000	£000	£000	£000
Staff Costs:				
Emoluments	2,256	5,424	7,680	5,900
Social security	190	311	502	492
Pension	350	190	540	2,133
	2,796	5,926	8,722	8,525

	Average staff numbers 2023		Average staff numbers 2022	
	Number of Fellows	Full-time equivalents	Number of Fellows	Full-time equivalents
Academic	55		60	
Non-academic		147.75		111

At the Balance Sheet date there were 63 members of the Governing Body. During the year the average number receiving remuneration was the 55 shown above.

The number of officers and employees of the College, including Head of House, who received remuneration in the following ranges was	2023	2022
£100,001 - £110,000	1	1
£110,001 - £120,000	1	2
£120,001 - £130,000	0	2
£130,001 - £140,000	2	1
£140,001 - £150,000	3	0

The total cost of remuneration includes salary, employer's national insurance contributions, employer's pension contributions plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College.

The aggregated remuneration paid to key management personnel consists of salary, employer's national insurance contributions, employer's pension contributions, plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements.

The President, Senior Bursar, and Senior Tutor are the College's key management personnel.

	Total 2023	Total 2022
	£'000	£'000
Key management personnel aggregated remuneration	434	389

The Trustees received no remuneration in their capacity as Trustees of the Charity.

8 Fixed assets

	Land and buildings £000	Assets in construction £000	Equipment £000	Heritage Assets £000	2023 Total £000	2022 Total £000
Cost or valuation						
At beginning of year	60,590	1,162	2,454	103	64,308	62,518
Additions at cost	12,367	1,434	794	0	14,594	3,848
Revaluation of assets	0	0	0	0	0	0
Transfer between classes	1,060	(1,060)	0	0	0	0
Disposals	(2,626)	0	(835)	0	(3,461)	(2,058)
At end of year	71,390	1,535	2,413	103	75,441	64,308
Depreciation						
At beginning of year	21,978	0	1,327	0	23,304	22,927
Charge for the year	2,252	0	520	0	2,772	2,434
Eliminated on Disposal	0	0	(835)	0	(835)	(2,058)
Eliminated on Transfer	(247)	0	0	0	(247)	0
Written back on revaluation	0	0	0	0	0	0
At end of year	23,983	0	1,012	0	24,994	23,304
NET BOOK VALUE						
At end of year	47,407	1,535	1,402	103	50,447	41,004
At beginning of year	38,612	1,162	1,128	103	41,004	39,591

The insured value of freehold land and buildings as at 30 June 2023 was £203m (2022: £182m).

8 Tangible fixed assets (continued)

Heritage assets

The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance.

As stated in the statement of principal accounting policies, heritage assets acquired since July 1999 have been capitalised. However the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of the cost or valuation are not available for these on a cost-benefit basis, they have not been capitalised. As a result the total included in the balance sheet is partial.

Amounts for the current and previous years were as follows:

	2023 £000	2022 £000	2021 £000	2020 £000	2019 £000
Acquisitions purchased with specific donations	0	0	0	0	0
Acquisitions purchased with College funds	0	0	0	0	88
Total cost of acquisitions purchased	0	0	0	0	88
Value of acquisitions by donation	0	0	0	0	0
Total acquisitions capitalised	0	0	0	0	88

9 Fixed asset investments

	2023 Total £000	2022 Total £000
Balance at beginning of year	136,267	135,271
Additions	73,791	56,183
Tranfered from fixed assets	2,825	0
Disposals	(86,355)	(54,256)
Less: impairment on unquoted securities	0	0
Gain/(loss)	2,977	(932)
Balance at end of year	129,504	136,267
Represented by:		
Property	31,807	26,077
Quoted securities – equities	52,085	58,799
Fixed interest securities	7,569	1,523
Other investments	22,515	21,203
Cash in hand & at investment managers	15,528	28,665
Total	129,504	136,267

10 Stocks and work in progress

	2023 £000	2022 £000
Goods for resale	396	433
Work in progress	0	0
Other Stocks	0	0
	396	433

11 Trade and other receivables

	2023 £000	2022 £000
Members of the College	15	32
Amounts due from subsidiary undertakings	0	0
Other receivables	1,969	1,502
Prepayments and accrued income	168	168
	2,152	1,702

12 Cash and cash equivalents

	2023 £000	2022 £000
Short-term money market investments		
Bank deposits		
Current accounts	526	448
Cash in hand	(51)	7
	475	455

13 Creditors: amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	820	1,240
Members of the College	326	324
Amounts due to subsidiary undertakings	0	0
Receipts in advance	266	444
University Fees	71	71
Contribution to Colleges Fund	39	36
Accruals and deferred income		
Other creditors		
	1,522	2,114

14 Long term loans

During 2013-14, the College borrowed from instutional investors, collectively with other Colleges, the College's share being £8 million. The Loans are unsecured and repayable during the period 2043-2053, and are at fixed interest rates of approximately 4.42%. The College has agreed a financial covenant of the ratio of Borrowings to Net Assets, and has been in compliance with the covenant at all times since incurring the debt.

During the course of 2017-2018, the College rasied a further £15 million of unsecured debt from institutional investors at a fixed rate of interest of 2.62% per annum. Repayment is due in one amount a the end of 40 years. There is an agreed covenant in respect of the borrowings which the College has been in compliance with.

15 Pension provisions

	2023	2022
CCFPS	**£000**	**£000**
Balance at beginning of year	3,568	9,301
Movement in year:		
Current service costs including life assurance	935	1,478
Contributions	(1,234)	(1,104)
Other finance cost	0	0
Actuarial loss/(gain) recognised in Statement of Comprehensive Income and Expenditure	(466)	(6,107)
Balance at end of year	2,803	3,568
USS		
Balance at beginning of year	1,199	568
Current service costs including life assurance	65	654
Contributions	(96)	(29)
Other finance cost	40	5
Balance at end of year	1,208	1,199

16 Principal subsidiary undertakings

The College owns 100% of the ordinary share capital of QC Enterprises Limited, a company incorporated in England. The principal activity of the company is the provision of conference and banqueting services at the College.

17 Endowment funds

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments £000	Unrestricted permanent endowments £000	2023 Total £000	2022 Total £000
Balance at beginning of year				
Capital	40,260	29,815	70,075	69,373
New Donations and endowments	1,051	21	1,072	1,383
Increase/(decrease) in market value of investments	1,046	(65)	981	(681)
Balance at end of year	42,358	29,770	72,128	70,075
Analysis by type of purpose				
Fellowship funds	30,038	0	30,038	28,315
Scholarship funds	4,746	0	4,746	4,610
Prize Funds	0	0	0	0
Hardship funds	133	0	133	129
Bursary funds	5,115	0	5,115	4,956
Travel grant funds	453	0	453	438
Other funds	149	0	149	144
General	1,723	29,770	31,493	31,481
	42,358	29,770	72,128	70,075
Analysis by asset				
Property	6,751	4,745	11,497	11,169
Investments	33,194	23,330	56,524	54,915
Cash	2,412	1,695	4,108	3,991

18 Restricted Reserves

Reserves with restrictions are as follows:

	Capital grants unspent £000	Permanent unspent and other restricted income £000	Restricted expendable endowment £000	2023 Total £000	2022 Total £000
Balance at beginning of year	0	2,328	20,756	23,084	21,841
Capital	0	0	20,314	20,314	19,157
Accumulated income	0	2,328	441	2,770	2,684
Change of Fund Classification	0	0	0	0	0
New grants	0	0	0	0	0
New donations	0	0	2,186	2,186	1,316
Endowment return transferred	0	838	162	999	906
Other investment income	0	277	0	277	343
Increase/(decrease) in market value of investments	0	0	202	202	(73)
Expenditure	0	(837)	(603)	(1,440)	(1,249)
Capital grants utilised	0	0	0	0	0
Balance at end of year	0	2,606	22,702	25,308	23,084
capital	0	0	22,215	22,215	20,314
Accumulated income	0	2,606	487	3,093	2,770
Analysis of other restricted funds/donations by type of purpose					
Fellowship funds	0	2,044	1,068	3,113	2,851
Scholarship funds	0	151	601	752	713
Prize Funds	0	0	0	0	0
Hardship funds	0	(7)	1,582	1,575	1,497
Bursary funds	0	330	669	1,000	943
Travel grant funds	0	41	36	76	72
Other funds	0	41	18,462	18,503	16,735
General	0	6	283	289	274

19 Memorandum of Unapplied Total Return

Within the reserves representing investments held by the College, the following are the cumulative surpluses of total return on the main investment portfolio

	2023 £000	2022 £000
Unapplied Total Return at start of year	32,679	32,679
Surplus of total return for year (note 3)	2,411	0
Unapplied total return at end of year	35,090	32,679

20 Reconciliation of consolidated surplus for the year to net cash inflow from operating activities

		2023 £000	2022 £000
Surplus/(deficit) for the year		3,995	823
Adjustment for non-cash items			
Depreciation	8	2,772	2,434
Loss/(gain) on endowments, donations and investment property	17	(2,977)	932
Decrease/(increase) in stocks	10	37	3
Decrease/(increase) in trade and other receivables	11	(450)	459
Increase/(decrease) in creditors	13	(592)	367
Increase/(decrease in provisions		0	0
Pension costs less contributions payable	15	(290)	1,005
Loss/(gain) on sale of property		(446)	0
Adjustment for investing or financing activities			
Investment income		(3,213)	(3,201)
Interest payable		747	747
Net cash inflow from operating activities		(416)	3,568

21 Cash flows from investing activities

	2023 £000	2022 £000
Proceeds from the sales of non-current fixed assets	0	0
Non-current investment disposal	86,355	54,256
Investment income	3,213	3,201
Endowment funds invested	0	0
Withdrawal of deposits	0	0
Payments made to acquire non-current assets	(88,385)	(60,031)
Total cash flows from investing activities	1,184	(2,573)

22 Cash flows from financing activities

	2023 £000	2022 £000
Interest paid	(747)	(747)
Interest element of finance rental payment	0	0
New unsecured loans	0	0
Repayments of amounts borrowed	0	0
Capital element of finance lease rental payment	0	0
Total cash flows from financing activities	(747)	(747)

23 Capital commitments

	2023 £000	2022 £000
Capital commitments at 30 June 2023 are as follows:		
Authorised and contracted	0	1,600
Authorised but not yet contracted for	0	2,150

24 Consolidated reconciliation and analysis of net debt

	At 1 July 2022 £000	Cash Flows £000	Other non-cash changes £000	At 30 June 2023 £000
Cash and cash equivalents	455	20		475
Borrowings:				
Amounts falling due after more than one year				
Unsecured loans	(23,000)			(23,000)
Total net debt	(22,545)	20	0	(22,525)

25 Financial Instruments

	2023 £000	2022 £000
Financial assets		
Financial assets at fair value through Statement of Comprehensive income		
Listed equity investments	59,654	58,799
Other investments	54,322	38,580
Financial assets that are debt instruments measured at amortised cost		
Cash and cash equivalents	16,003	30,188
Other debtors	1,984	1,534
Financial liabilities		
Financial liabilities measured at amortised cost		
Loans	23,000	23,000
Trade creditors	820	1,357
Other creditors	702	431

26 Related Party Transactions

Owing to the nature of the College's operations and the composition of the Governing Body, it is inevitable that transactions will take place with organisations in which a Governing Body member may have an interest. All transactions involving organisations in which a member of the Governing Body may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

The College maintains a Register of Interest for all Fellows and College employees with spending authority. It is updated every six months and during the year to 30th June 2023 it reveals that no material events occurred.

During the year no fees or expenses were paid to Fellows in respect of their duties as Trustees.

Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for any private catering. The Trustees remuneration is overseen by the Stipends Committee.

The College continues it's investment in joint equity properties with 1 College Fellow (1 Fellow in 2023). The total investment by the College amounted to £147,175 (2022 £147,175).

The salaries paid to Trustees in the year are summarised in the table below:

From	To	2023	2022
£0	£10,000	20	26
£10,001	£20,000	14	16
£20,001	£30,000	7	8
£30,001	£40,000	2	2
£40,001	£50,000	1	0
£50,001	£60,000	1	2
£60,001	£70,000	2	1
£70,001	£80,000	3	1
£80,001	£90,000	0	4
£90,001	£100,000	1	0
£100,001	£110,000	3	1
£110,001	£120,000	1	0
	Total	55	61

The total Trustee salaries were £1,622,652 for the year (2022: £1,399,918)

The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £51,260 for the year (2022: £52,663)

The College has one trading and one dormant subsidiary undertaking, both of which are consolidated into these accounts. Both subsidiary undertakings are 100% owned by the College and are registered and operating in England and Wales.
The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

UNIVERSITIES SUPERANNUATION SCHEME

Significant accounting policies

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Critical accounting judgements

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102. The directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

PENSION COSTS

The total cost charged to the profit and loss account is £9,067 (2022: £630,803).

Deficit recovery contributions due within one year for the institution are £95,746 (2022: £87,595).

The latest available complete actuarial valuation of the Scheme is as at 31 March 2020 (the valuation date), and was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles:
(**uss.co.uk/about-us/valuation-and-funding/statement-of-funding- principles**).

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% pa to 2030, reducing linearly by 0.1% pa to a long-term difference of 0.1% pa from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% pa Post retirement: 1.00%pa

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 Valuation
Mortality base table	101% of S2PMA 'light' for males and 95% of S3PFA for females.
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% pa and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectations on retirement at age 65 are:

	2023	**2022**
Males currently aged 65 (years)	24.0	23.9
Females currently aged 65 (years)	25.6	25.5
Males currently aged 45 (years)	26.0	25.9
Females currently aged 45 (years)	27.4	27.3

A deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2023	**2022**
Discount rate	5.52%	3.31%
Pensionable salary growth	3.30%	3.33%

CAMBRIDGE COLLEGES FEDERATED PENSION SCHEME

The College operates a defined benefits plan for the College's employees of the Cambridge Colleges' Federated Pension Scheme.

The liabilities of the plan have been calculated at 30th June 2023 for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Cambridge Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

The principal actuarial assumptions at the balance sheet date were as follows:

	30th June 2023	30th June 2022
Discount rate	5.20%	3.80%
Increase in salaries	3.30%	3.25%
RPI assumption	3.40%*	3.45%*
CPI assumption	2.80%*	2.75%*
Pension increased in payment (RPI Max 5% pa)	3.30%*	3.30%*
Pension increases in payment (CPI Max 2.5% pa)	2.05%*	2.05%*

*For one year only, we have assumed that RPI will be 9% and CPI will be79% (2022: 11% and 9% respectively). The caps under the Rules are applied to assumed pension increases.

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2022 future improvement factors and a long-term rate of future improvement of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements (2022: S3PA with CMI_2021 future improvement factors and a long-term future improvement rate of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Male age 65 now has a life expectancy of 21.4 years (previously 21.9 years).
- Female age 65 now has a life expectancy of 23.9 years (previously 24.3 years).

- Male age 45 now and retiring in 20 years has a life expectancy of 22.6 years (previously 23.2 years).
- Female age 45 now and retiring in 20 years has a life expectancy of 25.3 years (previously 25.7 years).

PENSION SCHEMES (CONTINUED)

The assets in the Scheme and the expected rates of return were:

	Long-term rate of return expected at 30/06/2023	*Value at 30/06/2023*	*Long-term rate of return expected at 30/06/2022*	*Value at 30/06/2022*	*Long-term rate of return expected at 30/06/2021*	*Value at 30/06/2021*
Equities and Hedge Funds		8,843,100		10,257,694		10,606,207
Cash, Bonds & Net Current Assets		6,857,914		6,706,954		9,280,431
Property		2,346,128		2,761,687		2,209,626
Total		18,047,142		19,726,335		22,096,264

The following results were measured in accordance with the requirements of FRS102

	2023 £	**2022 £**	**2021 £**
Total market value of assets	18,047,142	19,726,335	22,096,264
Present value of Scheme liabilities	(20,850,393)	(23,294,743)	(31,397,694)
Surplus/(deficit) in the Scheme	(2,803,251)	(3,568,408)	(9,301,430)

The amounts recognised in income and expenditure are as follows:

	30th June 2023 £	**30th June 2022 £**
In staff costs: Current service cost (net of employee contributions)	706,478	1,255,992
In endowment and investment income:		
Interest cost	893,244	572,440
Expected return on pension scheme assets	(754,999)	(403,831)
Net return	138,245	168,609
Actual return on pension scheme assets	2,487,142	2,978,166

PENSION SCHEMES (CONTINUED)

Changes in the present value of the plan liabilities are as follows:

	30th June 2023	30th June 2022
	£	£
Present value of plan liabilities at beginning of period	23,294,743	31,397,694
Current service cost (including employee's contributions)	1,021,287	1,532,171
Interest on plan liabilities	893,244	572,440
Actuarial (gains) losses	(3,726,587)	(9,498,973)
(Gain)/loss on plan changes	36,712	0
Curtailment (gain)/loss	0	0
Benefits paid	(669,006)	(708,589)
Present value of plan liabilities at end of period	20,850,393	23,294,743

Changes in the fair value of scheme assets are as follows:

	30th June 2023	30th June 2022
	£	£
Market value of plan assets at beginning of year	19,726,335	22,096,264
Contributions by the College	1,234,057	1,103,937
Additional contributions by members (including AVCs)	314,809	276,179
Benefits (and expenses) paid	(740,917)	(771,879)
Interest on plan assets	754,999	403,831
Return on assets, less interest included in Prof.it & Loss	(3,242,141)	(3,381,997)
Market value of plan assets at end of year	18,047,142	19,726,335

Amounts for the current and previous four periods are as follows:

	30th June 2023	30th June 2022	30th June 2021	30th June 2020	30th June 2019
	£	£	£	£	£
Present value of plan liabilities	(20,850,393)	(23,294,743)	(31,397,694)	(30,798,169)	(26,243,731)
Market value of plan assets	18,047,142	19,726,335	22,096,264	20,021,557	17,915,328
Surplus/(deficit)	(2,803,251)	(3,568,408)	(9,301,430)	(10,776,612)	(8,328,403)
Experience adjustments on plan liabilities	2,241,885	1,108,641	(459,639)	(54,536)	439,114
Change in assumptions underlying present value of plan liabilities	(5,949,985)	(10,597,748)	(416,040)	(3,026,582)	(2,878,488)

The plan has no investments in property occupied by assets used by or financial instruments issued by the College.

Funding policy

Actuarial valuations are carried out every three years on behalf of the Management Committee, acting as the Trustee of the Scheme, by a qualified independent actuary. The actuarial assumptions underlying the actuarial valuation are different to those adopted under FRS102.

The last such valuation was at 31st March 2020. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall.

These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 21st May 2021 and are as follows:

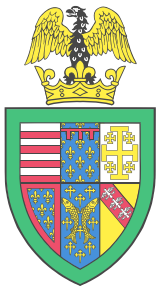
- Annual contributions of not less than £274,247 per annum, payable for the period to 31st March 2029.

These payments are subject to review following the next funding valuation, due as at 31st March 2023.

THE QUEENS' COLLEGE OF SAINT MARGARET AND SAINT BERNARD IN THE UNIVERSITY OF CAMBR

England & Wales - Charity number 1137495

Accounts



QUEENS' COLLEGE, CAMBRIDGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2022

QUEENS' COLLEGE, CAMBRIDGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2022

Contents

	Page
Reference and Administrative Details	3 - 6
Structure, Governance and Management	7 - 10
Aims and Objectives of the College	10
Public Benefit	11 - 12
Review of Operations	13 - 18
Financial Review	19 - 27
Responsibilities of the Governing Body	28
Independent Auditors Report	29 - 32
Statement of Principal Accounting Policies	33 - 39
Consolidated Statement of Comprehensive Income & Expenditure	40
Statement of Changes in Reserves	41
Consolidated Balance Sheet	42
Consolidated Cash Flow Statement	43
Notes to the Financial Statements	44 - 59

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 30th JUNE 2022

The full name of the College is "The Queen's College of St Margaret and St Bernard, commonly called Queens' College in the University of Cambridge". The College is a corporate body consisting of the President, Fellows and Scholars.

The Governing Body, which consists of the President and the Fellows, with four student observers, holds at least six meetings each year. The Governing Body met ten times in the year to which this report relates. The President, Professorial Fellows and Official Fellows are the voting members of the Governing Body and, since the Governing Body exercises general control and management of the College, its voting members are the trustees of the charity.

*President
Dr M A El-Erian

Life Fellows
Prof. A C Spearing
Dr B A Callingham
Prof. J E Carroll
Revd Dr B L Hebblethwaite
Dr J T Green
Dr W A Phillips
Prof. A. N. Hayhurst
Dr C J Pountain
Prof. Lord Oxburgh, KBE FRS FREng
Prof. J Diggle, FBA
Prof. K F Priestley
Revd Dr J M Holmes
Dr H J Field
Dr C N Pitelis
Dr A D Cosh
Prof. D R Ward
Prof. J L Scott
Dr M J Milgate
Dr I K Patterson
Dr E G Kahrs
Prof. Lord Eatwell
Dr R D H Walker
Prof. A N Lasenby[3]

*Professorial Fellows
Prof. E A H Hall, CBE
Prof. A N Lasenby[2]
Prof. D.K. Menon
Prof. R W Prager, FREng
Prof. N D Lawrence
Prof M Guillén[3]
Prof L Reisch[3]

*Official Fellows
Prof. R R Weber
Prof. J A Jackson, CBE FRS
Prof. R G Fentiman QC Hon Causa
Prof. P H Haynes, FRS
Prof. D Cebon, FREng
Prof. R L Jones
Prof. A H Gee
Prof. J W F Allison
Prof. B J Glover
Prof. R A W Rex
Prof. C E Bryant
Prof. M P V Crowley
Prof. J C Muldrew
Prof. J W P Campbell
Dr H R N Jones
Prof. M J Dixon
Dr A C Thompson
Prof. J R Gog
Prof. A A Seshia
Prof. E M Terentjev
Prof. I Sitaridou
Dr A Zurcher
Dr A M Rossi
Mr J Spence
Dr G J McShane
Prof. M Edmonds
Prof. H J Stone
Dr J J Maguire
Dr G M Fraser[3]
Dr L S Tiley
Dr T S Butlin
Prof. R Nickl
Dr J W Kelly[2]
Mr S J Price
Prof. A C Rice[4]
Dr E Moyroud
Dr D J Butterfield
Dr A Paterson
Dr E Gallo[2]
Dr M E B Tait
Dr F I Paddeu
Mr R M C Kitt
Revd T C Harling
Dr S Haggarty
Prof. C J Bickerton
Dr C Brendon
Dr D J Parker
Dr G Denyer Willis
Dr E McPherson
Dr C Warnick
Prof. A Beresford
Dr G Atkins
Prof. A Marsham
Dr J Blundell
Dr T Denmead
Dr P McMurray
Mr A D Bainbridge
Dr J Garrison
Revd M Bayliss
Dr C Peñasco Patón[3]
Dr S Williams[1]
Dr E Webster[7]

Bye-Fellows
Dr A D Challinor
Dr G H Treece
Prof. A C Rice[5]
Dr R M Faragher
Dr T Forster
Dr T J Eggington
Dr J R Bellis
Dr C Hill[2]
Dr A Schmidt[4]
Dr A C Bonner
Dr P Bambrough
Dr C Clark
Dr L Davies
Dr C Peñasco Patón[2]
Dr J Jahić[8]
Dr C Mishra[8]

Research Fellows
Dr C Penney[6]
Dr C Proudman[2]
Dr R Lawlor
Dr R Van Rosenberg
Dr E Noterman

Emeritus Fellows
Dr A M W Glass
Prof. J Russell
Prof. A M Gamble
Dr J W Kelly[3]

[1] From 1 September 2021
[2] To 30 September 2021
[3] From 1 October 2021
[4] To 31 December 2021
[5] From 1 January 2022
[6] To 29 March 2022
[7] From 1 April 2022
[8] From 25 April 2022

* Charity Trustees

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 30th JUNE 2022

Senior Officers

President	Dr M A El-Erian
Vice-President	Professor M Edmonds
Senior Bursar	Mr J Spence
Senior Tutor	Dr A C Thompson

PRINCIPAL COMMITTEES

Bursarial Committee

Dr M A El-Erian, President
Professor M Edmonds, Vice-President
Mr J Spence, Senior Bursar
Mr A D Bainbridge, Domestic Bursar
Dr A C Thompson, Senior Tutor
Mr R M C Kitt, Development Director
Dr D J Butterfield
Professor E A H Hall
Professor R L Jones
Professor A D Marsham
Dr E Moyroud
Dr F I Paddeu
Professor R A W Rex
Professor A C Rice
Professor I Sitaridou
Professor R R Weber

Fellowships Committee

Dr M A El-Erian, President
Dr A C Thompson, Senior Tutor
Mr J Spence, Senior Bursar
Professor B J Glover
Professor P Haynes
Professor R W Prager
Professor E Terentjev
Professor M P V Crowley
Dr G Denyer Willis
Dr A M Rossi
Dr A Zurcher
Dr M E B Tait
Professor L Reisch

Investments Committee

Dr M A El-Erian, President
Professor M Edmonds, Vice-President
Mr J Spence, Senior Bursar
Professor M J Dixon, Dean of College
Professor D Cebon
Professor A H Gee
Professor R R Weber
Mrs A Koerling (Queens' Alumna)
Mr A Pomfret (Queens' Alumnus)

