

SELWYN COLLEGE CAMBRIDGE

England & Wales · Charity number 1137517

Details

Status Registered

Legal form Other

Registered 2010-08-17

Register [View on the Charity Commission register](#)

Contact

Address Selwyn College
Grange Road
Cambridge
CB3 9DQ

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Activities

Objects: TO ADVANCE EDUCATION, RELIGION, LEARNING AND RESEARCH BY THE PROVISION OF A COLLEGE IN THE UNIVERSITY OF CAMBRIDGE.

Activities: To advance education, religion, learning and research by the provision of 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

Geography

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

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£15,054,348	£13,350,200	£147,279,081	166
2024-06-30	£16,440,517	£12,526,568	£144,683,847	171
2023-06-30	£13,333,858	£13,459,678	£133,733,763	168
2022-06-30	£5,991,630	£12,555,700	£134,109,651	164
2021-06-30	£9,756,514	£10,263,264	£135,809,660	168

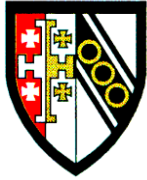
Trustees

Name	Role	Appointed
Dr CHARLOTTE ROSE ALICE REINBOLD		2025-04-17
Dr JANET O'SULLIVAN		
Dr Kirsty Elizabeth McDougall		2026-04-17
Dr MICHAEL JOSEPH SEWELL		
Dr Thomas David Smith		2026-01-01
Jennifer Phillips		2022-11-07
MICHAEL NICHOLSON		2014-09-01
Oleg Kitov		2025-01-01
PROFESSOR ROBERT CHARLES TASKER		2023-11-14
Professor Charlotte Summers		2026-01-01
Professor JAMES MOULTRIE		2024-01-01
Suzanne Elizabeth Raine		2025-10-01

SELWYN COLLEGE CAMBRIDGE

England & Wales - Charity number 1137517

Accounts



Selwyn College, Cambridge

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2025**

Registered Charity No. 1137517



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Selwyn College
Grange Road, Cambridge CB3 9DQ
Charity Registration Number 1137517

The Head, Fellows and Scholars of Selwyn College is a corporate body comprising the Master, Fellows and Scholars, founded in 1882. In August 2010, the College became a registered charity with the Charities Commission, with its registered office at Grange Road, Cambridge CB3 9DQ.

In June 2023 a revised set of Statutes for the College were approved by the Privy Council. As a result, the Trustees became the senior members of College Council. Those that served on Council during the year are marked with an asterisk in the list below.

Members of the Governing Body serving during the year

Mr Roger Mosey*	Mrs Sarah Fraser Butlin	Ms Jennifer Phillips*
Dr Carol A Armitage	Dr Jessica Gardner	Dr Charlotte Reinbold*
Dr Zeina Al Azmeh	Dr Marta Halina	Professor Stewart O Sage
Professor Patrick J N Baert	Dr Joerg Haustein	Dr Michael J Sewell*
Dr Anita Balakrishnan	Mr J Helm	Dr David L Smith
Dr Ronita Bardhan	Dr Thomas Hopkins	Dr Thomas D Smith
Dr Daniel A Beauregard*	Dr Alan D Howard (Sec. to Council)	Dr Carrie Soderman
Dr Joseph R Bitney	Dr Leo Impett (til Dec 24)	Professor Grant D Stewart
Dr Christopher Briggs	Dr Alex Jenkins	Professor Charlotte Summers
Professor Nicholas J Butterfield	Professor James H Keeler	Professor Robert C Tasker*
Dr Jack O Button	Dr Myun Gun Kim	Dr Iman Tavakkolnia
Dr Bryan Cameron	Mr Oleg Kitov*	Dr Rupert J E Thompson
Professor R Stewart Cant	Professor Shaun T Larcom	Dr Ernesto Vargas Weil
Dr Filipe Carreira da Silva	Dr Robert Lee	Dr Chander K Velu
Professor Daping Chu	Ms Sarah E A MacDonald	Dr Deepak Venkateshvaran
Professor Philip J Connell	Dr Kirsty McDougall*	Dr Dacia Viejo Rose
Dr Eloy de Lera Acedo	Professor Sarah Meer	Dr Lauren Wilcox
Professor Lynn V Dicks	Rev'd Dr Arabella Millbank-Robinson	Dr Charlotte Woodford (Secretary to Council)
Ms C Domenici	Professor James Moultrie *	Dr Victoria Young
Professor Katharine J Ellis	Mr Michael G Nicholson*	Dr Weilong Zhang
Dr Stuart M Eves	Professor Nikolaos Nikiforakis	
Professor Leonardo Felli	Dr Diarmuid R O'Donnell*	
Dr Elena Y Filimonova	Professor Janet A O'Sullivan*	

Junior Members

Oketa Zogi Shala (JCR President)	Soham Chakravarty (JCR Treasurer)	Ashley Fox Wiltshire(MCR President)
From January 2025:		
Sophie Jacques (JCR President)	Lea Fink (JCR Treasurer)	
Jeffery Pendleton (MCR President)	Zofia Dziekan (MCR Treasurer)	



Reference and Administration

Senior Officers:

Head of House:	Mr Roger Mosey
Vice Master:	Professor Janet O'Sullivan
Bursar:	Ms Jennifer Phillips
Senior Tutor:	Dr Michael J Sewell

Principal advisers:

Auditors:

PEM Audit Limited
Salisbury House
Station Road
Cambridge
CB1 2LA

Bankers:

Barclays Bank PLC
P O Box 885
Mortlock House
Station Road
Histon
Cambridge
CB24 9DE

Investment Managers:

Cazenove
1 London Wall Place
London
EC2Y 5AU

University of Cambridge Investment Management
The Old Schools
Trinity Lane
Cambridge
CB2 1TN



Operating and Financial Review for the Year ended 30 June 2025

1. INTRODUCTION

Selwyn College (the “College”) is pleased to present its operating and financial review, together with the financial statements for the year ended 30 June 2025.

2. GOVERNANCE OF THE COLLEGE

(a) Statutes, Governing Body and Council

The College is a corporation established by Royal Charter of 13 September 1882. The arrangements for governance of the College are set out in its Statutes. The College is governed, under those Statutes, by two principal bodies:

- **The Governing Body:** comprises the Master, all Governing Body Fellows, and four junior members of the College. The Governing Body meets three times a year. It elects the College Council and supervises its work. It delegates day-to-day responsibility for the running of the College to the College Council and its Committees. With the exception of the junior members, Governing Body members serve until the earlier of retirement or the end of the academic year in which they reach 67 years of age as reflected in the Statutes, provided that they remain Fellows of the College. The members of the Governing Body serving during the year to 30 June 2025 are shown at the beginning of this report.
- **The College Council:** comprises the Master, three Fellows ex officio (the Vice Master, Bursar and Senior Tutor), eight Governing Body Fellows and four junior members. The Council typically meets eleven times a year – three times per term and twice during the summer vacation. The members of the Council serving during the year to 30 June 2025 are shown at the beginning of this report.

The Governing Body and the College Council are served by a variety of supporting Committees. Representatives of the undergraduate and postgraduate student bodies are members of many of the Committees. External members attend meetings of the Investment Committee, the Alumni & Development Committee and the Remuneration Committee.

The Master, as Head of House, has statutory powers of governance and presides over the Governing Body and the Council. The Senior Tutor has overall responsibility for the admission, education and welfare of undergraduates and graduates and the Bursar has overall responsibility for the finances, estate and administration of the College.

Members of the Governing Body and Council are required to act with integrity, in the College’s interests without regard to their own private interests, and to manage the affairs of the College prudently, balancing long-term and short-term considerations. The College has a policy for managing conflicts of interest, maintaining a register of interests and seeking declarations of potential conflict at the start of any meeting.

(b) Charitable Status

The College was registered as a charity with the Charity Commission on 12 August 2010 (Registered Number: 1137517). The members of Council, excluding the student members, were the charity trustees throughout the year.



In line with Charity Commission recommended best practice, the College has appointed a majority of independent members to its Remuneration Committee and has appointed a special committee of disinterested persons to advise it on any matters relating to changes in the Universities Superannuation Scheme.

(c) Financial Reporting

The College Council has responsibility for ensuring that there is an effective system of internal controls and that financial records are accurately maintained. It is also responsible for safeguarding the assets of the College and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The College is required by statute to present audited financial statements for each financial year. The Cambridge colleges are classed as a special case for purposes of accounting and continue to publish accounts in the form stipulated by Statute G III 2(i) of the University, the Recommended Cambridge Colleges Accounts ("RCCA"), which is based on Financial Reporting Standards and is compliant with the Statement of Recommended Practice: Accounting for Further and Higher Education. The Intercollegiate Committee for College Accounts advises on interpretation. The College is a charity within the meaning of the Taxes Act 1988, s 506 (1).

(d) Relationship with the University

The College is a legally autonomous body; however, it exists within the federal structure of the University. Matters of concern to all colleges and the University are discussed and acted on through a system of University-wide committees, such as the Colleges' Committee, of which all Heads of House are members, the Senior Tutors' Committee, and the Bursars' Committee. Representatives of the Senior Tutors and Bursars sit on each other's committees and on the Colleges Committee. These committees work through the building of consensus as their decisions are not constitutionally binding. The Cambridge colleges have established a shared common service entity, Intercollegiate Services Limited, to support the activities of the principal intercollegiate committees.

3. AIMS, OBJECTIVES AND ACHIEVEMENTS OF THE COLLEGE

(a) Aims, Objectives and Public Benefit

Founded in 1882 in memory of George Augustus Selwyn, Bishop successively of New Zealand and of Lichfield, as a place of education, religion, learning and research, the College is an autonomous, self-governing community of scholars and one of 31 Colleges within the University of Cambridge. The community in Michaelmas term 2024 consisted of the Master, 66 Fellows and 714 junior members, of whom 421 are undergraduates and 271 are postgraduate students.

The aims and objectives of the College are directed to delivering public benefit, in particular:

- The College aims to promote educational excellence at both undergraduate and postgraduate level and enable beneficiaries to fulfil their potential as part of both the College and the University of Cambridge;
- The College particularly aims to widen participation, increase diversity and facilitate access for those who would benefit from a Cambridge University education, but might face financial or other barriers to doing so without further support;



- The College aims to provide an environment conducive to maximising educational potential, through facilities including high quality accommodation, catering and library services on site;
- The College supports research which benefits the wider population of the UK and humanity globally through innovation and new understanding that will improve prosperity, quality of life and environmental sustainability, amongst other benefits.

In undertaking their responsibilities as trustees of the charity, the members of the College Council endeavour to pay due regard to the Charity Commission guidance on public benefit by ensuring that their decisions support the College's aims and objectives, as expressed below.

(b) Teaching

The College provides, in conjunction with the University of Cambridge, a research-informed education for undergraduate and graduate students which is recognised as being of the highest international standard. The University came fifth overall in the 2025 QS World University rankings, fifth in the Times Higher Education 2025 world rankings (second in the UK) and fourth in the 2025 Center for World University Rankings. Alongside the University of Oxford, it remains consistently in the top five rated universities in the world with only UK and USA institutions reaching this 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 supervisions, as well as pastoral, administrative and academic support through its tutorial and other student support systems. It also provides social, 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.

(c) Research

The College advances research through the support that it provides to the doctoral students who are members of the MCR. It provides Research Fellowships to outstanding academics at the early stages of their careers. Finally, it supports the work of postdoctoral researchers through the Trevelyan Research Associates scheme which is endorsed and supported by the University of Cambridge's Postdoc Academy.

More widely, the College supports research work pursued by its other Fellows through the availability of sabbatical leave for research, the promotion of interaction across disciplines, and the provision of facilities and grants for national and international conferences, research trips and research materials. Visits from outstanding academics from abroad are encouraged, including the appointment of Visiting Fellows and Bye-Fellows. The College supports the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

(d) Academic excellence

In 2024-25, the College received 766 applications for undergraduate admission (prior three years: 859, 768, 769), for about 120 places. The size of the field reflects the effort that the College has made in widening participation and admissions activities in recent years. Whilst EU applications have, predictably, fallen in recent years, non-EU overseas applications remain healthy.



Postgraduate admissions are also strong. The number of matched funded MPhil and doctoral studentships through philanthropic support is helping us to become more competitive in attracting the very best applicants to Selwyn as well as retaining high flyers.

Academic performance is strong. In classed examinations in 2025, 38.2% of Selwyn's candidates obtained First Class results against a University average of 29.9%. For Good Honours Selwyn achieved 85.4% against a University average of 84.8%. This led the College to a position within the top three undergraduate colleges across the various formal and informal exam results tables published.

(e) Access and Widening Participation

The College aims to attract the best undergraduate applicants from the widest range of schools and colleges. The colleges and the University engage in substantial outreach activities to encourage all academically qualified students to apply for admission to Cambridge, whatever their backgrounds or financial circumstances. During the year the University agreed a new Access and Participation plan with the Office for Students, which takes effect from 2025-2029. The University's Access and Participation Plan (known as the APP) addresses barriers to equality of opportunity across the undergraduate student lifecycle, encompassing admissions, on-course experiences and progression to further study or employment.

There are two widening-participation objectives. The first is to increase the proportion of students from indices of multiple deprivation (IMD) quintiles 1 & 2 to 21.5 % for students starting in 2025-6 and those in receipt of Free School Meals (FSM) to 9.4 % by 2029-30. The second is to increase the proportion of students from Black-British, British-Bangladeshi and British-Pakistani ethnicities (no specific targets have yet been set pending further University research).

As in previous years, Selwyn continues to meet the targets for IMD and FSM. For the cohort entering Selwyn in October 2025, the proportion in IMD quintiles 1 & 2 is 21.3% and those who were in receipt of FSM is 9.6 %.

The College participates enthusiastically in widening participation and aspiration-raising programmes in conjunction with the University. Two full-time Schools Liaison Officer posts reinforce these outreach efforts – one based in West Yorkshire and one based in Cambridge. Since 2000, by agreement with the University and the other colleges, Selwyn has targeted state-maintained 11-16 and 11-18 schools, Further Education and Sixth Form Colleges in West Yorkshire and East Berkshire. Over the 2024-25 year, the College spent £282k on access events (prior year: £309k).

(f) Financial and other support

Once admitted, students have access to several sources of financial aid. In 2024-25, a total of £298k was received by Selwyn students through the Cambridge Bursary Scheme, which is operated collectively with the University and other colleges (prior year: £356k). Under this Scheme, students whose household income was below £25,000 received a grant of £3,500 per year in addition to any government loans. Those with incomes of up to £62,215 received a sliding scale of amounts tapering to £100. An additional £1,000 educational premium bursary was awarded to students who received free school meals whilst at secondary school.



The College has been a strong supporter of the Cambridge Bursary Scheme throughout its development.

Around a quarter of all Selwyn undergraduates received some form of Bursary support over the year. In addition to the Cambridge Bursary Scheme, the College paid out £337k (prior year: £416k). This financial support covers awards and scholarships (to support the purchase of books and equipment, attendance at conferences, and travel), studentships (which are charged in full in the year studies commence, and so cause fluctuation in the total), and College-funded bursaries in cases of financial hardship.

Selwyn College's students continued to receive mental health support with gratitude to the Dawson Fund, which also supports the costs of a full-time year-round College Nurse & Welfare Officer.

(g) Facilities

In 24-25 the main estates project focused on the Cripps building, which houses over 200 students and 20 Fellows. Works to increase the solar panel installation capacity by 50% and generate around one third of the annual electrical consumption of that building. This equates to saving over 22,000 kg of CO₂ annually, equivalent to 70,000 miles in a petrol car or 13 flights from London to New York and makes a material contribution to the College's reduction in its carbon footprint. At the same time, we addressed increasing concerns regarding national water infrastructure by installing pumps to improve pressure to the upper floors.

Other works to improve student residential experience continued, through rolling refurbishments of bathrooms – especially ensembles - and kitchens. A full scaffold to permit protective decoration of 40 Grange Road took place, with 38 Grange Road planned to follow in summer 2025). The final stages of the building management system updates were also completed.

Finally, design work commenced for a full internal refurbishment of the pair of hostels at 21 and 23 West Road, internally thought of as "Ann's Court North". This will include a link building to improve clarity of access and add useful team-based study spaces, improve provision with the creation of a flexibly accessible flat, and seeks to meet targets to further reduce the college's carbon footprint.

(h) Other College activities

Details of the College's many sporting, musical and cultural successes are recorded in the College "Calendar", which can be viewed at <https://www.sel.cam.ac.uk/alumni/publications>. The College aims to host talks of interest to a wide range of both academic and non academic alumni and the general public, and details of recent events (usually accessible on social media platforms) may be found at www.youtube.com/@selwyn1882.



4. FINANCIAL REPORT – INCOME AND EXPENDITURE

(a) Overall Position

The College's income and expenditure, as set out in the Statement of Comprehensive Income & Expenditure ("SOCI"), falls into four broad categories:

1. Wholly **unrestricted** income and expenditure.
2. Income and expenditure **restricted** to certain purposes, as specified by the donor.
3. Income and expenditure relating to **unrestricted endowment** funds, where the income is expendable, but not the capital sum – and no restriction applies to use.
4. Income and expenditure relating to **restricted endowment** funds, where the income is expendable, but not the capital sum – and a donor specified restriction applies to use.

This section of the report focuses principally on the first category – wholly unrestricted.

(i) Total comprehensive income/(deficit) for the year

In 2024-25, the SOCI (Statement of Comprehensive Income) shows a **comprehensive surplus of £0.90m** (prior year: surplus of £3.19m), a reduction of £2.29m.

To understand this significant negative swing against prior year it must be broken down. The most significant contributors are:

- An decrease in unrestricted **donations** of £1.44m.
- **Pensions assumptions**, where the triennial revaluation led to income from a £0.87m release of USS provision in 2023-24. This did not repeat in 2024-25.
- Unrestricted **investment valuations**, which increased, but only by £0.05m compared to a prior year increase of £0.56m.

Of these, the movement in the donations figure is the only one that impacts cash available for charitable activity.

The most significant improvement in cash based, recurrent activity arose from conference, which improved its contribution by £0.33m on prior year.

(ii) Operating Surplus/Deficit – shown in the SOCI as the subtotal "Surplus/(Deficit) before other gains and losses"

The operating surplus/deficit refers to income and expenditure relating to the day-to-day operations of the College.

Unrestricted operating income for the year totalled **£12.49m**, a decrease of 7.7% on £13.53m in the previous year. The most significant movement was in unrestricted donations and legacies, which were £1.38m, after a prior year exceptional peak of £2.82m.

Unrestricted operating expenditure rose to **£11.94m**, vs £11.13m the prior year. Here, the increase was simply due to the one off distortion of a £0.87m USS pension provision release in the prior year. Underlying costs were broadly flat on prior year.

The outcome was an **operating surplus of £0.55m** in 2024-25, with philanthropy and conference activity continuing to subsidise the rising costs of education due to limited growth in academic fee income.



(iii) Cash Surplus/Deficit

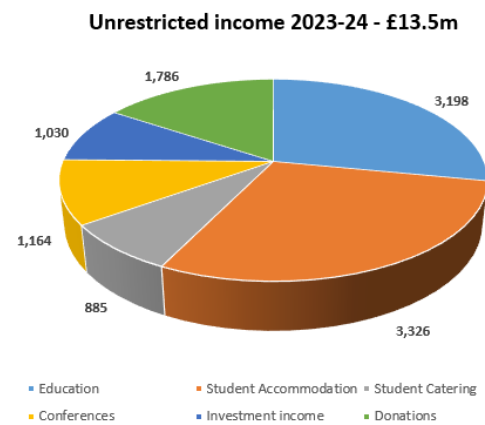
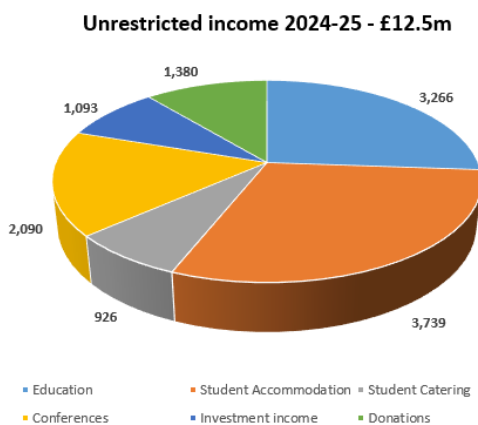
To calculate the underlying unrestricted operating cash surplus – the surplus that it might be reasonable to expect to repeat in future years – we remove the impact of depreciation, pension valuation adjustments and one-off unrestricted donations.

	2024/25	2023/24
Unrestricted surplus/(deficit) before other gains and losses – or “operating surplus”	0.55	2.40
Add back: depreciation	2.54	2.66
Operating cash surplus	3.09	5.06
Deduct/add back: FRS102 and other pension valuation adjustments	(0.15)	(0.96)
Deduct: Unrestricted donations	(1.38)	(2.82)
Underlying operating cash surplus before donations	1.56	1.28

The underlying College finances hence continue to show positive progress in the year. The net deficit on conference activities reduced by a further £0.33m to £0.30m as a result of the strong income growth. The net deficit on members’ activities (catering and accommodation) fell more gradually, by £0.04m to £0.70m. Keeping college residency and catering affordable for students through increasingly effective conference operations remains a key strategic aim.

(b) Income in more detail

The College's activities are funded from a mixture of academic tuition fees; charges for student accommodation and catering; income from conferences; returns on investments and income from donations and bequests. Total unrestricted income in 2024-25 amounted to **£12.5m**. Growth against prior year was in conference income, offsetting in part the reduction in the value of donations.





(i) Academic Fees and Charges

Unrestricted income from academic fees and charges rose slightly to £3.27m.

'Home fee' undergraduates were charged tuition at the maximum permitted rate of £9,250. Half is retained by the College and half is passed to the University. The £4,625 received is estimated to fall around £7,300 below the actual cost of education for each home undergraduate, and philanthropic donations increasingly make up the shortfall. Tuition fees for most 'home fee' undergraduates are paid on behalf of the students through the Student Loans Company, although a small proportion pay the fees themselves directly.

In 2024-25, fees from home fee status undergraduates reduced slightly to £1.57m (prior year £1.64m). A further £0.85m was received from privately funded undergraduates, (prior year: £0.77m), and £0.84m from postgraduate students, (prior year £0.80m).

Education deficit

Including restricted income (£131k, related to Cambridge Bursary income received from the wider university), overall education income totalled £3.40m, flat on prior year. Given that overall education expenditure (unrestricted and restricted) totalled £5.35m, the Education deficit remained close to £2m for the year.

(ii) Student Accommodation and Catering

Student accommodation income increased by 1.8% to £3.74m (prior year: £3.67m) with some gaps in occupancy of flats offset by rent inflation. The aim is for rents to be cost neutral but to support the College's commitment to pay staff the real living wage, which rose by 10% in 2023 and 5% in 2024, placing some pressure on rent levels. Student catering income increased by 0.7% to £0.93m (prior year: £0.92m).

Almost all undergraduate members live in College accommodation in term time, as do a significant number of postgraduate students year round. The majority of the College's c.500 rooms are located on or adjacent to the main site on Grange Road, and two-thirds have ensuite facilities. The College provides a wide range of student accommodation with varying charges depending on the facilities provided. The median room rent of £215 in 2024-25 reflects the cost of an ensuite room, with non ensuite rooms available from £138 per week upwards. Rents aim to cover the economic cost to the College of providing the room, and are set early enough each year to support students in their financial planning when selecting rooms.

The College offers a wide variety of catering: Bar snacks, brunches, cafeteria self-service meals and formal hall dinners. Catering for members runs at a deficit; in 2023/24 this reduced to £0.80m from £0.81m. The College is recognised for the high quality of its offering and continues to hold a 5-star environmental health rating.

(iii) Conferences and Events

The College has a long-term strategy of building its conference income to help keep student rents low by utilising both space and staffing effectively during vacations. A risk of volatility in this income stream is inherent in this approach.

The progress of the post pandemic recovery in conference income can be seen in the



table below:

Year	Income
2020-21	£0.03m
2021-22	£0.60m
2022-23	£1.16m
2023-24	£1.75m
2024-25	£2.09m

The College’s long term aim remains to bring the net conference account into surplus across both catering (24-25 surplus: £49k or 6%) and accommodation (24-25 deficit: £340k or 27%), whilst recognising that there are vacation periods for which conference is allocated the cost that will always be a challenge to fill.

(iv) Investment Income

The College continue to apply a policy of ‘total return accounting’. The College withdrawal rate under the spending rule was agreed at 3.125% in the year, which was then applied to the average value of the portfolio over the previous five years, lagged by one year. Over the medium term, as inflation recedes, the College will return to 3% as the long term target.

The actual income received from investments in 2024-25 was £1.86m (prior year £1.96m), but the spending rule allowed for withdrawal of £2.11m, reflecting the capital value growth of the underlying portfolio.

(v) Donations and bequests

The generosity of the College’s many alumni and supporters continues to be gratefully received. The Harrison Fund continued to grow substantially during the year. The College appointed its first “Harrison Fellow”, Professor James Moultrie, recognising his contribution to the teaching of engineering within the college.

In 2024-25, unrestricted donations and legacies (excluding new endowments) amounted to £1.38m (prior year: £2.82m), and restricted donations amounted to £0.76m (prior year: £1.36m). These will support widening participation work in admissions, teaching posts, student welfare, and grants across a wide range of academic activities.

Finally, the College received £0.67m in new endowments (prior year: £0.29m) and capital project donations of £0.21m (prior year: £0.22m).

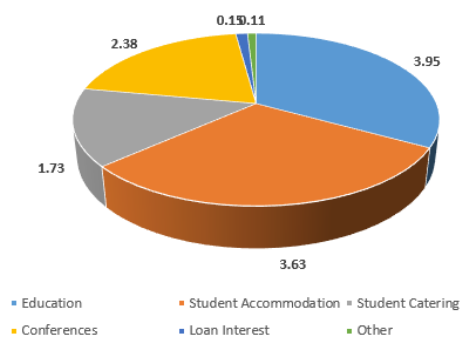
The College is registered with the Fundraising Regulator and the College subscribes to the Fundraising Regulator’s code of practice. All fundraising activity meets current standards and is reviewed by the Development Committee, which is accountable to the College Council. The Council reviews the College’s donations policy every three years, most recently in 2023. The College does not use third parties to assist in its fundraising, while students who participate in fundraising activity for the College receive formal training beforehand. The College received no complaints concerning fundraising activity in 2024-25.



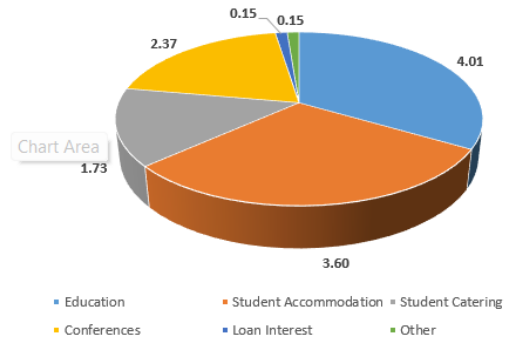
(c) Expenditure in more detail

The College’s expenditure supports educational, accommodation and catering services for its members across the year. In 2024-25, total unrestricted expenditure amounted to £11.94m (prior year: £12.00m on a comparable basis, excluding the movement in the long term USS pension provision).

Unrestricted expenditure before pension provision
2024-25 - £11.9m



Unrestricted expenditure before pension provision -
2023-24 - £12.0m



(i) Education

Unrestricted expenditure relating to education shrank slightly, to £3.95m (prior year: £4.01m).

Education expenditure was overall stable on the prior year, with consistent support from restricted as well as unrestricted funding. Within this a £0.15m increase in teaching costs due to underlying wage and national insurance inflation was offset by year on year fluctuations in the charges for bursaries, access activities, and studentships. In 2024-25, overall expenditure on student support totalled £0.64m, made up of £0.30m on the Cambridge Bursary Scheme and £0.34m on other scholarships and awards (prior year: £0.77m).

A deficit on education reflects the College’s charitable objectives, and we remain grateful for those donors that contribute restricted funds to support planned investments in widening participation and welfare. The overall education deficit remains, however, just below £2m, risen from £1.2m in 2020-21, and our educational provision is increasingly only sustainable through philanthropic support. The freeze (due to lift in 2025/26) in the regulated tuition fee paid by ‘home’ undergraduates, the College’s commitment to proven models of excellence in Cambridge supervision led teaching, and a growth in welfare and widening participation spend all contribute to this ongoing deficit.

(ii) Accommodation and Catering

The cost of maintaining accommodation is allocated to the student accommodation (or ‘College members’) budget in term time and to conferences in the vacations, when the College aims to occupy its rooms with conference guests. This helps to hold student accommodation costs down by allowing the College to offer shorter occupation licences.



Conference activities improved their contribution to College by £0.33m across accommodation and catering in 2024-25, a welcome reduction in the unrestricted deficit.

Accommodation costs rose by just under 1% on prior year, holding the members accommodation account slightly above break even. Catering costs were flat at £2.50m (prior year: £2.50m), with increases in underlying wage rates and purchase costs offset by falling utility prices and ongoing staffing efficiencies.

The deficit across accommodation and catering overall consequently fell to a shortfall of £0.99m from £1.35m in the prior year.

(iii) Staff Costs and Pensions

The number of Governing Body Fellows within the College fell slightly to 66 from 67. Staff full time equivalent counts were consistent at 100.

Staff costs are included within the costs of education, accommodation, catering and conference expenditure, but are also analysed separately in note 8. Staff costs amounted to £5.98m in total (excluding changes in the USS provision) in 2024-25, vs. £5.76m in 2023-24, an increase of 3.8%. Underlying wage inflation averaged just over 4%, driven in part by the College's commitment to pay the real living wage, was augmented by increases in national insurance charges from April 2025, and offset by staffing gaps during the year.

Those Fellows who act as members of the College Council receive no remuneration in relation to their role as charity trustee.

(iv) Colleges Fund

The Colleges Fund, which is funded through an intercollegiate taxation system, makes grants to colleges with insufficient endowments. Grants made to Selwyn between 1998 and 2016 exceeded £3.1m. The College's increased financial strength means that it no longer qualifies for such assistance. In 2024-25 it again did not meet the criteria to require contributions to the Fund, though nor was it required to contribute.

5. FINANCIAL REPORT – BALANCE SHEET

(a) Overall Position

The total net assets of the College increased by £2.8m to 30 June 2025 to **£147.3m**, compared with £144.7m as at 30 June 2023.

(b) Assets (net of current liabilities)

As at 30 June 2025, the balance sheet was made up of £68.8m in fixed assets (a mix of land & property and equipment), £83.6m in investments and £2.7m of net current assets, giving total assets (net of current liabilities) of **£155.0m**.

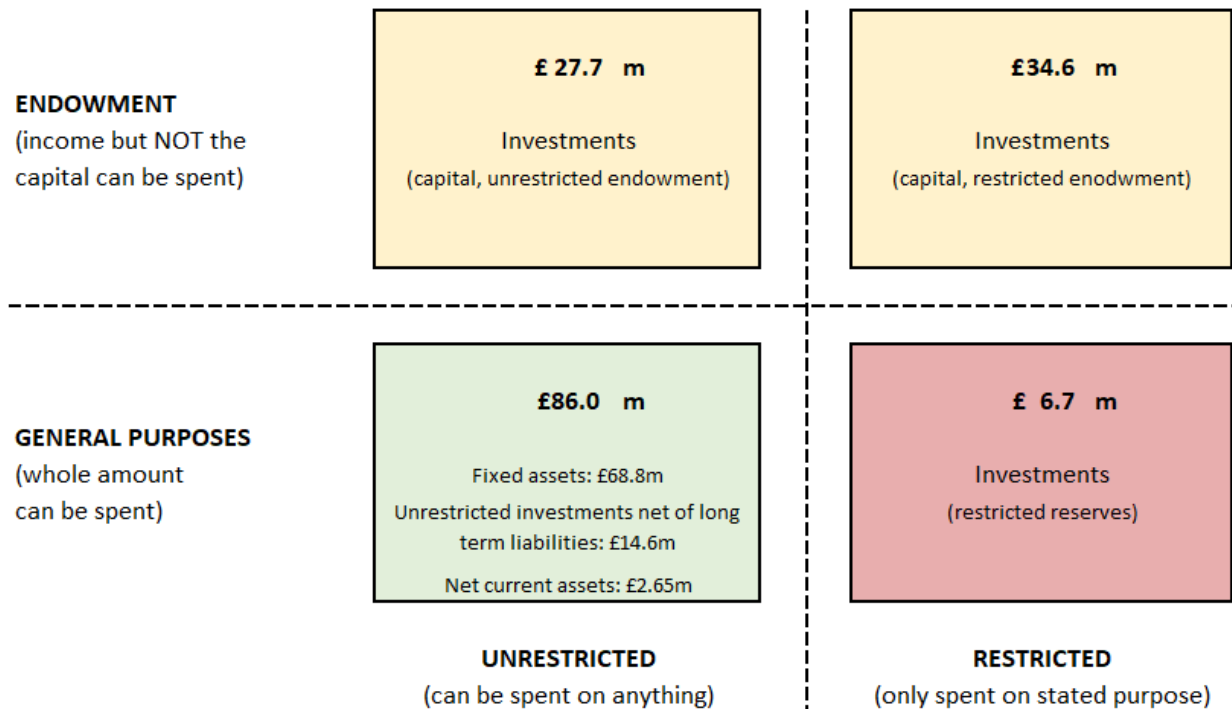
As with income & expenditure, the College's assets are divided into four categories:

1. Wholly **unrestricted** assets, i.e. they may be deployed for any purpose.



2. Assets for which the use is **restricted** to certain purposes, specified by the provider of the original capital.
3. **Unrestricted endowment** assets where the income may be deployed for any purpose, but the capital must not be spent.
4. **Restricted endowment** assets where the use of the income is restricted to specified purposes, and again the capital may not be spent.

As at 30 June 2025, the College’s total assets (net of current liabilities) of £155.0m, split into these categories as follows:



Although £86.0m of assets (net of current liabilities) appear unrestricted, the majority of these (£68.8m) – have in effect already been invested into the fixed assets the College uses day to day – land, buildings, IT equipment, furniture and machinery that keep it operational for its academic members and staff.

The balance of £69.0m of assets are restricted in their use in some way – either because the sums are endowed, and hence only the income may be spent (not the capital), or because the sums are restricted and must be spent in accordance with the stated purpose of the donor.

(i) Fixed Assets – Buildings, Estates and Equipment

The year 2024-25 saw additions to the College’s land and buildings of £0.7m at cost, of which half related to the installation of solar panels and water pumps at the Cripps building, and the balance was spent on furniture, IT and other estate related plant and equipment.

Of the depreciation charge of £2.5m, £1.8m relates to buildings and reflects their gradual erosion through use. The net asset value of freehold land and buildings consequently fell to £62.9m (prior year £64.8m). The net asset value of furniture, fittings and equipment remained at £5.8m, with additions offsetting depreciation.



Maintaining its buildings is one of the College's major costs. These range from the original 1880's listed buildings of Old Court to the new Bartlam Library and Quarry Whitehouse Auditorium. Depreciation has risen by 25% over the last 5 years, to £2.5m in 2024-25 reflecting the recent investments in newer buildings and their fit out. In the medium term, investing in reducing carbon emissions as an incremental part of each project is expected to continue to add to this cost.

(ii) Investments

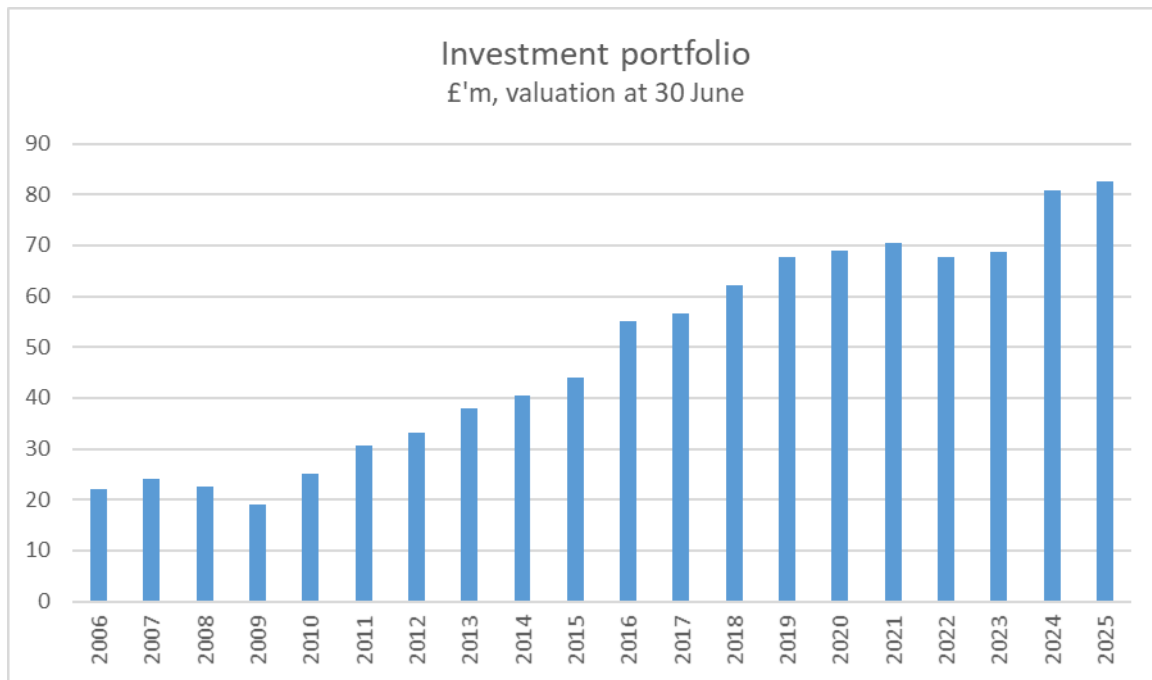
The College's investments are overseen and directed by the Investment Committee, with three independent members with backgrounds in the investment industry providing their expertise. The College's investment strategy has historically adopted a medium risk approach which has delivered steady growth in the value of investments held in its managed portfolio over time.

The College continues to take an active approach to responsible investment, having previously divested all direct fossil fuel, tobacco and armaments holdings. The College's investment policy was published on its website during the year. Material investments in fossil fuels have been excluded since the end of 2021.

Since 2021 the College has operated a total return accounting approach to investment income, which permits investments on the basis of capital growth as well as income. After a strong year in 2023-24, returns in 2024-25 were more moderate. The portfolio totalled **£83.6m** at 30 June 2025 (June 2024: £80.9m). The total return (ie the return before the withdrawal of £2.1m to support College activities) for the 12 months to 30 June 2025 was 2.5% for the funds held with Cazenove, and 4.8% for the funds held in the Cambridge University Endowment Fund. Cazenove are 18 months into their tenure with the College. Performance benchmarking data will accumulate over the coming years.

Fees paid to investment advisors, with Cazenove now appointed across the full twelve months, totalled £0.25m (prior year £0.18m).

Over the long-term, the graph below indicates the trajectory of the College's investment portfolio.



(c) Liabilities

The College's long-term liabilities as at 30 June 2025 totalled **£7.7m**, made up of £1.7m in pension fund provisions and a 5-year interest-only fixed-rate loan of £6m, maturing in January 2027. Deducting these long-term liabilities from the College's assets (net of current liabilities) of £155.0m results in total net assets of £147.3m.

Under FRS102 the College is required to disclose all its pension liabilities on the balance sheet. The total liability has this year reduced by £0.4m to £1.7m. The improvement relates to the annual valuation of the Cambridge Colleges Federated Pension Scheme (CCFPS) liability – reducing by £0.4m. The Universities Superannuation Scheme (USS) liability will next be updated following a triennial valuation in March 2026. The main influence on these valuations is the increase in the discount rate used in the FRS102 calculations.

(d) Free Reserves and Reserves Policy

The College Council has approved a Reserves Policy that provides for regular testing of the financial resilience of the College and its ability to cope with a period of sustained adverse conditions.

The College's policy requires there to be accessible reserves which would allow it to cover 80% of operational expenditure (excluding depreciation) for a period of three years. Ideally, this would be in the form of free reserves, but other options include commercial loans secured against land and property and/or an internal accounting 'loan' against the unrestricted endowment. Taken together these would provide reserve coverage of multiples of the requirement. Over the medium-to-long term the policy envisages increasing free reserves, but trustees will need to have due regard to ensuring that this does not compromise the College's charitable objectives. The policy is reviewed annually.



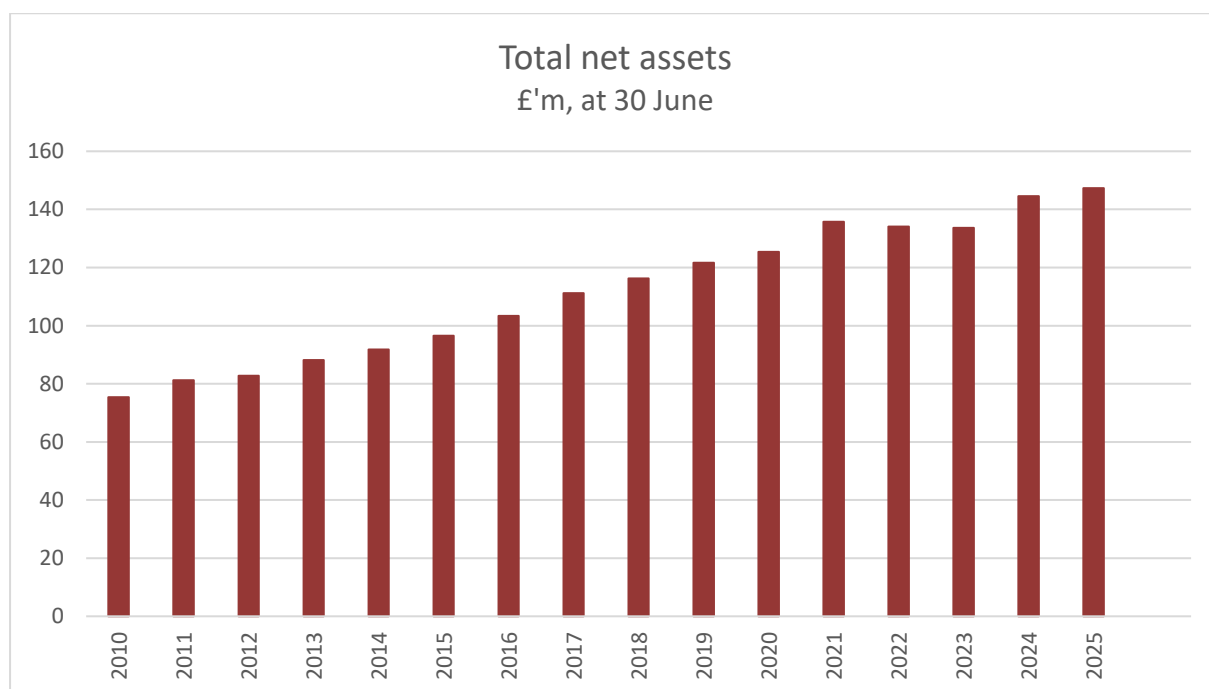
The level of completely free reserves at 30 June 2025 rose to £9.5m (30 June 2024 - £6.7m). If pension deficit liabilities are disregarded on the basis they are extremely unlikely to be repayable at short notice, effective free reserves stand at £11.2m at 30 June 2025.

(f) Going Concern

The College is obliged to consider whether it is in a position to operate for at least 12 months following the signing of its accounts, in order to establish that it can present its accounts on a going concern basis. Selwyn has adopted a cautious approach to its finances over many years, and has grown its reserves whilst limiting its exposure to debt. The College considers that it is in a position to operate as a going concern for at least 12 months following the signing of its accounts. The auditors have commented separately on the College's going concern status.

g) Long term development of Total Net Assets

Over the long term the College has grown its total net assets on a consistent basis over the last fourteen years, as shown by the graph below. In more recent years, headwinds in investment markets, and an impairment charge charge where investments to achieve carbon neutrality were not recognised in a valuation of hostels, limited that growth. 2024-25 continues the recent strengthening of the College's financial position in absolute terms, although it is noted that high contextual inflation is eroding it in relative terms. More detail is provided in the analysis of risks that follows.



6. RISKS AND UNCERTAINTIES

The College maintains a risk register, which is sub-divided into red, amber, yellow and green risks according to a matrix of probability and impact. The headline risks (red and amber) are reviewed termly by the College Council including any actions and timescales required. The full risk register is reviewed annually by the College Council and the Governing Body. The current risk register identifies 9 headline risks, out of a total of 44.



No red risks are currently identified, recognising the recent strengthening of the College's financial position. This is linked to the agreement of the current government to reinstate inflation uplift to the home student tuition fee for 2025-25, and to the Governing Body's confirmation of a proposed approach to improve the sustainability of the estate. However the inflationary environment, especially from employment costs, continues to be a challenge for the College. We remain under pressure to keep growing our investment capital sufficiently to keep pace with the rise in underlying costs. Other amber risks include community welfare issues (mental health support challenges; risks of inappropriate behaviours between individuals); staffing concerns (inability to attract or retain academic talent and/or non-academic staff); and an increasing concern in relation to IT matters (data breaches, cyber attacks and/or systems outages).

We continue to target all residential and catering services to students as cost neutral to try to limit pressure on our main beneficiaries. Restricted funds help with bursaries and student support, offsetting the pressures from the costs of a university education where possible. Specific restricted funding invested in the role of nurse continues to be effective in supporting those that require mental and other health support, mitigating the risks from this significant areas of concern.

Finally, from 1 October 2025 we welcome Ms Suzanne Raine as Master of the College, as Mr Roger Mosey retires after 12 successful years in post. As ever, change represents both risk and opportunity, but the Governing Body have high confidence that Ms Raine will continue to support the evolution of a strong College – both academically and financially – in the years to come.

7. CONCLUSION AND OUTLOOK FOR THE FUTURE

2024-25 has been a good year financially and we continue to be proud of the academic results of our students. Our financial foundations remain dependent on philanthropy, conference income and investment performance. All of these have continued to contribute this year at levels that pleasingly outperform their five year averages.

However, the College must continue to focus on building its reserves – both to build the invested endowment, but also to invest in the long term durability of the estate that supports our charitable academic objectives. Cost inflation and wider geopolitical uncertainty remain high. Whilst Cambridge and its collegiate university are insulated from some of the pressures across the Higher Education sector in the UK, we are not immune. The Governing Body remains conscious of the need to preserve the ethos and charitable purposes of the College over the long term in order to secure its financial and academic future.

Jennifer Phillips
Bursar

11 November 2025



Statement of Corporate Governance

The following statement is provided by the Governing Body to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.

The College is a registered charity (registered number 1137517) and subject to regulation by the Charity Commission for England and Wales. The members of the Governing Body are the charity trustees and are responsible for ensuring compliance with charity law.

The Governing Body is advised in carrying out its duties by a number of Committees. Foremost amongst these is the College Council, which meets a minimum of eleven times per year and carries delegated authority from the Governing Body under the Statutes of the College. The majority of Committees report to the College Council, which in turn reports to the Governing Body.

The principal officers of the College in 2024-25, all of whom were Trustees and ex-officio members of the Council, were:

The Master:	Mr Roger Mosey
The Vice Master:	Professor Janet A O'Sullivan
The Bursar:	Ms Jennifer NK Phillips
The Senior Tutor:	Dr Michael J Sewell

It is the duty of the College Council to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the Governing Body on the appointment of external auditors; to consider reports submitted by the auditors; to monitor the implementation of recommendations made by the auditors; and to make an annual report to the Governing Body. Membership of the Council includes the principal officers of the College ex-officio, plus eight further Trustees elected periodically by the Governing Body. Four junior members of the College are members of the Governing Body and of College Council, but are not Trustees.

Registers of Interests are kept for members of the Governing Body and by extension Council and its Committees on which Trustees sit. This includes the senior administrative officers. Declarations of interest are made systematically at each meeting of Governing Body, Council and Committees.

The members of the Governing Body and of Council during the year ended 30 June 2025 are set out on page 3.



Statement of Internal Control

The Council 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 Council is responsible, in accordance with the College's Statutes.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.

The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. A review of major risks takes place each term at Council, and the complete risk register is reviewed in full annually by both the Council and the Governing Body. This process was in place for the year ended 30 June 2025 and up to the date of approval of the financial statements.

The Council is responsible for reviewing the effectiveness of the system of internal control. The following processes have been established:

- The setting of detailed budgets with clearly defined levels of authority for expenditure;
- Regular scrutiny of detailed financial performance data, including comparison with budgets;
- Annual comparison and benchmarking of financial performance and key indices with the other colleges.

The Council presents to the Governing Body, and following that scrutiny approves:

- The annual Budget in advance of the start of the financial year;
- Periodic in-year reviews of financial performance against budget;
- The year-end accounts and audit findings.

The Council's review of the effectiveness of the system of internal control is informed by the work of various Committees, the Bursar and College officers and key staff, 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.



Statement of Responsibilities of the Council

The Council is responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The College's Statutes and the Statutes and Ordinances of the University of Cambridge require the College to prepare financial statements for each financial year 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 Council are required to:

- Select suitable accounting policies and then apply them 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Council is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Statutes of the University of Cambridge. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council 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.

Any system of internal financial control, however, can only provide reasonable, not absolute, assurance against material misstatement or loss.



Independent Auditors' Report to the Governing Body of Selwyn College Year Ended 30 June 2025

OPINION

We have audited the financial statements of Selwyn College (the 'College') for the year ended 30 June 2025, which comprise of the Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Balance Sheet, the 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 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 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 College Council 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 College and its environment obtained in the course of the audit, we have not identified material misstatements in the Operating 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 COLLEGE COUNCIL

As explained more fully in the Statement of Responsibilities of the Council, set out on page 23, the College Council 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 College Council 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 College Council 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.

AUDITOR'S 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 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 Charities 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 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 and the cut off of conference income. In response to these identified risks, we designed procedures which included, but were not limited to:

- performed analytical procedures to identify any unusual or unexpected relationships;



- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business;
- assessed whether judgements and assumptions made in determining the accounting estimates set out on page 35 were indicative of potential bias;
- we used Audit Data Analytics to review the client data for unusual anomalies;
- we performed 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;
- we also tested a sample of donations around the year end and discussed ongoing legacies with the Development Office to ensure cut off had been correctly applied;
- we performed 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:

- we agreed the financial statement disclosures to underlying supporting documentation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence;
- we read the minutes of meetings of those charged with governance;
- we discussed with management 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.

USE OF OUR REPORT

This report is made solely to the College Council, 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 College Council 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 Council, as a body, for our audit work, for this report, or for the opinions we have formed.

PEM Audit Limited

PEM Audit Limited

Registered Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

18 November 2025



Statement of Principal Accounting Policies

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, using the Recommended Cambridge College Accounts (RCCA) format; and applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education issued in 2019.

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

The College is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

All items dealt with in arriving at the surplus for 2025 and 2024 relate to continuing operations.

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment assets and certain land and buildings.

Recognition of income

a. Academic fees

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

b. Restricted grant income

Grants received from non-government sources are recognised within the 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 Statement of Comprehensive Income and Expenditure in line with such conditions being met.

c. 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 Statement of Comprehensive Income and Expenditure when the College is entitled to the income, the amount is measurable and receipt is probable. 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.



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 Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

d. 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.

Total return

The College operates a total return policy with regard to its endowment assets. Spendable income equivalent to 3.125% of the average endowment for the last five years, lagged by one year, is included as endowment income.

e. Other income

Income is received from a range of activities including accommodation, catering, conferences and other services rendered.

f. Cambridge Bursary Scheme

In 2024-25, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). As a consequence the College reimbursed the SLC for the full amount paid to their eligible students and the College subsequently received a contribution from the University of Cambridge towards this payment.

The net payment of £131k (2024: £196k) is shown within the Statement of Comprehensive Income and Expenditure as follows:

	2025	2024
	£000	£000
Restricted income from Academic fees and charges (note 1)	167	160
Restricted expenditure on Education (note 4)	298	356
	<u>£131</u>	<u>£196</u>



Fixed assets

a. Land and buildings

The operational buildings held by the College on 1 July 2002 have been brought into the accounts at depreciated replacement cost based on a valuation carried out by Davis Langdon LLP, Chartered Surveyors. Subsequent additions and improvements to the College’s buildings are accounted for at cost. Freehold buildings are depreciated on a straight-line basis over their expected useful economic life of 50 years. Freehold land is not depreciated. Leasehold buildings are amortised over 50 years, or, if shorter, the period of the lease.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Buildings under construction are valued at cost, based on the value of architects’ certificates and other direct costs incurred to 30 June 2025. They are not depreciated until they are brought into use.

