GONVILLE AND CAIUS COLLEGE IN THE UNIVERSITY OF CAMBRIDGE FOUNDED IN HONOUR OF THE ANNUNCIATION OF THE BLESSED MARY THE VIRGIN

England & Wales · Charity number 1137536

Details

Other names	GONVILLE AND CAIUS COLLEGE, GONVILLE AND CAIUS COLLEGE CAMBRIDGE, GONVILLE AND CAIUS COLLEGE IN THE UNIVERSITY OF CAMBRIDGE
Status	Registered
Legal form	Other
Registered	2010-08-17
Register	View on the Charity Commission register

Contact

Address	Gonville & Caius College Cambridge CB2 1TA
Phone	01223332400
Email	finance.manager@cai.cam.ac.uk
Website	http://www.cai.cam.ac.uk

Activities

Objects: TO MAINTAIN, CONDUCT, SUPPORT AND DEVELOP GONVILLE AND CAIUS AS A PLACE OF EDUCATION, RELIGION, LEARNING AND RESEARCH IN THE UNIVERSITY OF CAMBRIDGE.

Activities: Gonville and Caius College is a place of education, religion, learning and research in the University of Cambridge. The College provides, in conjunction with the University of Cambridge, an education for some 800 students that is recognised internationally as being of the highest standard. This education develops students academically and prepares them to play full and effective roles in society

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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	£26,409,000	£29,170,000	£403,826,000	183
2024-06-30	£23,463,000	£24,637,000	£402,597,000	177
2023-06-30	£20,056,000	£24,903,000	£383,225,000	169
2022-06-30	£23,197,000	£26,288,000	£382,330,000	161
2021-06-30	£17,845,000	£22,535,000	£377,604,000	164

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Trustees

Name	Role	Appointed
CALLY HAMMOND REVD DR		2023-10-06
Dr Andrew Spencer		2019-10-01
Dr Anita Bunyan		2025-10-10
Dr Helen Mott		2025-10-10
Dr KATE MILES		2024-04-26
Dr Rebecca Sugden		2025-01-24
Dr Vasileios Kotsidis		2025-01-24
Dr William Handley		2025-01-24
PROFESSOR PETER ROBINSON		2021-01-30
Professor David Secher		2024-10-24
Professor Michelle Ellefson		2025-10-10
Professor Richard James Gilbertson		2025-10-01
Sarah Jill Tebbutt		2025-03-17

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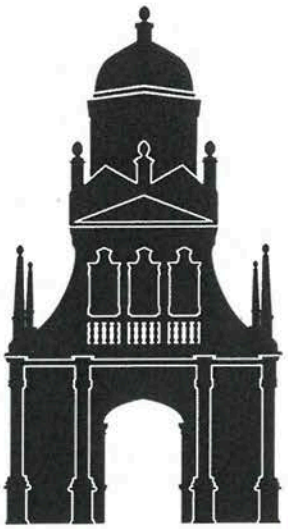
GONVILLE AND CAIUS COLLEGE IN THE UNIVERSITY OF CAMBRIDGE FOUNDED IN HONOUR OF THE

England & Wales - Charity number 1137536

Accounts

Gonville & Caius



Trustees' Annual Report and Accounts 2024/25

For the year ended 30 June 2025

Gonville & Caius

Trustees' Annual Report and Accounts 2024/25

Reference and Administrative Details 2
Report of the College Council 3
Independent auditors' report to the Council of Gonville & Caius College, Cambridge 14
Statement of Principal Accounting Policies for the Year Ended 30 June 2025 18
Consolidated Statement of Comprehensive Income and Expenditure for the Year Ended 30 June 2025 26
Consolidated Statement of Changes in Reserves 27
Consolidated and College Balance Sheet as at 30 June 2025 28
Consolidated Cash Flow Statement as at 30 June 2025 29
Notes to the Accounts 2024/25 30

Reference and Administrative Details

Gonville & Caius College in the University of Cambridge Founded in Honour of the Annunciation of the Blessed Mary the Virgin comprises the Master, the Fellows and the Scholars. Its registered address is Trinity Street, Cambridge CB2 1TA. The College is a registered charity (Charity Registration Number: 1137536) and is subject to regulation by the Charity Commission for England and Wales. The charity Trustees of the College are the members of the College Council.

Council Members 1 July 2024 – 30 June 2025

Ex Officio	Master	Professor P J Rogerson
Ex Officio	Senior Bursar	Mr R Gardiner (to 31st January 2025)
Ex Officio	Senior Bursar	Ms S Tebbutt (from 17th March 2025)
Ex Officio	Senior Tutor	Dr A Spencer
Elected members		Professor P Robinson
		Revd Dr C Hammond
		Mr F Basso
		Dr J Latimer
		Dr K Miles
		Professor A Zeitler
		Dr C Scott (to 11th October 2024)
		Professor G Vinnicombe (to 11th October 2024)
		Dr A Bunyan (to 24th January 2025)
		Dr R Scurr (to 24th January 2025)
		Professor D. Secher (from 24th October 2024)
		Dr W Handley (from 24th January 2025)
		Dr V. Kotsidis (from 24th January 2025)
		Dr R Sugden (from 24th January 2025)

Auditors (to 31st August 2025)
Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Auditors (from 1st September 2025)
PEM Audit Limited
Salisbury House
Station Road
Cambridge
CB1 2LA

Bankers
Barclays Bank plc
Mortlock House
Histon
Cambridge
CB24 9DE

Lloyds Bank PLC
3 Sidney Street
Cambridge
CB2 3BU

Legal Advisers
Mills & Reeve LLP
Botanic House
98-100 Hills Road
Cambridge
CB2 1PH

Property Managers
Bidwells
Trumpington Road
Cambridge
CB2 2LD

Investment Managers
Partners Capital
5 Young Street
London
W8 5EH

CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London
EC4V 4ET

University of Cambridge Investment Management Ltd
Greenwich House
Madingley Rise
Madingley Road
Cambridge
CB3 0TX

Auditors
Our auditor Peters Elworthy and Moore transferred their audit registration and therefore that part of their business to a newly incorporated limited company, PEM Audit Limited, on 1 September 2025. Accordingly, Peters Elworthy and Moore ceased to be the College's auditor with PEM Audit Limited being appointed to fill the vacancy arising.

Report of the College Council

Status

Gonville & Caius is one of the oldest and largest Colleges in the University of Cambridge, originally founded in 1348 by Edmund Gonville and subsequently augmented and re-founded by John Caius in 1557. It is a self-governing community of scholars, home to almost 1,000 undergraduates, graduates and academics supported by over 150 full-time equivalent staff.

The College is constituted under the provisions of the Universities of Oxford and Cambridge Act 1923 and is a registered charity. These accounts consolidate the operations of the College with its subsidiaries Caius Property Services Limited, Budworth Development Limited and Caius Conferences Limited. They are prepared in accordance with the Recommended Cambridge College Accounts (RCCA) format.

Aims and Objectives

The College is an institution of Higher Education. Its primary charitable purpose is the pursuit of education, religion, learning and research and its overall objective is to rank amongst the highest achieving academic institutions in the world.

Public Benefit

The College provides, in conjunction with the University of Cambridge, an education for almost 1,000 undergraduate and graduate students that is recognised internationally as being of the highest standard. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial systems;
- social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential while studying at the College; and
- specialist choral musical education for its choral students who make up the College's renowned choir.

The College advances learning and research through:

- providing an intellectual and social base for around 200 postgraduate students, as well as offering studentships, bursaries, financial support and grants for travel and other support relating to their research;
- providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- supporting research work pursued by its Fellows through promoting interaction across disciplines, providing facilities and providing grants for national and international conferences, research trips and materials;
- providing membership for 12 post-doctoral research associate to support early-career academics
- encouraging visits from outstanding academics from abroad; and
- encouraging the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

The College maintains an extensive library and archives (including important special collections), providing a valuable resource for students and Fellows of the College, members of other Colleges and the University of Cambridge more widely, external scholars and researchers, as well as offering a venue for occasional lectures and exhibitions open to the general public.

The College admits as students those who have the highest potential for benefiting from the education provided by the College and the University and recruits as academic staff those who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background:

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects but students of the College are predominantly between 18 and 26 years old; and
- there are no religious restrictions in the College's objects and members of the College have a wide variety of faith traditions or none.

The focus of the College is strongly academic, and students need to satisfy high academic entry requirements. The College works to reduce financial considerations from being a bar attending the College. It provides assistance to many of its students:

- to assist undergraduates who have limited financial means. The College participates in the Cambridge Bursary Scheme. The scheme operates in conjunction with the University of Cambridge and is approved by the Office for Students (OfS) providing benefits at a substantially higher level than the minimum OfS requirement;
- to support the costs of graduate students, the College provides substantial financial support. This includes scholarships to fund fees and living costs and 'top-up' funding to fill funding shortfalls in students' funding packages;
- the College also supports students through a grant scheme to assist with the purchase of books and equipment, attendance at conferences, childcare support and travel grants, as appropriate; and
- in addition to its other programmes, the College has some funds to assist students in financial hardship.

To raise educational aspiration and encourage more talented applicants from under-represented backgrounds to apply to the College, it operates an extensive outreach programme which includes large sustained programmes of supervision and guidance, visits to schools, visits by schools to the College, residential events, guidance for teachers, partnerships with external organisations and a lively presence across a range of social media.

The College carries forward the requirement, continuous since its foundation, of being a place of spiritual and ethical reflection on the Christian faith and its implications for the individual and society. In particular, the College:

- maintains and supports the Chapel as a place of religious worship where visitors are welcome during the day; where a variety of religious services take place on weekdays and at weekends during term, details of which are advertised; and where all regular services in the College Chapel are open to the public and are attended by students and staff from elsewhere in the University as well as local residents and visitors to Cambridge;
- maintains its outstanding choral tradition, which is integral to the provision of Divine Service in its Chapel, through the College's choir, formed from the students of the College;
- supports, through the College Dean, the emotional, mental and spiritual well-being of all members of the College community whatever their faith tradition, or none;
- maintains its historic connection with the work of the Church of England, particularly through its involvement as Patron of 22 parishes (and, in the absence of a Rector of Stockport, as Patron of a further 6 parishes) and Lay Rector of 4 parishes; and
- supports the institution of Caius House Battersea through the appointment of its Trustees (in the gift of the Master) and the involvement of the Dean as a Trustee.

Achievements and Performance

Educational activities

The College's undergraduates study all the subjects offered in the University and our postgraduates play a key role in the research activities of the wider University. Our Fellows have internationally renowned research expertise ranging from Anglo-Saxon, Norse and Celtic to Zoology and are recognised as leaders in their fields. The number of undergraduate and graduate students registered with the University at 3rd December 2024 was:

	2024/25	2023/24	% Change
Undergraduate	584	600	(2.7%)
Postgraduate	254	257	(1.2%)
Total	**838**	**857**	**(2.2%)**

Research activities

Four new Research Fellows started their Fellowships during the year: Dr Samuel Brandt (Geography), Dr Jane Hines (Music), Dr Mor Rozner (Physics), Dr Dmitri Whitmore (Mathematics). In addition, the College appointed Dr Nayla Luz Vacarezza as the Global South Bye-Fellow for one year (Human, Social and Political Sciences).

Funding

The principal sources of income of the College are as follows:

- Fees charged for the provision of education to students.
- Students and Fellows through charges for goods, services and facilities provided.
- Investment income.
- Members and friends of the College through donations and bequests.
- Conference customers for goods, services and facilities provided.

Financial Review

The College's financial objective is to ensure that the College's primary educational, religious, learning and research functions are managed cost-effectively and supported by robust and well-managed financial resources, which will sustain the enterprise in perpetuity.

Academic Fees and Expenditure

Academic fee income is steady overall, with a slight decrease of 0.4%. Total fee income does not cover the full cost of educational provision. The net cost to the College of providing education has decreased marginally from £7.7m in 2023/24 to £7.3m in 2024/25:

	2024/25 £000	2023/24 £000	Change £000
Income	4,265	4,281	(16)
Expenditure	(11,569)	(12,025)	456
Net Cost	**(7,304)**	**(7,744)**	**440**

The average net additional funding provided for each student was £8,716 (prior year: £9,036).
The education costs are made up as follows:

	2024/25 £000	2023/24 £000	Change £000
Teaching	4,860	4,538	322
Tutorial and student welfare	1,841	1,789	52
Admissions	799	800	(1)
Research	1,421	1,382	39
Scholarships and awards	1,640	2,412	(772)
Other educational facilities	983	1,075	(92)
Other educational expenses	25	29	(4)
Totals	**11,569**	**12,025**	**(456)**

The increases reflect cost of living salary increases for both academic and support staff. Scholarships and awards costs have resumed more normal levels following the prior year one-off additional commitments for a range of studentships granted out of accumulated income of restricted funds. In addition to the costs of the Cambridge Bursary, the college maintained its commitment to supporting students in financial difficulty.

Accommodation, Catering and Conferences

Income from accommodation, catering and conferences amounted to £8.4m which was £0.6m (8%) higher than the previous year due principally to further recovery of conference activity to 84% of its inflation-adjusted pre-pandemic level. Expenditure increased by 3%, reflecting inflationary pressures and the cost of living pay award.

Investment Income

The College depends on investment income to fully fund its activities. The endowment is managed for total return, with a spending rule which seeks to preserve the purchasing power of the endowment and is derived using a 'Yale Rule' being 70% of the previous year's total adjusted for college inflation and 30% based on an input percentage for the withdrawal rate of 2.75, resulting in a drawdown of 2.53% of investment assets net of associated borrowings valued at 31 March 2024. The withdrawal from the property portfolio is limited to the lower of the Yale Rule or property income and small capital receipts net of costs and an allowance for repairs. The property limit did not operate in the year. College suspended its previous principle of deducting unrestricted donations from the expendable amount.

The key figures are summarised below.

	2024/25 £000	2023/24 £000	Change £000
Drawdown permitted under spending rule	6,843	6,515	328
Reduction due to unrestricted donations	-	(2,601)	2,601
Endowment transfer in the Statement of Comprehensive Income and Expenditure	**6,843**	**3,914**	**2,929**

Donations and Fundraising

The College is dependent on the philanthropic donations from Caians, parents of Caians and friends of the College to build its endowment and to fund some of its annual activities. The current fundraising and alumni relation strategy strongly focuses on increasing funding for widening participation programmes, undergraduate and graduate student support, and college teaching.

The College is registered with the Fundraising Regulator and adheres to its Code of Fundraising Practice, subject to the terms and conditions agreed by the Colleges of the University of Cambridge and the Fundraising Regulator, as set out in the letter from the Chief Executive of the Fundraising Regulator, dated 20th July 2017.

The key staff responsible for fundraising are the Director of Development, Deputy Director of Development and the Development Officer, supported by a team of six.

The Development and Alumni Relations Office actively seeks lifetime gifts and legacies for teaching, research, student support and the maintenance and improvement of the College's buildings and heritage assets as well as general support of the College activities. Solicitation methods include face-to-face meetings, telephone calls, emails and letters from Development and Alumni Relations Office staff. The Office also conducts two annual fund appeals: a digital Giving Day campaign and a traditional telephone campaign. Both campaigns are managed by our staff with technical support from expert consultants.

No complaints were received about the College's fundraising activities during the year. Any requests to be withdrawn from fundraising approaches were implemented immediately.

To protect vulnerable people and others, any potential supporters included in a telephone fundraising campaign are sent a pre-call letter, making clear the purpose of the call and offering the opportunity to be withdrawn from the Campaign. During the telephone fundraising campaign, the list of those wishing to be excluded is updated on a daily basis.

The College does not use third-party professional fundraisers or commercial participators.

Fundraising income is a crucial source of revenue and comes in the form of regular or one-off gifts and bequests left in wills. Caius is deeply grateful to its historic and current benefactors, which it recognises through membership of various groups and the entitlement to attend exclusive events.

Donations including accrued amounts for accounting purposes amounted to £4.3m.

- New endowments of £2,471,000 for existing and some new permanent funds
- Unrestricted donations of £1,088,000 immediately available for general purposes
- Donations of £185,000 for immediate use for restricted purposes.

Expenditure

Approximately 37% of regular recurring operational expenditure is staffing costs, allocated to various categories. The overall numbers of Fellows and permanent Staff in the College at 30 June were as follows:

	30 June 2025	30 June 2024	Change
Number of Fellows	123	114	+9
Number of Staff (FTEs)	178	165	+13

University Contribution

The sum levied is redistributed by the Colleges' Fund to less wealthy colleges. Colleges' contributions are determined principally by reference to the value of their endowments and the number of their students.

Capital and Reserves

Total capital and reserves stood at £403.8m at 30 June 2025 (30 June 2024: £402.6m). The College's unrestricted funds amount to £295.0m (30 June 2024: £296.5m) and are represented in the balance sheet in part by the College's operational buildings and heritage assets valued at £152.9m. The free reserves are therefore £142.1m of the investment portfolio. The restricted endowments amount to £99.0m, represented

by part of the investment portfolio. There is also a restricted reserve of £9.8m built up from restricted but expendable donations and unspent income relating to the funds in the endowment reserve.

The College intends to continue to pursue its objects in perpetuity. Its activities require income support from its investments comprising its free reserves. The College Council is aware of the need for financial prudence and has been taking steps to increase its free reserves by managing carefully the expendable amount, developing the conference business and growing the endowment through prudent investments, development opportunities within the property portfolio and donations. The level of reserves is reviewed routinely by the Finance Committee and in response to any relevant, specific interim request for expenditure but as a general matter the income arising from free reserves is considered integral to the College's operations and required to deliver its charitable objectives. Although the College's other income streams are reasonably stable in the short term, the free reserves also provide support in the event of an unforeseen downturn in the College's operating or investment income arising from wider economic uncertainty. In addition, the reserves are required to permit the repayment of debt drawn for operational purposes.

Investments

The Investments of the College declined slightly at £286m at 30 June 2025, compared with £287m in the prior year. College moved net £4.5m funds into cash, to facilitate the portfolio reallocation and the financial investment assets declined as a result of global market and economic conditions, only partly offset by property investment increases. Property assets include £10m financed by a loan from the 2013/14 Cambridge Colleges Private Placement and £0.6m of amounts drawn under a Revolving Credit Facility attributable to the college's investments. The overall borrowing from the Revolving Credit Facility was £13.5m at end June, this was largely to finance operational expenditure, principally the decarbonisation project.

Decisions on investment policy are taken by the College Council on the advice of the Investments Committee. The Investments Committee, appointed by the College Council, comprises the Master, the Senior Bursar, three other Fellows of the College and four experienced external members. The Investments Property Sub-Committee reports to the Investments Committee and focuses on the College's extensive directly held property portfolio.

Financial investments are managed under a discretionary mandate by Partners Capital LLP, CCLA Investment Management Limited and University of Cambridge Investment Management Ltd.
Directly held property investments are managed with the assistance of its agents Bidwells LLP who are responsible for the collection of rent.

The College has interests in three shared equity house purchase arrangements with Fellows of the College.

The investment asset allocation comprises:

	June 25 £m	June 24 £m	June 23 £m	June 22 £000	June 21 £000
Total Return	**0.3%**	**+8.3%**	**+2.3%**	**+2.7%**	**17.3%**
Cash	15.4	10.9	6.4	3.6	8.5
Fixed income	9.1	10.2	6.6	-	-
Credit	-	9.2	8.5	5.0	5.4
Hedge funds – absolute return	-	10.6	9.7	11.8	7.3
Hedge funds – hedged equities	-	9.6	8.5	12.7	11.2
Public equity	98.2	87.8	84.2	86.8	93.3
Private equity	47.4	38.4	31.9	31.5	24.4
Private debt	10.8	1.9	4.4	4.7	4.8
Core property	94.4	93.7	98.3	95.7	91.6
Property funds	6.3	3.2	2.0	3.0	2.5
Infrastructure and operating assets	2.8	6.9	4.5	4.9	5.2
Contractual and other income	0.8	0.4	1.8	2.0	1.6
Inflation linked bonds and inflation hedges	0.6	3.9	3.9	2.8	3.9
Total Investments	**285.8**	**286.7**	**270.7**	**264.5**	**259.7**
Private Placement	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
Revolving Credit Facility	(0.6)	(5.6)	(10.0)	-	-
Net Investments	**275.2**	**271.1**	**250.7**	**254.5**	**249.7**

Previously the College aimed to grow the endowment to £330m. This is under review because the College has grown significantly in the past fifty years and a prudent view is taken of long-term annual investment returns required to meet the College's annual needs.

Statement of Investment Responsibility

The primary fiduciary responsibility of the College Council in investing and managing the endowment is to maximise the financial return on those resources, taking into account the amount of risk permitted within the College's investment policy. There are circumstances, however, described in Charity Commission guidance and founded in judicial decisions, when the College may balance against its primary responsibility considerations of the ethical nature of investments. Therefore, as an eleemosynary institution established to exist in perpetuity and a long-term investor, the College will take due care to ensure that its investment management reflects the interests and values of the College. This includes matters of sustainability and environmental, social, and governance issues (together referred to as 'ESG issues' or 'responsible investment') among the many factors that inform its investment decision-making and manager selection.

Financial Assets

The College believes that by engaging in a broad set of extra-financial considerations, the long-term financial performance of the portfolio of financial assets can be improved. The College judges the extent to which responsible investing is successfully integrated within the investment portfolio with the help of our investment managers and through scrutiny of the investment managers' actions and success in managing those issues in the investments they make on the College's behalf. How our investment managers consider ESG issues in their investment decisions, analysis, and monitoring on the College's behalf varies by asset-class and investment strategy.

Where our investment managers invest on our behalf through independent third-party asset managers, they seek to integrate and manage ESG issues through an operational due diligence framework to assess such third-party asset managers. This framework includes an ESG due diligence section to ensure that ESG-related questions are assessed and considered during the due diligence process. After making an investment they

continue to monitor identified ESG risks and maintain a dialogue with the third-party assets managers to ensure effective oversight and application of responsible investment best practices. The College scrutinises its investment managers in relation to the effectiveness of their application of those processes and ESG engagement with the relevant third-party asset managers.

Where our investment managers invest on our behalf in their own managed funds, we consider carefully the ethical and responsible investment policy of those funds in the process of selecting those fund managers. The College scrutinises those managers in relation to the effectiveness of their application of ESG criteria in the selection of assets for acquisition or disposal and engagements with investee companies. In this context fund information published by CCLA Investment Managers for the COIF Charities Ethical Investment Fund and COIF Global Equity Income Fund are relevant.

As a general matter, the College insists that its investment managers demonstrate a very high standard of integrity towards their clients, their staff and the relevant regulatory authorities. Where any breaches of integrity are detected, the assets under management may be moved to another fund manager.

The College holds minimal holdings in 'fossil fuel' stocks which are limited to historic private equity positions which are in run-off.

Directly-held Property Assets

The College holds substantial property assets which it manages directly. These include residential, commercial, retail and agricultural properties. The policy for ensuring sustainable management of these assets is under continued review as national law and policy develops.

Operational Assets

Fixed assets are principally the operational buildings of the College. Of the total expenditure on operational asset additions of £11,139,000, £8,893,000 was for the refurbishment of the Aston Webb building (A to F staircases St Michael's Court), for completion in 2025/26. The first implementation phase of the multi-year decarbonisation programme began in the Murray Easton building and Old Courts, with an in-year spend of £1,690,000, part funded by a Salix grant from government. This project is ongoing in 2025/26. Under the programme, air source heat pumps were also fitted to Goodhart House. Other projects included: the creation of a new fully accessible MCR in the graduate campus; a new lift in the Stephen Hawking Building; refurbishment of flats in Mill Road; and full refurbishment of the Senior Parlour meeting room.

Trusts and Funds of the College

The majority of the donations to the College are unrestricted and allow the College Council to determine their use. Other donations are for specific purposes, e.g. bursaries, lectureships and studentships. Each of these restricted donations must be accounted for in a separate fund. The underlying assets are invested on an amalgamated basis with a record of the share of the assets and income attributable to each fund to ensure donors' wishes are observed.

Principal Risks and Uncertainties

College Council considers matters of risk on a regular basis through its committees and sub-committees. A risk register is maintained addressing the corporate level risks of failures: to deliver highest quality education, to respond to regulatory developments, to maintain reputation, to maintain good governance, maintain adequate finances, failure of the estate or operating provision. Detailed risk registers are also maintained at departmental level. The College maintains and tests a business continuity plan which has been overhauled during the year. The College has a dedicated Health, Safety and Security Committee to address these specific issues for the College as a whole.

Financial risks are addressed by the Finance Committee and the Investments Committee. The College is dependent on its endowment and reviews its investment policies on an annual basis in order that it balances the need to achieve high returns and manage risk. The Finance Committee is responsible for reviewing the level of expenditure that can be supported by income and together with the Investment Committee establishes an appropriate level of withdrawal from the endowment to ensure the long-term future of the College while providing a fair and appropriate level of funding for the current cohort of students and thus ensuring that inter-generational equity is maintained.

Future Developments

Although relatively well-endowed the College supports one of the largest Cambridge collegiate communities of students and Fellows. It has the benefit of a strong fundraising team, and a committed Investments Committee. The higher education sector continues to be subject to uncertainties including the level and form of government support for tuition and research, visa requirement extending to citizens of more countries as a barrier to accessing UK education and research positions, the preparedness of foreign governments to support and encourage their citizens to come to the UK for higher education and international competition for students and academic staff. Considering these, the College sees the immediate key challenges and priorities as:

- maintaining the high level of teaching, either one to one or in small groups, that is core to the educational experience offered by Cambridge University;
- attracting suitably qualified students from the widest possible range of backgrounds;
- providing students with adequate support through bursary schemes to enable them to study without the distraction of financial concerns;
- responding to the requirements of Access and Participation Plans agreed with the Office for Students;
- strengthening the College's support for graduate study and for research;
- attracting and retaining an active Fellowship that is committed to excellence in research and teaching, in a global marketplace for academic talent;
- retaining and developing staff for certain core services;
- addressing the risks arising from climate change and raising money to allow the implementation of the decarbonisation plan which is outlined as a 17 year endeavour with a current cost of approximately £25m;
- maintaining the beautiful historic and modern operational buildings and upgrading them to meet the requirements and aspirations of our students, current health and safety standards and modern IT requirements;
- refining the options for the redevelopment of the recently acquired land at Rose Crescent, Radcliffe Court and Market Hill and
- growing the College's investments in order to fund the above.

In order to guide the response to these issues the College is reviewing its Education Strategy for the coming years. The College also has documented strategies for postgraduates, finance, investment policy, fund-raising and its estate planning.

Corporate Governance

The following statement is provided by the College Council 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 1137536) and subject to regulation by the Charity Commission for England and Wales. The members of the College Council are the charity trustees and are responsible for ensuring compliance with charity law.

The College Council is advised in carrying out its duties by the following principal committees:

Committees with financial authority and oversight:

- Domestic and Catering Committee
- Finance Committee
- Education and Research Committee
- Works and Accommodation Committee

Other principal committees:

- Investments Committee, supported by the Investments Property Sub-Committee
- Communications Committee
- Development and Alumni Relations Committee
- Personnel Committee

There are Registers of Interests of members of College Council and of senior administrative officers. Declarations of interest are made systematically at all the main Committee meetings.

The principal officers of the College are the Master, the President, the Senior Tutor, the Senior Bursar, the Domestic Bursar and the Registrary.

The Finance Committee's principal duties are to consider long-term financial strategy, to oversee the financial management of the College, to recommend annual budgets to the College Council to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the College Council 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 College Council. Membership of the Finance Committee includes the Master, the Senior Bursar, the Domestic Bursar, the Development Director and four fellows with appropriate skills and experience, including at least one tutor and one teaching fellow and an external member with appropriate skills and experience.

The composition of the College Council during the year ended 30 June 2025 is set out on page 2.

Statement of Internal Control

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

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. This process was in place for the year ended 30 June 2025 and continues to provide reasonable but not absolute assurance of effectiveness.

The College Council is responsible for reviewing the effectiveness of the system of internal control. This review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Senior Bursar and the 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.

Responsibilities of the College Council

The College 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 Statutes and the Statutes and Ordinances of the University of Cambridge require the College Council 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 College Council is 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 College Council is responsible for keeping accounting records that disclose, with reasonable accuracy at any time, the financial position of the College and ensure that the financial statements comply with the Statutes of the University of Cambridge. The College Council is 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 College 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.

On behalf of the College Council

Professor Richard Gilbertson ..... **Dated 12th November 2025**

Independent auditors' report to the Council of Gonville & Caius College, Cambridge

Opinion

We have audited the financial statements of Gonville & Caius College (the 'College') and its subsidiaries (the 'Group') for the year ended 30 June 2025, which comprise of the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and College's affairs as at 30 June 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes of the University of Cambridge.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to Going Concern

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

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

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

Other Information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements or a material

misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and College and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 responsibilities of the College Council statement, set out on page 13, 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 Group's and College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the College Council either intend to liquidate the Group or the College or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

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

- we identified the laws and regulations applicable to the College through discussions with management, and from our commercial knowledge and experience of the education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the College, including the Charites Act 2011, the Statutes of the University of Cambridge and taxation legislation;
- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's and College's ability to operate or to avoid material penalties;
- we obtained an understanding of the College's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance.
- we made enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- we considered the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we assessed the susceptibility of the College's financial statements to material misstatement, including how fraud might occur;
- laws and regulations identified were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

As a result of the above risk assessment procedures we identified the greatest risk of material misstatement on the financial statements arising from irregularities and fraud to be within the potential for management to override controls together with the risk of fraudulent revenue recognition. We considered the risk of fraudulent revenue recognition to be most prevalent in the completeness and cut off of donation and legacy income 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 24 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 Trustees, 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 Trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the Trustees, 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
Date: 4 December 2025

Statement of Principal Accounting Policies for the Year Ended 30 June 2025

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 that all fee income is spent for educational purposes. The analysis required by the SORP is set out in Note 7.

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

Basis of Accounting

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

Going concern

The College prepares forecasts based on a number of assumptions and has considered their impact upon its cash resources and unrestricted reserves

Based upon their review the Trustees believe that the College will have sufficient resources to meet its liabilities as they fall due for the foreseeable future and therefore have continued to adopt the going concern basis in preparing the financial statements.

Basis of Consolidation

The consolidated financial statements include the College and its subsidiary undertakings, Caius Conferences Ltd and Caius Property Services Ltd. Intra-group transactions are eliminated on consolidation. Previously a dormant subsidiary, Caius Property Services Ltd was reactivated in the year to receive income and make payments relating to the decarbonisation project, on behalf of the College. The remaining subsidiary, Budworth Development Ltd, had no financial transactions in the year to 30th June 2025. A separate balance sheet and related notes for the College only have been included. Details of the subsidiaries are set out in Note 27.