Teaching and Learning Committee

Dr A C Thompson, Senior Tutor
Dr J R Garrison, Admissions Tutor
All Directors of Studies of the College
Tutors charged with Admissions
Admissions Co-ordinator
Graduate Administrator

Tutorial Committee

Dr M A El-Erian, President
Dr A C Thompson, Senior Tutor
Professor M J Dixon, Dean of College
All Tutors of the College
Revd T C Harling, Dean of Chapel
Mr A D Bainbridge, Domestic Bursar

Graduate Committee

Professor E A H Hall
Deputy Senior Tutor/Senior Tutor
All Graduate Tutors of the College
Mr A D Bainbridge, Domestic Bursar
Student Support Team Representative
Representative for part-time courses
MCR President
MCR Secretary/Vice President
Post-Doctoral Research Associates Convenor
MPhil Representative
Graduate Administrator

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30th JUNE 2022

GOVERNING BODY ATTENDANCE LIST 2021 - 2022

ON LEAVE 2020-2021:
Prof James Jackson (Easter 2021)
Prof Roderic Jones
Prof Craig Muldrew
Prof Julia Gog
Dr Laurence Tiley
Dr James Kelly

ON LEAVE 2021-2022:
Prof Roderic Jones
Dr Graham McShane
Dr Tore Butlin
Dr Charles Brendon
Dr Ella McPherson
Dr Tyler Denmead
Dr Peter McMurray
Prof Sitaridou (Michaelmas 2021)
Dr Claude Warnick (Michaelmas 2021)
Prof Denyer Willis (Michaelmas 2021 and Lent 2022)
Prof Andrew Marsham (Michaelmas 2021 and Lent 2022)
Prof Glover (Lent 2022)
Dr Federica Paddeu (Lent 2022)
Prof Richard Nickl (Easter 2022)

Ten Governing Body Meetings took place between 1 July 2021 – 30 June 2022.
Fellows' attendance was recorded as follows:

Dr M A El-Erian	10/10	Prof. E M Terentjev	9/10	Prof C J Bickerton	5/10
Prof R R Weber	10/10	Prof I Sitaridou	5/7	Dr C Brendon	1/1
Prof J A Jackson	4/9	Dr A Zurcher	10/10	Dr D J Parker	10/10
Prof R G Fentiman	6/10	Dr A M Rossi	7/10	Dr G Denyer Willis	3/3
Prof P H Haynes	9/10	Mr J Spence	9/10	Dr E MacPherson	0/1
Prof D Cebon	5/10	Dr G J McShane	1 /1	Dr C Warnick	6/7
Prof E A H Hall	9/10	Prof H J Stone	6/10	Prof A Beresford	9/10
Prof R W Prager	5/10	Prof M Edmonds	10/10	Dr G Atkins	9/10
Prof A N Lasenby	1/1	Dr J J Maguire	10/10	Prof A Marsham	4/4
Prof A H Gee	9/10	Dr L Tiley	9/9	Dr J Blundell	5/10
Prof J W F Allison	8/10	Dr T Butlin	1/1	Dr T Denmead	1/1
Prof B Glover	2/7	Prof R Nickl	4/7	Dr P McMurray	1/1
Prof R A W Rex	7/10	Mr S J Price	9/10	Mr A D Bainbridge	10/10
Prof C E Bryant	6/10	Prof. A C Rice	4/4	Dr J Garrison	10/10
Prof J C Muldrew	6 /9	Dr E Moyroud	9/10	Revd M Bayliss	9/10
Prof M P V Crowley	8/10	Dr D J Butterfield	10/10	Dr C Peñasco Patón	6/10
Prof J W P Campbell	6/10	Dr A Paterson	8/10	Prof N D Lawrence	3/10
Dr H R N Jones	9/10	Dr E Gallo	0/1	Prof L Reisch	7/10
Prof M J Dixon	9/10	Dr M E B Tait	6/10	Prof M Guillén	7/10
Prof D K Menon	4/10	Dr F I Paddeu	6/7	Dr S Williams	6/10
Prof J R Gog	7 /9	Mr R M C Kitt	10/10	Dr G Fraser	2/9
Dr A C Thompson	10/10	Revd T C Harling	10/10	Dr E Webster	2/3
Prof A A Seshia	8/10	Dr S Haggarty	7/10		

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30th JUNE 2022

PROFESSIONAL ADVISORS

Auditors

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Actuaries

Cartwright Group Ltd
Suite 7, 2nd Floor, The Hub, IQ Farnborough
Farnborough
Hampshire
GU14 7JP

Bankers

National Westminster Bank plc
23 Market Street
Cambridge
CB2 3PA

Investment Fund Managers

Heronbridge Investment Management LLP
1 Queen Street
Bath
BA1 1HE

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Property Advisors

Bidwells LLP
Trumpington Road
Cambridge
CB2 9LD

Carter Jonas LLP
6 – 8 Hills Road
Cambridge
CB2 1NH

Solicitors

Mills & Reeve LLP
Francis House
112 Hills Road
Cambridge
CB2 1PH

CHARITY INFORMATION

Charity Registration 1137495

Registered Address Silver Street, Cambridge CB3 9ET

Website www.queens.cam.ac.uk

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisation

Queens' College, Cambridge is a self-governing academic community and body corporate, comprising the President, Fellows and Scholars and is one of the thirty-one Colleges in the University of Cambridge. The provisions which regulate the purposes and administration of the College are to be found in its Royal Charter, dated 30th March 1448, and its Statutes, as made in 1955 and variously amended from time to time, most recently in 2017.

The Governing Body

The Charity Trustees of the College are the voting members of the Governing Body, being its President, Professorial Fellows and Official Fellows, appointed by the Governing Body in accordance with the Statutes of the College. The membership of the Governing Body is given on page 3 to 5.

The Governing Body is responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College's Statutes.

Under the College Statutes, the Governing Body has the discretion to form committees to consider and to make recommendations to the Governing Body in accordance with the College's Statutes. The Governing Body also has the discretion to delegate powers to committees. The Governing Body has formed a number of committees, the principal ones being:-

- **Bursarial Committee** – to oversee the financial management of the College in accordance with the College Statutes, under the overall direction of the Governing Body. In accordance with the College Statutes, the Senior Bursar, advised by the Bursarial Committee, is responsible for the financial management of the College, subject to the overall direction of the Governing Body. The Bursarial Committee, without the Bursars, acts as an Audit Committee;
- **Investments Committee** – to keep under continual review the investments of the College, against agreed benchmarks, to recommend [and implement] the investment policy approved by the Governing Body, to maintain consultation with the College's financial advisors;
- **Fellowships Committee** – to consider and advise the Governing Body on the general needs of the College in relation to appointments to Fellowships, in all classes, in accordance with the Statutes of the College;
- **Teaching and Learning Committee** - to review all aspects of College teaching and its relationship to University teaching and to make recommendations accordingly to the Governing Body;
- **Tutorial Committee** – to review and consider general issues pertaining to the welfare of students of the College and to advise the Governing Body on all matters of policy pertaining to student welfare; and
- **Graduate Committee** – to review and consider general issues pertaining to all aspects of being a Graduate student within the College.

These Committees are a key component of the College's system of internal control, which is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the extent and nature of those risks and to manage them efficiently, effectively and economically. These Committees undertake detailed scrutiny of the issues which the Governing Body has placed within their respective remits and this work informs the recommendations each Committee makes to the Governing Body. This process was in place for the year ended 30th June 2022 and up to the date of approval of the financial statements. The Governing Body is responsible for ensuring the effectiveness of the systems of internal control: all the above Committees make regular reports to the Governing Body through the medium of detailed minutes, as well as dedicated reports. During the year, most Governing Body meetings were held remotely via Zoom, although two were held in the Easter Term in a hybrid format.

The Governing Body's review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Senior College Officers and other College Officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

Induction and Training of Members of the Governing Body

Upon admission to the Fellowship, new members of the Governing Body receive, inter alia:-

- A copy of the College Statutes
- A copy of the most recent Annual Report and Accounts
- A copy of procedures and policies relating to the College
- An up-to-date list of College Officers, Committees and their membership
- A copy of the Charity Commission's guide to the responsibilities of a Charity Trustee (both the full and summary versions)
- A copy of Being a Trustee (the Charity Commission's easy read guidance, which explains the main things that a Trustee needs to know)
- Copies of minutes of previous meetings of the Governing Body and its principal committees
- A declaration of qualifications to be a Trustee (to be signed and held by the College)
- A list of all diary dates relevant to membership of the Governing Body
- Information about the management of conflicts of interest
- The latest circulars from the Charity Commission
- A copy of the latest Corporate Risk Register

Each new member has an induction meeting with the Senior Bursar, prior to attending a meeting of the Governing Body.

Attendance of Trustees at meeting of the Governing Body during the year is given on page 5.

Key Management

As detailed in note 7 to the accounts, the key management personnel are the President, Senior Bursar and Senior Tutor. These Officers have the authority and responsibility for planning, directing and controlling the activities of the College. These Officers, together with the Vice-President, Admissions Tutor, Deputy Senior Tutor, Domestic Bursar, Dean of College, Dean of Chapel, who is also the Head of Welfare, the Financial Tutor the Development Director and the Chair of the Graduate Committee meet regularly to consider strategic matters and developing issues as they arise to assist in formulating the College's response. During the year this group has met approximately fortnightly during Term.

Risk Management

The Governing Body is committed to an ongoing policy of identifying, monitoring and managing the risks that might adversely affect the operations, reputation and general well-being of the College. The Bursarial Committee, chaired by the President, usually reviews at least twice each year the operational, financial, regulatory and legal risks facing the College, (including reviewing the Corporate Risk Register) and reports accordingly to the Governing Body. The Governing Body keeps under review the structures to deal with risk and is satisfied that appropriate structures are in place to identify, manage and mitigate the risks faced by the College.

The principal areas of risk faced by the College, and the measures taken to manage them, have been identified by the Governing Body as follows and are covered in detail in the Corporate Risk Register mentioned above:

- Financial Performance: Risks to income, expenditure or investment performance as a result of external factors, e.g., a health emergency, change to fee regime, economic downturn, poor investment markets, persistently high inflation and the impact of a health pandemic.

  The College has implemented a robust process of budgeting and forecasting to keep costs associated with the College's core activities under constant review in the light of any changes in funding or other income sources. The College's Investments Committee benefits from the expertise of two external members and aims to maintain a diversified portfolio of investment assets to try to minimise the incidence of correlation between asset classes.

- Academic Staff: Failure to attract and retain high quality academic staff to deliver the College's teaching and other academic needs.

  The College has a strong Fellowship and an ethos of supportive inter-personal relationships within the Fellowship, service from welfare and other support staff and pastoral support arrangements allowing Directors of Study/Supervisors to retain focus on intellectual engagement. The College regularly reviews its stipend structures and benchmarks appropriately within the Collegiate University and is continually monitoring terms and benefits. There is a regular review of teaching needs and engagement in the UTO Scheme, where possible.

- Student Admissions: Adverse admissions outcomes in terms of potential, commitment, width of participation and/or compliance failures.

  The College has a transparent process with academic criteria uniformly applied across all fields and University-trained interviewers. The College runs an extensive outreach programme aimed at attracting the strongest candidates regardless of socio-economic background.

- Student Development: Failure to enable students to flourish academically.

  Academic reviews conducted by the students' Directors of Studies, alongside analysis of students' questionnaire feedback by the Senior Tutor. Academic and pedagogical best practice encouraged by regular review, at the Teaching and Learning Committee. Benchmarking against other Colleges via the Senior Tutor's Committee and direct liaison with both the JCR and MCR Committees, Cambridge University Student Union and Graduate Union where necessary. Engagement with the Office for Students as PREVENT regulator.

- Student Welfare and well-being: Risk of failures of student welfare and/or pastoral support leading to mental health, safeguarding or monetary issues for students.

  The College has extensive in-house pastoral and welfare provision together with access to additional external expertise.

- Buildings, Infrastructure and Facilities: Risk of poor-quality accommodation and facilities due to lack of timely investment, unanticipated failures in infrastructure, persistently unset needs or unexpected high building maintenance expenditure.

  The condition of the estate is regularly monitored by the Maintenance Department, as well as by reference to maintenance requests and complaints, and there is a continuous programme of maintenance and refurbishment. The IT and other infrastructure is subject to regular review and a rolling investment programme. This is monitored by both the Domus Committee and the Bursarial Committee.

Scope of Financial Statements

The financial statements are a consolidation of the results of Queens' College and its subsidiaries, QC Enterprises Limited and Q College Property Limited, which are both wholly owned by the College. Q College Property Limited has continued to be non-trading during the year. QC Enterprises is the corporate vehicle through which the College undertakes its commercial conference and catering activities, while the College undertakes directly all other accommodation and catering activities. Any financial surplus made by QC Enterprises is donated to the College.

AIMS AND OBJECTIVES OF THE COLLEGE

The College is an institution of higher education. Its purposes are the promotion of study and prayer.

The College has the following aims and objectives:

- to maintain the College's emphasis on the individual in academic and pastoral provision; to deliver an excellent undergraduate education by safeguarding the provision of small-group teaching through the College-based supervision system; and to achieve and maintain the highest standards in education at both undergraduate and postgraduate levels while maintaining welfare support through the dedicated student support team;
- to support a community of Fellows, students and staff, allowing the benefits of a large, internationally renowned University to be realised in a small and close-knit community;
- to promote academic research of the highest quality by Fellows and students; and
- to maintain and enhance the endowments and benefactions, historic buildings and grounds of the College for the benefit of future generations.

Remaining an independent foundation, while forming an integral part of a collegiate university, is fundamental to the College's long-term strategy and well-being. The College endorses the University's mission and core values and agrees that the partnership between the University and the Colleges is central to Cambridge's future development. The College will continue to play an active role in University bodies and in contributing to the formulation of University policy.

In pursuit of its aims and objectives, as well as its charitable objects, the College admits (as junior members) undergraduate and graduate students matriculated in the University of Cambridge. It provides financial and other support to those of its members who require it in order to achieve its aims and objects and it supports teaching and research in the University. In furtherance of its objects, the College maintains and manages an endowment of property and financial assets. Besides financial and tutorial support, the College also supplies accommodation, catering and other services to its members and others.

PUBLIC BENEFIT STATEMENT

In accordance with its Royal Charter of 1448, the College's charitable objects are the promotion of study and prayer through the provision of a College in the University of Cambridge.

The College provides, in conjunction with the University of Cambridge, an education for some 503 undergraduate and 427 full-time and 133 part-time postgraduate students (2020/21: 521, 418 and 129 respectively), which is recognised internationally as being of the highest standard. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial and graduate mentoring systems; and

- social, cultural, musical, recreational, and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

The College additionally advances study through:

- providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;

- supporting research work pursued by its other Fellows through promoting interaction across disciplines, providing facilities and providing grants for national and international conferences, research trips and research materials;

- encouraging visits from outstanding academics from outside the University of Cambridge; and

- encouraging the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

The College maintains an extensive Library (including important special collections), so providing a valuable resource for students and Fellows of the College, members of other Colleges and the University of Cambridge more widely, as well as external scholars and researchers.

The College carries forward the tradition, continuous since its foundation, of being a place of prayer. In particular, the College:

- Maintains and supports the Chapel as a place of prayer and holds a variety of religious services on weekdays and at weekends during term, which are open to the general public and visitors; and

- Supports, through the College Chaplaincy team, the emotional, mental and spiritual well-being of all members of the College community whatever their faith tradition, or none.

The resident members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in study.

However, beneficiaries also include students and academic staff from other Colleges in Cambridge and the University of Cambridge more widely, visiting academics from other higher education institutions and visiting schoolchildren and alumni of the College who have an opportunity to attend educational events at the College or use its academic facilities. The services in the College Chapel are open to the public and are attended by local residents and visitors to Cambridge.

REVIEW OF OPERATIONS

Students

Queens' admits students who have the greatest potential to benefit from the educational environment provided by the College and the University and it recruits academic staff who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background.

Undergraduate student applications are shown in the table below, showing the level of diversity of students attending Queens'. About one fifth of undergraduate students are from overseas (including EU) backgrounds:

Applicants in Michaelmas Term 2021

- Number of applicants 976
- Arts 412 or 42%; Science 583 or 58%
- Male 51%, female 49%
- Home 63.5%; overseas 36.5%
- Office for Fair Access (OFFA ***) applicants – maintained sector 427 or 69%; independent sector 193 or 31%

Offers in 2021

- Number of offers 171 (17.5% of applicants)
- State educated 72%, independent educated 28% (of home offers)
- Male 54%, female 46%
- OFFA applicants – 97 offers to maintained sector students from 427 applicants (23%)
- 12 offers made through the pool and 38 of our applicants received offers through the pool

*** OFFA applicants are defined broadly as applicants normally resident within the UK.

The above outcomes are entirely consistent with the College's objectives in respect of admissions.

The College charges the following fees:

- Home undergraduates are charged a combined University and College fee of £9,250, (£9,250 2020-2021), of which the College share is £4,625 (£4,625 2020-2021);
- Undergraduates from overseas are charged a College fee of £9,885 (£9,279 2020-2021);
- Post-graduates are charged a combined University and College fee which varies according to the course. The total fee income is then allocated across Colleges at an equal average rate per student which for 2021-2022 is £4,472 (£4,069 2020-2021); and
- Accommodation and meal charges at reasonable rates.

Widening Participation

The College's extensive widening participation programmes help young people from backgrounds which are traditionally under-represented at Cambridge to have the confidence and information to apply to top universities, including Cambridge. We work hard to provide age-relevant information and guidance about higher education and, in particular, to demythologise the application process at Cambridge. Work with those in years 12 and 13 targets the application process and supports super-curricular discovery. Key stage 4 students receive advice on A level selection and early preparation, while younger pupils are encouraged to think about the benefits of higher education more generally and to broaden their horizons. We work with teachers and careers advisors to guide them in how our application process works and to identify the qualities that we look for in our students. Our programme includes events for schools and those, such as Open Days, with a focus on individual applicants. Our Admissions team make visits to schools and colleges across the UK, and host groups in Cambridge. We have particularly deep links with Bradford, Kent and the borough of Havering. We update our events programme regularly and are always looking for ways to enhance our offering and to work effectively with external partners. Our programme typically includes visit days, open days, personal statement and interview workshops and residential events. While much of our work this year has continued to be virtual, we have begun to welcome school groups back to Cambridge and our programme of in-person visits to schools is restarting slowly. Among the several ways in which we measure the impact of our outreach work, the growth in applications, and therefore admissions, from schools with which we work closely stands out. Within total admissions and access costs of £0.576 million shown on page 44, £0.221 million was spent on Access and Widening Participation activity in the year. The College continues to regard Widening Participation as an essential activity and will continue to support and enhance it further.

Student Support

In order to assist undergraduates entitled to Student Support, the College provides through a scheme operated in common with the University and other Colleges bursary support for those of limited financial means. In 2021/2022, 115 undergraduates (out of our 471 Home undergraduates) (2020/2021: 115 and 450 respectively; the latter figure includes EU students for the last time) received such bursaries with a total value of £338,093 (2020/2021: £371,228). The scheme is approved by the Office for Students and provides benefits at a substantially higher level than the minimum OFS requirement. It is widely advertised on the University website, on College websites and in the Admissions Prospectus. The College spent £146,215 on additional bursaries in 2021/2022 (2020/2021: £124,493).

The College also supports all students through a grant scheme open to all to assist with attendance at conferences, and travel grants. In 2021/2022 the College spent £118,039 on this scheme (2020/2021: £16,538).

In addition to its other programmes, the College operates a hardship scheme for all students in financial hardship. In 2021/2022 the College made hardship grants totalling £35,233 (2020/2021: £58,784).

Provision of Welfare Support

The Health and Well-being team and Tutors provide specialist and professional care for students of the College. This consists of (although is not restricted to) general pastoral provision, Professional counselling, Cognitive Behavioural Therapy, mental and physical health support, bereavement counselling, eating disorder interventions and a series of programmes to help the move from school to university which brings with it increased independence.

More mental health issues are reported in today's culture. This may be due to the problem increasing, including due to the Covid pandemic, the reduced stigma in articulating problems, feelings and medical conditions, or a raised expectation that institutions have a responsibility to act and support its members with the conditions they have. Welfare provision that individual Colleges provide are widely compared by students and applicants and is seen as a key indicator of the "student experience".

Students from disadvantaged backgrounds may have additional concerns or issues that require support. Welfare, in this way, is part of the Colleges commitment to increase access for all.

The Health and Well-being team work alongside the Tutors of the College in providing pastoral support to students. Overall responsibility for this activity rests with the Senior Tutor, however the day-to-day management is devolved to the Head of Welfare (operationally) and the Head of Academic and Tutorial Services (administratively).

The Head of Health and Well-being also acts as the College Safeguarding Officer, one of the Harassment and Assault Officers, Police Liaison Officer and Deputy Head of Prevent and Dean of Chapel.

At present (in addition to the above roles) the College employs a part time Clinical Lead (also one of the Harassment and Assault Officers), a part time Mental Health Nurse/Welfare Officer/CBT Counsellor, a part time Welfare Officer and Counsellor, and a Chaplain (part of whose job is as a Welfare Officer). There is also a third Harassment and Assault Officer who can be used in complex cases.

Where more specialist treatment is needed this is organised with professionals on a contracted basis by the Health and Well-being team. This, in the past, has included Psychiatric Services, Psychological practitioners, Scientific Coaching, Essay writing guidance, physical trainers, legal advice and physiotherapists.

Academic Staff

To fulfil its charitable purposes, the College employs College Lecturers, Tutors, Clergy and senior academic and administrative officers. These posts are qualifying offices under the College Statutes. The appointment of Fellows is a result of their employment in a qualifying office which office is undertaken with the intention of furthering the College's aims and their employment directly contributes to the fulfilment of those aims. The private benefit accruing to the President and Fellows occurs solely through their employment in a relevant qualifying office by means of salaries, stipends and employment related benefits and is objectively reasonable, measured against academic stipends generally; moreover, annual pay increases normally follow national settlements applying to the university sector, as implemented by the University of Cambridge. Without the employment through qualifying offices of Fellows, the College could not fulfil its charitable aims as a College in the University of Cambridge.

The President and Fellows of the College also receive benefits as beneficiaries. These comprise research grants, conference grants, book grants etc. These benefits are provided with the intention of furthering the College's aims. The amounts of the benefits provided are objectively reasonable, measured against the academic benefits made available to other beneficiaries of the College.

Academic Performance

In 2021/2022, 477 (500 2020/2021) undergraduates sat University assessments and examinations. Examinations this year were predominantly traditional timed exams.

Of those taking 86.1% obtained grades in the First Class or the upper division of the Second Class (or in the undivided Second Class).

Capital Expenditure, Maintenance and Environmental Management

With the backdrop of the COVID recovery, the College has continued to work within sensible financial restrictions, focusing maintenance and project activity on safety related and business critical repairs. Consequently, in 2021/2022 the College spent only £1.234 million in capital projects maintaining and enhancing its buildings.

As two standalone Cripps Court projects, following a £1.25 million restricted donation received in 2020 for works on the Cripps building, a dedicated Postgraduate study space for up to 40 students was created in the Armitage Room. This has transformed the room into an open plan environment for student interaction.

This same donation also led to an in-depth investigation of the Cripps Hall Lantern roof. This has involved installing an ambitious scaffold from Cripps Court, up and over the Armitage Room, and onto the Cripps Hall roof. The scaffold has then been suspended within the Hall, to allow the investigation to take place while the Hall remains operational. Whilst the investigation works took place during 2021, the main body of the work will then commence in July 2022, repairing the glazed shutter system and replacing the roof covering. During the works, the lighting system will be replaced with LED lights to reduce energy usage, and maintenance upkeep, whilst also enhancing the lighting arrangement in the Hall. These works will conclude in Michaelmas 2022.

To meet our Postgraduate accommodation objectives, the College has purchased several new properties near Addenbrookes and Huntingdon Road, using the proceeds of the long-term debt issue referred to on page 22 below, providing suitable student homes near the hospital and West Cambridge. Housekeeping and Maintenance have worked together, standardising the accommodation provision within the College's existing and the new homes, leaving them ready for occupation in summer 2022.

Owlstone Croft has been a major focus of the College's estate planning throughout 2021-22, following a pause on the masterplan of Owlstone Croft in 2020 owing to COVID. The fundamental objectives for this project, is to create a community and homes for our Postgraduate students at Owlstone Croft. Homes which are supported by inspirational study and community space. To enhance the Owlstone Croft site and provide us with an entire site wide masterplan, that meets our educational needs and accommodation objectives.
The design is sustainable, and our recognition of how this site needs to blend with the surrounding nature reserve, and within the Newnham community for years to come, has been fundamental to this project.

After forming a professional design team, the College received the concept design in August 2021, which was approved by the Governing Body in October 2021. The Governing Body then received and approved the detailed design in March 2022, taking the project to Cambridge City Council for full planning permission. We hope to receive this by the end of 2022.