No value has been placed on the land occupied by the College’s operational buildings as at 1 July 2002; purchases of land after this date are to be capitalised.

b. Maintenance of premises

The College has a five-year rolling maintenance plan that is reviewed on an annual basis. The cost of routine maintenance is charged to the Statement of Income and Expenditure as it is incurred.

c. Furniture, fittings and equipment

Furniture, fittings and equipment costing less than £100 per individual item or group of related items are written off in the year of acquisition. All other assets are capitalised and depreciated over their expected useful lives as follows:

Furniture and fittings	15 years
Motor vehicles	10 years
General equipment	5-20 years
Computer equipment	4 years
Library books	20 years
Musical instruments	50 years

No depreciation is charged in the year of acquisition.

d. Heritage assets

The College holds a collection of rare books which is not recognised in the Balance Sheet. This collection has arisen through donations and largely comprises works on theology. Few of the books are scarce or in first editions and the subject area is unfashionable. It would be difficult and expensive to replace the collection but equally the possibility of finding a specialist buyer could not be guaranteed, therefore to attribute any value to these books would be unrealistic.

The College employs a professional archivist whose responsibilities include the care and maintenance of the rare book collection. The exposure of the collection to heat and light is strictly controlled.

The College also holds a number of paintings and drawings but the majority of these are portraits of members and benefactors of the College. As such, this collection pertains to the history of the College and has little external market value.



e. Leased assets

The College does not hold any fixed assets under finance leases.

Investments

Fixed asset investments are included in the balance sheet at fair value. Investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value.

Stocks

Stocks are valued 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 benefit 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.

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.



Foreign currencies

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 the actual year end rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Taxation

The College is a registered charity (number 1137517) 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 G, II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The College may from time to time be eligible for such grants. The liability for the year is as advised to the College by the University 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 the Universities Superannuation Scheme (USS). 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 College 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 FRS102 "Employee benefits", the College therefore accounts for the Scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to income and expenditure represents the contributions payable to the Scheme in respect of the accounting period. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the Scheme will fund the overall deficit, the College 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 is included in income and expenditure.

The College also participates in the Cambridge Colleges Federated Pension Scheme (CCFPS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The assets of the Scheme are held in a separate trustee administered fund. The funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years, the actuary reviews the progress of the schemes. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the Scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the institution benefits from the employees' services.



The College also offers membership of a defined contribution pension scheme to its non-academic employees and the pension charge represents the amounts payable by the College to the scheme in respect of the employees' service during the year. Up until 31st December 2021 the scheme offered was NEST, thereafter it was a scheme with Aviva, with insured benefits funded by the College via a policy with AIG.

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 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 when performance related conditions have been met and 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 note 9.

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 note 22.

FRS102 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 USS. 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 income and expenditure in accordance with section 28 of FRS 102. 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. At 30th June 2023, the College's balance sheet included a liability of £877k for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the College was no longer required to make deficit recovery contributions. After taking account of contributions paid in the year and other finance costs, the remaining liability of £871k was released to the profit and loss account. Further disclosures relating to the deficit recovery liability can be found in note 16.

**Statement of Comprehensive Income and Expenditure****Year ended 30 June 2025**

	Note	2025			2024				
		Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
		£000	£000	£000	£000	£000	£000	£000	£000
Income									
Academic fees and charges	1	3,266	131	-	3,397	3,204	196	-	3,400
Accommodation, catering and conferences	2	6,754	-	-	6,754	6,336	-	-	6,336
Investment income	3	30	-	1,860	1,890	54	-	1,964	2,018
Endowment return transferred	3	1,062	1,051	(2,113)	-	1,112	1,029	(2,141)	-
Total income before donations and endowments		11,112	1,182	(253)	12,041	10,706	1,225	(177)	11,754
Donations		1,381	759	-	2,140	2,821	1,356	-	4,177
New endowments		-	-	667	667	-	-	292	292
Other capital grants for assets		-	206	-	206	-	217	-	217
Total income		12,493	2,147	414	15,054	13,527	2,798	115	16,440
Expenditure									
Education	4	3,946	1,407	-	5,353	4,010	1,399	-	5,409
Accommodation, catering and conferences	5	7,741	-	-	7,741	7,690	-	-	7,690
Interest payments		148	-	-	148	150	-	-	150
Other expenditure	6	108	-	-	108	150	-	-	150
Change in USS pension deficit recovery provision contributions		-	-	-	-	(871)	-	-	(871)
Contribution under Statute G, II		-	-	-	-	(2)	-	-	(2)
Total expenditure	7	11,943	1,407	-	13,350	11,127	1,399	-	12,526
Surplus/(deficit) before other gains and losses		550	740	414	1,704	2,400	1,399	115	3,914
Gain/(loss) on investments	10	47	43	499	589	558	463	5,788	6,809
Surplus/(deficit) for the year		597	783	913	2,293	2,958	1,862	5,903	10,723
Other comprehensive income									
Actuarial gain in respect of pension schemes	16	303	-	-	303	227	-	-	227
Total comprehensive income for the year		900	783	913	2,596	3,185	1,862	5,903	10,950

The notes on pages 41 to 57 form part of these accounts.



Statement of Changes in Reserves

Year ended 30 June 2025

	Income and expenditure reserve			Total £000
	Unrestricted £000	Restricted £000	Endowment £000	
Balance at 1 July 2024	77,311	6,096	61,277	144,684
Surplus/(deficit) from income and expenditure statement	598	782	913	2,293
Reclassification of expendable endowment	-	(83)	83	-
Other comprehensive income	303	-	-	303
Release of restricted capital funds spent in the year	127	(127)	-	-
Balance at 30 June 2025	78,339	6,668	62,273	147,280

	Income and expenditure reserve			Total £000
	Unrestricted £000	Restricted £000	Endowment £000	
Balance at 1 July 2023	74,084	4,276	55,374	133,734
Surplus/(deficit) from income and expenditure statement	2,958	1,862	5,903	10,723
Other comprehensive income	227	-	-	227
Release of restricted capital funds spent in the year	42	(42)	-	-
Balance at 30 June 2024	77,311	6,096	61,277	144,684

The notes on pages 41 to 57 form part of these accounts.

**Balance Sheet as at 30 June 2025**

	Note	30 June 2025 £000	30 June 2024 £000
Non-current assets			
Fixed assets	9	68,789	70,574
Investments	10	83,564	80,851
Total non-current assets		<u>152,353</u>	<u>151,425</u>
Current assets			
Stocks	11	316	273
Trade and other receivables	12	1,320	1,971
Cash and cash equivalents	13	3,351	1,305
Total current assets		<u>4,987</u>	<u>3,549</u>
Creditors: amounts falling due within one year	14	(2,334)	(2,218)
Net current assets/(liabilities)		<u>2,653</u>	<u>1,331</u>
Total assets less current liabilities		155,006	152,756
Creditors: amounts falling due after more than one year	15	(6,000)	(6,000)
Provisions			
Pension provisions	16	(1,726)	(2,072)
Total net assets		<u>147,280</u>	<u>144,684</u>
Restricted reserves			
Income and expenditure reserve – endowment reserve	17	62,273	61,277
Income and expenditure reserve – restricted reserve	18	6,668	6,096
		<u>68,941</u>	<u>67,373</u>
Unrestricted reserves			
Income and expenditure reserve – unrestricted		<u>78,339</u>	<u>77,311</u>
Total Reserves		<u>147,280</u>	<u>144,684</u>

Approved by College Council on 11 November 2025 and signed on their behalf by:

Jennifer Phillips
Bursar

The notes on pages 41 to 57 form part of these accounts.

**Cash Flow Statement for the year ended 30 June 2025**

	Note	2025 £000	2024 £000
Reconciliation of surplus for the year to net cash flows from operating activities			
Surplus/(Deficit) for the year		2,293	10,723
Adjustment for non-cash items			
Depreciation/Impairment	9	2,535	2,663
(Gain)/Loss on endowments and donations		(589)	(6,808)
(Increase)/Decrease in stocks	11	(43)	(34)
Increase in trade and other receivables	12	651	(58)
Increase/(Decrease) in creditors excluding loans	14	116	173
Pension costs less contributions payable	16	(43)	(956)
Adjustment for investing or financing activities			
Investment income	3	(1,860)	(1,964)
Interest payable		148	150
Gain on sale of non-current assets	9	-	-
Net cash inflow from operating activities		3,208	3,889
Cash flows from investing activities			
Investment income	3	1,860	1,964
Proceeds from sales of non-current fixed assets		-	-
(Purchases)/Sales of investment assets		(2,124)	(5,223)
Payments to acquire non-current assets	9	(750)	(580)
Total cash outflow from investing activities		(1,014)	(3,839)
Cash flows from financing activities			
Interest paid		(148)	(150)
Long term loans received	15	-	-
Net cash inflow from financing activities		(148)	(150)
Increase/(decrease) in cash and cash equivalents in the year		2,046	(100)
Cash and cash equivalents at beginning of the year		1,305	1,405
Cash and cash equivalents at end of the year	13	3,351	1,305

The notes on pages 41 to 57 form part of these accounts.

**Notes to the Accounts for the year ended 30 June 2025**

1 ACADEMIC FEES AND CHARGES	2025	2024
College fees:	£000	£000
Fee income received at the Regulated Undergraduate rate	1,575	1,636
Fee income received at the Unregulated Undergraduate rate	848	766
Fee income received at the Graduate rate	843	802
From the University of Cambridge and Trinity College for Cambridge Bursaries	131	196
	<u>3,397</u>	<u>3,400</u>
2 INCOME FROM ACCOMMODATION, CATERING AND CONFERENCES	2025	2024
	£000	£000
Accommodation:		
College members	3,738	3,672
Conferences	1,273	1,018
Catering:		
College members	926	919
Conferences	817	727
	<u>6,754</u>	<u>6,336</u>
3 ENDOWMENT RETURN AND INVESTMENT INCOME	2025	2024
	£000	£000
(a) Analysis of Investment Income		
Total return contribution	2,113	2,141
Cash	30	54
	<u>2,143</u>	<u>2,195</u>
(b) Summary of total return		
Income from:		
Quoted securities:		
- equities	1,442	1,522
- fixed interest	193	254
- cash	225	188
	<u>1,860</u>	<u>1,964</u>
Gains/(losses) on endowment assets	499	5,788
Total return for year	<u>2,359</u>	<u>7,752</u>
Total return transferred to income and expenditure (note (a))	<u>(2,113)</u>	<u>(2,141)</u>
Unapplied total return for year included within SOCI	<u>246</u>	<u>5,611</u>
Memorandum of Unapplied Total Return		
Included within reserves, the following amounts represent the Unapplied Total Return of the College:		
	2025	2024
	£000	£000
Unapplied Total Return at beginning of year	13,515	7,904
Unapplied Total Return for the year	246	5,611
Unapplied Total Return at end of year	<u>13,761</u>	<u>13,515</u>

Investment Management fees paid to Cazenove were £256,053 (2024: Cazenove £130,262 JM Finn £48,527) and are included in Other Operating Expenses (Note 7a).

**Notes to the Accounts for the year ended 30 June 2025**

	2025	2024
	£000	£000
4 EDUCATION EXPENDITURE		
Teaching	3,087	2,940
Tutorial	679	674
Admissions	323	333
Access	282	309
Research	138	175
Scholarships and awards	337	416
Cambridge Bursaries	298	356
Other educational facilities	209	206
Total	<u>5,353</u>	<u>5,409</u>

	2025	2024
	£000	£000
5 ACCOMMODATION, CATERING AND CONFERENCE EXPENDITURE		
Accommodation		
- College members	3,631	3,597
- Conferences	1,614	1,599
Catering		
- College members	1,728	1,727
- Conferences	768	767
Total	<u>7,741</u>	<u>7,690</u>

	2025	2024
	£000	£000
6 OTHER EXPENDITURE		
USS pension interest charge	-	24
FRS 102 pension schemes interest charge	108	126
	<u>108</u>	<u>150</u>

7a ANALYSIS OF 2024-25 EXPENDITURE BY ACTIVITY	Staff costs	Other	Depreciation/	Total
	(note 8)	Operating	Impairment	£000
	£000	Expenses	£000	£000
Education (note 4)	2,511	2,249	593	5,353
Accommodation, catering and conferences (note 5)	3,472	2,200	2,069	7,741
Interest payments	-	148	-	148
Other expenditure (note 6)	-	108	-	108
Change in USS pension deficit recovery provision	-	-	-	-
Contribution under Statute G, II	-	-	-	-
	<u>5,983</u>	<u>4,705</u>	<u>2,662</u>	<u>13,350</u>

Other Operating Expenses includes £275,305 as costs of fundraising (2024: £315,348) and £236,428 as costs of alumni relations (2024: £203,780).

**Notes to the Accounts for the year ended 30 June 2025**

7b	ANALYSIS OF 2023-24 EXPENDITURE BY ACTIVITY	Staff	Other	Depreciation/	Total
		costs	Operating	Impairment	
		(note 8)	Expenses		
		£000	£000	£000	£000
	Education (note 4)	2,416	2,509	484	5,409
	Accommodation, catering and conferences (note 5)	3,316	2,195	2,179	7,690
	Interest payments	-	150	-	150
	Other expenditure (note 6)	-	150	-	150
	Change in USS pension deficit recovery provision	(871)	-	-	(871)
	Contribution under Statute G, II	-	(2)	-	(2)
		<u>4,861</u>	<u>5,002</u>	<u>2,663</u>	<u>12,526</u>

7c	AUDITORS' REMUNERATION	2025	2024
		£000	£000
	Other operating expenses include:		
	Audit fees payable to the College's external auditors	25	23
	Other fees payable to the College's external auditors	-	2
		<u>25</u>	<u>25</u>

8a	STAFF COSTS	Academic	Non-academic	2025	2024
		£000	£000	Total	Total
				£000	£000
	Salaries	1,149	3,734	4,883	4,716
	National Insurance	107	328	435	384
	Pension costs	142	524	666	662
	Net change in USS deficit recovery provision (see note 16)	-	-	-	(901)
	Subtotal of pension costs	<u>142</u>	<u>524</u>	<u>666</u>	<u>(239)</u>
	Total (see Note 7b)	<u>1,398</u>	<u>4,586</u>	<u>5,984</u>	<u>4,861</u>

Based on the 2023 valuation of the Universities Superannuation Scheme (USS), the impact of the net change in the USS deficit recovery provision is a credit of £0k (2024: £901k). This comprises a non-cash credit resulting from the change in assumptions, including the discount rate, of £0k (2024: £871k) and cash contributions made to reduce the deficit in the year of £0k (2024: £30k).

	Staff:			Staff:		
	Fellows:	Full-time	2025	Fellow:	Full-time	2024
	Headcount	equivalents	Total	Headcount	equivalents	Total
Academic	63	-	63	64	-	64
Non-academic	3	100	103	3	100	103
	<u>66</u>	<u>100</u>	<u>166</u>	<u>67</u>	<u>100</u>	<u>167</u>

At 30 June 2025 there were 66 Members of the Governing Body. During the year the average number receiving a stipend from the College was 66 as shown above. The number of officers and employees of the College, including Head of House, who received remuneration in the following ranges was:

From	To	2025 Total	2024 Total
£100,001	£110,000	1	1
£110,001	£120,000	-	-
£120,001	£130,000	1	2

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.

During the year, remuneration paid to Trustees in their capacity as College Officers was: £1,450,626 (66 Trustees) (2024: £1,419,634 (62 Trustees)). The trustees receive no remuneration in their role as trustees of the charity.



Notes to the Accounts for the year ended 30 June 2025

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 Master, Vice Master, Bursar and Senior Tutor are the College's key management personnel.

	2025	2024
	£000	£000
Aggregated remuneration:	<u>319</u>	<u>306</u>

8b PENSION COSTS

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

	Employer	Provisions	Total	Employer	Provisions	Total
	contributions	(Note 16)	2025	contributions	(Note 16)	2024
	2025	2025	2025	2024	2024	2024
	£000	£000	£000	£000	£000	£000
USS	142	-	142	175	(901)	(726)
CCFPS	353	(152)	201	464	(204)	260
Aviva	236	-	236	227	-	227
Total	<u>731</u>	<u>(152)</u>	<u>579</u>	<u>866</u>	<u>(1,105)</u>	<u>(239)</u>

9 FIXED ASSETS

	2025	2025	2025	2024
	Land and	Equipment	Total	Total
	buildings	£000	£000	£000
	£000	£000	£000	£000
Cost or valuation				
At beginning of year	93,482	10,707	104,189	103,827
Additions at cost	25	725	750	580
Disposals at cost/valuation	-	(226)	(226)	(218)
At end of year	<u>93,507</u>	<u>11,206</u>	<u>104,713</u>	<u>104,189</u>
Depreciation				
At beginning of year	28,713	4,902	33,615	31,170
Charge for the year	1,845	690	2,535	2,529
Impairment	-	-	-	134
Eliminated on disposals	-	(226)	(226)	(218)
At end of year	<u>30,558</u>	<u>5,366</u>	<u>35,924</u>	<u>33,615</u>
Net book value				
At end of year	<u>62,949</u>	<u>5,840</u>	<u>68,789</u>	<u>70,574</u>
At beginning of year	<u>64,769</u>	<u>5,805</u>	<u>70,574</u>	<u>72,657</u>

The insured value of freehold land and buildings as at 30 June 2025 was £159,285,256 (2024: £154,241,383).

10 INVESTMENTS

	2025	2024
	£000	£000
Balance at beginning of year	80,851	68,820
Additions at cost	30,071	64,465
Disposals at opening market value	(26,010)	(64,496)
Appreciation on disposals/reevaluation	1,096	7,631
Increase in cash balances held by fund managers	(2,444)	4,431
Balance at end of year	<u>83,564</u>	<u>80,851</u>
Represented by:		
Quoted securities – equities	68,851	64,500
Quoted securities – fixed interest	8,505	7,700
Cash held for reinvestment	6,208	8,651
	<u>83,564</u>	<u>80,851</u>

**Notes to the Accounts for the year ended 30 June 2025**

11 STOCKS			2025	2024
			£000	£000
Goods for resale			316	273
			<u>316</u>	<u>273</u>
12 TRADE AND OTHER RECEIVABLES			2025	2024
			£000	£000
Members of the College			123	102
Trade debtors			85	167
Taxation recoverable			25	22
Other receivables			979	1,484
Prepayments			108	196
			<u>1,320</u>	<u>1,971</u>
13 CASH AND CASH EQUIVALENTS			2025	2024
			£000	£000
Current accounts			3,332	1,271
Cash in hand			19	34
			<u>3,351</u>	<u>1,305</u>
14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			2025	2024
			£000	£000
Trade creditors and accruals			760	611
PAYE and Social Security			173	153
VAT			34	34
Students' deposits			77	119
Other creditors			1,290	1,301
			<u>2,334</u>	<u>2,218</u>
15 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR			2025	2024
			£000	£000
Bank loan repayable 14 th January 2027			6,000	6,000
			<u>6,000</u>	<u>6,000</u>
16 PENSION PROVISIONS	CCFPS	USS	2025	2024
	£000	£000	£000	£000
Balance at beginning of year	2,072	-	2,072	3,255
Movement in year:				
Current service cost including life assurance	349	-	349	362
Contributions	(501)	-	(501)	(567)
Other finance cost/(gain)	109	-	109	150
Actuarial loss/(gain) recognised in Statement of Comprehensive Income and Expenditure	(303)	-	(303)	(227)
Net change in underlying assumptions (see note 8):	-	-	-	
- Change in underlying assumptions	-	-	-	(871)
- USS deficit contributions payable	-	-	-	(30)
Balance at end of year	<u>1,726</u>	-	<u>1,726</u>	<u>2,072</u>

**Notes to the Accounts for the year ended 30 June 2025****17 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	33,745	27,532	61,277	55,374
Reclassification from restricted expendable	83	-	83	-
New donations and endowments	667	-	667	292
Increase/(Decrease) in market value of investments	102	144	246	5,611
Balance at end of year	<u>34,597</u>	<u>27,676</u>	<u>62,273</u>	<u>61,277</u>

Analysis by type of purpose:

Fellowship Funds	12,377	12,281
Scholarship Funds	5,097	5,077
Prize Funds	532	529
Hardship Funds	13,137	11,826
Travel Grant Funds	726	723
Other Funds	2,728	3,309
General endowments	<u>27,676</u>	<u>27,532</u>
	<u>62,273</u>	<u>61,277</u>

Analysis by asset:

Investments	<u>62,273</u>	<u>61,277</u>
	<u>62,273</u>	<u>61,277</u>

**Notes to the Accounts for the year ended 30 June 2025****18 RESTRICTED RESERVES**

Reserves with restrictions are as follows:

	Capital grants unspent £000	Unspent restricted income £000	Restricted expendable endowment £000	2025 Total £000	2024 Total £000
Balance at beginning of year:					
Capital	175	-	2,043	2,218	929
Accumulated income	-	3,550	328	3,878	3,347
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	175	3,550	2,371	6,096	4,276
From the University of Cambridge for Cambridge Bursaries					196
New grants	206	-	-	206	217
New donations	-	17	742	759	1,356
Reclassification to restricted permanent *			(83)	(83)	-
Endowment return transferred	-	1,004	47	1,051	1,029
Increase/(Decrease) in market value of investments	-	27	16	43	463
Capital grants utilised	(126)	-	-	(126)	(42)
Expenditure	-	(846)	(432)	(1,278)	(1,399)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	80	202	290	572	1,820
Balance at end of year					
Capital	255	-	2,217	2,472	2,218
Accumulated income	-	3,752	444	4,196	3,878
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	255	3,752	2,661	6,668	6,096
Analysis of other restricted funds/donations by type of purpose:					
Fellowship Funds		1,290	925	2,215	2,091
Scholarship Funds		833	30	863	854
Prize Funds		165	38	203	188
Hardship Funds		1,240	124	1,364	1,162
Travel Grant Funds		110	58	168	180
Other Funds	255	114	1,486	1,855	1,621
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	255	3,752	2,661	6,668	6,096



Notes to the Accounts for the year ended 30 June 2025

19 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	1,305	2,046	-	3,351
Borrowings: amounts falling due within one year				
Unsecured loans	-	-	-	-
Borrowings: amounts falling due after more than one year				
Unsecured loans	(6,000)	-	-	(6,000)
	(6,000)	-	-	(6,000)
	(4,695)	2,046	-	(2,649)

**Notes to the Accounts for the year ended 30 June 2025****20 FINANCIAL INSTRUMENTS**

	2025	2024
	£000	£000
Financial assets		
<i>Financial assets at fair value through Statement of Comprehensive income</i>		
Listed equity investments	66,136	63,442
<i>Financial assets that are equity instruments measured at cost less impairment</i>		
Other equity investments	8,777	8,757
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Cash and cash equivalents	12,002	9,957
Other debtors	1,199	1,767
	88,114	83,923
Financial liabilities		
<i>Financial liabilities measured at amortised cost</i>		
Loans	6,000	6,000
Trade creditors	331	209
Other creditors	1,244	1,259
	7,575	7,468

21 CAPITAL COMMITMENTS

	2025	2024
	£000	£000
Commitments contracted for at 30 June:	79	306



Notes to the Accounts for the year ended 30 June 2025

22 PENSION SCHEMES

The College participates in the following defined benefit pension schemes: the Universities Superannuation Scheme (USS) and the Cambridge Colleges Federated Pension Scheme (CCFPS). The College closed CCFPS to new joiners at 31st December 2021. From 1st January 2022 eligible non-academic staff are auto-enrolled into a defined contribution scheme with Aviva, with insured benefits provided by an employer-funded policy with AIG.

Universities Superannuation Scheme

The College participates in the 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 College 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 FRS102 "Employee benefits", the College therefore accounts for the Scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to income and expenditure 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 College 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.

The total cost charged to income and expenditure is £142k (2024: £145k) as shown in note 8. Deficit recovery contributions due within one year for the College are £0k (2024: £0k)

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

Since the College cannot identify its share of Scheme assets and liabilities, the following disclosures reflect those relevant for the Scheme as a whole.



Notes to the Accounts for the year ended 30 June 2025

22 PENSION SCHEMES

Universities Superannuation Scheme (continued)

The 2023 valuation was the seventh valuation for USS 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 £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.

CPI assumption

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less 1.0% p.a. to 2030, reducing linearly by 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 (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. Mortality base table:

2023 Valuation

Mortality base table

101% of S2PMA "light" for males and 95% of S3PFA for females.

Future improvements to mortality

CM_2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

2020 Valuation

Mortality base tables

101% of S2PMA "light" for males and 95% of S3PFA for females.

Future improvements to mortality

CM_2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

**Notes to the Accounts for the year ended 30 June 2025****22 PENSION SCHEMES****Universities Superannuation Scheme (continued)**

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	25.6
Males currently aged 45 (years)	25.7	25.4
Females currently aged 45 (years)	27.2	27.2

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 to 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 College 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 liability figures have been produced using the following assumptions:

	2025	2024
Discount rate	-	-
Pensionable salary growth	-	-

Cambridge Colleges Federated Pension Scheme

The College is also a member of a multi-employer defined benefit scheme: the Cambridge Colleges' Federated Pension Scheme. A full valuation was undertaken as at 31 March 2023 and updated to 30 June 2025 by a qualified independent actuary.

The liabilities of the scheme have been calculated, at 30 June 2025, for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the Scheme benefit structure and membership since that date. The principal actuarial assumptions at the balance sheet date were as follows:

	2025	2024
	% p.a.	% p.a.
Discount rate	5.50	5.10
Salary inflation assumption:		
To 2030	2.40	2.85
From 2031	3.30	3.75
Retail Prices Index (RPI) assumption	2.90	3.35
Consumer Prices Index (CPI) assumption		
To 2030	1.90	2.35
From 2031	2.80	3.25
Pension increases in payment (RPI Max 5% p.a.)	2.85	3.15
Pension increases (CPI Max 2.5% p.a.)	1.85	2.00

**Notes to the Accounts for the year ended 30 June 2025****22 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

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% p.a., 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% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

	2025	2024
Males currently aged 65 now	21.4	21.4
Females currently aged 65 now	24.0	23.9
Males aged 45 now and retiring in 20 years	22.7	22.6
Females aged 45 now and retiring in 20 years	25.4	25.3

Members are assumed to retire at their normal retirement age (65) apart from in the following indicated cases:

	Male	Female
Active Members – Option 1 Benefits	64	64
Deferred Members – Option 1 Benefits	63	62

Allowance has been made at retirement for non-retired members to commute part of their pension for a lump sum on the basis of the current commutation factors in these calculations.

The amounts recognised in the Balance Sheet as at 30 June 2025 (with comparative figures as at 30 June 2024) are as follows:

	2025	2024
	£000	£000
Present value of plan liabilities	(12,760)	(13,467)
Market value of plan assets	11,034	11,395
Net defined benefit liability	(1,726)	(2,072)

The amounts to be recognised in income and expenditure for the year ending 30 June 2025 (with comparative figures for the year ending 30 June 2024) are as follows:

	2025	2024
	£000	£000
Current service cost	306	328
Administration expenses	43	34
Interest on net defined benefit liability	108	126
(Gain)/Loss on plan changes	-	-
Total	457	488

**Notes to the Accounts for the year ended 30 June 2025****22 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

Changes in the present value of the Scheme liabilities for the year ending 30 June 2025 (with comparative figures for the year ending 30 June 2024) are as follows:

	2025	2024
	£000	£000
Present value of Scheme liabilities at beginning of period	13,467	12,996
Current service cost (including Employee contributions)	306	329
Employee contributions	30	20
Benefits paid	(586)	(447)
Interest on Scheme liabilities	680	673
Actuarial losses/(gains)	(1,136)	(104)
Present value of Scheme liabilities at end of period	12,761	13,467

Changes in the fair value of the Scheme assets for the year ending 30 June 2025 (with comparative figures for the year ending 30 June 2024) are as follows:

	2025	2024
	£000	£000
Market value of Scheme assets at beginning of period	11,395	10,618
Contributions paid by the College	501	567
Employee contributions	30	20
Benefits paid	(586)	(447)
Administration expenses	(47)	(43)
Interest on plan assets	572	547
Return on assets, less interest included in income and expenditure	(830)	133
Market value of plan assets at end of period	11,035	11,395
Actual return on plan assets	(258)	680

The major categories of Scheme assets as a percentage of total Scheme assets at 30 June 2025 (with comparative figures at 30 June 2024) are as follows:

	2025	2024
Equities	50%	46%
Bonds and cash	37%	42%
Property	13%	12%
Total	100%	100%

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

**Notes to the Accounts for the year ended 30 June 2025****22 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2025 (with comparative figures for the year ending 30 June 2024) are as follows:

	2025	2024
	£000	£000
Return on assets, less interest included in Profit & Loss	(830)	132
Expected less actual scheme expenses	(4)	(9)
Experience gains and losses arising on Scheme liabilities	(66)	28
Changes in assumptions underlying the present value of Scheme liabilities	1,202	76
Re-measurement of net defined benefit liability recognised in OCI	302	227

Movement in net defined benefit liability during the year ending 30 June 2025 (with comparative figures for the year ending 30 June 2024) are as follows:

	2025	2024
	£000	£000
Deficit in Scheme at beginning of year	(2,072)	(2,378)
Recognised in income and expenditure	(457)	(488)
Contributions paid by the College	501	567
Re-measurement of net defined benefit liability recognised in OCI	302	227
Net defined benefit liability at end of year	(1,726)	(2,072)

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 31 March 2023. This showed that the Scheme'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 Scheme's Schedule of Contributions dated 3 June 2024 and are as follows:

- Annual contributions of not less than £138,398 per annum payable for the period 1 July 2024 to 31 May 2033.

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



Notes to the Accounts for the year ended 30 June 2025

22 PENSION SCHEMES

Cambridge Colleges Federated Pension Scheme (continued)

As part of the agreement of the level of deficit recovery contributions above, the College has given the Trustees of the CCFPS a legal and equitable charge over the property known as 1 Selwyn Gardens, Cambridge, which was purchased by the College in April 2021 for £2.4m for use as a student hostel.

AVIVA

From 1 January 2022 the College offered membership of a defined contribution pension scheme managed by Aviva, to its non-academic employees not already members of CCFPS. The College funds a policy with AIG for insured benefits for employees enrolled in the Aviva pension scheme. The pension charge represents contributions due from the College to Aviva amounting to £236,282 (2024: £196,837) of which £34,219 (2024: £26,404) was outstanding at the year end, and premiums due to AIG of £27,807 (2024: £30,296) of which £0 (2024: £0) was outstanding at the year end.

23 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 interests for all Governing Body members and where any member of the Governing Body has a material interest in a College matter they are required to declare that fact.

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 Remuneration Committee.



Notes to the Accounts for the year ended 30 June 2025

23 RELATED PARTY TRANSACTIONS

The salaries paid to member of College Council in the year are summarised in the table below:

From	To	2025 Number	2024 Number
£0	£10,000	5	5
£10,001	£20,000	1	2
£20,001	£30,000		1
£30,001	£40,000		1
£40,001	£50,000	2	2
£50,001	£60,000	3	1
£60,001	£70,000	1	1
£70,001	£80,000	1	1
£80,001	£90,000		
£90,001	£100,000	1	1
	Total	14	15

The total College Council salaries were £527,541 for the year (2024: £480,974)

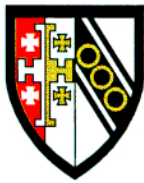
The College Council were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £2,245 for the year (2024: £2,227).

The Trustees were amended to the senior members of College Council only from 14 June 2023. The table above reflects a full year of remuneration for members of College Council.

SELWYN COLLEGE CAMBRIDGE

England & Wales - Charity number 1137517

Accounts



Selwyn College, Cambridge

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2024**

Registered Charity No. 1137517



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**Selwyn College
Grange Road, Cambridge CB3 9DQ
Charity Registration Number 1137517**

The Head, Fellows and Scholars of Selwyn College is a corporate body comprising the Master, Fellows and Scholars, founded in 1882. In August 2010, the College became a registered charity with the Charities Commission, with its registered office at Grange Road, Cambridge CB3 9DQ.

In June 2023 a revised set of Statutes for the College were approved by the Privy Council. As a result, the Trustees became the senior members of College Council. These are marked with an asterisk in the list below.

Members of the Governing Body serving during the year

Mr Roger Mosey*	Dr Jessica Gardner	Dr Diarmuid R O'Donnell*
Dr Carol A Armitage	Dr Marta Halina	Professor Janet A O'Sullivan*
Dr Zeina Al Azmeh	Dr Nicole M Hartwell	Ms Jennifer Phillips*
Professor Patrick J N Baert	Dr Joerg Haustein	Dr Charlotte Reinbold* (Council except Lent 24)
Dr Anita Balakrishnan	Mr J Helm	Professor Stewart O Sage
Dr Ronita Bardhan*(Council to 31/10/23)	Dr Thomas Hopkins	Dr Michael J Sewell*
Dr Daniel A Beauregard*	Dr Alan D Howard	Dr David L Smith
Dr Joseph R Bitney	Dr Leo Impett	Dr Thomas D Smith
Dr Christopher Briggs	Professor James H Keeler	Dr Carrie Soderman
Professor Nicholas J Butterfield	Dr Myun Gun Kim	Professor Grant D Stewart
Dr Jack O Button	Mr Oleg Kitov	Professor Charlotte Summers
Dr Bryan Cameron	Professor Shaun T Larcom	Professor Robert C Tasker* (Council from 1/11/23)
Professor R Stewart Cant	Dr Robert Lee	Dr Rupert J E Thompson
Dr Filipe Carreira da Silva	Dr Anna H Lippert	Dr Ernesto Vargas Weil
Professor Daping Chu	Ms Sarah E A MacDonald*	Dr Chander K Velu
Professor Philip J Connell	Mr James M R Matheson*	Dr Deepak Venkateshvaran
Dr Eloy de Lera Acedo	Dr Kirsty McDougall	Dr Dacia Viejo Rose
Professor Lynn V Dicks	Professor Sarah Meer	Professor Heather M Webb
Professor Katharine J Ellis	Rev'd Dr Arabella Millbank-Robinson* (Council Lent 24 only)	Dr Lauren Wilcox
Dr Stuart M Eves	Professor James Moultrie *(Council from 1/1/24)	Dr Charlotte Woodford (Secretary to Council)
Professor Leonardo Felli	Mr Michael G Nicholson*	Dr Victoria Young* (council to 31/12/23)
Dr Elena Y Filimonova	Professor Nikolaos Nikiforakis	Dr Weilong Zhang
Mrs Sarah Fraser Butlin	Dr Mathias Nowak	



Members of the Governing Body serving during the year

Junior Members

Elina Smith (JCR President)	Ben Harper(JCR Treasurer)	Joel Kandiah (MCR President)
From January 2024:		
Oketa Zogi Shala (JCR President)	Soham Chakravarty (JCR Treasurer)	
Ashley Fox Wiltshire(MCR President)	James Corcoran (MCR Treasurer)	

Reference and Administration

Senior Officers:

Head of House:	Mr Roger Mosey
Vice Master:	Professor Janet O'Sullivan
Bursar:	Ms Jennifer Phillips
Senior Tutor:	Dr Michael J Sewell

Principal advisers:

Auditors:

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

Bankers:

Barclays Bank PLC
P O Box 885
Mortlock House
Station Road
Histon
Cambridge
CB24 9DE

Investment Managers:

Cazenove (From 1 January 2024)
1 London Wall Place
London
EC2Y 5AU

J M Finn & Co (Until 31 December 2023)
25 Copthall Avenue
London
EC2R 7AH



Operating and Financial Review for the Year ended 30 June 2024

1. INTRODUCTION

Selwyn College (the “College”) is pleased to present its operating and financial review, together with the financial statements for the year ended 30 June 2024.

2. GOVERNANCE OF THE COLLEGE

(a) Statutes, Governing Body and Council

The College is a corporation established by Royal Charter of 13 September 1882. The arrangements for governance of the College are set out in its Statutes. In June 2023 a revised set of Statutes for the College were approved by the Privy Council. The College is governed, under those Statutes, by two principal bodies:

- **The Governing Body:** comprises the Master, all Governing Body Fellows, and four junior members of the College. The Governing Body meets three times a year. It elects the College Council and supervises its work. It delegates day-to-day responsibility for the running of the College to the College Council and its Committees. With the exception of the junior members, Governing Body members serve until the earlier of retirement or the end of the academic year in which they reach 67 years of age as reflected in the Statutes, provided that they remain Fellows of the College. The members of the Governing Body serving during the year to 30 June 2024 are shown at the beginning of this report.
- **The College Council:** comprises the Master, three Fellows ex officio (the Vice Master, Bursar and Senior Tutor), eight Governing Body Fellows and four junior members. The Council typically meets eleven times a year – three times per term and twice during the summer vacation. The members of the Council serving during the year to 30 June 2024 are shown at the beginning of this report.

The Governing Body and the College Council are served by a variety of supporting Committees. Representatives of the undergraduate and postgraduate student bodies are members of many of the Committees. External members attend meetings of the Investment Committee, the Alumni & Development Committee and the Remuneration Committee.

The Master, as Head of House, has statutory powers of governance and presides over the Governing Body and the Council. The Senior Tutor has overall responsibility for the admission, education and welfare of undergraduates and graduates and the Bursar has overall responsibility for the finances, estate and administration of the College.

Members of the Governing Body and Council are required to act with integrity, in the College’s interests without regard to their own private interests, and to manage the affairs of the College prudently, balancing long-term and short-term considerations. The College has a policy for managing conflicts of interest, maintaining a register of interests and seeking declarations of potential conflict at the start of any meeting.



(b) Charitable Status

The College was registered as a charity with the Charity Commission on 12 August 2010 (Registered Number: 1137517). Revisions to its Statutes were approved by the Privy Council on 14 June 2023 and as of that date the members of Council, excluding the student members, became the charity trustees. Prior to that date the Governing Body were the trustee body for the charity and all members of the Governing Body were trustees.

In line with Charity Commission recommended best practice, the College has appointed a majority of independent members to its Remuneration Committee and has appointed a special committee of disinterested persons to advise it on any matters relating to changes in the Universities Superannuation Scheme.

(c) Financial Reporting

The College Council has responsibility for ensuring that there is an effective system of internal controls and that financial records are accurately maintained. It is also responsible for safeguarding the assets of the College and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The College is required by statute to present audited financial statements for each financial year. The Cambridge colleges are classed as a special case for purposes of accounting and continue to publish accounts in the form stipulated by Statute G III 2(i) of the University, The Recommended Cambridge Colleges Accounts ("RCCA"), which is based on Financial Reporting Standards and is compliant with the Statement of Recommended Practice: Accounting for Further and Higher Education. The Intercollegiate Committee for College Accounts advises on interpretation. The College is a charity within the meaning of the Taxes Act 1988, s 506 (1).

(d) Relationship with the University

The College is a legally autonomous body; however, it exists within the federal structure of the University. Matters of concern to all colleges and the University are discussed and acted on through a system of University-wide committees, such as the Colleges' Committee, of which all Heads of House are members, the Senior Tutors' Committee, and the Bursars' Committee. Representatives of the Senior Tutors and Bursars sit on each other's committees and on the Colleges Committee. These committees work through the building of consensus as their decisions are not constitutionally binding. The Cambridge colleges have established an Office for Intercollegiate Services to support the activities of the principal intercollegiate committees.

3. AIMS, OBJECTIVES AND ACHIEVEMENTS OF THE COLLEGE

(a) Aims, Objectives and Public Benefit

Founded in 1882 in memory of George Augustus Selwyn, Bishop successively of New Zealand and of Lichfield, as a place of education, religion, learning and research, the College is an autonomous, self-governing community of scholars and one of 31 Colleges within the University of Cambridge. The community in Michaelmas term 2023 consisted of the Master, 66 Fellows and 714 junior members, of whom 436 are undergraduates and 278 are postgraduate students.



The aims and objectives of the College are directed to delivering public benefit, in particular:

- The College aims to promote educational excellence at both undergraduate and postgraduate level and enable beneficiaries to fulfil their potential as part of both the College and the University of Cambridge;
- The College particularly aims to widen participation, increase diversity and facilitate access for those who would benefit from a Cambridge University education, but might face financial or other barriers to doing so without further support;
- The College aims to provide an environment conducive to maximising educational potential, through facilities including high quality accommodation, catering and library services on site;
- The College supports research which benefits the wider population of the UK and humanity globally through innovation and new understanding that will improve prosperity, quality of life and environmental sustainability, amongst other benefits.

In undertaking their responsibilities as trustees of the charity, the members of the College Council endeavour to pay due regard to the Charity Commission guidance on public benefit by ensuring that their decisions support the College's aims and objectives.

The sections that follow set out how the College delivers these aims and objectives, as well as its achievements in respect of each, in more detail.

(b) Teaching

The College provides, in conjunction with the University of Cambridge, a research-informed education for undergraduate and graduate students which is recognised as being of the highest international standard. The University came second overall in the 2024 QS World University rankings, fifth in the Times Higher Education 2024 rankings and fourth in the 2024 Center for World University Rankings. In two of these (QS and Center for World University Rankings) it is the top rated university in the world outside the USA, and in the third (THE) it follows Oxford and USA institutions only.

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 supervisions, as well as pastoral, administrative and academic support through its tutorial and other student support systems. It also provides social, 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.

(c) Research

The College advances research through the support that it provides to the doctoral students who are members of the MCR. It provides Research Fellowships to outstanding academics at the early stages of their careers. Finally, it supports the work of postdoctoral researchers through the Trevelyan Research Associates scheme which is endorsed and supported by the University of Cambridge's Postdoc Academy.

More widely, the College supports research work pursued by its other Fellows through the availability of sabbatical leave for research, the promotion of interaction across disciplines, and the provision of facilities and grants for national and international conferences, research



trips and research materials. Visits from outstanding academics from abroad are encouraged, including the appointment of Visiting Fellows and Bye-Fellows. The College supports the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

(d) Academic excellence

In 2023-24, the College received 859 applications for undergraduate admission (prior year 768), for about 120 places. The size of the field reflects the effort that the College has made in widening participation and admissions activities in recent years. Whilst EU applications have, predictably, fallen in recent years, non-EU overseas applications remain healthy. Postgraduate admissions are also strong. The number of matched funded MPhil and doctoral studentships through philanthropic support is helping us to become more competitive in attracting the very best applicants to Selwyn as well as retaining high flyers.

Academic performance is strong. In 2024, in classed examinations, 31.4% of Selwyn's candidates obtained First Class results against a University average of 28.8%. 88.1% obtained Good Honours (upper second class or better) as against an average of 83.2% across the University. This meant that the College ranked first amongst 29 Colleges in terms of proportions achieving Good Honours results in 2024.

(e) Access and Widening Participation

The College aims to attract the best undergraduate applicants from the widest range of schools and colleges. The colleges and the University engage in substantial outreach activities to encourage all academically qualified students to apply for admission to Cambridge, whatever their backgrounds or financial circumstances. The University has committed under an Access and Participation Plan with the Office for Students ("OfS") to achieve the following in 2024-25 (i.e. from those students who applied in 2023-24):

- Increasing the proportion of UK resident students admitted from UK state sector schools and colleges to 69.1%;
- Increasing the proportion of UK students from the Participation Of Local Area ("POLAR") classification quintile 1 of 7.0%, and of quintiles 1 and 2 combined of 16.6%;
- A ratio of POLAR4 quintile 5 to quintile 1 of less than or equal to 6.7:1; and
- Increasing UK resident students from regional Indices of Multiple Deprivation ("IMD") quintiles 1 and 2 to 21.2%.

Selwyn has exceeded all but one of these targets. The relevant characteristics of the cohort that will begin in the 2024-25 academic year (prior year is given in brackets) include:

- 79.8% (80.2%) accepted for October 2024 entry from the maintained sector;
- 7.1% (8.8%) from POLAR4 quintile 1 and a POLAR4 quintile 1+2 figure of 21.2% (16.5%);
- A ratio of 7:1 (5.4:1) POLAR4 quintile 5 to POLAR4 quintile 1; and
- An IMD quintiles 1 and 2 figure of 23.2% (25.3 %).



The College participates enthusiastically in widening participation and aspiration-raising programmes in conjunction with the University. Two full-time Schools Liaison Officer posts reinforce these outreach efforts – one based in West Yorkshire and one based in Cambridge. Since 2000, by agreement with the University and the other colleges, Selwyn has targeted state-maintained 11-16 and 11-18 schools, Further Education and Sixth Form Colleges in West Yorkshire and East Berkshire. Over the 2023-24 year, the College spent £309k on access events (prior year: £380k).

(f) Financial and other support

Once admitted, students have access to several sources of financial aid. In 2023-24, a total of £356k was received by Selwyn students through the Cambridge Bursary Scheme, which is operated collectively with the University and other colleges (prior year: £364k). Under this Scheme, students whose household income was below £25,000 received a grant of £3,500 per year in addition to any government loans. Those with incomes of up to £62,215 received a sliding scale of amounts tapering to £100. An additional £1,000 educational premium bursary was awarded to students who received free school meals whilst at secondary school. The College has been a strong supporter of the Cambridge Bursary Scheme throughout its development.

Around a quarter of all Selwyn undergraduates received some form of Bursary support over the year. In addition to the Cambridge Bursary Scheme, the College paid out £416k (prior year: £381k). This financial support covers awards and scholarships (to support the purchase of books and equipment, attendance at conferences, and travel), studentships, and College-funded bursaries in cases of financial hardship.

Selwyn College's students continued to receive mental health support with gratitude to the Dawson Fund, which also supports the costs of a full-time year-round College Nurse & Welfare Officer.

(g) Facilities

After many years of major construction work across the College estate, 23-24 represented something of a lull. Works to improve student residential experience through rolling refurbishments of bathrooms and kitchens continued. Protective decoration of hostels externally was completed for four properties. Significant time has been spent on ensuring that building management systems are optimized and working effectively, alongside investment into bringing those systems up to current standards. Asbestos removal works have been progressed during the year.

In summer 2024 the College will complete a project to increase its solar panel installation on the Cripps building by 50%, generating c.45,000 kWh and using a battery array to meet around one third of the electrical consumption of the building. This equates to saving over 22,000 kg of CO₂ annually, equivalent to 70,000 miles in a petrol car or 13 flights from London to New York and makes a material contribution to the College's reduction in its carbon footprint. At the same time pumps will be installed to improve water pressure reliability recognising greater variance in the incoming supply.



(h) Other College activities

Details of the College's many sporting, musical and cultural successes are recorded in the College "Calendar", which can be viewed at www.selwynalumni.com/publications. The College aims to host talks of interest to a wide range of both academic and non academic alumni and the general public, and details of recent events (usually accessible on social media platforms) may be found at www.youtube.com/@selwyn1882.

4. FINANCIAL REPORT – INCOME AND EXPENDITURE

(a) Overall Position

The College's income and expenditure, as set out in the Statement of Comprehensive Income & Expenditure ("SOCI"), falls into four broad categories:

1. Wholly **unrestricted** income and expenditure.
2. Income and expenditure **restricted** to certain purposes, as specified by the donor.
3. Income and expenditure relating to **unrestricted endowment** funds, where the income is expendable, but not the capital sum – and no restriction applies to use.
4. Income and expenditure relating to **restricted endowment** funds, where the income is expendable, but not the capital sum – and a donor specified restriction applies to use.

This section of the report focuses principally on the first category – wholly unrestricted.

(i) Total comprehensive income/(deficit) for the year

In 2023-24, the SOCI (Statement of Comprehensive Income) shows a **comprehensive surplus of £3.19m** (prior year: deficit of £0.66m) – an increase of £3.84m.

To understand this significant positive swing against prior year it must be broken down. The most significant contributors are:

- An increase in unrestricted **donations** of £1.04m.
- **Pensions assumptions**, where higher interest rates reduced the levels of provisions for liabilities required, most notably for the USS. The net impact is a £0.69m improvement on prior year.
- Unrestricted **investment valuations**, which increased by £0.59m over the year.
- Reduced depreciation charge. This fell by £0.47m against prior year as the impairment charge for the hostels project reduced.

These total £2.79m and are all either non-recurring (donations) or non-cash items.

The most significant improvement in cash based, recurrent activity arose from conference, which improved its contribution by £0.69m on prior year.

(ii) Operating Surplus/Deficit – shown in the SOCI as "Surplus/(Deficit)" before other gains and losses"

The operating surplus/deficit refers to income and expenditure relating to the day-to-day operations of the College. This year changes have been made to the recommended format for Cambridge collegiate accounts (the "RCCA"). These reclassify entries relating to pension provisions and payments from 'other income' lines to 'other expenditure'. As a result the prior year figures for income and expenditure have been restated.



Unrestricted operating income for the year totalled **£13.53m**, an increase of 19% on £11.39m in the previous year. It is of note that:

- Income from academic fees and charges was static at £3.20m; constrained by the unchanging regulated fee for UK undergraduates;
- Income from accommodation, catering and conferences increased by 18% to £6.34m, two thirds of the increase arising from ongoing recovery of conference activity;
- Unrestricted donations and legacies increased from £1.79m to £2.82m, with two major legacies representing £2.6m of the total, a sum unprecedented in the College's history.

Unrestricted operating expenditure fell to **£11.13m**, vs £12.14m the prior year. The majority of the apparent improvement is the impact of the pension assumptions and depreciation changes detailed above. Underlying costs rose by around 4.8%, a reasonable result in a year of high inflation.

The outcome was an **operating surplus of £2.40m** in 2023-24, with philanthropy and conference activity increasingly subsidising the rising costs of education and residential provision in the absence of any growth in academic fee income.

(iii) Cash Surplus/Deficit

To calculate the underlying unrestricted operating cash surplus – the surplus that it might be reasonable to expect to repeat in future years – we remove the impact of depreciation, pension valuation adjustments and one-off unrestricted donations.

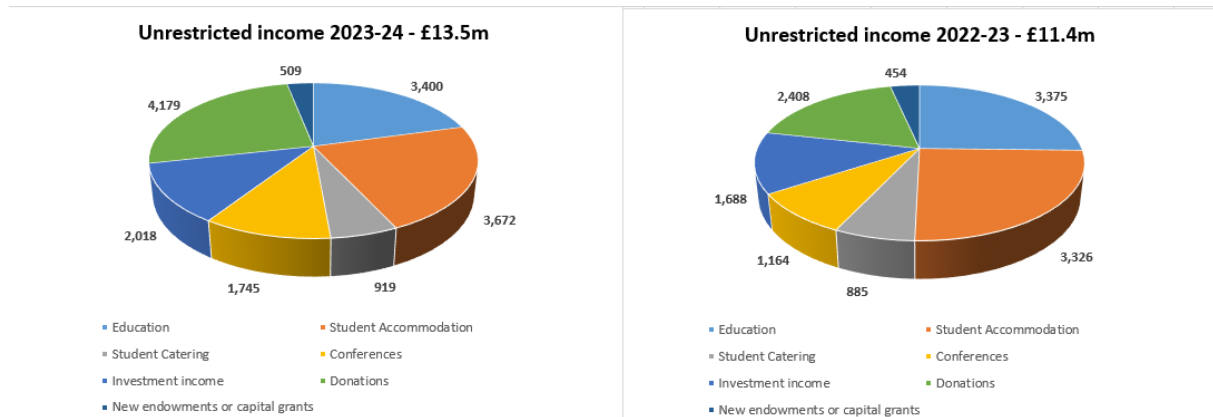
	2023/34	2022/23
Unrestricted surplus/(deficit) before other gains and losses – or “operating surplus”	2.40	(0.74)
Add back: depreciation	2.66	3.13
Operating cash surplus	5.06	2.39
Deduct/add back: FRS102 and other pension valuation adjustments	(0.96)	(0.19)
Deduct: Unrestricted donations	(2.82)	(1.79)
Underlying operating cash surplus before donations	1.28	0.41

The College finances showed good progress in the year towards restoring the underlying operating cash surplus to pre-pandemic levels. The conference activity deficit excluding depreciation reduced by £0.47m. The members catering and accommodation deficit, again excluding depreciation, reduced by £0.14m. Some unintended staffing gaps resulted in savings relating to our educational provision. There remains more to do, but the improvement after two difficult post pandemic years is welcomed.