The Consolidated Financial Statements do not include the activities of student societies as these are separate bodies in which the College has no financial interest and over whose policy decisions it has no direct control.

Recognition of Income

Academic Fees

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

Restricted grant income

Grants for restricted purposes are recognised as income to the extent that relevant expenditure has been incurred.

Income from research grants

Income from research grants is included to the extent of the completion of the contract or service concerned.

Donations and benefactions

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income. Income is

retained within restricted reserves until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

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

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. Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income.
3. 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.
4. 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.

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

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

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

Total return basis of accounting
The college manages its investment portfolio and allocates the related earnings for expenditure in accordance with the "total return" concept. The endowment spending policy is designed to preserve the real value of the portfolio over time. The spending policy attempts to achieve this objective by using a long-term targeted spending rate input into a 'Yale Rule' with this rate being annually reviewed. For the year to 30 June 2025 the rate was maintained at 2.75% of the value of investments at 31 March 2023.

Cambridge Bursary Scheme
During the year, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC) and Cambridge University has reimbursed the College for their portion. 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 £252,000 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£249,000
Expenditure	£501,000

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

Tangible Fixed Assets

Buildings
Buildings are stated at deemed cost following a comprehensive revaluation exercise that was carried out in 2016 with the valuation effective from 1 July 2014. Freehold buildings are now depreciated on a straight line

basis over their expected useful economic lives as independently assessed with building elements ranging from 15 to 112 years. Freehold land is not depreciated.

Where land and buildings are acquired with the aid of specific bequests or donations they are capitalised and depreciated as above.

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. They are not depreciated until they are brought into use.

Maintenance of premises
The College has an estate strategy and a five-year rolling maintenance plan which are reviewed on an annual basis. The cost of routine maintenance is charged to the income and expenditure account as it is incurred. The cost of refurbishment is capitalised and depreciated over the expected useful economic life with a £10,000 limit applied for capitalisation.

Equipment
Furniture, fittings and equipment costing less than £10,000 per individual item, or group of related and interconnected items, is written off in the year of acquisition. All other assets are capitalised and depreciated over the expected useful lives of the assets, which are as follows:

Major equipment and software	5 years
Furniture and fittings	10 years
Computer equipment	3 years
Motor vehicles and general equipment	5 years

These assets are assumed to be scrapped once they reach the end of their estimated useful lives. Therefore, they are eliminated from the financial statements at this point.

Leased assets
Fixed assets held under finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the lease. The excesses of lease payments over recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligations. Rental costs under operating leases are charged to expenditure in equal amounts over the periods of the leases.

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

Investments

Securities
Securities are shown at their market value. For listed investments this is the middle market quotation ruling at the close of business on 30 June. Overseas investments are translated into sterling at the rates of exchange ruling at that date. Investment income is included as and when dividends and interest become payable. Interest on bank deposits is included as earned. Interest purchased or sold as part of the price for investments is treated as capital rather than being brought into the income and expenditure account.

Properties
Investment properties are revalued annually and the aggregate surplus or deficit is transferred to the investment revaluation reserve, where properties are held by the college, or credited to restricted funds, where a restricted fund holds property.

Stocks

Stocks are stated at the lower of cost or net realisable value.

Provisions

Provisions are recognised if, 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

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.

Endowment Funds

Endowment funds are classified under two headings:

- where the donor has specified that that the fund is to be permanently invested to generate an income stream for the general purposes of the College, the fund is classified as an unrestricted permanent endowment; and
- where the donor has specified that the fund is to be permanently invested to generate an income stream to be applied for a restricted purpose, the fund is classified as a restricted permanent endowment.

Taxation

The College is a registered charity (number 1137536) 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 advised to the College by the University, based on an assessable amount derived from the value of the College's assets at the end of the previous financial year.

Pension Schemes

The College pays contributions to three pension schemes which provide benefits to its members based on final pensionable salary. The assets of these schemes are held separately from those of the College. In addition, the Colleges administers a closed non-contributory scheme, which is recorded separately in the College balance sheet.

Universities Superannuation Scheme

The College participates in Universities Superannuation Scheme (the scheme). With effect from 1 October 2016, the scheme changed from a defined benefit only to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. Because of the mutual nature of the scheme, the scheme's 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 FRS 102 "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 the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme. 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 therefore an expense is recognised.

Cambridge Colleges Federated Pension Scheme

The College also contributes to the Cambridge Colleges Federated Pension Scheme (CCFPS), which is a similar defined benefit pension scheme. Unlike the USS, this scheme has surpluses and deficits directly attributable to individual colleges. Current service costs, assessed by the scheme actuary, are included as part of staff costs. The expected return on assets less the interest costs is shown as a net amount as part of interest income or costs. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

Actuarial valuations are obtained at least triennially and are updated at each balance sheet date for accounting purposes. The liabilities of the plan have been calculated for the purposes of FRS102 using a valuation system designed for the Management Committee acting as Trustee of the Cambridge Colleges' Federated Pension Scheme at 31 March 2023 but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

Church of England Funded Pensions Scheme

The College also participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Boards, which holds the assets of the schemes separately from those of the Employer and the other participating employers. Each participating employer in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the statement of income and expenditure in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions.

Staff Pension Fund

The College runs a defined benefit scheme, funded by the College, which is closed to new members. Benefit payments are accounted for when payments are made.

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 in 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 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 latter 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.

Recoverability of debtors – The provision for doubtful debts is based on the College's estimate of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due.

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

Retirement benefit obligations – The cost of defined benefit pension plans and other post-employment benefits 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 26.

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 where required, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2023 actuarial valuation (prior year 2020 actuarial valuation). The position in 2025 is that no the deficit recovery payments are required (in the prior year deficit recovery payments under the 2020 valuation were required as a percentage of future salaries until 2028). The requirement for any contributions will be reassessed within each triennial valuation of the scheme. Where required, 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 26.

Consolidated Statement of Comprehensive Income and Expenditure for the Year Ended 30 June 2025

	Note	Unrestricted £000	Restricted £000	Endowment £000	2025 Total £000	Unrestricted £000	Restricted £000	Endowment £000	2024 Total £000
Income									
Academic fees and charges	1	4,016	249	-	4,265	4,008	273	-	4,281
Accommodation, catering and conferences	2	8,365	-	-	8,365	7,761	-	-	7,761
Investment income	3	-	-	9,247	9,247	-	-	7,006	7,006
Endowment return transferred	3	4,219	2,624	(6,843)	-	1,434	2,481	(3,915)	-
Other income		272	-	-	272	191	-	-	191
Total income before donations and endowments		16,872	2,873	2,404	22,149	13,394	2,754	3,091	19,239
Donations		1,088	185	-	1,273	2,781	245	-	3,026
New endowments		-	319	2,471	2,790	-	216	973	1,189
Other capital grants for assets		-	197	-	197	-	9	-	9
Total income		17,960	3,574	4,875	26,409	16,175	3,224	4,064	23,463
Expenditure									
Education	4	8,857	2,712	-	11,569	9,025	3,000	-	12,025
Accommodation, catering and conferences	5	9,449	143	-	9,592	9,170	2	-	9,172
Other expenditure	6	1,556	52	6,185	7,793	1,213	43	5,680	6,936
Change in USS pension deficit recovery provision contributions	16	-	-	-	-	(3,705)	-	-	(3,705)
Contribution under Statute G,II		216	-	-	216	209	-	-	209
Total expenditure		20,078	2,907	6,185	29,170	15,912	3,045	5,680	24,637
Surplus/(deficit) before other gains and losses		(2,118)	667	(1,310)	(2,761)	263	179	(1,616)	(1,174)
Gain on investments	3	(138)	(8)	3,703	3,557	11,834	507	7,764	20,105
Surplus/(deficit) for the year		(2,256)	659	2,393	796	12,097	686	6,148	18,931
Other comprehensive income/ (expenditure)			-	-	-				
Actuarial gain/(loss) in respect of pension schemes	16	432	-	-	432	441	-	-	441
Total comprehensive income for the year		(1,824)	659	2,393	1,228	12,538	686	6,148	19,372

The notes on pages 30 to 52 form part of these accounts.

Consolidated Statement of Changes in Reserves

Year ended 30 June 2025

	Income and expenditure reserve			
	Unrestricted	**Restricted**	**Endowment**	**Total**
	£000	**£000**	**£000**	**£000**
Balance at 1 July 2024	296,477	9,530	96,590	402,597
Surplus from income and expenditure statement	(2,256)	659	2,393	796
Other comprehensive income/(expenditure)	432	-	-	432
Transfer between restricted and endowment funds	-	-	-	-
Release of restricted capital funds spent in the year	362	(362)	-	-
Balance at 30 June 2025	295,016	9,827	98,983	403,826
Balance at 1 July 2023	283,930	8,853	90,442	383,225
Surplus from income and expenditure statement	12,097	686	6,148	18,931
Other comprehensive income/(expenditure)	441	-	-	441
Transfer between restricted and endowment funds	-	-	-	-
Release of restricted capital funds spent in the year	9	(9)	-	-
Balance at 30 June 2024	296,477	9,530	96,590	402,597

The notes on pages 30 to 52 form part of these accounts.

Consolidated and College Balance Sheets as at 30 June 2025

	Note	Consolidated 2025 £000	College only 2025 £000	Consolidated 2024 £000	College only 2024 £000
Non-current assets					
Fixed assets	9	152,745	152,790	143,982	143,982
Heritage assets	9	120	120	120	120
Investment assets	10	285,819	285,819	286,758	286,758
Total non-current assets		438,684	438,729	430,860	430,860
Current assets					
Stock	11	649	649	623	623
Trade and other receivables	12	4,801	4,803	4,904	4,928
Cash and cash equivalents	13	-	-	1	1
Total current assets		5,450	5,452	5,528	5,552
			-		
Creditors: amounts falling due within one year	14	(25,892)	(25,896)	(18,630)	(18,656)
Net Current assets		(20,442)	(20,444)	(13,102)	(13,104)
Total Assets less current liabilities		418,242	418,285	417,758	417,756
Creditors: amounts falling due after more than one year	15	(12,708)	(12,708)	(12,907)	(12,907)
Net assets excluding pension liability		405,534	405,577	404,851	404,849
Net pension liability	16	(1,708)	(1,708)	(2,254)	(2,254)
Net assets		403,826	403,869	402,597	402,595
Restricted reserves					
Income and expenditure reserve – endowment reserve	17	98,983	98,983	96,590	96,590
Income and expenditure reserve – restricted reserve	18	9,827	9,827	9,530	9,530
Unrestricted reserves					
Income and expenditure reserve – unrestricted		295,016	295,059	296,477	296,475
Total Reserves		403,826	403,869	402,597	402,595

Approved by the College Council on 12th November 2025 and signed on their behalf by Sarah Tebbutt, Senior Bursar

S J Tebbutt

The notes on pages 30 to 52 form part of these accounts.

Consolidated Cash Flow Statement as at 30 June 2025

	Note	Consolidated 2025 £000	Consolidated 2024 £000
Net cash (outflow) /inflow from operating activities	20	14	(5,895)
Cash flows from investing activities	21	(5,332)	5,995
Cash flows from financing activities	22	2,175	(3,344)
Increase/(decrease) in cash and cash equivalents in the year	23	(3,143)	(3,244)
Cash and cash equivalents at beginning of the year		(2,389)	855
Cash and cash equivalents at end of the year		(5,532)	(2,389)

The notes on pages 30 to 52 form part of these accounts.

Notes to the Accounts 2024/25

1 Academic fees and charges

	2025 £000	2024 £000
College fees:		
Fee income received at the Regulated Undergraduate rate	2,429	2,443
Fee income received at the Unregulated Undergraduate rate	548	601
Fee income received at the graduate rate	981	880
	3,958	3,924
Income for Cambridge Bursaries	249	273
Other income	58	84
Total	4,265	4,281

2 Income from accommodation, catering and conferences

		2025 £000	2024 £000
Accommodation	College members	5,093	5,054
	Conferences	1,295	973
Catering	College members	1,209	1,166
	Conferences	768	568
Total		8,365	7,761

3 Endowment and Investment income

3a Analysis

	2025 £000	2024 £000
Total return contribution (see note 3b)	6,843	3,915

3b Summary of Total Return

	2025 £000	2024 £000
Income from:		
Land and buildings	5,095	4,272
Quoted and other securities and cash	4,152	2,734
Gains/(losses) on endowment assets:		
Land and buildings	5,250	(235)
Quoted and other securities and cash	(1,692)	20,340
Investment Management costs (see note 3c)	(6,185)	(5,680)
Total Return for year	6,620	21,431
Total Return transferred to Income and Expenditure Account	(6,843)	(3,915)
Total return expendable amount	(6,843)	(3,915)
Unapplied Total Return for Year included within Statement of Comprehensive Income and Expenditure (see note 19)	(223)	17,516

3c Investment management costs

	2025 £000	2024 £000
Land and buildings	3,355	2,568
Other investments	2,830	3,112
Total	6,185	5,680

4 Education Expenditure

	2025 £000	2024 £000
Teaching	4,860	4,538
Tutorial	1,841	1,789
Admissions	799	800
Research	1,421	1,382
Scholarships and awards	1,640	2,412
Other educational facilities	983	1,075
Other educational expenses	25	29
Total	11,569	12,025

5 Accommodation, Catering and Conferences Expenditure

		2025 £000	2024 £000
Accommodation:	College members	7,039	6,868
	Conferences	137	133
Catering:	College members	2,082	1,871
	Conferences	334	300
Total		9,592	9,172

6 Other Expenditure

	2025	2024
	£000	£000
Investment management and administration	5,635	4,785
Interest	1,126	1,020
USS pension interest charge	-	104
FRS 102 pension scheme interest charges	(92)	(53)
Other general and administrative	1,124	1,080
Total	7,793	6,936

7a Analysis of 2024/2025 Expenditure by Activity

	Staff costs (Note 8)	Other Operating Expenses	Depreciation (Note 9)	Total
	£000	£000	£000	£000
Education (note 4)	5,494	5,448	627	11,569
Accommodation, catering and conferences (note 5)	4,727	3,118	1,747	9,592
Other (note 6)	584	7,208	1	7,793
Change in USS pension deficit recovery pension contributions	-	-	-	-
Contribution under Statute G,II	-	216	-	216
Total	10,805	15,990	2,375	29,170

Expenditure includes Development Office costs of £375,000. This expenditure excludes the cost of alumni relations.

7b Analysis of 2023/2024 Expenditure by Activity

	Staff costs (Note 8)	Other Operating Expenses	Depreciation (Note 9)	Total
	£000	£000	£000	£000
Education (note 4)	5,131	6,280	614	12,025
Accommodation, catering and conferences (note 5)	4,493	2,956	1,723	9,172
Other (note 6)	360	6,574	2	6,936
Change in USS pension deficit recovery pension contributions	(3,705)			(3,705)
Contribution under Statute G,II	-	209	-	209
Total	6,279	16,019	2,339	24,637

Expenditure includes Development Office costs of £377,000. This expenditure excludes the cost of alumni relations.

7c Auditors' remuneration

	2025	2024
	£000	£000
Other operating expenses include:		
Audit fees payable to the College's external auditors	45	39
Other fees payable to the College's external auditors	2	2
Total	47	41

8a Staff costs

	Academic £000	Non-academic £000	Total 2025 £000	Total 2024 £000
Salaries	2,609	6,245	8,854	8,201
National insurance	279	625	904	765
Pension costs	306	741	1,047	1,189
Net change in USS deficit recovery provision (see note 16)	-	-	-	(3,876)
Sub-total of pension costs (see note 8b)	306	741	1,047	(2,687)
Total	3,194	7,611	10,805	6,279

Based on the 2023 valuation of the Universities Superannuation Scheme (USS), the impact of the net change in the USS deficit recovery provision is £nil (2024: £3,876,000 credit). This comprises a non-cash credit resulting from the change in assumptions, including the discount rate, of £nil, (2024: £3,705,000) and cash contributions made to reduce the deficit in the year of £nil, (2024: £172,000).

	Average staff numbers 2025		Average staff numbers 2024	
	Number of Fellows	Number of Non-Fellows	Number of Fellows	Number of Non-Fellows
Academic (number receiving a stipend)	89	1	78	8
Non-Academic (full-time equivalents)	4	178	4	165
Total	93	179	82	173

At 30th June 2025, there were 123 members of the Governing Body. During the year the average number receiving remuneration was the 93 shown above.

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

	2025	2024
£100,000 - £109,999	-	-
£110,000 - £119,999	3	3

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

Key management personnel 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.
For the College these are the Master, the Senior Bursar and the Senior Tutor. During the year remuneration paid to key management personnel was £303,000 (2024: £315,000).

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

8b Pension costs

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

	Employer contributions 2025 £000	Provisions (Note 16) 2025 £000	Total 2025 £000	Employer contributions 2024 £000	Provisions (Note 16) 2024 £000	Total 2024 £000
USS	940	-	940	1,026	(3,876)	(2,850)
CCFPS	92	-	92	148	-	148
Other	15	-	15	15	-	15
Total	1,047	-	1,047	1,189	(3,876)	(2,687)

9a Fixed Assets Consolidated

	Land £000	College Buildings £000	Assets in construction £000	Furniture & Equipment £000	Total 2025 £000	Total 2024 £000
Cost/Valuation						
At beginning of year	62,220	99,615	1,150	603	163,588	162,523
Additions	-	354	10,537	248	11,139	1,158
Disposals at cost/valuation	-	-	-	(112)	(112)	(93)
Transfers	-	-	-	-	-	-
At end of year	62,220	99,969	11,687	739	174,615	163,588
Depreciation						
At beginning of year	-	19,350	-	256	19,606	17,360
Charge for the year	-	2,219	-	156	2,375	2,339
Eliminated on disposal	-	-	-	(112)	(112)	(93)
At end of year	-	21,569	-	301	21,870	19,606
Net book value						
At end of year	62,220	78,400	11,687	438	152,745	143,982
At beginning of year	62,220	80,265	1,150	347	143,982	145,163

The insured value for rebuilding of freehold operational buildings (excluding investments assets) at 30 June 2025 is £302m, compared with the 2024 total of £275m.

9b Fixed Assets College only

	Land £000	College Buildings £000	Assets in construction £000	Furniture & Equipment £000	Total 2025 £000	Total 2024 £000
Cost/Valuation						
At beginning of year	62,220	99,615	1,150	603	163,588	162,523
Additions	-	354	10,582	248	11,184	1,158
Disposals at cost/valuation	-	-	-	(112)	(112)	(93)
Transfers	-	-	-	-	-	-
At end of year	62,220	99,969	11,732	739	174,660	163,588
Depreciation						
At beginning of year	-	19,350	-	256	19,606	17,360
Charge for the year	-	2,219	-	156	2,375	2,339
Eliminated on disposal	-	-	-	(112)	(112)	(93)
At end of year	-	21,569	-	301	21,870	19,606
Net book value						
At end of year	62,220	78,400	11,732	438	152,790	143,982
At beginning of year	62,220	80,265	1,150	347	143,982	145,163

The insured value for rebuilding of freehold operational buildings (excluding investments assets) at 30 June 2025 is £302m, compared with the 2024 total of £275m.

Heritage assets

The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance. As stated in the principal accounting policies, heritage assets acquired since 1999 have been capitalised. However, the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of cost or valuation are not available for these on a cost-benefit basis they have not been capitalised. As a result, the total included in the balance sheet is partial.

Amounts for the current and previous four years were as follows:

	2025 £000	2024 £000	2023 £000	2022 £000	2021 £000
Balance brought forward	120	120	120	120	113
Acquisitions purchased with College funds	-	-	-	-	7
Total	120	120	120	120	120

10 Fixed Asset Investments Consolidated

	2025 £000	2024 £000
Balance at beginning of year	286,758	270,698
Additions	82,636	31,077
Transfers to operational assets	-	-
Disposals	(89,485)	(36,394)
Appreciation	1,137	16,783
Increase in cash balances held by fund managers	4,773	4,594
Balance at end of year	285,819	286,758

Represented by:	2025 £000	2024 £000
Property	98,162	93,665
Quoted securities – equities	29,286	33,926
Fixed interest securities	13,934	19,193
Cash in hand and at investment managers	14,159	9,386
Other investments	130,278	130,588
Total	285,819	286,758

11 Stocks and work in progress

	2025 £000	2024 £000
Wine stocks	607	592
Bar, kitchen and other stocks	42	31
Total	649	623

12 Trade and other receivables

	Consolidated 2025 £000	College only 2025 £000	Consolidated 2024 £000	College only 2024 £000
Members of the College	564	560	521	499
Commercial rents	107	107	896	895
Donations	2,959	2,959	2,705	2,777
Other debtors	251	145	266	104
Prepayments and accrued income	920	918	516	468
Intercompany debtors	-	114	-	185
Total	4,801	4,803	4,904	4,928

13 Cash and cash equivalents

	2025 £000	2024 £000
Current accounts	-	1
Total	-	1

14 Creditors: amounts falling due within one year	Consolidated 2025 £000	College only 2025 £000	Consolidated 2024 £000	College only 2024 £000
Trade creditors	1,469	1,178	1,254	773
Bank loan due for repayment within a year	13,699	13,699	10,199	10,199
Members of the College	758	757	209	469
University fees	4	4	7	7
Commercial rent deferred income	556	556	586	586
Contribution to Colleges Fund	216	216	209	209
Other creditors	256	263	238	161
Accruals and deferred income	3,402	2,989	3,538	3,279
Bank overdraft	5,532	6,068	2,390	2,971
Intercompany creditors	-	166	-	2
Total	25,892	25,896	18,630	18,656

On 27th June 2023, the College entered into a revolving credit facility arrangement with a UK bank at a total value of £15,000,000. Loan interest accrues based on a fluctuating SONIA rate plus 5-day lag, and 0.5% margin. As at 30th June 2025, £13,500,000 of this facility was drawn down, repayable on 26th September 2025. A further £1,500,000 was drawn down on 11th July 2025 and £2,500,000 on 11th August 2025. The full £17,500,000 has been rolled over on 26th September 2025; £1,121,000 was repayable on 12th October 2025 and the balance on 12th December 2025. Interest accrues on the non-utilised part of the commitment at a rate of 0.25%. The portion of the loan attributable to financing the decarbonisation project has a 5bp green discount on the rate.

15 Creditors: amounts falling due after one year	2025 £000	2024 £000
Bank loans	2,708	2,907
Other loans	10,000	10,000
Total	12,708	12,907

During 2014 the College borrowed from institutional investors, collectively with other Colleges, the College's share being £10 million. The loans were made in two stages, are unsecured and repayable during the period 2042-2053, and are at fixed interest rates of 4.4% for the first part and 4.45% for the second. Although issued through a funding vehicle, the College has no responsibility for the obligations of any of the other issuing Colleges. In addition, the College has unsecured bank loans:

- repayable over a period of 21 years, at a fixed rate of 4.59%.
- repayable over a period of 10 years, at a fixed rates of 2.25%, 2.30% and 2.14%.

16 Pension liabilities

Year to 30 June 2025

	CCFPS	USS	Other	Total
	£000	£000	£000	£000
Balance at beginning of year	2,096	-	158	2,254
Movement in year:				
Current service cost including life assurance	130	-	-	130
Contributions	(331)	-	(29)	(360)
Other finance cost	108	-	8	116
Actuarial (gain)/loss recognised in Statement of Comprehensive Income and Expenditure	(441)	-	9	(432)
Net change in underlying assumptions:				
Change in underlying contributions	-	-	-	-
USS deficit contributions	-	-	-	-
Balance at end of year	1,562	-	146	1,708

16 Pension liabilities

Year to 30 June 2024

	CCFPS	USS	Other	Total
	£000	£000	£000	£000
Balance at beginning of year	2,597	3,773	171	6,541
Movement in year:				
Current service cost including life assurance	131	-	-	131
Contributions	(319)	-	(30)	(349)
Other finance cost	136	104	9	249
Actuarial (gain)/loss recognised in Statement of Comprehensive Income and Expenditure	(449)	-	8	(441)
Net change in underlying assumptions:				
Change in underlying contributions	-	(3,705)	-	(3,705)
USS deficit contributions	-	(172)	-	(172)
Balance at end of year	2,096	-	158	2,254

17 Endowment funds	Restricted Permanent	Unrestricted Permanent	Total 2025	Total 2024
	£000	£000	£000	£000
Balance at beginning of year:				
Capital	96,590	-	96,590	90,442
New donations and endowments	2,471	-	2,471	973
(Decrease)/Increase in market value of investments	(78)	-	(78)	5,175
Transfer to restricted funds	-	-	-	-
Balance at end of year	98,983	-	98,983	96,590
Analysis by type of purpose				
Fellowship, Research, Scholarship and Studentship Funds	75,357	-	75,357	73,403
Prizes Funds	743	-	743	744
Bursaries, Hardship and Travel Funds	12,322	-	12,322	11,893
General and Other Trust Funds	10,561	-	10,561	10,550
Balance at end of year	98,983	-	98,983	96,590
Analysis by asset				
Property	33,995	-	33,995	32,173
Investments	60,084	-	60,084	63,099
Cash	4,904	-	4,904	1,318
Balance at end of year	98,983	-	98,983	96,590

18 Restricted Reserves	Capital Grants unspent £000	Permanent Unspent and other restricted income £000	Restricted expendable endowment £000	Total 2025 £000	Total 2024 £000
Balance at beginning of year:					
Capital	189	-	1,959	2,148	1,954
Accumulated income		7,382	-	7,382	6,899
Total	189	7,382	1,959	9,530	8,853
New grants	197	249	-	446	282
New donations	-	185	319	504	461
Endowment return transferred	4	2,571	48	2,623	2,481
(Decrease)/Increase in market value of investments	-	(6)	(1)	(7)	507
Expenditure	-	(2,722)	(185)	(2,907)	(3,045)
Capital grants utilised	(362)	-	-	(362)	(9)
Transfer from endowment funds	-	-	-	-	-
Total	28	7,659	2,140	9,827	9,532
Balance at end of year					
Capital	28	-	-	28	2,148
Accumulated income	-	7,659	2,140	9,799	7,382
Total	28	7,659	2,140	9,827	9,530
Analysis of restricted funds by type of purpose					
Fellowship, Research, Scholarship and Studentship Funds	-	6,255	933	7,188	6,819
Prizes Funds	-	374	-	374	356
Bursaries, Hardship and Travel Funds	-	872	1,079	1,951	1,932
General and Other Trust Funds	28	158	128	314	423
Total	28	7,659	2,140	9,827	9,530

19 Memorandum of Unapplied Total Return

Included within reserves, the following amounts represent the Unapplied Total Return of the College:

	Note	2025 £000	2024 £000
Unapplied Total Return at beginning of year		171,264	153,748
Unapplied Total Return for the year	*3b*	(223)	17,516
Unapplied Total Return at end of year		171,041	171,264

20 Reconciliation of consolidated surplus for the year to net cash outflow from operating activities

	2025 £000	2024 £000
Surplus for the year	1,228	19,372
Adjustment for non-cash items		
Depreciation	2,375	2,339
Gain on endowments, donations and investment property	(3,557)	(20,105)
(Increase) in stocks	(26)	-
(Increase)/decrease in trade and other receivables	104	(2,252)
Increase in creditors	3,920	761
Pension costs less contributions payable	(1,593)	(5,468)
Adjustment for investing or financing activities		
Investment income	(9,247)	(7,006)
Investment expenditure	5,635	4,785
Interest payable	1,126	1,225
Profit on the sale of non-current assets	50	453
Net cash inflow/(outflow) from operating activities	14	(5,895)

21 Cash flows from investing activities

	2025 £000	2024 £000
Non-current investment disposal	4,426	4,452
Investment income	4,323	4,505
Investment expenditure	(2,942)	(1,804)
Payments to acquire non-current assets	(11,139)	(1,158)
	(5,332)	5,995

22 Cash flows from financing activities

	2025 £000	2024 £000
Interest paid	(1,126)	(1,225)
New borrowings	3,500	-
Repayments of amounts borrowed	(199)	(2,119)
Total cash flows from financing activities	2,175	(3,344)

23 Consolidated reconciliation and analysis of net debt

	At beginning of year £000	Cash Flows £000	At end of year £000
Cash and cash equivalents	(2,389)	(3,143)	(5,532)
Borrowings:			
Amounts falling due within one year: unsecured loans	(10,199)	(3,500)	(13,699)
Borrowings:			
Amounts falling due after more than one year: unsecured loans	(12,907)	199	(12,708)
	(25,495)	(6,444)	(31,939)

24 Financial Instruments

	2025 £000	2024 £000
Financial assets		
Financial assets at fair value through Statement of Comprehensive income:		
Listed equity investments	98,751	111,816
Other investments	61,548	54,150
Financial assets that are debt instruments measured at amortised cost:		
Cash and cash equivalents	21,991	11,460
Other debtors	815	788
Financial liabilities		
Financial liabilities measured at amortised cost		
Loans	26,407	23,106
Trade creditors	1,378	976
Other creditors	1,005	1,086

25 Capital commitments

	2025 £000	2024 £000
Capital commitments at 30 June are as follows:		
Authorised and contracted	8,749	10,368
Authorised but not yet contracted for	649	424

26 Pensions

The College participates in four defined benefit schemes: The Universities Superannuation Scheme (USS); the Cambridge Colleges Federated Pensions Scheme (CCFPS); the Old Non Contributory Scheme; and the Church of England funded Pensions Scheme. The assets of the schemes are held in separate trustee administered funds, with the exception of the closed Old Non Contributory Scheme which is recorded separately in the College balance sheet.

26a Universities Superannuation Scheme

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

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

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

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

The key financial assumption used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.

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

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

	2023 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females

Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% pa for males and 1.6% for females

The current life expectancies on retirement at age 65 are:

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

26b Cambridge Colleges Federated Pension Scheme

The College operates a defined benefit pension plan for the College's employees of the Cambridge Colleges' Federated Pension Scheme (CCFPS).

The liabilities of the plan 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 Cambridge Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

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

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

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2023 future improvement factors and a long-term rate of future improvement of 1.25% per annum (2024:same). This results in the following life expectancies:

- Male aged 65 now has a life expectancy of 21.4 years (previously 21.4 years).
- Female aged 65 now has a life expectancy of 24.0 years (previously 23.9 years).
- Male aged 45 now and retiring in 20 years has a life expectancy of 22.7 years (previously 22.6 years).
- Female aged 45 now and retiring in 20 years has a life expectancy of 25.4 years (previously 25.3 years).