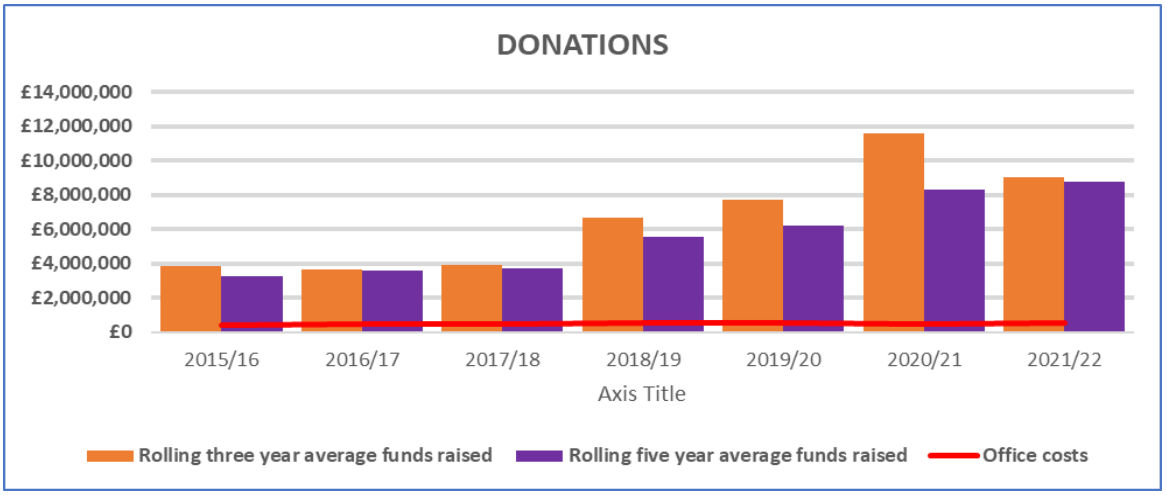
A major 2 stage technical project was launched October 2021 in alignment with our Environmental Policy, outlining the College's commitment to act to mitigate its contribution to the climate emergency and crisis in biodiversity. In practical terms, our commitment to reducing the College's carbon footprint, with an aim to reduce the College's net overall carbon footprint by 50% from its 2020 level by 2030 and to net zero by 2045.

To transition towards Net Zero Carbon by 2045 we need to develop a masterplan, avoiding where possible the need for carbon emission offsetting. With this aim in mind, we have conducted a whole estate energy assessment and decarbonisation study, which was delivered in June 2022.

Donations and Fundraising

The College's fundraising efforts are primarily directed at raising money from our alumni. Our fundraising approach ensures that we understand and respect individual preferences for contact in relation to approaches seeking support, as well as more generally. Key objectives for the College include teaching, particularly endowing Fellowships, research, student support, widening participation as well as enhancing the endowment. The College is very grateful to those of its alumni and others who continue to support it so generously and enhanced their support as the College responded to the impact of the Covid-19 pandemic. In 2021/2022 the College received unrestricted donations totalling £3,145,000, new expendable restricted funds £1,316,000 and new endowments totalling £1,383,000 giving a total of £5,844,000 (£15.67 million 2020/2021) in support of its objectives.

The cost of the Alumni and Development Office (ADO), a College department, for the year was £465,771 compared to £465,711 in 2020/2021. The ADO costs include both fundraising and alumni relations activity, such as reunions and other events and publications. This year there have been some 'in person' events held and costs have been stable. As the amount received can vary significantly from year to year, the chart below details the three and five-year rolling average of donations received, as well as the annual cost of the ADO.



All fundraising is carried out by the ADO, which reports detailed quarterly results to the Bursarial Committee and a summary report to the Governing Body. The College is registered with the Fundraising Regulator and was not the subject of any complaints to that body in 2021/2022, nor did the College receive complaints about its fundraising activities from any other source. The College does not seek support from the public and takes active steps to respect the needs of any potential supporter who may be in a vulnerable circumstance or require additional care and support to make an informed decision.

Data handling

The College continues to monitor its data handling, reporting and Data Protection Statement in accordance with the UK GDPR requirements.

Equal Opportunities

The College is committed to the principle and practice of equal opportunities and strives to be an equal opportunities employer.

Continuing Impact of the Covid-19 Pandemic on the College's Operations

The Covid-19 pandemic has had a profound impact on the College's operations, both academic and non-academic, and this impact has continued to an extent during the current year. In this year it was possible for students to be resident in Cambridge throughout the Academic Year. Directors of Studies and Supervisors continued to provide teaching to all undergraduates through various media, such as Zoom or Microsoft Teams, and increasingly through face-to-face teaching as the year progressed and various restrictions at the national level were eased or removed.

The Senior Tutor and his team ensured all students were kept fully informed as the University and College developed their responses to the evolving pandemic and were as prepared as they could possibly be in the unprecedented circumstances in which everyone was placed. The Tutors and Student Support Team were in touch with all those students who needed support.

Prior to the pandemic the College provided accommodation to approximately 650 students during term, with 463 of those being accommodated on the Silver Street Site. One of the consequences of the pandemic is that it is no longer be possible for students to share sets of rooms, unless specifically built for that purpose. With the changes required to the provision of accommodation under the various health rules and guidelines, the College was able to provide accommodation to approximately 640 students, with 420 being on the Silver Street site.

As reported in last year's accounts, the College faced a secular change in its operating environment with there being no demand during the pandemic for conferences and catering events. This forced us to restructure the operational departments, with teams cross-working and a complete change to how we work and a review of our processes.

Whilst this was difficult at the time, it has led to a positive outcome with significant improvements to our operating model, breaking down barriers between departments, and removing unnecessary activities and processes, which may have continued, if left unchallenged. The operational teams have performed well and cohesively throughout 2021/22, strengthened our effectiveness and ensuring we have strong foundation for further recovering in 2022/23.

There has been minimal conference and external catering events during the current year and the financial impact of this is covered in the financial review below.

FINANCIAL REVIEW

In common with other organisations, the financial year to 30 June 2022 has been a particularly challenging one in highly uncertain economic circumstances, as the continuing effects of the Covid-19 pandemic have greatly affected the College. The College has continued to pursue its principal goals of providing a first class educational and research environment to undergraduates, postgraduates, and Fellows alike, whilst striving to live within its means and manage the challenges and uncertainties presented by the pandemic.

Financial Results

The College had an Operating Deficit, before New Endowments of £945,000 (2020/2021: -£829,000) and included £3,145,000 of donations of a revenue nature, or unrestricted in respect of their capital, principally in support of education compared to similar donations in the previous year of £3,063,000.

The surplus after new endowments amounted to £1,754,000 (2020/2021: £3,614,000) with new endowments totalling £1,383,000 (2020/2021: £4,443,000) in support of various of the College's activities, including funds for fellowships and teaching, studentships, bursaries, and hardship funds. There are also £1,316,000 (2020/21: £7,825,000) of restricted donations, which are fully expendable. These expendable donations are in support of education, particularly supporting postgraduate scholarships.

Year ended 30th June	2022 £m	2021 £m	2020 £m	2019 £m	2018 £m
Operating Income	15.86	13.42	13.97	15.04	14.54
Expenditure	16.80	14.25	15.31	15.72	14.36
Operating (Deficit) Surplus	(0.94)	(0.83)	(1.34)	(0.68)	0.18
New Endowments	1.38	4.44	2.46	7.90	1.63
Restricted Donations	1.32	7.83	2.83	2.45	-
Total Surplus before Other Gains and Losses	1.76	3.61	3.95	9.67	1.81

The Operating Deficit includes investment income from the Endowment and investment assets of £3,201,000 (2020/2021: £2,921,000), while any realised gains or losses for the Endowment and investment assets are included in Other Gains and Losses.

The Operating Deficit of £945,000 is realised after charging depreciation of £2,434,000 (2020/2021: £2,482,000). The depreciation charge has more than tripled in the last ten years, and now almost reflects the true annual cost to the College of maintaining and enhancing its operational properties, including the College site at Silver Street. Adding back the depreciation charge and other non-cash items in the Income and Expenditure account, such as pension deficit provisions and any underspend on Restricted Funds, is a reasonable proxy for the cash the College has generated.

This year the College shows as part of its comprehensive Income and Expenditure account other gains and losses relating to investments assets. This year there was a loss of £932,000 (2020/2021: £14,415,000 gain) and a decrease in pension liabilities of £6,107,000 (2020/2021: £2,108,000 liability decrease), the total surplus is £6,930,000 (2020/2021: £27,214,000 surplus).

There are several matters to draw to your attention:

- The continuing impact of the pandemic is dealt with in a separate section below;
- Investment income was at a marginally higher level compared to last year, which is satisfactory in this volatile period in markets;
- Approximately 60% of investment income is dedicated to the principal education activities of the College;
- The deficit on the Education Account was £4,365,000 (2020/2021: £2,820,000 deficit), before taking account of the investment income designated for education;
- The net deficit on the Education Account, after the designated investment income, was £2,514,000 (2020/2021: £1,779,000), this is equal to 1.86 times the unrestricted investment income (2020/2021: 1.5 times);
- This effectively means over recent years all the investment income has been devoted to the education of current students;
- The College's accommodation, conference and catering activities showed a deficit of £2,070,000 (2020/2021: £4,054,000 deficit). This area was the most affected by the pandemic as discussed below;
- The continued significantly reduced external revenue from conference and catering during the year has affected the College adversely.

Funding of the College

Queens' College is funded from several sources as follows:

Year ended 30th June	**2022**	**2021**	**2020**	**2019**	**2018**
Academic Fees	28.5%	31.4%	29.4%	25.0%	26.4%
College Accommodation	23.0%	17.4%	18.6%	23.9%	23.7%
College Catering	4.9%	1.3%	5.3%	6.6%	6.8%
Conference Activities (including Catering)	2.7%	0.0%	9.8%	10.8%	11.0%
Investment Income	20.2%	21.8%	26.3%	13.6%	16.5%
Donations	19.8%	25.3%	7.0%	18.5%	14.4%
Other	0.9%	2.8%	3.6%	1.6%	1.2%

The above table excludes new endowments and restricted expendable donations from the calculations. Future income from the new endowments will appear as Investment Income.

Continuing Impact of Covid-19 on Financial Results

There has been a continuing effect of the Covid pandemic on the College's results for this financial year is principally on the income side and particularly in respect of accommodation, catering, and conference revenues. There has been a degree of recovery from the historic lows of last year, with revenues of £4,852 million (2020/21: £2.543 million), which were caused by the absence for significant periods of 80% of our students and the cessation of all external conference and catering revenue. This year we have had a normal level of students in residence and some improvement in external revenue from conferences and catering events although the latter is but a fraction of the last financial year before the onset of the pandemic. The disruption to supply chains occasioned by the pandemic is still affecting the College with a higher inflationary environment developing, particularly in the last few months of this financial year but the main effect is likely to be felt in subsequent years.

Balance Sheet

The net tangible assets of the College stood at £149.98 million compared to £143.05 million in 2021. The increase is caused by the rise in investment assets' capital values, expendable restricted donations being held in cash ahead of deployment and a 51% fall in the pension liability under FRS 102.

There was no increase in the level of debt issued by the College and the gearing ratio is 15.3% compared to 16.1% last year. The change in gearing ratio is solely a function of the change in net tangible assets.

Main Endowment and Investment Assets

The College, as a long-term investor, has a medium risk appetite for the management of its investments. Risk parameters are agreed with the College's Fund Managers and the Managers are required to have due regard to a company's environmental, social and governance record when investing. The College does not hold any fossil fuel investments in holdings or funds in which it controls the investment. The College, is a beneficiary of a trust where the holdings are managed by the University as trustee and so the College does not control that investment or the policy applied to it.

The market value of the main Endowment and Investment Assets at 30th June 2022 stood at £136.27 million (2020/2021: £135.27 million). This figure includes £8.98 million (being the residual of the £15 million proceeds of a 40-year unsecured private placement issue), £9.70 million of cash donations and other monies for operational property investment and other restricted expendable donations of £2.28 million; when this is excluded the investment assets stand at £115.31 million (2020/21: £112.01 million).

Year ended 30th June	**2022 £mn**	**2021 £mn**	**2020 £mn**	**2019 £mn**	**2018 £mn**
Closing position previous years Endowment & Investment Assets	112.01	93.32	91.23	89.46	86.17
New Endowments & unspent Endowment Income from previous year invested	4.51	4.11	11.59	1.62	1.27
Opening Position	116.52	97.43	102.82	91.08	87.44
Closing Position Endowment & Investment Assets	115.31	112.01	93.23	91.23	89.46
Investment Income Received	3.20	2.92	3.68	2.04	2.39
Gains (Losses)	(0.93)	14.42	(9.50)	0.15	2.02
Total Return	2.27	17.34	(5.82)	2.19	4.41

The portfolio was invested in Global Equities, including Carbon Free holdings, (42%), residential property and agricultural estates (22%), cash (5%), UK gilts and overseas corporate bonds (3%), Multi-Asset Funds which have a significant exposure to quoted equities, including holdings in the Cambridge University Endowment Fund, (17%) and the balance in the recognised alternative asset class of private equity. It should be noted that the private equity investments are unquoted and shown at managers' estimated value on a "marked to market" basis.

During the year the College has increased its holding in ESG funds and has invested in key themes for the future, including clean energy, healthcare, automation, and digital intelligence. It will continue to rebalance the portfolio in future years away from purely geographic allocations to "thematics" with a long-term horizon. It should be noted that with the College's stance on fossil fuel, the returns the College receives at times when there is a significant market shock lading to higher oil and gas prices will be lower than those achieved by other investors with such holdings. The College is aware of this but as a long-term investor it accepts these short-term impacts will occur without invalidating the College approach.

The College now undertakes an ESG analysis of its quoted holdings representing 50% of its total portfolio, relying on data provided by Morningstar and Sustainalytics, as a means of tracking the effectiveness of its investment policies regarding ESG. At the year end, this part of the portfolio had a sustainability rating of 3.8 out of a possible 5.0. This type of analysis is still evolving, and the college will continue to address this issue over time and seek improvements. In due course, it will apply this analysis to all its non-property holdings.

The College's direct investment property assets have been re-valued during the year.

The total recorded return on the investment assets in the year was 1.95% (2020/2021: 17.79%). It should be noted that Queens' only uses its Actual Income in its day-to-day operations. Hitherto, the College has not drawdown any of its investment gains, but has accumulated them within reserves as it is, relatively speaking, an under-endowed College. The College has adopted a normal Total Return Policy, to take effect from 1st July 2022, with a distribution rate of 3% per annum, based on a weighted average of the value of the investment portfolio over a rolling five-year period.

The College takes a long-term view of the investment portfolio and attempts to protect its value in real terms and, as a result, to strike an equitable balance between the interests of the present members of the College and future generations. Any new donations or bequests received during the year are added to Unrestricted Funds, unless the donor has made it clear that the funds are to be spent on a particular project.

Future Capital Projects

In 2022/2023 the College will continue with capital expenditure which is deemed to be critical for the maintenance of the estate.

Long Term Debt Issue

The significant projects in 2014 and 2015 were funded, as previously reported, using the proceeds of an unsecured long-term debt issue in which the College participated with 18 other Colleges. The College's share of the issue was £8 million, with an average life of 34 years, at an effective rate of 4.42% per annum fixed for the duration of the loan. Although issued through a funding vehicle, the College has no responsibility for the obligations of any other of the issuing Colleges. This issue was a good example of the Cambridge Colleges working well together for a common purpose.

In January 2018, the College raised a further £15 million through a private placement. This is unsecured, at a fixed rate of interest of 2.62% per annum with repayment in one amount after 40 years. This fixed rate funding will be used to invest in further operational assets for the College to house more of its graduate

students and to eradicate some historic anomalies in the provision of undergraduate accommodation. As reported last year, the project at Mill Lane was terminated by the University. The College has this year utilised £5.16 million of the proceeds to acquire revenue generating operational properties within the City of Cambridge. The College will use the balance of the proceeds in support of specific, revenue generating operational asset projects within the existing estate.

The issued debt has a gearing covenant (maximum 50% of net tangible assets) and a negative pledge. The College is comfortably within its covenants. This debt appears as a long-term liability on the balance sheet.

Pension Funds

The College participates in two pension schemes detailed below.

The College's academic staff are members of the Universities Superannuation Scheme and the issues and challenges facing this Scheme, and the College's staff who are members of it, have been well publicised. The effect of the FRS102 adjustment in respect of this Scheme, following completion of the latest valuations, in the Income and Expenditure Account this year is a debit of £631,000 (2020/2021: £10,000 debit).

The Cambridge Colleges Federated Pension Scheme (CCFPS), a pension scheme exclusively for non-academic staff, has its full liability recorded in the balance sheet under FRS102. The deficit shown this year has reduced by £6,107,000 (2020/2021: £2,108,000 reduction). The decrease in the deficit is driven principally by a higher discount rate used to calculate the present value of the scheme's liabilities. There is, however, an adverse impact in the staff costs shown in the Income and Expenditure account of £374,000 (2020/2021: -£633,000) arising from FRS102. The College is currently reducing its pension liability under the scheme with additional contributions over an eleven-year period.

The effect of the above changes in respect of both Schemes is a positive balance sheet movement of £5.10 million (2020/2021: 1.47 million positive).

Reserves Policy

The Governing Body, in approving these accounts, has adopted the reserves policy and target reserves as detailed below.

The reserves policy ensures that the College has sufficient financial resources to continue, but also constrains the extent to which reserves are built up from operating surpluses to help maintain intergenerational equity and balance the needs of current and future students.

Free reserves represent the unrestricted general funds of the College. The calculation involves analysis of the composition of the total reserves shown in the Balance Sheet, after adding back any provisions for pension liabilities. The following categories are excluded: Special Trust Funds, permanent restricted endowment, restricted funds and fixed and heritage assets. Net free reserves are after deducting the provision for pension liabilities.

Total Reserves	**2022 £mn**	**2021 £mn**	**2020 £mn**	**2019 £mn**	**2018 £mn**
Total Reserves (including Pension Provision)	154.7	152.9	127.2	132.7	121.1
Less: Restricted Reserves	93.2	91.2	69.8	69.3	72.4
Less: Fixed & Heritage Assets	40.9	39.5	38.0	38.3	38.6
Free Reserves	20.6	22.2	19.4	25.1	10.5
Less: Pension Provision	4.8	9.9	11.3	9.2	7.7
Net Free Reserves	15.8	12.3	8.1	15.9	2.8

The College's target reserves are as follows:

Reserve	**Target Reserve**	**Rationale**
Contingency Income & Expenditure	£8.99 million	Contingency to cover extreme/unexpected shortfall in income or additional extreme/unexpected expenditure – equivalent to 18 months accommodation conference and catering income being the average of the last three non-pandemic years
Emergency Building Repair Contingency	£2.00 million	To fund unexpected urgent repairs to buildings in the estate eg roof failures, etc. equivalent to 5% of buildings as fixed assets
Total	£10.99 million	

As of 30th June 2022, the College's free reserves were £15.8 million (2020/21 £12.3 million) compared with a target reserve of £10.99 million (2020/21 £10.75 million). The significant factor which will affect future reserves is the continuing aftermath of the Covid-19 pandemic, the war in Ukraine and the disruptions caused to supply chains and the prevailing high inflationary environment, particularly in respect of its operations and the financial and other markets in which the College has invested. This level of reserves, which is above the target, enables the College to consider carefully and react appropriately in the event of further, unforeseen extreme circumstances or a significant prolongation of the economic volatility.

The College is focusing on maximising income and donations, managing costs, effective use of restrictive income from Special Trust Funds, permanent restricted endowment and other restricted funds, and investing in the endowment and investment assets in order to recover from the impact of the pandemic and maintain and enhance its free reserves.

The College needs to maintain and enhance its unrestricted reserves as it is one of the measures of its relative financial strength in terms of its pension obligations as well as for its external funders. The Governing Body will keep the reserves policy under review and consider the need for further specific reserves from time to time as circumstances change.

Response of the College to the aftermath of the Covid-19 Pandemic and international developments

The Governing Body has considered carefully the possible continuing impact of the aftermath of the Covid-19, as well as higher inflation and other disruptions arising from the war in Ukraine, on the College's finances in the new financial year and beyond. At meetings in June 2022, it considered a base case scenario of normal academic activities and a gradual recovery in external revenue from conference and catering activity with inflation peaking this year and then returning to c3% over the period. The College being able to adjust its charges to meet the change in inflation but a reduced initial level in donations with a steady improvement thereafter. Investment income rising slowly from the distribution under Total Return policy.

The base case scenario was over a four-year time horizon and showed the College being able to maintain cash generation and return to a surplus over the period. The Governing Body also considered two downside sensitivity analyses, with the severe case assuming significantly higher inflation with limited ability to maintain charges in real terms and a decline in both investment and donation income. The Governing Body also considered the College's holdings of cash and other liquid assets.

The budget for the new financial year was adopted based on the base case scenario.

Going Concern and Viability

The Governing Body has assessed the viability of the College and its subsidiaries over the duration of the four-year scenario planning exercise. The Governing Body considered and approved the detailed budget for the forthcoming year, and the actions required by it, as part of the review and have concluded there is a reasonable expectation that there are adequate resources, including the strength to operate and meet the liabilities of the College as they fall due over the period of the assessment and for the foreseeable future.

Principal Risks and Uncertainties

The principal risks and uncertainties that the College faces in the forthcoming year may be briefly summarised:

- The ongoing aftermath of the Covid-19 pandemic in terms of global economic uncertainties, together with those caused by the war in Ukraine, may have a significant effect on the College's revenue streams and on the markets in which the College invests. It is possible that capital values will be highly volatile and investment income may be adversely affected. Investment capital losses would affect adversely the College's level of free reserves;

- The pandemic returns and prompts further lockdowns such that most students are not in residence and the College, including its principal education activities, operates remotely. This would reduce dramatically one revenue stream. The College would seek to minimise outgoings during such a period. The College has a specific reserve for this matter;

- Unforeseen events disrupt the College's education and other activities such as to prevent the College from operating;

- Although the College has a long-term programme of building renewal and improvement, it is always possible with buildings of the age of the College's estate that there will be unexpected issues that may arise. The College keeps under review the conditions of the fabric to identify further issues and enable them to be addressed on a timely basis. The College has also maintained a detailed remedial programme of works on the buildings in the estate. There is a specific reserve for this matter;

- The volatility in investment markets could be one of the factors that may give rise to a deterioration in the pension liability and a consequential adverse impact on the College's free reserves;
- A sustained high inflation environment may adversely affect the College's income streams as it has limited ability to increase revenues. Such an environment may also adversely affect both investment markets and possibly pension obligations; and
- The continuing failure of academic fees to keep up with the rise in academic costs, as well as the inevitable uncertainties with a potential significant change to the funding of Universities in England, mean that the funding and costs associated with the College's core activity will need to be kept under constant review**.**

Future Plans

During the year the College commenced the review of its strategy and strategic imperatives under the "Five Pillars" approach as outlined in last year's Report and Accounts. This is to build on and significantly enhance the College's current position in all aspects of its activities.

The Five Pillars being considered and to which approaches have been developed with the diverse participation of Fellows are; 1) Fostering the intellectual society; 2) Strengthening financial resilience and long-term viability; 3) Removing obstacles to even broader access and participation; 4) Ensuring a coherent, enabling, and sustainable infrastructure (both physical and technological); 5) Enhancing efficient, representative and accountable governance.

The Five Pillars approach reflects the interdependencies within the College's activity and need to ensure they are aligned, coherent and consistent to strengthen the College for the future. They also allow for exploiting synergies and efficiencies.

As part of the "Five Pillars" review, the College will also continue to develop plans for raising funds, including to enhance significantly the College's endowment to enable it to continue achieving its objectives. As such, the College may amend its agreed strategic priorities for fundraising which were approved by the Governing Body in 2010. Currently, the College focuses principally on raising permanent capital funds for fellowships and teaching and funds to augment further support for students the core activity of the College, and unrestricted funds, so the College may continue to invest in the future and strengthen its financial position.

The College is looking to enhance both the resilience and agility of its operating practices, including by being able to deploy staff resources where there is greatest need and maximising the flexibility of our response as circumstances change.

Conclusion

The College's financial position can be described as challenging and by no means comfortable; there is a great deal to be done to secure properly the long-term future of the College especially for the continued provision of teaching and research excellence, providing for postgraduate students and refurbishing and enhancing the historic and other operational buildings.

As mentioned above, the College will also need to consider additional revenues from other sources, especially in the light of a pandemic stopping one revenue stream at a stroke. The College will endeavour to work as efficiently as possible and maintain its resilience within the context of being an academic community. The College will regularly review its position as circumstances unfold, against its projections and its scenario planning model, to ensure it responds appropriately, proportionately and on a timely basis to the situation in which it may find itself. Our Base Case Scenario over the next few years is a return to generating cash and achieving an operating surplus.

In the medium term, the College would hope to increase its endowment from all sources by at least £100 to £150 million from its current position. The College will also continue to control costs and manage resources to best effect to support its principal objective of providing a first-class education. It is not at all certain that academic fees will be increased adequately to meet the full costs of educating our undergraduates and, indeed, there is a possibility they may be reduced. The College needs to plan and act accordingly.

There is no doubt that the very challenging environment in which the College has operated in the last year will continue for the foreseeable future as there are considerable uncertainties arising from the impact of Covid-19 and the situation can change very rapidly. The College will strive to use its resources wisely and efficiently in these difficult circumstances.

On behalf of the Governing Body

Dr M A El-Erian
President

Mr J Spence
Senior Bursar

The Governing Body is responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards.

The Bursarial Committee has day to day responsibility, under the overall direction of the Governing Body, for ensuring that there is an effective system of internal control and that accounting records are properly kept in accordance with the College's Statutes. It is required to present audited financial statements for each financial year, prepared in accordance with the Statutes of the University, for approval by the Governing Body which give a true and fair view of the state of affairs of the College and of the surplus or deficit of the College for that period.