(b) Income in more detail

The College's activities are funded from a mixture of academic tuition fees; the College fee for privately-funded undergraduates; charges for student accommodation and catering; income from conferences; returns on investments and income from donations and bequests. Total unrestricted income in 2023-24 amounted to **£13.53m**, an increase of 19% from the previous year. Growth was predominantly in conference income and donations.



(i) Academic Fees and Charges

Unrestricted income from academic fees and charges was static at £3.20m.

'Home fee' undergraduates were charged tuition at the maximum permitted rate of £9,250. Half is retained by the College and half is passed to the University. The £4,625 received is estimated to fall around £7,000 below the actual cost of education for each home undergraduate, and philanthropic donations increasingly make up the shortfall. Tuition fees for most 'home fee' undergraduates are paid on behalf of the students through the Student Loans Company, although a small proportion pay the fees themselves directly.

In 2023-24, fees from home fee status undergraduates reduced slightly to £1.64m (prior year £1.68m). A further £0.77m was received from privately funded undergraduates, (prior year: £0.64m), and £0.80m from postgraduate students, (prior year £0.87m).

Education deficit

Including restricted income (£196k related to Cambridge Bursary income received from the wider university), overall education income totalled £3.40m, broadly flat on prior year. Given that overall education expenditure (unrestricted and restricted) totalled £5.41m, the Education deficit increased again to £2.01m (prior year: £1.86m). Increases were primarily a result of rising wages, utility costs, and professional fees.

(ii) Student Accommodation and Catering

Student accommodation income increased by 10% to £3.67m (prior year: £3.33m) reflecting increases in occupancy volumes together with rent inflation. The aim is for rents to be cost neutral but support the College's commitment to pay staff the real living wage, which rose by 10% in 2023. Student catering income increased by 3.8% to £0.92m (prior year: £0.89m).



Almost all undergraduate members live in College accommodation in term time, as do a significant number of postgraduate students year round. The majority of the College’s c.500 rooms are located on or adjacent to the main site on Grange Road, and two-thirds have ensuite facilities. The College provides a wide range of student accommodation with varying charges depending on the facilities provided. The median room rent of £209 in 2023-24 reflects the cost of an ensuite room, with non ensuite rooms available from £134 per week upwards. Rents aim to cover the economic cost to the College of providing the room, and rates are set early enough each year to support students in their financial planning when selecting rooms.

The College offers a wide variety of catering: Bar snacks, brunches, cafeteria self-service meals and formal hall dinners. Catering for members runs at a deficit; in 2023/24 this reduced to £0.81m from £0.97m. The College is recognised for the high quality of its offering and continues to hold a 5-star environmental health rating, the highest available.

(iii) Conferences and Events

The College has a long-term strategy of building its conference income to help keep student rents low by utilising both space and staffing effectively during vacations. A risk of volatility in this income stream is inherent in this approach.

The progress of the post pandemic recovery in conference income can be seen in the table below:

Year	Income
2019-20	£1.28m
2020-21	£0.03m
2021-22	£0.60m
2022-23	£1.16m
2023-24	£1.75m

The College’s long term aim remains to bring the net conference account into surplus across both catering (23/24 deficit: £40k or 6%) and accommodation (23/24 deficit £581k or 57%), whilst recognising that there are vacation periods for which conference is allocated the cost that will always be a challenge to fill.

(iv) Investment Income

‘Total return accounting’ is now in its third year. The College increased its withdrawal rate under the spending rule to 3.25% in the year, which is then applied to the average value of the portfolio over the previous five years, lagged by one year. This rise from 3% was intended to match inflationary pressures in the cost base in a difficult year; over the medium term the College will return to 3% as the long term target. In a year of high interest rates, substantial interest was also earned on cash balances and treasury deposits.

The actual income received from investments in 2023-24 rose to £1.96m (prior year £1.66m), but the spending rule allowed for withdrawal of £2.14m, reflecting the capital value growth of the underlying portfolio, along with the higher withdrawal rate.



(v) Donations and bequests

The generosity of the College’s alumni and supporters continues to be transformative. In 2023-24 we received two significant legacies along with a wider range of gifts, and a major fundraising campaign was launched in support of the teaching of science within the College, to be known as the Harrison Fund in recognition of our late Master, Sir David Harrison. Each of these played a part in the strong financial outcomes for the year. The Harrison Fund will contribute substantially to the distinctive small group supervision teaching that underpins the quality of a Cambridge education, delivered by leading academics in their fields.

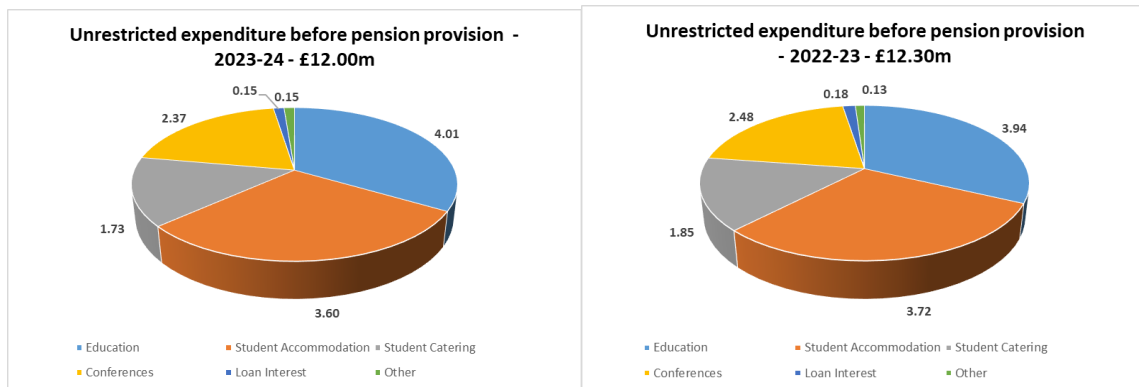
In 2023-24, unrestricted donations and legacies (excluding new endowments) amounted to £2.82 (prior year: £1.79m), and restricted donations amounted to £1.36m (prior year: £0.62m). These will support widening participation work in admissions, specific teaching posts in subjects where need is greatest, student welfare activities, and grants for a wide range of academic activities.

Finally, the College received £0.29m in new endowments (prior year: £0.33m) and capital project donations of £0.22m (prior year: £0.13m), with the most significant a generous donation from the Cripps Foundation towards the cost of a project to increase solar power generation on the accommodation building of the same name.

The College is registered with the Fundraising Regulator and the College subscribes to the Fundraising Regulator’s code of practice. All fundraising activity meets current standards and is reviewed by the Development Committee, which is accountable to the College Council. The Council reviews the College’s donations policy every three years, most recently in 2023. The College does not use third parties to assist in its fundraising, while students who participate in fundraising activity for the College receive formal training beforehand. The College received no complaints concerning fundraising activity in 2023-24.

(c) Expenditure in more detail

The College’s expenditure supports educational, accommodation and catering services for its members across the year. In 2023-24, total unrestricted expenditure amounted to £11.13m (prior year: £12.14m), but more useful is to look at expenditure excluding the movement in the long term USS pension provision. This fell slightly from £12.30m to £12.00m.





(i) Education

Growth in unrestricted expenditure relating to education rose by 1.7% to £4.01m (prior year: £3.94m).

Education expenditure as a whole (unrestricted and restricted), continued to grow more quickly as a result of the support from restricted endowment funding. In 2023-24 total education costs grew by 3.3% to £5.41m with the increases in the cost of teaching provision (£0.09m) and an uptick in scholarship costs. In 2023-24, overall expenditure on student support totalled £772k, made up of £356k on the Cambridge Bursary Scheme and £415k on other scholarships and awards (prior year: £745k).

A deficit on education reflects the College's charitable objectives, and it has been possible to meet the cost of some increases from restricted funds, including planned investments to support widening participation and welfare. Nevertheless, with the overall education deficit now risen to £2.01m from £1.17m in 2020-21, our educational provision is increasingly only sustainable through philanthropic support. This is the combined impact of the freeze in the regulated tuition fee paid by 'home' undergraduates, the College's commitment to the proven models of excellence in Cambridge supervision led teaching, and a growth in welfare and widening participation spend - allowing the College to encourage the best applicants, and support them during their time here.

(ii) Accommodation and Catering

The cost of maintaining accommodation is allocated to the student accommodation (or "College members") budget in term time and to conferences in the vacations, when the College aims to occupy its rooms with conference guests. This helps to hold student accommodation costs down by allowing the College to offer shorter occupation licences. Conference activities increased their contribution to College costs by £0.69m across accommodation and catering in 2023-24, supporting a very welcome reduction in the post-Covid unrestricted deficit.

Accommodation costs rose by around 6% on prior year once the impairment impact on costs is adjusted out, holding the members accommodation account at just above break even.

Catering expenditure fell by 6% to £2.50m (prior year: £2.67m) reflecting some efficiency improvements in staffing.

The deficit across accommodation and catering overall consequently fell to a shortfall of £1.35m from £2.67m in the prior year.

(iii) Staff Costs and Pensions

The number of Fellows within the College fell slightly. Staff full time equivalent counts reflect temporary staffing mainly in catering and Housekeeping required to support the higher conference activity this year.

Staff costs are included within the costs of education, accommodation, catering and conference expenditure, but are also analysed separately in note 8. Staff costs amounted to £5.76m in total (including national insurance and pensions but excluding changes in provisions) in 2023-24, vs. £5.68m in 2022-23, an increase of 1.4%. Underlying wage



inflation – averaging 7.6% and driven substantially by the College’s commitment to pay the real living wage - was offset by pension cost reductions and gaps in staffing.

Those Fellows who act as members of the College Council receive no remuneration in relation to their role as charity trustee.

(iv) Colleges Fund

The Colleges Fund, which is funded through an intercollegiate taxation system, makes grants to colleges with insufficient endowments. Grants made to Selwyn between 1998 and 2016 exceeded £3.1m. However, the College no longer qualifies for such assistance and had begun making modest contributions to the Fund. However, for the last two years, no contribution has been required and hence the accrual made the previous year has been reversed in 2023-24.

5. FINANCIAL REPORT – BALANCE SHEET

(a) Overall Position

The total net assets of the College increased by £11.0m to 30 June 2024 to **£144.7m**, compared with £133.7m as at 30 June 2023.

(b) Assets (net of current liabilities)

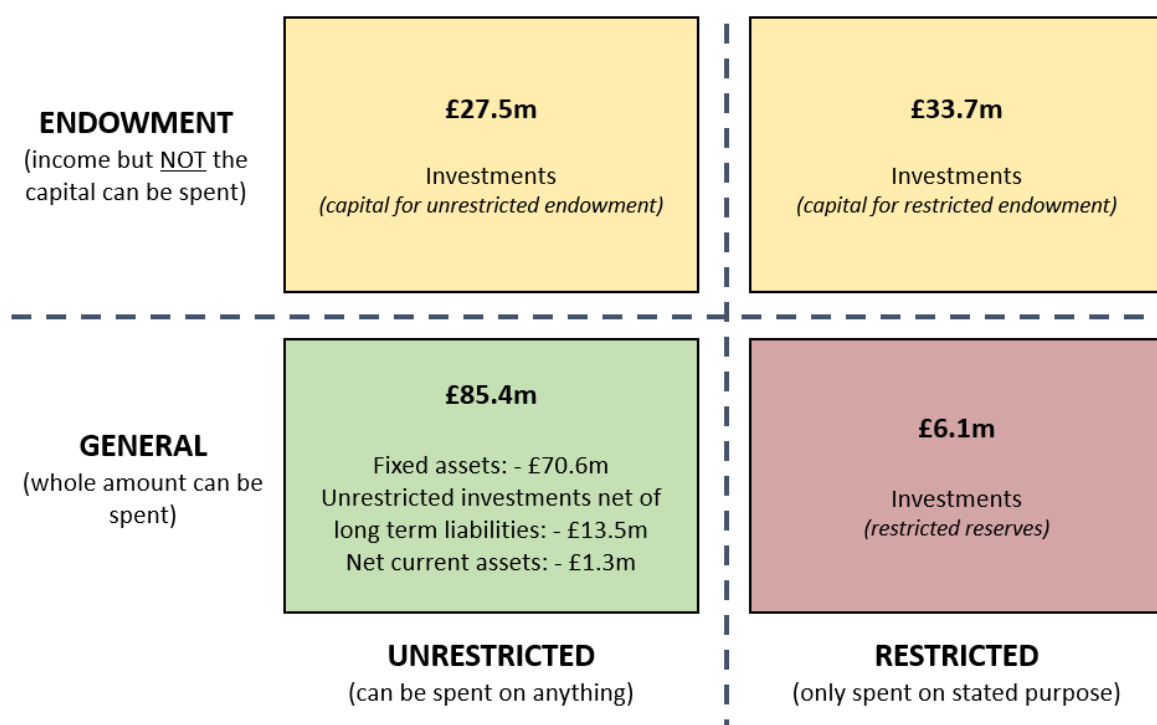
As at 30 June 2024, the balance sheet was made up of £70.6m in fixed assets (a mix of land & property and equipment), £80.9m in investments and £1.3m of net current assets, giving total assets (net of current liabilities) of **£152.8m**.

As with income & expenditure, the College’s assets are divided into four categories:

1. Wholly **unrestricted** assets, i.e. they may be deployed for any purpose.
2. Assets for which the use is **restricted** to certain purposes, specified by the provider of the original capital.
3. **Unrestricted endowment** assets where the income may be deployed for any purpose, but the capital must not be spent.
4. **Restricted endowment** assets where the use of the income is restricted to specified purposes, and again the capital may not be spent.



As at 30 June 2024, the College’s total assets (net of current liabilities) of £152.8m, split into these categories as follows:



Although £85.4m of assets (net of current liabilities) appear unrestricted, the majority of these (£70.6m) – have in effect already been invested into the fixed assets the College uses day to day – land, buildings, IT equipment, furniture and machinery that keep it operational for its academic members and staff.

The balance of £67.4m of assets are restricted in their use in some way – either because the sums are endowed, and hence only the income may be spent (not the capital), or because the sums are restricted and must be spent in accordance with the stated purpose of the donor.

(i) Fixed Assets – Buildings, Estates and Equipment

The year 2023-24 saw additions to the College’s land and buildings of £0.6m at cost, mostly furniture, IT and other equipment albeit with a small tail (£0.1m) of costs relating to the ‘three hostels’ building project.

Of the depreciation and impairment charge of £2.7m, £2.0m relates to buildings and reflects their gradual erosion through use. The net asset value of freehold land and buildings, however, fell to £64.8m (prior year £66.6m). The net asset value of furniture, fittings and equipment also fell slightly to £5.8m (prior year £6.0m).

Maintaining its buildings is one of the College's major costs. These range from the original 1880’s listed buildings of Old Court to the new Bartlam Library and Quarry Whitehouse Auditorium. Depreciation has risen since 2020-21 (£2.0m) to £2.7m in the 2023-24 year reflecting the recent investments in newer buildings and their fit out. In the medium term, investing in reducing carbon emissions as an incremental part of each project is expected to continue to add to this cost.



(ii) Investments

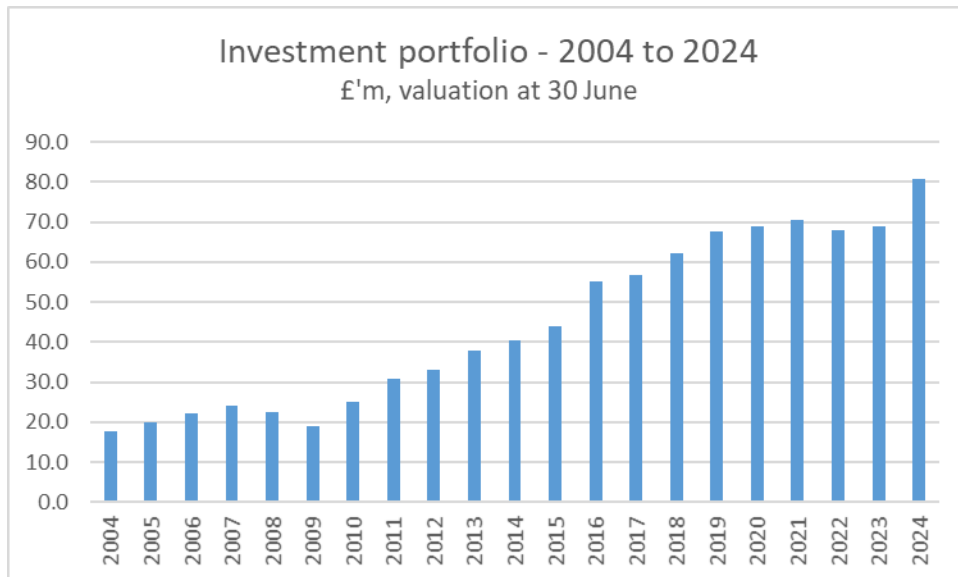
The College’s investments are overseen and directed by the Investment Committee, with three independent members with backgrounds in the investment industry providing their expertise. The College’s investment strategy has historically adopted a medium risk approach which has delivered steady growth in the value of investments held in its managed portfolio over time. In 2023, recognising the increased complexity and professionalism of the sector, the Council supported the Investment Committee’s recommendation to move from a self-managed portfolio to a discretionary investment management arrangement. As of early December the main portfolio was passed across to Cazenove Capital accordingly. At transition the College extended its commitment to the CUEF, the University-managed fund, taking total funds invested into the CUEF since 2016 to £7.5m, with a 30 June 2024 value of £8.8m.

Under the new investment arrangements the College continues to take an active approach to responsible investment, having previously divested all direct fossil fuel, tobacco and armaments holdings. Material investments in fossil fuels have been excluded since the end of 2021.

In 2021 the College moved to a total return accounting approach to investment income, which permits investments on the basis of capital growth as well as income. After two challenging years for the College’s portfolio, 2023-24 delivered a significant increase in value. Holdings in US technology stocks, together with £5.2m of additional net funds invested into the portfolio during the year, drove a rise in line with the performance seen in global markets. The portfolio totalled **£80.9m** at 30 June 2024 (June 2023: £68.8m), 11% above prior year after adjusting out the additional cash invested.

Fees paid to investment advisors over the twelve months totalled £0.18m (prior year £0.11m).

Over the long-term, the graph below indicates the trajectory of the College’s investment portfolio.



It is not possible to provide a total return percentage for the 12 months to 30 June 2024 (prior year 1.6% the previous year) due to the transition of management of the portfolio. Performance benchmarking data will again accumulate over the coming years.



(c) Liabilities

The College's long-term liabilities as at 30 June 2024 totalled **£8.1m**, made up of £2.1m in pension fund provisions and a 5-year interest-only fixed-rate loan of £6m, maturing in January 2027. Deducting these long-term liabilities from the College's assets (net of current liabilities) of £152.8m results in total net assets of £144.7m.

Under FRS102 the College is required to disclose all its pension liabilities on the balance sheet. The total liability has this year reduced by £1.2m to £2.1m. The improvement is split between the Cambridge Colleges Federated Pension Scheme (CCFPS) liability – reducing by £0.3m; and the Universities Superannuation Scheme (USS) liability reducing by £0.9m to a liability of nil, as the scheme was considered to be in surplus at the March 2023 valuation. The main influence on these valuations is the increase in the discount rate used in the FRS102 calculations.

(d) Free Reserves and Reserves Policy

The College Council has approved a Reserves Policy that provides for regular testing of the financial resilience of the College and its ability to cope with a period of sustained adverse conditions.

The College's policy requires there to be accessible reserves which would allow it to cover 80% of operational expenditure (excluding depreciation) for a period of three years. Ideally, this would be in the form of free reserves, but other options include commercial loans secured against land and property and/or an internal accounting 'loan' against the unrestricted endowment. Taken together these would provide reserve coverage of multiples of the requirement. Over the medium-to-long term the policy envisages increasing free reserves, but trustees will need to have due regard to ensuring that this does not compromise the College's charitable objectives. The policy is reviewed annually.

The level of completely free reserves at 30 June 2024 rose to £6.7m (30 June 2023 - £1.4m). If pension deficit liabilities are disregarded on the basis they are extremely unlikely to be repayable at short notice, effective free reserves stand at £8.8m at 30 June 2024.

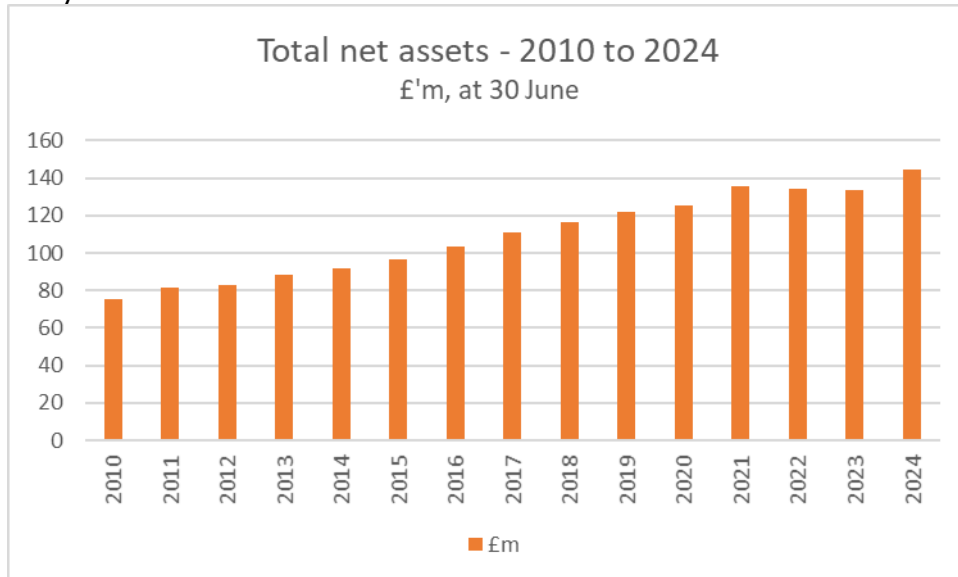
(f) Going Concern

The College is obliged to consider whether it is in a position to operate for at least 12 months following the signing of its accounts, in order to establish that it can present its accounts on a going concern basis. Selwyn has adopted a cautious approach to its finances over many years, and has grown its reserves over time – with 2023-24 showing a welcome increase after a difficult pandemic and post pandemic period - and limited its exposure to debt. The College considers that it is in a position to operate as a going concern for at least 12 months following the signing of its accounts. The auditors have commented separately on the College's going concern status.



g) Long term development of Total Net Assets

Over the long term the College has grown its total net assets on a consistent basis over the last fourteen years, as shown by the graph below. In more recent years, headwinds in investment markets, and a one off impairment charged in 2022-23 limited that growth. 2023-24 shows a strengthening of the College’s financial position. More detail is provided in the analysis of risks that follows.



6. RISKS AND UNCERTAINTIES

The College maintains a risk register, which is sub-divided into red, amber, yellow and green risks according to a matrix of probability and impact. The headline risks (red and amber) are reviewed termly by the College Council including any actions and timescales required. The full risk register is reviewed annually by the College Council and the Governing Body. The current risk register identifies 11 headline risks, out of a total of 47.

One red risk was identified – the risk of increased or unsustainable budget deficits, especially given the inflationary environment whilst Home tuition fees remain frozen. Other amber risks include further financial concerns (adverse tuition fee regime change, failure to develop a sustainability strategy, investment performance relative to cost base inflation); community welfare issues (mental health support challenges; risks of inappropriate behaviours between individuals); staffing concerns (inability to attract or retain academic talent and/or non-academic staff); and IT matters (data breaches, cyber attacks and/or systems outages).

In comparison to the prior year end some risks have reduced. Reserves have been strengthened. Whilst philanthropy cannot be relied on to negate our structural operating deficit annually, the College has been grateful for three years of strong donor support. Concern regarding budget deficits remains significant, with investments in wages across the sector improving workplace dynamics but of course increasing costs. Pension valuation improvements have helped fund some of this, and improved investment performance in recent months gives more optimism that our endowment capital growth might be able to return to keeping pace with inflation.

We continue to target all residential and catering services to students as cost neutral to try to limit pressure on our main beneficiaries. Restricted funds help with bursaries and student support, offsetting the pressures from the costs of a university education where we can. Specific restricted



funding invested in the role of nurse continues to be effective in supporting those that require mental and other health support, mitigating the risks from this significant areas of concern.

IT risks continue to be a well-publicised area of concern. Whilst in year assessments have confirmed the College arrangements to be consistent with sector best practice, the impact of a cyber security event would be significant. We remain pleased that cyber security training and defence has become an increased focus across the wider University.

With respect to sustainability, the College approved a further step forward in the year with a significant extension to the solar panel installation supporting the energy needs of the Cripps building. Future targets, within a larger scale estates review, are likely to include the heat loss through Old Courts glazing, and the next hostel refurbishment project on West Road. The sustainability policy and a sustainable travel policy continue to support day to day decision making.

Finally, in October 2025 we look forward to welcoming a new Master when Mr Roger Mosey retires after 12 successful years in post. The strong culture across College will confer continuity of approach, but we look forward to meeting the next contributor to our community ethos of excellence.

7. CONCLUSION AND OUTLOOK FOR THE FUTURE

2023-24 has been a strong year both academically and financially. The foundations for academic performance remain solid, reflecting the excellence of our staff and students. In the context of frozen Home tuition fees, our financial foundations are increasingly dependent on philanthropy, conference income and investment performance. We are fortunate that all three of these have performed well in the year.

However, the erosion of the College's reserves remains a long term challenge to reverse. The economic environment remains complex, with cost inflation still a concern, and wider geopolitical uncertainty high. Investing in our estate to improve sustainable performance is consequently an ongoing challenge, with the College's forward looking financial position remaining unpredictable.

The Governing Body remains conscious of the need to preserve the ethos and charitable purposes of the College. In seeking to protect and develop its strengths it continues to focus on growth in its endowment – especially in support for the small group teaching that lies at the heart of Cambridge academic excellence – in order to secure its financial and academic future.

Jennifer Phillips
Bursar

12 November 2024



Statement of Corporate Governance

The following statement is provided by the Governing Body to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.

The College is a registered charity (registered number 1137517) and subject to regulation by the Charity Commission for England and Wales. The members of the Governing Body are the charity trustees and are responsible for ensuring compliance with charity law.

The Governing Body is advised in carrying out its duties by a number of Committees. Foremost amongst these is the College Council, which meets a minimum of eleven times per year and carries delegated authority from the Governing Body under the Statutes of the College. The majority of Committees report to the College Council, which in turn reports to the Governing Body.

The principal officers of the College in 2023-24, all of whom were Trustees and ex-officio members of the Council, were:

The Master:	Mr Roger Mosey
The Vice Master:	Professor Janet A O'Sullivan
The Bursar:	Ms Jennifer NK Phillips
The Senior Tutor:	Dr Michael J Sewell

It is the duty of the College Council to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the Governing Body on the appointment of external auditors; to consider reports submitted by the auditors; to monitor the implementation of recommendations made by the auditors; and to make an annual report to the Governing Body. Membership of the Council includes the principal officers of the College ex-officio, plus 8 further Trustees elected periodically by the Governing Body. Three junior members of the College are members of the Governing Body and of College Council, but are not Trustees.

Registers of Interests are kept for members of the Governing Body and by extension Council and its Committees on which Trustees sit. This includes the senior administrative officers. Declarations of interest are made systematically at each meeting of Governing Body, Council and Committees.

The members of the Governing Body and of Council during the year ended 30 June 2024 are set out on page 3.



Statement of Internal Control

The Council 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 Council is responsible, in accordance with the College's Statutes.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.

The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. A review of major risks takes place each term at Council, and the complete risk register is reviewed in full annually by both the Council and the Governing Body. This process was in place for the year ended 30 June 2024 and up to the date of approval of the financial statements.

The Council is responsible for reviewing the effectiveness of the system of internal control. The following processes have been established:

- The setting of detailed budgets with clearly defined levels of authority for expenditure;
- Regular scrutiny of detailed financial performance data, including comparison with budgets;
- Annual comparison and benchmarking of financial performance and key indices with the other colleges.

The Council presents to the Governing Body, and following that scrutiny approves:

- The annual Budget in advance of the start of the financial year;
- Periodic in-year reviews of financial performance against budget;
- The year-end accounts and audit findings.

The Council's review of the effectiveness of the system of internal control is informed by the work of various Committees, the Bursar and College officers and key staff, 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.



Statement of Responsibilities of the Council

The Council is responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The College's Statutes and the Statutes and Ordinances of the University of Cambridge require the College to prepare financial statements for each financial year 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 Council are required to:

- Select suitable accounting policies and then apply them 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Council is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Statutes of the University of Cambridge. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council 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.

Any system of internal financial control, however, can only provide reasonable, not absolute, assurance against material misstatement or loss.



Independent Auditors' Report to the Governing Body of Selwyn College Year Ended 30 June 2024

Opinion

We have audited the financial statements of Selwyn College (the 'College') for the year ended 30 June 2024, which comprise the Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Balance Sheet, the 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 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 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 Operating 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 Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 25, 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;
- 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 Group'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.

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/auditorsresponsibilities. 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

Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

19 November 2024

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



Statement of Principal Accounting Policies

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, using the Recommended Cambridge College Accounts (RCCA) format; and applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education issued in 2019.

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

The College is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

All items dealt with in arriving at the surplus for 2024 and 2023 relate to continuing operations.

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment assets and certain land and buildings.

Recognition of income

a. Academic fees

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

b. Restricted grant income

Grants received from non-government sources are recognised within the 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 Statement of Comprehensive Income and Expenditure in line with such conditions being met.

c. 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 Statement of Comprehensive Income and Expenditure when the College is entitled to the income, the amount is measurable and receipt is probable. 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.



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 Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

d. 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.

Total return

The College operates a total return policy with regard to its endowment assets. Spendable income equivalent to 3.25% of the average endowment for the last five years, lagged by one year, is included as endowment income.

e. Other income

Income is received from a range of activities including accommodation, catering, conferences and other services rendered.

f. Cambridge Bursary Scheme

In 2021-22, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). As a consequence the College reimbursed the SLC for the full amount paid to their eligible students and the College subsequently received a contribution from the University of Cambridge towards this payment.

The net payment of £196k (2023: £187k) is shown within the Statement of Comprehensive Income and Expenditure as follows:

	2024	2023
	£000	£000
Restricted income from Academic fees and charges (note 1)	160	177
Restricted expenditure on Education (note 4)	356	364
	<u>£196</u>	<u>£187</u>



Fixed assets

a. Land and buildings

The operational buildings held by the College on 1 July 2002 have been brought into the accounts at depreciated replacement cost based on a valuation carried out by Davis Langdon LLP, Chartered Surveyors. Subsequent additions and improvements to the College's buildings are accounted for at cost. Freehold buildings are depreciated on a straight-line basis over their expected useful economic life of 50 years. Freehold land is not depreciated. Leasehold buildings are amortised over 50 years, or, if shorter, the period of the lease.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred to 30 June 2024. They are not depreciated until they are brought into use.

No value has been placed on the land occupied by the College's operational buildings as at 1 July 2002; purchases of land after this date are to be capitalised.

b. Maintenance of premises

The College has a five-year rolling maintenance plan that is reviewed on an annual basis. The cost of routine maintenance is charged to the Statement of Income and Expenditure as it is incurred.

c. Furniture, fittings and equipment

Furniture, fittings and equipment costing less than £100 per individual item or group of related items are written off in the year of acquisition. All other assets are capitalised and depreciated over their expected useful lives as follows:

Furniture and fittings	15 years
Motor vehicles	10 years
General equipment	5-20 years
Computer equipment	4 years
Library books	20 years
Musical instruments	50 years

No depreciation is charged in the year of acquisition.

d. Heritage assets

The College holds a collection of rare books which is not recognised in the Balance Sheet. This collection has arisen through donations and largely comprises works on theology. Few of the books are scarce or in first editions and the subject area is unfashionable. It would be difficult and expensive to replace the collection but equally the possibility of finding a specialist buyer could not be guaranteed, therefore to attribute any value to these books would be unrealistic.

The College employs a professional archivist whose responsibilities include the care and maintenance of the rare book collection. The exposure of the collection to heat and light is strictly controlled.

The College also holds a number of paintings and drawings but the majority of these are portraits of members and benefactors of the College. As such, this collection pertains to the history of the College and has little external market value.



e. Leased assets

The College does not hold any fixed assets under finance leases.

Investments

Fixed asset investments are included in the balance sheet at fair value. Investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value.

Stocks

Stocks are valued 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 benefit 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.

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.



Foreign currencies

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 the actual year end rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Taxation

The College is a registered charity (number 1137517) 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 G, II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The College may from time to time be eligible for such grants. The liability for the year is as advised to the College by the University 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 the Universities Superannuation Scheme (USS). 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 College 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 FRS102 "Employee benefits", the College therefore accounts for the Scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to income and expenditure represents the contributions payable to the Scheme in respect of the accounting period. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the Scheme will fund the overall deficit, the College 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 is included in income and expenditure.

The College also participates in the Cambridge Colleges Federated Pension Scheme (CCFPS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The assets of the Scheme are held in a separate trustee administered fund. The funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years, the actuary reviews the progress of the schemes. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the Scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the institution benefits from the employees' services.



The College also offers membership of a defined contribution pension scheme to its non-academic employees and the pension charge represents the amounts payable by the College to the scheme in respect of the employees' service during the year. Up until 31st December 2021 the scheme offered was NEST, thereafter it was a scheme with Aviva, with insured benefits funded by the College via a policy with AIG.

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 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 when performance related conditions have been met and 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 note 9.

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 note 22.

FRS102 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 USS. 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 income and expenditure in accordance with section 28 of FRS 102. 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. At 30th June 2023, the College's balance sheet included a liability of £877k for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the College was no longer required to make deficit recovery contributions. After taking account of contributions paid in the year and other finance costs, the remaining liability of £871k was released to the profit and loss account. Further disclosures relating to the deficit recovery liability can be found in note 16.

**Statement of Comprehensive Income and Expenditure****Year ended 30 June 2024**

	Note	2024			2023				
		Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
		£000	£000	£000	£000	£000	£000	£000	£000
Income									
Academic fees and charges	1	3,204	196	-	3,400	3,198	177	-	3,375
Accommodation, catering and conferences	2	6,336	-	-	6,336	5,376	-	-	5,376
Investment income	3	54	-	1,964	2,018	27	-	1,661	1,688
Endowment return transferred	3	1,112	1,029	(2,141)	-	1,003	886	(1,889)	-
Total income before donations and endowments		10,706	1,225	(177)	11,754	9,604	1,063	(228)	10,439
Donations		2,821	1,356	-	4,177	1,786	622	-	2,408
New endowments		-	-	292	292	-	-	325	325
Other capital grants for assets		-	217	-	217	-	129	-	129
Total income		13,527	2,798	115	16,440	11,390	1,814	97	13,301
Expenditure									
Education	4	4,010	1,399	-	5,409	3,942	1,293	-	5,235
Accommodation, catering and conferences	5	7,690	-	-	7,690	8,044	-	-	8,044
Interest payments		150	-	-	150	181	-	-	181
Other expenditure	6	150	-	-	150	132	-	-	132
Change in USS pension deficit recovery provision contributions		(871)	-	-	(871)	(165)	-	-	(165)
Contribution under Statute G, II		(2)	-	-	(2)	2	-	-	2
Total expenditure	7	11,127	1,399	-	12,526	12,136	1,293	-	13,429
Surplus/(deficit) before other gains and losses		2,400	1,399	115	3,914	(746)	521	97	(128)
Gain/(loss) on investments	10	558	463	5,788	6,809	(30)	(19)	(318)	(367)
Surplus/(deficit) for the year		2,958	1,862	5,903	10,723	(776)	502	(221)	(495)
Other comprehensive income									
Actuarial gain in respect of pension schemes	16	227	-	-	227	119	-	-	119
Total comprehensive income for the year		£3,185	£1,862	£5,903	£10,950	£(657)	£502	£(221)	£(376)

The notes on pages 41 to 57 form part of these accounts.

**Statement of Changes in Reserves****Year ended 30 June 2024**

	Income and expenditure reserve			Total £000
	Unrestricted £000	Restricted £000	Endowment £000	
Balance at 1 July 2023	74,084	4,276	55,374	133,734
Surplus/(deficit) from income and expenditure statement	2,958	1,862	5,903	10,723
Other comprehensive income	227	-	-	227
Release of restricted capital funds spent in the year	42	(42)	-	-
Balance at 30 June 2024	£77,311	£6,096	£61,277	£144,684

	Income and expenditure reserve			Total £000
	Unrestricted £000	Restricted £000	Endowment £000	
Balance at 1 July 2022	74,612	3,903	55,595	134,110
Surplus/(deficit) from income and expenditure statement	(776)	502	(221)	(495)
Other comprehensive income	119	-	-	119
Release of restricted capital funds spent in the year	129	(129)	-	-
Balance at 30 June 2023	£74,084	£4,276	£55,374	£133,734

The notes on pages 41 to 57 form part of these accounts.

**Balance Sheet as at 30 June 2024**

	Note	30 June 2024 £000	30 June 2023 £000
Non-current assets			
Fixed assets	9	70,574	72,657
Investments	10	<u>80,851</u>	<u>68,820</u>
Total non-current assets		<u>151,425</u>	<u>141,477</u>
Current assets			
Stocks	11	273	239
Trade and other receivables	12	1,971	1,913
Cash and cash equivalents	13	<u>1,305</u>	<u>1,405</u>
Total current assets		<u>3,549</u>	<u>3,557</u>
Creditors: amounts falling due within one year	14	(2,218)	(2,045)
Net current assets/(liabilities)		<u>1,331</u>	<u>1,512</u>
Total assets less current liabilities		152,756	142,989
Creditors: amounts falling due after more than one year	15	(6,000)	(6,000)
Provisions			
Pension provisions	16	(2,072)	(3,255)
Total net assets		£ <u><u>144,684</u></u>	£ <u><u>133,734</u></u>
		30 June 2024 £000	30 June 2023 £000
Restricted reserves			
Income and expenditure reserve – endowment reserve	17	61,277	55,374
Income and expenditure reserve – restricted reserve	18	<u>6,096</u>	<u>4,276</u>
		<u>67,373</u>	<u>59,650</u>
Unrestricted reserves			
Income and expenditure reserve – unrestricted		<u>77,311</u>	<u>74,084</u>
Total Reserves		£ <u><u>144,684</u></u>	£ <u><u>133,734</u></u>

Approved by College Council on 12 November 2024 and signed on their behalf by:

Jennifer Phillips
Bursar

The notes on pages 41 to 57 form part of these accounts.

**Cash Flow Statement for the year ended 30 June 2024**

	Note	2024 £000	2023 £000
Reconciliation of surplus for the year to net cash flows from operating activities			
Surplus/(Deficit) for the year		10,723	(495)
Adjustment for non-cash items			
Depreciation/Impairment	9	2,663	3,131
(Gain)/Loss on endowments and donations		(6,808)	367
(Increase)/Decrease in stocks	11	(34)	3
Increase in trade and other receivables	12	(58)	(174)
Increase/(Decrease) in creditors excluding loans	14	173	93
Pension costs less contributions payable	16	(956)	(187)
Adjustment for investing or financing activities			
Investment income	3	(1,964)	(1,661)
Interest payable		150	181
Gain on sale of non-current assets	9	-	-
Net cash inflow from operating activities		3,889	1,258
Cash flows from investing activities			
Investment income	3	1,964	1,661
Proceeds from sales of non-current fixed assets		-	-
(Purchases)/Sales of investment assets		(5,223)	(1,392)
Payments to acquire non-current assets	9	(580)	(3,468)
Total cash outflow from investing activities		(3,839)	(3,199)
Cash flows from financing activities			
Interest paid		(150)	(181)
Long term loans received	15	-	-
Net cash inflow from financing activities		(150)	(181)
Decrease in cash and cash equivalents in the year		(100)	(2,122)
Cash and cash equivalents at beginning of the year		1,405	3,527
Cash and cash equivalents at end of the year	13	£ 1,305	£ 1,405

The notes on pages 41 to 57 form part of these accounts.

**Notes to the Accounts for the year ended 30 June 2024**

1 ACADEMIC FEES AND CHARGES	2024	2023
College fees:	£000	£000
Fee income received at the Regulated Undergraduate rate	1,636	1,682
Fee income received at the Unregulated Undergraduate rate	766	643
Fee income received at the Graduate rate	802	873
From the University of Cambridge and Trinity College for Cambridge Bursaries	196	177
	<u>£3,400</u>	<u>£3,375</u>
2 INCOME FROM ACCOMMODATION, CATERING AND CONFERENCES	2024	2023
	£000	£000
Accommodation:		
College members	3,672	3,326
Conferences	1,018	740
Catering:		
College members	919	885
Conferences	727	425
	<u>£6,336</u>	<u>£5,376</u>
3 ENDOWMENT RETURN AND INVESTMENT INCOME	2024	2023
	£000	£000
(a) Analysis of Investment Income		
Total return contribution	2,141	1,889
Cash	54	27
	<u>£2,195</u>	<u>£1,916</u>
(b) Summary of total return		
Income from:		
Quoted securities:		
- equities	1,522	1,339
- fixed interest	254	283
- cash	188	39
	<u>1,964</u>	<u>1,661</u>
Gains/(losses) on endowment assets	5,788	(318)
Total return for year	<u>7,752</u>	<u>1,343</u>
Total return transferred to income and expenditure (note (a))	(2,141)	(1,889)
Unapplied total return for year included within SOCI	<u>£5,611</u>	<u>£(546)</u>
Memorandum of Unapplied Total Return		
Included within reserves, the following amounts represent the Unapplied Total Return of the College:		
	2024	2023
	£000	£000
Unapplied Total Return at beginning of year	7,904	8,450
Unapplied Total Return for the year	5,611	(546)
Unapplied Total Return at end of year	<u>£13,515</u>	<u>£7,904</u>

Investment Management fees paid to Cazenove were £130,262 and to JM Finn were £48,527 (2023: JM Finn £114,488) and are included in Other Operating Expenses (Note 7a).

**Notes to the Accounts for the year ended 30 June 2024**

4 EDUCATION EXPENDITURE		2024	2023	
		£000	£000	
Teaching		2,940	2,846	
Tutorial		674	620	
Admissions		333	292	
Access		309	380	
Research		175	165	
Scholarships and awards		416	381	
Cambridge Bursaries		356	364	
Other educational facilities		206	187	
Total		<u>£5,409</u>	<u>£5,235</u>	
5 ACCOMMODATION, CATERING AND CONFERENCE EXPENDITURE		2024	2023	
		£000	£000	
Accommodation	- College members	3,597	3,718	
	- Conferences	1,599	1,652	
Catering	- College members	1,727	1,851	
	- Conferences	767	823	
Total		<u>£7,690</u>	<u>£8,044</u>	
6 OTHER EXPENDITURE		2024	2023	
		£000	£000	
USS pension interest charge		24	35	
FRS 102 pension schemes interest charge		126	97	
		<u>£150</u>	<u>£132</u>	
7a ANALYSIS OF 2023-24 EXPENDITURE BY ACTIVITY				
	Staff costs	Other	Depreciation/	
	(note 8)	Operating	Impairment	Total
	£000	Expenses	£000	£000
Education (note 4)	2,416	2,509	484	5,409
Accommodation, catering and conferences (note 5)	3,316	2,195	2,179	7,690
Interest payments	-	150	-	150
Other expenditure (note 6)	-	150	-	150
Change in USS pension deficit recovery provision	(871)	-	-	(871)
Contribution under Statute G, II	-	(2)	-	(2)
	<u>£4,861</u>	<u>£5,002</u>	<u>£2,663</u>	<u>£12,526</u>

Other Operating Expenses includes £315,348 as costs of fundraising (2023: £285,505) and £203,780 as costs of alumni relations (2023: £209,624).

**Notes to the Accounts for the year ended 30 June 2024**

7b ANALYSIS OF 2022-23 EXPENDITURE BY ACTIVITY	Staff costs (note 8) £000	Other Operating Expenses £000	Depreciation £000	Total £000
Education (note 4)	2,318	2,359	558	5,235
Accommodation, catering and conferences (note 5)	3,307	2,164	2,573	8,044
Interest payments	-	181	-	181
Other expenditure (note 6)	-	132	-	132
Change in USS pension deficit recovery provision	(165)	-	-	(165)
Contribution under Statute G, II	-	2	-	2
	<u>£5,460</u>	<u>£4,838</u>	<u>£3,131</u>	<u>£13,429</u>

7c AUDITORS' REMUNERATION	2024 £000	2023 £000
Other operating expenses include:		
Audit fees payable to the College's external auditors	23	19
Other fees payable to the College's external auditors	2	-
	<u>£25</u>	<u>£19</u>

8a STAFF COSTS	Academic £000	Non-academic £000	2024 Total £000	2023 Total £000
Salaries	1,134	3,582	4,716	4,570
National Insurance	95	289	384	353
Pension costs	175	487	662	761
Net change in USS deficit recovery provision (see note 16)	(901)	-	(901)	(224)
Subtotal of pension costs	<u>(726)</u>	<u>487</u>	<u>(239)</u>	<u>537</u>
Total (see Note 7b)	<u>£503</u>	<u>£4,358</u>	<u>£4,861</u>	<u>£5,460</u>

Based on the 2023 valuation of the Universities Superannuation Scheme (USS), the impact of the net change in the USS deficit recovery provision is a credit of £901k (2023: £224k). This comprises a non-cash credit resulting from the change in assumptions, including the discount rate, of £871k (£2023: £165k) and cash contributions made to reduce the deficit in the year of £30k (2023: £59k).

	Fellows: Headcount	Staff: Full-time equivalents	2024 Total	Fellow: Headcount	Staff: Full-time equivalents	2023 Total
Academic	56		56	57		57
Non-academic	3	112	115	3	108	111
	59	112	171	60	108	168

At 30 June 2024 there were 67 Members of the Governing Body. During the year the average number receiving a stipend from the College was 59 as shown above. The number of officers and employees of the College, including Head of House, who received remuneration in the following ranges was:

From	To	2024 Total	2023 Total
£100,001	£110,000	1	2
£110,001	£120,000	-	1
£120,001	£130,000	2	-

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.

During the year, remuneration paid to Trustees in their capacity as College Officers was: £1,419,634 (62 Trustees) (2023: £1,392,360 (65 Trustees)). The trustees receive no remuneration in their role as trustees of the charity.



Notes to the Accounts for the year ended 30 June 2024

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 Master, Vice Master, Bursar and Senior Tutor are the College's key management personnel.

	2024	2023
	£000	£000
Aggregated remuneration:	<u>£306</u>	<u>£327</u>

8b PENSION COSTS

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

	Employer contributions	Provisions (Note 16)	Total	Employer contributions	Provisions (Note 16)	Total
	2024	2024	2024	2023	2023	2023
	£000	£000	£000	£000	£000	£000
USS	175	(901)	(726)	206	(224)	(18)
CCFPS	464	(204)	260	507	(95)	412
Aviva	227	-	227	143	-	143
Total	<u>866</u>	<u>(1,105)</u>	<u>(239)</u>	<u>856</u>	<u>(319)</u>	<u>537</u>

9 FIXED ASSETS

	2024	2024	2024	2023
	Land and buildings	Equipment	Total	Total
	£000	£000	£000	£000
Cost or valuation				
At beginning of year	93,347	10,480	103,827	100,532
Additions at cost	135	445	580	3,468
Disposals at cost/valuation	-	(218)	(218)	(173)
At end of year	<u>93,482</u>	<u>10,707</u>	<u>104,189</u>	<u>103,827</u>
Depreciation				
At beginning of year	26,737	4,433	31,170	28,212
Charge for the year	1,842	687	2,529	2,355
Impairment	134	-	134	776
Eliminated on disposals	-	(218)	(218)	(173)
At end of year	<u>28,713</u>	<u>4,902</u>	<u>33,615</u>	<u>31,170</u>
Net book value				
At end of year	<u>£64,769</u>	<u>£5,805</u>	<u>£70,574</u>	<u>£72,657</u>
At beginning of year	<u>£66,610</u>	<u>£6,047</u>	<u>£72,657</u>	<u>£72,319</u>

The insured value of freehold land and buildings as at 30 June 2024 was £154,241,383 (2023: £150,040,255).

10 INVESTMENTS

	2024	2023
	£000	£000
Balance at beginning of year	68,820	67,796
Additions at cost	64,465	7,804
Disposals at opening market value	(64,496)	(5,902)
Appreciation on disposals/revaluation	7,631	(625)
Increase in cash balances held by fund managers	4,431	(253)
Balance at end of year	<u>£80,851</u>	<u>£68,820</u>
Represented by:		
Quoted securities – equities	64,500	52,753
Quoted securities – fixed interest	7,700	13,346
Cash held for reinvestment	8,651	2,721
	<u>£80,851</u>	<u>£68,820</u>

**Notes to the Accounts for the year ended 30 June 2024**

11 STOCKS			2024	2023
			£000	£000
Goods for resale			<u>£273</u>	<u>£239</u>
12 TRADE AND OTHER RECEIVABLES			2024	2023
			£000	£000
Members of the College			102	124
Trade debtors			167	177
Taxation recoverable			22	80
Other receivables			1,484	1,320
Prepayments			196	212
			<u>£1,971</u>	<u>£1,913</u>
13 CASH AND CASH EQUIVALENTS			2024	2023
			£000	£000
Current accounts			1,271	1,383
Cash in hand			34	22
			<u>£1,305</u>	<u>£1,405</u>
14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			2024	2023
			£000	£000
Trade creditors and accruals			611	709
PAYE and Social Security			153	153
VAT			34	-
Students' deposits			119	171
Other creditors			1,301	1,012
			<u>2,218</u>	<u>2,045</u>
15 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR			2024	2023
			£000	£000
Bank loan repayable 14 th January 2027			6,000	6,000
			<u>6,000</u>	<u>6,000</u>
16 PENSION PROVISIONS	CCFPS	USS	2024	2023
	£000	£000	£000	£000
Balance at beginning of year	2,378	877	3,255	3,561
Movement in year:				
Current service cost including life assurance	362	-	362	526
Contributions	(567)	-	(567)	(621)
Other finance cost/(gain)	126	24	150	132
Actuarial loss/(gain) recognised in Statement of Comprehensive Income and Expenditure	(227)	-	(227)	(119)
Net change in underlying assumptions (see note 8):				
- Change in underlying assumptions	-	(871)	(871)	(165)
- USS deficit contributions payable	-	(30)	(30)	(59)
Balance at end of year	<u>£2,072</u>	<u>-</u>	<u>£2,072</u>	<u>£3,255</u>

**Notes to the Accounts for the year ended 30 June 2024****17 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	30,626	24,748	55,374	55,595
New donations and endowments	292	-	292	325
Increase/(Decrease) in market value of investments	2,827	2,784	5,611	(546)
Balance at end of year	<u>£33,745</u>	<u>£27,532</u>	£61,277	<u>£55,374</u>

Analysis by type of purpose:

Fellowship Funds	12,281	11,198
Scholarship Funds	5,077	4,646
Prize Funds	529	484
Hardship Funds	11,826	10,580
Travel Grant Funds	723	661
Other Funds	3,309	3,057
General endowments	<u>27,532</u>	<u>24,748</u>
	£61,277	£55,374

Analysis by asset:

Investments	<u>61,277</u>	<u>55,374</u>
	£61,277	£55,374

**Notes to the Accounts for the year ended 30 June 2024****18 RESTRICTED RESERVES**

Reserves with restrictions are as follows:

	Capital grants unspent £000	Unspent restricted income £000	Restricted expendable endowment £000	2024 Total £000	2023 Total £000
Balance at beginning of year:					
Capital	-	-	929	929	660
Accumulated income	-	2,985	362	3,347	3,243
	-	2,985	1,291	4,276	3,903
From the University of Cambridge for Cambridge Bursaries	-	196	-	196	177
New grants	217	-	-	217	129
New donations	-	38	1,318	1,356	622
Endowment return transferred	-	1,000	29	1,029	886
Increase/(Decrease) in market value of investments	-	295	168	463	(19)
Capital grants utilised	(42)	-	-	(42)	(129)
Expenditure	-	(964)	(435)	(1,399)	(1,293)
	175	565	1,080	1,820	373
Balance at end of year					
Capital	175	-	2,043	2,218	929
Accumulated income	-	3,550	328	3,878	3,347
	£175	£3,550	£2,371	£6,096	£4,276
Analysis of other restricted funds/donations by type of purpose:					
Fellowship Funds		1,287	804	2,091	1,325
Scholarship Funds		757	97	854	711
Prize Funds		158	30	188	160
Hardship Funds		1,062	100	1,162	952
Travel Grant Funds		121	59	180	179
Other Funds	175	165	1,281	1,621	949
	£175	£3,550	£2,371	£6,096	£4,276



Notes to the Accounts for the year ended 30 June 2024

19 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	1,405	(100)	-	1,305
Borrowings: amounts falling due within one year				
Unsecured loans	-	-	-	-
	-	-	-	-
Borrowings: amounts falling due after more than one year				
Unsecured loans	(6,000)	-	-	(6,000)
	(6,000)	-	-	(6,000)
	£(4,595)	£(100)	-	£(4,695)

**Notes to the Accounts for the year ended 30 June 2024****20 FINANCIAL INSTRUMENTS**

	2024	2023
	£000	£000
Financial assets		
<i>Financial assets at fair value through Statement of Comprehensive income</i>		
Listed equity investments	63,442	61,202
<i>Financial assets that are equity instruments measured at cost less impairment</i>		
Other equity investments	8,757	4,897
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Cash and cash equivalents	9,957	4,126
Other debtors	1,767	1,688
	£83,923	£71,913
Financial liabilities		
<i>Financial liabilities measured at amortised cost</i>		
Loans	6,000	6,000
Trade creditors	209	402
Other creditors	1,259	1,063
	£7,468	£7,465

21 CAPITAL COMMITMENTS

	2024	2023
	£000	£000
Commitments contracted for at 30 June:	£306	£137



Notes to the Accounts for the year ended 30 June 2024

22 PENSION SCHEMES

The College participates in the following defined benefit pension schemes: the Universities Superannuation Scheme (USS) and the Cambridge Colleges Federated Pension Scheme (CCFPS). The College closed CCFPS to new joiners at 31st December 2021. From 1st January 2022 eligible non-academic staff are auto-enrolled into a defined contribution scheme with Aviva, with insured benefits provided by an employer-funded policy with AIG. Contributions payable in respect of the year were as follows:

	2024	2023
	£000	£000
USS	145	140
CCFPS	261	419
AVIVA	196	122
AIG	30	21
	<u>632</u>	<u>702</u>

Universities Superannuation Scheme

The College participates in the 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 College 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 FRS102 “Employee benefits”, the College therefore accounts for the Scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to income and expenditure 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 College 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.