Members are assumed to retire at their normal retirement age (65) apart from 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.

Employee Benefit Obligations

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

	2025 £000	2024 £000
Present value of plan liabilities	(12,247)	(13,450)
Market value of plan assets	10,685	11,354
Net defined benefit (liability)	(1,562)	(2,096)

The amounts to be recognised in the profit and loss for the year ended 30 June 2025 (with comparative figures for the year ended 30 June 2024) are as follows:

	2025 £000	2024 £000
Current service cost	86	97
Administrative expenses	44	34
Interest on net defined benefit liability	108	136
(Gain)/loss on plan changes	-	-
Total	238	267

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

	2025 £000	2024 £000
Present value of plan liabilities at beginning of period	13,450	13,720
Current service cost	86	97
Employee contributions	36	40
Benefits paid	(729)	(794)
Interest on plan liabilities	670	697
Actuarial (gains)/ losses	(1,266)	(310)
(Gain)/loss on plan changes	-	-
	-	-
Present value of plan liabilities at end of period	12,247	13,450

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

	2025 £000	2024 £000
Market value of plan assets at beginning of period	11,354	11,123
Contributions paid by the College	331	319
Employee contributions	36	40
Benefits paid	(729)	(793)
Administrative expenses paid	(49)	(40)
Interest on plan assets	562	560
Return on assets, less interest included in Profit & Loss	(820)	145
Market value of plan assets at end of period	10,685	11,354
Actual return on plan assets	(258)	705

The major categories of plan assets as a percentage of total Scheme assets for the year ending 30 June 2025 (with comparative figures for the year ended 30 June 2024) are as follows:

	2025	2024
Equities	50%	46%
Bonds & Cash	37%	42%
Property	13%	12%
Total	100%	100%

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

Analysis of the remeasurement 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 £000	2024 £000
Return on assets less interest included in statement of income and expenditure	(820)	146
Expected less actual plan expenses	(5)	(6)
Experience gains and losses arising on plan liabilities	128	283
Changes in assumptions underlying the present value of plan liabilities	1,138	26
Remeasurement of net defined benefit liability recognised in OCI	441	449

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

	2025 £000	2024 £000
Net defined benefit asset/(liability) at beginning of year	(2,096)	(2,597)
Recognised in statement of income and expenditure	(238)	(267)
Contributions paid by the College	331	319
Remeasurement of net defined benefit liability recognised in OCI	441	449
Net defined benefit asset/(liability) at end of year	(1,562)	(2,096)

Funding Policy

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

The last such valuation was as at 31 March 2023. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall. These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 4 June 2024 and are as follows:

- Annual contributions of not less than £196,810 payable for the period to 31 March 2030

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

26c Old Non Contributory Scheme

The scheme is an unfunded defined benefit final salary scheme not operated under Trust. The scheme is not registered with the HM Revenue and Customs under the terms of the Finance Act 2004. The College's employees covered by the Scheme were not contracted out of the State Second Pension (S2P).

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

	2025 % p.a.	2024 % p.a.
Discount rate	5.50	5.10
Pension increases in payment	0.00	0.00

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2023 future improvement factors and a long-term rate of future improvement of 1.25% per annum). This results in the following life expectancies:

- Male aged 65 now has a life expectancy of 21.4 years (previously 21.4 years)
- Female aged 65 now has a life expectancy of 24.0 years (previously 23.9 years)
- Male aged 45 now and retiring in 20 years has a life expectancy of 22.7 years (previously 22.6 years).
- Female aged 45 now and retiring in 20 years has a life expectancy of 25.4 years (previously 25.3 years).

Employee Benefit Obligations

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

	2025 £000	2024 £000
Present value of plan liabilities	(146)	(158)
Net defined benefit (liability)	(146)	(158)

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

	2025 £000	2024 £000
Interest on net defined benefit liability	8	9
Total	8	9

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

	2025 £000	2024 £000
Present value of plan liabilities at beginning of period	158	171
Current service cost	-	-
Interest on plan liabilities	8	9
Actuarial losses (gains)	9	8
Benefits paid	(29)	(30)
Present value of plan liabilities at the end of the period	146	158

The plan has no assets.

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

	2025 £000	2024 £000
Experience gains and losses arising on plan liabilities	(12)	(7)
Changes in assumptions underlying the present value of plan liabilities	3	(1)
Remeasurement of net defined benefit liability recognised in OCI	(9)	(8)

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

	2025 £000	2024 £000
Net defined (liability) at beginning of year	(158)	(171)
Contributions paid by the College	29	29
Recognised in Profit and Loss	(8)	(9)
Remeasurement of net defined benefit liability recognised in OCI	(9)	(7)
Net defined benefit (liability) at the end of the year	(146)	(158)

Funding Policy
The scheme is an unfunded arrangement. The College pays pension out of their own funds as they fall due.

26d Church of England Funded Pensions Scheme

The College also participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the statement of income and expenditure in the year are contributions payable towards benefits and expenses accrued in that year (2025: £7,000, 2024: £6,000), plus the figures highlighted in the table below as being recognised in the Other Comprehensive Income (OCI), giving a total credit of £nil for 2025 (2024: £nil).

The valuation of the Scheme is carried out every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

An average discount rate of 2.7% p.a.;
RPI inflation of 3.6% p.a. (and pension increases consistent with this);
CPIH inflation I line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
Increase in pensionable stipends in line with CPIH;
Mortality in accordance with 90% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long-term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% p.a. and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the 31 December 2021 valuation, deficit contributions ceased with effect from 1st January 2023, since the Scheme was fully funded.

% of pensionable stipends	December 2021 %	December 2022 onwards %
Deficit recovery contributions	7.1	0.0

An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2023 and 31 December 2024 is nil. The movement in the balance sheet liability over 2023 and over 2024 is set out in the table below:

	2024 £000	2023 £000
Balance sheet liability at 1 January	-	-
Deficit contribution paid	-	-
Interest cost (recognised in SoFA)	-	-
Remaining change to balance sheet liability* (recognised in statement of income and expenditure)	-	-
Balance sheet liability at 31 December	-	-

*Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

27 Principal Subsidiary Undertakings

	Country of Incorporation and Operation	Cost £	Class of Shares	Proportion of shares held	Principal activity
Caius Property Services Limited	United Kingdom	1	Ordinary	100%	Design & Build Projects
Budworth Development Limited	United Kingdom	1	Ordinary	100%	Dormant
Caius Conferences Limited	United Kingdom	1	Ordinary	100%	Provision of conference services

28 Contingent Liabilities

With effect from 16 March 2007, the Universities Superannuation Scheme (USS) positioned itself as a 'last man standing' scheme so that in event of an insolvency of any of the participating employers in USS, the amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers.

29 Related Party Transactions

Owing to the nature of the College's operations and the composition of its College Council it is possible that transactions will take place with organisations in which a member of the College Council may have an interest. All transactions involving organisations in which a member of the College Council 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 College Council members and where any member of the College Council 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 College's Remuneration Committee.

The salaries paid to members of the Governing Body who are also Trustees in the year are summarised in the table below:

From	To	2025 Number	2024 Number
£0	£10,000	4	2
£10,001	£20,000	1	4
£20,001	£30,000	4	2
£30,001	£40,000	3	1
£40,001	£50,000	1	1
£50,001	£60,000	1	-
£60,001	£70,000	3	4
£70,001	£80,000	-	-
£80,001	£90,000	1	1
£90,001	£100,000	-	-
£100,001	£110,000	-	1
	Total	18	16

The total of salaries paid to members of the Governing Body who are Trustees was £610,000 for the year (2024: £633,000).

The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £148,000 for the year (2024: £168,000).

The College has a number of trading and dormant subsidiary undertakings which are consolidated into these accounts. All subsidiary undertakings are 100% owned by the College and are registered and operating in England and Wales.

The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

30 Perse Trust

The College provides trustees for the Perse Trust, a registered non-collegiate charity. In addition, the College oversees investment management of the Perse Trust endowment which at 30 June 2025 amounted to £710,000. These assets have been excluded from the College balance sheet as have the liabilities of the Trust with the exception of £101,000 which was owed to the College.

31 Post Balance Sheet Event

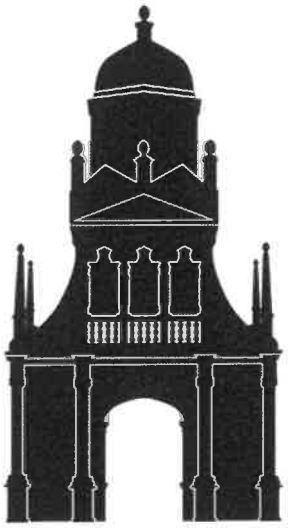
On 17 September 2025, Gonville and Caius and the Imperial War Museum jointly signed a development agreement with Henry Boot Development (HBD) Ltd, under which adjacent land holdings at Duxford will in future be leased by HBD to build and manage an aviation research facility: "Avtech". HBD made a payment to Gonville and Caius in consideration of entering into the agreement. The agreement includes two conditions – planning consent and development funding to be raised by HBD. Once these are met, HBD will draw down leases of the land in up to four phases over time, for development, with further payments to college, dependent on future land values.

GONVILLE AND CAIUS COLLEGE IN THE UNIVERSITY OF CAMBRIDGE FOUNDED IN HONOUR OF THE

England & Wales - Charity number 1137536

Accounts

Gonville & Caius



Trustees' Annual Report and Accounts 2023/24

For the year ended 30 June 2024

Gonville & Caius

Trustees' Annual Report and Accounts 2023/24

Reference and Administrative Details 2
Report of the College Council 3
Independent auditors' report to the Council of Gonville & Caius College, Cambridge 14
Statement of Principal Accounting Policies for the Year Ended 30 June 2024 18
Consolidated Statement of Comprehensive Income and Expenditure for the Year Ended 30 June 2024 266
Consolidated Statement of Changes in Reserves 27
Consolidated Balance Sheet as at 30 June 2024 288
Consolidated Cash Flow Statement as at 30 June 2024 299
Notes to the Accounts 2023/24 30

Reference and Administrative Details

Gonville & Caius College in the University of Cambridge Founded in Honour of the Annunciation of the Blessed Mary the Virgin comprises the Master, the Fellows and the Scholars. Its registered address is Trinity Street, Cambridge CB2 1TA. The College is a registered charity (Charity Registration Number: 1137536) and is subject to regulation by the Charity Commission for England and Wales. The charity Trustees of the College are the members of the College Council.

Council Members 1 July 2023 – 30 June 2024

Ex Officio	Master	Professor P J Rogerson
Ex Officio	Senior Bursar	Mr R Gardiner
Ex Officio	Senior Tutor	Dr A Spencer
Elected members		Professor P Robinson
		Revd Dr C Hammond (from October 2023)
		Professor A Zeitler
		Dr A Bunyan
		Dr M Amatt
		Dr C Scott (from October 2022)
		Dr J Latimer (from October 2022)
		Professor G Vinnicombe (from October 2022)
		Dr R Scurr (from May 2023)
		Professor P Mandler (to April 2024)
		Professor A Routh (to October 2023)
		Mr M Martin (to January 2024)
		Dr K Miles (from April 2024)
		Mr F Basso (from January 2024)

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

Bankers
Barclays Bank plc
Mortlock House
Histon
Cambridge
CB24 9DE

Lloyds Bank PLC
3 Sidney Street
Cambridge
CB2 3BU

Property Managers
Bidwells
Trumpington Road
Cambridge
CB2 2LD

Legal Advisers
Mills & Reeve LLP
Botanic House
98-100 Hills Road
Cambridge
CB2 1PH

Investment Managers
Partners Capital
5 Young Street
London
W8 5EH

CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Report of the College Council

Status

Gonville & Caius is one of the oldest and largest Colleges in the University of Cambridge, originally founded in 1348 by Edmund Gonville and subsequently augmented and re-founded by John Caius in 1557. It is a self-governing community of scholars, home to almost 1,000 undergraduates, graduates and academics supported by over 150 full-time equivalent staff.

The College is constituted under the provisions of the Universities of Oxford and Cambridge Act 1923 and is a registered charity. These accounts consolidate the operations of the College with its subsidiaries Caius Property Services Limited, Budworth Development Limited and Caius Conferences Limited. They are prepared in accordance with the Recommended Cambridge College Accounts (RCCA) format.

Aims and Objectives

The College is an institution of Higher Education. Its primary charitable purpose is the pursuit of education, religion, learning and research and its overall objective is to rank amongst the highest achieving academic institutions in the world.

Public Benefit

The College provides, in conjunction with the University of Cambridge, an education for almost 1,000 undergraduate and graduate students that is recognised internationally as being of the highest standard. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial systems;
- social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential while studying at the College; and
- specialist choral musical education for its choral students who make up the College's renowned choir.

The College advances learning and research through:

- providing an intellectual and social base for around 200 postgraduate students, as well as offering studentships, bursaries, financial support and grants for travel and other support relating to their research;
- providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- supporting research work pursued by its Fellows through promoting interaction across disciplines, providing facilities and providing grants for national and international conferences, research trips and materials;
- providing membership for 12 post-doctoral research associate to support early-career academics
- encouraging visits from outstanding academics from abroad; and
- encouraging the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

The College maintains an extensive library and archives (including important special collections), providing a valuable resource for students and Fellows of the College, members of other Colleges and the University of Cambridge more widely, external scholars and researchers, as well as offering a venue for occasional lectures and exhibitions open to the general public.

The College admits as students those who have the highest potential for benefiting from the education provided by the College and the University and recruits as academic staff those who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background:

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects but students of the College are predominantly between 18 and 26 years old; and
- there are no religious restrictions in the College's objects and members of the College have a wide variety of faith traditions or none.

The focus of the College is strongly academic, and students need to satisfy high academic entry requirements. The College works to reduce financial considerations from being a bar attending the College. It provides assistance to many of its students:

- to assist undergraduates who have limited financial means. The College participates in the Cambridge Bursary Scheme. The scheme operates in conjunction with the University of Cambridge and is approved by the Office for Students (OfS) providing benefits at a substantially higher level than the minimum OfS requirement;
- to support the costs of graduate students, the College provides substantial financial support. This includes scholarships to fund fees and living costs and 'top-up' funding to fill funding shortfalls in students' funding packages;
- the College also supports students through a grant scheme to assist with the purchase of books and equipment, attendance at conferences, childcare support and travel grants, as appropriate; and
- in addition to its other programmes, the College has some funds to assist students in financial hardship.

To raise educational aspiration and encourage more talented applicants from under-represented backgrounds to apply to the College, it operates an extensive outreach programme which includes large sustained programmes of supervision and guidance, visits to schools, visits by schools to the College, residential events, guidance for teachers, partnerships with external organisations and a lively presence across a range of social media.

The College carries forward the requirement, continuous since its foundation, of being a place of spiritual and ethical reflection on the Christian faith and its implications for the individual and society. In particular, the College:

- maintains and supports the Chapel as a place of religious worship where visitors are welcome during the day; where a variety of religious services take place on weekdays and at weekends during term, details of which are advertised; and where all regular services in the College Chapel are open to the public and are attended by students and staff from elsewhere in the University as well as local residents and visitors to Cambridge;
- maintains its outstanding choral tradition, which is integral to the provision of Divine Service in its Chapel, through the College's choir, formed from the students of the College;
- supports, through the College Dean, the emotional, mental and spiritual well-being of all members of the College community whatever their faith tradition, or none;
- maintains its historic connection with the work of the Church of England, particularly through its involvement as Patron of 22 parishes (and, in the absence of a Rector of Stockport, as Patron of a further 6 parishes) and Lay Rector of 4 parishes; and
- supports the institution of Caius House Battersea through the appointment of its Trustees (in the gift of the Master) and the involvement of the Dean as a Trustee.

Achievements and Performance

Educational activities

The College's undergraduates study all the subjects offered in the University and our postgraduates play a key role in the research activities of the wider University. Our Fellows have internationally renowned research expertise ranging from Archaeology to Zoology and are all recognised as leaders in their fields. The number of undergraduate and graduate students registered with the University at 3rd December 2023 was:

	2023/24	2022/23	% Change
Undergraduate	600	620	(3.0%)
Postgraduate	257	256	0.4%
Total	**857**	**876**	**(2.2%)**

Research activities

Four new Research Fellows started their Fellowships during the year: Dr Sanne Van Neerven (Molecular Oncology), Dr Christian Larroulet Phillip (Philosophy),Dr François.e Charmaille (English Modern & Medieval Languages), Dr Andrew Docker (Natural Sciences) . In addition, the College appointed Professor Dr Thomas Biginagwa as the Global South Bye-Fellow for one year (Archaeology).

Funding

The principal sources of income of the College are as follows:

- Fees charged for the provision of education to students.
- Students and Fellows through charges for goods, services and facilities provided.
- Investment income.
- Members and friends of the College through donations and bequests.
- Conference customers for goods, services and facilities provided.

Financial Review

The College's financial objective is to ensure that the College's primary educational, religious, learning and research functions are managed cost-effectively and supported by robust and well-managed financial resources, which will sustain the enterprise in perpetuity.

Academic Fees and Expenditure

Academic fee income has increased by 4.7% principally due to the increase in postgraduate income from the University and an increase in the number of postgraduates at the College. Total fee income does not cover the full cost of educational provision and the net cost to the College of providing education has increased from £6.3m in 2022/23 to £7.7m in 2023/24:

	2023/24 £000	2022/23 £000	Change £000
Income	4,281	4,088	193
Expenditure	(12,025)	(10,373)	(1,652)
Net Cost	**(7,744)**	**(6,285)**	**(1,459)**

The average funding provided for each student was £9,036 (prior year: £7,175).

The education costs are made up as follows:

	2023/24	2022/23 £000	Change £000
Teaching	4,538	4,160	378
Tutorial and student welfare	1,789	1,760	29
Admissions	800	566	234
Research	1,382	1,223	159
Scholarships and awards	2,412	1,795	617
Other educational facilities	1,075	841	234
Other educational expenses	29	28	1
Totals	**12,025**	**10,373**	**1,652**

The increases reflect cost of living salary increases for both academic and support staff, scholarships and awards costs increased to recognise additional multi-year commitments for a range of studentships granted out of accumulated income of restricted funds, the cost of recommencing in-person admissions interviews, revisions upwards of allocations of overheads to educational activities particularly maintenance, energy and insurance, IT improvements, and increases in Cambridge bursary costs and other support for students in financial difficulty.

Accommodation, Catering and Conferences

Income from accommodation, catering and conferences amounted to £7.8m which was £1.2m (17%) higher than the previous year due principally to further recovery of conference activity to 80% of its inflation-adjusted pre-pandemic level. Expenditure increased by 10%. Half of the increase arose as a result of increased energy costs and the remainder as a result of inflation in general costs and payroll, although the latter was ameliorated by better utilisation of staff, particularly in the catering operation.

Investment Income

The College depends on investment income to fully fund its activities. The endowment is managed for total return, with a spending rule which seeks to preserve the purchasing power of the endowment and is derived using a 'Yale Rule' being 70% of the previous year's total adjusted for college inflation and 30% based on a withdrawal rate of 2.75% from the value of investments at 31 March 2023. However, the withdrawal from the property portfolio is limited to the lower of the Yale Rule or property income and small capital receipts net of costs and an allowance for repairs. The property limit operated in the year as a result of a shortfall of retail rents leading to a constraint on the overall value of the expendable amount. The withdrawal for unrestricted purposes is reduced by unrestricted donations, other than the Annual Fund which is immediately applied to student purposes.

The key figures are summarised below.

	2023/24 £000	2022/23 £000	Change £000
Drawdown permitted under spending rule	6,515	6,048	467
Reduction due to unrestricted donations	(2,601)	(1,825)	(776)
Endowment transfer in the Statement of Comprehensive Income and Expenditure	**3,914**	**4,223**	**(309)**

Donations and Fundraising

The College is dependent on the philanthropic donations from Caians, parents of Caians and friends of the College to build its endowment and to fund some of its annual activities. The current fundraising and alumni

relation strategy strongly focuses on increasing funding for widening participation programmes, undergraduate and graduate student support, and college teaching.

The College is registered with the Fundraising Regulator and adheres to its Code of Fundraising Practice, subject to the terms and conditions agreed by the Colleges of the University of Cambridge and the Fundraising Regulator, as set out in the letter from the Chief Executive of the Fundraising Regulator, dated 20th July 2017.

The key staff responsible for fundraising are the Director of Development, Deputy Director of Development and the Development Officer, supported by a team of six.

The Development and Alumni Relations Office actively seeks lifetime gifts and legacies for teaching, research, student support and the maintenance and improvement of the College's buildings and heritage assets as well as general support of the College activities. Solicitation methods include face-to-face meetings, telephone calls, emails and letters from Development and Alumni Relations Office staff. The Office also conducts two annual fund appeals: a digital Giving Day campaign and a traditional telephone campaign. Both campaigns are managed by our staff with technical support from expert consultants.

No complaints were received about the College's fundraising activities during the year. Any requests to be withdrawn from fundraising approaches were implemented immediately.

To protect vulnerable people and others, any potential supporters included in a telephone fundraising campaign are sent a pre-call letter, making clear the purpose of the call and offering the opportunity to be withdrawn from the Campaign. During the telephone fundraising campaign, the list of those wishing to be excluded is updated on a daily basis.

The College has signed up for AmazonSmile (now in wind-down) and the Paypal Giving Fund but otherwise does not use third-party professional fundraisers or commercial participators.

Fundraising income is a crucial source of revenue and comes in the form of regular or one-off gifts and bequests left in wills. Caius is deeply grateful to its historic and current benefactors, which it recognises through membership of various groups and the entitlement to attend exclusive events.

Donations accrued for accounting purposes amounted to £4.2m. After adjusting for the timing of the receipt of legacies which are often received after they are notified and accrued, donations received in the year were:

- New endowments of £973,000 for existing and some new permanent funds
- Unrestricted donations of £1,226,000 immediately available for general purposes
- Donations of £499,000 for immediate use for restricted purposes.

Expenditure

Approximately 48% of regular recurring operational expenditure is staffing costs, allocated to various categories. The overall numbers of Fellows and permanent Staff in the College at 30 June were as follows:

	30 June 2024	30 June 2023	Change
Number of Fellows	114	118	-4
Number of Staff (FTEs)	165	151	+14

University Contribution

The sum levied is redistributed by the Colleges' Fund to less wealthy colleges. Colleges' contributions are determined principally by reference to the value of their endowments and the number of their students.

Capital and Reserves

Total capital and reserves stood at £403m at 30 June 2024 (30 June 2023: £383.2m). The College's unrestricted funds amount to £296.5m (30 June 2023: £283.9m) and are represented in the balance sheet in part by the College's operational buildings and heritage assets valued at £144.1m. The free reserves are therefore £152.4m of the investment portfolio. The restricted endowments amount to £96.6m, represented by part of the investment portfolio. There is also a restricted reserve of £9.5m built up from restricted but expendable donations and unspent income relating to the funds in the endowment reserve.

The College intends to continue to pursue its objects in perpetuity. Its activities require income support from its investments comprising its free reserves. The College Council is aware of the need for financial prudence and has been taking steps to increase its free reserves by managing carefully the expendable amount, developing the conference business and growing the endowment through prudent investments, development opportunities within the property portfolio and donations. The level of reserves is reviewed routinely by the Finance Committee and in response to any relevant, specific interim request for expenditure but as a general matter the income arising from free reserves is considered integral to the College's operations and required to deliver its charitable objectives. Although the College's other income streams are reasonably stable in the short term, the free reserves also provide support in the event of an unforeseen downturn in the College's operating or investment income arising from wider economic uncertainty. In addition, the reserves are required to permit the repayment of debt drawn for operational purposes.

Investments

The Investments of the College increased from £271m to £287m at 30 June 2024. The investment assets increased as a result of robust investment returns over and above the amount withdrawn under the total return spending rule. Property assets include £10m financed by a loan from the 2013/14 Cambridge Colleges Private Placement and £5.6m of amounts drawn under a Revolving Credit Facility.

Decisions on investment policy are taken by the College Council on the advice of the Investments Committee. The Investments Committee, appointed by the College Council, comprises the Master, the Senior Bursar, three other Fellows of the College and four experienced external members. The Investments Property Sub-Committee reports to the Investments Committee and focuses on the College's extensive directly held property portfolio.

Financial investments are managed under a discretionary mandate by Partners Capital LLP and the CCLA Investment Management Limited. Directly held property investments are managed with the assistance of its agents Bidwells LLP who are responsible for the collection of rent.

The College has interests in three shared equity house purchase arrangements with Fellows of the College.

The investment asset allocation comprises:

	June 24 £m	June 23 £m	June 22 £000	June 21 £000	June 20 £000
Total Return	**+8.3%**	**+2.3%**	**+2.7%**	**17.3%**	**1.8%**
Cash	10.9	6.4	3.6	8.5	8.3
Fixed income	10.2	6.6	-	-	0.3
Credit	9.2	8.5	5.0	5.4	5.3
Hedge funds – absolute return	10.6	9.7	11.8	7.3	3.9
Hedge funds – hedged equities	9.6	8.5	12.7	11.2	12.4
Public equity	87.8	84.2	86.8	93.3	77.6
Private equity	38.4	31.9	31.5	24.4	18.7
Private debt	1.9	4.4	4.7	4.8	4.4
Core property	93.7	98.3	95.7	91.6	84.3
Property funds	3.2	2.0	3.0	2.5	2.4
Infrastructure and operating assets	6.9	4.5	4.9	5.2	4.7
Contractual and other income	0.4	1.8	2.0	1.6	1.8
Inflation linked bonds and inflation hedges	3.9	3.9	2.8	3.9	2.5
Total Investments	**286.7**	**270.7**	**264.5**	**259.7**	**226.6**
Private Placement	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
Revolving Credit Facility	(5.6)	(10.0)	-	-	-
Net Investments	**271.1**	**250.7**	**254.5**	**249.7**	**216.6**

The College aims to grow the endowment to £330m. This is because the College has grown significantly in the past fifty years and a prudent view is taken of long-term annual investment returns required to meet the College's annual needs.

Statement of Investment Responsibility

The primary fiduciary responsibility of the College Council in investing and managing the Endowment is to maximise the financial return on those resources, taking into account the amount of risk permitted within the College's investment policy. There are circumstances, however, described in Charity Commission guidance and founded in judicial decisions, when the College may balance against its primary responsibility considerations of the ethical nature of investments. Therefore, as an eleemosynary institution established to exist in perpetuity and a long-term investor, the College will take due care to ensure that its investment management reflects the interests and values of the College. This includes matters of sustainability and environmental, social, and governance issues (together referred to as 'ESG issues' or 'responsible investment') among the many factors that inform its investment decision-making and manager selection.

Financial Assets

The College believes that by engaging in a broad set of extra-financial considerations, the long-term financial performance of the portfolio of financial assets can be improved. The College judges the extent to which responsible investing is successfully integrated within the investment portfolio with the help of our investment managers and through scrutiny of the investment managers' actions and success in managing those issues in the investments they make on the College's behalf. How our investment managers consider ESG issues in their investment decisions, analysis, and monitoring on the College's behalf varies by asset-class and investment strategy.

Where our investment managers invest on our behalf through independent third-party asset managers, they seek to integrate and manage ESG issues through an operational due diligence framework to assess such third-party asset managers. This framework includes an ESG due diligence section to ensure that ESG-related questions are assessed and considered during the due diligence process. After making an investment they continue to monitor identified ESG risks and maintain a dialogue with the third-party assets managers to

ensure effective oversight and application of responsible investment best practices. The College scrutinises its investment managers in relation to the effectiveness of their application of those processes and ESG engagement with the relevant third-party asset managers.

Where our investment managers invest on our behalf in their own managed funds, we consider carefully the ethical and responsible investment policy of those funds in the process of selecting those fund managers. The College scrutinises those managers in relation to the effectiveness of their application of ESG criteria in the selection of assets for acquisition or disposal and engagements with investee companies. In this context fund information published by CCLA Investment Managers for the COIF Charities Ethical Investment Fund and COIF Global Equity Income Fund are relevant.

As a general matter, the College insists that its investment managers demonstrate a very high standard of integrity towards their clients, their staff and the relevant regulatory authorities. Where any breaches of integrity are detected, the assets under management may be moved to another fund manager.

The College holds minimal holdings in 'fossil fuel' stocks which are limited to historic private equity positions which are in run-off.

Directly-held Property Assets

The College holds substantial property assets which it manages directly. These include residential, commercial, retail and agricultural properties. The policy for ensuring sustainable management of these assets is under continued review as national law and policy develops.

Operational Assets

Fixed assets are principally the operational buildings of the College. Of the total expenditure on operational asset additions of £1,158,000, £180,000 was further work on preparation for the next major refurbishment project in St Michael's Court and £585,000 on decarbonisation projects for the Old Courts and a Victorian villa housing graduates. The remainder was for less substantial repairs, fire safety systems, IT equipment and a new carpet for the library. The College also spent £1,376,000, which included the salaries of the in-house maintenance team, on continuing maintenance and repair of its buildings.

The College maintains a seven year forward programme of works. The current major project is the refurbishment of the Aston Webb building (A to F staircases St Michael's Court) which commenced in July 2024 and plans for the decarbonisation of the Old Courts.

Trusts and Funds of the College

The majority of the donations to the College are unrestricted and allow the College Council to determine their use. Other donations are for specific purposes, e.g. bursaries, lectureships and studentships. Each of these restricted donations must be accounted for in a separate fund. The underlying assets are invested on an amalgamated basis with a record of the share of the assets and income attributable to each fund to ensure donors' wishes are observed.

Principal Risks and Uncertainties

College Council considers matters of risk on a regular basis through its committees and sub-committees. A risk register is maintained addressing the corporate level risks of failures: to deliver highest quality education, to respond to regulatory developments, to maintain reputation, to maintain good governance, maintain adequate finances, failure of the estate or operating provision. Detailed risk registers are also maintained at departmental level. The College maintains and tests a business continuity plan which has been overhauled during the year. The College has a dedicated Health, Safety and Security Committee to address these specific issues for the College as a whole.

Financial risks are addressed by the Finance Committee and the Investments Committee. The College is dependent on its endowment and reviews its investment policies on an annual basis in order that it balances the need to achieve high returns and manage risk. The Finance Committee is responsible for reviewing the level of expenditure that can be supported by income and together with the Investment Committee establishes an appropriate level of withdrawal from the endowment to ensure the long-term future of the College while providing a fair and appropriate level of funding for the current cohort of students and thus ensuring that inter-generational equity is maintained.