In preparing these financial statements, the Governing Body is required to:

- select suitable accounting policies and then apply these consistently;
- make judgements 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.

The Governing Body is satisfied that the College has adequate resources to continue in operation for the foreseeable future. The financial statements are accordingly prepared on a going concern basis.

The Governing Body has taken reasonable steps to ensure that there are appropriate financial and management controls in place to achieve policy, aims and objectives and to safeguard the assets of the College and prevent and detect fraud and other irregularities.

Any system of internal control, however, is designed to manage rather than eliminate risk and can only provide reasonable, not absolute, assurance against failure to achieve policy aims and objectives and material misstatement or loss.

The Governing Body is responsible for the maintenance and integrity of the corporate and financial information included on the College's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

QUEENS' COLLEGE, CAMBRIDGE

INDEPENDENT AUDITORS' REPORT TO THE GOVERNING BODY

FOR THE YEAR ENDED 30th JUNE 2022

Opinion

We have audited the financial statements of Queens' College (the 'College) and its subsidiaries (the 'Group') for the year ended 30 June 2022 which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement 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 College's affairs as at 30 June 2022 and of its incoming resources and application of resources 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 and the Statutes of the University of Cambridge.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Governing Body are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of 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.

Opinion on other matters prescribed by the Statutes of the University of Cambridge

In our opinion based on the work undertaken in the course of the audit:

- The contribution due from the College to the University has been computed as advised in the provisional assessment by the University of Cambridge and in accordance with the provisions of Statute G,II, of the University of Cambridge.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and College and its environment obtained in the course of the audit, we have not identified material misstatements in the Review of Operations and Financial Review.

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:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 28, the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Body 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 Governing Body are responsible for assessing the Group's and College'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 Group or the College or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Group through discussions with Trustees and other management, and from our knowledge and experience of the education sector;
- we obtained an understanding of the legal and regulatory framework applicable to the Groupand how the Group is complying with that framework;
- we obtained an understanding of the Group's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the Group. The Laws and regulations we considered in this context were Charities Act 2011 , the Statutes of the University of Cambridge and taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items;
- in addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's and College's ability to operate or to avoid material penalty; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policy were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the College's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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/auditorsresponsibilties. This description forms part of our auditors' report.

Use of our report

This report is made solely to the College's Governing Body as a body, in accordance with College's statutes, the Statutes of the University of Cambridge and the Charities Act 2011. Our work has been undertaken so that we might state to the Governing Body those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the College's Governing Body as a body, for our audit work, for this report, or for the opinions we have formed.

Peters Elworthy & Moore.

PETERS ELWORTHY & MOORE
Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA
Date: 30 September 2022

Peters Elworthy & Moore is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

QUEENS' COLLEGE, CAMBRIDGE

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30th JUNE 2022

Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge and applicable United Kingdom accounting standards. In addition, the financial statements comply with the Statement of Recommended Practice: Accounting for Further and Higher Education (the SORP).

The Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate that all fee income is spent for educational purposes. The analysis required by the SORP is set out in note 6.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified in respect of the treatment of investments which are included at valuation.

Basis of consolidation

The consolidated financial statements include the College and its subsidiary undertakings. Details of the subsidiary undertakings included are set out in note 16. Intra-group balances are eliminated on consolidation.

A separate balance sheet and related notes for the College are not included in the accounts because the College's subsidiary company is a conference and banqueting trading company which donates its profits to the College each year. The balance sheet for the College alone would not be materially different to the one included in the accounts.

Recognition of income

Academic fees
Academic fees are recognised in the period to which they relate and include all fees chargeable to students or their sponsors.

Grant income
Grants received from non-government sources (including research grants from non-government sources) are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance related conditions have been met.

Income received in advance of performance related conditions is deferred on the balance sheet and released to the Consolidated Statement of Comprehensive Income and Expenditure in line with such conditions being met.

Donations and endowments
Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income. Income is retained within restricted reserves until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations and endowments (continued)
Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

There are four main types of donations and endowments with restrictions:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the College.
3. Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Donations with no restrictions are recorded within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

Investment income and change in value of investment assets
Investment income and change in value of investment assets is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

Other income
Income is received from a range of activities including accommodation, catering conferences, job retention scheme grant income and other services rendered.

Cambridge Bursary Scheme
In 2020-2021, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). As a consequence, Cambridge University reimbursed the SLC for the full amount and each College paid their portion (based on their own eligible students) to the University.

The net payment of £120,521 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£118,895
Expenditure	£340,042

Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates or, where there are forward foreign exchange contract, at contract rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Fixed assets

Land and buildings
Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the College.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over their expected useful economic lives of 25-50 years.

Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred. They are not depreciated until they are brought into use.

The cost of additions to operational property shown in the balance sheet includes the cost of land. All other assets are capitalised and depreciated over their expected useful life as follows:

Furniture and fittings	10% per annum
Motor vehicles and general equipment	20% per annum
Computer equipment	33.33% per annum

Heritage assets
The College holds and conserves a number of collections, exhibits, artefacts and other assets of historical, artistic or scientific importance. Heritage assets acquired before 1st July 1999 have not been capitalised since reliable estimates of cost or value are not available on a cost-benefit basis. Acquisitions since 1 July 1999 have been capitalised at cost or, in the case of donated assets, at expert valuation on receipt. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

Investments

Fixed asset investments are included in the balance sheet at fair value, except for investments in subsidiary undertakings which are stated in the College's balance sheet at cost and eliminated on consolidation.

Stocks

Stocks are stated at the lower of cost and net realisable value after making provision for slow moving and obsolete items.

Provisions

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities and assets

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events, not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the College a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College.

Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes.

Financial instruments

The College has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement, and disclosure of financial instruments. Financial assets and liabilities are recognised when the College becomes party to the contractual provision of the instrument, and they are classified according to the substance of the contractual arrangements entered into.

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Basic financial assets include trade and other receivables, cash and cash equivalents and investments in commercial paper (i.e. deposits and bonds). These assets are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method. Financial assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets carried at amortised cost the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate.

Other financial assets, including investments in equity instruments, which are not subsidiaries or joint ventures, are initially measured at fair value which is typically the transaction price. These assets are subsequently carried at fair value and changes in fair value at the reporting date are recognised in the Statement of Comprehensive Income. Where the investment in equity instruments is not publicly traded and where the fair value cannot be reliably measured, the assets are measured at cost less impairment. Investments in property or other physical assets do not constitute a financial instrument and are not included.

Statement of Principal Accounting Policies

Financial Instruments (continued)

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of ownership are transferred to another party.

Financial Liabilities

Basic financial liabilities include trade and other payables, bank loans and intergroup loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at the reporting date. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

To the extent that the College enters into forward foreign exchange contracts which remain unsettled at the reporting date the fair value of the contracts is reviewed at that date. The initial fair value is measured as the transaction price on the date of inception of the contracts. Subsequent valuations are considered on the basis of the forward rates for those unsettled contracts at the reporting date. The College does not apply any hedge accounting in respect of forward foreign exchange contracts held to manage cash flow exposures of forecast transactions denominated in foreign currencies.

Financial liabilities are de-recognised when the liability is discharged, cancelled, or expires.

Taxation

The College is a registered charity (number 1137495) and also a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

The College receives no similar exemption in respect of Value Added Tax.

Contribution under Statute G, II

The College is liable to be assessed for Contribution under the provisions of Statute GII of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The liability for the year

as advised to the College by the University is based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

Pension costs

The College participates in two funded defined benefit pension schemes, Cambridge Colleges Federated Pension Scheme (CCFPS) and the Universities Superannuation Scheme (USS)

Pension costs are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the Fellows' or employees' services.

Universities Superannuation Scheme (USS)
Throughout the current and preceding periods, the Universities Superannuation Scheme was a defined benefit only pension scheme until 31st March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Since the institution has entered into an agreement (the Recovery Plan that determines how each employer within the scheme will fund the overall deficit), the College also recognises a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense in the income and expenditure account.

Cambridge Colleges Federated Pension Scheme (CCFPS)
The College participates in the Cambridge Colleges Federated Pension Scheme (CCFPS), a defined benefit scheme which is externally funded and until 31st March 2016 was contracted out of the State Second Pension (S2P). As CCFPS is a federated scheme and the College is able to identify its share of the underlying assets and liabilities, the College values the fund as required by Section 28 Employee Benefits of FRS102 'Retirement Benefits'. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the amount calculated under FRS102 guidelines.

Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the College. Any material unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

Reserves

Reserves are allocated between restricted and unrestricted reserves. Endowment reserves include balances which, in respect of endowment to the College, are held as permanent funds, which the College must hold to perpetuity.

Restricted reserves include balances in respect of which the donor has designated a specific purpose and therefore the College is restricted in the use of these funds.

Critical Accounting Estimates and Judgements

The preparation of the College's accounts requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management consider the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities.

Income recognition – Judgement is applied in determining the value and timing of certain income items to be recognised in the accounts. This includes determining the appropriate recognition timing for donations, bequests and legacies. In general, the later are recognised when at the probate stage.

Useful lives of property, plant, and equipment – Property, plant and equipment represent a significant proportion of the College's total assets. Therefore, the estimated useful lives can have a significant impact on the depreciation charged and the College's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets, Professional advice and anticipation of future events. Details of the carrying values of property, plant and equipment are shown in page 33.

Investment property – Properties are revalued to their fair value at the reporting date by Carter Jonas and Bidwells. The valuation is based on the assumptions and judgements which are impacted by a variety of factors including market and other economic conditions.

Retirement benefit obligations – The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in pages 36.

Management is satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the accounts.

As the College is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2018 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2021. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in pages 54 - 59.

QUEENS' COLLEGE, CAMBRIDGE

Consolidated Statement of Comprehensive Income and Expenditure

FOR THE YEAR ENDED 30 JUNE 2022

		2021-22				2020-21			
	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
INCOME									
Academic fees & charges	1	4,530			4,530	4,212			4,212
Accommodation, catering and conferences	2	4,852			4,852	2,543			2,543
Endowment and investment income	3	1,350	1,249	602	3,201	1,193	1,094	634	2,921
Other income		128			128	344			344
Total income before donations and endowments		**10,860**	**1,249**	**602**	**12,711**	**8,292**	**1,094**	**634**	**10,020**
Donations		3,145	1,316		4,462	3,401	7,825		11,225
Deferred Capital write back					0				0
New endowments			0	1,383	1,383		0	4,443	4,443
Capital grants from colleges fund					0				0
Other capital grants for assets			0		0		0		0
Total income		**14,005**	**2,565**	**1,985**	**18,555**	**11,692**	**8,919**	**5,077**	**25,688**
EXPENDITURE									
Education	4	7,044	1,249	602	8,895	5,991	407	634	7,032
Accommodation, catering and conferences	5	6,922			6,922	6,597			6,597
Other expenditure		948			948	594			594
Contribution under Statute G, II		36			36	28			28
Total expenditure	6	**14,949**	**1,249**	**602**	**16,801**	**13,210**	**407**	**634**	**14,250**
Surplus (deficit) before other gains and losses		(944)	1,316	1,383	1,754	(1,517)	8,512	4,443	11,438
Gains(loss) on disposal of fixed assets	8	0			0	(761)			(761)
Gains(loss) on investments	9	(178)	(73)	(681)	(932)	5,962	884	7,582	14,428
Surplus (deficit) for the year		(1,122)	1,243	702	823	3,685	9,396	12,025	25,106
Other comprehensive income									
Unrealised surplus on revaluation of fixed assets		0			0	0			0
Actuarial gain(loss) in respect of pension schemes	15	6,107			6,107	2,108			2,108
Total comprehensive income for the year		**4,985**	**1,243**	**702**	**6,930**	**5,792**	**9,396**	**12,025**	**27,214**

The notes on pages 44 to 59 form part of these accounts

QUEENS' COLLEGE, CAMBRIDGE

Statement of Changes in Reserves
Year Ended 30th June 2022

	Income and expenditure reserve			
	Unrestricted	Restricted	Endowment	Total
Balance at 1 July 2021	**£'000**	**£'000**	**£'000**	**£'000**
Opening balance	51,835	21,841	69,373	143,050
Change of Fund Classification	0	0	0	0
Surplus/(Deficit) from income and expenditure statement	(1,122)	1,243	702	823
Other comprehensive income	6,107	0	0	6,107
Release of restricted capital funds spent in year	0	0	0	0
Balance at 30th June 2022	**56,820**	**23,084**	**70,075**	**149,979**

	Income and expenditure reserve			
	Unrestricted	Restricted	Endowment	Total
Balance at 1 July 2020	**£'000**	**£'000**	**£'000**	**£'000**
Opening balance	46,043	12,445	57,348	115,836
Change of Fund Classification	0	0	0	0
Surplus/(Deficit) from income and expenditure statement	3,685	9,396	12,025	25,106
Other comprehensive income	2,108	0	0	2,108
Release of restricted capital funds spent in year	0	0	0	0
Balance at 30th June 2021	**51,835**	**21,841**	**69,373**	**143,050**

The notes on pages 44 to 59 form part of these accounts

QUEENS' COLLEGE, CAMBRIDGE

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2022

	Note	2022 Group £'000	2021 Group £'000
NON CURRENT ASSETS			
Fixed assets	8	40,902	39,488
Heritage Assets	8	103	103
Investments	9	136,267	135,271
Total non-current assets		177,271	174,863
CURRENT ASSETS			
Stocks	10	433	436
Trade and other receivables	11	1,702	2,161
Cash and cash equivalents	12	455	207
Total current assets		2,590	2,803
Creditors: amounts falling due within one year	13	2,114	1,747
Total Assets less current liabilities		177,747	175,919
Creditors: amounts falling due after more than one year	14	(23,000)	(23,000)
Provisions			
Pension provisions	15	(4,767)	(9,869)
Other provisions		0	0
Total net assets		149,979	143,050
Restricted reserves			
Income and expenditure reserve-endowment reserve	17	70,075	69,373
Income and expenditure reserve-restricted reserve	18	23,084	21,841
Unrestricted Reserves			
Income and expenditure reserve-Unrestricted		56,820	51,835
TOTAL RESERVES		149,979	143,050

The notes on pages 44 to 59 form part of these accounts

These accounts were approved by the Governing Body on 30th September 2022 and signed on their behalf by

Dr M A El-Erian
President

Jonathan Spence
Senior Bursar

QUEENS' COLLEGE, CAMBRIDGE

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 £'000	2021 £'000
Net cash inflow from operating activities	19	3,568	13,045
Cash flows from investing activities	20	(2,573)	(12,358)
Cash flows from financing activities	21	(747)	(747)
Increase/(decrease) in cash equivalents in the year		248	(60)
Cash and cash equivalents at beginning of the year		207	267
Cash and cash equivalents at end of the year	12	455	207

The notes on pages 44 to 59 form part of these accounts

1 Academic fees and charges

	2022 £000	2021 £000
Fee income received at the Regulated undergraduate rate	2,582	2,529
Fee income received at the Unregulated undergraduate rate	206	288
Fee income received at the Graduate rate	1,595	1,227
Other Income	146	168
	4,530	4,212

2 Income from accommodation, catering and conferences

Accommodation:	College members	3,651	2,344
	Conferences and banquets	167	22
Catering:	College members	780	177
	Conferences and banquets	254	0
Total		4,852	2,543

3 Endowment and investment income

3a Analysis

	2022 £000	2021 £000
Income from:		
Land and buildings	494	488
Quoted securities	2,072	2,143
Fixed interest securities	16	16
Income from short-term investments	46	3
Other interest receivable	573	272
Total	3,201	2,921

3b Investment management costs

	2022 £000	2021 £000
Land and buildings	(169)	(78)
Quoted securities - equities	(88)	(88)
Fixed interest securities	0	0
Other investments	0	0
Cash	0	0
Total	(257)	(165)

4 Education expenditure

	2022 £000	2021 £000
Teaching	4,397	3,200
Tutorial	1,810	1,662
Admissions	576	351
Research	401	303
Scholarships and awards	930	797
Other educational facilities	781	719
Total	8,895	7,032

5 Accommodation, catering and conferences expenditure

		2022 £000	2021 £000
Accommodation:	College members	5,111	4,920
	Conferences and banquets	232	45
Catering:	College members	1,241	1,623
	Conferences and banquets	338	8
Total		6,922	6,597

6a Analysis of 2021/2022 expenditure by activity

	Staff costs (note 7)	Other operating expenses	Depreciation	Total
	£000	£000	£000	£000
Education	5,002	3,095	799	8,895
Accommodation, catering and conferences	3,107	2,179	1,636	6,922
Other	417	567	0	984
	8,525	5,841	2,434	16,801

Expenditure includes fundraising costs of £368,193 and £211,298 on alumni relations.

6b Analysis of 2020/2021 expenditure by activity

	Staff costs (note 7)	Other operating expenses	Depreciation	Total
	£000	£000	£000	£000
Education	3,928	2,254	849	7,032
Accommodation, catering and conferences	3,532	1,433	1,632	6,597
Other	348	274	0	622
	7,808	3,960	2,482	14,250

Expenditure includes fundraising costs of £314,006 and £151,765 on alumni relations.

6c Auditors' remuneration

	2022	2021
	£000	£000
Other operating expenses include:		
Audit fees payable to the College's external auditors	38	33
Other fees payable to the College's external auditors	0	0

7 Staff costs

Consolidated	Academic	Non- academic	Total 2022	Total 2021
	£000	£000	£000	£000
Staff Costs:				
Emoluments	1,875	4,025	5,900	5,862
Social security	165	327	492	437
Pension	935	1,198	2,133	1,509
	2,975	5,550	8,525	7,808

	Average staff numbers 2022		Average staff numbers 2021	
	Number of Fellows	Full-time equivalents	Number of Fellows	Full-time equivalents
Academic	60		61	
Non-academic		111		117

At the Balance Sheet date there were 67 members of the Governing Body. During the year the average number receiving remuneration was the 60 shown above.

The number of officers and employees of the College, including Head of House, who received remuneration in the following ranges was

	2022	2021
£100,001 - £110,000	1	0
£110,001 - £120,000	2	3
£120,001 - £130,000	2	1
£130,001 - £140,000	1	0

The total cost of remuneration includes salary, employer's national insurance contributions, employer's pension contributions plus any txable benefits either paid, payable or provided, gross of any salary sacrifice arrangements.

Key management personnel
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College.
The aggregated remuneration paid to key management personnel consists of salary, employer's national insurance contributions, employer's pension contributions, plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements.
The President, Senior Bursar, and Senior Tutor are the College's key management personnel.

	Total 2022	Total 2021
	£'000	£'000
Key management personnel aggregated remuneration	389	367

The Trustees received no remuneration in their capacity as Trustees of the Charity.

8 Fixed assets

	Land and buildings £000	Assets in construction £000	Equipment £000	Heritage Assets £000	2022 Total £000	2021 Total £000
Cost or valuation						
At beginning of year	60,167	0	2,249	103	62,518	59,611
Additions at cost	2,139	1,162	547	0	3,848	6,464
Revaluation of asset	0	0	0	0	0	0
Transfer	0	0	0	0	0	0
Disposals	(1,716)	0	(341)	0	(2,058)	(3,556)
At end of year	60,590	1,162	2,454	103	64,308	62,518
Depreciation						
At beginning of year	21,690	0	1,237	0	22,927	21,481
Charge for the year	2,004	0	431	0	2,434	2,482
Eliminated on Disposal	(1,716)	0	(341)	0	(2,058)	(1,035)
Written back on revaluation	0	0	0	0	0	0
At end of year	21,978	0	1,327	0	23,304	22,927
NET BOOK VALUE						
At end of year	38,612	1,162	1,128	103	41,004	39,591
At beginning of year	38,477	0	1,011	103	39,591	38,130

The insured value of freehold land and buildings as at 30 June 2022 was £182m (2021: £167m).

8 Tangible fixed assets (continued)

Heritage assets

The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance.

As stated in the statement of principal accounting policies, heritage assets acquired since July 2005 have been capitalised. However the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of the cost or valuation are not available for these on a cost-benefit basis, they have not been capitalised. As a result the total included in the balance sheet is partial.

Amounts for the current and previous years were as follows:

	2022 £000	2021 £000	2020 £000	2019 £000	2018 £000
Acquisitions purchased with specific donations	0	0	0	0	0
Acquisitions purchased with College funds	0	0	0	88	0
Total cost of acquisitions purchased	0	0	0	88	0
Value of acquisitions by donation	0	0	0	0	0
Total acquisitions capitalised	0	0	0	88	0

9 Fixed asset investments

	2022 Total £000	2021 Total £000
Balance at beginning of year	135,271	110,267
Additions	56,183	88,396
Tranfered from fixed assets	0	0
Disposals	54,256	77,820
Less: impairment on unquoted securities	0	0
Gain/(loss)	(932)	14,428
Increase/(decrease) in cash balances held at fund managers	0	0
Balance at end of year	136,267	135,271
Represented by:		
Property	26,077	24,976
Quoted securities – equities	58,799	58,893
Fixed interest securities	1,523	611
Other investments	21,203	19,187
Cash in hand & at investment managers	28,665	31,604
Total	136,267	135,271

10 Stocks and work in progress

	2022 £000	2021 £000
Goods for resale	433	435
Work in progress	0	0
Other Stocks	0	0
	433	436

11 Trade and other receivables

	2022 £000	2021 £000
Members of the College	32	9
Amounts due from subsidiary undertakings	0	0
Other receivables	1,502	2,089
Prepayments and accrued income	168	63
	1,702	2,161

12 Cash and cash equivalents

	2022 £000	2021 £000
Short-term money market investments		
Bank deposits		
Current accounts	448	204
Cash in hand	7	3
	455	207

13 Creditors: amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	1,240	865
Members of the College	324	378
Amounts due to subsidiary undertakings	0	0
Receipts in advance	444	405
University Fees	71	71
Contribution to Colleges Fund	36	28
Accruals and deferred income		
Other creditors		
	2,114	1,747

14 Long term loans

During 2013-14, the College borrowed from instutional investors, collectively with other Colleges, the College's share being £8 million. The Loans are unsecured and repayable during the period 2043-2053, and are at fixed interest rates of approximately 4.42%. The College has agreed a financial covenant of the ratio of Borrowings to Net Assets, and has been in compliance with the covenant at all times since incurring the debt.

During the course of 2017-2018, the College rasied a further £15 million of unsecured debt from institutional investors at a fixed rate of interest of 2.62% per annum. Repayment is due in one amount a the end of 40 years. There is an agreed covenant in respect of the borrowings which the College has been in compliance with.

15 Pension provisions

	2022	2021
CCFPS	**£000**	**£000**
Balance at beginning of year	9,301	10,777
Movement in year:		
Current service costs including life assurance	1,478	1,514
Contributions	(1,104)	(881)
Other finance cost	0	0
Actuarial loss/(gain) recognised in Statement of Comprehensive Income and Expenditure	(6,107)	(2,108)
Balance at end of year	3,568	9,301
USS		
Balance at beginning of year	568	558
Current service costs including life assurance	654	284
Contributions	(29)	(282)
Other finance cost	5	8
Balance at end of year	1,199	568

16 Principal subsidiary undertakings

The College owns 100% of the ordinary share capital of QC Enterprises Limited, a company incorporated in England. The principal activity of the company is the provision of conference and banqueting services at the College.