The total cost charged to income and expenditure is £145k (2023: £140k) as shown in note 8. Deficit recovery contributions due within one year for the College are £0k (2023: £64k)

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

Since the College cannot identify its share of Scheme assets and liabilities, the following disclosures reflect those relevant for the Scheme as a whole.



Notes to the Accounts for the year ended 30 June 2024

22 PENSION SCHEMES

Universities Superannuation Scheme (continued)

The 2023 valuation was the seventh valuation for USS 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 £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.

CPI assumption

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less 1.0% p.a. to 2030, reducing linearly by 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 (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. Mortality base table:

2023 Valuation

Mortality base table

101% of S2PMA "light" for males and 95% of S3PFA for females.

Future improvements to mortality

CM_2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

2020 Valuation

Mortality base tables

101% of S2PMA "light" for males and 95% of S3PFA for females.

Future improvements to mortality

CM_2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

**Notes to the Accounts for the year ended 30 June 2024****22 PENSION SCHEMES
Universities Superannuation Scheme (continued)**

The current life expectancies 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

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 to 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 College 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 liability figures have been produced using the following assumptions:

	2024	2023
Discount rate	-	5.49%
Pensionable salary growth	-	5.00%

Cambridge Colleges Federated Pension Scheme

The College is also a member of a multi-employer defined benefit scheme: the Cambridge Colleges' Federated Pension Scheme. A full valuation was undertaken as at 31 March 2023 and updated to 30 June 2024 by a qualified independent actuary.

The liabilities of the scheme have been calculated, at 30 June 2024, for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the Scheme benefit structure and membership since that date. The principal actuarial assumptions at the balance sheet date were as follows:

	2024	2023
	% p.a.	% p.a.
Discount rate	5.10	5.20
Salary inflation assumption:		
To 2030	2.85	3.30
From 2031	3.75	3.30
Retail Prices Index (RPI) assumption	3.35	3.40
Consumer Prices Index (CPI) assumption		
To 2030	2.35	2.80*
From 2031	3.25	
Pension increases in payment (RPI Max 5% p.a.)	3.15	3.30*
Pension increases (CPI Max 2.5% p.a.)	2.00	2.05*

* For 2023 only, we assumed that RPI would be 9% and CPI would be 7%. The caps under the Rules are applied to assumed pension increases.

**Notes to the Accounts for the year ended 30 June 2024****22 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

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% p.a., 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% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

	2024	2023
Males currently aged 65 now	21.4	21.4
Females currently aged 65 now	23.9	23.9
Males aged 45 now and retiring in 20 years	22.6	22.6
Females aged 45 now and retiring in 20 years	25.3	25.3

Members are assumed to retire at their normal retirement age (65) apart from in the following indicated cases:

	Male	Female
Active Members – Option 1 Benefits	64	64
Deferred Members – Option 1 Benefits	63	62

Allowance has been made at retirement for non-retired members to commute part of their pension for a lump sum on the basis of the current commutation factors in these calculations.

The amounts recognised in the Balance Sheet as at 30 June 2024 (with comparative figures as at 30 June 2023) are as follows:

	2024	2023
	£000	£000
Present value of plan liabilities	(13,467)	(12,996)
Market value of plan assets	11,395	10,618
Net defined benefit liability	£(2,072)	£(2,378)

The amounts to be recognised in income and expenditure for the year ending 30 June 2024 (with comparative figures for the year ending 30 June 2023) are as follows:

	2024	2023
	£000	£000
Current service cost	328	492
Administration expenses	34	34
Interest on net defined benefit liability	126	97
(Gain)/Loss on plan changes	-	-
Total	£488	£623

**Notes to the Accounts for the year ended 30 June 2024****22 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

Changes in the present value of the Scheme liabilities for the year ending 30 June 2024 (with comparative figures for the year ending 30 June 2023) are as follows:

	2024	2023
	£000	£000
Present value of Scheme liabilities at beginning of period	12,996	14,667
Current service cost (including Employee contributions)	329	492
Employee contributions	20	22
Benefits paid	(447)	(552)
Interest on Scheme liabilities	673	556
Actuarial losses/(gains)	(104)	(2,189)
Present value of Scheme liabilities at end of period	£13,467	£12,996

Changes in the fair value of the Scheme assets for the year ending 30 June 2024 (with comparative figures for the year ending 30 June 2023) are as follows:

	2024	2023
	£000	£000
Market value of Scheme assets at beginning of period	10,618	12,172
Contributions paid by the College	567	621
Employee contributions	20	22
Benefits paid	(447)	(552)
Administration expenses	(43)	(46)
Interest on plan assets	547	459
Return on assets, less interest included in income and expenditure	133	(2,058)
Market value of plan assets at end of period	£11,395	£10,618

Actual return on plan assets	£680	£(1,600)
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The major categories of Scheme assets as a percentage of total Scheme assets at 30 June 2024 (with comparative figures at 30 June 2023) are as follows:

	2024	2023
Equities	46%	49%
Bonds and cash	42%	38%
Property	12%	13%
Total	100%	100%

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

**Notes to the Accounts for the year ended 30 June 2024****22 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2024 (with comparative figures for the year ending 30 June 2023) are as follows:

	2024	2023
	£000	£000
Return on assets, less interest included in Profit & Loss	132	(2,058)
Expected less actual scheme expenses	(9)	(12)
Experience gains and losses arising on Scheme liabilities	28	(1,340)
Changes in assumptions underlying the present value of Scheme liabilities	76	3,529
Re-measurement of net defined benefit liability recognised in OCI	£227	£119

Movement in net defined benefit liability during the year ending 30 June 2024 (with comparative figures for the year ending 30 June 2023) are as follows:

	2024	2023
	£000	£000
Deficit in Scheme at beginning of year	(2,378)	(2,495)
Recognised in income and expenditure	(488)	(623)
Contributions paid by the College	567	621
Re-measurement of net defined benefit liability recognised in OCI	227	119
Net defined benefit liability at end of year	£(2,072)	£(2,378)

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 31 March 2023. This showed that the Scheme'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 Scheme's Schedule of Contributions dated 3 June 2024 and are as follows:

- Annual contributions of not less than £138,398 per annum payable for the period 1 July 2024 to 31 May 2033.

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



Notes to the Accounts for the year ended 30 June 2024

22 PENSION SCHEMES

Cambridge Colleges Federated Pension Scheme (continued)

As part of the agreement of the level of deficit recovery contributions above, the College has given the Trustees of the CCFPS a legal and equitable charge over the property known as 1 Selwyn Gardens, Cambridge, which was purchased by the College in April 2021 for £2.4m for use as a student hostel.

AVIVA

From 1 January 2022 the College offered membership of a defined contribution pension scheme managed by Aviva, to its non-academic employees not already members of CCFPS. The College funds a policy with AIG for insured benefits for employees enrolled in the Aviva pension scheme. The pension charge represents contributions due from the College to Aviva amounting to £196,837 (2023: £121,769) of which £26,404 (2023: £13,034) was outstanding at the year end, and premiums due to AIG of £30,296 (2023: £21,453) of which £0 (2023: £0) was outstanding at the year end.

23 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 interests for all Governing Body members and where any member of the Governing Body has a material interest in a College matter they are required to declare that fact.

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 Remuneration Committee.



Notes to the Accounts for the year ended 30 June 2024

23 RELATED PARTY TRANSACTIONS

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

From	To	2024 Number	2023 Number
£0	£10,000	36	39
£10,001	£20,000	7	7
£20,001	£30,000	4	6
£30,001	£40,000	4	2
£40,001	£50,000	4	5
£50,001	£60,000	3	2
£60,001	£70,000	1	2
£70,001	£80,000	1	1
£80,001	£90,000	1	1
£90,001	£100,000	1	-
	Total	62	65

The total Governing Body salaries were £1,140,307 for the year (2023: £1,085,960)

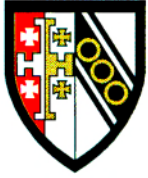
The Governing Body were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £7,789 for the year (2023: £15,780).

The Trustees were amended to the senior members of College Council only from 14 June 2023. The table above reflects a full year of remuneration for all members of the Governing Body.

SELWYN COLLEGE CAMBRIDGE

England & Wales - Charity number 1137517

Accounts



Selwyn College, Cambridge

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2023**

Registered Charity No. 1137517



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**Selwyn College
Grange Road, Cambridge CB3 9DQ
Charity Registration Number 1137517**

The Head, Fellows and Scholars of Selwyn College is a corporate body comprising the Master, Fellows and Scholars, founded in 1882. In August 2010, the College became a registered charity with the Charities Commission, with its registered office at Grange Road, Cambridge CB3 9DQ.

In June 2023 a revised set of Statutes for the College were approved by the Privy Council. As a result, the Trustees became the senior members of College Council. These are marked with an asterisk in the list below.

Members of the Governing Body serving during the year

Mr Roger Mosey*	Mrs Sarah Fraser Butlin	Dr Mathias Nowak
Dr Carol A Armitage	Dr Jessica Gardner	Dr Diarmuid R O'Donnell*
Dr Zeina Al Azmeh	Dr Marta Halina	Professor Janet A O'Sullivan*
Professor Patrick J N Baert	Dr Nicole M Hartwell	Mr Martin Pierce* (on Council to 6 Nov)
Dr Anita Balakrishnan	Dr Joerg Haustein	Ms Jennifer Phillips* (on Council from 7 Nov)
Dr Ronita Bardhan*	Mr J Helm	Dr Charlotte Reinbold
Dr Daniel A Beauregard*	Dr Alan D Howard	Professor Stewart O Sage
Dr Joseph R Bitney	Dr Leo Impett	Dr Michael J Sewell*
Dr Christopher Briggs	Professor James H Keeler	Dr David L Smith
Professor Nicholas J Butterfield	Dr Myun Gun Kim	Dr Thomas D Smith
Dr Jack O Button	Mr Oleg Kitov	Dr Carrie Soderman
Dr Bryan Cameron	Professor Shaun T Larcom	Professor Grant D Stewart
Professor R Stewart Cant	Dr Robert Lee	Professor Charlotte Summers
Dr Filipe Carreira da Silva	Dr Anna H Lippert	Professor Robert C Tasker
Professor Daping Chu	Ms Sarah E A MacDonald*	Dr Rupert J E Thompson
Professor William J Clegg	Mr James M R Matheson*	Dr Ernesto Vargas Weil
Professor Philip J Connell	Dr Kirsty McDougall	Dr Chander K Velu
Professor Lynn V Dicks	Professor Sarah Meer	Dr Deepak Venkateshvaran
Professor Katharine J Ellis	Rev'd Dr Arabella Millbank-Robinson	Dr Dacia Viejo Rose
Dr Stuart M Eves	Professor James Moultrie	Professor Heather M Webb
Professor Leonardo Felli	Mr Michael G Nicholson*	Dr Lauren Wilcox
Dr Elena Y Filimonova	Professor Nikolaos Nikiforakis	Dr Charlotte Woodford (Secretary to Council)
		Dr Victoria Young*

Junior Members

To December 2022:

Bella Cross (JCR President)	Matthew Hambling (JCR Treasurer)	Elsa Kobeissi (MCR President)
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From January 2023:

Elina Smith (JCR President)	Ben Harper (JCR Treasurer)	Joel Kandiah (MCR President)
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Reference and Administration

Senior Officers:

Head of House:	Mr Roger Mosey
Vice Master:	Professor Janet O'Sullivan
Bursar:	Mr Martin Pierce (to 6 November 2022) Ms Jennifer Phillips (from 7 November 2022)
Senior Tutor:	Dr Michael J Sewell

Principal advisers:

Auditors:

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

Bankers:

Barclays Bank PLC
P O Box 885
Mortlock House
Station Road
Histon
Cambridge
CB24 9DE

Investment Managers:

J M Finn & Co
25 Cophall Avenue
London
EC2R 7AH



Operating and Financial Review for the Year ended 30 June 2023

1. INTRODUCTION

Selwyn College (the “College”) is pleased to present its operating and financial review, together with the financial statements for the year ended 30 June 2023.

2. GOVERNANCE OF THE COLLEGE

(a) Statutes, Governing Body and Council

The College is a corporation established by Royal Charter of 13 September 1882. The arrangements for governance of the College are set out in its Statutes. In June 2023 a revised set of Statutes for the College were approved by the Privy Council. The College is governed, under those Statutes, by two principal bodies:

- **The Governing Body:** comprises the Master, all Governing Body Fellows, and four junior members of the College. The Governing Body meets three times a year. It elects the College Council and supervises its work. It delegates day-to-day responsibility for the running of the College to the College Council and its Committees. The members of the Governing Body serving during the year to 30 June 2023 are shown at the beginning of this report. With the exception of the junior members, Governing Body members serve until the earlier of retirement or the end of the academic year in which they reach 67 years of age, provided that they remain Fellows of the College.
- **The College Council:** comprises the Master, three Fellows ex officio (the Vice Master, Bursar and Senior Tutor), eight Governing Body Fellows and four junior members. The Council typically meets eleven times a year – three times per term and twice during the summer vacation. The members of the Council serving during the year to 30 June 2023 are shown at the beginning of this report.

The Governing Body and the College Council are served by a variety of supporting Committees. Representatives of the undergraduate and postgraduate student bodies are members of many of the Committees. External members attend meetings of the Investment Committee, the Alumni & Development Committee and the Remuneration Committee.

The Master, as Head of House, has statutory powers of governance and presides over the Governing Body and the Council. The Senior Tutor has overall responsibility for the admission, education and welfare of undergraduates and graduates and the Bursar has overall responsibility for the finances, estate and administration of the College.

Members of the Governing Body and Council are required to act with integrity, in the College’s interests without regard to their own private interests, and to manage the affairs of the College prudently, balancing long-term and short-term considerations. The College has a policy for managing conflicts of interest, maintaining a register of interests and seeking declarations of potential conflict at the start of any meeting.



(b) Charitable Status

The College was registered as a charity with the Charity Commission on 12 August 2010 (Registered Number: 1137517). Revisions to its Statutes were approved by the Privy Council on 14 June 2023 and as of that date the members of Council, excluding the student members, became the charity trustees. Prior to that date the Governing Body were the trustee body for the charity and all members of the Governing Body were trustees.

In line with Charity Commission recommended best practice, the College has appointed a majority of independent members to its Remuneration Committee and has appointed a special committee of disinterested persons to advise it on any matters relating to changes in the Universities Superannuation Scheme.

(c) Financial Reporting

The College Council has responsibility for ensuring that there is an effective system of internal controls and that financial records are accurately maintained. It is also responsible for safeguarding the assets of the College and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The College is required by statute to present audited financial statements for each financial year. The Cambridge colleges are classed as a special case for purposes of accounting and continue to publish accounts in the form stipulated by Statute G III 2(i) of the University, *The Recommended Cambridge Colleges Accounts ("RCCA")*, which is based on Financial Reporting Standards and is compliant with the *Statement of Recommended Practice: Accounting for Further and Higher Education*. The Intercollegiate Committee for College Accounts advises on interpretation. The College is a charity within the meaning of the Taxes Act 1988, s 506 (1).

(d) Relationship with the University

The College is a legally autonomous body; however, it exists within the federal structure of the University. Matters of concern to all colleges and the University are discussed and acted on through a system of University-wide committees, such as the Colleges' Committee, of which all Heads of House are members, the Senior Tutors' Committee, and the Bursars' Committee. Representatives of the Senior Tutors and Bursars sit on each other's committees and on the Colleges Committee. These committees work through the building of consensus as their decisions are not constitutionally binding. The Cambridge colleges have established an Office for Intercollegiate Services to support the activities of the principal intercollegiate committees.

3. AIMS, OBJECTIVES AND ACHIEVEMENTS OF THE COLLEGE

(a) Aims, Objectives and Public Benefit

Founded in 1882 in memory of George Augustus Selwyn, Bishop successively of New Zealand and of Lichfield, as a place of education, religion, learning and research, the College is an autonomous, self-governing community of scholars and one of 31 Colleges within the University of Cambridge. The community in Michaelmas term 2022 consisted of the Master, 65 Fellows and 766 junior members, of whom 428 are undergraduates (including 33 clinical medical and veterinary students) and 338 are postgraduate students.



The aims and objectives of the College are directed to delivering public benefit, in particular:

- The College aims to promote educational excellence at both undergraduate and postgraduate level and enable beneficiaries to fulfil their potential as part of both the College and the University of Cambridge;
- The College particularly aims to widen participation, increase diversity and facilitate access for those who would benefit from a Cambridge University education, but might face financial or other barriers to doing so without further support;
- The College aims to provide an environment conducive to maximising educational potential, through facilities including high quality accommodation, catering and library services on site;
- The College supports research which benefits the wider population of the UK and humanity globally through innovation and new understanding that will improve prosperity, quality of life and environmental sustainability, amongst other benefits.

In undertaking their responsibilities as trustees of the charity, the members of the College Council (previously the Governing Body) endeavour to pay due regard to the Charity Commission guidance on public benefit by ensuring that their decisions support the College's aims and objectives.

The sections that follow set out how the College delivers these aims and objectives, as well as its achievements in respect of each, in more detail.

(b) Teaching

The College provides, in conjunction with the University of Cambridge, a research-informed education for undergraduate and graduate students which is recognised as being of the highest international standard. The University came second overall in the 2024 QS World University rankings, fifth in the Times Higher Education 2024 rankings and fourth in the 2023 Center for World University Rankings. In two of these (QS and Center for World University Rankings) it is the top rated university in the world outside the USA, and in the third (THE) it follows Oxford and USA institutions only.

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 supervisions, as well as pastoral, administrative and academic support through its tutorial and other student support systems. It also provides 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.

(c) Research

The College advances research through the support that it provides to the doctoral students who are members of the MCR. It also does so through the provision of 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. It also supports the work of Postdoctoral researchers through the Trevelyan Research Associates scheme which is endorsed and supported by the University of Cambridge's Postdoc Academy.



In addition, the College supports research work pursued by its other Fellows through the availability of sabbatical leave for research, the promotion of interaction across disciplines, the provision of facilities and grants for national and international conferences, research trips and research materials. Post-Covid, it again encourages visits from outstanding academics from abroad, including the appointment of Visiting Fellows and Bye-Fellows and the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

(d) Academic excellence

In 2022-23, the College received 768 applications for undergraduate admission (prior year 769), for about 120 places. The size of the field reflects the effort that the College has made in Widening Participation and Admissions activities in recent years. Whilst EU applications have, predictably, fallen, non-EU overseas applications remain healthy. Postgraduate admissions are also strong. The number of matched funded MPhil and doctoral studentships through philanthropic support is helping us to become more competitive in attracting the very best applicants to Selwyn as well as retaining high flyers.

Academic performance remains strong, despite the disruptions wrought by the pandemic. Industrial action within the higher education sector has delayed the marking of examinations and so results for 2023 are not yet available. In 2022, in classed examinations, 27.8% of Selwyn's candidates obtained First Class results against a University average of 29.9%. 84.6% obtained Good Honours (upper second class or better) as against an average of 81.2% across the University. This meant that the College ranked second of 29 Colleges in terms of proportions achieving Good Honours results in 2022.

(e) Access and Widening Participation

The College aims to attract the best undergraduate applicants from the widest range of schools and colleges. The colleges and the University engage in substantial outreach activities to encourage all academically qualified students to apply for admission to Cambridge, whatever their backgrounds or financial circumstances. The University has committed under an Access and Participation Plan with the Office for Students ("OfS") to achieve the following in 2023-24 (i.e. from those students who applied in 2022-23):

- Increasing the proportion of UK resident students admitted from UK state sector schools and colleges to 67.6%;
- Increasing the proportion of UK students from the Participation Of Local Area ("POLAR") classification quintile 1 of 6.5%, and of quintiles 1 and 2 combined of 15.7%;
- A ratio of POLAR4 quintile 5 to quintile 1 of less than or equal to 7.5:1; and
- Increasing UK resident students from regional Indices of Multiple Deprivation ("IMD") quintiles 1 and 2 to 20.5%.

Selwyn has exceeded all of these targets and the relevant characteristics of the cohort that will begin in the 2023-24 academic year include:

- 80.2% of students accepted for entry in October 2022 from the maintained sector;
- 8.8% from POLAR4 quintile 1 and a POLAR4 quintile 1+2 figure of 16.5%;



- A ratio of 5.4:1 POLAR4 quintile 5 to POLAR4 quintile 1; and
- An IMD quintiles 1 and 2 figure of 25.3 %.

The College participates enthusiastically in widening participation and aspiration-raising programmes in conjunction with the University. It also employs two full-time Schools Liaison Officers to reinforce these outreach efforts – one based in West Yorkshire and one based in Cambridge. Since 2000, by agreement with the University and the other colleges, Selwyn has targeted state-maintained 11-16 and 11-18 schools, Further Education and Sixth Form Colleges in West Yorkshire and East Berkshire. Over the 2022-23 year, the College spent £380k on access events (prior year: £219k).

(f) Financial and other support

Once admitted, students have access to several sources of financial aid. In 2022-23, a total of £364k was received by Selwyn students through the Cambridge Bursary Scheme, which is operated collectively with the University and other colleges (2021/22 £345k). Under this Scheme, students whose household income was below £25,000 received a grant of £3,500 per year in addition to any government loans. Those with incomes of up to £62,215 received a sliding scale of amounts tapering to £100. An additional £1,000 educational premium bursary was awarded to students who received free school meals whilst at secondary school. The College has been a strong supporter of the Cambridge Bursary Scheme throughout its development.

Around a quarter of all Selwyn undergraduates received some form of Bursary support over the year. In addition to the Cambridge Bursary Scheme, the College paid out £381k (2021/2 - £437k). This financial support covers awards and scholarships (to support the purchase of books and equipment, attendance at conferences, and travel), studentships, and College-funded bursaries in cases of financial hardship.

Selwyn College's students continued to receive mental health support with gratitude to the Dawson Fund, which also supports the costs of a full-time year-round College Nurse & Welfare Officer.

(g) Facilities

The College remains committed to academic excellence, with provision enhanced by the opening in recent years of the £13m Bartlam Library and Quarry Whitehouse Auditorium, and the conversion of the Old Library to provide five seminar rooms, of which one is focused on students of Medicine and Veterinary Medicine, complete with a state of the art 'Anatomage' table. Archives and Rare Books, and the Alumni & Development team, are also housed within this revitalized building.

In November 2022 the College welcomed the completion of the low-carbon redevelopment of three postgraduate hostels – at 29 and 31 Grange Road, and a newly purchased (2021) property at 1 Selwyn Gardens. The development involves the use of ground source heat pumps, enhanced interior wall insulation throughout, installed high-efficiency glazing in new windows and underfloor heating – all in order to maximise energy efficiency and minimise carbon emissions from these fine Victorian buildings. The project was funded by a mixture of philanthropy and medium term (5 year) debt, including a generous gift of a property by alumnus Dr Christopher Dobson, which was subsequently sold. We are grateful to all those who contributed to this project.



(h) Other College activities

Non-academic activities remain important too and details of the College's many sporting, musical and cultural successes are recorded in the College Calendar, the latest edition of which can be viewed at www.selwynalumni.com/publications. The College aims to host talks of interest to a wide range of both academic and non academic alumni and the general public, and details of recent events (usually accessible on social media platforms) may be found at www.youtube.com/@selwyn1882.

4. FINANCIAL REPORT – INCOME AND EXPENDITURE

(a) Overall Position

The College's income and expenditure, as set out in the Statement of Comprehensive Income & Expenditure ("SOCI"), falls into four broad categories:

1. Wholly **unrestricted** income and expenditure.
2. Income and expenditure which are **restricted** to certain purposes, specified by the donor.
3. Income and expenditure related to the **endowment**, where only the income arising is expendable, not the principal itself – but the use of the income is unrestricted
4. Income and expenditure related to the **endowment**, where only the income arising from the principal sum is expendable, not the principal itself – and where the use of the income is restricted to specified purposes.

This section of the report focuses principally on the first category – wholly unrestricted.

(i) Total comprehensive income/(deficit) for the year

In 2022-23, total unrestricted income and expenditure resulted in a **comprehensive deficit of £0.66m** (compared with a surplus of £1.51m in 2021-22) – an reduction of £2.17m. These figures are those shown as the 'total comprehensive income for the year' in the 'unrestricted' columns of the SOCI. It should be noted however that this move to a deficit is primarily the result of non cash movements in the accounts – most significantly the reduction of the actuarial gain on the pension fund provisions from £3.56m in 21/22 to £0.12m in 22/23; offset by smaller absolute and relative offsetting losses in the unrestricted investment portfolio (£0.51m in 21/22 to £0.03m in 22/23).

The net movements worsen the 22/23 outcome by £2.88m. Without these changes in non-cash movements the comprehensive surplus of 2021/22 would have increased by £0.71m.

- (ii) **Operating Surplus/Deficit** – shown in the SOCI as "(Deficit)/surplus before other gains and losses"

The operating surplus/deficit refers to income and expenditure relating to the day-to-day operations of the College.

Unrestricted operating income for the year totalled **£11.42m**, an increase of 14% on £10.00m in 2021-22. It is of note that:



- Income from academic fees and charges increased by only 3% to £3.2m; constrained by the unchanging regulated fee for UK undergraduates;
- Income from accommodation, catering and conferences increased by 20% to £5.38m as activity levels continued to recover post pandemic, especially in the summer months;
- Unrestricted donations and legacies increased by 22% to £1.79m, with a single donation of a property representing just over £1.05m of the total.

Unrestricted operating expenditure rose to **£12.12m**, 5% higher than the £11.54m in 2021-22. In the context of inflationary cost pressures and increasing volumes of activity this was a positive result.

The outcome was an **operating deficit of £0.74m** in 2022-23, pleasingly reduced from 2021/22 (deficit: £1.53m), but dependent on philanthropy and conference activity to subsidise the growing cost of education and residential provision.

(iii) Cash Surplus/Deficit

The operating deficit is shown inclusive of a charge for depreciation. In 2022/23 this rose to £3.13m (21/22: £2.29m). The significant increase includes a one off £0.78m impairment in value for 1 Selwyn Gardens, based on a third party valuation of the site following the significant works required to bring this property up to a very high standard for sustainable student accommodation.

To calculate the cash deficit, depreciation needs to be excluded.

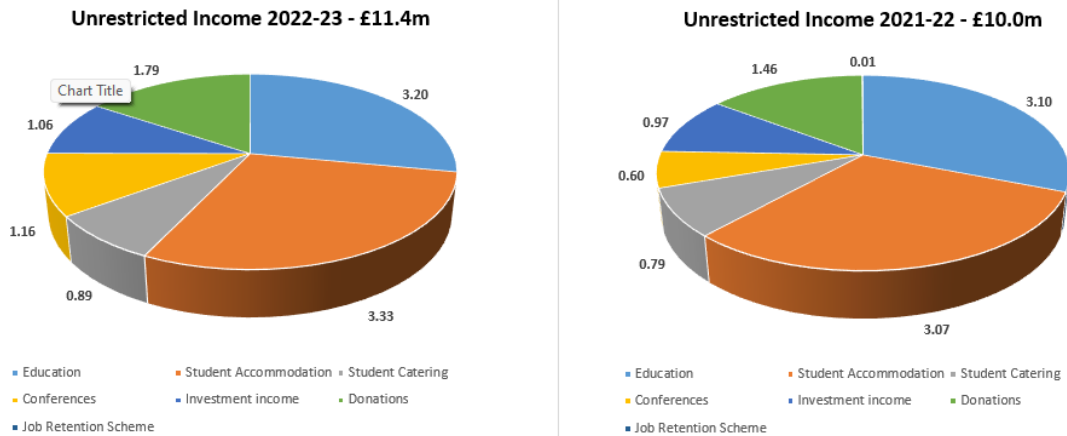
	2022/23	2021/22
Unrestricted surplus/deficit before other gains and losses – or “operating surplus”	(0.74)	(1.53)
Add back: depreciation	3.13	2.29
Operating cash surplus	2.39	0.76
Deduct/add back: FRS102 pension adjustments	(0.19)	1.02
Deduct: Unrestricted donations	(1.79)	(1.47)
Underlying operating cash surplus before donations	0.41	0.31

The College finances continue to seek to restore the cash surplus to pre-pandemic levels, recognising that the headwinds of inflation have meant that cost growth outstripped income growth in the year. This will rely principally on a full recovery in levels of conference and events business, alongside ongoing philanthropy and fundraising activities, given that academic income remains constrained by a regulated Home that has not increased for six years.



(b) Income in more detail

The College's activities are funded from a mixture of academic tuition fees; the College fee for privately-funded undergraduates; charges for student accommodation and catering; income from conferences; returns on investments and income from donations and bequests. Total unrestricted income in 2022-23 amounted to **£11.42m**, an increase of 14% on £10.0m in 2021-22. Growth was mainly in conference income and donations.



(i) Academic Fees and Charges

Unrestricted income from fees and charges rose by 3% to £3.2m, driven largely by increases in postgraduate and privately funded student numbers.

'Home fee' undergraduates were charged tuition at the maximum permitted rate of £9,250. Half is retained by the College and half is passed to the University. Tuition fees for most 'home fee' undergraduates are paid on behalf of the students through the Student Loans Company, although a small proportion pay the fees themselves directly. The College and the University pay equal shares towards the Cambridge Bursary Scheme from this tuition fee income.

In 2022-23, fees from home fee status undergraduates were unchanged vs prior year at £1.68m. A further £0.64m was received from privately funded undergraduates, (prior year: £0.58m), and £0.87m from postgraduate students, (prior year £0.84m). The colleges' share of the undergraduate tuition fees is substantially below the actual cost of education, which was estimated in 2018 as £21,000, with around £11,000 incurred by the College and the balance by the University.

Education deficit

Including restricted income (£177k related to Cambridge Bursary income from the wider university), overall Education income totalled £3.38m in 2022-23. Given that overall expenditure (unrestricted and restricted) totalled £5.24m, the Education deficit increased to £1.86m in 2022-23 (prior year: £1.53m). The main increases were for activities supporting access to a Cambridge education and on teaching and tutorial costs.

(ii) Student Accommodation and Catering

Student accommodation income increased by 8% to £3.33m (prior year: £3.07m) reflecting higher occupancy levels and some pass through of rising energy bills.



Student catering income increased by 11% to £0.89m (prior year: £0.79m).

Almost all undergraduate members live in College accommodation in term time, as do a significant number of postgraduate students. The majority of the College’s c.500 rooms are located on or adjacent to the main site on Grange Road and two-thirds have ensuite facilities. The College still provides a wide range of student accommodation with varying charges depending on the facilities provided. This is reflected in the overall median room rent of £197 in 2022-23 reflecting the cost of an ensuite room, with non ensuite rooms available from £137 per week upwards. Rents are set simply to cover the economic cost to the College of providing the room. Regrettably, after many years of low inflation, the high rises in energy and our commitment to the Real Living Wage for our staff led to a more substantial increase of 7% for 2022-23.

The College offers a wide variety of catering: Bar snacks, brunches, cafeteria self-service meals and formal hall dinners. Post pandemic growth in take up continued to support increases in revenue into 2022-23. The College is recognised for the high quality of its offering and continues to hold a 5-star environmental health rating, the highest available.

(iii) Conferences and Events

The College has a long-term strategy of building its conference income to help offset the deficit on the education account, whilst at the same time aiming to avoid over-dependency on this source of income - given the volatility evidenced by the pandemic.

The progress of post pandemic recovery can be seen in the table below:

Year	Income
2019-20	£1.28m
2020-21	£0.03m
2021-22	£0.60m
2022-23	£1.16m

The College’s aim remains to at least match the 2019-20 income in the coming year, recognising that intervening inflation continues to stretch this target if the underlying contribution to college costs is to be equalled.

(iv) Investment Income

2022-23 was the second year of the ‘total return accounting’ approach to investment return. The College sustained a prudent approach to the spending rule in the year, applying 3% of the average value of the portfolio over the previous five years, lagged by one year.

The actual income received from investments in 2022-23 rose to £1.66m (prior year £1.52m), but the spending rule allowed for expenditure of £1.89m, reflecting the capital value growth of the underlying portfolio as the five year measurement period moved forward in time, with 2020-21 a strong year for investment returns. Weaker performance of the investment portfolio in 2022-23 will slow this rate of increase in future years.



(v) Donations and bequests

The generosity of the College’s alumni and supporters continues to play an important role in securing the scope, scale and quality of what the College is able to offer, wholly funding the Bartlam Library and Quarry Whitehouse Auditorium building completed in 2021 (£13m), and contributing £2.5m through the 140th anniversary appeal to the Old Library and Hostels redevelopment projects which completed in 2022.

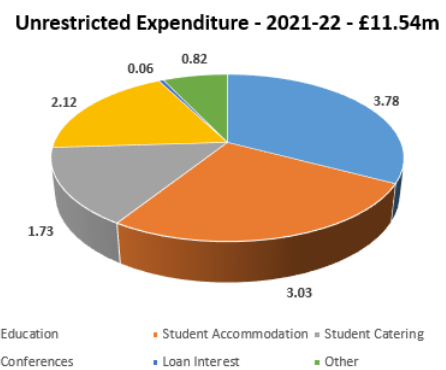
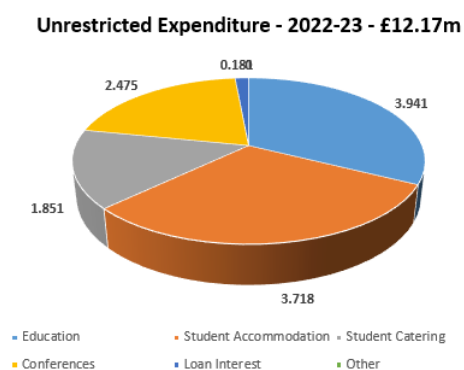
More direct funding is also appreciated. In 2022-23, unrestricted donations and legacies (excluding new endowments) amounted to £1.79m (prior year: £1.46m), and ongoing restricted donations amounted to £0.62m. These support widening participation activities, student welfare support, and a wide range of specific academic activities. Especially welcomed is an increase of around £0.1m in funding for studentships, enabling postgraduate extension to studies for those otherwise unable to afford to continue. The sad death during the year of a much valued former Master and Admissions Tutor, Sir David Harrison, has also provided the seed funding for what we hope will grow into a yearly contribution to the teaching of science within the College. Finally, the College received £0.30m in new endowments (prior year: £0.70m) and capital project donations fell to £0.13m (prior year: £0.53m), as the Old Library and Hostels project fundraising drew to a close.

A note on Fundraising

The College is registered with the Fundraising Regulator and the College subscribes to the Fundraising Regulator’s code of practice. All fundraising activity meets current standards and is reviewed by the Development Committee, which is accountable to the College Council. The Council reviews the College’s donations policy every three years, and did so again in 2023. The College does not use third parties to assist in its fundraising, while students who participate in fundraising activity for the College receive formal training beforehand. The College received no complaints concerning fundraising activity in 2022-23.

(c) Expenditure in more detail

The College’s expenditure supports educational, accommodation and catering services for its residents across the year. In 2022-23, total unrestricted expenditure amounted to £12.17m, which represented an increase of 5% or £0.63m on prior year (£11.54m).





(i) Education

Growth in unrestricted expenditure relating to education rose by an inflationary 4% in 2022-23 to £3.94m (prior year: £3.78m).

Education expenditure as a whole (unrestricted and restricted), increased by 9% from £4.80 (2021-22) to £5.24m with the biggest increases in the cost of teaching provision (£0.21m) and in investment in widening access to a Cambridge education (£0.16m and funded through restricted donations). In 2022-23, overall expenditure on student support totalled £745k, made up of £364k on the Cambridge Bursary Scheme and £381k on other scholarships and awards (prior year: £782k).

A deficit on education reflects the College's charitable objectives, and increases in access and widening participation spend were planned. Nevertheless, with the deficit growing to £1.86m in 2022-23, from £1.53m in 2021-22 and £1.17m in 2020-21, the financial position is only sustainable through placing increased pressure on donor funding. The College is becoming increasingly reliant on philanthropy to deliver its core educational purposes, in the absence of any increase in the regulated tuition fee paid by 'home' undergraduates.

(ii) Accommodation and Catering

The cost of maintaining accommodation is allocated to the student accommodation (or "College members") budget in term time and to conferences in the vacations, when the College aims to occupy its rooms with conference guests. Ongoing recovery in 2022-23 led to conference income increasing by £0.42m – where allocated costs rose £0.30m. The additional £0.12m offset of costs offers welcome assistance in holding student accommodation cost inflation down.

Meanwhile, student catering expenditure rose by 7% to £1.85m (prior year: £1.73m) in line with the growth in the related income.

The deficit across accommodation and catering overall consequently rose from £2.42m in 21-22 to £2.67m in 22-33. However, this was impacted by the one off impairment (included within depreciation) of 1 Selwyn Gardens which added around £0.77m to costs in 22-23. Whilst cost inflation remains a challenge for the College, the underlying deficit hence made some progress and fell to £1.90m.

(iii) Staff Costs and Pensions

The number of staff and Fellows within the College remained broadly consistent year on year.

Staff costs are included within the costs of Education, Accommodation, Catering and Conferences expenditure lines in Notes 4 and 5, but also provided separately in Note 8 below. Staff costs amounted to £5.62m in total (including national insurance and pensions) in 2022-23, vs. £5.52m in 2021-22, an increase of 1.9%. Underlying wage and social security costs rose by over 10%, reflecting inflation and a challenging recruitment environment, but were offset by a reduction in pension costs of around 36% or £0.39m.



Remuneration paid to Fellows, who are also trustees of the charity, related solely to their capacity as officers of the College or in respect of teaching. The trustees receive no remuneration in their role as trustees of the charity.

(iv) Colleges Fund

The Colleges Fund, which is funded through an intercollegiate taxation system, makes grants to colleges with insufficient endowments. Grants made to Selwyn between 1998 and 2016 exceeded £3.1m. However, the College no longer qualifies for such assistance and has begun making modest contributions to the Fund. This amounted to £2k in 2022-23 (£2k in 2021-22).

5. FINANCIAL REPORT – BALANCE SHEET

(a) Overall Position

The total net assets of the College reduced by £0.4m to 30 June 2023 to **£133.7m**, compared with £134.1m as at 30 June 2022.

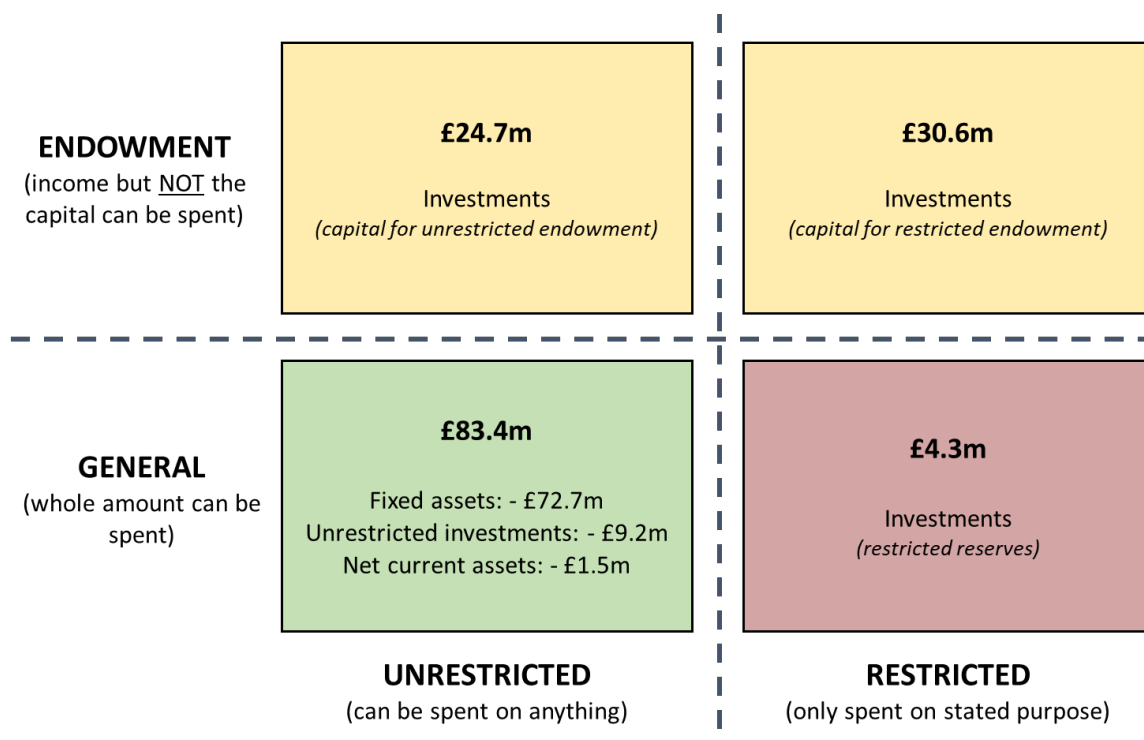
(b) Assets (net of current liabilities)

As at 30 June 2023, the balance sheet was made up of £72.7m in fixed assets (a mix of land & property and equipment), £68.8m in investments and £1.5m of net current assets, giving total assets (net of current liabilities) of **£143.0m**.

As with income & expenditure, the College's assets are divided into four categories:

1. Wholly **unrestricted** assets, i.e. they may be deployed for any purpose.
2. Assets for which the use is **restricted** to certain purposes, specified by the provider of the original capital.
3. **Endowment** assets where the use of the income is unrestricted.
4. **Endowment** assets where the use of the income is restricted to specified purposes.

As at 30 June 2023, the College's total assets (net of current liabilities), in terms of these categories, were £143.0m, split as follows:



Although £83.4m of assets (net of current liabilities) were unrestricted, but in practice the majority of these – £72.7m – were represented by relatively illiquid fixed assets. £66.6m of the £72.7m is land and buildings used to house our students, rather than investments at arm’s length, and the rest represents the equipment and furnishings across IT, catering, maintenance and other areas that support day to day life in the College.

The balance - £59.6m - of assets are restricted in their use in some way – either because the sums are endowed, and hence only the income may be spent (not the capital), or because the sums are restricted, and their income (if endowed) or income and capital (if general) must be spent in accordance with the stated purpose of the donor.

(i) Fixed Assets – Buildings, Estates and Equipment

The year 2022-23 saw additions to the College’s land and buildings of £2.5m at cost, mainly relating to the Hostels redevelopment project (the part that fell within financial year 2022-23). However, a RICS survey valuation of 1 Selwyn Gardens resulted in an impairment of £0.78m (see note 10 to these accounts) in the value held for that property, and alongside normal depreciation for all College buildings in the year, the value of land and buildings in the balance sheet fell slightly to £66.6m (prior year £66.7m).

Expenditure of approximately £1.0m on fixtures, fittings and equipment – again, driven substantially by the fit out of the Hostels project - was offset by a depreciation charge of £0.6m, increasing the net book value of equipment to £6.0m (prior year: £5.7m).

Maintaining its historic, listed, and newer buildings, is one of the College's major costs. Depreciation has risen in the last two years from £1.98m (2020-21) to £2.36m (2022-23, excluding impairment), reflecting new charges in respect of the Bartlam Library, Quarry Whitehouse Auditorium and Old Library.



(ii) Investments

The College’s investments are overseen and directed by the Investment Committee, with three independent members drawn from the investment industry supplementing its expertise. The College’s investment strategy has adopted a medium risk approach which delivers steady growth in the value of investments held in its managed portfolio over time and is well diversified in terms of holdings, sectors and geography. Separately, the College continues to hold around £4m in the CUEF, the University-managed fund.

The College has taken an active approach to responsible investment, having previously divested all direct fossil fuel, tobacco and armaments holdings. The College has excluded all material investments in fossil fuels, including in funds, since the end of 2021.

With effect from July 2021, the College moved to a total return accounting approach to investment income, which gives the Investment Committee the ability to invest for capital growth rather than simply for income, widening the range of potential investments suitable.

Like 2021-22, 2022-23 was a difficult year for the College’s investments, in line with the challenges seen in global markets. The portfolio totalled **£68.8m** at 30 June 2023 (June 2022: £67.8m). However, the underlying reality was a fall in value of £0.5m given that additions to the portfolio, net of fees, totalled approximately £1.5m.

Over the long-term, the College’s investment portfolio has maintained a consistent upward trajectory, as is shown in the graph below.



Nevertheless, the portfolio continues to perform well against its chosen benchmarks. The total return on the main portfolio (excluding CUEF investments) amounted to 1.6% over the 12 months to 30 June 2023 (compared with -6.3% the previous year). This



represented an underperformance relative to the portfolio's principal benchmark ARC Charities Steady Growth Index, which returned 2.9%.

The College's total return over the last five and ten years respectively has continued to outperform the benchmark index:

- Over 3 years, the portfolio has returned +3.2%, compared with +4.2% from ARC Steady Growth;
- Over 5 years, the portfolio has returned +4.9%, compared with +2.8% from ARC Steady Growth;
- Over 10 years, the portfolio has returned +6.2%, compared with +4.9% from ARC Steady Growth

During 2023 the College commenced a tender of its investment management role, with the intention to improve advisor independence and strengthen performance management measures in relation to investment activities.

(c) Liabilities

The College's long-term liabilities as at 30 June 2022 totalled **£9.3m**, made up of £3.3m in pension fund provisions and a 5-year interest-only fixed-rate loan of £6m, maturing in January 2027. Deducting these long-term liabilities of £9.3m from the College's assets (net of current liabilities) of £143.0m, results in total net assets of £133.7m.

Under FRS102 the College is required to disclose all its pension liabilities on the balance sheet. The total liability has this year reduced by £0.3m to £3.26m. The improvement is split between the Cambridge Colleges Federated Pension Scheme (CCFPS) liability – reducing by £0.1m; and the Universities Superannuation Scheme (USS) liability reducing by £0.2m – and in the main reflects the increase in the discount rate used in the FRS102 calculations.

(d) Free Reserves and Reserves Policy

The College Council has approved a Reserves Policy that provides for regular testing of the financial resilience of the College and its ability to cope with a period of sustained adverse conditions.

The College's policy requires there to be accessible reserves which would allow it to cover 80% of operational expenditure (excluding depreciation) for a period of three years. This would be a more serious financial scenario than the Covid pandemic presented. Ideally, this would be in the form of free reserves, but other options include commercial loans secured against land and property and/or an internal accounting 'loan' against the unrestricted endowment. Taken together these would provide reserve coverage of multiples of the requirement. Over the medium-to-long term the policy envisages increasing free reserves, but trustees will need to have due regard to ensuring that this does not compromise the College's charitable objectives. The policy is reviewed annually.

The level of completely free reserves at 30 June 2023 fell compared with the previous year to £1.4m, following the investment in fixed assets represented by the hostels project (30 June 2022 - £2.3m). However, it would be reasonable also to consider the position if pension deficit liabilities (which are extremely unlikely to ever require payment on demand) are disregarded. On that basis, effectively free reserves would be £4.7m at 30 June 2023.

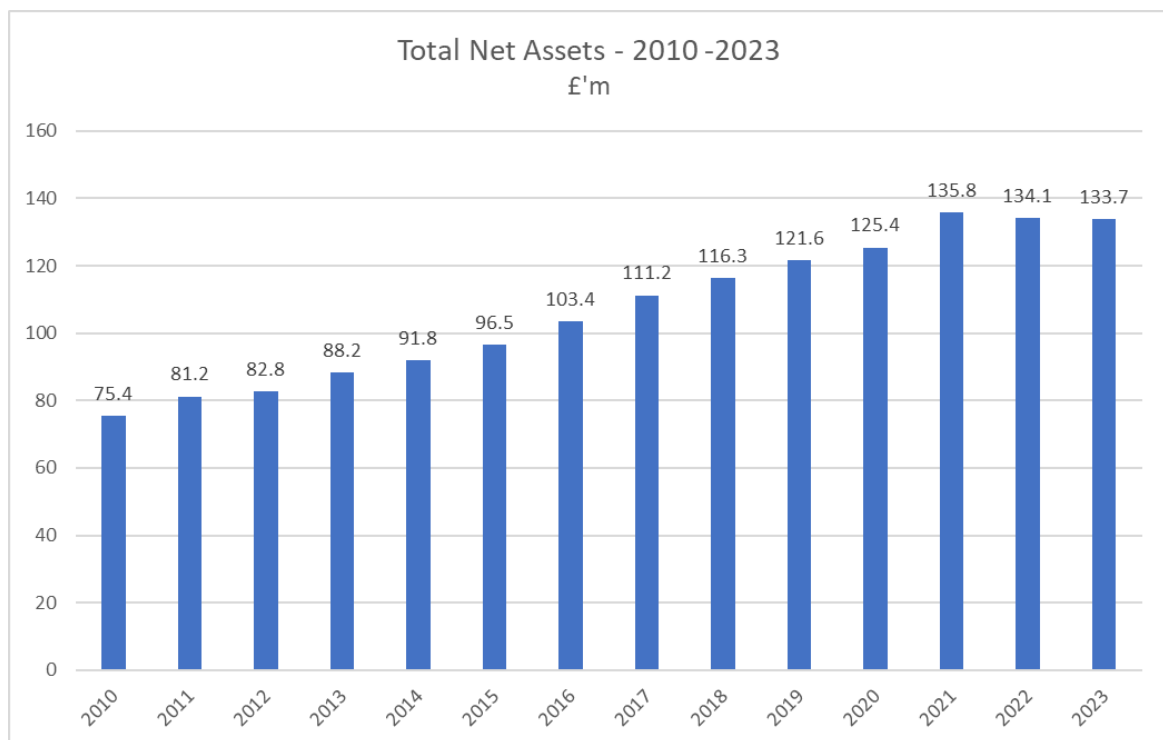


(f) Going Concern

The College is obliged to consider whether it is in a position to operate for at least 12 months following the signing of its accounts, in order to establish that it can be audited on a going concern basis. Selwyn has adopted a cautious approach to its finances over many years, has increased its reserves over time and limited its exposure to debt. The College considers that it is in a position to operate as a going concern for at least 12 months following the signing of its accounts. The auditors have commented separately on the College’s going concern status.

g) Long term development of Total Net Assets

Over the long term the College has grown its total net assets on a consistent basis since the global financial crisis in 2008/9, as shown by the graph below. In recent years, greater headwinds in investment markets, and the one off impairment charged in 2022/23 have limited that growth. An improvement in annual performance should be possible from 2023/24 onwards. More detail is provided in the analysis of risks that follows.