At the time of approval of these accounts, the principal, specific risks facing the College and which it has limited control over arise from: the continuing impact of inflation on the cost of base of the College, now principally wage inflation, and the lack of increase in one of its principal sources of income which is the regulated undergraduate fee which has been increased by only 3% in a decade; the effect of economic and geopolitical turbulence on the value of the endowment; the difficulty of recruiting both academic and support staff in an environment of the cost of living which prevails in Cambridge; the robustness of the supervision system and the importance of a forward-thinking outcome from the University's announced review of teaching; malicious breaches of cybersecurity intrusions; and the impact of climate change on the operational estate of the College including the costs of decarbonisation of the estate.

Future Developments

Although relatively well-endowed the College supports one of the largest Cambridge collegiate communities of students and Fellows. It has the benefit of a strong fundraising team, and a committed Investments Committee. The higher education sector continues to be subject to uncertainties including the level and form of government support for tuition and research, visa requirement extending to citizens of more countries as a barrier to accessing UK education and research positions, the preparedness of foreign governments to support and encourage their citizens to come to the UK for higher education, international competition for students and academic staff and continuing discontent over the erosion of academic pay and reward and industrial action arising therefrom. Considering these, the College sees the immediate key challenges and priorities as:

- dealing with the continued effects of Brexit, in particular the long-term effect on recruitment of the most talented Fellows and students;
- the availability of staff for certain core services;
- maintaining the high level of teaching, either one to one or in small groups, that is core to the educational experience offered by Cambridge University;
- attracting suitably qualified students from the widest possible range of backgrounds;
- providing students with adequate support through bursary schemes to enable them to study without the distraction of financial concerns;
- responding to the requirements of Access and Participation Plans agreed with the Office for Students;
- strengthening the College's support for graduate study and for research;
- attracting and retaining an active Fellowship that is committed to excellence in research and teaching, in a global marketplace for academic talent;
- addressing the risks arising from climate change and raising money to allow the implementation of the decarbonisation plan which is outlined as a 17 year endeavour with a current cost of approximately £25m;
- maintaining the beautiful historic and modern buildings and upgrading them to meet the requirements and aspirations of our students, current health and safety standards and modern IT requirements;
- determining the options available for the redevelopment of the recently acquired land at Rose Crescent, Radcliffe Court and Market Hill (project 'Agora'); and
- growing the College's investments in order to fund the above.

In order to guide the response to these issues the College has documented strategies for education, finance, investment policy, fund-raising and its estate planning. A research strategy is being drafted.

Corporate Governance

The following statement is provided by the College Council 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 1137536) and subject to regulation by the Charity Commission for England and Wales. The members of the College Council are the charity trustees and are responsible for ensuring compliance with charity law.

The College Council is advised in carrying out its duties by the following principal committees:

Committees with financial authority and oversight:

- Domestic and Catering Committee
- Finance Committee
- Education and Research Committee
- Works and Accommodation Committee

Other principal committees:

- Investments Committee, supported by the Investments Property Sub-Committee
- Communications Committee
- Development and Alumni Relations Committee
- Personnel Committee

There are Registers of Interests of members of College Council and of senior administrative officers. Declarations of interest are made systematically at all the main Committee meetings.

The principal officers of the College are the Master, the President, the Senior Tutor, the Senior Bursar, the Domestic Bursar and the Registrary.

The Finance Committee's principal duties are to consider long-term financial strategy, to oversee the financial management of the College, to recommend annual budgets to the College Council to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the College Council 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 College Council. Membership of the Finance Committee includes the Master, the Senior Bursar, the Domestic Bursar, the Development Director and four fellows with appropriate skills and experience, including at least one tutor and one teaching fellow and an external member with appropriate skills and experience.

The composition of the College Council during the year ended 30 June 2024 is set out on page 2.

Statement of Internal Control

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

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. This process was in place for the year ended 30 June 2024 and continues to provide reasonable but not absolute assurance of effectiveness.

The College Council is responsible for reviewing the effectiveness of the system of internal control. This review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Senior Bursar and the 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.

Responsibilities of the College Council

The College 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 Statutes and the Statutes and Ordinances of the University of Cambridge require the College Council 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 College Council is 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 College Council is responsible for keeping accounting records that disclose, with reasonable accuracy at any time, the financial position of the College and ensure that the financial statements comply with the Statutes of the University of Cambridge. The College Council is 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 College 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.

On behalf of the College Council

Professor Philippa Rogerson ..... **Dated 13th November 2024**

Independent auditors' report to the Council of Gonville & Caius College, Cambridge

Opinion

We have audited the financial statements of Gonville & Caius College (the College) and its subsidiaries (the Group) for the year ended 30 June 2024 which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to

determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

Matters on which we are required to report by exception

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

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 Council

As explained more fully in the responsibilities of the Council statement set out on page 13, the 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 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 Council are responsible for assessing the Group's and College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the College or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the College's legal advisors.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilties. This description forms part of our auditors' report.

Use of our report

This report is made solely to the College's Council 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 Council 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 Council 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

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Cambridge
CB1 2LA
Date: 22 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 for the Year Ended 30 June 2024

Basis of Preparation

The financial statements have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge, 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 that all fee income is spent for educational purposes. The analysis required by the SORP is set out in Note 7.

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

Basis of Accounting

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

Going concern

The College prepares forecasts based on a number of assumptions and has considered their impact upon its cash resources and unrestricted reserves

. Based upon their review the Trustees believe that the College will have sufficient resources to meet its liabilities as they fall due for the foreseeable future and therefore have continued to adopt the going concern basis in preparing the financial statements.

Basis of Consolidation

The consolidated financial statements include the College and its subsidiary undertakings, Caius Conferences Ltd and Caius Property Services Ltd. Intra-group transactions are eliminated on consolidation. A separate balance sheet and related notes for the College only are not included because the balance sheet of the College would not be materially different to the one included in the accounts. The other subsidiary undertakings, Budworth Development Ltd and Caius Property Services Ltd, had no financial transactions in the year to 30th June 2024. Details of the subsidiaries are set out in Note 27.

The Consolidated Financial Statements do not include the activities of student societies as these are separate bodies in which the College has no financial interest and over whose policy decisions it has no direct control.

Recognition of Income

Academic Fees

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

Restricted grant income

Grants for restricted purposes are recognised as income to the extent that relevant expenditure has been incurred.

Income from research grants

Income from research grants is included to the extent of the completion of the contract or service concerned.

Donations and benefactions

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

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

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. Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income.
3. 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.
4. 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.

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

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

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

Total return basis of accounting
The college manages its investment portfolio and allocates the related earnings for expenditure in accordance with the "total return" concept. The endowment spending policy is designed to preserve the real value of the portfolio over time. The spending policy attempts to achieve this objective by using a long-term targeted spending rate input into a 'Yale Rule' with this rate being annually reviewed. For the year to 30 June 2024 the rate is was maintained at 2.75% of the value of investments at 31 March 2023.

Cambridge Bursary Scheme
During the year, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC) and Cambridge University has reimbursed the College for their portion. 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 £297,000 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£273,000
Expenditure	£570,000

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

Tangible Fixed Assets

Buildings
Buildings are stated at deemed cost following a comprehensive revaluation exercise that was carried out in 2016 with the valuation effective from 1 July 2014. Freehold buildings are now depreciated on a straight line basis over their expected useful economic lives as independently assessed with building elements ranging from 15 to 112 years. Freehold land is not depreciated.

Where land and buildings are acquired with the aid of specific bequests or donations they are capitalised and depreciated as above.

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. They are not depreciated until they are brought into use.

Maintenance of premises
The College has an estate strategy and a five-year rolling maintenance plan which are reviewed on an annual basis. The cost of routine maintenance is charged to the income and expenditure account as it is incurred. The cost of refurbishment is capitalised and depreciated over the expected useful economic life with a £10,000 limit applied for capitalisation.

Equipment
Furniture, fittings and equipment costing less than £10,000 per individual item, or group of related and interconnected items, is written off in the year of acquisition. All other assets are capitalised and depreciated over the expected useful lives of the assets, which are as follows:

Major equipment and software	5 years
Furniture and fittings	10 years
Computer equipment	3 years
Motor vehicles and general equipment	5 years

These assets are assumed to be scrapped once they reach the end of their estimated useful lives. Therefore, they are eliminated from the financial statements at this point.

Leased assets
Fixed assets held under finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the lease. The excesses of lease payments over recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligations. Rental costs under operating leases are charged to expenditure in equal amounts over the periods of the leases.

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

Investments

Securities
Securities are shown at their market value. For listed investments this is the middle market quotation ruling at the close of business on 30 June. Overseas investments are translated into sterling at the rates of exchange ruling at that date. Investment income is included as and when dividends and interest become payable. Interest on bank deposits is included as earned. Interest purchased or sold as part of the price for investments is treated as capital rather than being brought into the income and expenditure account.

Properties
Investment properties are revalued annually and the aggregate surplus or deficit is transferred to the investment revaluation reserve, where properties are held by the college, or credited to restricted funds, where a restricted fund holds property.

Stocks

Stocks are stated at the lower of cost or net realisable value.

Provisions

Provisions are recognised if, 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

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.

Endowment Funds

Endowment funds are classified under two headings:

- where the donor has specified that that the fund is to be permanently invested to generate an income stream for the general purposes of the College, the fund is classified as an unrestricted permanent endowment; and
- where the donor has specified that the fund is to be permanently invested to generate an income stream to be applied for a restricted purpose, the fund is classified as a restricted permanent endowment.

Taxation

The College is a registered charity (number 1137536) 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 advised to the College by the University, based on an assessable amount derived from the value of the College's assets at the end of the previous financial year.

Pension Schemes

The College pays contributions to three pension schemes which provide benefits to its members based on final pensionable salary. The assets of these schemes are held separately from those of the College. In addition, the Colleges administers a closed non-contributory scheme, which is recorded separately in the College balance sheet.

Universities Superannuation Scheme

The College participates in Universities Superannuation Scheme (the scheme). With effect from 1 October 2016, the scheme changed from a defined benefit only to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. Because of the mutual nature of the scheme, the scheme's 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 FRS 102 "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 the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme. 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 therefore an expense is recognised.

Cambridge Colleges Federated Pension Scheme

The College also contributes to the Cambridge Colleges Federated Pension Scheme (CCFPS), which is a similar defined benefit pension scheme. Unlike the USS, this scheme has surpluses and deficits directly attributable to individual colleges. Current service costs, assessed by the scheme actuary, are included as part of staff costs. The expected return on assets less the interest costs is shown as a net amount as part of interest income or costs. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

Actuarial valuations are obtained at least triennially and are updated at each balance sheet date for accounting purposes. The liabilities of the plan have been calculated for the purposes of FRS102 using a valuation system designed for the Management Committee acting as Trustee of the Cambridge Colleges' Federated Pension Scheme at 31 March 2023 but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

Church of England Funded Pensions Scheme

The College also participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Boards, which holds the assets of the schemes separately from those of the Employer and the other participating employers. Each participating employer in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the statement of income and expenditure in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions.

Staff Pension Fund

The College runs a defined benefit scheme, funded by the College, which is closed to new members. Benefit payments are accounted for when payments are made.

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 in 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 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 latter 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.

Recoverability of debtors – The provision for doubtful debts is based on the College's estimate of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due.

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

Retirement benefit obligations – The cost of defined benefit pension plans and other post-employment benefits 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 26.

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 where required, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2023 actuarial valuation (prior year 2020 actuarial valuation). The position in 2024 is that no the deficit recovery payments are required (in the prior year deficit recovery payments under the 2020 valuation were required as a percentage of future salaries until 2028). The requirement for any contributions will be reassessed within each triennial valuation of the scheme. Where required, 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 26.

Consolidated Statement of Comprehensive Income and Expenditure for the Year Ended 30 June 2024

	Note	Unrestricted £000	Restricted £000	Endowment £000	2024 Total £000	Unrestricted £000	Restricted £000	Endowment £000	2023 Total £000
Income									
Academic fees and charges	1	4,008	273	-	4,281	3,879	209	-	4,088
Accommodation, catering and conferences	2	7,761	-	-	7,761	6,641	-	-	6,641
Investment income	3	-	-	7,006	7,006	-	-	5,550	5,550
Endowment return transferred	3	1,434	2,481	(3,915)	-	1,897	2,326	(4,223)	-
Other income		191	-	-	191	174	-	-	174
		13,394	2,754	3,091	19,239	12,591	2,535	1,327	16,453
Total income before donations and endowments									
Donations		2,781	245	-	3,026	2,071	151	-	2,222
New endowments		-	216	973	1,189	-	159	1,029	1,188
Other capital grants for assets		-	9	-	9	-	193	-	193
Total income		16,175	3,224	4,064	23,463	14,662	3,038	2,356	20,056
Expenditure									
Education	4	9,025	3,000	-	12,025	8,384	1,989	-	10,373
Accommodation, catering and conferences	5	9,170	2	-	9,172	8,369	-	-	8,369
Other expenditure	6	1,213	43	5,680	6,936	597	421	5,113	6,131
Change in USS pension deficit recovery provision contributions	16	(3,705)	-	-	(3,705)	(181)	-	-	(181)
Contribution under Statute G,II		209	-	-	209	211	-	-	211
Total expenditure		15,912	3,045	5,680	24,637	17,380	2,410	5,113	24,903
Surplus/(deficit) before other gains and losses		263	179	(1,616)	(1,174)	(2,718)	628	(2,757)	(4,847)
Gain on investments	3	11,834	507	7,764	20,105	1,910	5	3,835	5,750
Surplus/(deficit) for the year		12,097	686	6,148	18,931	(808)	633	1,078	903
Other comprehensive income/ (expenditure)									
Actuarial gain/(loss) in respect of pension schemes	16	441	-	-	441	(8)	-	-	(8)
Total comprehensive income for the year		12,538	686	6,148	19,372	(816)	633	1,078	895

The notes on pages 30 to 52 form part of these accounts.

Consolidated Statement of Changes in Reserves

Year ended 30 June 2024

	Income and expenditure reserve			
	Unrestricted	Restricted	Endowment	Total
	£000	£000	£000	£000
Balance at 1 July 2023	283,928	8,855	90,442	383,225
Surplus from income and expenditure statement	12,097	686	6,148	18,931
Other comprehensive income/(expenditure)	441	-	-	441
Transfer between restricted and endowment funds	-	-	-	-
Release of restricted capital funds spent in the year	9	(9)	-	-
Balance at 30 June 2024	296,475	9,532	96,590	402,597
Balance at 1 July 2022	284, 476	8,490	89,364	382,330
Surplus/(Deficit) from income and expenditure statement	(808)	633	1,078	903
Other comprehensive income/(expenditure)	(8)	-	-	(8)
Transfer between restricted and endowment funds	-	-	-	-
Release of restricted capital funds spent in the year	268	(268)	-	-
Balance at 30 June 2023	283,928	8,855	90,442	383,225

The notes on pages 30 to 52 form part of these accounts.

Consolidated Balance Sheet as at 30 June 2024

	Note	2024 £000	2023 £000
Non-current assets			
Fixed assets	9	143,982	145,163
Heritage assets	9	120	120
Investment assets	10	286,758	270,698
Total non-current assets		430,860	415,981
Current assets			
Stock	11	623	624
Trade and other receivables	12	4,904	2,653
Cash and cash equivalents	13	1	855
Total current assets		5,528	4,132
Creditors: amounts falling due within one year	14	(18,630)	(15,482)
Net Current assets		(13,102)	(11,350)
Total Assets less current liabilities		417,758	404,631
Creditors: amounts falling due after more than one year	15	(12,907)	(14,865)
Net assets excluding pension liability		404,851	389,766
Net pension liability	16	(2,254)	(6,541)
Net assets		402,597	383,225
Restricted reserves			
Income and expenditure reserve – endowment reserve	17	96,590	90,442
Income and expenditure reserve – restricted reserve	18	9,532	8,855
Unrestricted reserves			
Income and expenditure reserve – unrestricted		296,475	283,928
Total Reserves		402,597	383,225

Approved by the College Council on 13th November 2024 and signed on their behalf by Mr Robert Gardiner, Senior Bursar

The notes on pages 30 to 52 form part of these accounts.

Consolidated Cash Flow Statement as at 30 June 2024

	Note	2024	2023
		£000	£000
Net cash (outflow) /inflow from operating activities	20	(5,895)	9,732
Cash flows from investing activities	21	5,995	(11,052)
Cash flows from financing activities	22	(3,344)	(1,337)
Increase/(decrease) in cash and cash equivalents in the year	23	(3,244)	(2,657)
Cash and cash equivalents at beginning of the year		855	3,512
Cash and cash equivalents at end of the year		(2,389)	855

The notes on pages 30 to 52 form part of these accounts.

Notes to the Accounts 2023/24

1 Academic fees and charges

	2024 £000	2023 £000
College fees:		
Fee income received at the Regulated Undergraduate rate	2,443	2,518
Fee income received at the Unregulated Undergraduate rate	601	595
Fee income received at the graduate rate	880	749
	3,924	3,862
Income for Cambridge Bursaries	273	209
Other income	84	17
Total	4,281	4,088

2 Income from accommodation, catering and conferences

		2024 £000	2023 £000
Accommodation	College members	5,054	4,497
	Conferences	973	623
Catering	College members	1,166	1,070
	Conferences	568	451
Total		7,761	6,641

3 Endowment and Investment income

3a Analysis

	2024	2023
	£000	£000
Total return contribution (see note 3b)	3,915	4,223

3b Summary of Total Return

	2024	2023
	£000	£000
Income from:		
Land and buildings	4,272	3,827
Quoted and other securities and cash	2,734	1,723
Losses/gains on endowment assets:		
Land and buildings	(235)	286
Quoted and other securities and cash	20,340	5,464
Investment Management costs (see note 3c)	(5,680)	(5,114)
Total Return for year	21,431	6,186
Total Return transferred to Income and Expenditure Account	(3,915)	(4,223)
Total return expendable amount	(3,915)	(4,223)
Unapplied Total Return for Year included within Statement of Comprehensive Income and Expenditure (see note 19)	17,516	1,963

3c Investment management costs

	2024	2023
	£000	£000
Land and buildings	2,568	2,482
Other investments	3,112	2,632
Total	5,680	5,114

4 Education Expenditure

	2024	2023
	£000	£000
Teaching	4,538	4,160
Tutorial	1,789	1,760
Admissions	800	566
Research	1,382	1,223
Scholarships and awards	2,412	1,795
Other educational facilities	1,075	841
Other educational expenses	29	28
Total	12,025	10,373

5 Accommodation, Catering and Conferences Expenditure

		2024	2023
		£000	£000
Accommodation:	College members	6,868	5,976
	Conferences	133	116
Catering:	College members	1,871	1,962
	Conferences	300	315
Total		9,172	8,369

6 Other Expenditure

	2024	2023
	£000	£000
Investment management and administration	4,785	4,350
Interest	1,020	978
USS pension interest charge	104	136
FRS 102 pension scheme interest charges	(53)	(52)
Other general and administrative	1,080	719
Total	6,936	6,131

7a Analysis of 2023/2024 Expenditure by Activity

	Staff costs (Note 8)	Other Operating Expenses	Depreciation (Note 9)	Total
	£000	£000	£000	£000
Education (note 4)	5,131	6,280	614	12,025
Accommodation, catering and conferences (note 5)	4,493	2,956	1,723	9,172
Other (note 6)	360	6,574	2	6,936
Change in USS pension deficit recovery pension contributions	(3,705)			(3,705)
Contribution under Statute G,II	-	209	-	209
Total	6,279	16,019	2,339	24,637

Expenditure includes Development Office costs of £377,000. This expenditure excludes the cost of alumni relations.

7b Analysis of 2022/2023 Expenditure by Activity

	Staff costs (Note 8)	Other Operating Expenses	Depreciation (Note 9)	Total
	£000	£000	£000	£000
Education (note 4)	4,980	4,882	511	10,373
Accommodation, catering and conferences (note 5)	4,286	2,432	1,651	8,369
Other (note 6)	215	5,915	2	6,131
Change in USS pension deficit recovery pension	(181)	-	-	(181)
Contribution under Statute G,II	-	211	-	211
Total	9,300	13,439	2,164	24,903

Expenditure includes Development Office costs of £346,000. This expenditure excludes the cost of alumni relations.

7c Auditors' remuneration

	2024	2023
	£000	£000
Other operating expenses include:		
Audit fees payable to the College's external auditors	39	39
Other fees payable to the College's external auditors	2	2
Total	41	41

8a Staff costs

	Academic £000	Non-academic £000	Total 2024 £000	Total 2023 £000
Salaries	2,374	5,827	8,201	7,855
National insurance	239	526	765	704
Pension costs	345	844	1,189	1,233
Net change in USS deficit recovery provision (see note 16)	(1,278)	(2,598)	(3,876)	(492)
Sub-total of pension costs (see note 8b)	(933)	(1,754)	(2,687)	741
Total	1,680	4,599	6,279	9,300

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 £3,876,000 (2023: £492,000). This comprises a non-cash credit resulting from the change in assumptions, including the discount rate, of £3,705,000, (2023: £181,000) and cash contributions made to reduce the deficit in the year of £172,000, (2023: £311,000).

	Average staff numbers 2024		Average staff numbers 2023	
	Number of Fellows	Number of Non-Fellows	Number of Fellows	Number of Non-Fellows
Academic (number receiving a stipend)	78	8	79	8
Non-Academic (full-time equivalents)	4	165	3	158
Total	82	173	82	166

At 30th June 2024, there were 114 members of the Governing Body. During the year the average number receiving remuneration was the 82 shown above.

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

	2024	2023
£100,000 - £109,999	-	1
£110,000 - £119,999	3	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.

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.
For the College these are the Master, the Senior Bursar and the Senior Tutor. During the year remuneration paid to key management personnel was £315,000 (2023: £306,000).

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

8b Pension costs

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

	Employer contributions 2024 £000	Provisions (Note 16) 2024 £000	Total 2024 £000	Employer contributions 2024 £000	Provisions (Note 16) 2024 £000	Total 2024 £000
USS	1,026	(3,876)	(2,850)	1,083	(492)	591
CCFPS	148	-	148	141	-	141
Other	15	-	15	9	-	9
Total	1,189	(3,876)	(2,687)	1,233	(492)	741

9 Fixed Assets

	Land £000	College Buildings £000	Assets in construction £000	Furniture & Equipment £000	Total 2024 £000	Total 2023 £000
Cost/Valuation						
At beginning of year	62,220	99,019	803	481	162,523	151,803
Additions	-	596	347	215	1,158	1,288
Disposals at cost/valuation	-	-	-	(93)	(93)	(79)
Transfers	-	-	-	-	-	9,511
At end of year	62,220	99,615	1,150	603	163,588	162,523
Depreciation						
At beginning of year	-	17,141	-	219	17,360	15,276
Charge for the year	-	2,209	-	130	2,339	2,163
Eliminated on disposal	-	-	-	(93)	(93)	(79)
At end of year	-	19,350	-	256	19,606	17,360
Net book value						
At end of year	62,220	80,265	1,150	347	143,982	145,163
At beginning of year	62,220	81,878	803	262	145,163	136,527

The insured value for rebuilding of freehold operational buildings (excluding investments assets) at 30 June 2024 is £275m, compared with the 2023 total of £262m.

Heritage assets

The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance. As stated in the principal accounting policies, heritage assets acquired since 1999 have been capitalised. However, the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of cost or valuation are not available for these on a cost-benefit basis they have not been capitalised. As a result, the total included in the balance sheet is partial.

Amounts for the current and previous four years were as follows:

	2024 £000	2023 £000	2022 £000	2021 £000	2020 £000
Balance brought forward	120	120	120	113	101
Acquisitions purchased with College funds	-	-	-	7	12
Total	120	120	120	120	113

10 Fixed Asset Investments

	2024 £000	2023 £000
Balance at beginning of year	270,698	264,455
Additions	31,077	49,242
Transfers to operational assets	-	(9,511)
Disposals	(36,394)	(36,394)
Appreciation	16,783	1,723
Increase in cash balances held by fund managers	4,594	1,183
Balance at end of year	286,758	270,698

Represented by:	2024 £000	2023 £000
Property	93,665	98,334
Quoted securities – equities	33,926	55,801
Fixed interest securities	19,193	17,631
Cash in hand and at investment managers	9,386	4,793
Other investments	130,588	94,139
Total	286,758	270,698

11 Stocks and work in progress

	2024 £000	2023 £000
Wine stocks	592	591
Bar, kitchen and other stocks	31	33
Total	623	624

12 Trade and other receivables

	2024 £000	2023 £000
Members of the College	521	416
Commercial rents	896	708
Donations	2,705	1,158
Other debtors	266	197
Prepayments and accrued income	516	174
Total	4,904	2,653

13 Cash and cash equivalents

	2024 £000	2023 £000
Current accounts	1	855
Total	1	855

14 Creditors: amounts falling due within one year

	2024 £000	2023 £000
Trade creditors	4,368	3,630
Bank loan due for repayment within a year	10,199	10,360
Members of the College	633	595
University fees	7	15
Commercial rent deferred income	586	528
Contribution to Colleges Fund	209	211
Other creditors	238	143
Bank overdraft	2,390	-
Total	18,630	15,482

On 27th June 2023, the College entered into a revolving credit facility arrangement with a UK bank at a total value of £15,000,000. Loan interest accrues based on a fluctuating SONIA rate plus 5-day lag, and 0.5% margin. As at 30th June 2024, £10,000,000 of this facility was drawn down, repayable on 25th September 2024. A further £2,000,000 was drawn down on 27th August 2024. The full £12,000,000 has been rolled over on 25th September 2024 and is repayable on 25th October 2024. Interest accrues on the non-utilised part of the commitment at a rate of 0.25%.

15 Creditors: amounts falling due after one year

	2024	2023
	£000	£000
Bank loans	2,907	4,865
Other loans	10,000	10,000
Total	12,907	14,865

During 2014 the College borrowed from institutional investors, collectively with other Colleges, the College's share being £10 million. The loans were made in two stages, are unsecured and repayable during the period 2042-2053, and are at fixed interest rates of 4.4% for the first part and 4.45% for the second. Although issued through a funding vehicle, the College has no responsibility for the obligations of any of the other issuing Colleges. In addition, the College has unsecured bank loans:

- repayable over a period of 21 years, at a fixed rate of 4.59%.
- repayable over a period of 10 years, at a fixed rates of 2.25%, 2.30% and 2.14%.

In December 2023, the College repaid a bank loan with Santander plc at a value of £1.9m.

16 Pension liabilities

Year to 30 June 2024

	CCFPS	USS	Other	Total
	£000	£000	£000	£000
Balance at beginning of year	2,597	3,773	171	6,541
Movement in year:				
Current service cost including life assurance	131	-	-	131
Contributions	(319)	-	(30)	(349)
Other finance cost	136	104	9	249
Actuarial (gain)/loss recognised in Statement of Comprehensive Income and Expenditure	(449)	-	8	(441)
Net change in underlying assumptions:				
Change in underlying contributions	-	(3,705)	-	(3,705)
USS deficit contributions	-	(172)	-	(172)
Balance at end of year	2,096	-	158	2,254

Year to 30 June 2023

	CCFPS	USS	Other	Total
	£000	£000	£000	£000
Balance at beginning of year	2,616	4,128	220	6,964
Movement in year:				
Current service cost including life assurance	161	-	-	161
Contributions	(314)	-	(31)	(345)
Other finance cost	100	137	8	245
Actuarial (gain)/loss recognised in Statement of Comprehensive Income and Expenditure	34	-	(26)	8
Net change in underlying assumptions:				
Change in underlying contributions	-	(181)	-	(181)
USS deficit contributions	-	(311)	-	(311)
Balance at end of year	2,597	3,773	171	6,541

17 Endowment funds	Restricted Permanent	Unrestricted Permanent	Total 2024	Total 2023
	£000	£000	£000	£000
Balance at beginning of year:				
Capital	90,442	-	90,442	89,364
New donations and endowments	973	-	973	1,029
Increase / (Decrease) in market value of investments	5,175	-	5,175	49
Transfer to restricted funds	-	-	-	-
Balance at end of year	96,590	-	96,590	90,442
Analysis by type of purpose				
Fellowship, Research, Scholarship and Studentship Funds	73,403	-	73,403	69,053
Prizes Funds	744	-	744	686
Bursaries, Hardship and Travel Funds	11,893	-	11,893	10,839
General and Other Trust Funds	10,550	-	10,550	9,864
Balance at end of year	96,590	-	96,590	90,442
Analysis by asset				
Property	32,173	-	32,173	32,854
Investments	63,099	-	63,099	55,987
Cash	1,318	-	1,318	1,601
Balance at end of year	96,590	-	96,590	90,442

18 Restricted Reserves	Capital Grants unspent £000	Permanent Unspent and other restricted income £000	Restricted expendable endowment £000	Total 2024 £000	Total 2023 £000
Balance at beginning of year:					
Capital	175	-	1,779	1,954	2,200
Accumulated income	-	6,901	-	6,901	6,290
Total	175	6,901	1,779	8,855	8,490
New grants	9	273	-	282	402
New donations	-	245	216	461	310
Endowment return transferred	4	2,433	44	2,481	2,326
Increase in market value	10	395	102	507	5
Expenditure	-	(2,863)	(182)	(3,045)	(2,410)
Capital grants utilised	(9)	-	-	(9)	(268)
Transfer from endowment funds	-	-	-	-	-
Total	189	7,384	1,959	9,532	8,855
Balance at end of year					
Capital	189	-	1,959	2,148	1,954
Accumulated income	-	7,384	-	7,384	6,901
Total	189	7,384	1,959	9,532	8,855
Analysis of restricted funds by type of purpose					
Fellowship, Research, Scholarship and Studentship Funds	-	6,063	756	6,819	6,409
Prizes Funds	-	356	-	356	321
Bursaries, Hardship and Travel Funds	-	835	1,097	1,932	1,816
General and Other Trust Funds	189	130	106	425	309
Total	189	7,384	1,959	9,532	8,855

19 Memorandum of Unapplied Total Return

Included within reserves, the following amounts represent the Unapplied Total Return of the College:	*Note*	**2024**	**2023**
		£000	**£000**
Unapplied Total Return at beginning of year		153,748	151,785
Unapplied Total Return for the year	*3b*	17,516	1,963
Unapplied Total Return at end of year		171,264	153,748

20 Reconciliation of consolidated surplus for the year to net cash outflow from operating activities

	2024	**2023**
	£000	**£000**
Surplus for the year	19,372	895
Adjustment for non-cash items		
Depreciation	2,339	2,163
Gain on endowments, donations and investment property	(20,105)	(5,750)
(Increase) in stocks	-	(43)
(Increase)/decrease in trade and other receivables	(2,252)	980
Increase in creditors	761	11,173
Pension costs less contributions payable	(5,468)	(423)
Adjustment for investing or financing activities		
Investment income	(7,006)	(5,550)
Investment expenditure	4,785	4,350
Interest payable	1,225	978
Profit on the sale of non-current assets	453	959
Net cash (outflow)/inflow from operating activities	(5,895)	9,732

21 Cash flows from investing activities

	2024	**2023**
	£000	**£000**
Non-current investment disposal	4,452	8,914
Investment income	4,505	4,016
Investment expenditure	(1,804)	(1,772)
Payments to acquire non-current assets	(1,158)	(22,210)
	5,995	(11,052)

22 Cash flows from financing activities

	2024	**2022**
	£000	**£000**
Interest paid	(1,225)	(978)
Repayments of amounts borrowed	(2,119)	(359)
Total cash flows from financing activities	(3,344)	(1,337)

23 Consolidated reconciliation and analysis of net debt

	At beginning of year £000	Cash Flows £000	At end of year £000
Cash and cash equivalents	855	(3,244)	(2,389)
Borrowings: Amounts falling due within one year: unsecured loans	(10,360)	161	(10,199)
Borrowings: Amounts falling due after more than one year: unsecured loans	(14,865)	1,958	(12,907)
	(24,370)	(1,125)	(25,495)

24 Financial Instruments

	2024 £000	2023 £000
Financial assets		
Financial assets at fair value through Statement of Comprehensive income:		
Listed equity investments	111,816	106,342
Other investments	54,150	46,966
Financial assets that are debt instruments measured at amortised cost:		
Cash and cash equivalents	11,460	13,460
Other debtors	788	613
Financial liabilities		
Financial liabilities measured at amortised cost		
Loans	23,106	25,225
Trade creditors	976	796
Other creditors	1,086	927

25 Capital commitments

	2024 £000	2022 £000
Capital commitments at 30 June are as follows:		
Authorised and contracted	10,368	171
Authorised but not yet contracted for	424	985

26 Pensions

The College participates in four defined benefit schemes: The Universities Superannuation Scheme (USS); the Cambridge Colleges Federated Pensions Scheme (CCFPS); the Old Non Contributory Scheme; and the Church of England funded Pensions Scheme. The assets of the schemes are held in separate trustee

administered funds, with the exception of the closed Old Non Contributory Scheme which is recorded separately in the College balance sheet.