17 Endowment funds

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments £000	Unrestricted permanent endowments £000	2022 Total £000	2021 Total £000
Balance at beginning of year				
Capital	39,272	30,102	69,373	57,348
New Donations and endowments	1,369	14	1,383	4,443
Increase/(decrease) in market value of investments	(380)	(301)	(681)	7,582
Balance at end of year	40,260	29,815	70,075	69,373
Analysis by type of purpose				
Fellowship funds	28,315	0	28,315	27,592
Scholarship funds	4,610	0	4,610	4,529
Prize Funds	0	0	0	0
Hardship funds	129	0	129	131
Bursary funds	4,956	0	4,956	4,765
Travel grant funds	438	0	438	425
Other funds	144	0	144	146
General	1,667	29,815	31,481	31,785
	40,260	29,815	70,075	69,373
Analysis by asset				
Property	6,417	4,752	11,169	11,057
Investments	31,550	23,365	54,915	54,365
Cash	2,293	1,698	3,991	3,951

18 Restricted Reserves

Reserves with restrictions are as follows:

	Capital grants unspent £000	Permanent unspent and other restricted income £000	Restricted expendable endowment £000	2022 Total £000	2021 Total £000
Balance at beginning of year	0	2,234	19,607	21,841	12,445
Capital	0	0	19,157	19,157	10,448
Accumulated income	0	2,234	450	2,684	1,997
Change of Fund Classification	0	0	0	0	0
New grants	0	0	0	0	0
New donations	0	0	1,316	1,316	7,825
Endowment return transferred	0	760	147	906	842
Other investment income	0	343	0	343	252
Increase/(decrease) in market value of investments	0	0	(73)	(73)	884
Expenditure	0	(1,008)	(241)	(1,249)	(407)
Capital grants utilised	0	0	0	0	0
Balance at end of year	0	2,328	20,756	23,084	21,841
capital	0	0	20,314	20,314	19,157
Accumulated income	0	2,328	441	2,770	2,684
Analysis of other restricted funds/donations by type of purpose					
Fellowship funds	0	1,817	1,034	2,851	2,765
Scholarship funds	0	132	581	713	708
Prize Funds	0	0	0	0	0
Hardship funds	0	(7)	1,504	1,497	1,513
Bursary funds	0	309	634	943	935
Travel grant funds	0	37	35	72	86
Other funds	0	37	16,697	16,735	15,558
General	0	3	271	274	276

19 Reconciliation of consolidated surplus for the year to net cash inflow from operating activities

		2022 £000	2021 £000
Surplus/(deficit) for the year		823	25,106
Adjustment for non-cash items			
Depreciation	8	2,434	2,482
Loss/(gain) on endowments, donations and investment property	17	932	(14,428)
Decrease/(increase) in stocks	10	3	13
Decrease/(increase) in trade and other receivables	11	459	1,139
Increase/(decrease) in creditors	13	367	(495)
Increase/(decrease in provisions		0	0
Pension costs less contributions payable	15	1,005	643
Loss/(gain) on sale of property		0	761
Adjustment for investing or financing activities			
Investment income		(3,201)	(2,921)
Interest payable		747	747
Net cash inflow from operating activities		3,568	13,045

20 Cash flows from investing activities

	2022 £000	2021 £000
Proceeds from the sales of non-current fixed assets	0	1,760
Non-current investment disposal	54,256	77,820
Investment income	3,201	2,921
Endowment funds invested	0	0
Withdrawal of deposits	0	0
Payments made to acquire non-current assets	(60,031)	(94,860)
Total cash flows from investing activities	(2,573)	(12,358)

21 Cash flows from financing activities

	2022 £000	2021 £000
Interest paid	(747)	(747)
Interest element of finance rental payment	0	0
New unsecured loans	0	0
Repayments of amounts borrowed	0	0
Capital element of finance lease rental payment	0	0
Total cash flows from financing activities	(747)	(747)

22 Capital commitments

	2022 £000	2021 £000
Capital commitments at 30 June 2020 are as follows:		
Authorised and contracted	1,600	375
Authorised but not yet contracted for	2,150	535

23 Consolidated reconciliation and analysis of net debt

	At 1 July 2021 £000	Cash Flows £000	Other non-cash changes £000	At 30 June 2022 £000
Cash and cash equivalents	207	248		455
Borrowings:				
Amounts falling due after more than one year				
Unsecured loans	(23,000)			(23,000)
Total net debt	(22,793)	248	0	(22,545)

24 Financial Instruments

	2022 £000	2021 £000
Financial assets		
Financial assets at fair value through Statement of Comprehensive income		
Listed equity investments	58,799	56,197
Other investments	38,580	18,282
Financial assets that are debt instruments measured at amortised cost		
Cash and cash equivalents	30,188	12,688
Other debtors	1,534	3,280
Financial liabilities		
Financial liabilities measured at amortised cost		
Loans	23,000	23,000
Trade creditors	1,357	1,173
Other creditors	431	512

25 Related Party Transactions

Owing to the nature of the College's operations and the composition of the Governing Body, it is inevitable that transactions will take place with organisations in which a Governing Body member may have an interest. All transactions involving organisations in which a member of the Governing Body may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

The College maintains a Register of Interest for all Fellows and College employees with spending authority. It is updated every six months and during the year to 30th June 2022 it reveals that no material events occurred.

During the year no fees or expenses were paid to Fellows in respect of their duties as Trustees.

Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for any private catering. The Trustees remuneration is overseen by the Stipends Committee.

The College continues it's investment in joint equity properties with 1 College Fellow (1 Fellow in 2021). The total investment by the College amounted to £147,175 (2021 £147,175).

The salaries paid to Trustees in the year are summarised in the table below:

From	To	2022	2021
£0	£10,000	28	26
£10,001	£20,000	15	16
£20,001	£30,000	5	8
£30,001	£40,000	2	2
£40,001	£50,000	2	0
£50,001	£60,000	1	2
£60,001	£70,000	2	1
£70,001	£80,000	1	1
£80,001	£90,000	2	4
£90,001	£100,000	1	0
£100,001	£110,000	2	1
	Total	61	61

The total Trustee salaries were £1,399,918 for the year (2021: £1,360,765)

The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £52,663 for the year (2021: £79,985)

The College has one trading and one dormant subsidiary undertaking, both of which are consolidated into these accounts. Both subsidiary undertakings are 100% owned by the College and are registered and operating in England and Wales.
The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

UNIVERSITIES SUPERANNUATION SCHEME

Significant accounting policies

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Critical accounting judgements

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102. The directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

PENSION COSTS

The total cost charged to the profit and loss account is £630,803 (2021: £10,096)).

Deficit recovery contributions due within one year for the institution are £87,595 (2021: £26,734).

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2020 (the valuation date), and was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles:
(**uss.co.uk/about-us/valuation-and-funding/statement-of-funding- principles**).

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% pa to 2030, reducing linearly by 0.1% pa to a long-term difference of 0.1% pa from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% pa Post retirement: 1.00%pa

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 Valuation
Mortality base table	101% of S2PMA 'light' for males and 95% of S3PFA for females.
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% pa and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectations on retirement at age 65 are:

	2022	**2021**
Males currently aged 65 (years)	23.9	24.7
Females currently aged 65 (years)	25.5	26.1
Males currently aged 45 (years)	25.9	26.7
Females currently aged 45 (years)	27.3	27.9

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2022	**2021**
Discount rate	3.31%	1.80%
Pensionable salary growth	3.33%	3.10%

CAMBRIDGE COLLEGES FEDERATED PENSION SCHEME

The College operates a defined benefits plan for the College's employees of the Cambridge Colleges' Federated Pension Scheme.

The liabilities of the plan have been calculated at 30th June 2022 for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Cambridge Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

The principal actuarial assumptions at the balance sheet date were as follows:

	30th June 2022	30th June 2021
Discount rate	3.80%	1.80%
Increase in salaries	3.25%	3.10%
RPI assumption	3.45%*	3.40%
CPI assumption	2.75%*	2.60%
Pension increased in payment (RPI Max 5% pa)	3.30%*	3.30%
Pension increases in payment (CPI Max 2.5% pa)	2.05%*	1.95%

*For one year only, we have assumed that RPI will be 11% and CPI will be 9%. The caps under the Rules are applied to assumed pension increases.

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2021 future improvement factors and a long-term rate of future improvement of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements (2021: S3PA with CMI_2020 future improvement factors and a long-term future improvement rate of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Male age 65 now has a life expectancy of 21.9 years (previously 21.9 years).
- Female age 65 now has a life expectancy of 24.3 years (previously 24.3 years).

- Male age 45 now and retiring in 20 years has a life expectancy of 23.2 years (previously 23.2 years).
- Female age 45 now and retiring in 20 years has a life expectancy of 25.7 years (previously 25.7 years).

PENSION SCHEMES (CONTINUED)

The assets in the Scheme and the expected rates of return were:

	Long-term rate of return expected at 30/06/2022	*Value at 30/06/2022*	*Long-term rate of return expected at 30/06/2021*	*Value at 30/06/2021*	*Long-term rate of return expected at 30/06/2020*	*Value at 30/06/2020*
Equities and Hedge Funds		10,257,694		10,606,207		9,810,563
Cash, Bonds & Net Current Assets		6,706,954		9,280,431		8,208,838
Property		2,761,687		2,209,626		2,002,156
Total		19,726,335		22,096,264		20,021,557

The following results were measured in accordance with the requirements of FRS102

	2022 £	**2021 £**	**2020 £**
Total market value of assets	19,726,335	22,096,264	20,021,557
Present value of Scheme liabilities	(23,294,743)	(31,397,694)	(30,798,169)
Surplus/(deficit) in the Scheme	(3,568,408)	(9,301,430)	(10,776,612)

The amounts recognised in income and expenditure are as follows:

	30th June 2022 £	**30th June 2021 £**
In staff costs: Current service cost (net of employee contributions)	1,255,992	1,320,996
In endowment and investment income:		
Interest cost	572,440	453,455
Expected return on pension scheme assets	(403,831)	(296,257)
Net return	168,609	157,198
Actual return on pension scheme assets	2,978,166	1,528,371

PENSION SCHEMES (CONTINUED)

Changes in the present value of the plan liabilities are as follows:

	30th June 2022	30th June 2021
	£	£
Present value of plan liabilities at beginning of period	31,397,694	30,798,169
Current service cost (including employee's contributions)	1,532,171	1,594,918
Interest on plan liabilities	572,440	453,455
Actuarial (gains) losses	(9,498,973)	(897,337)
(Gain)/loss on plan changes	0	0
Curtailment (gain)/loss	0	0
Benefits paid	(708,589)	(551,511)
Present value of plan liabilities at end of period	23,294,743	31,397,694

Changes in the fair value of scheme assets are as follows:

	30th June 2022	30th June 2021
	£	£
Market value of plan assets at beginning of year	22,096,264	20,021,557
Contributions by the College	1,103,937	881,344
Additional contributions by members (including AVCs)	276,179	273,922
Benefits (and expenses) paid	(771,879)	(608,930)
Interest on plan assets	403,831	296,257
Return on assets, less interest included in Prof.it & Loss	(3,381,997)	1,232,114
Market value of plan assets at end of year	19,726,335	22,096,264

Amounts for the current and previous four periods are as follows:

	30th June 2022	30th June 2021	30th June 2020	30th June 2019	30th June 2018
	£	£	£	£	£
Present value of plan liabilities	(23,294,743)	(31,397,694)	(30,798,169)	(26,243,731)	(22,678,045)
Market value of plan assets	19,726,335	22,096,264	20,021,557	17,915,328	15,797,680
Surplus/(deficit)	(3,568,408)	(9,301,430)	(10,776,612)	(8,328,403)	(6,880,365)
Experience adjustments on plan liabilities	1,108,641	(459,639)	(54,536)	439,114	(297,285)
Change in assumptions underlying present value of plan liabilities	(10,597,748)	(416,040)	(3,026,582)	(2,878,488)	(1,063,729)

The plan has no investments in property occupied by assets used by or financial instruments issued by the College.

Funding policy

Actuarial valuations are carried out every three years on behalf of the Management Committee, acting as the Trustee of the Scheme, by a qualified independent actuary. The actuarial assumptions underlying the funding valuation are different to those adopted under FRS102.

The last such valuation was at 31st March 2020. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall.

These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 21st May 2021 and are as follows:

- Annual contributions of not less than £274,247 per annum, payable for the period to 31st March 2029.

These payments are subject to review following the next funding valuation, due as at 31st March 2023.

THE QUEENS' COLLEGE OF SAINT MARGARET AND SAINT BERNARD IN THE UNIVERSITY OF CAMBR

England & Wales - Charity number 1137495

Accounts



QUEENS' COLLEGE, CAMBRIDGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2021

QUEENS' COLLEGE, CAMBRIDGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2021

Contents

	Page
Reference and Administrative Details	3 - 6
Structure, Governance and Management	7 - 10
Aims and Objectives of the College	11
Public Benefit	11 - 12
Review of Operations	13 - 18
Financial Review	19 - 27
Responsibilities of the Governing Body	28
Independent Auditors Report	29 - 32
Statement of Principal Accounting Policies	33 - 39
Consolidated Statement of Comprehensive Income & Expenditure	40
Statement of Changes in Reserves	41
Consolidated Balance Sheet	42
Consolidated Cash Flow Statement	43
Notes to the Financial Statements	44 - 59

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 30th JUNE 2021

The full name of the College is "The Queen's College of St Margaret and St Bernard, commonly called Queens' College in the University of Cambridge". The College is a corporate body consisting of the President, Fellows and Scholars.

The Governing Body, which consists of the President and the Fellows, with four student observers, holds at least six meetings each year. The Governing Body met ten times in the year to which this report relates. The President, Professorial Fellows and Official Fellows are the voting members of the Governing Body and, since the Governing Body exercises general control and management of the College, its voting members are the trustees of the charity.

*President
Dr M A El-Erian
The Rt Hon. Prof. Lord Eatwell[3]

Life Fellows
Prof. A C Spearing
Dr B A Callingham
Prof. J E Carroll
Revd Dr B L Hebblethwaite
Dr J T Green
Dr W A Phillips
Prof. A. N. Hayhurst
Dr C J Pountain
Prof. Lord Oxburgh, KBE FRS FREng
Revd Canon J C Polkinghorne*[2] KBE,FRS
Prof. J Diggle, FBA
His Hon. Judge Bridge[+1]
Prof. K F Priestley
Revd Dr J M Holmes
Dr H J Field
Dr C N Pitelis
Dr A D Cosh
Prof. D R Ward
Prof. J L Scott
Dr M J Milgate
Dr I K Patterson
Dr E G Kahrs
The Rt Hon. Prof. Lord Eatwell[4]
Dr R D H Walker[4]

*Professorial Fellows
Prof. E A H Hall, CBE
Prof. A N Lasenby
Prof. D.K. Menon
Prof. R W Prager, FREng

*Official Fellows
Prof. R R Weber
Prof. J A Jackson, CBE FRS
Prof. R G Fentiman
Prof. P H Haynes, FRS
Prof. D Cebon, FREng
Prof. R L Jones
Dr A H Gee
Dr J W F Allison
Prof. B J Glover
Prof. R A W Rex
Prof. C E Bryant
Dr M P V Crowley
Prof. J C Muldrew
Dr J W P Campbell
Dr H R N Jones
Prof. M J Dixon
Dr A C Thompson
Prof. J R Gog
Prof. A A Seshia
Prof. E M Terentjev
Dr I Sitaridou
Dr A Zurcher
Dr A M Rossi
Mr J Spence
Dr G J McShane
Dr H J Stone
Prof. M Edmonds
Dr J J Maguire
Dr G M Fraser
Dr L S Tiley
Dr T S Butlin
Prof. R Nickl
Dr J W Kelly
Mr S J Price
Prof. A C Rice
Dr E Moyroud
Dr D J Butterfield
Dr A Paterson
Dr E Gallo
Dr F I Paddeu
Revd T C Harling
Mr R M C Kitt
Dr S Haggarty
Dr C J Bickerton
Dr C Brendon
Dr D J Parker
Dr G Denyer Willis
Dr E McPherson
Dr M E B Tait
Dr C Warnick
Dr A Marsham
Dr J Blundell
Prof. A Beresford
Dr P McMurray
Dr T Denmead
Mr A D Bainbridge
Revd M Bayliss
Prof. N D Lawrence
Dr J Garrison[4]
Dr G Atkins[4]

Bye-Fellows
Dr R D H Walker[3]
Dr A D Challinor
Dr G H Treece
Dr R M Faragher
Dr T Forster
Dr G Atkins[3]
Dr T J Eggington
Dr J Garrison[3]
Dr J R Bellis
Dr C Hill
Dr A Schmidt
Dr A C Bonner
Dr J M Rodriguez
Dr P Bambrough
Dr C Clark
Dr C Peñasco Patón
Dr L Davies[5]

Research Fellows
Dr C Penney
Dr C Proudman
Dr R Lawlor
Dr R Van Rosenbergen[4]
Dr E Noterman[4]

Emeritus Fellows
Dr A M W Glass
Prof. J Russell
Prof. A M Gamble

[1] Obit 12 September 2020
[2] Obit 9 March 2021
[3] To 30 September 2020
[4] From 1 October 2020
[5] From 1 April 2021

*Charity Trustees

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 30th JUNE 2021

Senior Officers

President	Dr M A El-Erian
Vice-President	Professor M Edmonds
Senior Bursar	Mr J Spence
Acting Senior Tutor	Professor M J Dixon (to 18th March 2021)
Senior Tutor	Dr A C Thompson (from 19th March 2021)

PRINCIPAL COMMITTEES

Bursarial Committee

Dr M A El-Erian, President
Professor M Edmonds, Vice-President
Mr J Spence, Senior Bursar
Mr A D Bainbridge, Domestic Bursar
Dr A C Thompson, Senior Tutor
Mr R M C Kitt, Development Director
Dr D J Butterfield
Professor E A H Hall
Professor R L Jones
Dr A D Marsham
Dr F I Paddeu
Professor R A W Rex
Professor A C Rice
Dr I Sitaridou
Professor R R Weber

Fellowships Committee

Dr M A El-Erian, President
Dr A C Thompson, Senior Tutor
Mr J Spence, Senior Bursar
Professor B J Glover
Professor P Haynes
Professor R W Prager
Professor E Terentjev
Dr M P V Crowley
Dr G Denyer Willis
Dr A M Rossi
Dr A Zurcher

Investments Committee

Dr M A El-Erian, President
Professor M Edmonds, Vice-President
Mr J Spence, Senior Bursar
Professor M J Dixon, Dean of College
Professor D Cebon
Dr A H Gee
Professor R R Weber
Mrs A Koerling (Queens' Alumna)
Mr A Pomfret (Queens' Alumnus)
Dr R Ramaswamy (Queens' Alumnus)

Teaching and Learning Committee

Dr A C Thompson, Senior Tutor
Dr J R Garrison, Admissions Tutor
All Directors of Studies of the College
Tutors charged with Admissions
Admissions Co-ordinator
Graduate Administrator

Tutorial Committee

Dr M A El-Erian, President
Dr A C Thompson, Senior Tutor
Professor M J Dixon, Dean of College
All Tutors of the College
Revd T C Harling, Dean of Chapel
Mr A D Bainbridge, Domestic Bursar

Graduate Committee

Professor E A H Hall
Deputy Senior Tutor/Senior Tutor
All Graduate Tutors of the College
Mr A D Bainbridge, Domestic Bursar
Student Support Team Representative
Representative for part-time courses
MCR President
MCR Secretary/Vice President
Post-Doctoral Research Associates Convenor
MPhil Representative
Graduate Administrator

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30th JUNE 2021

GOVERNING BODY ATTENDANCE LIST 2020 - 2021

ON LEAVE 2019-2020:
Dr G M Fraser
Dr T S Butlin

ON LEAVE 2020-2021:
Prof. J A Jackson (Easter 2021)
Prof. R L Jones
Prof. J C Muldrew
Prof. J R Gog
Dr L S Tiley
Dr J W Kelly
Prof. B J Glover
Dr D J Butterfield (Michaelmas 2020)
Dr J Blundell (Michaelmas 2020)

11 Governing Body Meetings took place between 1 July 2020 – 30 June 2021.
Fellows' attendance was recorded as follows:

The Rt Hon. Prof. Lord (10/7/2020)	1/1	Prof. R Nickl	8/11
		Dr T S Butlin	8/11
Dr M A El-Erian	10/10	Mr S J Price	10/11
Prof. R R Weber	11/11	Prof. A C Rice	11/11
Prof. J A Jackson	7/8	Dr E Moyroud	6/11
Prof. R G Fentiman	9/11	Dr D J Butterfield	8/8
Prof. P H Haynes	11/11	Dr A Paterson	9/11
Prof. D Cebon	11/11	Dr M E B Tait	11/11
Prof. E A H Hall	11/11	Dr E Gallo	5/11
Prof. R W Prager	10/11	Dr F I Paddeu	10/11
Prof. A N Lasenby	10/11	Mr R M C Kitt	11/11
/11Dr A H Gee	10/11	Revd T C Harling	11/11
Dr J W F Allison	10/11	Dr S Haggarty	9/11
Prof R A W Rex	11/11	Dr C J Bickerton	7/11
Prof C E Bryant	11/11	Dr C Brendon	8/11
Dr M P V Crowley	8/11	Dr D J Parker	10/11
Dr J W P Campbell	11/11	Dr G Denyer Willis	10/11
Dr H R N Jones	8/11	Dr E McPherson	10/11
Prof. M J Dixon	10/11	Dr G Atkins	11/11
Prof. D K Menon	10/11	Dr C Warnick	11/11
Dr A C Thompson	10/11	Prof. A Beresford	11/11
Prof. A A Seshia	9/11	Dr A Marsham	10/11
Prof. E M Terentjev	9/11	Dr J Blundell	7/8
Dr I Sitaridou	11/11	Dr T Denmead	10/11
Dr A Zurcher	11/11	Dr P McMurray	11/11
Dr A M Rossi	6/11	Mr A D Bainbridge	11/11
Mr J Spence	11/11	Dr J Garrison	11/11
Dr G J McShane	11/11	Revd M Bayliss	10/11
Dr H J Stone	8/11	Prof. N D Lawrence	10/11
Prof. M Edmonds	11/11		
Dr J J Maguire	11/11		

QUEENS' COLLEGE, CAMBRIDGE

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30th JUNE 2021

PROFESSIONAL ADVISORS

Auditors

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Actuaries

Cartwright Group Ltd
Suite 7, 2nd Floor, The Hub, IQ Farnborough
Farnborough
Hampshire
GU14 7JP

Bankers

National Westminster Bank plc
23 Market Street
Cambridge
CB2 3PA

Investment Fund Managers

Heronbridge Investment Management LLP
1 Queen Street
Bath
BA1 1HE

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Property Advisors

Bidwells LLP
Trumpington Road
Cambridge
CB2 9LD

Carter Jonas LLP
6 – 8 Hills Road
Cambridge
CB2 1NH

Solicitors

Mills & Reeve LLP
Francis House
112 Hills Road
Cambridge
CB2 1PH

CHARITY INFORMATION

Charity Registration	1137495
Registered Address	Silver Street, Cambridge CB3 9ET
Website	www.queens.cam.ac.uk

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisation

Queens' College, Cambridge is a self-governing academic community and body corporate, comprising the President, Fellows and Scholars and is one of the thirty-one Colleges in the University of Cambridge. The provisions which regulate the purposes and administration of the College are to be found in its Royal Charter, dated 30th March 1448, and its Statutes, as made in 1955 and variously amended from time to time, most recently in 2017.

The Governing Body

The Charity Trustees of the College are the voting members of the Governing Body, being its President, Professorial Fellows and Official Fellows, appointed by the Governing Body in accordance with the Statutes of the College. The membership of the Governing Body is given on page 3 to 5.

The Governing Body is responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College's Statutes.

Under the College Statutes, the Governing Body has the discretion to form committees to consider and to make recommendations to the Governing Body in accordance with the College's Statutes. The Governing Body also has the discretion to delegate powers to committees. The Governing Body has formed a number of committees, the principal ones being:-

- **Bursarial Committee** – to oversee the financial management of the College in accordance with the College Statutes, under the overall direction of the Governing Body. In accordance with the College Statutes, the Senior Bursar, advised by the Bursarial Committee, is responsible for the financial management of the College, subject to the overall direction of the Governing Body. The Bursarial Committee, without the Bursars, acts as an Audit Committee;

- **Investments Committee** – to keep under continual review the investments of the College, against agreed benchmarks, to recommend [and implement] the investment policy approved by the Governing Body, to maintain consultation with the College's financial advisors;

- **Fellowships Committee** – to consider and advise the Governing Body on the general needs of the College in relation to appointments to Fellowships, in all classes, in accordance with the Statutes of the College;

- **Teaching and Learning Committee** - to review all aspects of College teaching and its relationship to University teaching and to make recommendations accordingly to the Governing Body;

- **Tutorial Committee** – to review and consider general issues pertaining to the welfare of students of the College and to advise the Governing Body on all matters of policy pertaining to student welfare.

- **Graduate Committee** – to review and consider general issues pertaining to all aspects of being a Graduate student within the College.

These Committees are a key component of the College's system of internal control, which is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the extent and nature of those risks and to manage them efficiently, effectively and economically. These Committees undertake detailed scrutiny of the issues which the Governing Body has placed within their respective remits and this work informs the recommendations each Committee makes to the Governing Body. This process was in place for the year ended 30th June 2021 and up to the date of approval of the financial statements. The Governing Body is responsible for ensuring the effectiveness of the systems of internal control: all the above Committees make regular reports to the Governing Body through the medium of detailed minutes, as well as dedicated reports. During the year, all Governing Body meetings were held remotely via Zoom.

The Governing Body's review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Senior College Officers and other College Officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

Induction and Training of Members of the Governing Body

Upon admission to the Fellowship, new members of the Governing Body receive, inter alia:-

- A copy of the College Statutes
- A copy of the most recent Annual Report and Accounts
- A copy of procedures and policies relating to the College
- An up-to-date list of College Officers, Committees and their membership
- A copy of the Charity Commission's guide to the responsibilities of a Charity Trustee (both the full and summary versions)
- A copy of Being a Trustee (the Charity Commission's easy read guidance, which explains the main things that a Trustee needs to know)
- Copies of minutes of previous meetings of the Governing Body and its principal committees
- A declaration of qualifications to be a Trustee (to be signed and held by the College)
- A list of all diary dates relevant to membership of the Governing Body
- Information about the management of conflicts of interest
- The latest circulars from the Charity Commission
- A copy of the latest Corporate Risk Register

Each new member has an induction meeting with the Senior Bursar, prior to attending a meeting of the Governing Body.

Attendance of Trustees at meeting of the Governing Body during the year is given on page 5.

Key Management

As detailed in note 7 to the accounts, the key management personnel are the President, Senior Bursar and Senior Tutor. These Officers have the authority and responsibility for planning, directing and controlling the activities of the College. These Officers, together with the Vice-President, Admissions Tutor, Deputy Senior Tutor, Domestic Bursar, Dean of College, Dean of Chapel, who is also the Head of Welfare, The Financial Tutor the Development Director and the Chair of the Graduate Committee meet regularly to consider strategic matters and developing issues as they arise to assist in formulating the College's response. During the Covid pandemic this group has met weekly.