6. RISKS AND UNCERTAINTIES

The College maintains a risk register, which is sub-divided into red, amber, yellow and green risks according to a matrix of probability and impact. The headline risks (red and amber) are reviewed termly by the College Council including any actions and timescales required. The full risk register is reviewed annually by the College Council and the Governing Body. The current risk register identifies 11 headline risks, out of a total of 52 documented.

Two red risks were identified – the risk of increased or unsustainable budget deficits, especially given the increasingly inflationary environment whilst Home tuition fees remain frozen, and the risk relating to challenge hiring non-academic staff, especially within the hospitality service roles that underpin the conference income which subsidises student residency. Other amber



risks include further financial concerns (pension deficits, adverse tuition fee regime change, failure to develop a sustainability strategy); community welfare issues (mental health support challenges; risks of inappropriate behaviours between individuals); academic concerns (inability to attract or retain academic talent); and IT matters (data breaches, cyber attacks and/or systems outages).

Risks relating to the people within our academic communities are common across Cambridge Colleges, with significant steps forward during 2022/23 as the University wide strategic mental health review has begun to bear fruit in improving access to support for students. The College's own revision of its Statutes has improved the mechanisms to resolve any internal disputes. From a wider viewpoint, however, industrial disputes across the sector have affected many students graduating in the normal ways, and the underlying causes of those workplace tensions across the University are not yet resolved.

With respect to financial risks, the outlook for 2023/24 remains one of a significant operating deficit offset only by the potential for philanthropic donation. The absence of any change in the tuition fee regime means that steady gains in a recovering conference income stream are being eroded by underlying cost inflation across academic as well as residential and catering cost bases. The hiring position has in general terms improved but catering service staffing remains a challenge, further impacting income generation. The high interest rate environment will reduce the liability from pensions but has created some volatility in investment returns. Over the long term it is clear that the College will become increasingly reliant on charitable fundraising to sustain its academic activity from year to year unless a revised tuition fee settlement is reached across the Higher Education sector.

With respect to IT risks, the College continues to focus on mitigating the risks as far as practicable; supported by an increased focus on cybersecurity matters across the Collegiate University.

With respect to sustainability, the low-carbon development of the three large student accommodation hostels has been a significant step forward, and the College has approved a sustainability policy and a sustainable travel policy guiding day to day operational decision making during the year. Further projects to reduce energy loss from buildings are envisaged over the medium term, subject to financing.

7. CONCLUSION AND OUTLOOK FOR THE FUTURE

2022/23 was, finally, a year in which the College "forgot" the pandemic. The first SnowBall since 2019 underlined a reversion to normal community life. Improvements to student support, and investments in our widening participation activities, have led to an upbeat sense across the College that Selwyn is returning to its previous strong form – highly academically successful with a vibrant and supportive community.

However, the erosion of the College's reserves is a permanent legacy. The economic environment is increasingly challenging, with cost inflation, industrial disputes, and volatility in investment markets all rendering the College's forward looking financial position more unpredictable. Costs are being addressed wherever practicable, but the Governing Body remains conscious of the need to preserve the ethos and charitable purposes of the College. In seeking to protect and develop its strengths it will need to continue to focus on growth in



its endowment – especially in support for the small group teaching that lies at the heart of Cambridge academic excellence – and to secure its financial and academic future.

Jennifer Phillips
Bursar

28 November 2023



Statement of Corporate Governance

The following statement is provided by the Governing Body to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.

The College is a registered charity (registered number 1137517) and subject to regulation by the Charity Commission for England and Wales. The members of the Governing Body are the charity trustees and are responsible for ensuring compliance with charity law.

The Governing Body is advised in carrying out its duties by a number of Committees. Foremost amongst these is the College Council, which meets a minimum of eleven times per year and carries delegated authority from the Governing Body under the Statutes of the College. The majority of Committees report to the College Council, which in turn reports to the Governing Body.

The principal officers of the College in 2022-23, all of whom were Trustees and ex-officio members of the Council, were:

The Master:	Mr Roger Mosey
The Vice Master:	Dr Janet A O'Sullivan
The Bursar:	Mr Martin D Pierce (to 6 November); Ms Jennifer NK Phillips (from 7 November)
The Senior Tutor:	Dr Michael J Sewell

It is the duty of the College Council to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the Governing Body on the appointment of external auditors; to consider reports submitted by the auditors; to monitor the implementation of recommendations made by the auditors; and to make an annual report to the Governing Body. As of 14 June 2023 the College's Statutes were amended by the Privy Council to confirm that only the senior members of the College's Council constitute Trustees for the purposes of the Charities Act. Membership of the Council includes the principal officers of the College ex-officio, plus 8 further Trustees elected periodically by the Governing Body. Three junior members of the College are members of the Governing Body and of College Council, but are not Trustees.

There are Registers of Interests of Members of the Governing Body and by extension Council and its Committees on which Trustees sit, and of the senior administrative officers. Declarations of interest are made systematically at each meeting of Governing Body, Council and Committees.

The Members of the Governing Body and of Council during the year ended 30 June 2023 are set out on page 3.



Statement of Internal Control

The Council 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 Council is responsible, in accordance with the College's Statutes.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.

The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. A review of major risks takes place each term at Council, and the complete risk register is reviewed in full annually by both the Council and the Governing Body. This process was in place for the year ended 30 June 2023 and up to the date of approval of the financial statements.

The Council is responsible for reviewing the effectiveness of the system of internal control. The following processes have been established:

- The setting of detailed budgets with clearly defined levels of authority for expenditure;
- Regular scrutiny of detailed financial performance data, including comparison with budgets;
- Annual comparison and benchmarking of financial performance and key indices with the other colleges.

The Council reviews the following in detail and recommends approval to the Governing Body:

- The annual Budget in advance of the start of the financial year;
- Periodic in-year reviews of financial performance against budget.

The Council approves, and presents to the Governing Body:

- The year-end accounts and audit.

The Council's review of the effectiveness of the system of internal control is informed by the work of various Committees, the Bursar and 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.



Statement of Responsibilities of the Council

The Council is responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The College's Statutes and the Statutes and Ordinances of the University of Cambridge require the College to prepare financial statements for each financial year 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 are required to:

- Select suitable accounting policies and then apply them 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Council is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Statutes of the University of Cambridge. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council 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.

Any system of internal financial control, however, can only provide reasonable, not absolute, assurance against material misstatement or loss.



Independent Auditors' Report to the Governing Body of Selwyn College Year Ended 30 June 2023

Opinion

We have audited the financial statements of Selwyn College (the 'College') for the year ended 30 June 2023, which comprise the Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Balance Sheet, the 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 2023 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 Operating 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 Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 26, 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;
- 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 Group'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.

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/auditorsresponsibilities. 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
Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 1 December 2023

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



Statement of Principal Accounting Policies

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, using the Recommended Cambridge College Accounts (RCCA) format; and applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education issued in 2019.

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

The College is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

All items dealt with in arriving at the surplus for 2023 and 2022 relate to continuing operations.

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment assets and certain land and buildings.

Recognition of income

a. Academic fees

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

b. Restricted grant income

Grants received from non-government sources are recognised within the 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 Statement of Comprehensive Income and Expenditure in line with such conditions being met.

c. 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 Statement of Comprehensive Income and Expenditure when the College is entitled to the income, the amount is measurable and receipt is probable. 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.

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 Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

d. 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.

Total return

The College operates a total return policy with regard to its endowment assets. Spendable income equivalent to 3% of the average endowment for the last five years, lagged by one year, is included as endowment income. Investment management costs are charged against income.

e. Other income

Income is received from a range of activities including accommodation, catering, conferences and other services rendered.

f. Cambridge Bursary Scheme

In 2021-22, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). As a consequence the College reimbursed the SLC for the full amount paid to their eligible students and the College subsequently received a contribution from the University of Cambridge towards this payment.

The net payment of £187k (2022: £184k) is shown within the Statement of Comprehensive Income and Expenditure as follows:

	2023	2022
	£000	£000
Restricted income from Academic fees and charges (note 1)	177	161
Restricted expenditure on Education (note 4)	364	345
	<u>£187</u>	<u>£184</u>



Fixed assets

a. Land and buildings

The operational buildings held by the College on 1 July 2002 have been brought into the accounts at depreciated replacement cost based on a valuation carried out by Davis Langdon LLP, Chartered Surveyors. Subsequent additions and improvements to the College's buildings are accounted for at cost. Freehold buildings are depreciated on a straight-line basis over their expected useful economic life of 50 years. Freehold land is not depreciated. Leasehold buildings are amortised over 50 years, or, if shorter, the period of the lease.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred to 30 June 2023. They are not depreciated until they are brought into use.

No value has been placed on the land occupied by the College's operational buildings as at 1 July 2002; purchases of land after this date are to be capitalised.

b. Maintenance of premises

The College has a five-year rolling maintenance plan that is reviewed on an annual basis. The cost of routine maintenance is charged to the Statement of Income and Expenditure as it is incurred.

c. Furniture, fittings and equipment

Furniture, fittings and equipment costing less than £100 per individual item or group of related items are written off in the year of acquisition. All other assets are capitalised and depreciated over their expected useful lives as follows:

Furniture and fittings	15 years
Motor vehicles	10 years
General equipment	5-20 years
Computer equipment	4 years
Library books	20 years
Musical instruments	50 years

No depreciation is charged in the year of acquisition.

d. Heritage assets

The College holds a collection of rare books which is not recognised in the Balance Sheet. This collection has arisen through donations and largely comprises works on theology. Few of the books are scarce or in first editions and the subject area is unfashionable. It would be difficult and expensive to replace the collection but equally the possibility of finding a specialist buyer could not be guaranteed, therefore to attribute any value to these books would be unrealistic.

The College employs a professional archivist whose responsibilities include the care and maintenance of the rare book collection. The exposure of the collection to heat and light is strictly controlled.



The College also holds a number of paintings and drawings but the majority of these are portraits of members and benefactors of the College. As such, this collection pertains to the history of the College and has little external market value.

e. Leased assets

The College does not hold any fixed assets under finance leases.

Investments

Fixed asset investments are included in the balance sheet at fair value. Investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value.

Stocks

Stocks are valued 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 benefit 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.

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.

Foreign currencies

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 the actual year end rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Taxation

The College is a registered charity (number 1137517) 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 G, II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The College may from time to time be eligible for such grants. The liability for the year is as advised to the College by the University 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 the Universities Superannuation Scheme (USS). 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 College 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 FRS102 "Employee benefits", the College therefore accounts for the Scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to income and expenditure represents the contributions payable to the Scheme in respect of the accounting period. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the Scheme will fund the overall deficit, the College 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 is included in income and expenditure.

The College also participates in the Cambridge Colleges Federated Pension Scheme (CCFPS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The assets of the Scheme are held in a separate trustee administered fund. The funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years, the actuary reviews the progress of the schemes. Pension costs are assessed in accordance with the advice of the actuary, based on



the latest actuarial valuation of the Scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the institution benefits from the employees' services.

The College also offers membership of a defined contribution pension scheme to its non-academic employees and the pension charge represents the amounts payable by the College to the scheme in respect of the employees' service during the year. Up until 31st December 2021 the scheme offered was NEST, thereafter it was a scheme with Aviva, with insured benefits funded by the College via a policy with AIG.

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 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 when performance related conditions have been met and 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 note 9.



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 note 20.

FRS102 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 USS. 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 income and expenditure in accordance with section 28 of FRS 102. 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 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2038. 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 note 20.

**Statement of Comprehensive Income and Expenditure****Year ended 30 June 2023**

	Note	2023			2022				
		Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
		£000	£000	£000	£000	£000	£000	£000	£000
Income									
Academic fees and charges	1	3,198	177	-	3,375	3,100	161	-	3,261
Accommodation, catering and conferences	2	5,376	-	-	5,376	4,458	-	-	4,458
Investment income	3	27	-	1,661	1,688	3	-	1,521	1,524
Endowment return transferred	3	1,003	886	(1,889)	-	965	801	(1,766)	-
Other income	4	33	-	-	33	13	-	-	13
Total income before donations and endowments		9,637	1,063	(228)	10,472	8,539	962	(245)	9,256
Donations		1,786	622	-	2,408	1,464	985	-	2,449
New endowments		-	-	325	325	-	-	702	702
Other capital grants for assets		-	129	-	129	-	531	-	531
Total income		11,423	1,814	97	13,334	10,003	2,478	457	12,938
Expenditure									
Education	5	3,942	1,293	-	5,235	3,776	1,019	-	4,795
Accommodation, catering and conferences	6	8,044	-	-	8,044	6,882	-	-	6,882
Interest payments		181	-	-	181	64	-	-	64
Other expenditure	7	-	-	-	-	815	-	-	815
Total expenditure	8	12,167	1,293	-	13,460	11,537	1,019	-	12,556
(Deficit)/surplus before other gains and losses		(744)	521	97	(126)	(1,534)	1,459	457	382
Gain on disposal of fixed assets	10	-	-	-	-	-	-	-	-
(Loss)/gain on investments	11	(30)	(19)	(318)	(367)	(509)	(254)	(4,872)	(5,635)
(Deficit)/Surplus before Statute G, II contribution		(774)	502	(221)	(493)	(2,043)	1,205	(4,415)	(5,253)
Contribution under Statute G, II		(2)	-	-	(2)	(2)	-	-	(2)
(Deficit)/surplus after Statute G, II contribution being (deficit)/surplus for the year		(776)	502	(221)	(495)	(2,045)	1,205	(4,415)	(5,255)
Other comprehensive income									
Actuarial gain in respect of pension schemes	17	119	-	-	119	3,555	-	-	3,555
Total comprehensive income for the year		£(657)	£502	£(221)	£(376)	£1,510	£1,205	£(4,415)	£(1,700)

The notes on pages 43 to 60 form part of these accounts.

**Statement of Changes in Reserves****Year ended 30 June 2023**

	Income and expenditure reserve			Total £000
	Unrestricted £000	Restricted £000	Endowment £000	
Balance at 1 July 2022	74,612	3,903	55,595	134,110
(Deficit)/surplus from income and expenditure statement	(776)	502	(221)	(495)
Other comprehensive income	119	-	-	119
Release of restricted capital funds spent in the year	129	(129)	-	-
Balance at 30 June 2023	£74,084	£4,276	£55,374	£133,734

	Income and expenditure reserve			Total £000
	Unrestricted £000	Restricted £000	Endowment £000	
Balance at 1 July 2021	72,571	3,229	60,010	135,810
Surplus/(deficit) from income and expenditure statement	(2,045)	1,205	(4,415)	(5,255)
Other comprehensive income	3,555	-	-	3,555
Release of restricted capital funds spent in the year	531	(531)	-	-
Balance at 30 June 2022	£74,612	£3,903	£55,595	£134,110

The notes on pages 41 to 57 form part of these accounts.

**Balance Sheet as at 30 June 2023**

	Note	30 June 2023 £000	30 June 2022 £000
Non-current assets			
Fixed assets	10	72,657	72,319
Investments	11	<u>68,820</u>	<u>67,796</u>
Total non-current assets		<u>141,477</u>	<u>140,115</u>
Current assets			
Stocks	12	239	242
Trade and other receivables	13	1,913	1,739
Cash and cash equivalents	14	<u>1,405</u>	<u>3,527</u>
Total current assets		<u>3,557</u>	<u>5,508</u>
Creditors: amounts falling due within one year	15	(2,045)	(1,952)
Net current assets/(liabilities)		<u>1,512</u>	<u>3,556</u>
Total assets less current liabilities		142,989	143,671
Creditors: amounts falling due after more than one year	16	(6,000)	(6,000)
Provisions			
Pension provisions	17	(3,255)	(3,561)
Total net assets		£ <u>133,734</u>	£ <u>134,110</u>
		30 June 2023 £000	30 June 2022 £000
Restricted reserves			
Income and expenditure reserve – endowment reserve	18	55,374	55,595
Income and expenditure reserve – restricted reserve	19	<u>4,276</u>	<u>3,903</u>
		<u>59,650</u>	<u>59,498</u>
Unrestricted reserves			
Income and expenditure reserve – unrestricted		<u>74,084</u>	<u>74,612</u>
Total Reserves		£ <u>133,734</u>	£ <u>134,110</u>

Approved by College Council on 28 November 2023 and signed on their behalf by:

Jennifer Phillips
Bursar

**Cash Flow Statement for the year ended 30 June 2023**

	Note	2023 £000	2022 £000
Reconciliation of surplus for the year to net cash flows from operating activities			
(Deficit)/Surplus for the year		(495)	(5,255)
Adjustment for non-cash items			
Depreciation/Impairment	10	3,131	2,294
Loss/(Gain) on endowments and donations	19	367	5,635
Decrease in stocks	12	3	20
Increase in trade and other receivables	13	(174)	(816)
Increase/(Decrease) in creditors excluding loans	15	93	45
Pension costs less contributions payable	17	(187)	1,024
Adjustment for investing or financing activities			
Investment income	3	(1,661)	(1,521)
Interest payable		181	64
Gain on sale of non-current assets	10	-	-
Net cash inflow/(outflow) from operating activities		1,258	1,490
Cash flows from investing activities			
Investment income		1,661	1,521
Proceeds from sales of non-current fixed assets		-	-
(Purchases)/Sales of investment assets		(1,392)	(3,028)
Payments to acquire non-current assets	10	(3,468)	(4,413)
Total cash inflow from investing activities		(3,199)	(5,920)
Cash flows from financing activities			
Interest paid		(181)	(64)
Long term loans received	16	-	6,000
Net cash inflow from financing activities		(181)	5,936
(Decrease)/increase in cash and cash equivalents in the year		(2,122)	1,506
Cash and cash equivalents at beginning of the year		3,527	2,021
Cash and cash equivalents at end of the year	14	£ 1,405	£ 3,527

The notes on pages 41 to 57 form part of these accounts.

**Notes to the Accounts for the year ended 30 June 2023**

1 ACADEMIC FEES AND CHARGES	2023	2022
College fees:	£000	£000
Fee income received at the Regulated Undergraduate rate	1,682	1,685
Fee income received at the Unregulated Undergraduate rate	643	579
Fee income received at the Graduate rate	873	836
From the University of Cambridge and Trinity College for Cambridge Bursaries	177	161
	<u>£3,375</u>	<u>£3,261</u>
2 INCOME FROM ACCOMMODATION, CATERING AND CONFERENCES	2023	2022
	£000	£000
Accommodation:		
College members	3,326	3,067
Conferences	740	318
Catering:		
College members	885	793
Conferences	425	280
	<u>£5,376</u>	<u>£4,458</u>
3 ENDOWMENT RETURN AND INVESTMENT INCOME	2023	2022
	£000	£000
(a) Analysis of Investment Income		
Total return contribution	1,889	1,766
Cash	27	3
	<u>£1,916</u>	<u>£1,769</u>
(b) Summary of total return		
Income from:		
Quoted securities:		
- equities	1,339	1,346
- fixed interest	283	174
- cash	39	1
	<u>1,661</u>	<u>1,521</u>
(Losses)/gains on endowment assets	<u>(318)</u>	<u>(4,872)</u>
Total return for year	<u>1,343</u>	<u>(3,351)</u>
Total return transferred to income and expenditure (note (a))	<u>(1,889)</u>	<u>(1,766)</u>
Unapplied total return for year included within SOCI	<u>£(546)</u>	<u>£(5,117)</u>
Memorandum of Unapplied Total Return		
Included within reserves, the following amounts represent the Unapplied Total Return of the College:		
	2023	2022
	£000	£000
Unapplied Total Return at beginning of year	8,450	13,567
Unapplied Total Return for the year	<u>(546)</u>	<u>(5,117)</u>
Unapplied Total Return at end of year	<u>£7,904</u>	<u>£8,450</u>

Investment Management fees paid to JM Finn were £114,488 (2022: £120,125) and are included in Other Operating Expenses (Note 7a).

**Notes to the Accounts for the year ended 30 June 2023**

	2023	2022
	£000	£000
4 OTHER INCOME		
Job Retention Scheme Grant	-	13
Net return on pension scheme assets less liabilities	33	-
Total	<u>£33</u>	<u>£13</u>

	2023	2022
	£000	£000
5 EDUCATION EXPENDITURE		
Teaching	2,846	2,634
Tutorial	620	539
Admissions	292	278
Access	380	219
Research	165	143
Scholarships and awards	381	437
Cambridge Bursaries	364	345
Other educational facilities	187	200
Total	<u>£5,235</u>	<u>£4,795</u>

	2023	2022
	£000	£000
6 ACCOMMODATION, CATERING AND CONFERENCE EXPENDITURE		
Accommodation		
- College members	3,718	3,032
- Conferences	1,652	1,347
Catering		
- College members	1,851	1,733
- Conferences	823	770
Total	<u>£8,044</u>	<u>£6,882</u>

	2023	2022
	£000	£000
7 OTHER EXPENDITURE		
Net return on pension scheme assets less liabilities	-	815
	<u>£-</u>	<u>£815</u>

8a ANALYSIS OF 2022-23 EXPENDITURE BY ACTIVITY	Staff costs (note 9) £000	Other Operating Expenses £000	Depreciation/ Impairment £000	Total £000
Education (note 5)	2,318	2,359	558	5,235
Accommodation, catering and conferences (note 6)	3,307	2,164	2,573	8,044
Interest payments	-	181	-	181
Other expenditure (note 7)	-	-	-	-
	<u>£5,625</u>	<u>£4,704</u>	<u>£3,131</u>	<u>£13,460</u>

Other Operating Expenses includes £285,505 as costs of fundraising (2022: £282,596) and £209,624 as costs of alumni relations (2022: £210,489).

**Notes to the Accounts for the year ended 30 June 2023**

8b ANALYSIS OF 2021-22 EXPENDITURE BY ACTIVITY	Staff costs	Other	Depreciation	Total
	(note 9)	Operating		
	£000	Expenses	£000	£000
Education (note 5)	2,254	2,125	416	4,795
Accommodation, catering and conferences (note 6)	3,264	1,740	1,878	6,882
Interest payments	-	64	-	64
Other expenditure (note 7)	-	815	-	815
	<u>£5,518</u>	<u>£4,744</u>	<u>£2,294</u>	<u>£12,556</u>

8c AUDITORS' REMUNERATION	2023	2022
	£000	£000
Other operating expenses include:		
Audit fees payable to the College's external auditors	19	17
Other fees payable to the College's external auditors	-	-
	<u>£19</u>	<u>£17</u>

9 STAFF	Academic	Non-academic	2023	2022
	£000	£000	Total	Total
			£000	£000
Staff costs:				
Salaries	1,073	3,497	4,570	4,110
National Insurance	89	264	353	316
Pension costs (see note 23)	140	562	702	1,092
	<u>£1,302</u>	<u>£4,323</u>	<u>£5,625</u>	<u>£5,518</u>

Average staff numbers 2023

Average staff numbers 2022

	Number of Fellows	Full-time equivalents	2021 Total	Number of Fellows	Full-time equivalents	2020 Total
Academic	57		57	57		57
Non-academic	3	108	111	2	105	107
	<u>60</u>	<u>108</u>	<u>168</u>	<u>59</u>	<u>105</u>	<u>164</u>

At 30 June 2023 there were 65 Members of the Governing Body. During the year the average number receiving a stipend from the College was 60 as shown above.

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

From	To	2023 Total	2022 Total
£100,001	£110,000	2	3
£110,001	£120,000	1	1

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.

During the year, remuneration paid to Trustees in their capacity as College Officers was: £1,392,360 (65 Trustees) (2022: £1,336,436 (64 Trustees)). The trustees receive no remuneration in their role as trustees of the charity.

**Notes to the Accounts for the year ended 30 June 2023****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 Master, Vice Master, Bursar and Senior Tutor are the College's key management personnel.

	2023	2022
	£000	£000
Aggregated remuneration:	<u>£327</u>	<u>£279</u>

10 FIXED ASSETS

	2023	2023	2023	2022
	Land and buildings	Equipment	Total	Total
	£000	£000	£000	£000
Cost or valuation				
At beginning of year	90,892	9,640	100,532	96,420
Additions at cost	2,455	1,013	3,468	4,412
Disposals at cost/valuation	-	(173)	(173)	(300)
At end of year	<u>93,347</u>	<u>10,480</u>	<u>103,827</u>	<u>100,532</u>
Depreciation				
At beginning of year	24,238	3,974	28,212	26,219
Charge for the year	1,723	632	2,355	2,294
Impairment	776	-	776	-
Eliminated on disposals	-	(173)	(173)	(300)
At end of year	<u>26,737</u>	<u>4,433</u>	<u>31,170</u>	<u>28,213</u>
Net book value				
At end of year	<u>£66,610</u>	<u>£6,047</u>	<u>£72,657</u>	<u>£72,319</u>
At beginning of year	<u>£66,653</u>	<u>£5,666</u>	<u>£72,319</u>	<u>£70,201</u>

The insured value of freehold land and buildings as at 30 June 2023 was £150,040,255 (2022: £133,697,540).

11 INVESTMENTS

	2023	2022
	£000	£000
Balance at beginning of year	67,796	70,403
Additions at cost	7,804	5,122
Disposals at opening market value	(5,902)	(1,019)
Appreciation on disposals/reevaluation	(625)	(5,670)
Increase in cash balances held by fund managers	(253)	(1,040)
Balance at end of year	<u>£68,820</u>	<u>£67,796</u>
Represented by:		
Quoted securities – equities	52,753	55,946
Quoted securities – fixed interest	13,346	8,876
Cash held for reinvestment	<u>2,721</u>	<u>2,974</u>
	<u>£68,820</u>	<u>£67,796</u>

12 STOCKS

	2023	2022
	£000	£000
Goods for resale	<u>£239</u>	<u>£242</u>

**Notes to the Accounts for the year ended 30 June 2023**

13 TRADE AND OTHER RECEIVABLES		2023	2022	
		£000	£000	
Members of the College		124	149	
Trade debtors		177	68	
Taxation recoverable		80	66	
Other receivables		1,320	1,273	
Prepayments		212	183	
		<u>£1,913</u>	<u>£1,739</u>	
14 CASH AND CASH EQUIVALENTS		2023	2022	
		£000	£000	
Current accounts		1,383	3,505	
Cash in hand		22	22	
		<u>£1,405</u>	<u>£3,527</u>	
15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		2023	2022	
		£000	£000	
Trade creditors and accruals		709	522	
PAYE and Social Security		153	152	
Students' deposits		171	226	
Other creditors		1,012	1,052	
		<u>2,045</u>	<u>1,952</u>	
16 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR		2023	2022	
		£000	£000	
Bank loan repayable 14 th January 2027		6,000	6,000	
		<u>6,000</u>	<u>6,000</u>	
17 PENSION PROVISIONS	CCFPS	USS	2023	2022
	£000	£000	£000	£000
Balance at beginning of year	2,495	1,066	3,561	6,093
Movement in year:				
Current service cost including life assurance	526	(84)	442	1,872
Contributions	(621)	(140)	(761)	(956)
Other finance cost/(gain)	97	35	132	107
Actuarial loss/(gain)	(119)	-	(119)	(3,555)
Balance at end of year	<u>£2,378</u>	<u>£877</u>	<u>£3,255</u>	<u>£3,561</u>

**Notes to the Accounts for the year ended 30 June 2023****18 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	30,545	25,050	55,595	60,010
New donations and endowments	325	-	325	702
(Decrease)/Increase in market value of investments	(244)	(302)	(546)	(5,117)
Balance at end of year	<u>£30,626</u>	<u>£24,748</u>	<u>£55,374</u>	<u>£55,595</u>

Analysis by type of purpose:

Fellowship Funds	11,198	11,220
Scholarship Funds	4,646	4,671
Prize Funds	484	487
Hardship Funds	10,580	10,356
Travel Grant Funds	661	665
Other Funds	3,057	3,147
General endowments	24,748	25,049
	<u>£55,374</u>	<u>£55,595</u>

Analysis by asset:

Investments	55,374	55,595
	<u>£55,374</u>	<u>£55,595</u>

**Notes to the Accounts for the year ended 30 June 2023****19 RESTRICTED RESERVES**

Reserves with restrictions are as follows:

	Capital grants unspent £000	Unspent restricted income £000	Restricted expendable endowment £000	2023 Total £000	2022 Total £000
Balance at beginning of year:					
Capital	-	-	660	660	56
Accumulated income	-	2,813	430	3,243	3,173
	-	2,813	1,090	3,903	3,229
From the University of Cambridge for Cambridge Bursaries	-	177	-	177	161
New grants	129	-	-	129	531
New donations	-	45	577	622	985
Endowment return transferred	-	870	16	886	801
Decrease/(Increase) in market value of investments	-	(14)	(5)	(19)	(254)
Capital grants utilised	(129)	-	-	(129)	(531)
Expenditure	-	(906)	(387)	(1,293)	(1,019)
	-	172	201	373	674
Balance at end of year					
Capital	-	-	929	929	660
Accumulated income	-	2,985	362	3,347	3,243
	£-	£2,985	£1,291	£4,276	£3,903
Analysis of other restricted funds/donations by type of purpose:					
Fellowship Funds		1,141	184	1,325	1,248
Scholarship Funds		602	109	711	600
Prize Funds		136	24	160	148
Hardship Funds		842	110	952	914
Travel Grant Funds		113	66	179	161
Other Funds	-	151	798	949	832
	£-	£2,985	£1,291	£4,276	£3,903



Notes to the Accounts for the year ended 30 June 2023

20 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	3,527	(2,122)	-	1,405
Borrowings: amounts falling due within one year				
Unsecured loans	-	-	-	-
	-	-	-	-
Borrowings: amounts falling due after more than one year				
Unsecured loans	(6,000)	-	-	(6,000)
	(6,000)	-	-	(6,000)
	£(2,473)	£(2,122)	-	£(4,595)

**Notes to the Accounts for the year ended 30 June 2023****21 FINANCIAL INSTRUMENTS**

	2023	2022
	£000	£000
Financial assets		
<i>Financial assets at fair value through Statement of Comprehensive income</i>		
Listed equity investments	61,202	59,389
<i>Financial assets that are equity instruments measured at cost less impairment</i>		
Other equity investments	4,897	4,892
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Cash and cash equivalents	4,126	6,501
Other debtors	1,688	1,550
	£71,913	£72,332
Financial liabilities		
<i>Financial liabilities measured at amortised cost</i>		
Loans	6,000	6,000
Trade creditors	402	188
Other creditors	1,063	1,127
	£7,465	£7,315

22 CAPITAL COMMITMENTS

	2023	2022
	£000	£000
Commitments contracted for at 30 June:	£137	£2,745



Notes to the Accounts for the year ended 30 June 2023

23 PENSION SCHEMES

The College participates in the following defined benefit pension schemes: the Universities Superannuation Scheme (USS) and the Cambridge Colleges Federated Pension Scheme (CCFPS). The College closed CCFPS to new joiners at 31st December 2021. From 1st January 2022 eligible non-academic staff are auto-enrolled into a defined contribution scheme with Aviva, with insured benefits provided by an employer-funded policy with AIG. Prior to 1st January 2022, the College used NEST to fulfil its auto-enrolment obligations for staff not wishing to join CCFPS. Contributions payable in respect of the year were as follows:

	2023	2022
	£000	£000
USS	140	171
CCFPS	419	886
NEST	-	4
AVIVA	122	28
AIG	21	3
	<u>702</u>	<u>1,092</u>

Universities Superannuation Scheme

The College participates in the 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 College 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 FRS102 "Employee benefits", the College therefore accounts for the Scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to income and expenditure represents the contributions payable to the Scheme in respect of the accounting period. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the Scheme will fund the overall deficit, the College 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 is included in income and expenditure.

The total cost charged to income and expenditure is £140k (2022: £171k) as shown in note 8. Deficit recovery contributions due within one year for the College are £64k (2022: £61k)

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2020 (the valuation date), which was carried out using the projected unit method.

Since the College cannot identify its share of Scheme assets and liabilities, the following disclosures reflect those relevant for the Scheme as a whole.



Notes to the Accounts for the year ended 30 June 2023

23 PENSION SCHEMES

Universities Superannuation Scheme (continued)

The 2020 valuation was the sixth valuation for USS 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 £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.

CPI assumption

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040.

Discount rate:

Fixed interest gilt yield curve plus:

Pre-retirement: 2.75% p.a.

Post-retirement: 1.00% p.a.

Pension increases (subject to a floor of 0%):

CPI assumption plus 0.05%

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. Mortality base table:

2020 Valuation

Mortality base table

101% of S2PMA "light" for males and 95% of S3PFA for females.

2018 Valuation

Mortality base tables:

Pre-retirement

71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.

Post-retirement

97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females.

Future improvements to mortality

CM_2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

Future improvements to mortality

CM_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

**Notes to the Accounts for the year ended 30 June 2023****23 PENSION SCHEMES****Universities Superannuation Scheme (continued)**

The current life expectancies 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 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 to 31 March 2024, at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. However, these payments are subject to review following the next funding valuation, due as at 31 March 2023.

The liability figures have been produced using the following assumptions:

	2023	2022
Discount rate	5.49%	3.33%
Pensionable salary growth	5.00%	5.00%

Cambridge Colleges Federated Pension Scheme

The College is also a member of a multi-employer defined benefit scheme: the Cambridge Colleges' Federated Pension Scheme. A full valuation was undertaken as at 31 March 2020 and updated to 30 June 2023 by a qualified independent actuary.

The liabilities of the scheme have been calculated, at 30 June 2023, for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the Scheme benefit structure and membership since that date.

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

	2023	2022
	% p.a.	% p.a.
Discount rate	5.20	3.80
Salary inflation assumption	3.30	3.25
Retail Prices Index (RPI) assumption	3.40	3.45*
Consumer Prices Index (CPI) assumption	2.80*	2.75*
Pension increases in payment (RPI Max 5% p.a.)	3.30*	3.30*
Pension increases (CPI Max 2.5% p.a.)	2.05*	2.05*

* For 1 year only, we have assumed that RPI will be 9% and CPI will be 7% (2022:11% and 9% respectively). The caps under the Rules are applied to assumed pension increases.

**Notes to the Accounts for the year ended 30 June 2023****23 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

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% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements. (2022: S3PA with CMI_2020 future improvement factors and a long-term future improvement rate of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

	2023	2022
Males currently aged 65 now	21.4	21.9
Females currently aged 65 now	23.9	24.3
Males aged 45 now and retiring in 20 years	22.6	23.2
Females aged 45 now and retiring in 20 years	25.3	25.7

Members are assumed to retire at their normal retirement age (65) apart from in the following indicated cases:

	Male	Female
Active Members – Option 1 Benefits	64	64
Deferred Members – Option 1 Benefits	63	62

Allowance has been made at retirement for non-retired members to commute part of their pension for a lump sum on the basis of the current commutation factors in these calculations.

The amounts recognised in the Balance Sheet as at 30 June 2023 (with comparative figures as at 30 June 2022) are as follows:

	2023	2022
	£000	£000
Present value of plan liabilities	(12,996)	(14,667)
Market value of plan assets	10,618	12,172
Net defined benefit liability	£(2,378)	£(2,495)

The amounts to be recognised in income and expenditure for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023	2022
	£000	£000
Current service cost	492	977
Administration expenses	34	34
Interest on net defined benefit liability	97	104
(Gain)/Loss on plan changes	-	-
Total	£623	£1,115

**Notes to the Accounts for the year ended 30 June 2023****23 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

Changes in the present value of the Scheme liabilities for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023	2022
	£000	£000
Present value of Scheme liabilities at beginning of period	14,667	19,565
Current service cost (including Employee contributions)	492	977
Employee contributions	22	26
Benefits paid	(552)	(383)
Interest on Scheme liabilities	556	357
Actuarial losses/(gains)	(2,189)	(5,875)
Loss on plan changes	-	-
Present value of Scheme liabilities at end of period	£12,996	£14,667

Changes in the fair value of the Scheme assets for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023	2022
	£000	£000
Market value of Scheme assets at beginning of period	12,172	13,845
Contributions paid by the College	621	785
Employee contributions	22	26
Benefits paid	(552)	(383)
Administration expenses	(46)	(43)
Interest on plan assets	459	253
Return on assets, less interest included in income and expenditure	(2,058)	(2,311)
Market value of plan assets at end of period	£10,618	£12,172
 Actual return on plan assets	 £(1,600)	 £(2,058)

The major categories of Scheme assets as a percentage of total Scheme assets at 30 June 2023 (with comparative figures at 30 June 2022) are as follows:

	2023	2022
Equities	49%	52%
Bonds and cash	38%	34%
Property	13%	14%
Total	100%	100%

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

**Notes to the Accounts for the year ended 30 June 2023****23 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023	2022
	£000	£000
Return on assets, less interest included in Profit & Loss	(2,058)	(2,311)
Expected less actual scheme expenses	(12)	(8)
Experience gains and losses arising on Scheme liabilities	(1,340)	(538)
Changes in assumptions underlying the present value of Scheme liabilities	3,529	6,412
Re-measurement of net defined benefit liability recognised in OCI	£119	£3,555

Movement in net defined benefit liability during the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023	2022
	£000	£000
Deficit in Scheme at beginning of year	(2,495)	(5,720)
Recognised in income and expenditure	(623)	(1,115)
Contributions paid by the College	621	785
Re-measurement of net defined benefit liability recognised in OCI	119	3,555
Net defined benefit liability at end of year	£(2,378)	£(2,495)

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 31 March 2020. This showed that the Scheme'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 Scheme's Schedule of Contributions dated 21 May 2021 and are as follows:

- Annual contributions of not less than £99,277 per annum payable for the period 1 July 2021 to 31 May 2033.

These payments are subject to review following the next funding valuation, due as at 31 March 2023.



Notes to the Accounts for the year ended 30 June 2023

23 PENSION SCHEMES

Cambridge Colleges Federated Pension Scheme (continued)

As part of the agreement of the level of deficit recovery contributions above, the College has given the Trustees of the CCFPS a legal and equitable charge over the property known as 1 Selwyn Gardens, Cambridge, which was purchased by the College in April 2021 for £2.4m for use as a student hostel.

NEST

Until 31 December 2021 the College offered membership of NEST, a defined contribution pension scheme, to its non-academic employees not wishing to join the CCFPS. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the College amounting to £0 (2022: £4,472) of which £0 (2022: £0) was outstanding at the year end.

AVIVA

From 1 January 2022 the College offered membership of a defined contribution pension scheme managed by Aviva, to its non-academic employees not already members of CCFPS. The College funds a policy with AIG for insured benefits for employees enrolled in the Aviva pension scheme. The pension charge represents contributions due from the College to Aviva amounting to £121,769 (2022: £28,430) of which £13,034 (2022: £7,849) was outstanding at the year end, and premiums due to AIG of £21,453 (2022: £3,452) of which £0 (2022: £0) was outstanding at the year end.

24 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 interests for all Governing Body members and where any member of the Governing Body has a material interest in a College matter they are required to declare that fact.



Notes to the Accounts for the year ended 30 June 2023

24 RELATED PARTY TRANSACTIONS

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 Remuneration Committee.

The salaries paid to Trustees in the year (including associated employer National Insurance contributions and employer contributions to pensions) are summarised in the table below:

From	To	2023 Number	2022 Number
£0	£10,000	37	37
£10,001	£20,000	8	7
£20,001	£30,000	2	5
£30,001	£40,000	5	2
£40,001	£50,000	2	3
£50,001	£60,000	3	4
£60,001	£70,000	4	1
£70,001	£80,000	-	2
£80,001	£90,000	2	-
£100,001	£110,000	2	3
	Total	65	64

The total Trustee salaries were £1,085,960 for the year (2022: £1,037,942)

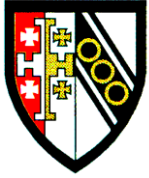
The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £15,780 for the year (2022: £21,310).

The Trustees were amended to the senior members of College Council only from 14 June 2023. The table above reflects a full year of remuneration for all members of the Governing Body.

SELWYN COLLEGE CAMBRIDGE

England & Wales - Charity number 1137517

Accounts



Selwyn College, Cambridge

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022**

Registered Charity No. 1137517



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Selwyn College
Grange Road, Cambridge CB3 9DQ
Charity Registration Number 1137517

The Head, Fellows and Scholars of Selwyn College is a corporate body comprising the Master, Fellows and Scholars, founded in 1882. In August 2010, the College became a registered charity with the Charities Commission, with its registered office at Grange Road, Cambridge CB3 9DQ.

Members of the Governing Body serving during the year

Mr Roger Mosey	Dr Nicole M Hartwell	Professor Grant D Stewart
Dr Carol A Armitage	Dr Joerg Haustein	Professor Charlotte Summers
Professor Patrick J N Baert	Dr Alan D Howard	Professor Robert C Tasker
Dr Anita Balakrishnan	Dr James H Keeler	Dr Rupert J E Thompson
Dr Ronita Bardhan	Dr Myun Gun Kim	Dr Chander K Velu
Dr Daniel A Beauregard	Mr Oleg Kitov	Dr Deepak Venkateshvaran
Dr Joseph R Bitney	Professor Shaun T Larcom	Dr Dacia Viejo Rose
Dr Christopher Briggs	Dr Robert Lee	Dr Alex C Waghorn
Professor Uradyn E Bulag	Dr Anna H Lippert	Professor Heather M Webb
Professor Nicholas J Butterfield	Ms Sarah E A MacDonald	Dr Lauren Wilcox
Dr Jack O Button	Dr Katarzyna Macieszczyk	Dr Charlotte Woodford
Dr Bryan Cameron	Mr James M R Matheson	Dr Victoria Young
Professor R Stewart Cant	Dr Kirsty McDougall	
Dr Filipe Carreira da Silva	Dr Sarah Meer	
Professor Daping Chu	Dr James Moultrie	
Professor William J Clegg	Mr Michael G Nicholson	
Professor Philip J Connell	Professor Nikolaos Nikiforakis	
Professor John S Dennis	Dr Mathias Nowak	
Dr Lynn V Dicks	Dr Diarmuid R O'Donnell	
Professor Katharine J Ellis	Dr Janet A O'Sullivan	
Dr Stuart M Eves	Dr Helena C Phillips-Robins	
Professor Leonardo Felli	Mr Martin Pierce	
Dr Elena Y Filimonova	Dr Charlotte Reinbold	
Mrs Sarah Fraser Butlin	Professor Stewart O Sage	
Dr Jessica Gardner	Dr Michael J Sewell	
Dr Fabian Grabenhorst	Revd Canon Hugh D Shilson-Thomas	
Dr Marta Halina	Dr David L Smith	
Dr Emily Hancox	Dr Thomas D Smith	

Junior Members

To December 2021:

Isabel Roberts (JCR President)	Henry Campos (JCR Treasurer)	Mariana Ramos de Lima (MCR President)
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From January 2022:

Bella Cross (JCR President)	Matthew Hambling (JCR Treasurer)	Elsa Kobeissi (MCR President)
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Reference and Administration

Senior Officers:

Head of House:	Mr Roger Mosey
Vice Master:	Dr Janet O'Sullivan
Bursar:	Mr Martin Pierce
Senior Tutor:	Dr Michael J Sewell

Principal advisers:

Auditors:

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

Bankers:

Barclays Bank PLC
P O Box 885
Mortlock House
Station Road
Histon
Cambridge
CB24 9DE

Investment Managers:

J M Finn & Co
25 Copthall Avenue
London
EC2R 7AH



Operating and Financial Review for the Year ended 30 June 2022

1. INTRODUCTION

Selwyn College (the "College") is pleased to present its operating and financial review, together with the financial statements for the year ended 30 June 2022.

After two years where the College's operations and finances were significantly adversely impacted by the Covid-19 pandemic, 2021-22 was a transitional year. Although the most serious effects of the pandemic appear to be behind us, we have moved into a period of new challenges of inflationary cost pressures largely resulting from Russia's war in Ukraine.

From the perspective of the College and its students, 2021-22 provided a welcome return to something more like pre-pandemic normal life, both educationally and socially, with students in residence the whole year round for the first time since 2018-19. However, less immediately visibly, the conference business, which provides important financial support to the College's educational and pastoral services, remained significantly below pre-pandemic levels. Meanwhile, the turbulence in global investment markets, which started at the beginning of 2022, provided a further significant headwind to the College's financial recovery from the pandemic.

Notwithstanding these challenges, the life of the College has largely returned to 'business as usual', and overall the financial results in 2021-22 represent a material improvement over the previous year.

2. GOVERNANCE OF THE COLLEGE

(a) Statutes, Governing Body and Council

The College is a corporation established by Royal Charter of 13 September 1882. The arrangements for governance of the College are set out in its Statutes. The Master is Head of House, has statutory powers of governance and presides over the Governing Body and the Council. The Senior Tutor has overall responsibility for the admission, education and welfare of undergraduates and graduates and the Bursar has overall responsibility for the finances, estate and administration of the College. The members of the Governing Body serving during the year to 30 June 2022 are shown at the beginning of this report. With the exception of the junior members, Governing Body members serve until the earlier of retirement or the end of the academic year in which they reach 67 years of age, provided that they remain Fellows of the College.

The Governing Body, which meets three times a year, delegates day-to-day responsibility for the running of the College to the College Council and its Committees. Representatives of the undergraduate and postgraduate student bodies are members of the Governing Body and Council, and many of the Committees. The Council typically meets eleven times a year – three times per term and twice during the summer vacation. External members attend meetings of the Investment Committee, the Alumni & Development Committee and the Remuneration Committee. Members of the Governing Body are required to act with integrity, in the College's interests without regard to their own private interests, and to manage the affairs of the College prudently, balancing long-term and short-term considerations. The College has a policy for managing conflicts of interest, maintaining a



register of interests and seeking declarations of potential conflict at the start of any meeting.

(b) Charitable Status

The College was registered as a charity with the Charity Commission on 12 August 2010 (Registered Number: 1137517). The Governing Body is the trustee body for the charity and all members of the Governing Body are trustees. In line with Charity Commission recommended best practice, the College has appointed a majority of independent members to its Remuneration Committee and has appointed a special committee of disinterested persons to advise it on any matters relating to changes in the Universities Superannuation Scheme.

It should be noted that the College is currently in the process of revising its Statutes, as a result of which the senior members of the College Council (as defined in the current Statutes) are likely to become the trustee body, rather than the much larger Governing Body. However, this will not take effect until at least the financial year 2023-24.

(c) Financial Reporting

The Governing Body has responsibility for ensuring that there is an effective system of internal controls and that financial records are accurately maintained. It is also responsible for safeguarding the assets of the College and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The College is required by statute to present audited financial statements for each financial year. The Cambridge colleges are classed as a special case for purposes of accounting and continue to publish accounts in the form stipulated by Statute G III 2(i) of the University, *The Recommended Cambridge Colleges Accounts ("RCCA")*, which is based on Financial Reporting Standards and is compliant with the *Statement of Recommended Practice: Accounting for Further and Higher Education*. The Intercollegiate Committee for College Accounts advises on interpretation. The College is a charity within the meaning of the Taxes Act 1988, s 506 (1).

(d) Relationship with the University

The College is a legally autonomous body; however, it exists within the federal structure of the University. Matters of concern to all colleges and the University are discussed and acted on through a system of University-wide committees, such as the Colleges' Committee, of which all Heads of House are members, the Senior Tutors' Committee, and the Bursars' Committee. Representatives of the Senior Tutors and Bursars sit on each other's committees and on the Colleges Committee. These committees work through the building of consensus as their decisions are not constitutionally binding. The Cambridge colleges have established an Office for Intercollegiate Services to support the activities of the principal intercollegiate committees.

3. AIMS, OBJECTIVES AND ACHIEVEMENTS OF THE COLLEGE

(a) Aims, Objectives and Public Benefit

Founded in 1882 in memory of George Augustus Selwyn, Bishop successively of New Zealand and of Lichfield, as a place of education, religion, learning and research, the



College is an autonomous, self-governing community of scholars and one of 31 Colleges within the University of Cambridge. The community consists of the Master, 63 fellows and 735 junior members, of whom 393 are undergraduates and 342 are postgraduate students (including 32 clinical medical students).

The aims and objectives of the College are directed to delivering public benefit, in particular:

- The College aims to promote educational excellence at both undergraduate and postgraduate level and enable beneficiaries to fulfil their potential as part of both the College and the University of Cambridge;
- The College particularly aims to widen participation, increase diversity and facilitate access for those who would benefit from a Cambridge University education, but might face financial or other barriers to doing so without further support;
- The College aims to provide an environment conducive to maximising educational potential, through facilities including high quality accommodation, catering and library services on site;
- The College supports research which benefits the wider population of the UK and globally through innovation and new understanding that will improve prosperity, quality of life and environmental sustainability, amongst other benefits.

In undertaking their responsibilities as trustees of the charity, the members of the Governing Body endeavour to pay due regard to the Charity Commission guidance on public benefit by ensuring that their decisions support the College's aims and objectives.

The sections that follow set out how the College delivers these aims and objectives, as well as its achievements in respect of each, in more detail.

(b) Teaching

The College provides, in conjunction with the University of Cambridge, a research-informed education for undergraduate and graduate students which is recognised as being of the highest international standard. The University came second overall in the 2023 (but published in 2022) QS World University rankings, equal third in the Times Higher Education 2023 rankings and fourth in the 2022-23 Center for World University Rankings. In two of these (QS and Center for World University Rankings) it is the top rated university in the world outside the USA.

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 supervisions, as well as pastoral, administrative and academic support through its tutorial and other student support systems. It also provides 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.

(c) Research

The College advances research through the support that it provides to the doctoral students who are members of the MCR. It also does so through the provision of 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. It also supports the work of Postdoctoral researchers through the Trevelyan Research Associates scheme which is endorsed and supported by the University of Cambridge's Postdoc Academy.

In addition, the College supports research work pursued by its other Fellows through the availability of sabbatical leave for research, the promotion of interaction across disciplines, the provision of facilities and grants for national and international conferences, research trips and research materials. Post-Covid, it again encourages visits from outstanding academics from abroad, including the appointment of Visiting Fellows and Bye-Fellows and the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

(d) Academic excellence

In 2021-22, the College received 769 applications for undergraduate admission, the joint highest total ever (with 2019-20). The size of the field reflects the effort that the College has made in Widening Participation and Admissions activities in recent years. Whilst EU applications have, predictably, fallen, non-EU overseas applications remain healthy.

Postgraduate admissions are also in a very healthy state. The investment in Postgraduate Studentships is paying off handsomely and we are delighted that the number of matched funded MPhil and doctoral studentships is helping us to become more competitive in attracting the very best applicants to Selwyn as well as retaining high flyers.

Academic performance remains strong, despite the disruptions wrought by the pandemic. In 2022, in classed examinations, 27.8% of Selwyn's candidates obtained First Class results against a University average of 29.9%. 84.6% obtained Good Honours (upper second class or better) as against an average of 81.2% across the University. This meant that the College ranked second of 29 Colleges in terms of proportions achieving Good Honours results.

(e) Access and Widening Participation

The College aims to attract the best undergraduate applicants from the widest range of schools and colleges. The colleges and the University engage in substantial outreach activities to encourage all academically qualified students to apply for admission to Cambridge, whatever their backgrounds or financial circumstances. The University has committed under an Access and Participation Plan with the Office for Students ("OfS") to achieve the following in 2022-23 (i.e. from those students who applied in 2021-22):

- Increasing the proportion of UK resident students admitted from UK state sector schools and colleges to 66.1%;
- Increasing the proportion of UK students from the Participation Of Local Area ("POLAR") classification quintile 1 of 5.7%, and of quintiles 1 and 2 combined of 14.2%;
- A ratio of POLAR quintile 5 to POLAR quintile 1 of 9.0:1; and
- Increasing UK resident students from regional Indices of Multiple Deprivation ("IMD") quintiles 1 and 2 to 18.4%.

Selwyn has exceeded all of these targets with respect to 2021-22 applicants who gained places to start their courses in 2022-23:

- 80.0% of students accepted for entry in October 2022 from the maintained sector;



- 6.7% from POLAR quintile 1 and a POLAR quintile 1+2 figure of 23.3%;
- A ratio of 6.5:1 POLAR quintile 5 to 1 POLAR quintile 1; and
- An IMD quintiles 1 and 2 figure of 27.8 %.

The College participates enthusiastically in widening participation and aspiration-raising programmes in conjunction with the University. It also employs two full-time Schools Liaison Officers to reinforce these outreach efforts – one based in West Yorkshire and one based in Cambridge. Since 2000, by agreement with the University and the other colleges, Selwyn has targeted state-maintained 11-16 and 11-18 schools, Further Education and Sixth Form Colleges in West Yorkshire and East Berkshire. Over the 2021-22 year, the College spent £219k on access events, an increase of 55% over the pandemic-depressed 2020-21 figure of £141k.