26a Universities Superannuation Scheme

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

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

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

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

The key financial assumption used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030
Pension Increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%) CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.9% 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 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2023 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% pa for males and 1.6% for females

The current life 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

26b Cambridge Colleges Federated Pension Scheme

The College operates a defined benefit pension plan for the College's employees of the Cambridge Colleges' Federated Pension Scheme (CCFPS).

The liabilities of the plan 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 Cambridge Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

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

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

For 1 year only, it has been assumed that RPI will be 9% and CPI 7% (2023: 9% and 7% respectively). The caps under the rules are applied to assumed pension increases.

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

- Male aged 65 now has a life expectancy of 21.4 years (previously 21.4 years).
- Female aged 65 now has a life expectancy of 23.9 years (previously 23.9 years).
- Male aged 45 now and retiring in 20 years has a life expectancy of 22.6 years (previously 22.6 years).
- Female aged 45 now and retiring in 20 years has a life expectancy of 25.3 years (previously 25.3 years).

Members are assumed to retire at their normal retirement age (65) apart from 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.

Employee Benefit Obligations

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

	2024 £000	2023 £000
Present value of plan liabilities	(13,450)	(13,720)
Market value of plan assets	11,354	11,123
Net defined benefit (liability)	(2,096)	(2,597)

The amounts to be recognised in the profit and loss for the year ended 30 June 2024 (with comparative figures for the year ended 30 June 2023) are as follows:

	2024 £000	2023 £000
Current service cost	97	127
Administrative expenses	34	33
Interest on net defined benefit liability	136	100
(Gain)/loss on plan changes	-	-
Total	267	260

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

	2024 £000	2023 £000
Present value of plan liabilities at beginning of period	13,720	15,832
Current service cost (including employee contributions)	97	127
Employee contributions	40	39
Benefits paid	(794)	(697)
Interest on plan liabilities	697	592
Actuarial losses/(gains)	(310)	(2,173)
(Gain)/loss on plan changes	-	-
Present value of plan liabilities at end of period	13,450	13,720

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

	2024 £000	2023 £000
Market value of plan assets at beginning of period	11,123	13, 216
Contributions paid by the College	319	313
Employee contributions	40	39
Benefits paid	(793)	(697)
Administrative expenses paid	(40)	(43)

Interest on plan assets	560	491
Return on assets, less interest included in Profit & Loss	145	(2,196)
Market value of plan assets at end of period	11,3544	11,123
Actual return on plan assets	705	(1,705)

The major categories of plan assets as a percentage of total Scheme assets for the year ending 30 June 2024 (with comparative figures for the year ended 30 June 2023) are as follows:

	2024	**2023**
Equities	46%	49%
Bonds & Cash	42%	38%
Property	12%	13%
Total	100%	100%

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

Analysis of the remeasurement 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 £000	**2023 £000**
Return on assets less interest included in statement of income and expenditure	146	(2,196)
Expected less actual plan expenses	(6)	(9)
Experience gains and losses arising on plan liabilities	283	(1,079)
Changes in assumptions underlying the present value of plan liabilities	26	3,250
Remeasurement of net defined benefit liability recognised in OCI	449	(34)

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

	2024 £000	2023 £000
Net defined benefit asset/(liability) at beginning of year	(2,597)	(2,616)
Recognised in statement of income and expenditure	(267)	(261)
Contributions paid by the College	319	314
Remeasurement of net defined benefit liability recognised in OCI	449	(34)
Net defined benefit asset/(liability) at end of year	(2,096)	(2,597)

Funding Policy

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

The last such valuation was as at 31 March 2023. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall. These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 4 June 2023 and are as follows:

- Annual contributions of not less than £196,810 payable for the period to 31 March 2030

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

26c Old Non Contributory Scheme

The scheme is an unfunded defined benefit final salary scheme not operated under Trust. The scheme is not registered with the HM Revenue and Customs under the terms of the Finance Act 2004. The College's employees covered by the Scheme were not contracted out of the State Second Pension (S2P).

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

	2024 % p.a.	2023 % p.a.
Discount rate	5.10	5.20
Pension increases in payment	0.00	0.00

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

- Male aged 65 now has a life expectancy of 21.4 years (previously 21.4 years)
- Female aged 65 now has a life expectancy of 23.9 years (previously 23.9 years)
- Male aged 45 now and retiring in 20 years has a life expectancy of 22.6 years (previously 22.6 years).
- Female aged 45 now and retiring in 20 years has a life expectancy of 25.3 years (previously 25.3 years).

Employee Benefit Obligations

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

	2024 £000	2023 £000
Present value of plan liabilities	(158)	(171)
Net defined benefit (liability)	(158)	(171)

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

	2024 £000	2023 £000
Interest on net defined benefit liability	(9)	(8)
Total	(9)	(8)

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

	2024 £000	2023 £000
Present value of plan liabilities at beginning of period	171	219
Current service cost	-	-
Interest on plan liabilities	9	8
Actuarial losses (gains)	8	(26)
Benefits paid	(30)	(30)
Present value of plan liabilities at the end of the period	158	171

The plan has no assets.

Analysis of the remeasurement of the net defined benefit liability recognised in the 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 £000	2023 £000
Experience gains and losses arising on plan liabilities	(7)	8
Changes in assumptions underlying the present value of plan liabilities	(1)	18
Remeasurement of net defined benefit liability recognised in OCI	(8)	26

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

	2024 £000	2023 £000
Net defined (liability) at beginning of year	(171)	(219)
Contributions paid by the College	29	30
Recognised in Profit and Loss	(9)	(8)
Remeasurement of net defined benefit liability recognised in OCI	(7)	26
Net defined benefit (liability) at the end of the year	(158)	(171)

Funding Policy
The scheme is an unfunded arrangement. The College pays pension out of their own funds as they fall due.

26d Church of England Funded Pensions Scheme

The College also participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Boards, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the statement of income and expenditure in the year are contributions payable towards benefits and expenses accrued in that year (2024: £6,000, 2023: £8,000), plus the figures highlighted in the table below as being recognised in the Other Comprehensive Income (OCI), giving a total credit of £nil for 2023 (2022 a credit of £1,000).

The valuation of the Scheme is carried out every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a deficit of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation I line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long-term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% p.a. and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the 31 December 2021 valuation, deficit contributions ceased with effect from 1st January 2023, since the Scheme was fully funded.

% of pensionable stipends	December 2021 %	December 2022 onwards %
Deficit recovery contributions	7.1	0.0

An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below:

	2023 £000	2022 £000
Balance sheet liability at 1 January	-	2
Deficit contribution paid	-	(1)
Interest cost (recognised in SoFA)	-	-
Remaining change to balance sheet liability* (recognised in statement of income and expenditure)	-	(1)
Balance sheet liability at 31 December	-	-

*Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

	December 2023	December 2022	December 2021
Discount rate	n/a	n/a	0.0%
Price inflation	n/a	n/a	n/a
Increase to total pensionable payroll	n/a	n/a	-1.5%

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

27 Principal Subsidiary Undertakings

	Country of Incorporation and Operation	Cost £	Class of Shares	Proportion of shares held	Principal activity
Caius Property Services Limited	United Kingdom	1	Ordinary	100%	Dormant
Budworth Development Limited	United Kingdom	1	Ordinary	100%	Dormant
Caius Conferences Limited	United Kingdom	1	Ordinary	100%	Provision of conference services

28 Contingent Liabilities

With effect from 16 March 2007, the Universities Superannuation Scheme (USS) positioned itself as a 'last man standing' scheme so that in event of an insolvency of any of the participating employers in USS, the amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers.

29 Related Party Transactions

Owing to the nature of the College's operations and the composition of its College Council it is possible that transactions will take place with organisations in which a member of the College Council may have an interest. All transactions involving organisations in which a member of the College Council 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 College Council members and where any member of the College Council 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 College's Remuneration Committee.

The salaries paid to members of the Governing Body who are also Trustees in the year are summarised in the table below:

From	To	2024 Number	2023 Number
£0	£10,000	2	8
£10,001	£20,000	4	6
£20,001	£30,000	2	-
£30,001	£40,000	1	-
£40,001	£50,000	1	1
£50,001	£60,000	-	-
£60,001	£70,000	4	3
£70,001	£80,000	-	-
£80,001	£90,000	1	1
£90,001	£100,000	-	-
£100,001	£110,000	1	1
	Total	16	20

The total of salaries paid to members of the Governing Body who are Trustees was £633,000 for the year (2023: £532,000)

The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £168,000 for the year (2023: £164,000).

The College has a number of trading and dormant subsidiary undertakings which are consolidated into these accounts. All subsidiary undertakings are 100% owned by the College and are registered and operating in England and Wales.

The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

30 Perse Trust

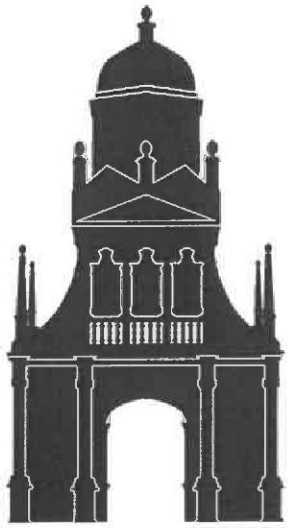
The College provides trustees for the Perse Trust, a registered non-collegiate charity. In addition, the College oversees investment management of the Perse Trust endowment which at 30 June 2024 amounted to £741,000. These assets have been excluded from the College balance sheet as have the liabilities of the Trust with the exception of £59,000 which was owed to the College.

GONVILLE AND CAIUS COLLEGE IN THE UNIVERSITY OF CAMBRIDGE FOUNDED IN HONOUR OF THE

England & Wales - Charity number 1137536

Accounts

Gonville & Caius



Trustees' Annual Report and Accounts 2022/23

For the year ended 30 June 2023

Gonville & Caius

Trustees' Annual Report and Accounts 2022/23

Reference and Administrative Details 2
Report of the College Council 3
Independent auditors' report to the Council of Gonville & Caius College, Cambridge 14
Statement of Principal Accounting Policies for the Year Ended 30 June 2023 18
Consolidated Statement of Comprehensive Income and Expenditure for the Year Ended 30 June 2023 25
Consolidated Statement of Changes in Reserves 26
Consolidated Balance Sheet as at 30 June 2023 27
Consolidated Cash Flow Statement as at 30 June 2023 28
Notes to the Accounts 2022/23 29

Reference and Administrative Details

Gonville & Caius College in the University of Cambridge Founded in Honour of the Annunciation of the Blessed Mary the Virgin comprises the Master, the Fellows and the Scholars. Its registered address is Trinity Street, Cambridge CB2 1TA. The College is a registered charity (Charity Registration Number: 1137536) and is subject to regulation by the Charity Commission for England and Wales. The charity Trustees of the College are the members of the College Council.

Council Members 1 July 2022 – 30 June 2023

Ex Officio	Master	Professor P J Rogerson
Ex Officio	Senior Bursar	Mr R Gardiner
Ex Officio	Senior Tutor	Dr A Spencer
Elected members		Professor P Robinson
		Revd Dr C Hammond (to October 2022)
		Dr G J Conduit (to October 2022)
		Professor A Ahmed (to January 2023)
		Dr W Handley (to October 2022)
		Dr E Ringe (to October 2022)
		Professor A Zeitler
		Dr A Bunyan
		Dr M Amatt
		Dr C Scott (from October 2022)
		Dr J Latimer (from October 2022)
		Professor G Vinnicombe (from October 2022)
		Professor A Routh (from October 2022)
		Professor J Herbert (to May 2023)
		Professor P Mandler (from May 2023)
		Dr R Scurr (from May 2023)
		Mr M Martin (from May 2023)

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

Bankers
Barclays Bank plc
Mortlock House
Histon
Cambridge
CB24 9DE

Lloyds Bank PLC
3 Sidney Street
Cambridge
CB2 3BU

Property Managers
Bidwells
Trumpington Road
Cambridge
CB2 2LD

Legal Advisers
Mills & Reeve LLP
Botanic House
98-100 Hills Road
Cambridge
CB2 1PH

Investment Managers
Partners Capital
5 Young Street
London
W8 5EH

CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Report of the College Council

Status

Gonville & Caius is one of the oldest and largest Colleges in the University of Cambridge, originally founded in 1348 by Edmund Gonville and subsequently augmented and re-founded by John Caius in 1557. It is a self-governing community of scholars, home to almost 1,000 undergraduates, graduates and academics supported by over 150 full-time equivalent staff.

The College is constituted under the provisions of the Universities of Oxford and Cambridge Act 1923 and is a registered charity. These accounts consolidate the operations of the College with its subsidiaries Caius Property Services Limited, Budworth Development Limited and Caius Conferences Limited. They are prepared in accordance with the Recommended Cambridge College Accounts (RCCA) format.

Aims and Objectives

The College is an institution of Higher Education. Its primary charitable purpose is the pursuit of education, religion, learning and research and its overall objective is to rank amongst the highest achieving academic institutions in the world.

Public Benefit

The College provides, in conjunction with the University of Cambridge, an education for almost 1,000 undergraduate and graduate students that is recognised internationally as being of the highest standard. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial systems;
- social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential while studying at the College; and
- specialist choral musical education for its choral students who make up the College's renowned choir.

The College advances learning and research through:

- providing an intellectual and social base for around 200 graduate students, as well as offering studentships, bursaries, financial support and grants for travel and other support relating to their research;
- providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- supporting research work pursued by its Fellows through promoting interaction across disciplines, providing facilities and providing grants for national and international conferences, research trips and materials;
- encouraging visits from outstanding academics from abroad; and
- encouraging the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

The College maintains an extensive library and archives (including important special collections), providing a valuable resource for students and Fellows of the College, members of other Colleges and the University of Cambridge more widely, external scholars and researchers, as well as offering a venue for occasional lectures and exhibitions open to the general public.

The College admits as students those who have the highest potential for benefiting from the education provided by the College and the University and recruits as academic staff those who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background:

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects but students of the College are predominantly between 18 and 26 years old; and
- there are no religious restrictions in the College's objects and members of the College have a wide variety of faith traditions or none.

The focus of the College is strongly academic, and students need to satisfy high academic entry requirements. The College works to reduce financial considerations from being a bar attending the College. It provides assistance to many of its students:

- to assist undergraduates who have limited financial means. The College participates in the Cambridge Bursary Scheme. The scheme operates in conjunction with the University of Cambridge and is approved by the Office for Students (OfS) providing benefits at a substantially higher level than the minimum OfS requirement;
- to support the costs of graduate students, the College provides substantial financial support. This includes scholarships to fund fees and living costs and 'top-up' funding to fill funding shortfalls in students' funding packages;
- the College also supports students through a grant scheme to assist with the purchase of books and equipment, attendance at conferences, childcare support and travel grants, as appropriate; and
- in addition to its other programmes, the College has some funds to assist students in financial hardship.

To raise educational aspiration and encourage more talented applicants from under-represented backgrounds to apply to the College, it operates an extensive outreach programme which includes large sustained programmes of supervision and guidance, visits to schools, visits by schools to the College, residential events, guidance for teachers, partnerships with external organisations and a lively presence across a range of social media.

The College carries forward the requirement, continuous since its foundation, of being a place of spiritual and ethical reflection on the Christian faith and its implications for the individual and society. In particular, the College:

- maintains and supports the Chapel as a place of religious worship where visitors are welcome during the day; where a variety of religious services take place on weekdays and at weekends during term, details of which are advertised; and where all regular services in the College Chapel are open to the public and are attended by students and staff from elsewhere in the University as well as local residents and visitors to Cambridge;
- maintains its outstanding choral tradition, which is integral to the provision of Divine Service in its Chapel, through the College's choir, formed from the students of the College;
- supports, through the College Dean, the emotional, mental and spiritual well-being of all members of the College community whatever their faith tradition, or none;
- maintains its historic connection with the work of the Church of England, particularly through its involvement as Patron of 22 parishes (and, in the absence of a Rector of Stockport, as Patron of a further 6 parishes) and Lay Rector of 4 parishes; and
- supports the institution of Caius House Battersea through the appointment of its Trustees (in the gift of the Master) and the involvement of the Dean as a Trustee.

Achievements and Performance

Educational activities

The College's undergraduates study all the subjects offered in the University and our postgraduates play a key role in the research activities of the wider University. Our Fellows have internationally renowned research expertise ranging from Archaeology to Zoology and are all recognised as leaders in their fields. The number of undergraduate and graduate students registered with the University at 3rd December 2022 was:

	2022/23	2021/22	% Change
Undergraduate	620	617	0.5%
Postgraduate	256	264	(3.0)%
Total	**876**	**881**	**(0.6)%**

Research activities

Four new Research Fellows started their Fellowships during the year: Dr Victoria Baena (English), Dr Lila O'Leary Chambers (History), David Hosking (Physics), Vaithish Velazhahan (Molecular Biology). In addition, the College appointed Professor Aaron Koller as the Cook-Crone Bye-Fellow for one year (Asian & Middle Eastern Studies Theology, Religion, and Philosophy of Religion).

Funding

The principal sources of income of the College are as follows:

- Fees charged for the provision of education to students.
- Students and Fellows through charges for goods, services and facilities provided.
- Investment income.
- Members and friends of the College through donations and bequests.
- Conference customers for goods, services and facilities provided.

Financial Review

The College's financial objective is to ensure that the College's primary educational, religious, learning and research functions are managed cost-effectively and supported by robust and well-managed financial resources, which will sustain the enterprise in perpetuity.

Academic Fees and Expenditure

Academic fee income has increased by 0.4% principally due to the increase in postgraduate income from the University although the number of postgraduates at the College reduced. Total fee income does not cover the full cost of educational provision and the net cost to the College of providing education has increased from £5.0m in 2021/22 to £6.3m in 2022/23:

	2022/23 £000	2021/22 £000	Change £000
Income	4,088	4,072	16
Expenditure	(10,373)	(9,144)	(1,229)
Net Cost	**(6,285)**	**(5,072)**	**(1,213)**

The average funding provided for each student was £7,175 (prior year: £5,758).

The education costs are made up as follows:

	2022/23	2021/22 £000	Change £000
Teaching	4,160	3,792	368
Tutorial and student welfare	1,760	1,555	205
Admissions	566	357	209
Research	1,223	1,166	57
Scholarships and awards	1,795	1,433	362
Other educational facilities	841	799	42
Other educational expenses	28	42	(14)
Totals	**10,373**	**9,144**	**1,229**

The increases reflect cost of living salary increases for both academic and support staff, recruitment of staff and Fellows in a variety of subjects, a higher than usual cost of sabbatical cover, the cost of recommencing admissions events, and above average inflation costs in certain support costs allocated to the education account, particularly energy and insurance. The scholarships and awards costs increased to recognise additional multi-year commitments for a range of studentships, increases in bursary costs with the introduction of the 'CBS2' bursary scheme and increased support for students in financial difficulty or overrunning expected postgraduate study periods as a consequence of Covid.

Accommodation, Catering and Conferences

Income from accommodation, catering and conferences amounted to £6.6m which was £0.8m (14%) higher than the previous year due principally to further recovery of conference activity although still only at two-thirds of its pre-pandemic level. Expenditure increased by 12% as a result of inflation in payroll, utilities, repairs and maintenance contract costs, insurance and other running costs.

Investment Income

The College depends on investment income to fully fund its activities. The endowment is managed for total return, with a spending rule which seeks to preserve the purchasing power of the endowment and is derived using a 'Yale Rule' being 70% of the previous year's total adjusted for college inflation and 30% based on a withdrawal rate of 2.625% from the value of investments at 31 March 2022. However, the withdrawal from the property portfolio is limited to the lower of the Yale Rule or property income net of costs and an allowance for repairs. The property limit operated in the year as a result of a shortfall of retail rents leading to a constraint on the overall value of the expendable amount. The withdrawal for unrestricted purposes is reduced by unrestricted donations, other than the Annual Fund which is immediately applied to student purposes.

The key figures are summarised below.

	2022/23 £000	2021/22 £000	Change £000
Drawdown permitted under spending rule	6,048	5,108	940
Reduction due to unrestricted donations	(1,825)	(1,217)	(608)
Endowment transfer in the Statement of Comprehensive Income and Expenditure	**4,223**	**3,891**	**332**

Donations and Fundraising

The College is dependent on the philanthropic donations from Caians, parents of Caians and friends of the College to build its endowment and to fund some of its annual activities. The current fundraising and alumni

relation strategy strongly focuses on increasing funding for widening participation programmes, undergraduate and graduate students, and college teaching.

The College is registered with the Fundraising Regulator and adheres to its Code of Fundraising Practice, subject to the terms and conditions agreed by the Colleges of the University of Cambridge and the Fundraising Regulator, as set out in the letter from the Chief Executive of the Fundraising Regulator, dated 20th July 2017.

The key staff responsible for fundraising are the Director of Development, Deputy Director of Development and the Development Officer, supported by a team of five.

The Development and Alumni Relations Office actively seeks lifetime gifts and legacies for teaching, research, student support and the maintenance and improvement of the College's buildings and heritage assets as well as general support of the College activities. Solicitation methods include face-to-face meetings, telephone calls, emails and letters from Development and Alumni Relations Office staff. The Office also conducts two annual fund appeals: a digital Giving Day campaign and a traditional telephone campaign. Both campaigns are managed by our staff with technical support from expert consultants.

No complaints were received about the College's fundraising activities during the year. Any requests to be withdrawn from fundraising approaches were implemented immediately.

To protect vulnerable people and others, any potential supporters included in a telephone fundraising campaign are sent a pre-call letter, making clear the purpose of the call and offering the opportunity to be withdrawn from the Campaign. During the telephone fundraising campaign, the list of those wishing to be excluded is updated on a daily basis.

The College has signed up for AmazonSmile (now in wind-down) and the Paypal Giving Fund but otherwise does not use third-party professional fundraisers or commercial participators.

Fundraising income is a crucial source of revenue and comes in the form of regular or one-off gifts and bequests left in wills. Caius is deeply grateful to its historic and current benefactors, which it recognises through membership of various groups and the entitlement to attend exclusive events.

Donations accrued for accounting purposes amounted to £3.6m. After adjusting for the timing of the receipt of legacies which are often received after they are notified and accrued, donations received in the year were:

- New endowments of £858,000 for existing and some new permanent funds
- Unrestricted donations of £3,393,000 immediately available for general purposes
- Donations of £333,000 for immediate use for restricted purposes and
- Donation of £175,000 for environmental upgrades of a College property, 4 Gresham Road to be renamed Goodhart House in honour of the donor.

Expenditure

Approximately 54% of regular recurring operational expenditure is staffing costs, allocated to various categories. The overall numbers of Fellows and permanent Staff in the College at 30 June were as follows:

	30 June 2023	30 June 2022	Change
Number of Fellows	118	111	+7
Number of Staff (FTEs)	151	148	+3

University Contribution

The sum levied is redistributed by the Colleges' Fund to less wealthy colleges. Colleges' contributions are determined principally by reference to the value of their endowments and the number of their students. In the year the Colleges' Fund Committee, which determines the allocation of funds to poorer colleges, exceptionally permitted donee colleges to use the funds immediately rather than requiring them to add the receipts to endowment, recognising the continuing financial pressures put upon poorer colleges by Covid.

Capital and Reserves

Total capital and reserves stood at £383.2m at 30 June 2023 (30 June 2022: £382.3m). The College's unrestricted funds amount to £283.9m (30 June 2022: £284.5m) and are represented in the balance sheet in part by the College's operational buildings and heritage assets valued at £145.3m. The free reserves are therefore £138.6m of the investment portfolio. The restricted endowments amount to £90.5m, represented by part of the investment portfolio. There is also a restricted reserve of £8.9m built up from restricted but expendable donations and unspent income relating to the funds in the endowment reserve.

The College intends to continue to pursue its objects in perpetuity. Its activities require income support from its investments comprising its free reserves. The College Council is aware of the need for financial prudence and has been taking steps to increase its free reserves by reducing the expendable amount, developing the conference business and growing the endowment through prudent investments, development opportunities within the property portfolio and donations. The level of reserves is reviewed routinely by the Finance Committee and in response to any relevant, specific interim request for expenditure but as a general matter the income arising from free reserves is considered integral to the College's operations and required to deliver its charitable objectives. Although the College's other income streams are reasonably stable in the short term, the free reserves also provide support in the event of an unforeseen downturn in the College's operating or investment income arising from wider economic uncertainty. In addition, the reserves are required to permit the repayment of £5.2m outstanding debt drawn for operational purposes.

Investments

The Investments of the College increased from £265m to £271m at 30 June 2023. The investment assets increased as a result of marginal investment returns over withdrawals, and net additions to property assets after reallocation of certain investment properties to the operational estate. Property assets include £10m financed by a loan from the 2013/14 Cambridge Colleges Private Placement and £10m outstanding under a Revolving Credit Facility.

Decisions on investment policy are taken by the College Council on the advice of the Investments Committee. The Investments Committee, appointed by the College Council, comprises the Master, the Senior Bursar, three other Fellows of the College and four experienced external members. An Investment Property sub-committee reports to the Investments Committee and focuses on the College's extensive directly held property portfolio.

Financial investments are managed under a discretionary mandate by Partners Capital LLP and the CCLA Investment Management Limited. Directly held property investments are managed with the assistance of its agents Bidwells LLP who are responsible for the collection of rent.

The College has interests in three shared equity house purchase arrangements with Fellows of the College.

The investment asset allocation comprises:

	June 23 £m	June 22 £000	June 21 £000	June 20 £000	June 19 £000
Total Return	**+2.3%**	**+2.7%**	**17.3%**	**1.8%**	**3.9%**
Cash	6.4	3.6	8.5	8.3	12.4
Fixed income	6.6	-	-	0.3	-
Credit	8.5	5.0	5.4	5.3	6.2
Hedge funds – absolute return	9.7	11.8	7.3	3.9	12.2
Hedge funds – hedged equities	8.5	12.7	11.2	12.4	10.6
Public equity	84.2	86.8	93.3	77.6	62.2
Private equity	31.9	31.5	24.4	18.7	21.9
Private debt	4.4	4.7	4.8	4.4	4.7
Core property	98.3	95.7	91.6	84.3	88.7
Property funds	2.0	3.0	2.5	2.4	4.6
Infrastructure and operating assets	4.5	4.9	5.2	4.7	-
Contractual and other income	1.8	2.0	1.6	1.8	-
Inflation linked bonds and inflation hedges	3.9	2.8	3.9	2.5	3.8
Total Investments	**270.7**	**264.5**	**259.7**	**226.6**	**227.3**
Private Placement	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
Revolving Credit Facility	(10.0)	-	-	-	
Net Investments	**250.7**	**254.5**	**249.7**	**216.6**	**217.3**

The College aims to grow the endowment to £330m. This is because the College has grown significantly in the past fifty years and a prudent view is taken of long-term annual investment returns required to meet the College's annual needs.

Statement of Investment Responsibility

The primary fiduciary responsibility of the College Council in investing and managing the Endowment is to maximise the financial return on those resources, taking into account the amount of risk permitted within the College's investment policy. There are circumstances, however, described in Charity Commission guidance and founded in judicial decisions, when the College may balance against its primary responsibility considerations of the ethical nature of investments. Therefore, as an eleemosynary institution established to exist in perpetuity and a long-term investor, the College will take due care to ensure that its investment management reflects the interests and values of the College. This includes matters of sustainability and environmental, social, and governance issues (together referred to as 'ESG issues' or 'responsible investment') among the many factors that inform its investment decision-making and manager selection.

Financial Assets

The College believes that by engaging in a broad set of extra-financial considerations, the long-term financial performance of the portfolio of financial assets can be improved. The College judges the extent to which responsible investing is successfully integrated within the investment portfolio with the help of our investment managers and through scrutiny of the investment managers' actions and success in managing those issues in the investments they make on the College's behalf. How our investment managers consider ESG issues in their investment decisions, analysis, and monitoring on the College's behalf varies by asset-class and investment strategy.

Where our investment managers invest on our behalf through independent third-party asset managers, they seek to integrate and manage ESG issues through an operational due diligence framework to assess such third-party asset managers. This framework includes an ESG due diligence section to ensure that ESG-related questions are assessed and considered during the due diligence process. After making an investment they continue to monitor identified ESG risks and maintain a dialogue with the third-party assets managers to

ensure effective oversight and application of responsible investment best practices. The College scrutinises its investment managers in relation to the effectiveness of their application of those processes and ESG engagement with the relevant third-party asset managers.