Risk Management

The Governing Body is committed to an ongoing policy of identifying, monitoring and managing the risks that might adversely affect the operations and reputation of the College. The Bursarial Committee, chaired by the President, reviews at least twice each year the operational, financial, regulatory and legal risks facing the College, (including reviewing the Corporate Risk Register) and reports accordingly to the Governing Body. The Governing Body keeps under review the structures to deal with risk and is satisfied that appropriate structures are in place to identify, manage and mitigate the risks faced by the College.

The principal areas of risk faced by the College, and the measures taken to manage them, have been identified by the Governing Body as follows and are covered in detail in the Corporate Risk Register mentioned above:

- Financial Performance: Risks to income, expenditure or investment performance as a result of external factors, eg a health emergency, change to fee regime, economic downturn, poor investment markets, low interest rate environment, impact of a health pandemic.

  The College has implemented a robust process of budgeting and forecasting to keep costs associated with the College's core activities under constant review in the light of any changes in funding or other income sources. The College's Investments Committee benefits from the expertise from three external members and aims to maintain a diversified portfolio of investment assets to try to minimise the incidence of correlation between asset classes.

- Academic Staff: Failure to attract and retain high quality academic staff to deliver the College's teaching and other academic needs.

  The College has an ethos of supportive inter-personal relationships within the Fellowship, service from welfare and other support staff and pastoral support arrangements allowing Directors of Study/Supervisors to retain focus on intellectual engagement. The College regularly reviews its stipend structures and benchmarks appropriately within the Collegiate University and is continually monitoring terms and benefits. There is a regular review of teaching needs and engagement in the UTO Scheme, where possible.

- Student Admissions: Adverse admissions outcomes in terms of potential, commitment, width of participation and/or compliance failures.

  The College has a transparent process with academic criteria uniformly applied across all fields and University-trained interviewers. The College runs an extensive outreach programme.

- Student Development: Failure to enable students to flourish academically.

  Academic reviews conducted by the students' Directors of Studies, alongside analysis of students' questionnaire feedback by the Senior Tutor. Academic and pedagogical best practice encouraged by regular review, at the Teaching and Learning Committee. Benchmarking against other Colleges via the Senior Tutor's Committee and direct liaison with both the JCR and MCR Committees, Cambridge University Student Union and Graduate Union where necessary. Engagement with the Office for Students as PREVENT regulator.

- Student Welfare: Risk of failures of student welfare and/or pastoral support leading to mental health, safeguarding or monetary issues for students.

  The College has extensive in-house pastoral and welfare provision together with access to additional external expertise.

- Buildings, Infrastructure and Facilities: Risk of poor-quality accommodation and facilities due to lack of timely investment, unanticipated failures in infrastructure or unexpected high building maintenance expenditure.

  The condition of the estate is regularly monitored by the Maintenance Department, as well as by reference to maintenance requests and complaints, and there is a continuous programme of maintenance and refurbishment. The IT and other infrastructure is subject to regular review and a rolling investment programme. This is monitored by both the Domus Committee and the Bursarial Committee.

Scope of Financial Statements

The financial statements are a consolidation of the results of Queens' College and its subsidiaries, QC Enterprises Limited and Q College Property Limited, which are both wholly owned by the College. Q College Property Limited has continued to be non-trading during the year. QC Enterprises is the corporate vehicle through which the College undertakes its commercial conference and catering activities, while the College undertakes directly all other accommodation and catering activities. Any financial surplus made by QC Enterprises is donated to the College.

AIMS AND OBJECTIVES OF THE COLLEGE

The College is an institution of higher education. Its purposes are the promotion of study and prayer.

The College has the following aims and objectives:

- to maintain the College's emphasis on the individual in academic and pastoral provision; to deliver an excellent undergraduate education by safeguarding the provision of small-group teaching through the College-based supervision system; and to achieve and maintain the highest standards in education at both undergraduate and postgraduate levels while maintaining welfare support through the dedicated student support team;
- to support a community of Fellows, students and staff, allowing the benefits of a large, internationally renowned University to be realised in a small and close-knit community;
- to promote academic research of the highest quality by Fellows and students;
- to maintain and enhance the endowments and benefactions, historic buildings and grounds of the College for the benefit of future generations.

Remaining an independent foundation, forming part of a collegiate university, is fundamental to the College's long-term strategy. The College endorses the University's mission and core values and agrees that the partnership between the University and the Colleges is central to Cambridge's future development. The College will continue to play an active role in University bodies and in contributing to the formulation of University policy.

In pursuit of its aims and objectives, as well as its charitable objects, the College admits (as junior members) undergraduate and graduate students matriculated in the University of Cambridge. It provides financial and other support to those of its members who require it in order to achieve its aims and objects and it supports teaching and research in the University. In furtherance of its objects, the College maintains and manages an endowment of property and financial assets. Besides financial and tutorial support, the College also supplies accommodation, catering and other services to its members and others.

PUBLIC BENEFIT STATEMENT

In accordance with its Royal Charter of 1448, the College's charitable objects are the promotion of study and prayer through the provision of a College in the University of Cambridge.

The College provides, in conjunction with the University of Cambridge, an education for some 521 undergraduate and 418 full-time and 129 part-time graduate students which is recognised internationally as being of the highest standard. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial and graduate mentoring systems;

- social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

The College additionally advances study through:

- providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;

- supporting research work pursued by its other Fellows through promoting interaction across disciplines, providing facilities and providing grants for national and international conferences, research trips and research materials;

- encouraging visits from outstanding academics from outside the University of Cambridge; and

- encouraging the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

The College maintains an extensive Library (including important special collections), so providing a valuable resource for students and Fellows of the College, members of other Colleges and the University of Cambridge more widely, as well as external scholars and researchers.

The College carries forward the tradition, continuous since its foundation, of being a place of prayer. In particular, the College:

- Maintains and supports the Chapel as a place of prayer and holds a variety of religious services on week days and at weekends during term, which are open to the general public and visitors.

- Supports, through the College Chaplaincy team, the emotional, mental and spiritual well-being of all members of the College community whatever their faith tradition, or none.

The resident members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in study.

However, beneficiaries also include: students and academic staff from other Colleges in Cambridge and the University of Cambridge more widely, visiting academics from other higher education institutions and visiting schoolchildren and alumni of the College who have an opportunity to attend educational events at the College or use its academic facilities. The services in the College Chapel are open to the public and are attended by local residents and visitors to Cambridge.

REVIEW OF OPERATIONS

Students

Queens' admits students who have the greatest potential to benefit from the educational environment provided by the College and the University and it recruits academic staff who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background.

Undergraduate student applications are shown in the table below, showing the level of diversity of students attending Queens'. About one fifth of undergraduate students are from overseas (including EU) backgrounds:

Applicants in Michaelmas Term 2020

- Number of applicants 923
- Arts 345 or 37%; Science 578 or 63%
- Male 54%, female 46%
- Home/EU 77%; overseas 23%
- Office for Fair Access (OFFA ***) applicants – maintained sector 414 or 64%; independent sector 234 or 36%

Offers in 2020

- Number of offers 180 (20% of applicants)
- State educated 72%, independent educated 28% (of home offers)
- Male 53%, female 47%
- OFFA applicants – 109 offers to maintained sector students from 419 applicants (26%) plus 3 open offers
- 16 offers made through the pool and 36 of our applicants received offers through the pool

*** OFFA applicants are defined broadly as applicants normally resident within the UK.

The above outcomes are entirely consistent with the College's objectives in respect of admissions.

The College charges the following fees:

- Home and EU undergraduates are charged a combined University and College fee of £9,250, (£9,250 2018-2019), of which the College share is £4,625 (£4,625 2018-2019)
- Undergraduates from overseas are charged a College fee of £9,279 (£9,009 2018-2019)
- Graduates are charged a combined University and College fee which varies according to the course. The total fee income is then allocated across Colleges at an equal average rate per student which for 2020-2021 is £4,069 (£3,909 2019-2020).
- Accommodation and meal charges at reasonable rates.

Widening Participation

The College's extensive widening participation programmes help young people from backgrounds which are traditionally under-represented at Cambridge to have the confidence to apply to top universities, including Cambridge. We work hard to provide age-relevant information and guidance about higher education and, in particular, to demythologise the application process at Cambridge. Work with those in years 12 and 13 targets the application process and supports super-curricular discovery. Key stage 4 students receive advice on A level selection and early preparation, while younger pupils are encouraged to think about the benefits of higher education more generally and to broaden their horizons. We work with teachers and careers advisors to guide them in how our application process works and to identify the qualities that we look for in our students. Our programme includes events for schools and those, such as Open Days, with a focus on individual applicants. Our Admissions team make visits to schools and colleges across the UK, and host groups in Cambridge. We have particular links with Bradford, Kent and the borough of Havering. We update our events programme regularly and are always looking for ways to enhance our offering and to work effectively with external partners. Our programme typically includes visit days, open days, personal statement and interview workshops and residential events. Since March 2020 all of this activity has been delivered virtually. Among the several ways in which we measure the impact of our outreach work, the growth in applications, and therefore admissions, from schools with which we work closely stands out. Within total admissions and access costs of £0.35 million shown on page 42, £0.065 million was spent on Access and Widening Participation activity in the year. The College continues to regard Widening Participation as an essential activity and will continue to support and enhance it further.

Student Support

In order to assist undergraduates entitled to Student Support, the College provides through a scheme operated in common with the University and other Colleges bursary support for those of limited financial means. In 2020/2021, 115 undergraduates (out of our 450 Home/EU undergraduates) (2019/2020: 107 and 467 respectively) received such bursaries with a total value of £371,228 (2019/2020: £340,042). The scheme is approved by the Office for Students and provides benefits at a substantially higher level than the minimum OFS requirement. It is widely advertised, on the University website, on College websites and in the Admissions Prospectus. The College spent £124,493 on additional bursaries in 2020/2021 (2019/2020: £143,441).

The College also supports all students through a grant scheme open to all to assist with attendance at conferences, and travel grants. In 2020/2021 the College spent £16,358 on this scheme (2019/2020: £24,469).

In addition to its other programmes, the College operates a hardship scheme for all students in financial hardship. In 2020/2021 the College made hardship grants totalling £58,784 (2019/2020: £134,092). In 2020/2021 the College raised £261,410 through donors who supported the Covid-19 Student Support Fund, which played a vital part in the College's continued efforts to support students affected by the crisis, covering accommodation and travel support, furniture and IT equipment, totalling a current spend of £167,945.

Provision of Welfare Support

The Health and Well-being team and Tutors provide specialist and professional care for students of the College. This consists of (although is not restricted to) general pastoral provision, Professional counselling, Cognitive Behavioural Therapy, mental and physical health support, bereavement counselling, eating disorder interventions and a series of programmes to help the move from school to university which brings with it increased independence.

More mental health issues are reported in today's culture. This may be due to the problem increasing, the reduced stigma in articulating problems, feelings and medical conditions, or a raised expectation that institutions have a responsibility to act and support its members with the conditions they have. Welfare provision that individual Colleges provide are widely compared by students and applicants and is seen as a key indicator of the "student experience".

Students from disadvantaged backgrounds may have additional concerns or issues that require support. Welfare, in this way, is part of the Colleges commitment to increase access for all.

The Health and Well-being team work alongside the Tutors of the College in providing pastoral support to students. Overall responsibility for this activity rests with the Senior Tutor, however the day-to-day management is devolved to the Head of Welfare (operationally) and the Head of Academic and Tutorial Services (administratively).

The Head of Health and Well-being also acts as the College Safeguarding Officer, one of the Harassment and Assault Officers, Police Liaison Officer and Deputy Head of Prevent and Dean of Chapel.

At present (in addition to the above roles) the College employs a part time Clinical Lead (also one of the Harassment and Assault Officers), a part time Mental Health Nurse/Welfare Officer/CBT Counsellor, a part time Welfare Officer and Counsellor, and a Chaplain (part of whose job is as a Welfare Officer). There is also a third Harassment and Assault Officer who can be used in complex cases.

Where more specialist treatment is needed this is organised with professionals on a contracted basis by the Health and Well-being team. This, in the past, has included Psychiatric Services, Psychological practitioners, Scientific Coaching, Essay writing guidance, physical trainers, legal advice and physiotherapists.

Academic Staff

In order to fulfil its charitable purposes, the College employs College Lecturers, Tutors, Clergy and senior academic and administrative officers. These posts are qualifying offices under the College Statutes. The appointment of Fellows is a result of their employment in a qualifying office which office is undertaken with the intention of furthering the College's aims and their employment directly contributes to the fulfilment of those aims. The private benefit accruing to the President and Fellows occurs solely through their employment in a relevant qualifying office by means of salaries, stipends and employment related benefits and is objectively reasonable, measured against academic stipends generally; moreover, annual pay increases normally follow national settlements applying to the university sector, as implemented by the University of Cambridge. Without the employment through qualifying offices of Fellows, the College could not fulfil its charitable aims as a College in the University of Cambridge.

The President and Fellows of the College also receive benefits as beneficiaries. These comprise research grants, conference grants, book grants etc. These benefits are provided with the intention of furthering the College's aims. The amounts of the benefits provided are objectively reasonable, measured against the academic benefits made available to other beneficiaries of the College.

Academic Performance

In 2020/2021, 500 (472 2019/2020) undergraduates sat University assessments and examinations. Examinations this year were a mixture of formats, from some traditional timed exams through to various windows in which to take open-book assessments which varied in length from 6 hours to 2 weeks. Of those

taking assessments 89.8% obtained grades in the First Class or the upper division of the Second Class (or in the undivided Second Class).

Capital Expenditure and Maintenance

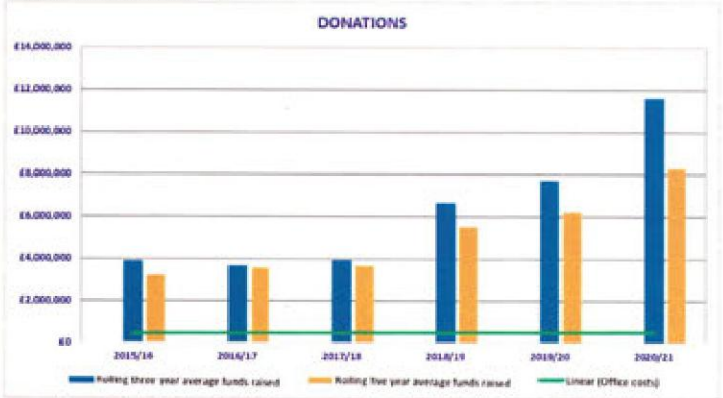
The College has a continuing financial commitment to the maintenance of its operating assets. With the onset of the Covid-19 pandemic and the considerable financial uncertainties the College faced, the College decided to restrict capital expenditure on buildings to those works which were either relating to health and building safety (fire risk works) or a critical need to undertake the work. Consequently, in 2020/2021 the College spent only £0.739 million in capital projects maintaining and enhancing its buildings and their environs, which is the lowest figure since 2003. Works undertaken included essential fire risk works in the President's Lodge.

The College undertook a minimal level of work in relation to its ongoing programme of refurbishing the College's main site accommodation, as well as its operational properties elsewhere in the city, to improve the quality of the accommodation it provides its undergraduates and graduates as well as complying with changing legislative requirements and improving, where possible, energy efficiency. It is hoped this long-term programme will be able to be resumed in the next financial year.

Donations and Fundraising

The College's fundraising efforts are primarily directed at raising money from our alumni. Our fundraising approach ensures that we understand and respect individual preferences for contact in relation to approaches seeking support, as well as more generally. Key objectives for the College include teaching, particularly endowing Fellowships, research, student support, widening participation as well as enhancing the endowment. The College is very grateful to those of its alumni and others who continue to support it so generously and enhanced their support as the College responded to the impact of the Covid-19 pandemic. In 2020/2021 the College received unrestricted donations totalling £3,401,000, new expendable restricted funds £7,825,000 and new endowments totalling £4,443,000 giving a total of £15,669,000 (£6.24 million 2019/2020) in support of its objectives. Included within the total there is a very large, single donation of £6,400,000 which may only be spent on specified building projects.

The cost of the Alumni and Development Office (ADO), a College department, for the year was £465,711 compared to £541,563 in 2019/2020. The ADO costs include both fundraising and alumni relations activity, such as reunions and other events and publications. This year there have been no 'in person' events held and this is the principal reason for the reduction in costs. As the amount received can vary significantly from year to year, the chart below details the three and five-year rolling average of donations received, as well as the annual cost of the ADO.



All fundraising is carried out by the ADO, which reports detailed quarterly results to the Bursarial Committee and a summary report to the Governing Body. The College is registered with the Fundraising Regulator and was not the subject of any complaints to that body in 2020/2021, nor did the College receive complaints about its fundraising activities from any other source. The College does not seek support from the public and takes active steps to respect the needs of any potential supporter who may be in a vulnerable circumstance or require additional care and support to make an informed decision.

Data handling

The College continues to monitor its data handling, reporting and Data Protection Statement in accordance with the GDPR requirements.

Equal Opportunities

The College is committed to the principle and practice of equal opportunities and strives to be an equal opportunities employer.

Impact of the Covid-19 Pandemic on the College's Operations

The Covid-19 pandemic has had a profound impact on the College's operations, both academic and non-academic. In this year it was possible for most students to be resident in Cambridge for the Michaelmas and Easter Terms, however only c20% of students were resident in Lent Term during the post-Christmas restrictions imposed by HM Government. Directors of Studies and Supervisors continued to provide teaching to all undergraduates through various media, such as Zoom or Microsoft Teams, as there were more limited face-to-face teaching opportunities than would usually be the case. The situation evolved continuously during the year as did the response of the academic staff.

The Senior Tutor and his team ensured all students were kept fully informed as the University and College developed their responses to the pandemic and were as prepared as they could possibly be in the unprecedented circumstances in which everyone was placed. The Tutors and Student Support Team were in touch with all those students who needed support. Thanks to the very generous support from Alumni, £220,000 of additional funds were available to provide practical support in terms of equipment, software and other Licences and other means of support to enable students to maintain their ability to study away from the College and assist with any issues that arose while resident.

Prior to the pandemic the College provided accommodation to approximately 650 students during term, with 463 of those being accommodated on the Silver Street Site. One of the consequences of the pandemic is that it will no longer be possible for students to share sets of rooms, unless specifically built for that purpose. With the changes required to the provision of accommodation under the various health rules and guidelines, the College was able to provide accommodation to approximately 590 students, with 414 being on the Silver Street site. Steps have been taken to mitigate this to a limited extent and 421 students can be accommodated on the Silver Street Site going forward.

During the course of this year the College has been able to purchase further housing within Cambridge sufficient to provide accommodation for c645 students for the forthcoming year.

The College has had, for many years, a thriving external conference and catering business. This has been a major contributor to the College's overheads. This activity came to an abrupt halt with the pandemic, with the last external event being held on Thursday 12th March 2020. There have been no further events since this date and, with the absence of most students for significant periods of this year, the level of activity for the "household operations" within the College has been for some periods minimal. The College's non-academic staffing has historically been designed to address the needs of both its students and the high staff requirements to meet the needs of conferences in the vacations with the fast turnaround times required. The College faced a secular change in its operating environment with likely significant reductions in the level of demand for conferences and catering events for the foreseeable future. This is a structural change, and the College restructured its operations to meet the changed needs post Covid-19 and, as reported in last year's Annual Report, there were unfortunately 16 voluntary redundancies amongst our non-academic staff. For a number of members of staff in the "Household Operations" there was a reduction in the hours of work for one year commencing on 1st October 2020 and this will end on 1st October 2021.

All the College's offices have remained operational during the pandemic. Staff have mainly been able to work from home and the College's infrastructure has enabled this remote working to occur without significant disruption to effectiveness or the control environment. Most offices have had a staff presence on site during some days of each week to deal with those matters which could not be dealt with remotely. As we recover from the impact of Covid-19, the College will review the lessons to be learnt from the recent experience and seek to strengthen further its infrastructure and operating processes to ensure its continued resilience in the face of future unexpected events or similar pandemics. It is possible some form of agile working will be in place for those roles where it is possible.

In common with many employers, the College made use of the Government's Coronavirus Job Retention Scheme (CJRS) at various periods during the pandemic particularly the long vacation of 2020 and Lent Term 2021 as there was significantly reduced levels of activity in the College. The maximum number of non-academic permanent staff who were furloughed under the CJRS was 99 out of a total staff complement of 143 or 68% of our permanent staff.

The financial impact of the Covid-19 pandemic is discussed in the Financial Review below.

FINANCIAL REVIEW

In common with other organisations, the financial year to 30 June 2021 has been a particularly challenging one in highly uncertain economic circumstances, as the Covid-19 pandemic and the public health measures to combat it have greatly affected the College. The College has continued to pursue its principal goals of providing a first class educational and research environment to undergraduates, postgraduates, and Fellows alike, whilst striving to live within its means and manage the challenges and uncertainties presented by the pandemic.

Financial Results

The College had an Operating Deficit, before New Endowments of £829,000 (2019/2020: -£1,341,000) and included £3,063,000 of donations of a revenue nature, or unrestricted in respect of their capital, principally in support of education compared to similar donations in the previous year of £957,000.

The surplus after new endowments amounted to £3,614,000 (2019/2020: £1,116,000) with new endowments totalling £4,443,000 (2019/2020: £2,457,000) in support of various of the College's activities, including funds for fellowships and teaching, studentships, bursaries, and hardship funds. There are also £7,825,000 (2019/20: £2,825,000) of restricted donations, which are fully expendable. A significant part of these expendable donations (£6,400,000) must be spent on building projects, but the balance is in support of education, particularly supporting postgraduate scholarships (a new development for the College), the College's Post-Doctoral Research Associates Programme and Widening Participation initiatives.

Year ended 30th June	2021 £m	2020 £m	2019 £m	2018 £m	2017 £m
Operating Income	13.42	13.97	15.04	14.54	14.03
Expenditure	14.25	15.31	15.72	14.36	13.21
Operating (Deficit) Surplus	(0.83)	(1.34)	(0.68)	0.18	0.82
New Endowments	4.44	2.46	7.90	1.63	1.27
Restricted Donations	7.83	2.83	2.45	-	-
Total Surplus before Other Gains and Losses	3.61	3.95	9.67	1.81	2.09

The Operating Deficit includes investment income from the Endowment and investment assets of £2,921,000 (2019/2020: £3,683,000), while any realised gains or losses for the Endowment and investment assets are included in Other Gains and Losses.

The Operating Deficit of £829,000 is realised after charging depreciation of £2,482,000 (2019/2020: £2,368,000). The depreciation charge has more than tripled in the last ten years, and now almost reflects the true annual cost to the College of maintaining and enhancing its operational properties, including the College site at Silver Street. Adding back the depreciation charge and other non-cash items in the Income and Expenditure account, such as pension deficit provisions and any underspend on Restricted Funds, is a reasonable proxy for the cash the College has generated.

This year the College shows as part of its comprehensive Income and Expenditure account other gains and losses relating to investments assets. This was a gain of £14,415,000 (2019/2020: £9,514,000 loss) and a decrease in pension liabilities of £2,108,000 (2019/2020: £2,054,000 liability increase), the total surplus is £27,214,000 (2019/2020: £7,628,000 deficit).

There are several matters to draw to your attention:

- The impact of the pandemic is dealt with in a separate section below;
- Investment income was at a reduced, but satisfactory, level compared to the previous year's all-time high where the last month of the year saw increased levels of distribution from private equity investments which, as we indicated last year, should be treated as a one-off event;
- Approximately 55% of investment income is dedicated to the principal education activities of the College;
- The deficit on the Education Account was £2,820,000 (2019/2020: £3,100,000 deficit), before taking account of the investment income designated for education;
- The net deficit on the Education Account, after the designated investment income, was £1,779,000 (2019/2020: £1,065,000), this is equal to 1.5 times the unrestricted investment income (2019/2020: 65%);
- This effectively means over recent years all the investment income has been devoted to the education of current students;
- The College's accommodation, conference and catering activities showed a deficit of £4,054,000 (2019/2020: £2,498,000 deficit). This area was the most affected by the pandemic as discussed below;
- The lack of external revenue from conference and catering and significantly diminished income from students not being in residence for long periods during the year has affected the College adversely.

Funding of the College

Queens' College is funded from several sources as follows:

Year ended 30th June	2021	2020	2019	2018	2017
Academic Fees	31.4%	29.4%	25.0%	26.4%	26.5%
College Accommodation	17.4%	18.6%	23.9%	23.7%	23.8%
College Catering	1.3%	5.3%	6.6%	6.8%	7.2%
Conference Activities (including Catering)	0.0%	9.8%	10.8%	11.0%	9.9%
Investment Income	21.8%	26.3%	13.6%	16.5%	18.0%
Donations	25.3%	7.0%	18.5%	14.4%	13.0%
Other	2.8%	3.6%	1.6%	1.2%	1.6%

The above table excludes new endowments and restricted expendable donations from the calculations. Future income from the new endowments will appear as Investment Income.

Impact of Covid-19 on Financial Results

The impact on the College's results for this financial year is principally on the income side and particularly in respect of accommodation, catering, and conference revenues. These revenues in 2020/21 totalled £2.543 million compared to £4.713 million last year. In Lent Term 2020 the number of students resident in College accommodation was only 20% of the usual number. The numbers in residence did increase from mid-April, but this achieved only an occupancy level of 75% for the last quarter. With various restrictions applying to our catering activities, income from students was only 20% of the previous year's. There was no external revenue from catering and conferences this year. The College has received approximately £318,000 from the Government's Job Retention Scheme in this financial year.