(f) Financial and other support

Once admitted, students have access to several sources of financial aid. In 2021-22, a total of £345k was received by Selwyn students through the Cambridge Bursary Scheme, which is operated collectively with the University and other colleges (comparable to the £348k figure in 2021-22 and up from £305k in 2019-20). Under this Scheme, in 2021-22 students whose household income was below £25,000 received a grant of £3,500 per year in addition to any government loans. Those with incomes of up to £62,215 received a sliding scale of amounts tapering to £100. The College is delighted that the Cambridge Bursary Scheme was enhanced for new students starting courses from October 2021, including an additional £1,000 educational premium bursary for students who received free school meals whilst at secondary school. The College has been a strong supporter of the Cambridge Bursary Scheme throughout its development.

Around a quarter of all Selwyn undergraduates received some form of Bursary support over the year. In addition to the Cambridge Bursary Scheme, the College paid out £437k (up 48% compared with £296k in 2020-21 and double the figure of £218k in 2019-20). This financial support covers awards and scholarships (to support the purchase of books and equipment, attendance at conferences, and travel), studentships, and College-funded bursaries in cases of financial hardship.

Selwyn College's students continued to receive mental health support through the Dawson Fund, and it is the College's good fortune that a significant gift has allowed us greatly to increase the presence of the Nurse in recent years, culminating with the appointment of in early 2022 of a full-time all-year-round College Nurse & Welfare Officer.

(g) Facilities

The College remains committed to academic excellence and has invested in state-of-the-art teaching and student facilities. 2021-22 saw the first full year of operation of the new new £13m Bartlam Library and Quarry Whitehouse Auditorium. This marked the completion of Ann's Court and has been made possible through the exceptional generosity of alumnus Dr Christopher Dobson and his late wife, Ann, after whom the court is named. It is a testament to the new building that it is now difficult to imagine Ann's Court without it.

Following the completion of the Bartlam library, the Old Library was converted during 2021-22 to provide a new seminar room for students of Medicine and Veterinary Medicine, complete with a state of the art 'Anatomage' table, plus four further new teaching and



seminar rooms. The old library is also the new home for Archives and Rare Books, and for the Alumni & Development team. This project was completed on time and on budget in February 2022, and has in turn enabled space vacated by archives and rare books above the Hall to provide a greatly expanded and enhanced area for the Director of Music, the choir and College musical activities generally.

The principal buildings project of 2021-22 has however been the low-carbon redevelopment of three postgraduate hostels – at 29 and 31 Grange Road, and the new property at 1 Selwyn Gardens which was purchased in 2021. The development involves the use of ground source heat pumps, interior wall insulation throughout, high-efficiency glazing in new windows and underfloor heating to maximise energy efficiency and minimise carbon emissions from these fine Victorian buildings.

Non-academic activities remain important too and details of the College's many sporting, musical and cultural successes are recorded in the College Calendar, the latest edition of which can be viewed at <https://www.selwynalumni.com/publications>.

4. FINANCIAL REPORT – INCOME AND EXPENDITURE

(a) Overall Position

The College's income and expenditure, as set out in the Statement of Comprehensive Income & Expenditure ("SOCI"), falls into four broad categories:

1. Wholly **unrestricted** income and expenditure.
2. Income and expenditure which are **restricted** to certain purposes, specified by the provider of the original funds.
3. Income and expenditure related to the **endowment**, where only the income arising from the principal sum is expendable, not the principal itself – but the use of the income is unrestricted
4. Income and expenditure related to the **endowment**, where only the income arising from the principal sum is expendable, not the principal itself – and where the use of the income is restricted to specified purposes.

This section of the report focuses principally on the first category – wholly unrestricted.

(i) Comprehensive Surplus/Deficit

In 2021-22, total unrestricted income and expenditure resulted in a **comprehensive surplus of £1.51m** (compared with a surplus of £0.82m in 2020-21) – an improvement of £0.69m. These figures are those shown as the 'total comprehensive income for the year' in the 'unrestricted' columns of the SOCI. It should be noted however that this improvement was entirely driven by two factors:

- An actuarial gain in pension fund provisions of £3.56m, compared with an actuarial gain in 2020-21 of £1.48m. This represents an improvement in the level of the gain of £2.08m compared with 2020-21;
- An offsetting reduction in the value of the unrestricted part of investment portfolio of £0.51m, compared with a gain of £0.89m in 2020-21 – a net deterioration of £1.40m between the two years.



(ii) Operating Surplus/Deficit

The operating surplus/deficit refers to income and expenditure relating to the day-to-day operations of the College.

Unrestricted operating income for the year totalled **£10.00m**, an increase of 28% on £7.79m in 2020-21 as income bounced back from the pandemic and donations increased. In particular:

- Income from academic fees and charges increased by 9% to £3.10m;
- Income from accommodation, catering and conferences increased by 59% to £4.46m;
- Unrestricted donations and legacies increased by 72% to £1.46m.

Unrestricted operating expenditure meanwhile totalled **£11.54m**, an increase of 24% on £9.33m in 2020-21. As a result, there was an **operating deficit of £1.53m** in 2021-22, virtually unchanged compared with the deficit of £1.54m in 2020-21.

A substantial part of the increase in expenditure also resulted from the recovery following the pandemic and represented costs that accompanied and enabled the increased income, e.g.

- Expenditure on education increased by 17% to £3.78m, a higher increase than the income due to a return to more normal levels of spend on access, widening participation and student support grants;
- Expenditure on accommodation, catering and conferences increased by 14% to £6.88m. However, this was a significantly lower figure than the 59% increase in income from the same sources.

It should also be noted that the increase in operating expenditure would have been lower, at 16% rather than 24%, if the adjustment included under 'other expenditure' for the shortfall in pension contributions actually made versus those deemed necessary, as calculated under FRS102 and included, is stripped out. This adjustment does not represent a real cash movement.

(iii) Cash Surplus/Deficit

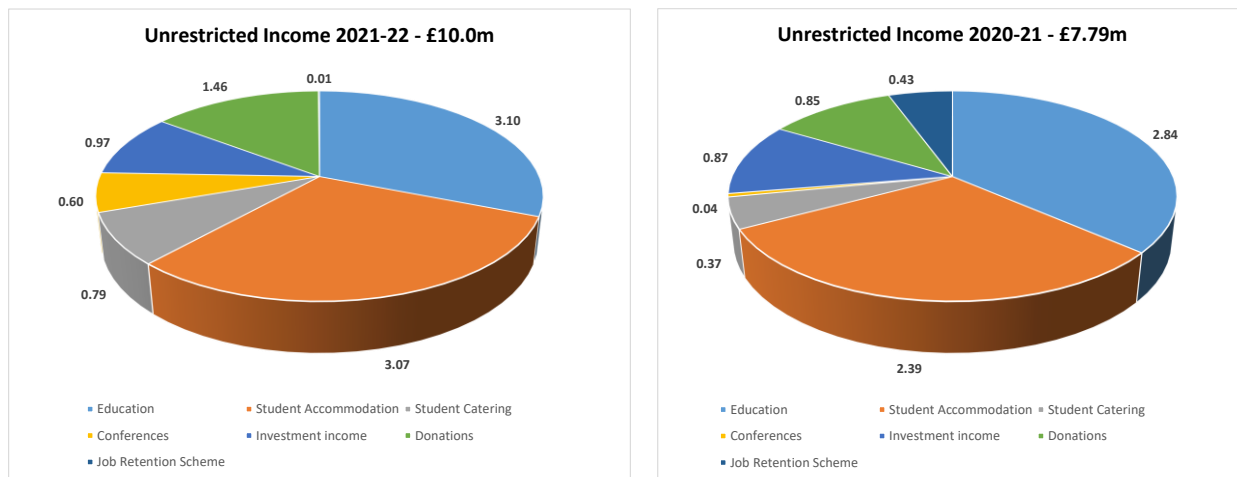
Incorporated within operating expenditure is depreciation, a non-cash item, amounting to £2.29m in 2020-21 (£1.98m in 2020-21). The increase in this figure in 2021-22 resulted from depreciation being charged for the first time in respect of the new library and auditorium building. In order to calculate the cash surplus or deficit, depreciation needs to be excluded. In 2021-22 the operating deficit of £1.53m was more than offset by £2.29m of depreciation, leaving a **cash surplus of £0.76m** (2020-21 – £0.44m). This figure compares favourably with the cash surplus envisaged in the original budget for the year of £0.15m.

Nevertheless, a key priority for the College finances will be to continue to make progress in restoring the cash surplus to pre-pandemic levels. This will rely principally on a full recovery in levels of conference and events business.



(b) Income in more detail

The College's activities are funded from academic tuition fees and the College fee for privately-funded undergraduates, charges for student accommodation and catering, income from conferences, returns on investments and income from donations and bequests. Total unrestricted income in 2021-22 amounted to **£10.00m**, an increase of £2.21m (28%) on the 2020-21 figure of £7.79m, driven by a recovery from pandemic levels of income and an increase in donations and legacies.



(i) Academic Fees and Charges

Unrestricted income from fees and charges rose by 9% to £3.1m, driven largely by increases in postgraduate student numbers, plus a small increase in overseas fee undergraduate students, offset by a reduction in home fee students.

Tuition Fees for 'home fee' undergraduates were charged at the maximum permitted rate of £9,250 for students matriculating in 2021-22. Tuition fees for most 'home fee' undergraduates are paid on behalf of the students through the Student Loans Company, although a small proportion pay the fees themselves directly. The colleges collect these fees and, under a negotiated fee agreement, pass half over to the University. Both the colleges and the University pay equal shares towards the Cambridge Bursary Scheme from the tuition fee income.

In 2021-22, fees from home fee status undergraduates amounted to £1.68m, slightly down on £1.70m in 2020-21. A further £0.58m was received from privately funded undergraduates, up 13% on £0.51m in 2020-21, and £0.84m from postgraduate students, up 34% on £0.62m in 2020-21. The colleges' share of the undergraduate tuition fees is substantially below the actual cost of education, which was estimated in 2018 as c.£11,000 per annum at a College level for an undergraduate (with a further £10,300 of University expenditure for a total cost of education over £21,000).

Education deficit

Including restricted income (£161k related to Cambridge Bursary income from the wider university), overall Education income totalled £3.26m in 2021-22. Given that overall expenditure (unrestricted and restricted) totalled £4.795m, the Education deficit increased to £1.53m in 2021-22, from £1.17m in 2020-21. Much of this resulted from a post-pandemic bounce back in spending on access and widening



participation, but it also involved a more technical accounting increase in depreciation as a result of the opening of the Bartlam library.

(ii) Student Accommodation and Catering

Student accommodation and catering income increased significantly in 2021-22 as a result of being the first year since 2018-19 where students were again fully in residence. As a result, student accommodation income increased by 28% to £3.07m (from £2.39m in 2020-21) and student catering income increased by 114% to £0.79m (from £0.37m in 2020-21). A more instructive comparison however is with 2018-19, the last pre-pandemic year. Compared with that year, the total income across student accommodation and catering income is 11% higher (£3.86m vs. £3.46m in 2018-19).

When in residence, nearly all undergraduate members live in College accommodation as do a significant number of postgraduate students. The majority of the College's c.500 rooms are located on or adjacent to the main site on Grange Road and, following the £13m refurbishment of Cripps Court in 2012-14, two-thirds now have ensuite facilities. The College provides a wide range of student accommodation with varying charges depending on the facilities provided. A typical room rent in 2020-21 was around £151 per week for a standard room and £184 for an ensuite room. These remain substantially below the levels charged by private landlords in Cambridge and barely cover the economic cost to the College of providing the room. However, the College has nevertheless kept rent increases in recent years as low as possible and in 2021-22 the rent increase was just 2%, the joint lowest in 20 years. Regrettably, the subsequent increases in inflation and, in particular, energy costs, will make this impossible to sustain in the near term.

The College also offers a variety of catering services to members: snacks, brunches, cafeteria self-service meals and formal hall dinners. The College is recognised for the high quality of its offering and continues to hold a 5-star environmental health rating, the highest awarded by Cambridge City Council. In 2021-22, income from student catering rebounded strongly as a result of students being fully in residence all year round again, and the gradual removal of restrictions such as social distancing which reduced capacity. As noted above, student catering income more than doubled in 2021-22 compared with 2020-21.

(iii) Conferences and Events

The College has a long-term strategy of building its conference income to help offset the deficit on the education account, whilst at the same time ensuring that it does not become over-dependent on this source of income. The pandemic has shown how volatile conference income can be.

Following the nadir of just £35k income from conferences and events in 2020-21, income increased strongly in to 598k in 2021-22. However, this is still a significant distance below the pre-pandemic high of £1.28m recorded in 2019-20. The 2021-22 figure reflects conference market that was still depressed in July to September 2021, The UK was only gradually emerging from the Covid lockdown during the winter and spring preceding this period, when bookings for the coming summer season would normally have been made. There are encouraging indications that income will recover further in 2022-23 following a much busier summer in 2022, and the College's target is to match or surpass the 2019-20 income total by 2023-24.



(iv) Investment Income

2021-22 was the first year of operation of a 'total return accounting' approach to investment return. Total return involves the agreement of a spending policy, whereby a certain percentage of the value of the portfolio is allowed for operational expenditure, funded by actual investment income received plus a proportion of the expected growth in the capital. The College took a prudent approach to the spending rule, starting in 2021-22 with 3% of the average value of the portfolio over the previous five years, lagged by one year.

The actual income received on investments in 2021-22 was almost unchanged at £1.52m (vs. £1.53m in 2020-21), but the spending rule allows for expenditure a little higher than that, at £1.76m in 2021-22. This is based on the historic experience that over the long-term, the value of investments will grow, even if this does not occur in every individual year, as was the case in investment markets in 2021-22.

(v) Donations and bequests

The generosity of the College's alumni and supporters continues to play an important role in securing the scope, scale and quality of what the College is able to offer, exemplified in the funding of the new Bartlam Library and Quarry Whitehouse Auditorium entirely through donations, and subsequently significant generous contributions to the Old Library and Hostels redevelopment projects through the College's 140th anniversary appeal in 2022.

As well as capital projects such as this, the College is also grateful for donations received for student support, which allows both direct financial grants to students and also indirect support such as the Dawson fund for mental health mentioned previously. In 2021-22, unrestricted donations and legacies (excluding new endowments) amounted to £1.46m (up from £0.85m in 2020-21), while further donations with restricted purposes of £0.99m (up from £0.26m in 2020-21) were also received, including particularly generous donations funding the expansion of the College Nurse & Welfare Officer role and funding increased resources for widening participation. In addition, the College received £0.70m in new endowments, up from £0.64m in 2020-21. Capital project donations increased to £0.53m (from £0.25m last year) as a result of contributions to the Old Library and Hostels redevelopment projects.

A note on Fundraising

The College is registered with the Fundraising Regulator and the College subscribes to the Fundraising Regulator's code of practice. All fundraising activity meets current standards and is reviewed by the Development Committee, which is accountable to the College Council. The Council reviews the College's donations policy every three years, most recently in 2020. The College does not use third parties to assist in its fundraising, while students who participate in fundraising activity for the College receive formal training beforehand. The College received no complaints concerning fundraising activity in 2021-22.

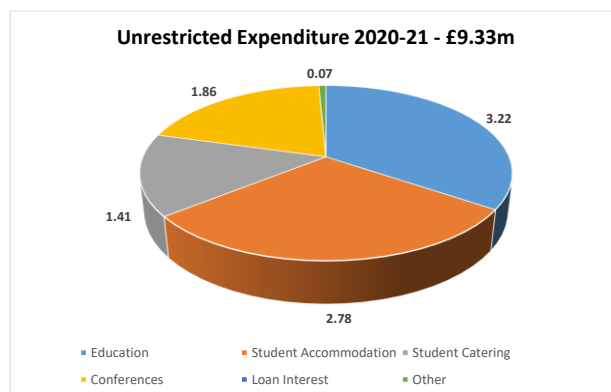
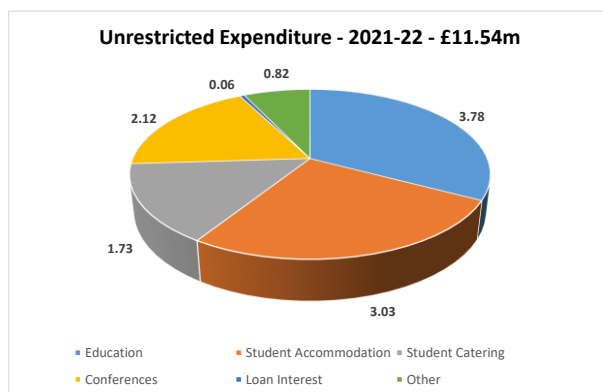


(vi) Job Retention Scheme grant

The College received a small number of final grants totalling £13k before the scheme was discontinued in September 2021 that fell into the 2021-22 financial year. However, this represented a significant reduction in income compared with 2020-21. Stripping out this one-off impact, the increase in unrestricted income in 2021-22 would have been £2.63m (36%), rather than £2.21m (28%).

(c) Expenditure in more detail

The College’s expenditure relates almost entirely to the costs of providing educational, accommodation and catering services for its residents in both term time and the vacations. In 2021-22, total unrestricted expenditure amounted to £11.54m, which represented an increase of £2.21m (24%) on £9.33m in 2020-21. This is coincidentally identical to the increase in unrestricted income for the year. Much of this increased expenditure related to the increased activity that drove the 28% increase in unrestricted income. In addition, as referenced in section 4 (a) (ii), the increase in unrestricted expenditure would reduce to £1.46m (16%) if the £741k increase in ‘other expenditure’, which relates to accounting movements in pension fund deficits, were stripped out.



(i) Education

Unrestricted expenditure relating to education rose by 17% in 2021-22 to £3.78m, from £3.22m in 2020-21. This was principally accounted for by significantly higher spend on access and widening participation activity compared with the pandemic-depressed expenditure levels of the previous year, and also by the more technical driver of depreciation being charged for the first time on the Bartlam Library building to the education account.

Looking at Education expenditure as a whole (including unrestricted and restricted), expenditure increased by 16% from to £4.80m (compared with £4.15m in 2020-21). In addition to the increase in unrestricted expenditure, this also reflected significantly increased spending on student financial support (which is in the restricted category). In 2021-22, expenditure on student support totalled £782k (£345k on the Cambridge Bursary Scheme and £437k on other support), up 21% on £644k in 2020-21 and up 50% on £523k in 2019-20.

We are sanguine about the existence of a deficit on education, since this is a core purpose and charitable objective of the College, and an increase was expected this year as a result of post-pandemic increased expenditures on access and widening



participation, and the opening of the College's new library. Nevertheless, at £1.53m in 2021-22 (up from £1.17m in 2020-21), we would not wish to see further material increases unless there were substantial improvements in other areas of the finances which could fund them.

(ii) Accommodation, Catering and Conferences

The cost of maintaining accommodation is allocated to the student accommodation budget in term time and to conferences & events in the vacations, when the College aims to occupy its rooms with conference guests. Following the low-point in pandemic conference income in 2020-21, there was a significant recovery in activity in 2021-22, which was also reflected in the need for increased expenditure related to looking after conference guests. However, conference expenditure increased by just £0.26m, compared with an increase of £0.56m in income.

Meanwhile, student catering costs rose by £0.33m (to £1.73m, from £1.41m in 2020-21) as activity levels increased as we emerged from the pandemic. However, as with conferences, the increase in expenditure was lower than the increase in income of £0.42m (to £0.79m, from £0.37m in 2020-21).

It should be noted that in the cases of both accommodation and catering, a significant proportion of these costs relate to staff, however a large number of the relevant staff were 'furloughed' under the Job Retention Scheme in 2020-21. However, the grants received by the College to help fund staff on furlough are shown separately as income, which means that the expenditure figures across the two years are comparable.

(iii) Staff Costs and Pensions

Staff costs are contained within the overall Education, Accommodation, Catering and Conferences expenditure lines, but are detailed in Note 8 of the Accounts. Staff costs amounted to £5.52m in total (including national insurance and pensions) in 2021-22, vs. £5.18m in 2020-21, an increase of 6.5%. This was driven in large measure by substantial increases in employer contributions to both the academic and non-academic staff pension schemes ("USS" and "CCFPS" respectively), and in the last quarter of the financial year by a 1.25% increase in employer national insurance contributions.

Remuneration paid to Fellows, who are also trustees of the charity, related solely to their capacity as officers of the College or in respect of teaching. The trustees receive no remuneration in their role as trustees of the charity.

(iv) Colleges Fund

The Colleges Fund, which is funded through an intercollegiate taxation system, makes grants to colleges with insufficient endowments. Grants made to Selwyn between 1998 and 2016 exceeded £3.1m. However, the College is now considered to have made sufficient financial progress that it no longer qualifies for such assistance and has begun making modest contributions to the Fund. This amounted to £2k in 2021-22 (£9k in 2020-21).



5. FINANCIAL REPORT – BALANCE SHEET

(a) Overall Position

The total net assets of the College reduced marginally as at 30 June 2022 by £1.7m (a reduction of 1.25%) to **£134.1m**, compared with £135.8m as at 30 June 2021.

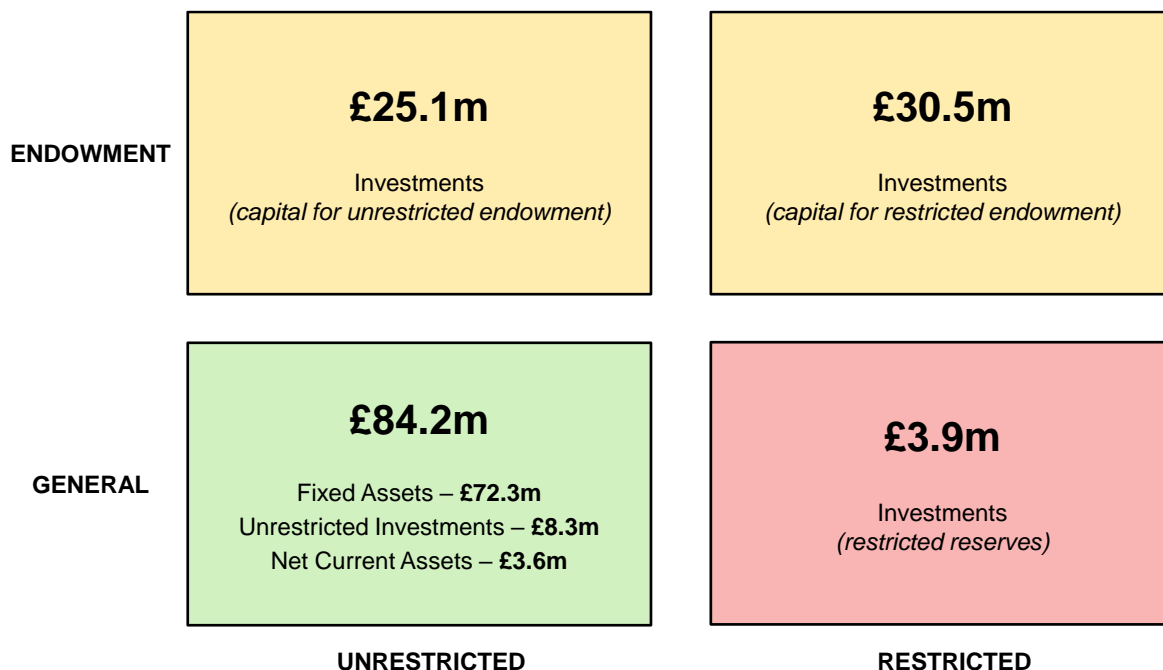
(b) Assets (net of current liabilities)

As at 30 June 2022, the balance sheet was made up of £72.3m in fixed assets (a mix of land & property and equipment), £67.8m in investments and £3.6m of net current assets, giving total assets (net of current liabilities) of **£143.7m**.

As with income & expenditure, the College’s assets are divided into four categories:

1. Wholly **unrestricted** assets, i.e. they may be deployed for any purpose.
2. Assets for which the use is **restricted** to certain purposes, specified by the provider of the original capital.
3. **Endowment** assets where the use of the income is unrestricted.
4. **Endowment** assets where the use of the income is restricted to specified purposes.

As at 30 June 2022, the College’s assets (net of current liabilities), in terms of these categories, were as follows:



Although £84.2m of assets (net of current liabilities) were unrestricted, in practice the majority of these – £72.3m – were represented by relatively illiquid fixed assets. £66.7m of this was in land and buildings, which at Selwyn are used to house students rather than as investments, and so would have a significant operational impact on the College if sold.

The other £59.5m of assets were restricted in their use in some way. These are all included in the investment portfolio and were made up of:



- £30.5m of endowment assets, where only the income generated by the assets may be spent and where the use of the income is also restricted to certain purposes.
- £25.1m of endowment assets, where again only the income generated by the assets may be spent, but where the use of such income is unrestricted.
- £3.9m of assets where the principal may be spent, but where the use is restricted to certain purposes.

(i) Fixed Assets – Buildings, Estates and Equipment

The year 2020-21 saw additions to the College's land and buildings of £3.8m at cost. This was divided between the cost of the redevelopment of the Old Library and the partial cost of the Hostels redevelopment project (the part that fell within financial year 2021-22). As a result, even after depreciation, the value of land and buildings in the balance sheet increased by £2.0m (3%) to £66.7m.

Expenditure of approximately £0.6m on fixtures, fittings and equipment was matched by a depreciation charge of the same amount, leaving the total value of equipment after depreciation largely unchanged at £5.67m

Maintaining its listed and historic buildings, as well as more recently completed constructions, is one of the College's major costs, with an annual depreciation charge in 2021-22 of £2.29m (£1.98m in 2020-21) set aside to cover their upkeep and renewal or replacement. The increase in the depreciation charge compared with the previous year arises from 2021-22 being the first year in which depreciation charges in respect of the Bartlam Library and Quarry Whitehouse Auditorium apply.

(ii) Investments

The College's investments are overseen and directed by the Investment Committee, which has benefited from the expertise of three independent members drawn from the investment industry. The College's investment strategy has adopted a medium risk approach which delivers steady growth in the value of investments over time and is well diversified in terms of holdings, sectors and geography. Recently this has been underpinned by a move away from individual securities towards investment in funds to manage risk, including a holding in CUEF, the University-managed fund.

The College has taken an active approach to responsible investment, having previously divested all direct fossil fuel, tobacco and armaments holdings. This focus on responsible investment was reinforced during the year by the College's move to exclude all material investments in fossil fuels, including in funds, with effect from the end of 2021.

As referenced in section 4 (b) (iv), with effect from July 2021, the College moved to a total return accounting approach to investment income, which will give the Investment Committee more freedom in investing in stocks for growth and not just for income.

Following a strong performance in the previous financial year, 2021-22 was a difficult year for the College's investments, in line with the challenges seen in global markets. This has been especially true since the start of calendar year 2022. For only the second time in 20 years (the other being 2009, during the global financial crisis), the portfolio reduced in value during the year. The portfolio totalled **£67.8m** at 30 June 2022, compared to £70.4m in June 2021, a reduction of £2.6m. However, the underlying reduction is higher



than this given that additions to the portfolio, net of fees, totalled approximately £3m. These additions originated in the balance of funds from a £6m loan drawn down in January 2022, which will be used to make payments in respect of planned building developments.

Nevertheless, over the long-term, the College's investment portfolio has maintained a consistent upward trajectory, as is shown in the graph below. However, in a year which has seen very substantial falls in most major global indices, it is inevitable that the College's portfolio will experience some of these losses as well.



Nevertheless, the portfolio continues to perform well against its chosen benchmarks. The total return on the main portfolio (excluding CUEF investments) amounted to -6.3% over the 12 months to 30 June 2022 (compared with +15.9% the previous year). This represented a slight underperformance relative to the portfolio's principal benchmark ARC Charities Steady Growth Index, which returned -5.8%.

However, the College's total return for the last three, five and ten years respectively has continued to outperform the benchmark index:

- Over 3 years, the portfolio has returned +5.2%, compared with +2.3% from ARC Steady Growth;
- Over 5 years, the portfolio has returned +5.1%, compared with +3.1% from ARC Steady Growth;
- Over 10 years, the portfolio has returned +7.3%, compared with +6.1% from ARC Steady Growth.

(c) Liabilities

The College's long-term liabilities as at 30 June 2022 totalled **£9.6m**, made up of £3.6m in pension fund provisions and a 5-year interest-only fixed-rate loan of £6m. The loan was taken out in January 2022 to support the funding of the old library, hostels redevelopment and music rooms projects. Deducting these long-term liabilities of £9.6m



from the College's assets (net of current liabilities) of £143.7m, results in total net assets of £134.1m.

Under FRS102 the College is required to disclose all its pension liabilities on the balance sheet. As set out in Note 16, the total liability has this year reduced by £2.53m to £3.56m.

The improvement arises from a £3.23m improvement in the deficit relating to the Cambridge Colleges Federated Pension Scheme (CCFPS). However, this is offset by an increase of £0.69m in the deficit relating to the Universities Superannuation Scheme (USS), which represents the effects of the post-balance sheet non-adjusting event in respect of USS which was described in last year's accounts with the expectation of an adverse effect on 2021-22.

In order to manage pension fund deficit liabilities over the long term with respect to the non-academic staff defined benefit pension scheme (CCFPS) more effectively, the College closed the scheme to new joiners with effect from 1 January 2022. Selwyn was one of the last Cambridge Colleges to take this step. In its place is a defined contribution scheme provided by Aviva, which is now offered to new employees. A generous level of employer contributions is offered, supported by insured death in service and ill health early retirement benefits provided by AIG. At the same time, the College also closed its previous NEST scheme for further contributions.

(d) Free Reserves and Reserves Policy

The College Council has approved a Reserves Policy that provides for regular testing of the financial resilience of the College and its ability to cope with a period of sustained adverse conditions. The Covid pandemic has reminded us that such scenarios are not necessarily theoretical only.

The College's policy requires there to be accessible reserves which would allow it to cover 80% of operational expenditure (excluding depreciation) for a period of three years. This would in fact be a more serious financial scenario than even Covid has presented. Ideally, this would be in the form of free reserves, but other options include commercial loans secured against land and property and/or an internal accounting 'loan' against the unrestricted endowment. Taken together these would provide reserve coverage of multiples of the requirement. Over the medium-to-long term the policy envisages increasing free reserves, but trustees will need to have due regard to ensuring that this does not compromise the College's charitable objectives. The policy is reviewed annually.

The level of completely free reserves at 30 June 2022 was virtually unchanged compared with the previous year at £2.29m (30 June 2021 - £2.37m). However, it would be reasonable also to consider the position if pension deficit liabilities (which are extremely unlikely to ever require payment on demand) are disregarded. On that basis, effectively free reserves would be £5.86m at 30 June 2022.

(f) Going Concern

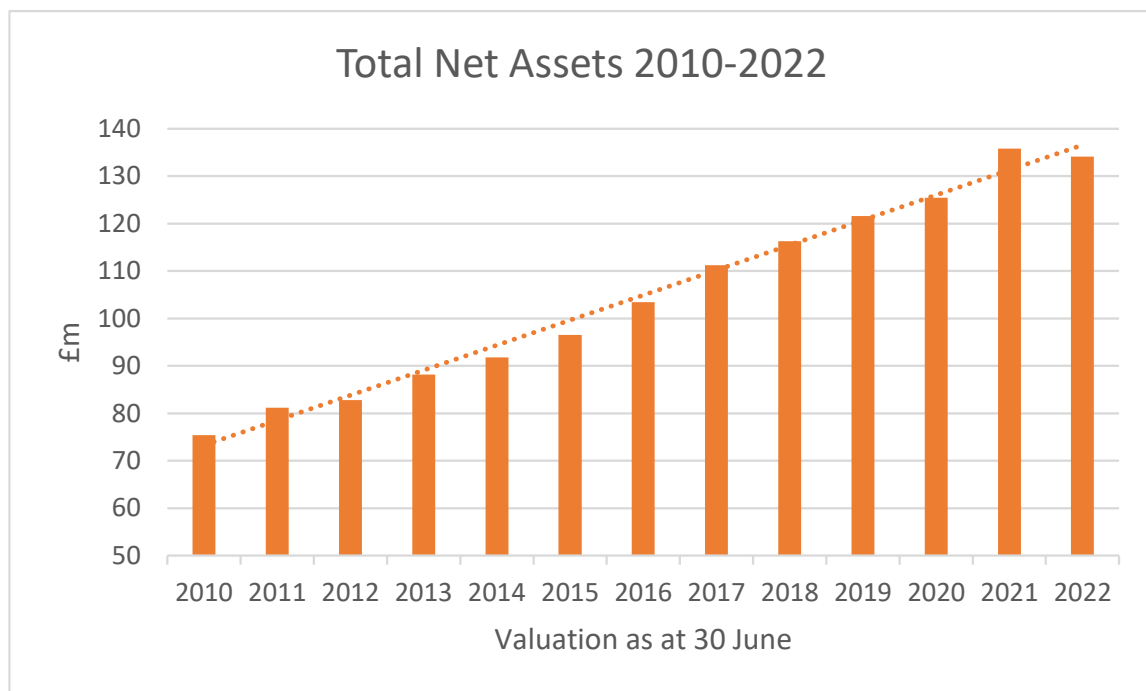
The College is obliged to consider whether it is in a position to operate for at least 12 months following the signing of its accounts, in order to establish that it can be audited on a going concern basis. Selwyn has adopted a cautious approach to its finances over many years, has increased its reserves over time and limited its exposure to debt, which leaves it able to withstand the short-term impact of an event such as the pandemic for at



least 12 months, and in practice, for longer. The College therefore considers that it is indeed in a position to operate as a going concern for at least 12 months following the signing of its accounts. The auditors have commented separately on the College's going concern status.

(g) Long term development of Total Net Assets

Whilst the major correction seen in investment markets since the start of calendar year has had a negative impact in 2021-22, over the long term the College has continued to grow its total net assets on a consistent basis since the global financial crisis, as shown by the graph below. Indeed, in 2021-22, setting aside investments, other net assets of the College continued to increase in value.



6. RISKS AND UNCERTAINTIES

The College maintains a risk register, which is sub-divided into red, amber, yellow and green risks according to a matrix of probability and impact. The headline risks (red and amber) are reviewed termly by the College Council including any actions and timescales required, and the yellow risks are reviewed by the Council mid-way between annual reviews. The full risk register is reviewed annually by the Governing Body. The current risk register identifies 13 headline risks, out of a total of 56 documented.

Two red risks were identified – a revived Covid threat and/or another medical emergency (subsequently downgraded to Amber since the end of the financial year) and the risk of higher or unsustainable budget deficits, especially given the increasingly inflationary environment whilst Home tuition fees remain frozen. Other financial risks (a change in the tuition fee regime, and increased pension deficits); IT risks (cyber-crime attack, a significant data breach, and a major IT operational outage); the risk to provision of core services arising from the increasing challenges in the non-academic staff labour markets, and the risks inherent in a failure to adopt an environmentally sustainable approach across the College's operations and estates also all feature in the headline risks.



With respect to financial risks, the risk of a change in the tuition fee regime which reduces financial resources would potentially threaten the world-class education that the College provides, while it remains to be seen that the College can fully recover its operational budget position post-pandemic, particularly with respect to Conference income, notwithstanding significant progress made in 2021-22. The improvement in pension scheme provisions this year is welcome but we are aware that market volatility could result in further worsening in the future.

With respect to IT risks, the College continues to focus through its IT and Compliance committees on mitigating the risks as far as possible but the experience of even the largest organisations shows that complete elimination of risk in this area cannot be fully achieved.

With respect to sustainability, the College has a Sustainability working group and this year has taken a major step forward in making a low-carbon development the cornerstone of the approach to redeveloping three large student accommodation hostels in Grange Road and Selwyn Gardens.

Meanwhile, Cambridge is not immune from the effects of both the legacy of Covid and the current wider geopolitical situation and its implications for the economy, inflation and interest rates. In addition, recent changes to labour markets and global supply chains look as if they may not be entirely temporary in nature, and the College will need to continue to navigate these changes as they evolve, whatever they may be. Finally, whilst perhaps not front and centre currently, it seems likely that the continuing implications of Brexit still remain to be fully played out.

7. CONCLUSION AND OUTLOOK FOR THE FUTURE

2021-22 was a year of transition, but not, as we might have hoped, a simple, if gradual, return to pre-pandemic certainties. Instead, it seems we are all transitioning to a different set of challenges. Some of these arise out of the legacy of the pandemic itself and the different perspective it has brought to many people, who have identified some of those previous certainties as ways of living to which they do not now wish to return. Others arise out of the post-pandemic economic situation, which was always going to be challenging to manage given the extraordinarily loose fiscal and monetary conditions it forced on governments and central banks alike. By the autumn of 2021, inflation was already a concern, but the Russian invasion of Ukraine in February 2022 significantly exacerbated the economic and social issues arising from further disruptions to supply chains and unprecedented increases in energy prices, driving inflation rates not seen in 40 years and a major cost of living crisis.

These global factors continue to affect the College in all kinds of ways, but financially the essence of the challenge is that it puts significant upward pressure on the costs of an organisation which has only a limited ability to increase its income.

That all said, there is much to welcome in the financial results for 2021-22 and what they demonstrate about future prospects. A tangible financial recovery from the Covid years is now clearly observable, with activity levels up significantly in both core student services provision and conference business. The College has managed the delivery of this extra activity at an additional cost that is lower than the additional income that has resulted, reducing deficits in these areas. The cash surplus increased in 2021-22 compared with 2020-21, and since the



financial year end, conference business levels have continued to increase into the 2022-23 year now underway.

As mentioned last year, the College did not allow Covid to distract from its long-term objectives, and has delivered on plans set out at that time to build on the completion of the Bartlam Library and Quarry Whitehouse Auditorium by transforming the Old Library into a number of new seminar rooms, including one dedicated to Medicine and Veterinary Medicine, a climate-controlled base for archives and rare books, and a new home for the Alumni and Development team. The low-carbon and degasified development of three large Victorian houses used as student accommodation 'hostels' is nearing completion, and as well as the environmental benefits, will increase both the quantity and quality of postgraduate accommodation. Significantly enhanced space for the choir and music facilities in the previous home of archives and rare books has also been delivered this year.

In the longer term, over the next 10 or more years, the outputs of the sustainability strategy are expected to assume a higher profile in the College's priorities. The largest challenge, but also with the largest prize, is the decarbonisation of College operations as far as possible, with degasification of College heating the largest component of that.

In the immediate future, dealing with the impacts of wider national and international economic headwinds, as well as the impacts of supply chain disruptions and challenging labour markets to deliver core services – and to do all that while continuing the financial recovery from the Covid years – will be the top priority.

Despite all these challenges, there remains much to be positive about. Cambridge University remains a global academic and educational powerhouse and the collegiate system remains a source of strength within it. Selwyn College has an enviable location within the City and University and benefits from a dedicated staff and a positive, supportive and collaborative culture. Although the necessity of moving online through the pandemic delivered some unexpected benefits, the pandemic also demonstrated the enduring power and value of in-person, personal, teaching and learning in a community setting which facilitates the interplay of ideas, sharing of knowledge and opinions, and respectful challenge and debate.

Finally, on a personal note, as this will be the last annual report and accounts I present as Bursar before retiring, I would like to take this opportunity to thank all the staff, students and Fellows with whom I have had the good fortune to work, and who collectively deliver those results and achievements I have set out in the report above.

Martin Pierce
Bursar

15 November 2022



Statement of Corporate Governance

The following statement is provided by the Governing Body to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.

The College is a registered charity (registered number 1137517) and subject to regulation by the Charity Commission for England and Wales. The members of the Governing Body are the charity trustees and are responsible for ensuring compliance with charity law.

The Governing Body is advised in carrying out its duties by a number of Committees. Foremost amongst these is the College Council, which meets a minimum of eleven times per year and carries delegated authority from the Governing Body under the Statutes of the College. The majority of Committees report to the College Council, which in turn reports to the Governing Body.

The principal officers of the College in 2021-22, all of whom were Trustees and ex-officio members of the Council, were:

The Master:	Mr Roger Mosey
The Vice Master:	Dr Janet A O'Sullivan
The Bursar:	Mr Martin D Pierce
The Senior Tutor:	Dr Michael J Sewell

It is the duty of the College Council to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the Governing Body on the appointment of external auditors; to consider reports submitted by the auditors; to monitor the implementation of recommendations made by the auditors; and to make an annual report to the Governing Body. Membership of the Council includes the principal officers of the College ex-officio, plus 8 further Trustees elected periodically by the Governing Body and 3 junior members of the College who are also Trustees and members of the Governing Body.

There are Registers of Interests of Members of the Governing Body and by extension Council and its Committees on which Trustees sit, and of the senior administrative officers. Declarations of interest are made systematically at each meeting of Governing Body, Council and Committees.

The Members of the Governing Body during the year ended 30 June 2022 are set out on page 3.



Statement of Internal Control

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.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.

The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. A review of major risks takes place each term at Council, and the complete risk register is reviewed in full annually by both the Council and the Governing Body. This process was in place for the year ended 30 June 2022 and up to the date of approval of the financial statements.

The Governing Body is responsible for reviewing the effectiveness of the system of internal control. The following processes have been established:

- The setting of detailed budgets with clearly defined levels of authority for expenditure;
- Regular scrutiny of detailed financial performance data, including comparison with budgets;
- Annual comparison and benchmarking of financial performance and key indices with the other colleges.

The Council reviews in detail and recommends approval to the Governing Body:

- The annual Budget in advance of the start of the financial year;
- Periodic in-year reviews of financial performance against budget;
- The year-end accounts and audit.

The Governing Body's review of the effectiveness of the system of internal control is informed by the work of the Council and various Committees, the Bursar and 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.



Statement of Responsibilities of the Governing Body

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

The College's Statutes and the Statutes and Ordinances of the University of Cambridge require the Governing Body to prepare financial statements for each financial year 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 are required to:

- Select suitable accounting policies and then apply them 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Governing Body is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Statutes of the University of Cambridge. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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.

Any system of internal financial control, however, can only provide reasonable, not absolute, assurance against material misstatement or loss.



Independent Auditors' Report to the Governing Body of Selwyn College Year Ended 30 June 2022

Opinion

We have audited the financial statements of Selwyn College (the 'College') for the year ended 30 June 2022, which comprise the Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Balance Sheet, the 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 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 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 Operating 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 Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 26, 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;
- 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 Group'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.

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/auditorsresponsibilities. 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
Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 22 November 2022

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



Statement of Principal Accounting Policies

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, using the Recommended Cambridge College Accounts (RCCA) format; and applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education issued in 2019.

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

The College is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

All items dealt with in arriving at the surplus for 2022 and 2021 relate to continuing operations.

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment assets and certain land and buildings.

Recognition of income

a. Academic fees

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

b. Restricted grant income

Grants received from non-government sources are recognised within the 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 Statement of Comprehensive Income and Expenditure in line with such conditions being met.

c. 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 Statement of Comprehensive Income and Expenditure when the College is entitled to the income, the amount is measurable and receipt is probable. 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.

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 Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

d. 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.

Total return

The College operates a total return policy with regard to its endowment assets. Spendable income equivalent to 3% of the average endowment for the last five years, lagged by one year, is included as endowment income. Investment management costs are charged against income.

e. Other income

Income is received from a range of activities including accommodation, catering, conferences and other services rendered.

f. Cambridge Bursary Scheme

In 2021-22, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). As a consequence the College reimbursed the SLC for the full amount paid to their eligible students and the College subsequently received a contribution from the University of Cambridge towards this payment.

The net payment of £184k (2021: £203k) is shown within the Statement of Comprehensive Income and Expenditure as follows:

	2022	2021
	£000	£000
Restricted income from Academic fees and charges (note 1)	161	145
Restricted expenditure on Education (note 4)	345	348
	£184	£203



Fixed assets

a. Land and buildings

The operational buildings held by the College on 1 July 2002 have been brought into the accounts at depreciated replacement cost based on a valuation carried out by Davis Langdon LLP, Chartered Surveyors. Subsequent additions and improvements to the College's buildings are accounted for at cost. Freehold buildings are depreciated on a straight-line basis over their expected useful economic life of 50 years. Freehold land is not depreciated. Leasehold buildings are amortised over 50 years, or, if shorter, the period of the lease.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred to 30 June 2022. They are not depreciated until they are brought into use.

No value has been placed on the land occupied by the College's operational buildings as at 1 July 2002; purchases of land after this date are to be capitalised.

b. Maintenance of premises

The College has a five-year rolling maintenance plan that is reviewed on an annual basis. The cost of routine maintenance is charged to the Statement of Income and Expenditure as it is incurred.

c. Furniture, fittings and equipment

Furniture, fittings and equipment costing less than £100 per individual item or group of related items are written off in the year of acquisition. All other assets are capitalised and depreciated over their expected useful lives as follows:

Furniture and fittings	15 years
Motor vehicles	10 years
General equipment	5-20 years
Computer equipment	4 years
Library books	20 years
Musical instruments	50 years

No depreciation is charged in the year of acquisition.

d. Heritage assets

The College holds a collection of rare books which is not recognised in the Balance Sheet. This collection has arisen through donations and largely comprises works on theology. Few of the books are scarce or in first editions and the subject area is unfashionable. It would be difficult and expensive to replace the collection but equally the possibility of finding a specialist buyer could not be guaranteed, therefore to attribute any value to these books would be unrealistic.

The College employs a professional archivist whose responsibilities include the care and maintenance of the rare book collection. The exposure of the collection to heat and light is strictly controlled.



The College also holds a number of paintings and drawings but the majority of these are portraits of members and benefactors of the College. As such, this collection pertains to the history of the College and has little external market value.

e. Leased assets

The College does not hold any fixed assets under finance leases.

Investments

Fixed asset investments are included in the balance sheet at fair value. Investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value.

Stocks

Stocks are valued 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 benefit 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.

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.

Foreign currencies

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 the actual year end rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Taxation

The College is a registered charity (number 1137517) 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 G, II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The College may from time to time be eligible for such grants. The liability for the year is as advised to the College by the University 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 the Universities Superannuation Scheme (USS). 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 College 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 FRS102 "Employee benefits", the College therefore accounts for the Scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to income and expenditure represents the contributions payable to the Scheme in respect of the accounting period. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the Scheme will fund the overall deficit, the College 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 is included in income and expenditure.

The College also participates in the Cambridge Colleges Federated Pension Scheme (CCFPS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The assets of the Scheme are held in a separate trustee administered fund. The funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years, the actuary reviews the progress of the schemes. Pension costs are assessed in accordance with the advice of the actuary, based on



the latest actuarial valuation of the Scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the institution benefits from the employees' services.

The College also offers membership of a defined contribution pension scheme to its non-academic employees and the pension charge represents the amounts payable by the College to the scheme in respect of the employees' service during the year. Up until 31st December 2021 the scheme offered was NEST, thereafter it was a scheme with Aviva, with insured benefits funded by the College via a policy with AIG.

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 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 when performance related conditions have been met and 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 note 9.



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 note 20.

FRS102 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 USS. 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 income and expenditure in accordance with section 28 of FRS 102. 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 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2038. 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 note 20.

**Statement of Comprehensive Income and Expenditure****Year ended 30 June 2022**

	Note	2022			2021		
		Unrestricted	Restricted	Endowment	Unrestricted	Restricted	Endowment
		£000	£000	£000	£000	£000	£000
Income							
Academic fees and charges	1	3,100	161	-	2,839	145	-
Accommodation, catering and conferences	2	4,458	-	-	2,798	-	-
Investment income	3	3	-	1,521	-	-	1,529
Endowment return transferred	3	965	801	(1,766)	872	657	(1,529)
Job Retention Scheme Grant		13	-	-	431	-	-
Total income before donations and endowments		8,539	962	(245)	6,940	802	-
Donations		1,464	985	-	853	263	-
New endowments		-	-	702	-	-	642
Other capital grants for assets		-	531	-	-	256	-
Total income		10,003	2,478	457	7,793	1,321	642
Expenditure							
Education	4	3,776	1,019	-	3,217	933	-
Accommodation, catering and conferences	5	6,882	-	-	6,040	-	-
Interest payments		64	-	-	-	-	-
Other expenditure	6	815	-	-	74	-	-
Total expenditure	7	11,537	1,019	-	9,331	933	-
Surplus/(deficit) before other gains and losses		(1,534)	1,459	457	(1,538)	388	642
Gain on disposal of fixed assets	9	-	-	-	1	-	-
(Loss)/gain on investments	10	(509)	(254)	(4,872)	888	327	8,210
(Deficit)/Surplus before Statute G, II contribution		(2,043)	1,205	(4,415)	(649)	715	8,852
Contribution under Statute G, II		(2)	-	-	(9)	-	-
(Deficit)/surplus after Statute G, II contribution being (deficit)/surplus for the year		(2,045)	1,205	(4,415)	(658)	715	8,852
Other comprehensive income							
Actuarial gain in respect of pension schemes	16	3,555	-	-	1,478	-	-
Total comprehensive income for the year		£1,510	£1,205	£(4,415)	£820	£715	£8,852
				£(1,700)			£10,387

The notes on pages 43 to 60 form part of these accounts.

**Statement of Changes in Reserves****Year ended 30 June 2022**

	Income and expenditure reserve			Total £000
	Unrestricted £000	Restricted £000	Endowment £000	
Balance at 1 July 2021	72,571	3,229	60,010	135,810
(Deficit)/surplus from income and expenditure statement	(2,045)	1,205	(4,415)	(5,255)
Other comprehensive income	3,555	-	-	3,555
Release of restricted capital funds spent in the year	531	(531)	-	-
Balance at 30 June 2022	£74,612	£3,903	£55,595	£134,110

	Income and expenditure reserve			Total £000
	Unrestricted £000	Restricted £000	Endowment £000	
Balance at 1 July 2020	69,228	5,037	51,158	125,423
Surplus/(deficit) from income and expenditure statement	(658)	715	8,852	8,909
Other comprehensive income	1,478	-	-	1,478
Release of restricted capital funds spent in the year	2,523	(2,523)	-	-
Balance at 30 June 2021	£72,571	£3,229	£60,010	£135,810

The notes on pages 43 to 60 form part of these accounts.

**Balance Sheet as at 30 June 2022**

	Note	30 June 2022 £000	30 June 2021 £000
Non-current assets			
Fixed assets	9	72,319	70,201
Investments	10	<u>67,796</u>	<u>70,403</u>
Total non-current assets		140,115	140,604
Current assets			
Stocks	11	242	262
Trade and other receivables	12	1,739	923
Cash and cash equivalents	13	<u>3,527</u>	<u>2,021</u>
Total current assets		5,508	3,206
Creditors: amounts falling due within one year	14	(1,952)	(1,907)
Net current assets/(liabilities)		3,556	1,299
Total assets less current liabilities		143,671	141,903
Creditors: amounts falling due after more than one year	15	(6,000)	-
Provisions			
Pension provisions	16	(3,561)	(6,093)
Total net assets		£ <u>134,110</u>	£ <u>135,810</u>
Restricted reserves			
Income and expenditure reserve – endowment reserve	17	55,595	60,010
Income and expenditure reserve – restricted reserve	18	<u>3,903</u>	<u>3,229</u>
		59,498	63,239
Unrestricted reserves			
Income and expenditure reserve – unrestricted		<u>74,612</u>	<u>72,571</u>
Total Reserves		£ <u>134,110</u>	£ <u>135,810</u>

Approved by the Governing Body on 15 November 2022 and signed on their behalf by:

Martin Pierce
Bursar

The notes on pages 43 to 60 form part of these accounts.

**Cash Flow Statement for the year ended 30 June 2022**

	Note	2022 £000	2021 £000
Reconciliation of surplus for the year to net cash flows from operating activities			
(Deficit)/Surplus for the year		(5,255)	8,909
Adjustment for non-cash items			
Depreciation	9	2,294	1,976
Loss/(Gain) on endowments and donations	18	5,635	(9,426)
Decrease in stocks	11	20	8
Increase in trade and other receivables	12	(816)	(728)
Increase/(Decrease) in creditors excluding loans	14	45	(539)
Pension costs less contributions payable	16	1,024	374
Adjustment for investing or financing activities			
Investment income	3	(1,521)	(1,529)
Interest payable		64	-
Gain on sale of non-current assets	9	-	(1)
Net cash inflow/(outflow) from operating activities		1,490	(956)
Cash flows from investing activities			
Investment income		1,521	1,529
Proceeds from sales of non-current fixed assets		-	6
(Purchases)/Sales of investment assets		(3,028)	8,019
Payments to acquire non-current assets	9	(4,413)	(8,740)
Total cash inflow from investing activities		(5,920)	814
Cash flows from financing activities			
Interest paid		(64)	-
Long term loans received	15	6,000	-
Net cash inflow from financing activities		5,936	-
Increase/(Decrease) in cash and cash equivalents in the year			
		1,506	(142)
Cash and cash equivalents at beginning of the year		2,021	2,163
Cash and cash equivalents at end of the year	13 £	3,527	£ 2,021

The notes on pages 43 to 60 form part of these accounts.