Where our investment managers invest on our behalf in their own managed funds, we consider carefully the ethical and responsible investment policy of those funds in the process of selecting those fund managers. The College scrutinises those managers in relation to the effectiveness of their application of ESG criteria in the selection of assets for acquisition or disposal and engagements with investee companies. In this context the following document is relevant at page 9: https://www.ccla.co.uk/documents/coif-charities-ethical-investment-fund-scheme-particulars-2022/download?inline.

As a general matter, the College insists that its investment managers demonstrate a very high standard of integrity towards their clients, their staff and the relevant regulatory authorities. Where any breaches of integrity are detected, the assets under management may be moved to another fund manager.

The College holds minimal holdings in 'fossil fuel' stocks which are limited to historic private equity positions which are in run-off.

Directly-held Property Assets

The College holds substantial property assets which it manages directly. These include residential, commercial, retail and agricultural properties. The policy for ensuring sustainable management of these assets, including particularly the rural estates, is under continued review as national law and policy develops. The College is actively involved with other similar property owners to determine how matters of environmental sustainability can be managed for the good of the estate in perpetuity.

Operational Assets

Fixed assets are principally the operational buildings of the College. Additions to fixed assets comprised the reallocation of £9.5m of assets from the endowment property for operational use, including residential property acquired during the year adjacent to existing college operational property in Rose Crescent and Green Street. Of the total expenditure on operational asset additions of £1,289,000, £258,000 was further work on preparation for the next major refurbishment project in St Michael's Court and £184,000 on improvements to the JCR at Harvey Court including accessibility and fitting out a café. A donation from a generous alumna of £250,000 allowed the conservation of the Gate of Virtue at an overall cost of £322,000. The remainder was for substantial repairs, particularly roofs, improvements for heating, safety systems and IT. The College also spent £1,498,000, which included the salaries of the in-house maintenance team, on continuing maintenance and repair of its buildings.

The College maintains a seven year forward programme of works. With the completion of the kitchen project, commenced in June 2019 and completed in October 2021, the next major project will be the refurbishment of the Aston Webb building (A to F staircases St Michael's Court) with the main contract signed for commencement in July 2024.

Trusts and Funds of the College

The majority of the donations to the College are unrestricted and allow the College Council to determine their use. Other donations are for specific purposes, e.g. bursaries, lectureships and studentships. Each of these restricted donations must be accounted for in a separate fund. The underlying assets are invested on an amalgamated basis with a record of the share of the assets and income attributable to each fund to ensure donors' wishes are observed.

Principal Risks and Uncertainties

College Council considers matters of risk on a regular basis through its committees and sub-committees. A risk register is maintained addressing the corporate level risks of failures: to deliver highest quality education, to

respond to regulatory developments, to maintain reputation, to maintain good governance, maintain adequate finances, failure of the estate or operating provision. Detailed risk registers are also maintained at departmental level. The College maintains and tests a business continuity plan which has been overhauled during the year. The College has a dedicated Health, Safety and Security Committee to address these specific issues for the College as a whole.

Financial risks are addressed by the Finance Committee and the Investments Committee. The College is dependent on its endowment and reviews its investment policies on an annual basis in order that it balances the need to achieve high returns and manage risk. The Finance Committee is responsible for reviewing the level of expenditure that can be supported by income and together with the Investment Committee establishes an appropriate level of withdrawal from the endowment to ensure the long-term future of the College while providing a fair and appropriate level of funding for the current cohort of students and thus ensuring that inter-generational equity is maintained.

At the time of approval of these accounts, the principal, specific risks facing the College and which it has limited control over arise from: the impact of inflation on the cost of base of the College and the lack of increase in one of its principal sources of income which is the regulated undergraduate fee which has been increased by only 3% in a decade; the effect of economic and geopolitical turbulence on the value of the endowment; the difficulty of recruiting both academic and support staff in an environment of the cost of living which prevails in Cambridge; the robustness of the supervision system in the face of a threatened boycott and the importance of a forward-thinking outcome from the University's announced review of teaching; malicious breaches of cybersecurity intrusions; and the impact of climate change on the operational estate of the College.

Future Developments

Although relatively well-endowed the College supports one of the largest Cambridge collegiate communities of students and Fellows. It has the benefit of a strong fundraising team, and a committed Investments Committee. The higher education sector continues to be subject to uncertainties including the level and form of government support for tuition and research, visa requirement extending to citizens of more countries as a barrier to accessing UK education and research positions, the preparedness of foreign governments to support and encourage their citizens to come to the UK for higher education, international competition for students and academic staff and continuing discontent over the erosion of academic pay and reward and industrial action arising therefrom. Considering these, the College sees the immediate key challenges and priorities as:

- dealing with the continued effects of Brexit, in particular the long-term effect on recruitment of the most talented Fellows and students;
- the availability of staff for certain core services;
- maintaining the high level of teaching, either one to one or in small groups, that is core to the educational experience offered by Cambridge University;
- attracting suitably qualified students from the widest possible range of backgrounds;
- providing students with adequate support through bursary schemes to enable them to study without the distraction of financial concerns;
- responding to the requirements of Access and Participation Plans agreed with the Office for Students;
- strengthening the College's support for graduate study and for research;
- attracting and retaining an active Fellowship that is committed to excellence in research and teaching, in a global marketplace for academic talent;
- addressing the risks arising from climate change and raising money to allow the implementation of the decarbonisation plan which is outlined as a 17 year endeavour with a current cost of approximately £25m;
- maintaining the beautiful historic and modern buildings and upgrading them to meet the requirements and aspirations of our students, current health and safety standards and modern IT requirements; and
- growing the College's investments in order to fund the above.

In order to guide the response to these issues the College has documented strategies for education, finance, investment policy, fund-raising and its estate planning. A research strategy is being drafted.

Corporate Governance

The following statement is provided by the College Council 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 1137536) and subject to regulation by the Charity Commission for England and Wales. The members of the College Council are the charity trustees and are responsible for ensuring compliance with charity law.

The College Council is advised in carrying out its duties by the following principal committees:

Committees with financial authority and oversight:

- Domestic and Catering Committee
- Finance Committee
- Education and Research Committee
- Works and Accommodation Committee

Other principal committees:

- Investments Committee, supported by the Investment Property Sub-Committee
- Communications Committee
- Development and Alumni Relations Committee
- Personnel Committee

There are Registers of Interests of members of College Council and of senior administrative officers. Declarations of interest are made systematically at all the main Committee meetings.

The principal officers of the College are the Master, the President, the Senior Tutor, the Senior Bursar, the Domestic Bursar and the Registrary.

The Finance Committee's principal duties are to consider long-term financial strategy, to oversee the financial management of the College, to recommend annual budgets to the College Council to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the College Council 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 College Council. Membership of the Finance Committee includes the Master, the Senior Bursar, the Domestic Bursar, the Development Director and four fellows with appropriate skills and experience, including at least one tutor and one teaching fellow and an external member with appropriate skills and experience.

The composition of the College Council during the year ended 30 June 2023 is set out on page 2.

Statement of Internal Control

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

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. This process was in place for the year ended 30 June 2023 and continues to provide reasonable but not absolute assurance of effectiveness.

The College Council is responsible for reviewing the effectiveness of the system of internal control. This review of the effectiveness of the system of internal control is informed by the work of the various Committees, the

Senior Bursar and the 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.

Responsibilities of the College Council

The College 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 Statutes and the Statutes and Ordinances of the University of Cambridge require the College Council 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 College Council is 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 College Council is responsible for keeping accounting records that disclose, with reasonable accuracy at any time, the financial position of the College and ensure that the financial statements comply with the Statutes of the University of Cambridge. The College Council is 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 College 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.

On behalf of the College Council

Professor Philippa Rogerson ..... **Dated 8th November 2023**

Independent auditors' report to the Council of Gonville & Caius College, Cambridge

Opinion

We have audited the financial statements of Gonville & Caius College (the College) and its subsidiaries (the Group) for the year ended 30 June 2023 which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to

determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

Matters on which we are required to report by exception

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

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 Council

As explained more fully in the responsibilities of the Council statement set out on page 12, the 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 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 Council are responsible for assessing the Group's and College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the College or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the College's legal advisors.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilties. This description forms part of our auditors' report.

Use of our report

This report is made solely to the College's Council 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 Council 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 Council 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: 22 November 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 for the Year Ended 30 June 2023

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 that all fee income is spent for educational purposes. The analysis required by the SORP is set out in Note 7.

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

Basis of Accounting

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

Going concern

The College prepares forecasts based on a number of assumptions and has considered their impact upon its cash resources and unrestricted reserves. Based upon their review the Trustees believe that the College will have sufficient resources to meet its liabilities as they fall due for the foreseeable future and therefore have continued to adopt the going concern basis in preparing the financial statements.

Basis of Consolidation

The consolidated financial statements include the College and its subsidiary undertakings, Caius Conferences Ltd and Caius Property Services Ltd. Intra-group transactions are eliminated on consolidation. A separate balance sheet and related notes for the College only are not included because the balance sheet of the College would not be materially different to the one included in the accounts. The other subsidiary undertakings, Budworth Development Ltd and Caius Property Services Ltd, had no financial transactions in the year to 30th June 2023. Details of the subsidiaries are set out in Note 27.

The Consolidated Financial Statements do not include the activities of student societies as these are separate bodies in which the College has no financial interest and over whose policy decisions it has no direct control.

Recognition of Income

Academic Fees

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

Restricted grant income

Grants for restricted purposes are recognised as income to the extent that relevant expenditure has been incurred.

Income from research grants

Income from research grants is included to the extent of the completion of the contract or service concerned.

Donations and benefactions

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

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

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. Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income.
3. 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.
4. 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.

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

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

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

Total return basis of accounting
The college manages its investment portfolio and allocates the related earnings for expenditure in accordance with the "total return" concept. The endowment spending policy is designed to preserve the real value of the portfolio over time. The spending policy attempts to achieve this objective by using a long-term targeted spending rate input into a 'Yale Rule' with this rate being annually reviewed. For the year to 30 June 2023 the rate is was maintained at 2.625% of the value of investments at 31 March 2022.

Cambridge Bursary Scheme
During the year, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC) and Cambridge University has reimbursed the College for their portion. 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 £248,000 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£209,000
Expenditure	£457,000

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

Tangible Fixed Assets

Buildings
Buildings are stated at deemed cost following a comprehensive revaluation exercise that was carried out in 2016 with the valuation effective from 1 July 2014. Freehold buildings are now depreciated on a straight line basis over their expected useful economic lives as independently assessed with building elements ranging from 15 to 112 years. Freehold land is not depreciated.

Where land and buildings are acquired with the aid of specific bequests or donations they are capitalised and depreciated as above.

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. They are not depreciated until they are brought into use.

Maintenance of premises
The College has an estate strategy and a five-year rolling maintenance plan which are reviewed on an annual basis. The cost of routine maintenance is charged to the income and expenditure account as it is incurred. The cost of refurbishment is capitalised and depreciated over the expected useful economic life with a £10,000 limit applied for capitalisation.

Equipment
Furniture, fittings and equipment costing less than £10,000 per individual item, or group of related and interconnected items, is written off in the year of acquisition. All other assets are capitalised and depreciated over the expected useful lives of the assets, which are as follows:

Major equipment and software	5 years
Furniture and fittings	10 years
Computer equipment	3 years
Motor vehicles and general equipment	5 years

These assets are assumed to be scrapped once they reach the end of their estimated useful lives. Therefore, they are eliminated from the financial statements at this point.

Leased assets
Fixed assets held under finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the lease. The excesses of lease payments over recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligations. Rental costs under operating leases are charged to expenditure in equal amounts over the periods of the leases.

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

Investments

Securities
Securities are shown at their market value. For listed investments this is the middle market quotation ruling at the close of business on 30 June. Overseas investments are translated into sterling at the rates of exchange ruling at that date. Investment income is included as and when dividends and interest become payable. Interest on bank deposits is included as earned. Interest purchased or sold as part of the price for investments is treated as capital rather than being brought into the income and expenditure account.

Properties
Investment properties are revalued annually and the aggregate surplus or deficit is transferred to the investment revaluation reserve, where properties are held by the college, or credited to restricted funds, where a restricted fund holds property.

Stocks
Stocks are stated at the lower of cost or net realisable value.

Provisions

Provisions are recognised if, 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

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.

Endowment Funds

Endowment funds are classified under two headings:

- where the donor has specified that that the fund is to be permanently invested to generate an income stream for the general purposes of the College, the fund is classified as an unrestricted permanent endowment; and
- where the donor has specified that the fund is to be permanently invested to generate an income stream to be applied for a restricted purpose, the fund is classified as a restricted permanent endowment.

Taxation

The College is a registered charity (number 1137536) 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 advised to the College by the University, based on an assessable amount derived from the value of the College's assets at the end of the previous financial year.

Pension Schemes

The College pays contributions to three pension schemes which provide benefits to its members based on final pensionable salary. The assets of these schemes are held separately from those of the College. In addition,

the Colleges administers a closed non-contributory scheme, which is recorded separately in the College balance sheet.

Universities Superannuation Scheme

The College participates in Universities Superannuation Scheme (the scheme). With effect from 1 October 2016, the scheme changed from a defined benefit only to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. Because of the mutual nature of the scheme, the scheme's 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 FRS 102 "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 the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme. 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 therefore an expense is recognised.

Cambridge Colleges Federated Pension Scheme

The College also contributes to the Cambridge Colleges Federated Pension Scheme (CCFPS), which is a similar defined benefit pension scheme. Unlike the USS, this scheme has surpluses and deficits directly attributable to individual colleges. Current service costs, assessed by the scheme actuary, are included as part of staff costs. The expected return on assets less the interest costs is shown as a net amount as part of interest income or costs. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

Actuarial valuations are obtained at least triennially and are updated at each balance sheet date for accounting purposes. The liabilities of the plan have been calculated for the purposes of FRS102 using a valuation system designed for the Management Committee acting as Trustee of the Cambridge Colleges' Federated Pension Scheme at 31 March 2020 but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

Church of England Funded Pensions Scheme

The College also participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Boards, which holds the assets of the schemes separately from those of the Employer and the other participating employers. Each participating employer in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the statement of income and expenditure in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions.

Staff Pension Fund

The College runs a defined benefit scheme, funded by the College, which is closed to new members. Benefit payments are accounted for when payments are made.

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 in 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 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 latter 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.

Recoverability of debtors – The provision for doubtful debts is based on the College's estimate of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due.

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

Retirement benefit obligations – The cost of defined benefit pension plans and other post-employment benefits 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 26.

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 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 26.

Consolidated Statement of Comprehensive Income and Expenditure for the Year Ended 30 June 2023

	Note	Unrestricted £000	Restricted £000	Endowment £000	2023 Total £000	Unrestricted £000	Restricted £000	Endowment £000	2022 Total £000
Income									
Academic fees and charges	1	3,879	209	-	4,088	3,932	140	-	4,072
Accommodation, catering and conferences	2	6,641	-	-	6,641	5,847	-	-	5,847
Investment income	3	-	-	5,550	5,550	-	-	7,323	7,323
Endowment return transferred	3	1,897	2,326	(4,223)	-	2,034	1,857	(3,891)	-
Other income		174	-	-	174	43	-	-	43
		12,591	2,535	1,327	16,453	11,856	1,997	3,432	17,285
Total income before donations and endowments									
Donations		2,071	151	-	2,222	1,408	141	-	1,549
New endowments		-	159	1,029	1,188	-	-	4,090	4,090
Other capital grants for assets		-	193	-	193	-	273	-	273
		14,662	3,038	2,356	20,056	13,264	2,411	7,522	23,197
Total income									
Expenditure									
Education	4	8,384	1,989	-	10,373	7,660	1,484	-	9,144
Accommodation, catering and conferences	5	8,369	-	-	8,369	7,480	-	-	7,480
Other expenditure	6	416	421	5,113	5,950	3,304	312	5,851	9,467
Contribution under Statute G,II		211	-	-	211	197	-	-	197
Total expenditure		17,380	2,410	5,113	24,903	18,641	1,796	5,851	26,288
Surplus/(deficit) before other gains and losses		(2,718)	628	(2,757)	(4,847)	(5,377)	615	1,671	(3,091)
Gain/(loss) on investments	3	1,910	5	3,835	5,750	2,256	51	3,065	5,372
Surplus/(deficit) for the year		(808)	633	1,078	903	(3,121)	666	4,736	2,281
Other comprehensive income/(expenditure)									
Actuarial gain/(loss) in respect of pension schemes	16	(8)	-	-	(8)	2,444	-	-	2,444
Total comprehensive income for the year		(816)	633	1,078	895	(677)	666	4,736	4,725

The notes on pages 29 to 51 form part of these accounts.

Consolidated Statement of Changes in Reserves

Year ended 30 June 2023

	Income and expenditure reserve			
	Unrestricted	**Restricted**	**Endowment**	**Total**
	£000	**£000**	**£000**	**£000**
Balance at 1 July 2022	284,476	8,490	89,364	382,330
Surplus/(Deficit) from income and expenditure statement	(808)	633	1,078	903
Other comprehensive income/(expenditure)	(8)	-	-	(8)
Transfer between restricted and endowment funds	-	-	-	-
Release of restricted capital funds spent in the year	268	(268)	-	-
Balance at 30 June 2023	283,928	8,855	90,442	383,225
Balance at 1 July 2021	285,130	7,846	84,628	377,604
Surplus/(Deficit) from income and expenditure statement	(3,121)	666	4,736	2,281
Other comprehensive income/(expenditure)	2,444	-	-	2,444
Transfer between restricted and endowment funds	-	-	-	-
Release of restricted capital funds spent in the year	23	(23)	-	-
Balance at 30 June 2022	284,476	8,490	89,364	382,330

The notes on pages 29 to 51 form part of these accounts.

Consolidated Balance Sheet as at 30 June 2023

	Note	2023 £000	2022 £000
Non-current assets			
Fixed assets	9	145,163	136,527
Heritage assets	9	120	120
Investment assets	10	270,698	264,455
Total non-current assets		415,981	401,102
Current assets			
Stock	11	624	580
Trade and other receivables	12	2,653	3,633
Cash and cash equivalents	13	855	3,512
Total current assets		4,132	7,725
Creditors: amounts falling due within one year	14	(15,482)	(4,309)
Net Current assets		(11,350)	3,416
Total Assets less current liabilities		404,631	404,518
Creditors: amounts falling due after more than one year	15	(14,865)	(15,224)
Net assets excluding pension liability		389,766	389,294
Net pension liability	16	(6,541)	(6,964)
Net assets		383,225	382,330
Restricted reserves			
Income and expenditure reserve – endowment reserve	17	90,442	89,364
Income and expenditure reserve – restricted reserve	18	8,855	8,490
Unrestricted reserves			
Income and expenditure reserve – unrestricted		283,928	284,476
Total Reserves		383,225	382,330

Approved by the College Council on 8th November 2023 and signed on their behalf by Mr Robert Gardiner, Senior Bursar

The notes on pages 29 to 51 form part of these accounts.

Consolidated Cash Flow Statement as at 30 June 2023

	Note	2023	2022
		£000	£000
Net cash (outflow) /inflow from operating activities	20	9,732	(453)
Cash flows from investing activities	21	(11,052)	1,580
Cash flows from financing activities	22	(1,337)	(1,004)
Increase/(decrease) in cash and cash equivalents in the year	23	(2,657)	123
Cash and cash equivalents at beginning of the year		3,512	3,389
Cash and cash equivalents at end of the year		855	3,512

The notes on pages 29 to 51 form part of these accounts.

Notes to the Accounts 2022/23

1 Academic fees and charges

	2023 £000	2022 £000
College fees:		
Fee income received at the Regulated Undergraduate rate	2,518	2,475
Fee income received at the Unregulated Undergraduate rate	595	590
Fee income received at the graduate rate	749	777
	3,862	3,842
Income for Cambridge Bursaries	209	140
Other income	17	90
Total	4,088	4,072

2 Income from accommodation, catering and conferences

		2023 £000	2022 £000
Accommodation	College members	4,497	4,384
	Conferences	623	264
Catering	College members	1,070	911
	Conferences	451	288
Total		6,641	5,847

3 Endowment and Investment income

3a Analysis

	2023 £000	2022 £000
Total return contribution (see note 3b)	4,223	3,891

3b Summary of Total Return

	2023 £000	2022 £000
Income from:		
Land and buildings	3,827	3,314
Quoted and other securities and cash	1,723	4,009
Gains on endowment assets:		
Land and buildings	286	5,153
Quoted and other securities and cash	5,464	219
Investment Management costs (see note 3c)	(5,114)	(5,850)
Total Return for year	6,186	6,845
Total Return transferred to Income and Expenditure Account	(4,223)	(3,891)
Total return expendable amount	(4,223)	(3,891)
Unapplied Total Return for Year included within Statement of Comprehensive Income and Expenditure (see note 19)	1,963	2,954

3c Investment management costs

	2023 £000	2022 £000
Land and buildings	2,482	1,598
Other investments	2,632	4,252
Total	5,114	5,850

4 Education Expenditure

	2023 £000	2022 £000
Teaching	4,160	3,792
Tutorial	1,760	1,555
Admissions	566	357
Research	1,223	1,166
Scholarships and awards	1,795	1,433
Other educational facilities	841	799
Other educational expenses	28	42
Total	10,373	9,144

5 Accommodation, Catering and Conferences Expenditure

		2023 £000	2022 £000
Accommodation:	College members	5,976	5,435
	Conferences	116	106
Catering:	College members	1,962	1,671
	Conferences	315	268
Total		8,369	7,480

6 Other Expenditure

	2023	2022
	£000	£000
Investment management and administration	4,350	5,408
Interest	978	644
Pension scheme losses (gains) and other non-cash pension charges	(409)	2,441
Other general and administrative	1,031	974
Total	5,950	9,467

7a Analysis of 2022/2023 Expenditure by Activity

	Staff costs (Note 8)	Other Operating Expenses	Depreciation (Note 9)	Total
	£000	£000	£000	£000
Education (note 4)	4,980	4,882	511	10,373
Accommodation, catering and conferences (note 5)	4,286	2,432	1,651	8,369
Other (note 6)	526	5,423	1	5,950
Contribution under Statute G,II	-	211	-	211
Total	9,792	12,948	2,163	24,903

Expenditure includes Development Office costs of £346,000. This expenditure excludes the cost of alumni relations.

7b Analysis of 2021/2022 Expenditure by Activity

	Staff costs (Note 8) £000	Other Operating Expenses £000	Depreciation (Note 9) £000	Total £000
Education (note 4)	4,346	4,307	491	9,144
Accommodation, catering and conferences (note 5)	3,664	2,189	1,627	7,480
Other (note 6)	478	8,987	2	9,467
Contribution under Statute G,II	-	197	-	197
Total	8,488	15,680	2,120	26,288

Expenditure includes Development Office costs of £294,000. This expenditure excludes the cost of alumni relations.

7c Auditors' remuneration

	2023 £000	2022 £000
Other operating expenses include:		
Audit fees payable to the College's external auditors	39	32
Other fees payable to the College's external auditors	2	2
Total	41	34

8 Staff costs

	Academic £000	Non-academic £000	Total 2023 £000	Total 2022 £000
Salaries	2,500	5,356	7,856	6,761
National insurance	233	471	704	613
Other pension costs	403	829	1,232	1,114
Total	3,136	6,656	9,792	8,488

	Average staff numbers 2023		Average staff numbers 2022	
	Number of Fellows	Number of Non-Fellows	Number of Fellows	Number of Non-Fellows
Academic (number receiving a stipend)	79	8	76	9
Non-Academic (full-time equivalents)	3	158	4	148
Total	82	166	80	157

At 30th June 2023, there were 118 members of the Governing Body. During the year the average number receiving remuneration was the 82 shown above.

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

	2023	2022
£100,000 - £109,999	1	1
£110,000 - £119,999	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.

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.
For the College these are the Master, the Senior Bursar and the Senior Tutor. During the year remuneration paid to key management personnel was £306,000 (2022: £279,000).

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

9 Fixed Assets

	Land £000	College Buildings £000	Assets in construction £000	Furniture & Equipment £000	Total 2023 £000	Total 2022 £000
Cost/Valuation						
At beginning of year	62,220	88,650	545	388	151,803	150,928
Additions	-	858	258	172	1,288	942
Disposals at cost/valuation	-	-	-	(79)	(79)	(68)
Transfers		9,511			9,511	-
At end of year	62,220	99,019	803	481	162,523	151,803
Depreciation						
At beginning of year	-	15,088	-	188	15,276	13,224
Charge for the year	-	2,053	-	110	2,163	2,120
Eliminated on disposal	-	-	-	(79)	(79)	(68)
At end of year	-	17,141	-	219	17,360	15,276
Net book value						
At end of year	62,220	81,878	803	262	145,163	136,527
At beginning of year	62,220	73,562	545	200	136,527	137,704

The insured value for rebuilding of freehold operational buildings (excluding investments assets) at 30 June 2023 is £262m, compared with the 2022 total of £239m.

Heritage assets

The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance. As stated in the principal accounting policies, heritage assets acquired since 1999 have been capitalised. However, the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of cost or valuation are not available for these on a cost-benefit basis they have not been capitalised. As a result, the total included in the balance sheet is partial.

Amounts for the current and previous four years were as follows:

	2023 £000	2022 £000	2021 £000	2020 £000	2019 £000
Balance brought forward	120	120	113	101	97
Acquisitions purchased with College funds	-	-	7	12	4
Total	120	120	120	113	101

10 Fixed Asset Investments

	2023 £000	2022 £000
Balance at beginning of year	264,455	259,830
Additions	49,242	121,207
Transfers to operational assets	(9,511)	-
Disposals	(36,394)	(118,847)
Appreciation	1,723	1,238
Increase/(decrease) in cash balances held by fund managers	1,183	1,027
Balance at end of year	270,698	264,455

Represented by:	2023 £000	2022 £000
Property	98,334	95,663
Quoted securities – equities	55,801	60,258
Fixed interest securities	17,631	12,570
Cash in hand and at investment managers	4,793	3,610
Other investments	94,139	92,354
Total	270,698	264,455

11 Stocks and work in progress

	2023	2022
	£000	£000
Wine stocks	591	565
Bar, kitchen and other stocks	33	15
Total	624	580

12 Trade and other receivables

	2023	2022
	£000	£000
Members of the College	416	433
Commercial rents	708	257
Donations	1,158	2,645
Other debtors	197	168
Prepayments and accrued income	174	130
Total	2,653	3,633

13 Cash and cash equivalents

	2023	2022
	£000	£000
Current accounts	855	3,512
Total	855	3,512

14 Creditors: amounts falling due within one year

	2023	2022
	£000	£000
Trade creditors	3,630	2,672
Bank loan due for repayment within a year	10,360	360
Members of the College	595	376
University fees	15	172
Commercial rent deferred income	528	440
Contribution to Colleges Fund	211	197
Other creditors	143	92
Total	15,482	4,309

On 27th June 2023, the College entered into a revolving credit facility arrangement with a UK bank at a total value of £15,000,000. Loan interest accrues based on a fluctuating SONIA rate plus 5-day lag, and 0.5% margin. On 29th June 2023, £10,000,000 of this facility was drawn down, repayable on 29th September 2023. This was rolled over on 29th September 2023 and is repayable on 29th December 2023. In addition, on 25th September 2023, a further £2.5m was drawn down, repayable after 4 months on 25th January 2024. Interest accrues on the non-utilised part of the commitment at a rate of 0.25%.

15 Creditors: amounts falling due after one year

	2023	2022
	£000	£000
Bank loans	4,865	5,224
Other loans	10,000	10,000
Total	14,865	15,224

During 2014 the College borrowed from institutional investors, collectively with other Colleges, the College's share being £10 million. The loans were made in two stages, are unsecured and repayable during the period 2042-2053, and are at fixed interest rates of 4.4% for the first part and 4.45% for the second. Although issued through a funding vehicle, the College has no responsibility for the obligations of any of the other issuing Colleges. In addition, the College has unsecured bank loans:

- repayable over a period of 21 years, at a fixed rate of 4.59%.
- repayable over a period of 10 years, at a fixed rates of 2.25%, 2.30% and 2.14%.