On the expenditure side, additional costs have arisen, particularly in respect of providing additional support for students and enabling Fellows and Supervisors to provide remote supervisions. Much of this additional expenditure has been met through generous donations of our Alumni, for which the College is very grateful.

Balance Sheet

The net tangible assets of the College stood at £143.05 million compared to £115.84 million in 2020. The increase is caused by the rise in investment assets' capital values, expendable restricted donations being held in cash ahead of deployment and a 13% fall in the pension liability under FRS 102.

There was no increase in the level of debt issued by the College and the gearing ratio is 16.1% compared to 19.8% last year. The change in gearing ratio is solely a function of the change in net tangible assets.

Main Endowment and Investment Assets

The College, as a long-term investor, has a medium risk appetite for the management of its investments. While risk parameters are agreed with the College's Fund Managers, there are no ethical restrictions placed on the investments that may be made, save that the Managers are required to have due regard to a company's environmental, social and governance record.

The market value of the main Endowment and Investment Assets at 30th June 2021 stood at £135.27 million (2019/2020: £110.27 million). This figure includes £9.83 million (being the residual of the £15 million proceeds of a 40-year unsecured private placement issue), £11.06 million of cash donations and other monies for operational property investment and other restricted expendable donations of £2.36 million; when this is excluded the investment assets stand at £112.01 million (2019/20: £93.32 million).

Year ended 30th June	**2021**	**2020**	**2019**	**2018**	**2017**
	£mn	**£mn**	**£mn**	**£mn**	**£mn**
Closing position previous years Endowment & Investment Assets	93.32	91.23	89.46	86.17	75.93
New Endowments & unspent Endowment Income from previous year invested	4.11	11.59	1.62	1.27	3.08
Opening Position	97.43	102.82	91.08	87.44	79.01
Closing Position Endowment & Investment Assets	112.01	93.32	91.23	89.46	86.17
Investment Income Received	2.92	3.68	2.04	2.39	2.53
Gains (Losses)	14.42	(9.50)	0.15	2.02	7.16
Total Return	17.34	(5.82)	2.19	4.41	9.69

The portfolio was invested in Global Equities, including our Custom Index Carbon Free holdings, (41%), residential property and agricultural estates (22%), cash (6%), UK gilts and overseas corporate bonds (3%), Multi-Asset Funds which have a significant exposure to quoted equities, including holdings in the Cambridge University Endowment Fund, (18%) and the balance in the recognised alternative asset class of private equity. It should be noted that the private equity investments are unquoted and shown at managers' estimated value on a "marked to market" basis. During the year the College has increased its holding in ESG funds and has invested in key themes for the future, including clean energy, healthcare, automation, and digital intelligence. It will continue to rebalance the portfolio in future years away from purely geographic allocations to "thematics" with a long-term horizon.

The College's direct investment property assets have been re-valued during the year.

The total recorded return on the investment assets in the year was 17.79% (2019/2020: -5.66%). It should be noted that Queens' only uses its Actual Income in its day-to-day operations. The College does not drawdown any of its investment gains, but accumulates them within reserves as it is, relatively speaking, an under-endowed College.

The College takes a long-term view of the investment portfolio and attempts to protect its value in real terms and, as a result, to strike an equitable balance between the interests of the present members of the College and future generations. Any new donations or bequests received during the year are added to Unrestricted Funds, unless the donor has made it clear that the funds are to be spent on a particular project.

Future Capital Projects

In 2021/2022 the College, as part of its adjustment to the financial realities arising from the Covid-19 pandemic, will only continue with capital expenditure which is deemed to be critical for the maintenance of the estate or where there is an assessed fire risk or health and safety risk which will be addressed promptly.

Long Term Debt Issue

The significant projects in 2014 and 2015 were funded, as previously reported, using the proceeds of an unsecured long-term debt issue in which the College participated with 18 other Colleges. The College's share of the issue was £8 million, with an average life of 34 years, at an effective rate of 4.42% per annum fixed for the duration of the loan. Although issued through a funding vehicle, the College has no responsibility for the obligations of any other of the issuing Colleges. This issue was a good example of the Cambridge Colleges working well together for a common purpose.

In January 2018, the College raised a further £15 million through a private placement. This is unsecured, at a fixed rate of interest of 2.62% per annum with repayment in one amount after 40 years. This fixed rate funding will be used to invest in further operational assets for the College to house more of its graduate students and to eradicate some historic anomalies in the provision of undergraduate accommodation. As reported last year, the project at Mill Lane was terminated by the University. The College has this year utilised £5.16 million of the proceeds to acquire revenue generating operational properties within the City of Cambridge. The College will use the balance of the proceeds in support of specific, revenue generating operational asset projects within the existing estate.

The issued debt has a gearing covenant (maximum 50% of net tangible assets) and a negative pledge. The College is comfortably within its covenants. This debt appears as a long-term liability on the balance sheet.

Pension Funds

The College participates in two pension schemes detailed below.

The College's academic staff are members of the Universities Superannuation Scheme and the issues and challenges facing this Scheme, and the College's staff who are members of it, have been well publicised. The effect of the FRS102 adjustment in respect of this Scheme, following completion of the latest valuations, in the Income and Expenditure Account this year is a debit of £10,000 (2019/2020: £318,000 credit).

The Cambridge Colleges Federated Pension Scheme (CCFPS), a pension scheme exclusively for non-academic staff, has its full liability recorded in the balance sheet under FRS102. The deficit shown this year has reduced by £2,108,000 (2019/2020: £2,054,000 increase). The decrease in the deficit is driven principally by a higher discount rate (like that of two years ago) used to calculate the present value of the scheme's liabilities. There is an additional adverse impact in the staff costs shown in the Income and Expenditure account of £633,000 (2019/2020: -£394,000) arising from FRS102. The College is currently reducing its pension liability under the scheme with additional contributions over an eleven-year period.

The effect of the above changes in respect of both Schemes is a positive balance sheet movement of £1.47 million (2019/2020: -£2.05 million).

Reserves Policy

The Governing Body, in approving these accounts, has adopted the reserves policy and target reserves as detailed below.

A reserves policy ensures that the College has sufficient financial resources to continue, but also constrains the extent to which reserves are built up from operating surpluses to help maintain intergenerational equity and balance the needs of current and future students.

Free reserves represent the unrestricted general funds of the College. The calculation involves analysis of the composition of the total reserves shown in the Balance Sheet, after adding back any provisions for pension liabilities. The following categories are excluded: Special Trust Funds, permanent restricted endowment, restricted funds and fixed and heritage assets. Net free reserves are after deducting the provision for pension liabilities.

Total Reserves	**2021**	**2020**	**2019**	**2018**	**2017**
	£mn	**£mn**	**£mn**	**£mn**	**£mn**
Total Reserves (including Pension Provision)	152.9	127.2	132.7	121.1	115.4
Less: Restricted Reserves	91.2	69.8	69.3	72.4	68.3
Less: Fixed & Heritage Assets	39.5	38.0	38.3	38.6	36.6
Free Reserves	22.2	19.4	25.1	10.1	10.5
Less: Pension Provision	9.9	11.3	9.2	7.2	7.7
Net Free Reserves	12.3	8.1	15.9	2.9	2.8

The College's target reserves are as follows:

Reserve	Target Reserve	Rationale
Contingency Income & Expenditure	£8.99 million	Contingency to cover extreme/unexpected shortfall in income or additional extreme/unexpected expenditure – equivalent to 18 months accommodation conference and catering income being the average of the last three non-pandemic years
Emergency Building Repair Contingency	£1.75 million	To fund unexpected urgent repairs to buildings in the estate eg roof failures, etc. equivalent to 5% of buildings as fixed assets
Total	£10.74 million	

As of 30th June 2021, the College's free reserves were £12.3 million (2019/20 £8.1 million) compared with a target reserve of £10.74 million. The significant factor which will affect future reserves is the continuing direct impact of the Covid-19 pandemic on the College's operations and the yet unclear general economic fallout, particularly in respect of the financial and other markets in which the College has invested. This level of reserves, which is above the target, enables the College to consider carefully and react appropriately in the event of further, unforeseen extreme circumstances or a significant prolongation of the pandemic.

The College is focusing on maximising income and donations, managing costs, effective use of restrictive income from Special Trust Funds, permanent restricted endowment and other restricted funds, and investing in the endowment and investment assets in order to recover from the impact of the pandemic and maintain and enhance its free reserves.

The College needs to maintain and enhance its unrestricted reserves as it is one of the measures of its relative financial strength in terms of its pension obligations as well as for its external funders. The Governing Body will keep the reserves policy under review and consider the need for further specific reserves from time to time as circumstances change.

Response of the College to the Continuing Impact of the Covid-19 Pandemic

The Governing Body has considered carefully the possible continuing impact of Covid-19 on the College's finances in the new financial year and beyond. At meetings in June 2021, it considered a base case scenario of normal student numbers in residence but no external revenue from conference and catering activity. In other words the academic activities within the College are as near to normal as possible. A reduced level in both donations and investment income from market investments, as the economic impact of the pandemic plays out, with an assumed very gradual recovery from year 2.

The base case scenario was over a four-year time horizon and showed the College being able to return to cash generation and a surplus over the period. The Governing Body also considered two downside sensitivity analyses, with the severe case assuming three terms over two years of lost accommodation and catering income from students and no external revenue of any description. An upside scenario of a relatively swift recovery was also considered. The Governing Body also considered the College's holdings of cash and other liquid assets.

The budget for the new financial year was adopted based on the base case scenario. The structural changes to the operating environment, discussed in last year's Report, particularly in respect to external revenue generation, are still very much in evidence.

Going Concern and Viability

The Governing Body has assessed the viability of the College and its subsidiaries over the duration of the scenario planning exercise. The Governing Body considered and approved the detailed budget for the forthcoming year, and the actions required by it, as part of the review and have concluded there is a reasonable expectation that there are adequate resources, including the strength to operate and meet the liabilities of the College as they fall due over the period of the assessment and for the foreseeable future.

Principal Risks and Uncertainties

The principal risks and uncertainties that the College faces in the forthcoming year may be briefly summarised:

- the ongoing effects of Covid-19 and global economic uncertainties may have a significant effect on the College's revenue streams and on the markets in which the College invests. It is possible that capital values will be highly volatile and investment income may be adversely affected. Investment capital losses would affect adversely the College's level of free reserves;

- The pandemic continues and prompts further lockdowns such that most students are not in residence and the College, including its principal education activities, operates remotely. This would reduce dramatically one revenue stream. The College would seek to minimise outgoings during such a period. The College has a specific reserve for this matter;

- Unforeseen events disrupt the College's education and other activities such as to prevent the College from operating;

- although the College has a long-term programme of building renewal and improvement, it is always possible with buildings of the age of the College's estate that there will be unexpected issues that may arise. The College keeps under review the conditions of the fabric to identify further issues and enable them to be addressed on a timely basis. The College has also maintained a detailed remedial programme of works on the buildings in the estate. There is a specific reserve for this matter;

- the volatility in investment markets could be one of the factors that may give rise to a deterioration in the pension liability and a consequential adverse impact on the College's free reserves;

- a continuing low interest rate environment may also adversely affect both investment markets and pension obligations;

- the continuing failure of academic fees to keep up with the rise in academic costs, as well as the inevitable uncertainties with a potential significant change to the funding of Universities in England, mean that the funding and costs associated with the College's core activity will need to be kept under constant review.

Future Plans

The Covid-19 pandemic has been a severe shock to the College and its business model of many years standing. The removal at a stroke of £2 million in revenues it might usually expect to receive with no external business of any kind has been a significant challenge.

Consequently, during 2021 the College will undertake a review of its strategy and strategic imperatives under a "Five Pillars" approach. This is to build on and significantly enhance the College's current position in all aspects of its activities.

The Five Pillars being considered and to which approaches are being developed with the diverse participation of Fellows are; 1) Fostering the intellectual society; 2) Strengthening financial resilience and long-term viability; 3) Removing obstacles to even broader access and participation; 4) Ensuring a coherent, enabling, and sustainable infrastructure (both physical and technological); 5) Enhancing efficient, representative and accountable governance.

The Five Pillars approach reflects the interdependencies within the College's activity and need to ensure they are aligned, coherent and consistent to strengthen the College for the future. They also allow for exploiting synergies and efficiencies.

As part of the "Five Pillars" review, the College will also continue to develop plans for raising funds, including to enhance significantly the College's endowment to enable it to continue achieving its objectives. As such, the College may amend its agreed strategic priorities for fundraising which were approved by the Governing Body in 2010. Currently, the College focuses principally on raising permanent capital funds for fellowships and teaching and funds to augment further support for students the core activity of the College, and unrestricted funds, so the College may continue to invest in the future and strengthen its financial position.

The College is looking to enhance both the resilience and agility of its operating practices, including by being able to deploy staff resources where there is greatest need and maximising the flexibility of our response as circumstances change.

Conclusion

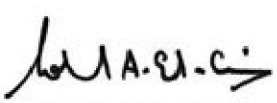
The College's financial position can be described as challenging and by no means comfortable; there is a great deal to be done to secure properly the long-term future of the College especially for the continued provision of teaching and research excellence, providing for postgraduate students and refurbishing and enhancing the historic and other operational buildings.

As mentioned above, the College will also need to consider additional revenues from other sources, especially in the light of a pandemic stopping one revenue stream at a stroke. The College will endeavour to work as efficiently as possible and maintain its resilience within the context of being an academic community. The College will regularly review its position as circumstances unfold, against its projections and its scenario planning model, to ensure it responds appropriately, proportionately and on a timely basis to the situation in which it may find itself. Our Base Case Scenario over the next few years is a return to generating cash and achieving an operating surplus.

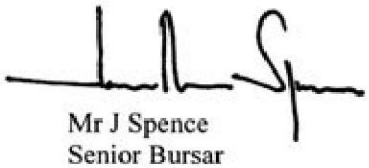
In the medium term, the College needs to increase its endowment from all sources by at least £100 to £150 million from its current position. The College will also continue to control costs and manage resources to best effect to support its principal objective of providing a first-class education. It is not at all certain that academic fees will be increased adequately to meet the full costs of educating our undergraduates and, indeed, there is a possibility they may be reduced. The College needs to plan and act accordingly.

There is no doubt that the very challenging environment in which the College has operated in the last year will continue for the foreseeable future as there are considerable uncertainties arising from the impact of Covid-19 and the situation can change very rapidly. The College will strive to use its resources wisely and efficiently in these difficult circumstances.

On behalf of the Governing Body



Dr M A El-Erian
President



Mr J Spence
Senior Bursar

The Governing Body is responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards.

The Bursarial Committee has day to day responsibility, under the overall direction of the Governing Body, for ensuring that there is an effective system of internal control and that accounting records are properly kept in accordance with the College's Statutes. It is required to present audited financial statements for each financial year, prepared in accordance with the Statutes of the University, for approval by the Governing Body which give a true and fair view of the state of affairs of the College and of the surplus or deficit of the College for that period.

In preparing these financial statements, the Governing Body is required to:

- select suitable accounting policies and then apply these consistently;
- make judgements 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.

The Governing Body is satisfied that the College has adequate resources to continue in operation for the foreseeable future. The financial statements are accordingly prepared on a going concern basis.

The Governing Body has taken reasonable steps to ensure that there are appropriate financial and management controls in place to achieve policy, aims and objectives and to safeguard the assets of the College and prevent and detect fraud and other irregularities.

Any system of internal control, however, is designed to manage rather than eliminate risk and can only provide reasonable, not absolute, assurance against failure to achieve policy aims and objectives and material misstatement or loss.

The Governing Body is responsible for the maintenance and integrity of the corporate and financial information included on the College's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

QUEENS' COLLEGE, CAMBRIDGE

INDEPENDENT AUDITORS' REPORT TO THE GOVERNING BODY

FOR THE YEAR ENDED 30th JUNE 2021

Opinion

We have audited the financial statements of Queens' College (the 'College) for the year ended 30 June 2021 which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement 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 College's affairs as at 30 June 2021 and of its incoming resources and application of resources 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 and the Statutes of the University of Cambridge.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Governing Body are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

statements or our knowledge obtained in the course of 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.

Opinion on other matters prescribed by the Statutes of the University of Cambridge

In our opinion based on the work undertaken in the course of the audit:

- The contribution due from the College to the University has been computed as advised in the provisional assessment by the University of Cambridge and in accordance with the provisions of Statute G,II, of the University of Cambridge.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the College and its environment obtained in the course of the audit, we have not identified material misstatements in the Review of Operations and Financial Review.

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:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 28, the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Body 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 Governing Body are responsible for assessing the College'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 College or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the College through discussions with Trustees and other management, and from our knowledge and experience of the education sector;
- we obtained an understanding of the legal and regulatory framework applicable to the College and how the College is complying with that framework;
- we obtained an understanding of the College's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the College. The Laws and regulations we considered in this context were Charities Act 2011, the Statutes of the University of Cambridge and taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items; and
- In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the College's (and the College's) ability to operate or to avoid material penalty; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the College's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policy were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions outside the normal course of business.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the College's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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/auditorsresponsibilties. This description forms part of our auditors' report.

Use of our report

This report is made solely to the College's Governing Body as a body, in accordance with College's statutes, the Statutes of the University of Cambridge and the Charities Act 2011. Our work has been undertaken so that we might state to the Governing Body those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the College's Governing Body as a body, for our audit work, for this report, or for the opinions we have formed.

Peters Elworthy & Moore

PETERS ELWORTHY & MOORE
Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA
Date: 1 October 2021

Peters Elworthy & Moore is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

QUEENS' COLLEGE, CAMBRIDGE

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30th JUNE 2021

Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge and applicable United Kingdom accounting standards. In addition, the financial statements comply with the Statement of Recommended Practice: Accounting for Further and Higher Education (the SORP).

The Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate that all fee income is spent for educational purposes. The analysis required by the SORP is set out in note 6.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified in respect of the treatment of investments which are included at valuation.

Basis of consolidation

The consolidated financial statements include the College and its subsidiary undertakings. Details of the subsidiary undertakings included are set out in note 16. Intra-group balances are eliminated on consolidation.

A separate balance sheet and related notes for the College are not included in the accounts because the College's subsidiary company is a conference and banqueting trading company which donates its profits to the College each year. The balance sheet for the College alone would not be materially different to the one included in the accounts.

Recognition of income

Academic fees
Academic fees are recognised in the period to which they relate and include all fees chargeable to students or their sponsors.

Grant income
Grants received from non-government sources (including research grants from non-government sources) are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance related conditions have been met.

Income received in advance of performance related conditions is deferred on the balance sheet and released to the Consolidated Statement of Comprehensive Income and Expenditure in line with such conditions being met.

Donations and endowments
Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income. Income is retained within restricted reserves until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations and endowments (continued)
Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

There are four main types of donations and endowments with restrictions:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the College.
3. Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Donations with no restrictions are recorded within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

Investment income and change in value of investment assets
Investment income and change in value of investment assets is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

Other income
Income is received from a range of activities including accommodation, catering conferences, job retention scheme grant income and other services rendered.

Cambridge Bursary Scheme
In 2020-2021, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). As a consequence, Cambridge University reimbursed the SLC for the full amount and each College paid their portion (based on their own eligible students) to the University.

The net payment of £120,521 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£118,895
Expenditure	£340,042

Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates or, where there are forward foreign exchange contract, at contract rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Fixed assets

Land and buildings
Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the College.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over their expected useful economic lives of 25-50 years.

Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred. They are not depreciated until they are brought into use.

The cost of additions to operational property shown in the balance sheet includes the cost of land. All other assets are capitalised and depreciated over their expected useful life as follows:

Furniture and fittings	10% per annum
Motor vehicles and general equipment	20% per annum
Computer equipment	33.33% per annum

Heritage assets
The College holds and conserves a number of collections, exhibits, artefacts and other assets of historical, artistic or scientific importance. Heritage assets acquired before 1st July 1999 have not been capitalised since reliable estimates of cost or value are not available on a cost-benefit basis. Acquisitions since 1 July 1999 have been capitalised at cost or, in the case of donated assets, at expert valuation on receipt. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

Investments

Fixed asset investments are included in the balance sheet at fair value, except for investments in subsidiary undertakings which are stated in the College's balance sheet at cost and eliminated on consolidation.

Stocks

Stocks are stated at the lower of cost and net realisable value after making provision for slow moving and obsolete items.

Provisions

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities and assets

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events, not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the College a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College.

Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes.

Financial instruments

The College has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement and disclosure of financial instruments. Financial assets and liabilities are recognised when the College becomes party to the contractual provision of the instrument and they are classified according to the substance of the contractual arrangements entered into.

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Basic financial assets include trade and other receivables, cash and cash equivalents and investments in commercial paper (i.e. deposits and bonds). These assets are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method. Financial assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets carried at amortised cost the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate.

Other financial assets, including investments in equity instruments, which are not subsidiaries or joint ventures, are initially measured at fair value which is typically the transaction price. These assets are subsequently carried at fair value and changes in fair value at the reporting date are recognised in the Statement of Comprehensive Income. Where the investment in equity instruments is not publicly traded and where the fair value cannot be reliably measured, the assets are measured at cost less impairment. Investments in property or other physical assets do not constitute a financial instrument and are not included.

Statement of Principal Accounting Policies

Financial Instruments (continued)

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of ownership are transferred to another party.

Financial Liabilities

Basic financial liabilities include trade and other payables, bank loans and intergroup loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at the reporting date. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

To the extent that the College enters into forward foreign exchange contracts which remain unsettled at the reporting date the fair value of the contracts is reviewed at that date. The initial fair value is measured as the transaction price on the date of inception of the contracts. Subsequent valuations are considered on the basis of the forward rates for those unsettled contracts at the reporting date. The College does not apply any hedge accounting in respect of forward foreign exchange contracts held to manage cash flow exposures of forecast transactions denominated in foreign currencies.

Financial liabilities are de-recognised when the liability is discharged, cancelled, or expires.

Taxation

The College is a registered charity (number 1137495) and also a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

The College receives no similar exemption in respect of Value Added Tax.

Contribution under Statute G, II

The College is liable to be assessed for Contribution under the provisions of Statute GII of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The liability for the year

as advised to the College by the University is based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

Pension costs

The College participates in two funded defined benefit pension schemes, Cambridge Colleges Federated Pension Scheme (CCFPS) and the Universities Superannuation Scheme (USS)

Pension costs are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the Fellows' or employees' services.

Universities Superannuation Scheme (USS)
Throughout the current and preceding periods, the Universities Superannuation Scheme was a defined benefit only pension scheme until 31st March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Since the institution has entered into an agreement (the Recovery Plan that determines how each employer within the scheme will fund the overall deficit), the College also recognises a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense in the income and expenditure account.

Cambridge Colleges Federated Pension Scheme (CCFPS)
The College participates in the Cambridge Colleges Federated Pension Scheme (CCFPS), a defined benefit scheme which is externally funded and until 31st March 2016 was contracted out of the State Second Pension (S2P). As CCFPS is a federated scheme and the College is able to identify its share of the underlying assets and liabilities, the College values the fund as required by Section 28 Employee Benefits of FRS102 'Retirement Benefits'. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the amount calculated under FRS102 guidelines.

Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the College. Any material unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

Reserves

Reserves are allocated between restricted and unrestricted reserves. Endowment reserves include balances which, in respect of endowment to the College, are held as permanent funds, which the College must hold to perpetuity.

Restricted reserves include balances in respect of which the donor has designated a specific purpose and therefore the College is restricted in the use of these funds.

Critical Accounting Estimates and Judgements

The preparation of the College's accounts requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management consider the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities.

Income recognition – Judgement is applied in determining the value and timing of certain income items to be recognised in the accounts. This includes determining the appropriate recognition timing for donations, bequests and legacies. In general, the later are recognised when at the probate stage.

Useful lives of property, plant and equipment – Property, plant and equipment represent a significant proportion of the College's total assets. Therefore the estimated useful lives can have a significant impact on the depreciation charged and the College's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets, Prof.essional advice and anticipation of future events. Details of the carrying values of property, plant and equipment are shown in page 33.

Investment property – Properties are revalued to their fair value at the reporting date by Carter Jonas and Bidwells. The valuation is based on the assumptions and judgements which are impacted by a variety of factors including market and other economic conditions.

Retirement benefit obligations – The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in pages 36.

Management are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the accounts.

As the College is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2018 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2021. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in pages 54 - 59.