**Notes to the Accounts for the year ended 30 June 2022**

1 ACADEMIC FEES AND CHARGES	2022	2021
College fees:	£000	£000
Fee income received at the Regulated Undergraduate rate	1,685	1,703
Fee income received at the Unregulated Undergraduate rate	579	511
Fee income received at the Graduate rate	836	625
From the University of Cambridge and Trinity College for Cambridge Bursaries	161	145
	<u>£3,261</u>	<u>£2,984</u>
2 INCOME FROM ACCOMMODATION, CATERING AND CONFERENCES	2022	2021
	£000	£000
Accommodation:		
College members	3,067	2,393
Conferences	318	19
Catering:		
College members	793	370
Conferences	280	16
	<u>£4,458</u>	<u>£2,798</u>
3 ENDOWMENT RETURN AND INVESTMENT INCOME	2022	2021
	£000	£000
(a) Analysis of Investment Income		
Total return contribution	1,766	1,529
Cash	3	-
	<u>£1,769</u>	<u>£1,529</u>
(b) Summary of total return		
Income from:		
Quoted securities:		
- equities	1,346	1,273
- fixed interest	174	255
- cash	1	-
	<u>1,521</u>	<u>1,529</u>
(Losses)/gains on endowment assets	<u>(4,872)</u>	<u>8,210</u>
Total return for year	<u>(3,351)</u>	<u>9,739</u>
Total return transferred to income and expenditure (note (a))	<u>(1,766)</u>	<u>(1,529)</u>
Unapplied total return for year included within SOCI	<u>£(5,117)</u>	<u>£8,210</u>
Memorandum of Unapplied Total Return		
Included within reserves, the following amounts represent the Unapplied Total Return of the College:		
	2022	2021
	£000	£000
Unapplied Total Return at beginning of year	13,567	5,357
Unapplied Total Return for the year	<u>(5,117)</u>	<u>8,210</u>
Unapplied Total Return at end of year	<u>£8,450</u>	<u>£13,567</u>

Investment Management fees paid to JM Finn were £120,125 (2021: £118,601) and are included in Other Operating Expenses (Note 7a).

**Notes to the Accounts for the year ended 30 June 2022**

	2022	2021
	£000	£000
4 EDUCATION EXPENDITURE		
Teaching	2,634	2,302
Tutorial	539	466
Admissions	278	263
Access	219	141
Research	143	146
Scholarships and awards	437	296
Cambridge Bursaries	345	348
Other educational facilities	200	188
Total	<u>£4,795</u>	<u>£4,150</u>

	2022	2021
	£000	£000
5 ACCOMMODATION, CATERING AND CONFERENCE EXPENDITURE		
Accommodation		
- College members	3,032	2,777
- Conferences	1,347	1,234
Catering		
- College members	1,733	1,405
- Conferences	770	624
Total	<u>£6,882</u>	<u>£6,040</u>

	2022	2021
	£000	£000
6 OTHER EXPENDITURE		
Net return on pension scheme assets less liabilities	815	74
	<u>£815</u>	<u>£74</u>

7a ANALYSIS OF 2021-22 EXPENDITURE BY ACTIVITY	Staff costs (note 8) £000	Other Operating Expenses £000	Depreciation £000	Total £000
Education (note 4)	2,254	2,125	416	4,795
Accommodation, catering and conferences (note 5)	3,264	1,740	1,878	6,882
Interest payments	-	64	-	64
Other expenditure (note 6)	-	815	-	815
	<u>£5,518</u>	<u>£4,744</u>	<u>£2,294</u>	<u>£12,556</u>

Other Operating Expenses includes £282,596 as costs of fundraising (2021: £215,676) and £210,489 as costs of alumni relations (2021: £159,767).

7b ANALYSIS OF 2020-21 EXPENDITURE BY ACTIVITY	Staff costs (note 8) £000	Other Operating Expenses £000	Depreciation £000	Total £000
Education (note 4)	2,120	1,690	340	4,150
Accommodation, catering and conferences (note 5)	3,058	1,346	1,636	6,040
Other expenditure (note 6)	-	74	-	74
	<u>£5,178</u>	<u>£3,110</u>	<u>£1,976</u>	<u>£10,264</u>

**Notes to the Accounts for the year ended 30 June 2022****7c AUDITORS' REMUNERATION**

	2022	2021
	£000	£000
Other operating expenses include:		
Audit fees payable to the College's external auditors	17	16
Other fees payable to the College's external auditors	-	-
	<u>£17</u>	<u>£16</u>

8 STAFF

	Academic	Non-academic	2022	2021
	£000	£000	Total	Total
			£000	£000
Staff costs:				
Salaries	1,013	3,097	4,110	3,802
National Insurance	85	231	316	292
Pension costs (see note 22)	171	921	1,092	1,084
	<u>£1,269</u>	<u>£4,249</u>	<u>£5,518</u>	<u>£5,178</u>

Average staff numbers 2022

Average staff numbers 2021

	Number of	Full-time	2021		Number of	Full-time	2020
	Fellows	equivalents	Total		Fellows	equivalents	Total
Academic	57	[REDACTED]	57		61	[REDACTED]	61
Non-academic	2	105	107		2	105	107
	<u>59</u>	<u>105</u>	<u>164</u>		<u>63</u>	<u>105</u>	<u>168</u>

At 30 June 2022 there were 64 Members of the Governing Body. During the year the average number receiving a stipend from the College was 59 as shown above.

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

From	To	2022	2021
		Total	Total
£100,001	£110,000	3	1
£110,001	£120,000	1	2

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.

During the year, remuneration paid to Trustees in their capacity as College Officers was: £1,336,436 (64 Trustees) (2021: £1,288,324 (63 Trustees)). The trustees receive no remuneration in their role as trustees of the charity.



Notes to the Accounts for the year ended 30 June 2022

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 Master, Vice Master, Bursar and Senior Tutor are the College's key management personnel.

	2022	2021
	£000	£000
Aggregated remuneration:	<u>£279</u>	<u>£280</u>

9	FIXED ASSETS				
		2022	2022	2022	2021
		Land and buildings	Equipment	Total	Total
		£000	£000	£000	£000
	Cost or valuation				
	At beginning of year	87,125	9,295	96,420	87,823
	Additions at cost	3,767	645	4,412	8,740
	Disposals at cost/valuation	-	(300)	(300)	(143)
	At end of year	<u>90,892</u>	<u>9,640</u>	<u>100,532</u>	<u>96,420</u>
	Depreciation				
	At beginning of year	22,547	3,672	26,219	24,382
	Charge for the year	1,692	602	2,294	1,976
	Eliminated on disposals	-	(300)	(300)	(139)
	At end of year	<u>24,239</u>	<u>3,974</u>	<u>28,213</u>	<u>26,219</u>
	Net book value				
	At end of year	<u>£66,653</u>	<u>£5,666</u>	<u>£72,319</u>	<u>£70,201</u>
	At beginning of year	<u>£64,578</u>	<u>£5,623</u>	<u>£70,201</u>	<u>£63,441</u>

The insured value of freehold land and buildings as at 30 June 2022 was £133,697,540 (2021: £121,116,559).

10	INVESTMENTS	2022	2021
		£000	£000
	Balance at beginning of year	70,403	68,997
	Additions at cost	5,122	1,267
	Disposals at opening market value	(1,019)	(6,839)
	Appreciation on disposals/revaluation	(5,670)	8,608
	Increase in cash balances held by fund managers	(1,040)	(1,630)
	Balance at end of year	<u>£67,796</u>	<u>£70,403</u>
	Represented by:		
	Quoted securities – equities	55,946	58,950
	Quoted securities – fixed interest	8,876	7,439
	Cash held for reinvestment	2,974	4,014
		<u>£67,796</u>	<u>£70,403</u>

11	STOCKS	2022	2021
		£000	£000
	Goods for resale	<u>£242</u>	<u>£262</u>

**Notes to the Accounts for the year ended 30 June 2022**

12 TRADE AND OTHER RECEIVABLES		2022	2021	
		£000	£000	
Members of the College		149	125	
Trade debtors		68	33	
Taxation recoverable		66	43	
Other receivables		1,273	645	
Prepayments		183	77	
		<u>£1,739</u>	<u>£923</u>	
13 CASH AND CASH EQUIVALENTS		2022	2021	
		£000	£000	
Current accounts		3,505	2,002	
Cash in hand		22	19	
		<u>£3,527</u>	<u>£2,021</u>	
14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		2022	2021	
		£000	£000	
Trade creditors and accruals		522	495	
PAYE and Social Security		152	137	
Students' deposits		226	151	
Other creditors		1,052	1,124	
		<u>1,952</u>	<u>1,907</u>	
15 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR		2022	2021	
		£000	£000	
Bank loan repayable 14 th January 2027		6,000,000	-	
		<u>6,000,000</u>	<u>-</u>	
16 PENSION PROVISIONS	CCFPS	USS	2022	2021
	£000	£000	£000	£000
Balance at beginning of year	5,720	373	6,093	7,197
Movement in year:				
Current service cost including life assurance	1,011	861	1,872	1,170
Contributions	(785)	(171)	(956)	(870)
Other finance cost/(gain)	104	3	107	74
Actuarial loss/(gain)	(3,555)	-	(3,555)	(1,478)
Balance at end of year	<u>£2,495</u>	<u>£1,066</u>	<u>£3,561</u>	<u>£6,093</u>

**Notes to the Accounts for the year ended 30 June 2022****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	32,428	27,582	60,010	51,158
New donations and endowments	702	-	702	642
(Decrease)/Increase in market value of investments	(2,585)	(2,532)	(5,117)	8,210
Balance at end of year	<u>£30,545</u>	<u>£25,050</u>	<u>£55,595</u>	<u>£60,010</u>

Analysis by type of purpose:

Fellowship Funds	11,220	12,151
Scholarship Funds	4,671	5,067
Prize Funds	487	672
Hardship Funds	10,356	10,420
Travel Grant Funds	665	721
Other Funds	3,147	3,397
General endowments	25,049	27,582
	<u>£55,595</u>	<u>£60,010</u>

Analysis by asset:

Investments	55,595	60,010
	<u>£55,595</u>	<u>£60,010</u>

**Notes to the Accounts for the year ended 30 June 2022****18 RESTRICTED RESERVES**

Reserves with restrictions are as follows:

	Capital grants unspent £000	Unspent restricted income £000	Restricted expendable endowment £000	2022 Total £000	2021 Total £000
Balance at beginning of year:					
Capital	-	-	56	56	2,317
Accumulated income	-	2,848	325	3,173	2,720
	-	2,848	381	3,229	5,037
From the University of Cambridge for Cambridge Bursaries	-	161	-	161	145
New grants	531	-	-	531	256
New donations	-	40	945	985	263
Endowment return transferred	-	800	1	801	657
Decrease/(Increase) in market value of investments	-	(199)	(55)	(254)	327
Capital grants utilised	(531)	-	-	(531)	(2,523)
Expenditure	-	(837)	(182)	(1,019)	(933)
	-	(35)	709	674	(1,808)
Balance at end of year					
Capital	-	-	660	660	56
Accumulated income	-	2,813	430	3,243	3,173
	£-	£2,813	£1,090	£3,903	£3,229
Analysis of other restricted funds/donations by type of purpose:					
Fellowship Funds		1,100	148	1,248	1,275
Scholarship Funds		554	46	600	544
Prize Funds		130	18	148	155
Hardship Funds		766	148	914	836
Travel Grant Funds		117	44	161	163
Other Funds	-	146	686	832	256
	£-	£2,813	£1,090	£3,903	£3,229



Notes to the Accounts for the year ended 30 June 2022

19 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	2,021	1,506	-	3,527
Borrowings: amounts falling due within one year				
Unsecured loans	-	-	-	-
Borrowings: Amounts falling due after more than one year				
Unsecured loans	-	(6,000)	-	(6,000)
	-	(6,000)	-	(6,000)
	£2,021	£(4,494)	-	£(2,473)

**Notes to the Accounts for the year ended 30 June 2022****20 FINANCIAL INSTRUMENTS**

	2022	2021
	£000	£000
Financial assets		
<i>Financial assets at fair value through Statement of Comprehensive income</i>		
Listed equity investments	59,389	61,314
<i>Financial assets that are equity instruments measured at cost less impairment</i>		
Other equity investments	4,892	5,074
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Cash and cash equivalents	6,501	6,035
Other debtors	1,550	835
	£72,332	£73,258
Financial liabilities		
<i>Financial liabilities measured at amortised cost</i>		
Loans	6,000	-
Trade creditors	188	145
Other creditors	1,127	1,144
	£7,315	£1,289



Notes to the Accounts for the year ended 30 June 2022

21 CAPITAL COMMITMENTS	2022	2021
	£000	£000
Commitments contracted for at 30 June:	<u>£2,745</u>	<u>£187</u>

**Notes to the Accounts for the year ended 30 June 2022****22 PENSION SCHEMES**

The College participates in the following defined benefit pension schemes: the Universities Superannuation Scheme (USS) and the Cambridge Colleges Federated Pension Scheme (CCFPS). The College closed CCFPS to new joiners at 31st December 2021. From 1st January 2022 eligible non-academic staff are auto-enrolled into a defined contribution scheme with Aviva, with insured benefits provided by an employer-funded policy with AIG. Prior to 1st January 2022, the College used NEST to fulfil its auto-enrolment obligations for staff not wishing to join CCFPS. Contributions payable in respect of the year were as follows:

	2022	2021
	£000	£000
USS	171	164
CCFPS	886	910
NEST	4	10
AVIVA	28	-
AIG	3	-
	<u>1,092</u>	<u>1,084</u>

Universities Superannuation Scheme

The College participates in the 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 College 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 FRS102 "Employee benefits", the College therefore accounts for the Scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to income and expenditure represents the contributions payable to the Scheme in respect of the accounting period. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the Scheme will fund the overall deficit, the College 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 is included in income and expenditure.

The total cost charged to income and expenditure is £171k (2021: £164k) as shown in note 8. Deficit recovery contributions due within one year for the College are £61k (2021: £45k)

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2020 (the valuation date), which was carried out using the projected unit method.

Since the College cannot identify its share of Scheme assets and liabilities, the following disclosures reflect those relevant for the Scheme as a whole.



Notes to the Accounts for the year ended 30 June 2022

22 PENSION SCHEMES

Universities Superannuation Scheme (continued)

The 2020 valuation was the sixth valuation for USS 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 £66.5 billion and the value of the scheme's technical provisions was £806 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.

CPI assumption

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040.

Discount rate:

Fixed interest gilt yield curve plus:

Pre-retirement: 2.75% p.a.

Post-retirement: 1.00% p.a.

Pension increases (subject to a floor of 0%):

CPI assumption plus 0.05%

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 2020 actuarial valuation. The mortality assumptions used in these figures are as follows. Mortality base table:

2020 Valuation

Mortality base table

101% of S2PMA "light" for males and 95% of S3PFA for females.

2018 Valuation

Mortality base tables:

Pre-retirement

71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.

Post-retirement

97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females.

Future improvements to mortality

CM_2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

Future improvements to mortality

CM_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

**Notes to the Accounts for the year ended 30 June 2022****22 PENSION SCHEMES****Universities Superannuation Scheme (continued)**

The current life expectancies on retirement at age 65 are:

	2022	2021
Males currently aged 65 (years)	23.9	24.6
Females currently aged 65 (years)	25.5	26.1
Males currently aged 45 (years)	25.9	26.6
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 to 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	3.33%	0.78%
Pensionable salary growth	5.0%	2.7%

Cambridge Colleges Federated Pension Scheme

The College is also a member of a multi-employer defined benefit scheme: the Cambridge Colleges' Federated Pension Scheme. A full valuation was undertaken as at 31 March 2020 and updated to 30 June 2022 by a qualified independent actuary.

The liabilities of the scheme have been calculated, at 30 June 2022, for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the Scheme benefit structure and membership since that date.

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

	2022	2021
	% p.a.	% p.a.
Discount rate	3.80	1.80
Salary inflation assumption	3.25	3.10
Retail Prices Index (RPI) assumption	3.45*	3.40
Consumer Prices Index (CPI) assumption	2.75*	2.60
Pension increases in payment (RPI Max 5% p.a.)	3.30*	3.30
Pension increases (CPI Max 2.5% p.a.)	2.05*	1.95

* For 1 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.

**Notes to the Accounts for the year ended 30 June 2022****22 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

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% p.a., 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% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

	2022	2021
Males currently aged 65 now	21.9	21.9
Females currently aged 65 now	24.3	24.3
Males aged 45 now and retiring in 20 years	23.2	23.2
Females aged 45 now and retiring in 20 years	25.7	25.7

Members are assumed to retire at their normal retirement age (65) apart from in the following indicated cases:

	Male	Female
Active Members – Option 1 Benefits	64	64
Deferred Members – Option 1 Benefits	63	62

Allowance has been made at retirement for non-retired members to commute part of their pension for a lump sum on the basis of the current commutation factors in these calculations.

The amounts recognised in the Balance Sheet as at 30 June 2022 (with comparative figures as at 30 June 2021) are as follows:

	2022	2021
	£000	£000
Present value of plan liabilities	(14,667)	(19,565)
Market value of plan assets	12,172	13,845
Net defined benefit liability	£(2,495)	£(5,720)

The amounts to be recognised in income and expenditure for the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

	2022	2021
	£000	£000
Current service cost	977	1,000
Administration expenses	34	25
Interest on net defined benefit liability	104	99
Loss of plan changes	-	-
Total	£1,115	£1,124

**Notes to the Accounts for the year ended 30 June 2022****22 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

Changes in the present value of the Scheme liabilities for the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

	2022	2021
	£000	£000
Present value of Scheme liabilities at beginning of period	19,565	20,179
Current service cost (including Employee contributions)	977	1,000
Employee contributions	26	23
Benefits paid*	(383)	(1,233)
Interest on Scheme liabilities	357	291
Actuarial losses/(gains)	(5,875)	(695)
Loss on plan changes	-	-
Present value of Scheme liabilities at end of period	£14,667	£19,565

*net benefits paid after receipt of two large death in service lump sums

Changes in the fair value of the Scheme assets for the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

	2022	2021
	£000	£000
Market value of Scheme assets at beginning of period	13,845	13,398
Contributions paid by the College	785	706
Employee contributions	26	23
Benefits paid	(383)	(1,233)
Administration expenses	(43)	(40)
Interest on plan assets	253	192
Return on assets, less interest included in income and expenditure	(2,311)	798
Market value of plan assets at end of period	£12,172	£13,844
Actual return on plan assets	£(2,058)	£990

The major categories of Scheme assets as a percentage of total Scheme assets at 30 June 2022 (with comparative figures at 30 June 2021) are as follows:

	2022	2021
Equities	52%	48%
Bonds and cash	34%	42%
Property	14%	10%
Total	100%	100%

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

**Notes to the Accounts for the year ended 30 June 2022****22 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

	2022	2021
	£000	£000
Return on assets, less interest included in Profit & Loss	(2,311)	798
Expected less actual scheme expenses	(8)	(15)
Experience gains and losses arising on Scheme liabilities	(538)	309
Changes in assumptions underlying the present value of Scheme liabilities	6,412	386
Re-measurement of net defined benefit liability recognised in OCI	£3,555	£1,478

Movement in net defined benefit liability during the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

	2022	2021
	£000	£000
Deficit in Scheme at beginning of year	(5,720)	(6,781)
Recognised in income and expenditure	(1,115)	(1,123)
Contributions paid by the College	785	706
Re-measurement of net defined benefit liability recognised in OCI	3,555	1,478
Net defined benefit liability at end of year	£(2,495)	£(5,720)

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 31 March 2020. This showed that the Scheme'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 Scheme's Schedule of Contributions dated 21 May 2021 and are as follows:

- Annual contributions of not less than £99,277 per annum payable for the period 1 July 2021 to 31 May 2033.

These payments are subject to review following the next funding valuation, due as at 31 March 2023.



Notes to the Accounts for the year ended 30 June 2022

22 PENSION SCHEMES

Cambridge Colleges Federated Pension Scheme (continued)

These deficit reduction contributions are incorporated into the Scheme's Schedule of Contributions dated 21 May 2021 and are as follows:

- Annual contributions of not less than £99,277 per annum payable for the period 1 July 2021 to 31 May 2033.

These payments are subject to review following the next funding valuation, due as at 31 March 2023.

As part of the agreement of the level of deficit recovery contributions above, the College has given the Trustees of the CCFPS a legal and equitable charge over the property known as 1 Selwyn Gardens, Cambridge, which was purchased by the College in April 2021 for £2.4m for use as a student hostel.

NEST

Until 31 December 2021 the College offered membership of NEST, a defined contribution pension scheme, to its non-academic employees not wishing to join the CCFPS. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the College amounting to £4,472 (2021: £9,720) of which £0 (2021: £814) was outstanding at the year end.

AVIVA

From 1 January 2022 the College offered membership of a defined contribution pension scheme managed by Aviva, to its non-academic employees not already members of CCFPS. The College funds a policy with AIG for insured benefits for employees enrolled in the Aviva pension scheme. The pension charge represents contributions due from the College to Aviva amounting to £28,430 (2021: £0) of which £7,749 (2021: £0) was outstanding at the year end, and premiums due to AIG of £3,452 (2021: £0) of which £0 (2021: £0) was outstanding at the year end.

23 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 interests for all Governing Body members and where any member of the Governing Body has a material interest in a College matter they are required to declare that fact.



Notes to the Accounts for the year ended 30 June 2022

23 RELATED PARTY TRANSACTIONS

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 Remuneration Committee.

The salaries paid to Trustees in the year (including associated employer National Insurance contributions and employer contributions to pensions) are summarised in the table below:

From	To	2022 Number	2021 Number
£0	£10,000	37	41
£10,001	£20,000	7	4
£20,001	£30,000	5	5
£30,001	£40,000	2	5
£40,001	£50,000	3	3
£50,001	£60,000	4	2
£60,001	£70,000	1	0
£70,001	£80,000	2	2
£80,001	£90,000	-	1
£100,001	£110,000	3	-
	Total	64	63

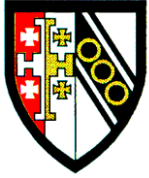
The total Trustee salaries were £1,037,942 for the year (2021: £999,181)

The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £21,310 for the year (2021: £21,230)

SELWYN COLLEGE CAMBRIDGE

England & Wales - Charity number 1137517

Accounts



Selwyn College, Cambridge

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2021**

Registered Charity No. 1137517



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**Selwyn College
Grange Road, Cambridge CB3 9DQ
Charity Registration Number 1137517**

The Head, Fellows and Scholars of Selwyn College is a corporate body comprising the Master, Fellows and Scholars, founded in 1882. In August 2010, the College became a registered charity with the Charities Commission, with its registered office at Grange Road, Cambridge CB3 9DQ.

Members of the Governing Body serving during the year

Mr Roger Mosey	Dr Gavin E Jarvis	Professor Grant D Stewart
Professor Patrick J N Baert	Dr James H Keeler	Professor Charlotte Summers
Dr Ronita Bardhan	Dr Myun Gun Kim	Professor Robert C Tasker
Dr Daniel A Beauregard	Mr Oleg Kitov	Dr Rupert J E Thompson
Dr Christopher Briggs	Professor Shaun T Larcom	Dr Chander K Velu
Professor Uradyn E Bulag	Dr Robert Lee	Dr Deepak Venkateshvaran
Professor Nicholas J Butterfield	Dr Anna H Lippert	Dr Dacia Viejo Rose
Dr Jack O Button	Ms Sarah E A MacDonald	Professor Heather M Webb
Dr Bryan Cameron	Dr Katarzyna Macieszczyk	Dr Lauren Wilcox
Professor R Stewart Cant	Mr James M R Matheson	Dr Charlotte Woodford
Dr Filipe Carreira da Silva	Dr Kirsty McDougall	Dr Yu Ye
Professor Daping Chu	Professor Ian A McFarland	Dr Victoria Young
Professor William J Clegg	Dr Sarah Meer	
Professor Philip J Connell	Dr James Moultrie	
Professor John S Dennis	Mr Michael G Nicholson	
Dr Lynn V Dicks	Professor Nikolaos Nikiforakis	
Professor Katharine J Ellis	Dr Mathias Nowak	
Dr Stuart M Eves	Dr Diarmuid R O'Donnell	
Professor Leonardo Felli	Dr Janet A O'Sullivan	
Dr Elena Y Filimonova	Dr Helena C Phillips-Robins	
Mrs Sarah Fraser Butlin	Mr Martin Pierce	
Dr Jessica Gardner	Dr Amer A Rana	
Dr Fabian Grabenhorst	Dr Charlotte Reinbold	
Dr Marta Halina	Professor Stewart O Sage	
Dr Emily Hancox	Dr Michael J Sewell	
Dr Nicole M Hartwell	Revd Canon Hugh D Shilson-Thomas	
Dr Joerg Haustein	Dr David L Smith	
Dr Alan D Howard	Dr Thomas D Smith	

JUNIOR MEMBERS

Isabel Roberts (JCR President)	Mariana Ramos de Lima (MCR President)
Henry Campos (JCR Treasurer)	Mehmet Dogar (MCR Treasurer)



Reference and Administration

Senior Officers:

Head of House:	Mr Roger Mosey
Vice Master:	Dr Janet O'Sullivan
Bursar:	Mr Martin Pierce
Senior Tutor:	Dr Michael J Sewell

Principal advisers:

Auditors:

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

Bankers:

Barclays Bank PLC
P O Box 885
Mortlock House
Station Road
Histon
Cambridge
CB24 9DE

Investment Managers:

J M Finn & Co
25 Cophall Avenue
London
EC2R 7AH

Legal Advisers:

HCR Hewitsons
Shakespeare House
42 Newmarket Road
Cambridge
CB5 5SP



Operating and Financial Review for the Year ended 30 June 2021

1. Introduction

Selwyn College (the "College") is pleased to present its operating and financial review, together with the financial statements for the year ended 30 June 2021.

The year July 2020 to June 2021 was the second to be dominated financially and operationally by the Covid-19 pandemic. Most notable financially was the almost complete loss of conference & events income, compared with the previous year when it had amounted to almost £1.3m. The main conference season is in the summer months of July to September, which in 2019-20 predated the pandemic, whereas in 2020 the outbreak of Covid in March led to the cancellation of all bookings for the summer months.

Also, whilst nearly all students were back in residence in Michaelmas Term 2020, by January the second national lockdown precluded a widespread return for the Lent Term. Although student numbers then increased gradually, the College was not (just about) full again until the second half of the Easter term. Although net income for student accommodation and catering made up a small amount of the ground lost in 2019-20, there was still a serious reduction in income compared with a year with full residence.

Nevertheless, the College Council and the staff of the College continued to negotiate the twists and turns of the crisis safely, speedily and innovatively to provide as much normality as was possible in maintaining services compatible with national and local restrictions.

It is a testament to the operational and financial resilience of the College that these accounts ultimately show an operating surplus when viewed on a cash basis, which was not expected to be achievable at the time of the original budget.

2. Governance of the College

(a) Statutes, Governing Body and Council

The College is a corporation established by Royal Charter of 13 September 1882. The arrangements for governance of the College are set out in its Statutes. The Master is Head of House, has statutory powers of governance and presides over the Governing Body and the Council. The Senior Tutor has overall responsibility for the admission, education and welfare of undergraduates and graduates and the Bursar has overall responsibility for the finances, estate and administration of the College. The members of the Governing Body serving during the year to 30 June 2021 are shown at the beginning of this report. With the exception of the junior members, Governing Body members serve until the earlier of retirement or the end of the academic year in which they reach 67 years of age, provided that they remain Fellows of the College.

The Governing Body, which meets three times a year, delegates day-to-day responsibility for the running of the College to the College Council and its Committees. Representatives of the undergraduate and postgraduate student bodies are members of the Governing Body and Council, and most of the Committees. The Council typically meets eleven times a year – three times per term and twice during the summer vacation. External members attend meetings of the Investment Committee, the Development Committee and the Remuneration Committee. Members of the Governing Body are required to act with



integrity, in the College's interests without regard to their own private interests, and to manage the affairs of the College prudently, balancing long-term and short-term considerations. The College has a policy for managing conflicts of interest, maintaining a register of interests and seeking declarations of potential conflict at the start of any meeting.

(b) Charitable Status

Acting on the powers in the Charities Act 2006, the Secretary of State removed the exempt status of the Colleges of Oxford and Cambridge on 1 June 2010. The College was then registered with the Charity Commission on 12 August 2010 (Registered Number: 1137517). The Governing Body is the trustee body for the charity and all members of the Governing Body are trustees. In line with Charity Commission recommended best practice, the College has appointed a majority of independent members to its Remuneration Committee and has appointed a special committee of disinterested persons to advise it on any matters relating to changes in the Universities Superannuation Scheme.

(c) Financial Reporting

The Governing Body has responsibility for ensuring that there is an effective system of internal controls and that financial records are accurately maintained. It is also responsible for safeguarding the assets of the College and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The College is required by statute to present audited financial statements for each financial year. The Cambridge colleges are classed as a special case for purposes of accounting and continue to publish accounts in the form stipulated by Statute G III 2(i) of the University, *The Recommended Cambridge Colleges Accounts ("RCCA")*, which is based on Financial Reporting Standards and is compliant with the *Statement of Recommended Practice: Accounting for Further and Higher Education*. The Intercollegiate Committee for College Accounts advises on interpretation. The College is a charity within the meaning of the Taxes Act 1988, s 506 (1).

(d) Relationship with the University

The College is a legally autonomous body; however, it exists within the federal structure of the University. Matters of concern to all colleges and the University are discussed and acted on through a system of University-wide committees, such as the Colleges' Committee, of which all Heads of House are members, the Senior Tutors' Committee, and the Bursars' Committee. Representatives of the Senior Tutors and Bursars sit on each other's committees and on the Colleges Committee. These committees work through the building of consensus as their decisions are not constitutionally binding. The Cambridge colleges have established an Office for Intercollegiate Services to support the activities of the principal intercollegiate committees.

3. Aims, Objectives and Achievements of the College

(a) Aims, Objectives and Public Benefit

Founded in 1882 in memory of George Augustus Selwyn, Bishop successively of New Zealand and of Lichfield, as a place of education, religion, learning and research, the College is an autonomous, self-governing community of scholars and one of 31 Colleges



within the University of Cambridge. The community consists of the Master, 63 fellows and 682 junior members, of whom 388 are undergraduates and 294 are graduate students.

The aims and objectives of the College are directed to delivering public benefit, in particular:

- The College aims to promote educational excellence at both undergraduate and postgraduate level and enable beneficiaries to fulfil their potential as part of both the College and the University of Cambridge;
- The College particularly aims to widen participation, increase diversity and facilitate access for those who would benefit from a Cambridge University education, but might face financial or other barriers to doing so without further support;
- The College aims to provide an environment conducive to maximising educational potential, through facilities including high quality accommodation, catering and library services on site;
- The College supports research which benefits the wider population of the UK and globally through innovation and new understanding that will improve prosperity, quality of life and environmental sustainability, amongst other benefits.

In undertaking their responsibilities as trustees of the charity, the members of the Governing Body endeavour to pay due regard to the Charity Commission guidance on public benefit by ensuring that their decisions support the College's aims and objectives.

The sections that follow set out how the College delivers these aims and objectives, as well as its achievements in respect of each, in more detail.

(b) Teaching

The College provides, in conjunction with the University of Cambridge, a research informed education for undergraduate and graduate students which is recognised as being of the highest international standard. The University came equal third overall in the 2022 (but published in 2021) QS World University Rankings and fourth overall in the 2021-22 Center for World University Rankings. In both it is one of the top three ranked universities outside the United States and in the latter the top university outside the USA.

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 other student support systems. It also provides 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.

(c) Research

The College advances research through the support that it provides to the doctoral students who are members of the MCR. It also does so through the provision of 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. During the course of 2020-21, the College added to the number of its Research Fellows through the creation



of the National Army Museum Fellowship in Indian Military History. It also supports the work of Postdoctoral researchers through the Trevelyan Research Associates scheme which is endorsed and supported by the University of Cambridge's Postdoc Academy.

In addition, the College supports research work pursued by its other Fellows through the availability of sabbatical leave for research, the promotion of interaction across disciplines, the provision of facilities and grants for national and international conferences, research trips and research materials. In non-Covid times it encourages visits from outstanding academics from abroad, including the appointment of Visiting Fellows and Bye-Fellows and the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

(d) Academic excellence

Following a record number of undergraduate applications in 2019-20, the figure fell only slightly to 734 in 2020-21, still fully 100 more than the next highest total Selwyn has ever received. The size of the field reflects the effort that the College has made in Widening Participation and Admissions activities in recent years. Whilst EU applications have, predictably, fallen, the growth in non-EU overseas applications remains healthy.

Postgraduate admissions are also in a very healthy state. The investment in Postgraduate Studentships is paying off handsomely and we are delighted that the number of matched funded MPhil and doctoral studentships is helping us to become more competitive in attracting the very best applicants to Selwyn as well as retaining high flyers.

Academic performance remains strong, although disruptions to the examinations in the summer of 2020 caused by the pandemic prevented the usual benchmarking exercise against University averages. In 2021 this remains problematic as not all years of all Triposes took classed examinations. The absence of two large first year subjects (Engineering and Natural Sciences) and of second-year Engineering from the Class lists therefore makes comparisons inexact. However, in classed examinations, 40.3% of Selwyn's candidates obtained First Class results against a University average of 36.1%; 88.3% obtained Good Honours (upper second class or better) as against 88%. The College ranked sixth of 30 Colleges in terms of proportions achieving First Class results.

(e) Access and Widening Participation

The College aims to attract the best applicants from the widest range of schools and colleges. The colleges and the University engage in substantial outreach activities to encourage all academically qualified students to apply for admission to Cambridge, whatever their backgrounds or financial circumstances. The University has been committed under an Access and Participation Plan with the Office for Students ("OfS") to:

- Increasing the proportion of UK resident students admitted from UK state sector schools and colleges to 64.6% by 2021;
- Achieving a proportion of UK students from the Participation Of Local Area ("POLAR") classification quintile 1 of 5.2%, and of quintiles 1 and 2 combined of 13.3%;
- Achieving a ratio of POLAR quintile 5 to POLAR quintile 1 of 10.2:1; and
- Increasing UK resident students from regional Indices of Multiple Deprivation ("IMD") to 17.7%.



Selwyn has met or exceeded all but one of these targets, with:

- 80.2% of students accepted for entry in October 2021 from the maintained sector;
- 5.2% from POLAR quintile 1 and a POLAR quintile 1+2 figure of 19.0%;
- A ratio of 10.7:1 POLAR quintile 5 to 1 POLAR quintile 1; and
- An IMD figure of 16.4 %.

The College participates enthusiastically in widening participation and aspiration-raising programmes in conjunction with the University. It also employs its own full-time Schools Liaison Officer to reinforce these outreach efforts. Since 2000, by agreement with the University and the other colleges, Selwyn has targeted state-maintained 11-16 and 11-18 schools, Further Education and Sixth Form Colleges in West Yorkshire and East Berkshire. Over the 2020-21 year, the College spent £141k on access events, a figure considerably lower than we would have wished, but a function of restrictions imposed by the pandemic. However, online activity was increased accordingly, which came at a lower cost.

(f) Financial and other support

Once admitted, students have access to several sources of financial aid. In 2020-21, a total of £348k was received by Selwyn students through the Cambridge Bursary Scheme, which is operated collectively with the University and other colleges (up 14% compared with £305k in 2019-20 and up 26% compared with £276k in 2018-19). Under this Scheme, in 2020-21 students whose household income was below £25,000 received a maximum grant of £3,500 per year in addition to any government loans. Those with incomes of up to £42,620 received amounts tapering to £300. The College also participated in a pilot top-up bursary scheme, alongside several other colleges, which is designed to provide further support to students from lower household incomes but also those from incomes up to circa £62k. The College is delighted that the Cambridge Bursary Scheme is being enhanced for new students starting courses from October 2021, including the extension of bursaries on a tapered basis up to circa £62k household income as part of the standard scheme and an additional £1,000 educational premium bursary for students who received free school meals whilst at secondary school. The College has been a strong supporter of the enhanced scheme throughout its development.

Around a quarter of all Selwyn undergraduates received some form of Bursary support over the year. In addition, the College paid out £296k (up 36% compared with £218k in 2019-20) in awards and scholarships (to support the purchase of books and equipment, attendance at conferences, and travel), studentships, and College-funded bursaries in cases of financial hardship.

Covid-19 brought new challenges for both the Tutorial and Direction of Studies activities that the College provides. Colleagues in the Tutorial Office and the Fellowship alike rose to these challenges to ensure that our students remained well supported. Students continued to receive mental health support through the Dawson Fund, and we were grateful to a number of donors who provided generous gifts specifically to help with equipment costs for remote study or other Covid-related hardship.

The College's good fortune in having received a significant gift that has allowed us greatly to increase the presence of the Nurse year-round since the start of 2020 has also been a very significant benefit in the context of the pandemic.



(g) Facilities

The College remains committed to academic excellence and has invested in state-of-the-art teaching and student facilities. A highlight of the 2020-21 year was the opening of the new £13m Bartlam Library and Quarry Whitehouse Auditorium in the Easter Term 2021. This new building also marked the completion of Ann's Court which has been in development since 2005 and has been made possible through the exceptional generosity of alumnus Dr Christopher Dobson and his late wife, Ann, after whom the court is named.

As a result of the opening of the new Bartlam Library, investment in providing further facilities for the College in the old library building is planned for 2021-22, with completion by the end of Lent Term 2022.

The College is also planning investment in enhanced student accommodation in 2021-22, with an emphasis on low-carbon development, following the purchase of a new student hostel at 1 Selwyn Gardens in April 2021.

Non-academic activities remain important too and details of the College's many sporting, musical and cultural successes are recorded in the College Calendar, the latest edition of which can be viewed at <https://www.selwynalumni.com/publications>.

4. Financial Report – INCOME AND EXPENDITURE

(a) Overall Position

The College's income and expenditure, as set out in the Statement of Comprehensive Income & Expenditure (SOCi), falls into four broad categories:

1. Wholly **unrestricted** income and expenditure.
2. Income and expenditure which are **restricted** to certain purposes, specified by the provider of the original funds.
3. Income and expenditure related to the **endowment**, where only the income arising from the principal sum is expendable, not the principal itself – but the use of the income is unrestricted
4. Income and expenditure related to the **endowment**, where only the income arising from the principal sum is expendable, not the principal itself – and where the use of the income is restricted to specified purposes.

In the SOCi, categories 3 and 4 are combined under a single heading of 'Endowment'.

This section of the report focuses principally on the first category – wholly unrestricted.

(i) Comprehensive Surplus/Deficit

In 2020-21, total unrestricted income and expenditure resulted in a **comprehensive surplus of £0.82m** (compared with a deficit of £1.67m in 2019-20) – an improvement of £2.49m. These figures are those shown as the 'total comprehensive income for the year' in the 'unrestricted' columns of the SOCi.



It should be noted however that this improvement was entirely driven by two non-operating income and expenditure items, which together improved by a net £3.09m – i.e. £0.60m more than the total overall improvement vs. 2019-20:

- An actuarial improvement in pension fund provisions of £1.48m (compared with a deterioration in 2019-20 of £0.97m – an improvement of £2.45m)
- A gain in the value of the unrestricted part of investment portfolio of £0.89m (compared with a gain of £0.25m in 2019-20 – an improvement of £0.64m)

(ii) Operating Surplus/Deficit

The operating surplus/deficit refers to income and expenditure relating to the day-to-day operations of the College, excluding one-off accounting items.

Unrestricted operating income for the year totalled **£7.79m**, a reduction of 7% on £8.41m in 2019-20. Unrestricted operating expenditure meanwhile totalled **£9.33m**, virtually unchanged vs. £9.34m in 2019-20. As a result, there was an **operating deficit of £1.54m** in 2020-21, compared with a deficit of £0.94m in 2019-20 – a deterioration of £0.60m.

The net deterioration in the operating deficit in 2020-21 was caused entirely by the impact of Covid. The principal adverse movements in operating income and expenditure compared with 2019-20 totalled £1.38m and were:

- Accommodation, Catering & Conferences – net deterioration £1.07m vs. 2019-20.
- Investment income – a reduction of £0.11m in unrestricted income vs. 2019-20, though this was better than originally expected in the budget.
- Other expenditure (variations in charges in respect of pension costs under FRS102) – net cost £74k in 2020-21, vs. 'negative cost' of £126k in 2019-20. This is therefore a net deterioration of £0.20m.

The first two of the movements set out above were entirely due to the pandemic.

These adverse movements were partially offset by some favourable movements totalling £0.78m:

- Education – an extra £0.08m of income (due principally to a larger than expected first year undergraduate intake) and a reduction of £0.20m in expenditure – a net favourable movement of £0.28m.
- Job Retention Scheme – government grants £0.09m higher than 2019-20.
- Donations – unrestricted donations increased by £0.41m compared with 2019-20.

(iii) Cash Surplus/Deficit

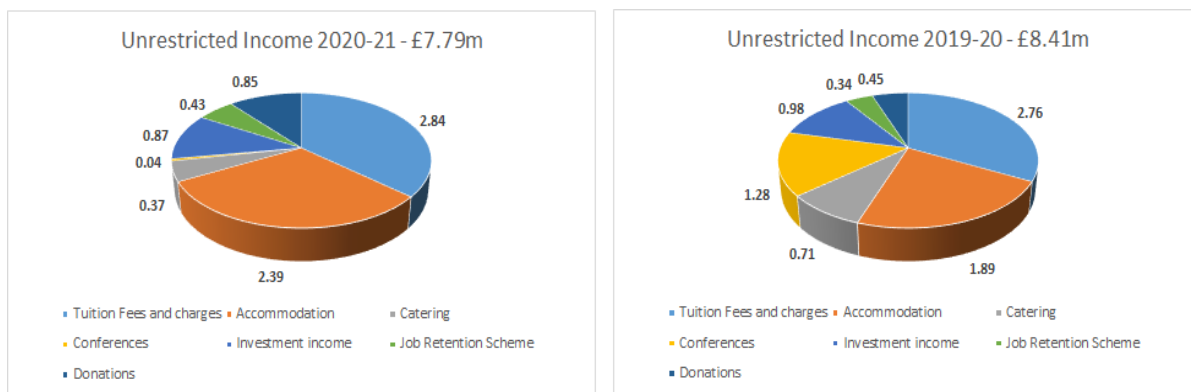
Incorporated within operating expenditure is depreciation, a non-cash item, amounting to £1.98m in 2020-21 (£1.96m in 2019-20). In order to calculate the cash surplus or deficit, depreciation therefore needs to be excluded. In 2020-21 the operating deficit of £1.54m was more than offset by £1.98m of depreciation, leaving a **cash surplus of £0.44m** (2019-20 £1.02m). This is a significantly better result than forecast in the original budget for the year, which envisaged a cash deficit of £0.47m.



Nevertheless, a key priority for the College finances going forward will be to restore the cash surplus to pre-pandemic levels. However, due to the continuing impact of the pandemic on the College already seen in the first months of the 2021-22 financial year, this can only be anticipated in 2022-23 at the earliest and relies on the financial effects of Covid being largely in the past by then.

(b) Income in more detail

The College's activities are funded from academic fees and charges (including tuition fees), charges for student accommodation and catering, income from conferences, investment income (dividends, interest etc.), and income from donations and bequests. Total unrestricted income in 2020-21 amounted to **£7.79m**, a reduction of 7% on the 2019-20 figure of £8.41m, driven almost exclusively by one-off factors relating to the pandemic.



(i) Academic Fees and Charges

Unrestricted income from fees and charges rose by 3% to £2.8m, driven largely by an unexpectedly large first year undergraduate cohort, which included both higher UK and overseas student numbers. Overall expenditure (unrestricted and restricted) on education however was roughly unchanged vs. 2019-20, leaving the education deficit reduced from £1.28m last year to £1.17m in 2020-21.

Tuition Fees for Home and (for the last time) EU undergraduates were charged at the maximum permitted rate of £9,250 for students matriculating in 2020-21. Tuition fees for students are paid either by the students themselves or on behalf of the students through the Student Loans Company. The colleges collect these fees and, under a negotiated fee agreement, pass half over to the University. Both the colleges and the University pay equal shares towards the Cambridge Bursary Scheme from the tuition fee income.

In 2020-21, fees from home and EU undergraduates amounted to £1.70m, a little up on £1.65m the previous year. A further £0.51m was received from privately funded undergraduates, up 12% on 2019-20, and £0.63m from postgraduate students, down slightly from £0.65m in 2020-21. The colleges' share of the undergraduate tuition fees is substantially below the actual cost of education, which was estimated by the Cambridge colleges in 2018 as c. £11,000 per annum for an undergraduate (with a further £10,300 of University expenditure for a total cost of education over £21,000).

From the academic year 2021-22, EU students will no longer qualify as 'Home' students for tuition fees and will need to pay the private undergraduate fees. We know from the admissions round in late 2020 for 2021 entry that this has very



significantly reduced the number of applicants from the EU.

(ii) Student Accommodation and Catering

Student accommodation and catering income were again significantly affected by Covid-driven disruption in 2020-21, particularly as a result of the national lockdown that kept most students away from Cambridge for much of Lent Term. The majority only returned at the start of, or during, Easter Term. Although income from student accommodation and catering was up by £0.16m vs. 2019-20, this was only a partial recovery from the drop of £0.86m experienced last year.

When in residence, nearly all undergraduate members live in College accommodation as do a significant number of postgraduate students. The majority of the College's c.500 rooms are located on or adjacent to the main site on Grange Road and, following the £13.2m refurbishment of Cripps Court in 2012-14, two-thirds now have ensuite facilities. The College provides a wide range of student accommodation with varying charges depending on the facilities provided. A typical room rent in 2020-21 was around £148 per week for a standard room and £180 for an ensuite room. These rents are not directly comparable with previous years as in 2020-21 the College simplified its rents and eliminated previous additional charges, such as the Facilities charge. Taking this into account, rents remain substantially below the levels charged by private landlords in Cambridge and barely cover the economic cost to the College of providing the room. However, the College has nevertheless kept rent increases in recent years as low as possible and in line with inflation. In 2020-21 the rent increase was the lowest in 20 years at 2%.

The College also offers a variety of catering services to members: snacks, brunches, cafeteria self-service meals and formal hall dinners. The College is recognised for the high quality of its offering and continues to hold a 5-star environmental health rating, the highest awarded by Cambridge City Council. Until the pandemic struck, the College was enjoying increased revenues from its recently refurbished servery and from its new café-bar, which opened in May 2019. As a result of the pandemic however, income for the year fell to £370k in 2020-21, although this figure is not directly comparable with previous years as the Facilities charge income was previously allocated to Catering, but now effectively goes to Accommodation, having been subsumed into student rents.

(iii) Conferences and Events

The College has a long-term strategy of building its conference income to help offset losses on the education account, whilst at the same time ensuring that it does not become over-dependent on this source of income. The pandemic has shown how volatile conference income can be.

2019-20 saw record income from Conferences and Events, following a particularly strong summer in 2019. By the time last year's accounts were finalised it was already clear that there had been no business during summer 2020 and that this would inevitably affect the financial results for 2020-21. This has indeed turned out to be the case. Income was reduced to just £35k for the year, compared with £1.28m in 2019-20. This was despite the best efforts of the Conference and Events staff, who have endeavoured to maintain relationships with clients. This has brought in some income in summer 2021, although well below usual levels, and this will again have a



material effect on the overall financial results for 2021-22.

(iv) Investment Income

The pandemic's effect on financial markets extended to an initial move by companies to curtail dividends, and as a result a significant impact was expected on the College's investment income in this financial year.

In the event the result was not as adverse as expected, with a fall of just 7% to £1.53m in 2020-21 from £1.64m in 2019-20 (these figures include both unrestricted and restricted income from the endowment). Nevertheless, investment income is an important part of the funding of the College's charitable objectives and the pandemic has served as a reminder that this income line is susceptible to financial shocks.

Prior to the pandemic, the College had already taken the decision to move to a 'total return' approach, starting from the beginning of the 2021-22 financial year. 2020-21 was therefore the last year in which the 'investment income' line represents the actual income received. Total return involves the agreement of a spending policy, whereby a certain percentage of the value of the portfolio is allowed for operational expenditure, funded by actual investment income received plus a proportion of the expected growth in the capital. The College has taken a prudent approach to the spending rule, starting in 2021-22 with 3% of the average value of the portfolio over five years, lagged by one year.

(v) Donations and bequests

The generosity of the College's alumni and supporters continues to play an important role in securing the scope, scale and quality of what the College is able to offer, exemplified in the funding of the new Bartlam Library and Quarry Whitehouse Auditorium entirely through donations. As well as capital projects such as this, the College is also grateful for donations received for student support, which allows both direct financial grants to students and also indirect support such as the Dawson fund for mental health mentioned previously. In 2020-21, unrestricted donations (excluding new endowments) amounted to £0.85m (up by £0.40m vs. 2019-20), partly as the result of a generous bequest received during the year, while further donations with restricted purposes of £0.26m (up by £60k vs. 2019-20) were also received. In addition, the College received £0.64m in new endowments, up from £0.59m in 2019-20. Capital project donations were reduced to £0.25m (from £1.85m last year), following the completion of the fundraising campaign for the Bartlam Library and Quarry Whitehouse Auditorium.

A note on Fundraising

The College is registered with the Fundraising Regulator and the College subscribes to the Fundraising Regulator's code of practice. All fundraising activity meets current standards and is reviewed by the Development Committee, which is accountable to the College Council. The Council reviews the College's donations policy every three years, most recently in 2020. The College does not use third parties to assist in its fundraising, while students who participate in fundraising activity for the College receive formal training beforehand. The College received no complaints concerning fundraising activity in 2020-21.

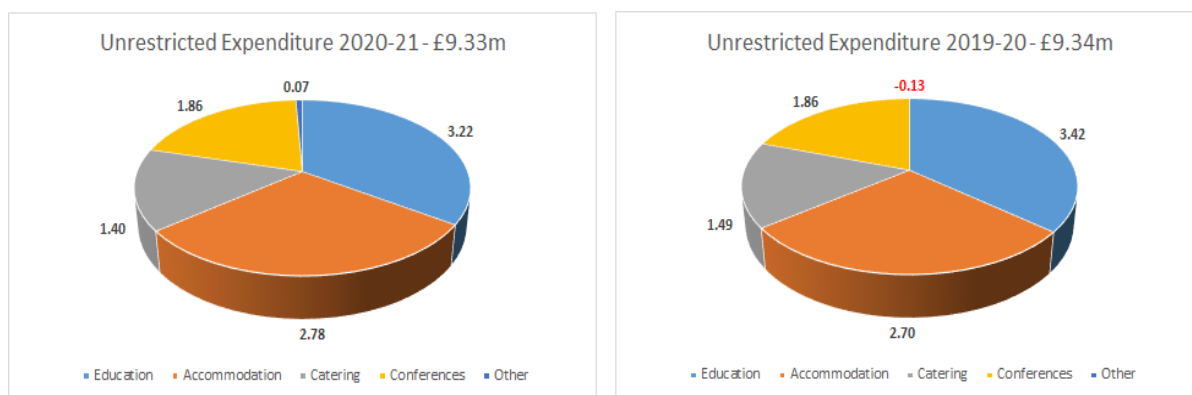


(vi) Job Retention Scheme grant

During multiple and significant periods of the pandemic throughout the financial year, when lockdown significantly reduced the College operations, a sizeable proportion of the College’s non-academic staff were placed at one time or another on ‘furlough leave’ under the government’s Job Retention Scheme. In the period to 30 June 2021, this resulted in grants of £0.43m, a little more than was seen in the shorter period of the last four months of the 2019-20 financial year when the scheme was initiated.