16 Pension liabilities

Year to 30 June 2023

	CCFPS	USS	Other	Total
	£000	£000	£000	£000
Balance at beginning of year	2,616	4,128	220	6,964
Movement in year:				
Current service cost including life assurance	161	-	-	161
Contributions	(314)	(311)	(31)	(656)
Change in expected contributions	-	(181)	-	(181)
Other finance cost	100	137	8	245
Actuarial (gain)/loss recognised in Statement of Comprehensive Income and Expenditure	34	-	(26)	8
Balance at end of year	2,597	3,773	171	6,541

Year to 30 June 2022

	CCFPS	USS	Other	Total
	£000	£000	£000	£000
Balance at beginning of year	5,011	1,700	291	7,002
Movement in year:				
Current service cost including life assurance	239	-	(3)	236
Contributions	(314)	(92)	(40)	(446)
Change in expected contributions	-	2,505	-	2,505
Other finance cost	91	15	5	111
Actuarial (gain)/loss recognised in Statement of Comprehensive Income and Expenditure	(2,411)	-	(33)	(2,444)
Balance at end of year	2,616	4,128	220	6,964

17 Endowment funds	Restricted Permanent	Unrestricted Permanent	Total 2023	Total 2022
	£000	£000	£000	£000
Balance at beginning of year:				
Capital	89,364	-	89,364	84,628
New donations and endowments	1,029	-	1,029	4,090
Increase / (Decrease) in market value of investments	49	-	49	646
Transfer to restricted funds	-	-	-	-
Balance at end of year	90,442	-	90,442	89,364
Analysis by type of purpose				
Fellowship, Research, Scholarship and Studentship Funds	69,053	-	69,053	67,468
Prizes Funds	686	-	686	685
Bursaries, Hardship and Travel Funds	10,839	-	10,839	11,384
General and Other Trust Funds	9,864	-	9,864	9,827
Balance at end of year	90,442	-	90,442	89,364
Analysis by asset				
Property	32,854	-	32,854	33,479
Investments	55,987	-	55,987	54,690
Cash	1,601	-	1,601	1,195
Balance at end of year	90,442	-	90,442	89,364

18 Restricted Reserves	Capital Grants unspent £000	Permanent Unspent and other restricted income £000	Restricted expendable endowment £000	Total 2023 £000	Total 2022 £000
Balance at beginning of year:					
Capital	250	-	1,950	2,200	1,924
Accumulated income	-	6,290	-	6,290	5,922
Total	250	6,290	1,950	8,490	7,846
New grants	193	209	-	402	163
New donations	-	151	159	310	391
Endowment return transferred	-	2,274	52	2,326	1,857
Increase in market value	-	4	1	5	51
Expenditure	-	(2,027)	(383)	(2,410)	(1,795)
Capital grants utilised	(268)	-	-	(268)	(23)
Transfer from endowment funds	-	-	-	-	-
Total	175	6,901	1,779	8,855	8,490
Balance at end of year					
Capital	175	-	1,779	1,954	2,200
Accumulated income	-	6,901	-	6,901	6,290
Total	175	6,901	1,779	8,855	8,490
Analysis of restricted funds by type of purpose					
Fellowship, Research, Scholarship and Studentship Funds	-	5,688	721	6,409	6,164
Prizes Funds	-	321	-	321	300
Bursaries, Hardship and Travel Funds	-	769	1,047	1,816	1,678
General and Other Trust Funds	175	123	11	309	348
Total	175	6,901	1,779	8,855	8,490

19 Memorandum of Unapplied Total Return

Included within reserves, the following amounts represent the Unapplied Total Return of the College:	*Note*	**2023**	**2022**
		£000	**£000**
Unapplied Total Return at beginning of year		151,785	148,831
Unapplied Total Return for the year	*3b*	1,963	2,954
Unapplied Total Return at end of year		153,748	151,785

20 Reconciliation of consolidated surplus for the year to net cash (outflow)/inflow from operating activities

	2023	**2022**
	£000	**£000**
Surplus for the year	895	4,726
Adjustment for non-cash items		
Depreciation	2,163	2,120
Gain on endowments, donations and investment property	(5,750)	(5,372)
Decrease (increase) in stocks	(43)	14
Decrease/(increase) in trade and other receivables	980	(597)
Increase/(decrease) in creditors	11,173	(176)
Pension costs less contributions payable	(423)	(38)
Adjustment for investing or financing activities		
Investment income	(5,550)	(7,323)
Investment expenditure	4,350	5,407
Interest payable	978	644
Profit on the sale of non-current assets	959	142
Net cash (outflow)/inflow from operating activities	9,732	(453)

21 Cash flows from investing activities

	2023	**2022**
	£000	**£000**
Non-current investment disposal	8,914	346
Investment income	4,016	3,509
Investment expenditure	(1,772)	(1,333)
Payments to acquire non-current assets	(22,210)	(942)
	(11,052)	1,580

22 Cash flows from financing activities

	2023	**2022**
	£000	**£000**
Interest paid	(978)	(644)
Repayments of amounts borrowed	(359)	(360)
Total cash flows from financing activities	(1,337)	(1,004)

23 Consolidated reconciliation and analysis of net debt

	At beginning of year £000	Cash Flows £000	At end of year £000
Cash and cash equivalents	3,512	(2,657)	855
Borrowings:			
Amounts falling due within one year: unsecured loans	(360)	(10,000)	(10,360)
Borrowings:			
Amounts falling due after more than one year: unsecured loans	(15,224)	359	(14,865)
	(12,072)	(12,298)	(24,370)

24 Financial Instruments

	2023 £000	2022 £000
Financial assets		
Financial assets at fair value through Statement of Comprehensive income:		
Listed equity investments	106,342	106,461
Other investments	46,966	44,192
Financial assets that are debt instruments measured at amortised cost:		
Cash and cash equivalents	13,460	13,778
Other debtors	613	601
Financial liabilities		
Financial liabilities measured at amortised cost		
Loans	25,225	15,584
Trade creditors	796	478
Other creditors	927	816

25 Capital commitments

	2023 £000	2022 £000
Capital commitments at 30 June are as follows:		
Authorised and contracted	171	130
Authorised but not yet contracted for	985	1,061

26 Pensions

The College participates in four defined benefit schemes: The Universities Superannuation Scheme (USS); the Cambridge Colleges Federated Pensions Scheme (CCFPS); the Old Non Contributory Scheme; and the Church of England funded Pensions Scheme. The assets of the schemes are held in separate trustee

administered funds, with the exception of the closed Old Non Contributory Scheme which is recorded separately in the College balance sheet. The total pension cost for the year was £1,232,000 (2022: £1,114,000). The breakdown by scheme is shown below:

	2023 £000	2022 £000
USS	1,079	962
CCFPS	139	137
Church of England	7	10
Non-contributory scheme	7	5
Total	1,232	1,114

26a Universities Superannuation Scheme

The pension costs charged to the Statement of Comprehensive Income and Expenditure is £1,083,000 (2022: £962,000).

The latest available complete actuarial valuation of the Retirement Income Builder was at 31 March 2020 (the valuation date), which was carried out using the projected unit method. Since the College cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumption used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles.

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension Increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% 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 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% for females

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 until 31 March 2024, at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2023	2022
Discount rate	5.52%	3.31%
Pensionable salary growth	5% in year 1, 1.5% thereafter	6% in year 1, 1.5% thereafter

26b Cambridge Colleges Federated Pension Scheme

The College operates a defined benefit pension plan for the College's employees of the Cambridge Colleges' Federated Pension Scheme (CCFPS).

The liabilities of the plan 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 Cambridge Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

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

	2023 % p.a.	2022 % p.a.
Discount rate	5.20	3.80
Increase in salaries	3.30	3.25
RPI assumption	3.40*	3.45*
CPI assumption	2.80*	2.75*
Pension increases in payment (RPI Max 5% p.a.)	3.30*	3.30*
Pension increases in payment (CPI Max 2.5% p.a.)	2.05*	2.05*

For 1 year only, it has been assumed that RPI will be 9% and CPI 7% (2022: 11% and 9% respectively). The caps under the rules are applied to assumed pension increases.

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2022 future improvement factors and a long-term rate of future improvement of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements (2022: S3PA on a year of birth usage with CMI_2021 future improvement factors and a long-term future improvement rate of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Male aged 65 now has a life expectancy of 21.4 years (previously 21.9 years).
- Female aged 65 now has a life expectancy of 23.9 years (previously 24.3 years).
- Male aged 45 now and retiring in 20 years has a life expectancy of 22.6 years (previously 23.2 years).
- Female aged 45 now and retiring in 20 years has a life expectancy of 25.3 years (previously 25.7 years).

Members are assumed to retire at their normal retirement age (65) apart from 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.

Employee Benefit Obligations

The amounts recognised in the balance sheet as at 30 June 2023 (with comparative figures as at 30 June 2022) are as follows:

	2023 £000	2022 £000
Present value of plan liabilities	(13,720)	(15,832)
Market value of plan assets	11,123	13,216
Net defined benefit (liability)	(2,597)	(2,616)

The amounts to be recognised in the profit and loss for the year ended 30 June 2023 (with comparative figures for the year ended 30 June 2022) are as follows:

	2023 £000	2022 £000
Current service cost	127	206
Administrative expenses	33	33
Interest on net defined benefit liability	100	91
(Gain)/loss on plan changes	-	-
Total	260	330

Changes in the present value of the plan liabilities for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023 £000	2022 £000
Present value of plan liabilities at beginning of period	15,832	20,677
Current service cost (including employee contributions)	127	206
Employee contributions	39	38
Benefits paid	(697)	(533)
Interest on plan liabilities	592	370
Actuarial losses/(gains)	(2,173)	(4,926)
(Gain)/loss on plan changes	-	-

Present value of plan liabilities at end of period	13,720	15,832

Changes in the fair value of the plan assets for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023 £000	2022 £000
Market value of plan assets at beginning of period	13,216	15,666
Contributions paid by the College	313	314
Employee contributions	39	38
Benefits paid	(697)	(533)
Administrative expenses paid	(43)	(41)
Interest on plan assets	491	279
Return on assets, less interest included in Profit & Loss	(2,196)	(2,507)
Market value of plan assets at end of period	11,123	13,216
Actual return on plan assets	(1,705)	(2,228)

The major categories of plan assets as a percentage of total Scheme assets for the year ending 30 June 2023 (with comparative figures for the year ended 30 June 2022) are as follows:

	2023	2022
Equities	49%	52%
Bonds & Cash	38%	34%
Property	13%	14%
Total	100%	100%

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

Analysis of the remeasurement 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 £000	2022 £000
Return on assets less interest included in statement of income and expenditure	(2,196)	(2,507)
Expected less actual plan expenses	(9)	(7)
Experience gains and losses arising on plan liabilities	(1,079)	(955)
Changes in assumptions underlying the present value of plan liabilities	3,250	5,880
Remeasurement of net defined benefit liability recognised in OCI	(34)	2,411

Movement in net defined benefit asset/(liability) during the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023 £000	2022 £000
Net defined benefit asset/(liability) at beginning of year	(2,616)	(5,011)
Recognised in statement of income and expenditure	(261)	(330)
Contributions paid by the College	314	314
Remeasurement of net defined benefit liability recognised in OCI	(34)	2,411
Net defined benefit asset/(liability) at end of year	(2,597)	(2,616)

Funding Policy

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

The last such valuation was as at 31 March 2020. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall. These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 21 May 2021 and are as follows:

- Annual contributions of not less than £140,565 payable for the period to 28 February 2030

These payments are subject to review following the next funding valuation, due as at 31 March 2023.

26c Old Non Contributory Scheme

The scheme is an unfunded defined benefit final salary scheme not operated under Trust. The scheme is not registered with the HM Revenue and Customs under the terms of the Finance Act 2004. The College's employees covered by the Scheme were not contracted out of the State Second Pension (S2P).

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

	2023 % p.a.	2022 % p.a.
Discount rate	5.20	3.80
Pension increases in payment	0.00	0.00

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2022 future improvement factors and a long-term rate of future improvement of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements (2022: S3PA on a year of birth usage with CMI_2021 future improvement factors and a long-term future improvement rate of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Male aged 65 now has a life expectancy of 21.4 years (previously 21.9 years)
- Female aged 65 now has a life expectancy of 23.9 years (previously 24.3 years)
- Male aged 45 now and retiring in 20 years has a life expectancy of 22.6 years (previously 23.2 years).
- Female aged 45 now and retiring in 20 years has a life expectancy of 25.3 years (previously 25.7 years).

Employee Benefit Obligations

The amounts recognised in the balance sheet as at 30 June 2023 (with comparative figures as at 30 June 2022) are as follows:

	2023 £000	2022 £000
Present value of plan liabilities	(171)	(219)
Net defined benefit (liability)	(171)	(219)

The amounts to be recognised in the statement of income and expenditure for the year ended 30 June 2023 (with comparative figures for the year ended 30 June 2022) are as follows:

	2023 £000	2022 £000
Interest on net defined benefit liability	(8)	(5)
Total	(8)	(5)

Changes in the present value of the plan liabilities for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023 £000	2022 £000
Present value of plan liabilities at beginning of period	219	287
Current service cost	-	-
Interest on plan liabilities	8	5
Actuarial losses (gains)	(26)	(33)
Benefits paid	(30)	(40)
Present value of plan liabilities at the end of the period	171	219

The plan has no assets.

Analysis of the remeasurement of the net defined benefit liability recognised in the 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 £000	2022 £000
Experience gains and losses arising on plan liabilities	8	8
Changes in assumptions underlying the present value of plan liabilities	18	25
Remeasurement of net defined benefit liability recognised in OCI	26	33

Movement in net defined benefit asset/(liability) during the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023 £000	2022 £000
Net defined (liability) at beginning of year	(219)	(287)
Contributions paid by the College	30	40
Recognised in Profit and Loss	(8)	(5)
Remeasurement of net defined benefit liability recognised in OCI	26	33
Net defined benefit (liability) at the end of the year	(171)	(219)

Funding Policy
The scheme is an unfunded arrangement. The College pays pension out of their own funds as they fall due.

26d Church of England Funded Pensions Scheme

The College also participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Boards, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the statement of income and expenditure in the year are contributions payable towards benefits and expenses accrued in that year (2022: £10,000, 2021: £10,000), plus the figures highlighted in the table below as being recognised in the Other Comprehensive Income (OCI), giving a total credit of £2,000 for 2022 (2021 a credit of £3,000).

The valuation of the Scheme is carried out every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a deficit of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation I line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long-term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% p.a. and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit repair contributions payable (as a percentage of pensionable stipends) are as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

% of pensionable stipends	January 2018 to December 2020 %	January 2021 to December 2022 %
Deficit repair contributions	11.9	7.1

As at 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the table above.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below:

	2022 £000	2021 £000
Balance sheet liability at 1 January	2	4
Deficit contribution paid	(1)	(2)
Interest cost (recognised in SoFA)	-	-
Remaining change to balance sheet liability* (recognised in statement of income and expenditure)	(1)	-
Balance sheet liability at 31 December	-	2

*Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

	December 2022	December 2021	December 2020
Discount rate	n/a	0.0%	0.2% p.a.
Price inflation	n/a	n/a	3.1% p.a.
Increase to total pensionable payroll	n/a	-1.5%	1.6% p.a.

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

27 Principal Subsidiary Undertakings

	Country of Incorporation and Operation	Cost £	Class of Shares	Proportion of shares held	Principal activity
Caius Property Services Limited	United Kingdom	1	Ordinary	100%	Dormant
Budworth Development Limited	United Kingdom	1	Ordinary	100%	Dormant
Caius Conferences Limited	United Kingdom	1	Ordinary	100%	Provision of conference services

28 Contingent Liabilities

With effect from 16 March 2007, the Universities Superannuation Scheme (USS) positioned itself as a 'last man standing' scheme so that in event of an insolvency of any of the participating employers in USS, the amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers.

29 Related Party Transactions

Owing to the nature of the College's operations and the composition of its College Council it is possible that transactions will take place with organisations in which a member of the College Council may have an interest. All transactions involving organisations in which a member of the College Council 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 College Council members and where any member of the College Council 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 College's Remuneration Committee.

The salaries paid to members of the Governing Body who are also Trustees in the year are summarised in the table below:

From	To	2023 Number	2022 Number
£0	£10,000	8	8
£10,001	£20,000	6	3
£20,001	£30,000	-	-
£30,001	£40,000	-	-
£40,001	£50,000	1	1
£50,001	£60,000	-	3
£60,001	£70,000	3	1
£70,001	£80,000	-	-
£80,001	£90,000	1	-
£90,001	£100,000	-	1
£100,001	£110,000	1	-
	Total	20	17

The total of salaries paid to members of the Governing Body who are Trustees was £532,000 for the year (2022: £440,000)

The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £164,000 for the year (2022: £113,000).

The College has a number of trading and dormant subsidiary undertakings which are consolidated into these accounts. All subsidiary undertakings are 100% owned by the College and are registered and operating in England and Wales.

The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

30 Perse Trust

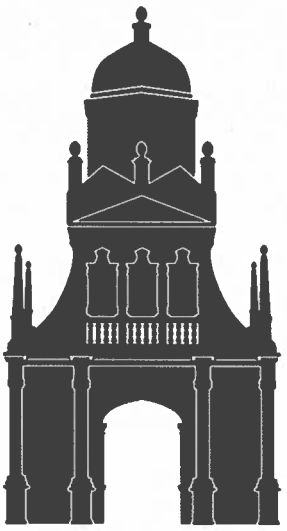
The College provides trustees for the Perse Trust, a registered non-collegiate charity. In addition, the College oversees investment management of the Perse Trust endowment which at 30 June 2023 amounted to £677,000. These assets have been excluded from the College balance sheet as have the liabilities of the Trust with the exception of £52,000 which was owed to the College.

GONVILLE AND CAIUS COLLEGE IN THE UNIVERSITY OF CAMBRIDGE FOUNDED IN HONOUR OF THE

England & Wales - Charity number 1137536

Accounts

Gonville & Caius



Trustees' Annual Report and Accounts 2021/22

For the year ended 30 June 2022

Gonville & Caius

Trustees' Annual Report and Accounts 2021/22

Reference and Administrative Details 2
Report of the College Council 3
Independent auditors' report to the Council of Gonville & Caius College, Cambridge 14
Statement of Principal Accounting Policies for the Year Ended 30 June 2022 18
Consolidated Statement of Comprehensive Income and Expenditure for the Year Ended 30 June 2022 25
Consolidated Statement of Changes in Reserves 26
Consolidated Balance Sheet as at 30 June 2022 27
Consolidated Cash Flow Statement as at 30 June 2022 28
Notes to the Accounts 2021/22 29

Reference and Administrative Details

The College of Gonville & Caius in the University of Cambridge comprises the Master, the Fellows and the Scholars. Its registered address is Trinity Street, Cambridge CB2 1TA. The College is a registered charity (Charity Registration Number: 1137536) and is subject to regulation by the Charity Commission for England and Wales. The charity Trustees of the College are the members of the College Council.

Council Members 1 July 2021 – 30 June 2022

Ex Officio	Master	Professor P J Rogerson
Ex Officio	Senior Bursar	Mr R Gardiner
Ex Officio	Senior Tutor	Dr A Spencer
Elected members		Professor K Khaw (to October 2021)
		Professor S Sivasundaram (to October 2021)
		Professor F Gallagher (to October 2021)
		Dr R Yotova (to October 2021)
		Professor P Robinson
		Revd Dr C Hammond
		Dr G J Conduit
		Professor A Ahmed
		Dr W Handley
		Dr E Ringe
		Professor A Zeitler (from October 2021)
		Dr A Bunyan (from October 2021)
		Dr M Amatt (from October 2021)
		Professor J Herbert (from October 2021)

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

Bankers
Barclays Bank plc
Mortlock House
Histon
Cambridge
CB24 9DE

Lloyds Bank PLC
3 Sidney Street
Cambridge
CB2 3BU

Property Managers
Bidwells
Trumpington Road
Cambridge
CB2 2LD

Legal Advisers
Mills & Reeve LLP
Botanic House
98-100 Hills Road
Cambridge
CB2 1PH

Investment Managers
Partners Capital
5 Young Street
London
W8 5EH

CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Report of the College Council

Status

Gonville & Caius is one of the oldest and largest Colleges in the University of Cambridge, originally founded in 1348 by Edmund Gonville and subsequently augmented and re-founded by John Caius in 1557. It is a self-governing community of scholars, home to more than 850 undergraduates, graduates and academics supported by over 150 full-time equivalent staff.

The College is constituted under the provisions of the Universities of Oxford and Cambridge Act 1923 and is a registered charity. These accounts consolidate the operations of the College with its subsidiaries Caius Property Services Limited, Budworth Development Limited and Caius Conferences Limited. They are prepared in accordance with the Recommended Cambridge College Accounts (RCCA) format.

Aims and Objectives

The College is an institution of Higher Education. Its primary charitable purpose is the pursuit of education, religion, learning and research and its overall objective is to rank amongst the highest achieving academic institutions in the world.

Public Benefit

The College provides, in conjunction with the University of Cambridge, an education for more than 850 undergraduate and graduate students that is recognised internationally as being of the highest standard. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial systems;
- social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential while studying at the College; and
- specialist choral musical education for its choristers who make up the College's renowned choir.

The College advances learning and research through:

- providing an intellectual and social base for around 200 graduate students, as well as offering studentships, bursaries, financial support and grants for travel and other support relating to their research;
- providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- supporting research work pursued by its Fellows through promoting interaction across disciplines, providing facilities and providing grants for national and international conferences, research trips and materials;
- encouraging visits from outstanding academics from abroad; and
- encouraging the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

The College maintains an extensive library and archives (including important special collections), providing a valuable resource for students and Fellows of the College, members of other Colleges and the University of Cambridge more widely, external scholars and researchers, as well as offering a venue for occasional lectures and exhibitions open to the general public.

The College admits as students those who have the highest potential for benefiting from the education provided by the College and the University and recruits as academic staff those who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background:

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects but students of the College are predominantly between 18 and 26 years old; and
- there are no religious restrictions in the College's objects and members of the College have a wide variety of faith traditions or none.

The focus of the College is strongly academic and students need to satisfy high academic entry requirements. The College works to ensure that no one is barred from attending the College because of financial constraints and it provides assistance to many of its students:

- to assist undergraduates who have limited financial means. The College participates in the Cambridge Bursary Scheme. The scheme operates in conjunction with the University of Cambridge and is approved by the Office for Students (OfS) providing benefits at a substantially higher level than the minimum OfS requirement;
- to support the costs of graduate students, the College provides substantial financial support. This includes scholarships to fund fees and living costs and 'top-up' funding to fill funding shortfalls in students' funding packages;
- the College also supports students through a grant scheme to assist with the purchase of books and equipment, attendance at conferences, childcare support and travel grants, as appropriate; and
- in addition to its other programmes, the College has some funds to assist students in financial hardship.

To raise educational aspiration and encourage more talented applicants from under-represented backgrounds to apply to the College, it operates an extensive outreach programme which includes large sustained programmes of supervision and guidance, visits to schools, visits by schools to the College, residential events, guidance for teachers, partnerships with external organisations and a lively presence across a range of social media.

The College carries forward the requirement, continuous since its foundation, of being a place of spiritual and ethical reflection on the Christian faith and its implications for the individual and society. In particular, the College:

- maintains and supports the Chapel as a place of religious worship where visitors are welcome during the day; where a variety of religious services take place on weekdays and at weekends during term, details of which are advertised; and where all regular services in the College Chapel are open to the public and are attended by students and staff from elsewhere in the University as well as local residents and visitors to Cambridge;
- maintains its outstanding choral tradition, which is integral to the provision of Divine Service in its Chapel, through the College's choir, formed from the students of the College;
- supports, through the College Dean, the emotional, mental and spiritual well-being of all members of the College community whatever their faith tradition, or none;
- maintains its historic connection with the work of the Church of England, particularly through its involvement as Patron of 22 parishes (and, in the absence of a Rector of Stockport, as Patron of a further 6 parishes) and Lay Rector of 4 parishes; and
- supports the institution of Caius House Battersea through the appointment of its Trustees (in the gift of the Master) and the involvement of the Dean as a Trustee.

Achievements and Performance

Covid-19 pandemic

The pandemic continued to affect the year under review. Activity was limited during the Long Vacation 2021 and certain activities had to be curtailed at the end of the Michaelmas Term as a result of the spike in the 'Omicron' variant. Fortunately no long-term closures were required. In-person teaching was strongly encouraged but for individual reasons some Fellows continued to teach online. Staff were in full attendance during the year though with an increase in working from home for a variety of reasons and with instances of sick leave having contracted the virus.

The principal effects and challenges of the pandemic during the year tended to be secondary, consequential effects:

- Ensuring clear communication as practices reverted to normal
- Continuing to support teaching online where illness occurred or as a result of preferences or responses to changes in norms, Covid having revealed remote working and tuition as a possibility
- Costs of providing more remote study materials, particularly e-books, as an expected norm
- Supporting remote examination and assessment, which continues in many subjects
- Catching up with the backlog of graduation events and MA awards
- Continuing to conduct admissions on-line which is emerging as a norm
- Re-building student participation in student activities, in particular the choir and sports clubs and re-establishing student knowledge and experience of how such activities are managed
- Winding down Covid testing arrangements and reporting for students; packing away Covid management paraphernalia generally
- Continuing to reconfigure our catering provision, but now as a result of the loss of staff and lack of availability of traditional sources of catering staff as a consequence of the pandemic
- Re-establishing the provision of commercial activities in the context of reduced staff availability and residual uncertainty about the impact of Covid, if any, at the time of the event
- Making staff comfortable with a return to work in the College where they had become accustomed to working at home
- Catching up on a backlog of alumni reunion events, including important international development trips
- Managing the College's substantial central Cambridge retail property portfolio through changes in the type and density of footfall in Cambridge as the nature of its visitors changed.

It is a testament to the ingenuity, dedication and resilience of the College's operational management and staff that the College has navigated these changes with effectiveness and good humour.

Educational activities

The College's undergraduates study all the subjects offered in the University and our postgraduates play a key role in the research activities of the wider University. Our Fellows have internationally renowned research expertise ranging from Archaeology to Zoology and are all recognised as leaders in their fields. The number of undergraduate and graduate students registered with the University at 3rd December 2021 was:

	2021/22	2020/21	% Change
Undergraduate	617	618	(0.2%)
Postgraduate	264	252	4.8%
Total	**881**	**870**	**1.3%**

Research activities

Five new Research Fellows started their Fellowships during the year: Dr Orfeas Chasapis Tassinis (law), Dr Stephen Turton (English) Dr Michele Simoncelli (physics), Dr Jan Steinebrunner (pure mathematics) and Dr Rachell Sánchez-Rivera (race and anti-racism). In addition the College appointed Dr Jason Hawkes as the Cook-Crone Bye-Fellow for one year (religion and archaeology in South and South East Asia).

Funding

The principal sources of income of the College are as follows:

- Fees charged for the provision of education to students.
- Students and Fellows through charges for goods, services and facilities provided.
- Investment income.
- Members and friends of the College through donations and bequests.
- Conference customers for goods, services and facilities provided.

Financial Review

The College's financial objective is to ensure that the College's primary educational, religious, learning and research functions are managed cost-effectively and supported by robust and well-managed financial resources, which will sustain the enterprise in perpetuity.

Academic Fees and Expenditure

Academic fee income has increased by 2.3% principally due to the increase in graduate income from the University. The number of undergraduates admitted returned to normal levels after the unusually large number admitted after A-level changes in the summer of 2020 arising from Covid lockdowns. Total fee income does not cover the full cost of educational provision and the net cost to the College of providing education has increased from £4.9m in 2020/21 to £5.1m in 2021/22:

	2021/22 £000	2020/21 £000	Change £000
Income	4,072	3,980	92
Expenditure	(9,144)	(8,882)	(262)
Net Cost	**(5,072)**	**(4,902)**	**(170)**

The average funding provided for each student was £5,758 in 2021/22 was (2020/21: £5,628).

The education costs are made up as follows:

	2021/22	2020/21 £000	Change £000
Teaching	3,792	3,516	276
Tutorial and student welfare	1,555	1,341	214
Admissions	357	290	67
Research	1,166	1,026	140
Scholarships and awards	1,433	1,991	(558)
Other educational facilities	799	690	109
Other educational expenses	42	28	14
Totals	**9,144**	**8,882**	**262**

The increases reflects a mixture of activities recommenced after Covid, recommenced and new admissions events, recruitment of staff, tutors and Fellows in a variety of subjects, coverage of sabbatical leaves, new facilities paid for from donated funds, and increases in staff costs for cost of living, National Insurance and pensions. The scholarships and awards costs reduced after a higher prior year charge to recognise additional multi-year commitments for a range of new studentships. The year's charge is a more stable 'run-rate' of cash disbursements and replacement commitments.

Accommodation, Catering and Conferences

Income from accommodation, catering and conferences amounted to £5.8m which was £2.1m (59%) higher than the previous year due to full student occupancy throughout the year and partial recovery of the conference activity although that still only functions at one-third of its previous mature level. Expenditure

increased by 18% as partly a result of the re-establishment of business after the pandemic but more significantly because of inflation in food, payroll and other running costs.

Investment Income

The College depends on investment income to fully fund its activities. The endowment is managed for total return, with a spending rule which seeks to preserve the purchasing power of the endowment and is derived using a 'Yale Rule' being 70% of the previous year's total adjusted for college inflation and 30% based on a withdrawal rate of 2.625% from the value of investments at 31 March 2021. However the withdrawal from the property portfolio is limited to the lower of the Yale Rule or property income net of costs and an allowance for repairs. The property limit operated in the year as a result of a shortfall of retail rents leading to a reduction in the overall value of the expendable amount. The withdrawal for unrestricted purposes is reduced by unrestricted donations, other than the Annual Fund which is immediately applied to student purposes.

The key figures are summarised below.

	2021/22 £000	2020/21 £000	Change £000
Drawdown permitted under spending rule	5,108	5,305	(197)
Reduction due to unrestricted donations	(1,217)	(3,413)	2,196
Endowment transfer in the Statement of Comprehensive Income and Expenditure	**3,891**	**1,892**	**1,999**

Donations and Fundraising

The College is dependent on the philanthropic donations from Caians, parents of Caians and friends of the College to build its endowment and to fund some of its annual activities. Following a comprehensive review of the fundraising and alumni relation strategy, in February 2021 the College Council approved fundraising priorities with a strong focus on increasing sources of support for outreach programmes, and undergraduate and graduate students.

The College is registered with the Fundraising Regulator and adheres to its Code of Fundraising Practice, subject to the terms and conditions agreed by the Colleges of the University of Cambridge and the Fundraising Regulator, as set out in the letter from the Chief Executive of the Fundraising Regulator, Stephen Dunmore, dated 20th July 2017.

The key staff responsible for fundraising are the Director of Development, Deputy Director of Development and the Development Officer, supported by a team of five.

The Development and Alumni Relations Office actively seeks lifetime gifts and legacies for teaching, research, student support and the maintenance and improvement of the College's buildings and heritage assets as well as general support of the College activities. Solicitation methods include face-to-face meetings, telephone calls, emails and letters from Development and Alumni Relations Office staff. The Office also conducts two annual fund appeals: a digital Giving Day campaign and a traditional telephone campaign. Both campaigns are managed by our staff with technical support from expert consultants.

No complaints were received about the College's fundraising activities during the year. Any requests to be withdrawn from fundraising approaches were implemented immediately.

To protect vulnerable people and others, any potential supporters included in a telephone fundraising campaign are sent a pre-call letter, making clear the purpose of the call and offering the opportunity to be withdrawn from the Campaign. During the telephone fundraising campaign the list of those wishing to be excluded is updated on a daily basis.

The College has signed up for AmazonSmile and the Paypal Giving Fund but otherwise does not use third-party professional fundraisers or commercial participators.

Fundraising income is a crucial source of revenue and comes in the form of regular or one-off gifts and bequests left in wills. Caius is deeply grateful to its historic and current benefactors, which it recognises through membership of various groups and the entitlement to attend exclusive events.

Donations, which amounted to £5.9m are shown in different places within the Statement of Comprehensive Income and Expenditure:

- New endowments of £4,090,000 for existing and some new funds. They provide income for the long term
- Unrestricted donations of £1,408,000 immediately available for general purposes
- Donations of £141,000 for specific purposes and immediate use
- Donations of £250,000 for the renovation of the Gate of Virtue
- Donations of £23,000 to fund the refurbishment of the Boathouse.

Some of the unrestricted donations carried expressions of wish for their use and the College Council has designated commensurate reserves to purposes consistent with those wishes.

Expenditure

Approximately 42% of expenditure is staffing costs, allocated to various categories. The overall numbers of Fellows and permanent Staff in the College at 30 June were as follows:

	30 June 2022	30 June 2021	Change
Number of Fellows	111	108	+3
Number of Staff (FTEs)	148	145	+3

University Contribution

The sum levied is redistributed by the Colleges' Fund to less wealthy colleges. Colleges' contributions are determined principally by reference to the value of their endowments and the number of their students. In the year the Colleges' Fund Committee, which determines the allocation of funds to poorer colleges, exceptionally permitted donee colleges to use the funds immediately rather than requiring them to add the receipts to endowment, recognising the financial pressures put upon poorer colleges by Covid.