QUEENS' COLLEGE, CAMBRIDGE

Consolidated Statement of Comprehensive Income and Expenditure

FOR THE YEAR ENDED 30 JUNE 2021

		2020-21				2019-20			
	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
INCOME									
Academic fees & charges	1	4,212			4,212	4,111			4,111
Accommodation, catering and conferences	2	2,543			2,543	4,713			4,713
Endowment and investment income	3	1,193	1,094	634	2,921	1,648	1,197	838	3,683
Other income		344			344	504			504
Total income before donations and endowments		8,292	1,094	634	10,020	10,976	1,197	838	13,012
Donations		3,401	7,825		11,225	957	2,825		3,782
Deferred Capital write back					0				0
New endowments			0	4,443	4,443		0	2,457	2,457
Capital grants from colleges fund					0				0
Other capital grants for assets			0		0		0		0
Total income		11,692	8,919	5,077	25,688	11,933	4,023	3,295	19,250
EXPENDITURE									
Education	4	5,991	407	634	7,032	5,713	661	838	7,211
Accommodation, catering and conferences	5	6,597			6,597	7,211			7,211
Other expenditure		594			594	855			855
Contribution under Statute G, II		28			28	33			33
Total expenditure	6	13,210	407	634	14,250	13,811	661	838	15,310
Surplus (deficit) before other gains and losses		(1,517)	8,512	4,443	11,438	(1,878)	3,362	2,457	3,940
Gains/(loss) on disposal of fixed assets	8	(761)			(761)				0
Gains/(loss) on investments	9	5,962	884	7,582	14,428	(4,194)	(426)	(4,894)	(9,514)
Surplus (deficit) for the year		3,685	9,396	12,025	25,106	(6,072)	2,936	(2,437)	(5,573)
Other comprehensive income									
Unrealised surplus on revaluation of fixed assets		0			0	0			0
Actuarial gain/(loss) in respect of pension schemes	15	2,108			2,108	(2,054)			(2,054)
Total comprehensive income for the year		5,792	9,396	12,025	27,214	(8,127)	2,936	(2,437)	(7,628)

The notes on pages 44 to 59 form part of these accounts

QUEENS' COLLEGE, CAMBRIDGE

Statement of Changes in Reserves
Year Ended 30th June 2021

	Income and expenditure reserve			
	Unrestricted	Restricted	Endowment	Total
Balance at 1 July 2020	**£'000**	**£'000**	**£'000**	**£'000**
Opening balance	46,043	12,445	57,348	115,836
Change of Fund Classification	0	0	0	0
Surplus/(Deficit) from income and expenditure statement	3,685	9,396	12,025	25,106
Other comprehensive income	2,108	0	0	2,108
Release of restricted capital funds spent in year	0	0	0	0
Balance at 30th June 2021	**51,835**	**21,841**	**69,373**	**143,050**

	Income and expenditure reserve			
	Unrestricted	Restricted	Endowment	Total
Balance at 1 July 2019	**£'000**	**£'000**	**£'000**	**£'000**
Opening balance	54,170	9,509	59,785	123,463
Change of Fund Classification	0	0	0	0
Surplus/(Deficit) from income and expenditure statement	(6,072)	2,936	(2,437)	(5,573)
Other comprehensive income	(2,054)	0	0	(2,054)
Release of restricted capital funds spent in year	0	0	0	0
Balance at 30th June 2020	**46,043**	**12,445**	**57,348**	**115,836**

The notes on pages 44 to 59 form part of these accounts

QUEENS' COLLEGE, CAMBRIDGE

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2021

	Note	2021 Group £'000	2020 Group £'000
NON CURRENT ASSETS			
Fixed assets	8	39,488	38,027
Heritage Assets	8	103	103
Investments	9	135,271	110,267
Total non-current assets		174,863	148,397
CURRENT ASSETS			
Stocks	10	436	449
Trade and other receivables	11	2,161	3,299
Cash and cash equivalents	12	207	267
Total current assets		2,803	4,015
Creditors: amounts falling due within one year	13	1,747	2,242
Total Assets less current liabilities		175,919	150,170
Creditors: amounts falling due after more than one year	14	(23,000)	(23,000)
Provisions			
Pension provisions	15	(9,869)	(11,335)
Other provisions		0	0
Total net assets		143,050	115,836
Restricted reserves			
Income and expenditure reserve-endowment reserve	17	69,373	57,348
Income and expenditure reserve-restricted reserve	18	21,841	12,445
Unrestricted Reserves			
Income and expenditure reserve-Unrestricted		51,835	46,043
TOTAL RESERVES		143,050	115,836

The notes on pages 44 to 59 form part of these accounts

These accounts were approved by the Governing Body on 01 October 2021 and signed on their behalf by

Dr M A El-Erian
President

Jonathan Spence
Senior Bursar

QUEENS' COLLEGE, CAMBRIDGE

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 £'000	2020 £'000
Net cash inflow from operating activities	19	13,045	10,120
Cash flows from investing activities	20	(12,358)	(9,538)
Cash flows from financing activities	21	(747)	(624)
Increase/(decrease) in cash equivalents in the year		(60)	(43)
Cash and cash equivalents at beginning of the year		267	310
Cash and cash equivalents at end of the year	12	207	267

The notes on pages 44 to 59 form part of these accounts

1 Academic fees and charges

	2021 £000	2020 £000
Fee income received at the Regulated undergraduate rate	2,529	2,475
Fee income received at the unregulated undergraduate rate	288	228
Fee income received at the Graduate rate	1,227	1,250
Other Income	168	157
	4,212	4,111

2 Income from accommodation, catering and conferences

Accommodation:	College members	2,344	2,600
	Conferences and banquets	22	494
Catering:	College members	177	746
	Conferences and banquets	0	873
Total		2,543	4,713

3 Endowment and investment income

3a Analysis

	2021 £000	2020 £000
Income from:		
Land and buildings	488	528
Quoted securities	2,143	2,833
Fixed interest securities	16	16
Income from short-term investments	3	56
Other interest receivable	272	251
Total	2,921	3,683

3b Investment management costs

	2021 £000	2020 £000
Land and buildings	(78)	127
Quoted securities - equities	(88)	62
Fixed interest securities	0	0
Other investments	0	0
Cash	0	0
Total	(165)	190

4 Education expenditure

	2021 £000	2020 £000
Teaching	3,200	3,103
Tutorial	1,662	1,792
Admissions	351	503
Research	303	305
Scholarships and awards	797	781
Other educational facilities	719	727
Total	7,032	7,211

5 Accommodation, catering and conferences expenditure

		2021 £000	2020 £000
Accommodation:	College members	4,920	4,362
	Conferences and banquets	45	806
Catering:	College members	1,623	1,014
	Conferences and banquets	8	1,028
Total		6,597	7,211

6a Analysis of 2020/2021 expenditure by activity

	Staff costs (note 7)	Other operating expenses	Depreciation	Total
	£000	£000	£000	£000
Education	3,928	2,254	849	7,032
Accommodation, catering and conferences	3,532	1,433	1,632	6,597
Other	348	274	0	622
	7,808	3,960	2,482	14,250

Expenditure includes fundraising costs of £314,006 and £151,765 on alumni relations.

6b Analysis of 2019/2020 expenditure by activity

	Staff costs (note 7)	Other operating expenses	Depreciation	Total
	£000	£000	£000	£000
Education	3,704	2,695	812	7,211
Accommodation, catering and conferences	3,516	2,139	1,556	7,211
Other	396	492	0	888
	7,616	5,327	2,368	15,310

Expenditure includes fundraising costs of £341,570 and £199,993 on alumni relations.

6c Auditors' remuneration

	2021	2020
	£000	£000
Other operating expenses include:		
Audit fees payable to the College's external auditors	33	32
Other fees payable to the College's external auditors	0	0

7 Staff costs

Consolidated	Academic	Non- academic	Total 2021	Total 2020
	£000	£000	£000	£000
Staff Costs:				
Emoluments	1,674	4,187	5,862	6,119
Social security	141	296	437	490
Pension	289	1,220	1,509	1,007
	2,105	5,704	7,808	7,616

	Average staff numbers 2021		Average staff numbers 2020	
	Number of Fellows	Full-time equivalents	Number of Fellows	Full-time equivalents
Academic	61		59	
Non-academic		117		117

At the Balance Sheet date there were 65 members of the Governing Body. During the year the average number receiving remuneration was the 61 shown above.

The number of officers and employees of the College, including Head of House, who received emoluments in the following ranges was	2021	2020
£100,001 - £110,000	1	1
£110,001 - £120,000	0	0

Remuneration includes salary, employer's national insurance contributions, employer's pension contributions plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College.

The aggregated remuneration paid to key management personnel consists of salary, employer's national insurance contributions, employer's pension contributions, plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements.

The President, Senior Bursar, and Senior Tutor are the College's key management personnel.

	Total 2021 £'000	Total 2020 £'000
Key management personnel aggregated remuneration	367	358

The Trustees received no remuneration in their capacity as Trustees of the Charity.

8 Fixed assets

	Land and buildings £000	Assets in construction £000	Equipment £000	Heritage Assets £000	2021 Total £000	2020 Total £000
Cost or valuation						
At beginning of year	54,453	2,518	2,537	103	59,611	57,767
Additions at cost	6,272	5	187	0	6,464	2,128
Revaluation of asset	0	0	0	0	0	0
Transfer	0	0	0	0	0	0
Disposals	(558)	(2,523)	(475)	0	(3,556)	(285)
At end of year	60,167	0	2,249	103	62,518	59,611
Depreciation						
At beginning of year	20,232	0	1,249	0	21,481	19,398
Charge for the year	2,018	0	463	0	2,482	2,368
Eliminated on Disposal	(560)	0	(475)	0	(1,035)	(285)
Written back on revaluation	0	0	0	0	0	0
At end of year	21,690	0	1,237	0	22,927	21,481
NET BOOK VALUE						
At end of year	38,477	0	1,011	103	39,591	38,130
At beginning of year	34,221	2,518	1,288	103	38,130	38,370

The insured value of freehold land and buildings as at 30 June 2021 was £167m (2020: £162m).

8 Tangible fixed assets (continued)

Heritage assets

The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance.

As stated in the statement of principal accounting policies, heritage assets acquired since July 2005 have been capitalised. However the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of the cost or valuation are not available for these on a cost-benefit basis, they have not been capitalised. As a result the total included in the balance sheet is partial.

Amounts for the current and previous years were as follows:

	2021 £000	2020 £000	2019 £000	2018 £000	2017 £000
Acquisitions purchased with specific donations	0	0	0	0	0
Acquisitions purchased with College funds	0	0	88	0	0
Total cost of acquisitions purchased	0	0	88	0	0
Value of acquisitions by donation	0	0	0	0	0
Total acquisitions capitalised	0	0	88	0	0

9 Fixed asset investments

	2021 Total £000	2020 Total £000
Balance at beginning of year	110,267	108,688
Additions	88,396	28,154
Tranfered from fixed assets	0	0
Disposals	77,820	17,061
Less: impairment on unquoted securities	0	0
Gain/(loss)	14,428	(9,514)
Increase/(decrease) in cash balances held at fund managers	0	0
Balance at end of year	135,271	110,267
Represented by:		
Property	24,976	23,367
Quoted securities – equities	58,893	40,478
Fixed interest securities	611	15,719
Other investments	19,187	18,282
Cash in hand & at investment managers	31,604	12,421
Total	135,271	110,267

10 Stocks and work in progress

	2021 £000	2020 £000
Goods for resale	435	449
Work in progress	0	0
Other Stocks	0	0
	436	449

11 Trade and other receivables

	2021 £000	2020 £000
Members of the College	9	27
Amounts due from subsidiary undertakings	0	0
Other receivables	2,089	3,253
Prepayments and accrued income	63	19
	2,161	3,299

12 Cash and cash equivalents

	2021 £000	2020 £000
Short-term money market investments		
Bank deposits		
Current accounts	204	263
Cash in hand	3	4
	207	267

13 Creditors: amounts falling due within one year

	2021 £000	2020 £000
Trade creditors	865	1,173
Members of the College	378	408
Amounts due to subsidiary undertakings	0	0
Receipts in advance	405	557
University Fees	71	71
Contribution to Colleges Fund	28	33
Accruals and deferred income		
Other creditors		
	1,747	2,242

14 Long term loans

During 2013-14, the College borrowed from instutional investors, collectively with other Colleges, the College's share being £8 million. The Loans are unsecured and repayable during the period 2043-2053, and are at fixed interest rates of approximately 4.42%. The College has agreed a financial covenant of the ratio of Borrowings to Net Assets, and has been in compliance with the covenant at all times since incurring the debt.

During the course of 2017-2018, the College rasied a further £15 million of unsecured debt from institutional investors at a fixed rate of interest of 2.62% per annum. Repayment is due in one amount a the end of 40 years. There is an agreed covenant in respect of the borrowings which the College has been in compliance with.

15 Pension provisions

	2021 £000	2020 £000
CCFPS		
Balance at beginning of year	10,777	8,328
Movement in year:		
Current service costs including life assurance	1,514	1,332
Contributions	(881)	(938)
Other finance cost	0	0
Actuarial loss/(gain) recognised in Statement of Comprehensive Income and Expenditure	(2,108)	2,054
Balance at end of year	9,301	10,777
USS		
Balance at beginning of year	558	876
Current service costs including life assurance	284	(70)
Contributions	(282)	(262)
Other finance cost	8	14
Balance at end of year	568	558

16 Principal subsidiary undertakings

The College owns 100% of the ordinary share capital of QC Enterprises Limited, a company incorporated in England. The principal activity of the company is the provision of conference and banqueting services at the College.

17 Endowment funds

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments £000	Unrestricted permanent endowments £000	2021 Total £000	2020 Total £000
Balance at beginning of year				
Capital	30,915,678.24	26,432,208.95	57,347,887.19	59,784,794.31
New Donations and endowments	4,416,778.01	26,443.22	4,443,221.23	2,456,863.04
Increase/(decrease) in market value of investments	3,939,053.41	3,642,992.55	7,582,045.96	(4,893,770.16)
Balance at end of year	39,271,509.66	30,101,644.72	69,373,154.38	57,347,887.19
Analysis by type of purpose				
Fellowship funds	27,592	0	27,592	21,912
Scholarship funds	4,643	0	4,643	2,995
Prize Funds	0	0	0	0
Hardship funds	131	0	131	112
Bursary funds	4,765	0	4,765	4,069
Travel grant funds	305	0	305	262
Other funds	146	0	146	125
General	1,684	30,102	31,785	27,870
	39,265	30,102	69,367	57,344
Analysis by asset				
Property	6,259	4,798	11,056	9,140
Investments	30,770	23,589	54,360	44,938
Cash	2,236	1,714	3,950	3,266

18 Restricted Reserves

Reserves with restrictions are as follows:

	Capital grants unspent £000	Permanent unspent and other restricted income £000	Restricted expendable endowment £000	2021 Total £000	2020 Total £000
Balance at beginning of year	0	1,620	10,825	12,445	9,509
Capital	0	0	10,448	10,448	8,595
Accumulated income	0	1,620	377	1,997	913
Change of Fund Classification	0	0	0	0	0
New grants	0	0	0	0	0
New donations	0	0	7,825	7,825	2,825
Endowment return transferred	0	688	154	842	1,026
Other investment income	0	252	0	252	172
Increase/(decrease) in market value of investments	0	0	884	884	(426)
Expenditure	0	(325)	(81)	(407)	(661)
Capital grants utilised	0	0	0	0	0
Balance at end of year	0	2,234	19,607	21,841	12,445
capital	0	0	19,157	19,157	10,448
Accumulated income	0	2,234	450	2,684	1,997
Analysis of other restricted funds/donations by type of purpose					
Fellowship funds	0	1,719	1,046	2,765	2,153
Scholarship funds	0	126	589	714	619
Prize Funds	0	0	0	0	0
Hardship funds	0	(7)	1,520	1,513	1,294
Bursary funds	0	308	626	935	713
Travel grant funds	0	49	37	86	70
Other funds	0	37	23,345	23,382	7,362
General	0	0	268	268	231

19 Reconciliation of consolidated surplus for the year to net cash inflow from operating activities

		2021 £000	2020 £000
Surplus/(deficit) for the year		25,106	(5,573)
Adjustment for non-cash items			
Depreciation	8	2,482	2,368
Loss/(gain) on endowments, donations and investment property	17	(14,428)	9,514
Decrease/(increase) in stocks	10	13	19
Decrease/(increase) in trade and other receivables	11	1,139	7,216
Increase/(decrease) in creditors	13	(495)	(440)
Increase/(decrease in provisions		0	0
Pension costs less contributions payable	15	643	76
Loss/(gain) on sale of property		761	0
Adjustment for investing or financing activities			
Investment income		(2,921)	(3,683)
Interest payable		747	624
Net cash inflow from operating activities		13,045	10,120

20 Cash flows from investing activities

	2021 £000	2020 £000
Proceeds from the sales of non-current fixed assets	1,760	0
Non-current investment disposal	77,820	17,061
Investment income	2,921	3,683
Endowment funds invested	0	0
Withdrawal of deposits	0	0
Payments made to acquire non-current assets	(94,860)	(30,282)
Total cash flows from investing activities	(12,358)	(9,538)

21 Cash flows from financing activities

	2021 £000	2020 £000
Interest paid	(747)	(624)
Interest element of finance rental payment	0	0
New unsecured loans	0	0
Repayments of amounts borrowed	0	0
Capital element of finance lease rental payment	0	0
Total cash flows from financing activities	(747)	(624)

22 Capital commitments

	2021 £000	2020 £000
Capital commitments at 30 June 2020 are as follows:		
Authorised and contracted	375	375
Authorised but not yet contracted for	535	535

23 Consolidated reconciliation and analysis of net debt

	At 1 July 2020 £000	Cash Flows £000	Other non-cash changes £000	At 30 June 2021 £000
Cash and cash equivalents	267	(60)		207
Borrowings:				
Amounts falling due after more than one year				
Unsecured loans	(23,000)			(23,000)
Total net debt	(22,733)	(60)	0	(22,793)

24 Financial Instruments

	2021 £000	2020 £000
Financial assets		
Financial assets at fair value through Statement of Comprehensive income		
Listed equity investments	56,197	56,197
Other investments	18,282	18,282
Financial assets that are debt instruments measured at amortised cost		
Cash and cash equivalents	12,688	12,688
Other debtors	3,280	3,280
Financial liabilities		
Financial liabilities measured at amortised cost		
Loans	23,000	23,000
Trade creditors	1,173	1,173
Other creditors	512	512

25 Related Party Transactions

Owing to the nature of the College's operations and the composition of the Governing Body, it is inevitable that transactions will take place with organisations in which a Governing Body member may have an interest. All transactions involving organisations in which a member of the Governing Body may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

The College maintains a Register of Interest for all Fellows and College employees with spending authority. It is updated every six months and during the year to 30th June 2021 it reveals that no material events occurred.

During the year no fees or expenses were paid to Fellows in respect of their duties as Trustees.

Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for any private catering. The Trustees remuneration is overseen by the Stipends Committee.

The College continues it's investment in joint equity properties with 1 College Fellow (1 Fellow in 2020). The total investment by the College amounted to £147,175 (2020 £147,175).

The salaries paid to Trustees in the year are summarised in the table below:

From	To	2021	2020
£0	£10,000	26	33
£10,001	£20,000	16	13
£20,001	£30,000	8	8
£30,001	£40,000	2	0
£40,001	£50,000	0	1
£50,001	£60,000	2	2
£60,001	£70,000	1	1
£70,001	£80,000	1	0
£80,001	£90,000	4	4
£90,001	£100,000	0	1
£100,001	£110,000	1	1
	Total	61	64

The total Trustee salaries were £1,360,765 for the year (2020: £1,283,940)

The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £312,981 for the year (2020: £329,661)

The College has one trading and one dormant subsidiary undertaking, both of which are consolidated into these accounts. Both subsidiary undertakings are 100% owned by the College and are registered and operating in England and Wales.
The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

UNIVERSITIES SUPERANNUATION SCHEME

Significant accounting policies

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Critical accounting judgements

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and the institution has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

PENSION COSTS

The total cost charged to the profit and loss account is (£10,096) (2020: £66,450).

Deficit recovery contributions due within one year for the institution are £26,734 (2020: £25,514)

The latest available complete actuarial valuation of the Retirement Income Builder is at 31st March 2018 (the valuation date), which was carried out using the projected unit method. The valuation as at 31st March 2020 is underway, but not yet complete.

Since the institution cannot identify its share of the USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for the Scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the Scheme was £63.7 billion and the value of the Scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in the 2018 valuation are described below. More details is set out in the Statement of Funding Principles.

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% pa.
Discount rate (forward rates)	Years 1-10: CPI + 0.14% reducing linearly to CPI – 0.73% Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21 Years 21+: CPI + 1.55%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2018 Valuation
Mortality base table	Pre-retirement: 71% of AMC00 (duration 0) for males and 112% of AFC00 (durations 0) for females Post retirement: 97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectations on retirement at age 65 are:

	2021	**2020**
Males currently aged 65 (years)	24.6	24.4
Females currently aged 65 (years)	26.1	25.9
Males currently aged 45 (years)	26.6	26.3
Females currently aged 45 (years)	27.9	27.7

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1st October 2019 to 30th September 2021 at which point the rate will increase to 6%. The 2020 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions.

	2021	**2020**
Discount rate	1.80%	1.45%
Pensionable salary growth	3.10%	2.7%

CAMBRIDGE COLLEGES FEDERATED PENSION SCHEME

The College operates a defined benefits plan for the College's employees of the Cambridge Colleges' Federated Pension Scheme.

The liabilities of the plan have been calculated at 30th June 2021 for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Cambridge Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

The principal actuarial assumptions at the balance sheet date were as follows:

	30th June 2021	30th June 2020
Discount rate	1.80%	1.45%
Increase in salaries	3.10%	2.70%
RPI assumption	3.40%	3.10%
CPI assumption	2.60%	2.20%
Pension increased in payment (RPI Max 5% pa)	3.30%	3.00%
Pension increases in payment (CPI Max 2.5% pa)	1.95%	1.80%

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2020 future improvement factors and a long-term rate of future improvement of 1.25% pa, a standard smoothing factor (7.0) and no allowance for additional improvements (2020: S3PA with CMI-_2019 future improvement factors and a long-term future improvement rate of 1.25% pa, a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Male age 65 now has a life expectancy of 21.9 years (previously 21.9 years).
- Female age 65 now has a life expectancy of 24.3 years (previously 24.2 years).

- Male age 45 now and retiring in 20 years has a life expectancy of 23.2 years (previously 23.2 years).
- Female age 45 now and retiring in 20 years has a life expectancy of 25.7 years (previously 25.6 years).

PENSION SCHEMES (CONTINUED)

The assets in the Scheme and the expected rates of return were:

	Long-term rate of return expected at 30/06/2021	*Value at 30/06/2021*	*Long-term rate of return expected at 30/06/2020*	*Value at 30/06/2020*	*Long-term rate of return expected at 30/06/2019*	*Value at 30/06/2019*
Equities and Hedge Funds		10,606,207		9,810,563		10,211,737
Cash, Bonds & Net Current Assets		9,280,431		8,208,838		6,091,212
Property		2,209,626		2,002,156		1,612,379
Total		22,096,264		20,021,557		17,915,328

The following results were measured in accordance with the requirements of FRS102

	2021 £	**2020 £**	**2019 £**
Total market value of assets	22,096,264	20,021,557	17,915,328
Present value of Scheme liabilities	(31,397,694)	(30,798,169)	(26,243,731)
Surplus/(deficit) in the Scheme	(9,301,430)	(10,776,612)	(8,328,403)

The amounts recognised in income and expenditure are as follows:

	30th June 2021 £	**30th June 2020 £**
In staff costs: Current service cost (net of employee contributions)	1,320,996	1,107,620
In endowment and investment income:		
Interest cost	453,455	600,966
Expected return on pension scheme assets	(296,257)	(412,107)
Net return	157,198	188,859
Actual return on pension scheme assets	1,528,371	1,439,084

PENSION SCHEMES (CONTINUED)

Changes in the present value of the plan liabilities are as follows:

	30th June 2021	30th June 2020
	£	£
Present value of plan liabilities at beginning of period	30,798,169	26,243,731
Current service cost (including employee's contributions)	1,594,918	1,404,994
Interest on plan liabilities	453,455	600,966
Actuarial (gains) losses	(897,337)	3,061,536
(Gain)/loss on plan changes	0	0
Curtailment (gain)/loss	0	0
Benefits paid	(551,511)	(513,058)
Present value of plan liabilities at end of period	31,397,694	30,798,169

Changes in the fair value of scheme assets are as follows:

	30th June 2021	30th June 2020
	£	£
Market value of plan assets at beginning of year	20,021,557	17,915,328
Contributions by the College	881,344	938,442
Additional contributions by members (including AVCs)	273,922	297,374
Benefits (and expenses) paid	(608,930)	(568,671)
Interest on plan assets	296,257	412,107
Return on assets, less interest included in Prof.it & Loss	1,232,114	1,026,977
Market value of plan assets at end of year	22,096,264	20,021,557

Amounts for the current and previous four periods are as follows:

	30th June 2021	30th June 2020	30th June 2019	30th June 2018	30th June 2017
	£	£	£	£	£
Present value of plan liabilities	(31,397,694)	(30,798,169)	(26,243,731)	(22,678,045)	(22,167,697)
Market value of plan assets	22,096,264	20,021,557	17,915,328	15,797,680	14,834,952
Surplus/(deficit)	(9,301,430)	(10,776,612)	(8,328,403)	(6,880,365)	(7,332,745)
Experience adjustments on plan liabilities	(459,639)	(54,536)	439,114	(297,285)	1,793
Change in assumptions underlying present value of plan liabilities	(416,040)	(3,026,582)	(2,878,488)	(1,063,729)	(2,586,076)

The plan has no investments in property occupied by assets used by or financial instruments issued by the College.

Funding policy

Actuarial valuations are carried out every three years on behalf of the Management Committee, acting as the Trustee of the Scheme, by a qualified independent actuary. The actuarial assumptions underlying the funding valuation are different to those adopted under FRS102.

The last such valuation was at 31st March 2020. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall.

These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 21st May 2021 and are as follows:

- Annual contributions of not less than £274,247 pa, payable for the period to 31st March 2029.

These payments are subject to review following the next funding valuation, due as at 31st March 2023.