(c) Expenditure in more detail

The College’s expenditure relates almost entirely to the costs of providing educational, accommodation and catering services for its residents in both term time and the vacations. In 2020-21, total unrestricted expenditure amounted to £9.33m, which was virtually unchanged compared with £9.34m in 2019-20.



(i) Education

Unrestricted expenditure relating to education fell in 2020-21 to £3.22m, from £3.42m in 2019-20. This was principally accounted for by lower spend on access and widening participation activity due to travel restrictions, which was both an unexpected and an undesirable effect of the pandemic. However, online activity was stepped up, and this came at a lower cost.

Looking at Education expenditure as a whole (including unrestricted and restricted), expenditure was very close to the level seen in 2019-20. This reflects significantly increased spending on student financial support (which is in the restricted category). In 2020-21, spending on student support was £644k (£348k on the Cambridge Bursary Scheme and £296k on other support), compared with £523k in 2019-20 (£305k on the Cambridge Bursary Scheme and £218k on other support).

We are sanguine about the existence of a deficit on education, since this is a core purpose and charitable objective of the College. Nevertheless, the education deficit across unrestricted and restricted income and expenditure reduced to £1.17m in 2020-21 (from £1.28m in 2019-20).

(ii) Accommodation, Catering and Conferences

The cost of maintaining accommodation is allocated to the student accommodation budget in term time and to conferences & events in the vacations, when the College



aims to occupy its rooms with conference guests. However, whilst income from conferences fell dramatically and whilst income from student rents remained significantly below budget due to lengthy periods of Covid lockdown during 2020-21, the costs of maintaining accommodation through the year did not change materially at £4.01m (£3.90m in 2019-20).

Catering costs fell by 6% to £2.03m (from £2.16m in 2019-20), which reflected lower volumes through the year than in 2019-20, again due to Covid.

It should be noted that in the cases of both accommodation and catering, a significant proportion of these costs relate to staff, however a large number of the relevant staff were 'furloughed' under the Job Retention Scheme at periods of low activity in the College. The employment costs of furloughed staff continue to appear in full in the expenditure lines, whilst the furlough grants to help pay them are recorded separately under income. In effect however, furlough grants partially offset these costs.

(iii) Staff Costs and Pensions

Staff costs are contained within the overall Education, Accommodation, Catering and Conferences expenditure lines, but are detailed in Note 8 of the Accounts. Staff costs amounted to £5.18m in total (including national insurance and pensions), vs. £4.97m in 2019-20, an increase of 4%. This was driven by increased investment in teaching and research fellows (there was an increase of 3 in average academic staff numbers). During 2020-21, the College employed an average of 61 academic Fellows and 107 full-time equivalent staff, compared with 58 academic Fellows and 106 full-time equivalent staff the previous year.

Remuneration paid to Fellows, who are also trustees of the charity, related solely to their capacity as officers of the College or in respect of teaching. The trustees receive no remuneration in their role as trustees of the charity.

(iv) Colleges Fund

The Colleges Fund, which is funded through an intercollegiate taxation system, makes grants to colleges with insufficient endowments. Grants made to Selwyn between 1998 and 2016 exceeded £3.1m. However, the College is now considered to have made sufficient financial progress that it longer qualifies for such assistance and has begun making modest contributions to the Fund. This amounted to £9k in 2020-21 (unchanged vs. 2019-20).

5. Financial Report – BALANCE SHEET

(a) Overall Position

The total net assets of the College increased in 2020-21 by £10.4m to **£135.8m** (2019-20 £125.4m), a 7.7% increase.

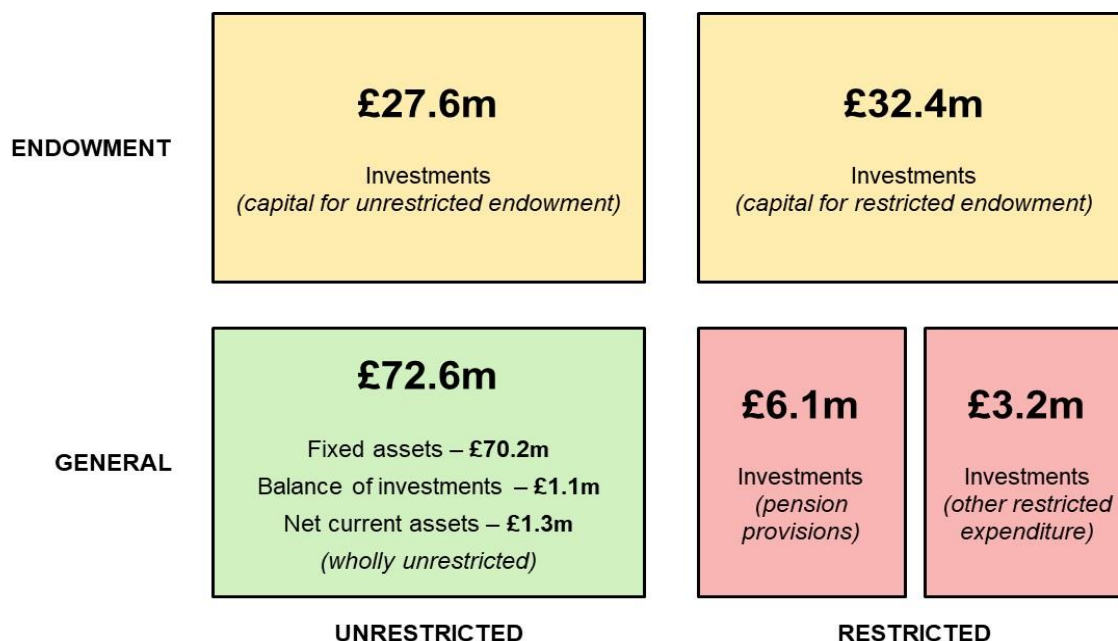
The balance sheet is made up of £70.2m in fixed assets, £70.4m in investments and £1.3m of net current assets as at 30 June 2021, giving a total of £141.9m. This is offset by pension fund provisions of £6.1m, bringing total net assets to £135.8m.



As with income & expenditure, the College’s assets are divided into four categories:

1. Wholly **unrestricted** assets, i.e. they may be deployed for any purpose.
2. Assets for which the use is **restricted** to certain purposes, specified by the provider of the original capital.
3. **Endowment** assets where the use of the income is unrestricted.
4. **Endowment** assets where the use of the income is restricted to specified purposes.

As at 30 June 2021, the College’s assets, in terms of these categories, were as follows:



Although £72.6m of assets are in unrestricted, in practice the majority of these – £70.2m – are represented by relatively illiquid fixed assets. £64.6m of this is in land and buildings, which at Selwyn are used to house students rather than as investments, and so would have a significant operational impact on the College if sold. This means that wholly unrestricted ‘free reserves’ amounted to £2.4m at 30 June 2021 (made up of £1.1m in wholly unrestricted investments and £1.3m net current assets).

The other £69.3m of assets are restricted in their use in some way. This is made up of:

- £32.4m of endowment assets, where only the income generated by the assets may be spent and where the use of the income is also restricted to certain purposes.
- £26.7m of endowment assets, where again only the income generated by the assets may be spent, but where the use of such income is unrestricted.
- £3.2m of assets where the principal may be spent, but where the use is restricted to certain purposes.
- £6.1m of assets which are matched against the pension fund provisions.

These assets are all held as part of the investment portfolio (see below), rather than by way of fixed or other assets. However, being restricted assets, although they are liquid they cannot be freely sold, or spent, or both.

The College therefore has limited reserves that are completely free. However, given that at the balance sheet date, the College had no debt, borrowing against the assets of the



College could be entertained without involving excessive gearing. These issues are considered within the College's Reserves Policy (see below).

(b) Fixed Assets – Buildings, Estates and Equipment

The year 2020-21 saw additions to the College's land and buildings of £7.2m at cost. This was divided between the purchase of a new property, 1 Selwyn Gardens, as future postgraduate student accommodation, for £2.4m, with the remainder representing the cost of completing the new Bartlam Library and Quarry Whitehouse Auditorium. As a result, even after depreciation, the value of land and buildings in the balance sheet increased by 10% to £64.6m.

Maintaining its listed and historic buildings is one of the College's major costs, with an annual depreciation charge of £1.98m (£1.96m in 2019-20) set aside to cover their upkeep and renewal or replacement. In addition, further investment was made of £1.5m at cost (£0.64m in 2019-20) in fixtures, fittings and equipment, a significant proportion of which is accounted for by the fit-out of the new Bartlam Library and Quarry Whitehouse Auditorium.

(c) Investments

2020-21 was a strong year for the performance of the College's investment portfolio, although this was largely driven by the recovery of global markets from the initial Covid downturn. The portfolio amounted to **£70.4m** at 30 June 2021, compared to £69.0m the previous year, an increase of £1.4m. However, the underlying increase is much higher, at £9.3m (after fees of £0.1m), once withdrawals from the portfolio of £7.9m are taken into account. These withdrawals related to the purchase of 1 Selwyn Gardens and payment of costs to complete the Library and Auditorium.

The growth in the investment portfolio over the last 20 years is shown the graph below.





The total return on the main portfolio (excluding CUEF investments) therefore amounted to 15.9% over the 12 months to 30 June 2021 (compared with 7.4%, itself a strong performance, the previous year). This represented a slight underperformance relative to the portfolio's principal benchmark ARC Charities Steady Growth Index, which returned 16.6%, although this is accounted for partly by the proportion of the College's portfolio in North America, where some currency losses were experienced, and partly by the benchmark index making up for underperformance the previous year.

The College's total return for the last three, five and ten years respectively has been 10.3%, 8.2% and 8.3% annualised, compared with 6%, 7.3% and 7.8% respectively for the ARC Charities Steady Growth Index.

The College's investments are overseen and directed by the Investment Committee, which has benefited from the expertise of three independent members drawn from the investment industry. The College's investment strategy has adopted a medium risk approach which delivers steady growth in the value of investments over time and is well diversified in terms of holdings, sectors and geography. Recently this has been underpinned by a move away from individual securities towards investment in funds to manage risk, including a holding in CUEF, the University-managed fund.

The College has taken an active approach to ethical investments, having previously divested all direct fossil fuel, tobacco and armaments holdings. This focus on responsible investment was reinforced in the College's two-year investment strategy and policy, agreed in February 2021, which applied increasingly strict criteria for indirect investments in funds with respect to fossil fuels.

From July 2021, the College has moved to a total return approach to investment income, which will give the Investment Committee more freedom in investing in stocks for growth and not just for income.

(d) Pension Provisions

Under FRS102 the College is required to disclose all its pension liabilities on the balance sheet. As set out in Note 16, the total liability has this year reduced by £1.10m to £6.09m.

The majority of the improvement arises from a £1.48m actuarial adjustment of the liability in respect of members of the Cambridge Colleges Federated Pension Scheme (CCFPS), although the improvement with respect to CCFPS is reduced to £1.06m net as a result of other adjustments. The accounts also show a small improvement (£43k) in the provision related to the Universities Superannuation Scheme (USS), however attention should be drawn to a post-balance sheet non-adjusting event in respect of USS which is described in note 24 of these accounts. This is likely to have a material effect on the 2021-22 accounts.

(e) Reserves Policy

The College Council has approved a Reserves Policy in order to assess the stress tests the College might be expected to meet in an unexpected contingency situation. The Covid pandemic has reminded us that such scenarios are not necessarily theoretical only.

The College's policy requires there to be accessible reserves which would allow it to cover 80% of operational expenditure (excluding depreciation) for a period of three years. This



would in fact be a more serious financial scenario than even Covid has presented. Taking the last full pre-pandemic financial year (2018-19) and adjusting for inflation, this would imply an accessible reserves requirement of £18.4m. Ideally, this would be in the form of free reserves, but other options include loans secured against land and property and/or an internal accounting 'loan' against the unrestricted endowment. Taken together these would provide reserve coverage of 5x the requirement. Over the medium-to-long term the policy envisages increasing free reserves, but trustees will need to have due regard to ensuring that this does not compromise the College's charitable objectives. The policy will be reviewed annually.

(f) Going Concern

The College is obliged to consider whether it is in a position to operate for at least 12 months following the signing of its accounts, in order to establish that it can be audited on a going concern basis. In common with other Cambridge University Colleges, for a second year following the outbreak of the Covid pandemic, Selwyn participated in detailed financial modelling based on a number of scenarios and assumptions to understand the range of impacts on its future finances. Selwyn has adopted a cautious approach to its finances over many years, has increased its reserves over time and limited its exposure to debt, which leaves it able to withstand the short term impact of an event such as the pandemic for at least 12 months, and in practice, for longer. The auditors have commented separately on the College's going concern status.

6. Risks and uncertainties

The College maintains a risk register, which is sub-divided into red, amber, yellow and green risks according to a matrix of probability and impact. The headline risks (red and amber) are reviewed termly by the College Council including any actions and timescales required, and the yellow risks are reviewed by the Council mid-way between annual reviews. The full risk register is reviewed annually by the Governing Body. The current risk register identifies 11 headline risks, including 'major threat to health & wellbeing' – the only red risk – having crystallised into an issue upon the arrival of the pandemic. Others relate to financial risks (a change in the tuition fee regime, increased operational budget deficits, and increased pension deficits); IT risks (cyber-crime attack, a significant data breach, and a major IT operational outage); and the risks inherent in a failure to adopt an environmentally sustainable approach across the College's operations and estates.

With respect to financial risks, the risk of a change in the tuition fee regime which reduces financial resources available to support the world-class education that the College provides, appears to have increased given discussion about it in government circles, while it remains to be seen that the College can fully recover its operational budget position post-pandemic, particularly with respect to Conference income. The improvement in pension scheme provisions this year is welcome following previous adverse movements, but the College is aware of the headwinds facing traditional pension schemes such as CCFPS and USS.

With respect to IT risks, the College continues to focus through its IT and Compliance committees on mitigating the risks as far as possible but the experience of even the largest organisations shows that complete elimination of risk in this area cannot be fully achieved.



With respect to sustainability risks, the College has established a Sustainability working group, involving students, staff and academics with a view to developing a strategy and action plan for presentation to the College Council for approval during the course of 2021-22.

Last year the situation regarding Brexit was highlighted at a time when there remained a significant risk that there would be no deal between the UK and the EU at the end of the transition period in December 2020. In the event, a fairly minimal deal was agreed and Brexit is therefore no longer identified as a risk (because it has happened). However, a number of the issues we currently face flow from the outcome of it, in particular staffing shortages and supply chain issues are now facts of everyday life, and we have seen undergraduate admission numbers from EU countries fall sharply following the change to exclude students from these countries from Home fees status. Longer term, there remain uncertainties around the exact impact on academics, students and staff, as well as on financial markets and the attractiveness of Cambridge as a conference venue. The collegiate university has historically attracted the best people, irrespective of nationality, and this has underpinned its world leading status. Impediments to the free flow of people has the potential to damage the attractiveness of the University as a place of research or employment. The College celebrates the diversity of its staff and values their contribution highly. Last year, in this report, it was stated that these factors could undermine efforts to strengthen the finances over and above the already challenging headwinds resulting from dealing with the Covid-19 pandemic, and this appears to be more, rather than less, the case 12 months on.

7. Conclusion and Outlook for the Future

If 2019-20 was two-thirds 'normal year' followed by an unprecedented final four months, 2020-21 was more of a war of attrition against the pandemic that lasted the entire year. There were ups and downs, but it never went away. Against that background, not only can the College take pride in its response and resilience as it continued to deliver educational excellence and a range of support services through often creative means, but the financial outturn has also proved brighter than expected.

Notwithstanding the near-elimination of Conference income in 2020-21 and an impact on accommodation and catering income almost as severe as in 2019-20, the College has still managed to achieve an operating surplus on a cash basis and, assisted by a strong performance in its investment portfolio, a balance sheet nearly 8% larger at the end of the year than at the beginning.

The College also did not allow Covid to distract from its long-term plans, including the completion (on budget and with only minimal Covid-related delays) of the Bartlam Library and Quarry Whitehouse Auditorium, and the purchase of a new property at 1 Selwyn Gardens. Looking ahead to the future, the low-carbon redevelopment of this property together with the neighbouring Selwyn properties at 29 and 31 Grange Road, will provide a significant upgrade to postgraduate student accommodation from 2022. This will also permit a gentle increase in the number of full-time postgraduate students that Selwyn aims to admit. Similar refurbishment of the undergraduate hostel at 23 West Road is already planned for 2022-23, and looking ahead beyond that the future development of the hostels at 38 and 40 Grange Road and redecoration of Cripps Court are on the long-range agenda. The College is also progressing the redevelopment of the old library, which will provide further significant new facilities by way of seminar rooms, a dedicated space for medics and vets, a new home for the College archives and rare books, and new, less cramped, space for the Alumni and Development team.



In the still longer term, over the next 10 or more years, the outputs of the sustainability strategy are expected to assume a higher profile in the College's priorities. The largest challenge, but also with the largest prize, is the decarbonisation of College operations as far as possible, with degasification of College heating the largest component of that. The College expects to work closely with the university and other colleges on these initiatives, as it has already on the procurement of its entire electricity supply from fully renewable sources.

In the immediate future, recovering from the Covid-19 pandemic will continue to be the top priority. This is both an educational priority for the College, in continuing to provide academic excellence and all the wider benefits of the College and University experience, and a financial priority. It is already clear that 2021-22 will continue to be affected financially by the pandemic, not least because of the impact of summer 2021 on conference income, and a part of the year ahead will be spent developing a new financial equilibrium as we emerge from it.

As part of this, the underlying financial issues faced by the College prior to the pandemic will also need addressing. Selwyn remains relatively underendowed (with an endowment of about one-third of the collegiate average) and thus more vulnerable to influences outside its control. Although it remains focused on cost control and cash preservation, the College continues to incur losses, once depreciation is taken into account, in its core businesses of educating, feeding and housing its students, which provides a further incentive to developing a new sustainable financial model.

Despite all these challenges, expected and otherwise, there remains much to be positive about. Cambridge University remains a global academic and educational powerhouse and the collegiate system remains a source of strength within it. Selwyn College has an enviable location within the City and University and benefits from a dedicated staff and a positive, supportive and collaborative culture. Although the necessity of moving online through the pandemic has delivered some unexpected benefits, the crisis has also demonstrated the enduring power and value of in-person, personal, teaching and learning in a community setting which facilitates the interplay of ideas, sharing of knowledge and opinions, and respectful challenge and debate.

Martin Pierce
Bursar

16 November 2021



Statement of Corporate Governance

The following statement is provided by the Governing Body to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.

The College is a registered charity (registered number 1137517) and subject to regulation by the Charity Commission for England and Wales. The members of the Governing Body are the charity trustees and are responsible for ensuring compliance with charity law.

The Governing Body is advised in carrying out its duties by a number of Committees. Foremost amongst these is the College Council, which meets a minimum of eleven times per year and carries delegated authority from the Governing Body under the Statutes of the College. The majority of Committees report to the College Council, which in turn reports to the Governing Body.

The principal officers of the College, who are all Trustees and ex-officio members of the Council, are:

The Master:	Mr Roger Mosey
The Vice Master:	Dr Janet A O'Sullivan
The Bursar:	Mr Martin D Pierce
The Senior Tutor:	Dr Michael J Sewell

It is the duty of the College Council to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the Governing Body on the appointment of external auditors; to consider reports submitted by the auditors; to monitor the implementation of recommendations made by the auditors; and to make an annual report to the Governing Body. Membership of the Council includes the principal officers of the College ex-officio, plus 8 further Trustees elected periodically by the Governing Body and 3 junior members of the College who are also Trustees and members of the Governing Body.

There are Registers of Interests of Members of the Governing Body and by extension Council and its Committees on which Trustees sit, and of the senior administrative officers. Declarations of interest are made systematically at each meeting of Governing Body, Council and Committees.

The Members of the Governing Body during the year ended 30 June 2021 are set out on page 3.



Statement of Internal Control

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.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.

The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. A review of major risks takes place at each meeting of Council and the Governing Body, and the complete risk register is reviewed in full annually. This process was in place for the year ended 30 June 2021 and up to the date of approval of the financial statements.

The Governing Body is responsible for reviewing the effectiveness of the system of internal control. The following processes have been established:

- The setting of detailed budgets with clearly defined levels of authority for expenditure;
- Regular scrutiny of detailed financial performance data, including comparison with budgets;
- Annual comparison and benchmarking of financial performance and key indices with the other colleges.

The Council reviews in detail and recommends approval to the Governing Body:

- The annual Budget in advance of the start of the financial year;
- Periodic in-year reviews of financial performance against budget;
- The year-end accounts and audit.

The Governing Body's review of the effectiveness of the system of internal control is informed by the work of the Council and various Committees, the Bursar and 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.



Statement of Responsibilities of the Governing Body

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

The College's Statutes and the Statutes and Ordinances of the University of Cambridge require the Governing Body to prepare financial statements for each financial year 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 are required to:

- Select suitable accounting policies and then apply them 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Governing Body is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Statutes of the University of Cambridge. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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.

Any system of internal financial control, however, can only provide reasonable, not absolute, assurance against material misstatement or loss.



Independent Auditors' Report to the Governing Body of Selwyn College Year Ended 30 June 2021

Opinion

We have audited the financial statements of Selwyn College (the 'College') for the year ended 30 June 2021 which comprise the Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Balance Sheet, the 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 Operating 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 Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 25, 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;
- 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 Group'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.

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/auditorsresponsibilities. 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: 14 December 2021

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



Statement of Principal Accounting Policies

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, using the Recommended Cambridge College Accounts (RCCA) format; and applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education issued in 2019.

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

The College is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

All items dealt with in arriving at the surplus for 2021 and 2020 relate to continuing operations.

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment assets and certain land and buildings.

Recognition of income

a. Academic fees

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

b. Restricted grant income

Grants received from non-government sources are recognised within the 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 Statement of Comprehensive Income and Expenditure in line with such conditions being met.

c. 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 Statement of Comprehensive Income and Expenditure when the College is entitled to the income, the amount is measurable and receipt is probable. 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.

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 Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

d. 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.

e. Other income

Income is received from a range of activities including accommodation, catering, conferences and other services rendered.

f. Cambridge Bursary Scheme

In 2020-21, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). As a consequence the College reimbursed the SLC for the full amount paid to their eligible students and the College subsequently received a contribution from the University of Cambridge towards this payment.

The net payment of £203k (2020: £156k) is shown within the Statement of Comprehensive Income and Expenditure as follows:

	2021	2020
	£000	£000
Restricted income from Academic fees and charges (note 1)	145	149
Restricted expenditure on Education (note 4)	348	305
	£203	£156

Fixed assets

a. Land and buildings

The operational buildings held by the College on 1 July 2002 have been brought into the accounts at depreciated replacement cost based on a valuation carried out by Davis Langdon LLP, Chartered Surveyors. Subsequent additions and improvements to the College’s buildings are accounted for at cost. Freehold buildings are depreciated on a straight-line basis over their expected useful economic life of 50 years. Freehold land is not depreciated. Leasehold buildings are amortised over 50 years, or, if shorter, the period of the lease.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.



Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred to 30 June 2021. They are not depreciated until they are brought into use.

No value has been placed on the land occupied by the College's operational buildings as at 1 July 2002; purchases of land after this date are to be capitalised.

b. Maintenance of premises

The College has a five-year rolling maintenance plan that is reviewed on an annual basis. The cost of routine maintenance is charged to the Statement of Income and Expenditure as it is incurred.

c. Furniture, fittings and equipment

Furniture, fittings and equipment costing less than £100 per individual item or group of related items are written off in the year of acquisition. All other assets are capitalised and depreciated over their expected useful lives as follows:

Furniture and fittings	15 years
Motor vehicles	10 years
General equipment	5-20 years
Computer equipment	4 years
Library books	20 years
Musical instruments	50 years

No depreciation is charged in the year of acquisition.

d. Heritage assets

The College holds a collection of rare books which is not recognised in the Balance Sheet. This collection has arisen through donations and largely comprises works on theology. Few of the books are scarce or in first editions and the subject area is unfashionable. It would be difficult and expensive to replace the collection but equally the possibility of finding a specialist buyer could not be guaranteed, therefore to attribute any value to these books would be unrealistic.

The College employs a professional archivist whose responsibilities include the care and maintenance of the rare book collection. The exposure of the collection to heat and light is strictly controlled.

The College also holds a number of paintings and drawings but the majority of these are portraits of members and benefactors of the College. As such this collection pertains to the history of the College and has little external market value.

e. Leased assets

The College does not hold any fixed assets under finance leases.

Investments

Fixed asset investments are included in the balance sheet at fair value. Investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value.



Stocks

Stocks are valued 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 benefit 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.

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.

Foreign currencies

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 the actual year end rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.



Taxation

The College is a registered charity (number 1137517) 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 G, II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The College may from time to time be eligible for such grants. The liability for the year is as advised to the College by the University 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 the Universities Superannuation Scheme (USS). 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 College 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 FRS102 "Employee benefits", the College therefore accounts for the Scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to income and expenditure represents the contributions payable to the Scheme in respect of the accounting period. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the Scheme will fund the overall deficit, the College 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 is included in income and expenditure.

The College also participates in the Cambridge Colleges Federated Pension Scheme (CCFPS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The assets of the Scheme are held in a separate trustee administered fund. The funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years, the actuary reviews the progress of the schemes. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the Scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the institution benefits from the employees' services.

The College also offers membership of NEST, a defined contribution pension scheme, to its non-academic employees and the pension charge represents the amounts payable by the College to the scheme in respect of the employees' service during the year.



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 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 when performance related conditions have been met and 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 note 9.

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 note 20.



FRS102 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 USS. 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 income and expenditure in accordance with section 28 of FRS 102. 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 2028. 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 note 20.

**Statement of Comprehensive Income and Expenditure****Year ended 30 June 2021**

	Note	2021			2020				
		Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
		£000	£000	£000	£000	£000	£000	£000	£000
Income									
Academic fees and charges	1	2,839	145	-	2,984	2,757	149	-	2,906
Accommodation, catering and conferences	2	2,798	-	-	2,798	3,885	-	-	3,885
Investment income	3	-	-	1,529	1,529	-	-	1,643	1,643
Endowment return transferred	3	872	657	(1,529)	-	978	665	(1,643)	-
Job Retention Scheme Grant		431	-	-	431	339	-	-	339
Total income before donations and endowments		6,940	802	-	7,742	7,959	814	-	8,773
Donations		853	263	-	1,116	448	202	-	650
New endowments		-	-	642	642	-	-	593	593
Other capital grants for assets		-	256	-	256	-	1,849	-	1,849
Total income		7,793	1,321	642	9,756	8,407	2,865	593	11,865
Expenditure									
Education	4	3,217	933	-	4,150	3,415	766	-	4,181
Accommodation, catering and conferences	5	6,040	-	-	6,040	6,055	-	-	6,055
Other expenditure	6	74	-	-	74	(126)	-	-	(126)
Total expenditure	7	9,331	933	-	10,264	9,344	766	-	10,110
Surplus/(deficit) before other gains and losses		(1,538)	388	642	(508)	(937)	2,099	593	1,755
Gain/(loss) on disposal of fixed assets	9	1	-	-	1	(2)	-	-	(2)
Gain/(loss) on investments	10	888	327	8,210	9,425	251	83	2,679	3,013
Surplus before contribution under Statute G, II		(649)	715	8,852	8,918	(688)	2,182	3,272	4,766
Contribution under Statute G, II		(9)	-	-	(9)	(9)	-	-	(9)
Surplus/(deficit) after contribution under Statute G, II being surplus/(deficit) for the year		(658)	715	8,852	8,909	(697)	2,182	3,272	4,757
Other comprehensive income									
Actuarial (loss)/gain in respect of pension schemes	16	1,478	-	-	1,478	(973)	-	-	(973)
Total comprehensive income for the year		£820	£715	£8,852	£10,387	£(1,670)	£2,182	£3,272	£3,784

The notes on pages 42 to 59 form part of these accounts.

**Statement of Changes in Reserves****Year ended 30 June 2021**

	Income and expenditure reserve			Total £000
	Unrestricted £000	Restricted £000	Endowment £000	
Balance at 1 July 2020	69,228	5,037	51,158	125,423
Surplus/(deficit) from income and expenditure statement	(658)	715	8,852	8,909
Other comprehensive income	1,478	-	-	1,478
Release of restricted capital funds spent in the year	2,523	(2,523)	-	-
Balance at 30 June 2021	£72,571	£3,229	£60,010	£135,810

	Income and expenditure reserve			Total £000
	Unrestricted £000	Restricted £000	Endowment £000	
Balance at 1 July 2019	65,527	8,226	47,886	121,639
Surplus/(deficit) from income and expenditure statement	(697)	2,182	3,272	4,757
Other comprehensive income	(973)	-	-	(973)
Release of restricted capital funds spent in the year	5,371	(5,371)	-	-
Balance at 30 June 2020	£69,228	£5,037	£51,158	£125,423

The notes on pages 42 to 59 form part of these accounts.

**Balance Sheet as at 30 June 2021**

	Note	30 June 2021 £000	30 June 2020 £000
Non-current assets			
Fixed assets	9	70,201	63,441
Investments	10	<u>70,403</u>	<u>68,997</u>
Total non-current assets		140,604	132,438
Current assets			
Stocks	11	262	270
Trade and other receivables	12	923	195
Cash and cash equivalents	13	<u>2,021</u>	<u>2,163</u>
Total current assets		3,206	2,628
Creditors: amounts falling due within one year	14	(1,907)	(2,446)
Net current assets/(liabilities)		1,299	182
Total assets less current liabilities		141,903	132,620
Creditors: amounts falling due after more than one year	15	-	-
Provisions			
Pension provisions	16	(6,093)	(7,197)
Total net assets		£ <u>135,810</u>	£ <u>125,423</u>
Restricted reserves			
Income and expenditure reserve – endowment reserve	17	60,010	51,158
Income and expenditure reserve – restricted reserve	18	<u>3,229</u>	<u>5,037</u>
		63,239	56,195
Unrestricted reserves			
Income and expenditure reserve – unrestricted		<u>72,571</u>	<u>69,228</u>
Total Reserves		£ <u>135,810</u>	£ <u>125,423</u>

Approved by the Governing Body on 16 November 2021 and signed on their behalf by:

Martin Pierce
Bursar

The notes on pages 42 to 59 form part of these accounts.

**Cash Flow Statement for the year ended 30 June 2021**

	Note	2021 £000	2020 £000
Reconciliation of surplus for the year to net cash flows from operating activities			
Surplus for the year		8,909	4,757
Adjustment for non-cash items			
Depreciation	9	1,976	1,958
Investment income	3	(1,529)	(1,643)
(Gain)/Loss on endowments and donations	18	(9,425)	(3,013)
(Increase)/Decrease in stocks	11	8	1
(Increase)/Decrease in trade and other receivables	12	(728)	1,866
Increase/(Decrease) in creditors excluding loans	14	(539)	234
Pension costs less contributions payable	16	374	28
Adjustment for investing or financing activities			
Investment income	3	1,529	1,643
(Gain)/Loss on sale of non-current assets	9	(1)	2
Net cash inflow from operating activities		574	5,833
Cash flows from investing activities			
Proceeds from sales of non-current fixed assets		5	-
Sales/(Purchases) of investment assets		8,019	1,613
Payments to acquire non-current assets	9	(8,740)	(6,018)
Total cash inflow from investing activities		(716)	(4,405)
Cash flows from financing activities			
Long term loans repaid	14/15	-	-
Net cash inflow from financing activities		-	-
(Decrease)/Increase in cash and cash equivalents in the year			
		(142)	1,428
Cash and cash equivalents at beginning of the year		2,163	735
Cash and cash equivalents at end of the year	13 £	2,021	£ 2,163

The notes on pages 42 to 59 form part of these accounts.

**Notes to the Accounts for the year ended 30 June 2021**

1 ACADEMIC FEES AND CHARGES	2021	2020
College fees:	£000	£000
Fee income received at the Regulated Undergraduate rate	1,703	1,651
Fee income received at the Unregulated Undergraduate rate	511	455
Fee income received at the Graduate rate	625	651
From the University of Cambridge and Trinity College for Cambridge Bursaries	145	149
	<u>£2,984</u>	<u>£2,906</u>
2 INCOME FROM ACCOMMODATION, CATERING AND CONFERENCES	2021	2020
	£000	£000
Accommodation:		
College members	2,393	1,889
Conferences	19	745
Catering:		
College members	370	712
Conferences	16	539
	<u>£2,798</u>	<u>£3,885</u>
3 ENDOWMENT AND INVESTMENT INCOME	2021	2020
Income from:	£000	£000
Quoted securities		
Equities	1,274	1,389
Fixed interest	255	223
Cash	-	2
	<u>£1,529</u>	<u>£1,643</u>
Investment Management fees paid to J. M. Finn & Co. were £118,601 (2020: £113,465) and are included in Other Operating Expenses (Note 7a).		
4 EDUCATION EXPENDITURE	2021	2020
	£000	£000
Teaching	2,302	2,301
Tutorial	466	474
Admissions	263	283
Access	141	241
Research	146	155
Scholarships and awards	296	218
Cambridge Bursaries	348	305
Other educational facilities	188	204
Total	<u>£4,150</u>	<u>£4,181</u>

**Notes to the Accounts for the year ended 30 June 2021**

5 ACCOMMODATION, CATERING AND CONFERENCE EXPENDITURE		2021	2020
		£000	£000
Accommodation	- College members	2,777	2,698
	- Conferences	1,234	1,199
Catering	- College members	1,405	1,494
	- Conferences	624	664
Total		<u>£6,040</u>	<u>£6,055</u>

6 OTHER EXPENDITURE		2021	2020
		£000	£000
Net return on pension scheme assets less liabilities		74	(126)
		<u>£74</u>	<u>£(126)</u>

7a ANALYSIS OF 2020-21 EXPENDITURE BY ACTIVITY	Staff costs (note 8) £000	Other Operating Expenses £000	Depreciation £000	Total £000
Education (note 4)	2,120	1,690	340	4,150
Accommodation, catering and conferences (note 5)	3,058	1,346	1,636	6,040
Other expenditure (note 6)	-	74	-	74
	<u>£5,178</u>	<u>£3,110</u>	<u>£1,976</u>	<u>£10,264</u>

Other Operating Expenses includes £215,676 as costs of fundraising (2020: £287,221) and £159,767 as costs of alumni relations (2020: £195,975).

7b ANALYSIS OF 2019-20 EXPENDITURE BY ACTIVITY	Staff costs (note 8) £000	Other Operating Expenses £000	Depreciation £000	Total £000
Education (note 4)	1,934	1,905	342	4,181
Accommodation, catering and conferences (note 5)	3,037	1,402	1,616	6,055
Other expenditure (note 6)	-	(126)	-	(126)
	<u>£4,971</u>	<u>£3,181</u>	<u>£1,958</u>	<u>£10,110</u>

7c AUDITORS' REMUNERATION		2021	2020
Other operating expenses include:		£000	£000
Audit fees payable to the College's external auditors		16	16
Other fees payable to the College's external auditors		-	2
		<u>£16</u>	<u>£18</u>

**Notes to the Accounts for the year ended 30 June 2021****8 STAFF**

	Academic £000	Non- academic £000	2021 Total £000	2020 Total £000
Staff costs:				
Salaries	957	2,845	3,802	3,819
National Insurance	78	214	292	280
Pension costs (see note 22)	164	920	1,084	872
	<u>£1,199</u>	<u>£3,979</u>	<u>£5,178</u>	<u>£4,971</u>

Average staff numbers 2021

Average staff numbers 2020

	Number of Fellows	Full-time equivalents	2021 Total	Number of Fellows	Full-time equivalents	2020 Total
Academic	61	61	61	58	58	58
Non-academic	2	105	107	3	103	106
	<u>63</u>	<u>105</u>	<u>168</u>	<u>61</u>	<u>103</u>	<u>164</u>

At 30 June 2021 there were 64 Members of the Governing Body. During the year the average number receiving a stipend from the College was the 63 as shown above.

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

From	To	2021 Total	2020 Total
£100,001	£110,000	1	0
£110,001	£120,000	2	1

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.

During the year, remuneration paid to Trustees in their capacity as College Officers was: £1,288,324 (63 Trustees) (2020: £1,112,825 (70 Trustees)). The trustees receive no remuneration in their role as trustees of the charity.

**Notes to the Accounts for the year ended 30 June 2021****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 Master, Vice Master, Bursar and Senior Tutor are the College's key management personnel.

	2021	2020
	£000	£000
Aggregated remuneration:	<u>£280</u>	<u>£287</u>

9	FIXED ASSETS	2021	2021	2021	2020
		Land and	Equipment	Total	Total
		buildings	£000	£000	£000
		£000	£000	£000	£000
	Cost or valuation				
	At beginning of year	79,908	7,915	87,823	82,068
	Additions at cost	7,217	1,523	8,740	6,018
	Disposals at cost/valuation	-	(143)	(143)	(263)
	At end of year	<u>87,125</u>	<u>9,295</u>	<u>96,420</u>	<u>87,823</u>
	Depreciation				
	At beginning of year	21,088	3,294	24,382	22,685
	Charge for the year	1,459	517	1,976	1,958
	Eliminated on disposals	-	(139)	(139)	(261)
	At end of year	<u>22,547</u>	<u>3,672</u>	<u>26,219</u>	<u>24,382</u>
	Net book value				
	At end of year	<u>£64,578</u>	<u>£5,623</u>	<u>£70,201</u>	<u>£63,441</u>
	At beginning of year	<u>£58,820</u>	<u>£4,621</u>	<u>£63,441</u>	<u>£59,383</u>

The insured value of freehold land and buildings as at 30 June 2021 was £121,116,559 (2020: £107,775,121).

10	INVESTMENTS	2021	2020
		£000	£000
	Balance at beginning of year	68,997	67,597
	Additions at cost	1,267	3,959
	Disposals at opening market value	(6,839)	(5,012)
	Appreciation on disposals/reevaluation	8,608	3,239
	Increase in cash balances held by fund managers	(1,630)	(786)
	Balance at end of year	<u>£70,403</u>	<u>£68,997</u>
	Represented by:		
	Quoted securities – equities	58,950	52,810
	Quoted securities – fixed interest	7,439	10,542
	Cash held for reinvestment	4,014	5,645
		<u>£70,403</u>	<u>£68,997</u>

11	STOCKS	2021	2020
		£000	£000
	Goods for resale	<u>£262</u>	<u>£270</u>

**Notes to the Accounts for the year ended 30 June 2021**

12 TRADE AND OTHER RECEIVABLES			2021	2020
			£000	£000
Members of the College			125	34
Trade debtors			33	12
Taxation recoverable			43	48
Other receivables			645	53
Prepayments			77	48
			<u>£923</u>	<u>£195</u>
13 CASH AND CASH EQUIVALENTS			2021	2020
			£000	£000
Current accounts			2,002	2,144
Cash in hand			19	19
			<u>£2,021</u>	<u>£2,163</u>
14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			2021	2020
			£000	£000
Trade creditors and accruals			495	874
PAYE and Social Security			137	136
Students' deposits			151	90
Interest-free loan repayable 1 st September 2020			-	100
Other creditors			1,124	1,246
			<u>1,907</u>	<u>2,446</u>
15 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR			2021	2020
			£000	£000
			-	-
			<u>-</u>	<u>-</u>
16 PENSION PROVISIONS	CCFPS	USS	2021	2020
	£000	£000	£000	£000
Balance at beginning of year	6,781	416	7,197	6,196
Movement in year:				
Current service cost including life assurance	1,024	146	1,170	993
Contributions	(706)	(164)	(870)	(839)
Other finance cost/(gain)	99	(25)	74	(126)
Actuarial loss/(gain)	(1,478)	-	(1,478)	973
Balance at end of year	<u>£5,720</u>	<u>£373</u>	<u>£6,093</u>	<u>£7,197</u>

**Notes to the Accounts for the year ended 30 June 2021****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	27,457	23,701	51,158	47,886
New donations and endowments	642	-	642	593
Increase/(decrease) in market value of investments	4,329	3,881	8,210	2,679
Balance at end of year	<u>£32,428</u>	<u>£27,582</u>	<u>£60,010</u>	<u>£51,158</u>

Analysis by type of purpose:

Fellowship Funds	12,151	10,486
Scholarship Funds	5,067	4,387
Prize Funds	672	445
Hardship Funds	10,420	8,583
Travel Grant Funds	721	624
Other Funds	3,397	2,932
General endowments	27,582	23,701
	<u>£60,010</u>	<u>£51,158</u>

Analysis by asset:

Investments	60,010	51,158
	<u>£60,010</u>	<u>£51,158</u>

**Notes to the Accounts for the year ended 30 June 2021****18 RESTRICTED RESERVES**

Reserves with restrictions are as follows:

	Capital grants unspent £000	Unspent restricted income £000	Restricted expendable endowment £000	2021 Total £000	2020 Total £000
Balance at beginning of year:					
Capital	2,267	-	50	2,317	5,843
Accumulated income	-	2,481	239	2,720	2,383
	<u>2,267</u>	<u>2,481</u>	<u>289</u>	<u>5,037</u>	<u>8,226</u>
From the University of Cambridge for Cambridge Bursaries	-	145	-	145	149
New grants	256	-	-	256	1,849
New donations	-	53	210	263	202
Investment income	-	656	1	657	665
Increase/(decrease) in market value of investments	-	319	8	327	83
Capital grants utilised	(2,523)	-	-	(2,523)	(5,371)
Expenditure	-	(806)	(127)	(933)	(766)
	<u>(2,267)</u>	<u>367</u>	<u>92</u>	<u>(1,808)</u>	<u>(3,189)</u>
Balance at end of year					
Capital	-	-	56	56	2,317
Accumulated income	-	2,848	325	3,173	2,720
	£-	£2,848	£381	£3,229	£5,037
Analysis of other restricted funds/donations by type of purpose:					
Fellowship Funds		1,130	145	1,275	1,070
Scholarship Funds		530	14	544	508
Prize Funds		139	16	155	128
Hardship Funds		759	77	836	743
Travel Grant Funds		118	45	163	138
Other Funds	-	172	84	256	2,450
	£-	£2,848	£381	£3,229	£5,037



Notes to the Accounts for the year ended 30 June 2021

19 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	2,163	(142)	-	2,021
Borrowings: amounts falling due within one year				
Unsecured loans	(100)	100	-	-
	-	-	-	-
Borrowings: Amounts falling due after more than one year				
Unsecured loans	-	-	-	-
	-	-	-	-
	£2,063	£(42)	-	£2,021



Notes to the Accounts for the year ended 30 June 2021

20 FINANCIAL INSTRUMENTS

	2021 £000	2020 £000
Financial assets		
<i>Financial assets at fair value through Statement of Comprehensive income</i>		
Listed equity investments	61,314	59,186
<i>Financial assets that are equity instruments measured at cost less impairment</i>		
Other equity investments	5,074	4,166
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Cash and cash equivalents	6,035	7,808
Other debtors	835	125
	<u>£73,258</u>	<u>£71,285</u>
Financial liabilities		
<i>Financial liabilities measured at amortised cost</i>		
Loans	-	100
Trade creditors	145	508
Other creditors	1,144	1,221
	<u>£1,289</u>	<u>£1,829</u>



Notes to the Accounts for the year ended 30 June 2021

21 CAPITAL COMMITMENTS	2021	2020
	£000	£000
Commitments contracted for at 30 June:	<u>£187</u>	<u>£4,180</u>



Notes to the Accounts for the year ended 30 June 2021

22 PENSION SCHEMES

The College participates in the following pension schemes: the Universities Superannuation Scheme (USS) and the Cambridge Colleges Federated Pension Scheme (CCFPS). Eligible non-academic staff not wishing to join CCFPS are auto-enrolled into NEST. Contributions payable in respect of the year were as follows:

	2021	2020
	£000	£000
USS	164	149
CCFPS	910	713
NEST	10	10
	<u>1,084</u>	<u>872</u>

Universities Superannuation Scheme

The College participates in the 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 College 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 FRS102 “Employee benefits”, the College therefore accounts for the Scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to income and expenditure represents the contributions payable to the Scheme in respect of the accounting period. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the Scheme will fund the overall deficit, the College 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 is included in income and expenditure.

The total cost charged to income and expenditure is £164k (2020: £149k) as shown in note 8. Deficit recovery contributions due within one year for the College are £45k (2020: £19k)

As at the 30 June 2021, the latest available complete actuarial valuation of the Retirement Income Builder was at 31 March 2018 (the valuation date), which was carried out using the projected unit method. Since the year end the valuation as at 31 March 2020 was signed and filed with The Pensions Regulator with an effective date of 1 October 2021. As the new valuation was not in place at the financial year end, any adjustment in the deficit provision will be reflected in the financial statements for the year ended 30 June 2022.

Since the College cannot identify its share of Scheme assets and liabilities, the following disclosures reflect those relevant for the Scheme as a whole.

The 2018 valuation was the fifth valuation for USS 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



Notes to the Accounts for the year ended 30 June 2021

22 PENSION SCHEMES

Universities Superannuation Scheme (continued)

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.

Discount rate:

Years 1-10: CPI + 0.14% reducing linearly to CPI -0.73%

Years 11-20: CPI + 2.25% reducing linearly to CPI +1.55% by year 21

Years 21+: CPI + 1.55%

Pension increases (CPI):

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.

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. Mortality base table:

2018 Valuation

Pre-retirement

71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.

Post-retirement

97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females.

Future improvements to mortality

CM_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

2017 Valuation

Pre-retirement

71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.

Post-retirement

96.5% of SAPS S1NMA "light" for males and 101.3% of RFV00 for females.

CM_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

The current life expectancies 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

**Notes to the Accounts for the year ended 30 June 2021****22 PENSION SCHEMES****Universities Superannuation Scheme (continued)**

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 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2021 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2021	2020
Discount rate	0.78	0.73
Pensionable salary growth	2.7%	2.7%

Cambridge Colleges Federated Pension Scheme

The College is also a member of a multi-employer defined benefit scheme: the Cambridge Colleges' Federated Pension Scheme. A full valuation was undertaken as at 31 March 2020 and updated to 30 June 2021 by a qualified independent actuary.

The liabilities of the scheme have been calculated, at 30 June 2021, for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the Scheme benefit structure and membership since that date.

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

	2021	2020
	% p.a.	% p.a.
Discount rate	1.80	1.45
Salary inflation assumption	3.10	2.70
Retail Prices Index (RPI) assumption	3.40	3.10
Consumer Prices Index (CPI) assumption	2.60	2.20
Pension increases in payment (RPI Max 5% p.a.)	3.30	3.00
Pension increases (CPI Max 2.5% p.a.)	1.95	1.80

**Notes to the Accounts for the year ended 30 June 2021****22 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

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% p.a., 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% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

	2021	2020
Males currently aged 65 now	21.9	21.9
Females currently aged 65 now	24.3	24.2
Males aged 45 now and retiring in 20 years	23.2	23.2
Females aged 45 now and retiring in 20 years	25.7	25.6

Members are assumed to retire at their normal retirement age (65) apart from in the following indicated cases:

	Male	Female
Active Members – Option 1 Benefits	64	64
Deferred Members – Option 1 Benefits	63	62

Allowance has been made at retirement for non-retired members to commute part of their pension for a lump sum on the basis of the current commutation factors in these calculations.

The amounts recognised in the Balance Sheet as at 30 June 2021 (with comparative figures as at 30 June 2020) are as follows:

	2021	2020
	£000	£000
Present value of plan liabilities	(19,565)	(20,179)
Market value of plan assets	13,845	13,398
Net defined benefit liability	£(5,720)	£(6,781)

The amounts to be recognised in income and expenditure for the year ending 30 June 2021 (with comparative figures for the year ending 30 June 2020) are as follows:

	2021	2020
	£000	£000
Current service cost	1,000	834
Administration expenses	25	25
Interest on net defined benefit liability	99	125
Loss of plan changes	-	-
Total	£1,124	£984

**Notes to the Accounts for the year ended 30 June 2021****22 PENSION SCHEMES****Cambridge Colleges Federated Pension Scheme (continued)**

Changes in the present value of the Scheme liabilities for the year ending 30 June 2021 (with comparative figures for the year ending 30 June 2020) are as follows:

	2021	2020
	£000	£000
Present value of Scheme liabilities at beginning of period	20,179	17,681
Current service cost (including Employee contributions)	1,000	834
Employee contributions	23	33
Benefits paid*	(1,233)	(395)
Interest on Scheme liabilities	291	403
Actuarial losses/(gains)	(695)	1,623
Loss on plan changes	-	-
Present value of Scheme liabilities at end of period	£19,565	£20,179

*net benefits paid after receipt of two large death in service lump sums

Changes in the fair value of the Scheme assets for the year ending 30 June 2021 (with comparative figures for the year ending 30 June 2020) are as follows:

	2021	2020
	£000	£000
Market value of Scheme assets at beginning of period	13,398	12,167
Contributions paid by the College	706	691
Employee contributions	23	33
Benefits paid	(1,233)	(395)
Administration expenses	(40)	(39)
Interest on plan assets	192	278
Return on assets, less interest included in income and expenditure	798	663
Market value of plan assets at end of period	£13,844	£13,398
Actual return on plan assets	£990	£941

The major categories of Scheme assets as a percentage of total Scheme assets at 30 June 2021 (with comparative figures at 30 June 2020) are as follows:

	2021	2020
Equities	48%	49%
Bonds and cash	42%	41%
Property	10%	10%
Total	100%	100%

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



Notes to the Accounts for the year ended 30 June 2021

22 PENSION SCHEMES

Cambridge Colleges Federated Pension Scheme (continued)

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2021 (with comparative figures for the year ending 30 June 2020) are as follows:

	2021	2020
	£000	£000
Return on assets, less interest included in Profit & Loss	798	663
Expected less actual scheme expenses	(15)	(14)
Experience gains and losses arising on Scheme liabilities	309	242
Changes in assumptions underlying the present value of Scheme liabilities	386	(1,864)
Re-measurement of net defined benefit liability recognised in OCI	£1,478	£(973)

Movement in net defined benefit liability during the year ending 30 June 2021 (with comparative figures for the year ending 30 June 2020) are as follows:

	2021	2020
	£000	£000
Deficit in Scheme at beginning of year	(6,781)	(5,514)
Recognised in income and expenditure	(1,123)	(985)
Contributions paid by the College	706	691
Re-measurement of net defined benefit liability recognised in OCI	1,478	(973)
Net defined benefit liability at end of year	£(5,720)	£(6,781)

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.



Notes to the Accounts for the year ended 30 June 2021

22 PENSION SCHEMES

Cambridge Colleges Federated Pension Scheme (continued)

The last such valuation was at 31 March 2020. This showed that the Scheme'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 Scheme's Schedule of Contributions dated 21 May 2021 and are as follows:

- Annual contributions of not less than £99,277 per annum payable for the period 1 July 2021 to 31 May 2033.

These payments are subject to review following the next funding valuation, due as at 31 March 2023.

NEST

The College offers membership of NEST, a defined contribution pension scheme, to its non-academic employees not wishing to join the CCFPS. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the College amounting to £9,720 (2020: £10,011) of which £814 (2020: £758) was outstanding at the year end.

23 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 interests for all Governing Body members and where any member of the Governing Body has a material interest in a College matter they are required to declare that fact.

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 Remuneration Committee.

**Notes to the Accounts for the year ended 30 June 2021****23 RELATED PARTY TRANSACTIONS**

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

From	To	2021 Number	2020 Number
£0	£10,000	41	43
£10,001	£20,000	4	9
£20,001	£30,000	5	6
£30,001	£40,000	5	3
£40,001	£50,000	3	6
£50,001	£60,000	2	1
£60,001	£70,000	0	2
£70,001	£80,000	2	0
£80,001	£90,000	1	0
	Total	63	70

The total Trustee salaries were £999,181 for the year (2020: £863,820)

The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £21,230 for the year (2020: £30,708)

24 Post Balance Sheet Event

Since the year end, following the completion of the 2020 actuarial valuation, a new deficit recovery plan has been agreed in respect of the USS pension scheme. A new Schedule of Contributions based on the 2020 actuarial valuation has been agreed, and become effective, post year end. This results in an increase of £709,345 in the provision for the obligation to fund the deficit on the USS pension which would instead be £1,082,707. As the Schedule of Contributions was not in place at the financial year end this adjustment will be reflected in the Financial Statements for the year ended 30 June 2022. If the Joint Negotiating Committee (JNC) recommended deed on benefit changes has not been executed by 28 February 2022 then a different schedule of contributions would become applicable. If this were to happen then there would be an increase of £1,352,444 in the provision for the obligation to fund the deficit on the USS pension which would instead be £1,725,806.