Capital and Reserves

Total capital and reserves stood at £382.3m at 30 June 2022 (30 June 2021: £377.6m). The College's unrestricted funds amount to £284.5m (30 June 2021: £285.1m) and are represented in the balance sheet by the College's operational buildings and heritage assets valued at £136.6m. The free reserves are therefore £147.9m of the investment portfolio. The restricted endowments amount to £89.4m, represented by part of the investment portfolio. There is also a restricted reserve of £8.5m built up from restricted but expendable donations and unspent income relating to the funds in the endowment reserve.

The College intends to continue to pursue its objects in perpetuity. Its activities require income support from its investments comprising its free reserves. The College Council is aware of the need for financial prudence and has been taking steps to increase its free reserves by reducing the expendable amount, developing the conference business and growing the endowment through prudent investments, development opportunities within the property portfolio and donations. The level of reserves is reviewed routinely by the Finance Committee and in response to any relevant, specific interim request for expenditure but as a general matter the income arising from free reserves is considered integral to the College's operations and required to deliver its charitable objectives. Although the College's other income streams are reasonably stable in the short term, the free reserves also provide support in the event of an unforeseen downturn in the College's operating or investment income arising from wider economic uncertainty. In addition, the reserves are required to permit the repayment of £5.2m outstanding debt drawn for operational purposes.

Investments

The Investments of the College increased from £260m to £265m at 30 June 2022. Property assets include £10m financed by a loan from the 2013/14 Cambridge Colleges Private Placement.

Decisions on investment policy are taken by the College Council on the advice of the Investments Committee. The Investments Committee, appointed by the College Council, comprises the Master, the Senior Bursar, three other Fellows of the College and four experienced external members. An Investment Property sub-committee reports to the Investments Committee and focuses on the College's extensive directly held property portfolio.

Financial investments are managed under a discretionary mandate by Partners Capital LLP and the CCLA Investment Management Limited. Directly held property investments are managed with the assistance of its agents Bidwells LLP who are responsible for the collection of rent.

The College has interests in three shared equity house purchase arrangements with Fellows of the College.

The investment asset allocation comprises:

	June 22 £m	June 21 £000	June 20 £000	June 19 £000	June 18 £000
Total Return	**+2.7%**	**17.3%**	**1.8%**	**3.9%**	**7.7%**
Cash	3.6	8.5	8.3	12.4	8,.4
Fixed income	-	-	0.3	-	-
Credit	5.0	5.4	5.3	6.2	2.9
Hedge funds – absolute return	11.8	7.3	3.9	12.2	12
Hedge funds – hedged equities	12.7	11.2	12.4	10.6	13.6
Public equity	86.8	93.3	77.6	62.2	60.9
Private equity	31.5	24.4	18.7	21.9	17.6
Private debt	4.7	4.8	4.4	4.7	5.4
Core property	95.7	91.6	84.3	88.7	91.2
Property funds	3.0	2.5	2.4	4.6	5.5
Infrastructure and operating assets	4.9	5.2	4.7	-	-
Contractual and other income	2.0	1.6	1.8	-	-
Inflation linked bonds and inflation hedges	2.8	3.9	2.5	3.8	3.5
Total Investments	**264.5**	**259.7**	**226.6**	**227.3**	**221**
Private Placement	**(10.0)**	**(10.0)**	**(10.0)**	**(10.0)**	**(10.0)**
Net Investments	**254.5**	**249.7**	**216.6**	**217.3**	**211**

The College aims to grow the endowment to £330m. This is because the College has grown significantly in the past fifty years and a prudent view is taken of long-term annual investment returns required to meet the College's annual needs.

Current market conditions continue to concern the Investments Committee. Therefore the College has gradually reduced its withdrawal percentage under the spending rule from 4% in 2013/14 to 2.625% for 2021/22.

Statement of Investment Responsibility

The primary fiduciary responsibility of the College Council in investing and managing the Endowment is to maximise the financial return on those resources, taking into account the amount of risk permitted within the College's investment policy. There are circumstances, however, described in Charity Commission guidance and founded in judicial decisions, when the College may balance against its primary responsibility considerations of the ethical nature of investments. Therefore, as an eleemosynary institution established to exist in perpetuity and a long-term investor, the College will take due care to ensure that its investment management reflects the

interests and values of the College. This includes matters of sustainability and environmental, social, and governance issues (together referred to as 'ESG issues' or 'responsible investment') among the many factors that inform its investment decision-making and manager selection.

Financial Assets

The College believes that by engaging in a broad set of extra-financial considerations, the long-term financial performance of the portfolio of financial assets can be improved. The College judges the extent to which responsible investing is successfully integrated within the investment portfolio with the help of our investment managers and through scrutiny of the investment managers' actions and success in managing those issues in the investments they make on the College's behalf. How our investment managers consider ESG issues in their investment decisions, analysis, and monitoring on the College's behalf varies by asset-class and investment strategy.

Where our investment managers invest on our behalf through independent third-party asset managers, they seek to integrate and manage ESG issues through an operational due diligence framework to assess such third-party asset managers. This framework includes an ESG due diligence section to ensure that ESG-related questions are assessed and considered during the due diligence process. After making an investment they continue to monitor identified ESG risks and maintain a dialogue with the third-party assets managers to ensure effective oversight and application of responsible investment best practices. The College scrutinises its investment managers in relation to the effectiveness of their application of those processes and ESG engagement with the relevant third-party asset managers.

Where our investment managers invest on our behalf in their own managed funds, we consider carefully the ethical and responsible investment policy of those funds in the process of selecting those fund managers. The College scrutinises those managers in relation to the effectiveness of their application of ESG criteria in the selection of assets for acquisition or disposal and engagements with investee companies. In this context the following document is relevant at page 9: https://www.ccla.co.uk/documents/coif-charities-ethical-investment-fund-scheme-particulars-2022/download?inline.

As a general matter, the College insists that its investment managers demonstrate a very high standard of integrity towards their clients, their staff and the relevant regulatory authorities. Where any breaches of integrity are detected, the assets under management may be moved to another fund manager.

The College holds minimal holdings in 'fossil fuel' stocks which are limited to historic private equity positions which are in run-off. On 2nd July 2021 the College transferred £63m managed by CCLA Investment Management Limited from the COIF Charities Investment Fund to the COIF Charities Ethical Investment Fund.

Directly-held Property Assets

The College holds substantial property assets which it manages directly. These include residential, commercial, retail and agricultural properties. The policy for ensuring sustainable management of these assets, including particularly the rural estates, is under continued review as national law and policy develops. The College is actively involved with other similar property owners to determine how matters of environmental sustainability can be managed for the good of the estate in perpetuity.

Operational Assets

Fixed assets are principally the operational buildings of the College. Of the total expenditure on operational asset additions of £942,000, £299,000 was further work on preparation for the next major refurbishment project in St Michael's Court and £217,000 work on a roof in Gonville Court. The remainder was improvements for heating, safety systems and IT. The College also spent £1,144,000, which included the salaries of the in-house maintenance team, on continuing maintenance and repair of its buildings.

The College maintains a seven year forward programme of works. With the completion of the kitchen project, commenced in June 2019 and completed in October 2021, the next major project will be the refurbishment of the Aston Webb building (A to F staircases St Michael's Court) which is in its planning phase.

Trusts and Funds of the College

The majority of the donations to the College are unrestricted and allow the College Council to determine their use. Other donations are for specific purposes, e.g. bursaries, lectureships and studentships. Each of these restricted donations must be accounted for in a separate fund. The underlying assets are invested on an amalgamated basis with a record of the share of the assets and income attributable to each fund to ensure donors' wishes are observed.

Principal Risks and Uncertainties

College Council considers matters of risk on a regular basis through its committees and sub-committees and the risks that are faced by the College can be categorised into physical operational risks, academic and reputational risks and financial risks. Financial impacts of risks are covered in various ways by the College's insurance policy and the level and nature of the cover is reviewed on an annual basis. The College also maintains and tests a business continuity plan. Each College Committee considers the risks that relate to its area of responsibility and in addition the College has a Health, Safety and Security Committee to address these issues for the College as a whole.

Financial risks are addressed by the Finance Committee and the Investments Committee. The College is dependent on its endowment and reviews its investment policies on an annual basis in order that it balances the need to achieve high returns and manage risk. The Finance Committee is responsible for reviewing the level of expenditure that can be supported by income and together with the Investment Committee establishes an appropriate level of withdrawal from the endowment to ensure the long-term future of the College while providing a fair and appropriate level of funding for the current cohort of students and thus ensuring that inter-generational equity is maintained.

At the time of approval of these accounts, the principal, specific risks facing the College and which it has limited control over arise from: the impact of economic and geopolitical turbulence on the value of the endowment; further phases of the pandemic causing lock-down and closure of the college or parts of its activities; the impact of Brexit and other economic developments on the recruitment of support staff; the potential impact of inflation on regulated income academic income streams; the impact of inflation on inputs to the College's activities; revisions to the funding of university education following the Augar Review; malicious breaches of cybersecurity intrusions.

Future Developments

Although relatively well-endowed the College supports one of the largest communities of students and Fellows. It has the benefit of a strong fundraising team, and a committed Investments Committee. The higher education sector continues to be subject to uncertainties including the level and form of government support for tuition and research, visa requirement extending to citizens of more countries as a barrier to accessing UK education and research positions, the preparedness of foreign governments to support and encourage their citizens to come to the UK for higher education, international competition for students and academic staff, the potential for a resurgence of Covid, the funding of the Universities Superannuation Scheme and growing discontent over the erosion of academic pay. The value of the regulated fee continues to be eroded by inflation while the Office for Students demands more of outreach and participation targets which needs to be funded. Considering these, the College sees the immediate key challenges and priorities as:

- dealing with the effects of Brexit, in particular the long-term effect on recruitment of the most talented Fellows and students;
- the effect of Brexit and the Great Resignation after Covid on the availability of staff for certain core services;

- maintaining the high level of teaching, either one to one or in small groups, that is core to the educational experience offered by Cambridge University;
- attracting suitably qualified students from the widest possible range of backgrounds;
- providing students with adequate support through bursary schemes to enable them to study without the distraction of financial concerns;
- responding to the requirements of Access and Participation Plans agreed with the Office for Students;
- strengthening the College's support for graduate study and for research;
- attracting and retaining an active Fellowship that is committed to excellence in research and teaching, in a global marketplace for academic talent;
- addressing the risks arising from climate change and developing appropriate actions in the maintenance and adaption of its operating estate and policies to address climate change risks and requirements in its investment policies;
- maintaining the beautiful historic and modern buildings and upgrading them to meet the requirements and aspirations of our students, current health and safety standards and modern IT requirements; and
- growing the College's investments in order to fund the above.

In order to guide the response to these issues the College has documented strategies for education, finance, investment policy, fund-raising and estate planning. A research strategy will be documented in the coming year.

Corporate Governance

The following statement is provided by the College Council 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 1137536) and subject to regulation by the Charity Commission for England and Wales. The members of the College Council are the charity trustees and are responsible for ensuring compliance with charity law.

The College Council is advised in carrying out its duties by the following principal committees:

Committees with financial authority and oversight:

- Domestic and Catering Committee
- Finance Committee
- Education and Research Committee
- Works and Accommodation Committee

Other principal committees:

- Investments Committee, supported by the Investment Property Sub-Committee
- Communications Committee
- Development and Alumni Relations Committee
- Personnel Committee

There are Registers of Interests of members of College Council and of senior administrative officers. Declarations of interest are made systematically at all the main Committee meetings.

The principal officers of the College are the Master, the President, the Senior Tutor, the Senior Bursar, the Domestic Bursar and the Registrar.

The Finance Committee's principal duties are to consider long-term financial strategy, to oversee the financial management of the College, to recommend annual budgets to the College Council keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the College Council 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 College

Council. Membership of the Finance Committee includes the Master, the Senior Bursar, the Domestic Bursar, the Development Director and four fellows with appropriate skills and experience, including at least one tutor and one teaching fellow. It is intended to appoint an external member with appropriate skills and experience.

The composition of the College Council during the year ended 30 June 2022 is set out on page 2.

Statement of Internal Control

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

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. This process was in place for the year ended 30 June 2022 and continues to provide reasonable but not absolute assurance of effectiveness.

The College Council is responsible for reviewing the effectiveness of the system of internal control. This review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Senior Bursar and the 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.

Responsibilities of the College Council

The College 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 Statutes and the Statutes and Ordinances of the University of Cambridge require the College Council 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 College Council is 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 College Council is responsible for keeping accounting records that disclose, with reasonable accuracy at any time, the financial position of the College and ensure that the financial statements comply with the Statutes of the University of Cambridge. The College Council is 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 College 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.

On behalf of the College Council

Professor Philippa Rogerson ..... **Dated 9th November 2022**

Independent auditors' report to the Council of Gonville & Caius College, Cambridge

Opinion

We have audited the financial statements of Gonville & Caius College (the College) and its subsidiaries (the Group) for the year ended 30 June 2022 which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

Matters on which we are required to report by exception

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

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 Council

As explained more fully in the responsibilities of the Council statement set out on page 13, the 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 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 Council are responsible for assessing the Group's and College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the College or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the College's legal advisors.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilties. This description forms part of our auditors' report.

Use of our report

This report is made solely to the College's Council 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 Council 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 Council 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: 5 December 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 for the Year Ended 30 June 2022

Basis of Preparation

The financial statements have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge, 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 that all fee income is spent for educational purposes. The analysis required by the SORP is set out in Note 7.

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

Basis of Accounting

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

Going concern

The College prepared forecasts based on a number of assumptions and have considered the impact upon the College and its cash resources and unrestricted reserves. Based upon their review the Trustees believe that the College will have sufficient resources to meet its liabilities as they fall due for the foreseeable future and therefore have continued to adopt the going concern basis in preparing the financial statements.

Basis of Consolidation

The consolidated financial statements include the College and two of its subsidiary undertakings, Caius Conferences Ltd and Caius Property Services Ltd. Intra-group transactions are eliminated on consolidation. A separate balance sheet and related notes for the College only are not included because the balance sheet of the College would not be materially different to the one included in the accounts. The other subsidiary undertaking, Budworth Development Ltd, had no financial transactions in the year to 30th June 2022. Details of the subsidiaries are set out in Note 27.

The Consolidated Financial Statements do not include the activities of student societies as these are separate bodies in which the College has no financial interest and over whose policy decisions it has no direct control.

Recognition of Income

Academic Fees

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

Restricted grant income

Grants for restricted purposes are recognised as income to the extent that relevant expenditure has been incurred.

Income from research grants

Income from research grants is included to the extent of the completion of the contract or service concerned.

Donations and benefactions

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

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

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

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

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

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

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

Total return basis of accounting
The college manages its investment portfolio and allocates the related earnings for expenditure in accordance with the "total return" concept. The endowment spending policy is designed to preserve the real value of the portfolio over time. The spending policy attempts to achieve this objective by using a long-term targeted spending rate input into a 'Yale Rule' with this rate being annually reviewed. For the year to 30 June 2022 the rate is was maintained at 2.625% of the value of investments at 31 March 2021.

Cambridge Bursary Scheme
During the year, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC) and Cambridge University has reimbursed the College for their portion. 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 £225,000 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£140,000
Expenditure	£365,000

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

Tangible Fixed Assets

Buildings
Buildings are stated at deemed cost following a comprehensive revaluation exercise that was carried out in 2016 with the valuation effective from 1 July 2014. Freehold buildings are now depreciated on a straight line basis over their expected useful economic lives as independently assessed with building elements ranging from 15 to 112 years. Freehold land is not depreciated.
Where land and buildings are acquired with the aid of specific bequests or donations they are capitalised and depreciated as above.

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. They are not depreciated until they are brought into use.

Maintenance of premises
The College has an estate strategy and a five-year rolling maintenance plan which are reviewed on an annual basis. The cost of routine maintenance is charged to the income and expenditure account as it is incurred. The cost of refurbishment is capitalised and depreciated over the expected useful economic life with a £10,000 limit applied for capitalisation.

Equipment
Furniture, fittings and equipment costing less than £10,000 per individual item, or group of related and interconnected items, is written off in the year of acquisition. All other assets are capitalised and depreciated over the expected useful lives of the assets, which are as follows:

Major equipment and software	5 years
Furniture and fittings	10 years
Computer equipment	3 years
Motor vehicles and general equipment	5 years

These assets are assumed to be scrapped once they reach the end of their estimated useful lives. Therefore they are eliminated from the financial statements at this point.

Leased assets
Fixed assets held under finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the lease. The excesses of lease payments over recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligations. Rental costs under operating leases are charged to expenditure in equal amounts over the periods of the leases.

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

Investments

Securities
Securities are shown at their market value. For listed investments this is the middle market quotation ruling at the close of business on 30 June. Overseas investments are translated into sterling at the rates of exchange ruling at that date. Investment income is included as and when dividends and interest become payable. Interest on bank deposits is included as earned. Interest purchased or sold as part of the price for investments is treated as capital rather than being brought into the income and expenditure account.

Properties
Investment properties are revalued annually and the aggregate surplus or deficit is transferred to the investment revaluation reserve, where properties are held by the college, or credited to restricted funds, where a restricted fund holds property.

Stocks
Stocks are stated at the lower of cost or net realisable value.

Provisions

Provisions are recognised if, 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

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.

Endowment Funds

Endowment funds are classified under two headings:

- where the donor has specified that that the fund is to be permanently invested to generate an income stream for the general purposes of the College, the fund is classified as an unrestricted permanent endowment; and
- where the donor has specified that the fund is to be permanently invested to generate an income stream to be applied for a restricted purpose, the fund is classified as a restricted permanent endowment.

Taxation

The College is a registered charity (number 1137536) 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 advised to the College by the University, based on an assessable amount derived from the value of the College's assets at the end of the previous financial year.

Pension Schemes

The College pays contributions to three pension schemes which provide benefits to its members based on final pensionable salary. The assets of these schemes are held separately from those of the College. In addition,

the Colleges administers a closed non-contributory scheme, which is recorded separately in the College balance sheet.

Universities Superannuation Scheme

The College participates in Universities Superannuation Scheme (the scheme). With effect from 1 October 2016, the scheme changed from a defined benefit only to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. Because of the mutual nature of the scheme, the scheme's 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 FRS 102 "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 the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme. 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 therefore an expense is recognised.

Cambridge Colleges Federated Pension Scheme

The College also contributes to the Cambridge Colleges Federated Pension Scheme (CCFPS), which is a similar defined benefit pension scheme. Unlike the USS, this scheme has surpluses and deficits directly attributable to individual colleges. Current service costs, assessed by the scheme actuary, are included as part of staff costs. The expected return on assets less the interest costs is shown as a net amount as part of interest income or costs. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

Actuarial valuations are obtained at least triennially and are updated at each balance sheet date for accounting purposes. The liabilities of the plan have been calculated for the purposes of FRS102 using a valuation system designed for the Management Committee acting as Trustee of the Cambridge Colleges' Federated Pension Scheme at 31 March 2020 but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

Church of England Funded Pensions Scheme

The College also participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Boards, which holds the assets of the schemes separately from those of the Employer and the other participating employers. Each participating employer in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the statement of income and expenditure in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions.

Staff Pension Fund

The College runs a defined benefit scheme, funded by the College, which is closed to new members. Benefit payments are accounted for when payments are made.

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 in 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 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 latter 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.

Recoverability of debtors – The provision for doubtful debts is based on the College's estimate of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due.

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

Retirement benefit obligations – The cost of defined benefit pension plans and other post-employment benefits 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 26.

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 26.

Consolidated Statement of Comprehensive Income and Expenditure for the Year Ended 30 June 2022

	Note	Unrestricted	Restricted	Endowment	2022 Total	Unrestricted	Restricted	Endowment	2021 Total
Income		£000	£000	£000	£000	£000	£000	£000	£000
Academic fees and charges	1	3,932	140	-	4,072	3,805	175	-	3,980
Accommodation, catering and conferences	2	5,847	-	-	5,847	3,667	-	-	3,667
Investment income	3	-	-	7,323	7,323	-	-	4,895	4,895
Endowment return transferred	3	2,034	1,857	(3,891)	-	-	1,892	(1,892)	-
Other income		43	-	-	43	259	-	-	259
		11,856	1,997	3,432	17,285				
Total income before donations and endowments						7,731	2,067	3,003	12,801
Donations		1,408	141	-	1,549	3,705	100	-	3,805
New endowments		-	-	4,090	4,090	-	65	1,026	1,091
Other capital grants for assets		-	273	-	273	-	148	-	148
		13,264	2,411	7,522	23,197				
Total income						11,436	2,380	4,029	17,845
Expenditure									
Education	4	7,660	1,484	-	9,144	7,026	1,856	-	8,882
Accommodation, catering and conferences	5	7,480	-	-	7,480	6,330	-	-	6,330
Other expenditure	6	3,304	312	5,851	9,467	997	112	6,008	7,117
Contribution under Statute G,II		197	-	-	197	206	-	-	206
Total expenditure		18,641	1,796	5,851	26,288	14,559	1,968	6,008	22,535
Surplus/(deficit) before other gains and losses		(5,377)	615	1,671	(3,091)	(3,123)	412	(1,979)	(4,690)
Gain/(loss) on investments	3	2,256	51	3,065	5,372	23,921	699	13,968	38,588
Surplus/(deficit) for the year		(3,121)	666	4,736	2,281	20,798	1,111	11,989	33,898
Other comprehensive income/(expenditure)									
Actuarial gain/(loss) in respect of pension schemes	16	2,444	-	-	2,444	1,780	-	-	1,780
Total comprehensive income for the year		(677)	666	4,736	4,725	22,578	1,111	11,989	35,678

The notes on pages 29 to 51 form part of these accounts.

Consolidated Statement of Changes in Reserves

Year ended 30 June 2022

	Income and expenditure reserve			
	Unrestricted	**Restricted**	**Endowment**	**Total**
	£000	**£000**	**£000**	**£000**
Balance at 1 July 2021	285,130	7,846	84,628	377,604
Surplus/(Deficit) from income and expenditure statement	(3,121)	666	4,736	2,281
Other comprehensive income/(expenditure)	2,444	-	-	2,444
Transfer between restricted and endowment funds	-	-	-	-
Release of restricted capital funds spent in the year	23	(23)	-	-
Balance at 30 June 2022	284,476	8,490	89,364	382,330
Balance at 1 July 2020	262,405	4,614	74,908	341,927
Surplus/(Deficit) from income and expenditure statement	20,798	1,111	11,989	33,898
Other comprehensive income/(expenditure)	1,780	-	-	1,780
Transfer between restricted and endowment funds		2,269	(2,269)	-
Release of restricted capital funds spent in the year	148	(148)	-	-
Balance at 30 June 2021	285,130	7,846	84,628	377,604

The notes on pages 29 to 51 form part of these accounts.

Consolidated Balance Sheet as at 30 June 2022

	Note	2022 £000	2021 £000
Non-current assets			
Fixed assets	9	136,527	137,705
Heritage assets	9	120	120
Investment assets	10	264,455	259,830
Total non-current assets		401,102	397,655
Current assets			
Stock	11	580	594
Trade and other receivables	12	3,633	3,036
Cash and cash equivalents	13	3,512	3,389
Total current assets		7,725	7,019
Creditors: amounts falling due within one year	14	(4,309)	(4,484)
Net Current assets		3,416	2,535
Total Assets less current liabilities		404,518	400,190
Creditors: amounts falling due after more than one year	15	(15,224)	(15,584)
Net assets excluding pension liability		389,294	384,606
Net pension liability	16	(6,964)	(7,002)
Net assets		382,330	377,604
Restricted reserves			
Income and expenditure reserve – endowment reserve	17	89,364	84,628
Income and expenditure reserve – restricted reserve	18	8,490	7,846
Unrestricted reserves			
Income and expenditure reserve – unrestricted		284,476	285,130
Total Reserves		382,330	377,604

Approved by the College Council on 9th November 2022 and signed on their behalf by Mr Robert Gardiner, Senior Bursar

The notes on pages 29 to 51 form part of these accounts.

Consolidated Cash Flow Statement as at 30 June 2022

	Note	2022 £000	2021 £000
Net cash (outflow) /inflow from operating activities	20	(453)	47
Cash flows from investing activities	21	1,580	970
Cash flows from financing activities	22	(1,004)	(999)
Increase/(decrease) in cash and cash equivalents in the year	23	123	18
Cash and cash equivalents at beginning of the year		3,389	3,371
Cash and cash equivalents at end of the year		3,512	3,389

The notes on pages 29 to 51 form part of these accounts.

Notes to the Accounts 2021/22

1 Academic fees and charges

	2022 £000	2021 £000
College fees:		
Fee income received at the Regulated Undergraduate rate	2,475	2,520
Fee income received at the Unregulated Undergraduate rate	590	536
Fee income received at the graduate rate	777	708
	3,842	3,764
Income for Cambridge Bursaries	140	175
Other income	90	41
Total	4,072	3,980

2 Income from accommodation, catering and conferences

		2022 £000	2021 £000
Accommodation	College members	4,384	3,073
	Conferences	264	69
Catering	College members	911	470
	Conferences	288	55
Total		5,847	3,667

3 Endowment and Investment income

3a Analysis

	2022	2021
	£000	£000
Total return contribution (see note 3b)	3,891	1,892

3b Summary of Total Return

	2022	2021
Income from:	£000	£000
Land and buildings	3,314	3,075
Quoted and other securities and cash	4,009	1,820
Gains on endowment assets:		
Land and buildings	5,153	7,435
Quoted and other securities and cash	219	31,152
Investment Management costs (see note 3c)	(5,850)	(6,008)
Total Return for year	6,845	37,474
Total Return transferred to Income and Expenditure Account	(3,891)	(1,892)
Total return expendable amount	(3,891)	(1,892)
Unapplied Total Return for Year included within Statement of Comprehensive Income and Expenditure (see note 19)	2,954	35,582

3c Investment management costs

	2022	2021
	£000	£000
Land and buildings	1,598	1,582
Other investments	4,252	4,426
Total	5,850	6,008

4 Education Expenditure	2022	2021
	£000	£000
Teaching	3,792	3,516
Tutorial	1,555	1,341
Admissions	357	290
Research	1,166	1,026
Scholarships and awards	1,433	1,991
Other educational facilities	799	690
Other educational expenses	42	28
Total	9,144	8,882

5 Accommodation, Catering and Conferences Expenditure		2022	2021
		£000	£000
Accommodation:	College members	5,435	4,836
	Conferences	106	43
Catering:	College members	1,671	1,312
	Conferences	268	139
Total		7,480	6,330

6 Other Expenditure	2000	2021
	£000	£000
Investment management and administration	5,408	5,557
Interest	644	667
Pension scheme losses (gains) and other non-cash pension charges	2,441	151
Other general and administrative	974	742
Total	9,467	7,117

7a Analysis of 2021/2022 Expenditure by Activity

	Staff costs (Note 8)	Other Operating Expenses	Depreciation (Note 9)	Total
	£000	£000	£000	£000
Education (note 4)	4,346	4,307	491	9,144
Accommodation, catering and conferences (note 5)	3,664	2,189	1,627	7,480
Other (note 6)	478	8,987	2	9,467
Contribution under Statute G,II	-	197	-	197
Total	8,488	15,680	2,120	26,288

Expenditure includes Development Office costs of £294,000. This expenditure excludes the cost of alumni relations.

7b Analysis of 2020/2021 Expenditure by Activity

	Staff costs (Note 8)	Other Operating Expenses	Depreciation (Note 9)	Total
	£000	£000	£000	£000
Education (note 4)	4,081	4,319	482	8,882
Accommodation, catering and conferences (note 5)	3,141	1,580	1,609	6,330
Other (note 6)	466	6,647	4	7,117
Contribution under Statute G,II	-	206	-	206
Total	7,688	12,752	2,095	22,535

Expenditure includes Development Office costs of £257,000. This expenditure excludes the cost of alumni relations.

7c Auditors' remuneration

	2022	2021
	£000	£000
Other operating expenses include:		
Audit fees payable to the College's external auditors	32	29
Other fees payable to the College's external auditors	2	3
Total	34	32

8 Staff costs

	Academic	Non-academic	Total 2022	Total 2021
	£000	£000	£000	£000
Salaries	2,092	4,669	6,761	6,114
National insurance	214	399	613	567
Other pension costs	377	737	1,114	1,007
Total	2,683	5,805	8,488	7,688

	Average staff numbers 2022		Average staff numbers 2021	
	Number of Fellows	Number of Non-Fellows	Number of Fellows	Number of Non-Fellows
Academic (number receiving a stipend)	76	9	77	10
Non-Academic (full-time equivalents)	4	148	2	145
Total	80	157	79	155

At 30th June 2022, there were 111 members of the Governing Body. During the year the average number receiving remuneration was the 80 shown above.

One officer of the College received remuneration in the range of £100,000 to £110,000 (2021: One). Remuneration includes salary, employer's national insurance contributions, employer's pension contributions plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements

Key management personnel 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.

For the College these are the Master, the Senior Bursar and the Senior Tutor. During the year remuneration paid to key management personnel was £279,000 (2021: £268,000).

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

9 Fixed Assets

	Land £000	College Buildings £000	Assets in construction £000	Furniture & Equipment £000	Total 2022 £000	Total 2021 £000
Cost/Valuation						
At beginning of year	62,220	88,096	246	367	150,929	147,575
Additions	-	554	299	89	942	3,433
Disposals at cost/valuation	-	-	-	(68)	(68)	(79)
Transfers						
At end of year	62,220	88,650	545	388	151,803	150,929
Depreciation						
At beginning of year	-	13,053	-	171	13,224	11,208
Charge for the year	-	2,035	-	85	2,120	2,095
Eliminated on disposal	-	-	-	(68)	(68)	(79)
At end of year	-	15,088	-	188	15,276	13,224
Net book value						
At end of year	62,220	73,562	545	200	136,527	137,705
At beginning of year	62,220	75,043	246	196	137,705	136,367

The insured value for rebuilding of freehold operational buildings (excluding investments assets) at 30 June 2022 is £239m, compared with the 2021 total of £231m.

Heritage assets

The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance. As stated in the principal accounting policies, heritage assets acquired since 1999 have been capitalised. However, the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of cost or valuation are not available for these on a cost-benefit basis they have not been capitalised. As a result, the total included in the balance sheet is partial.

Amounts for the current and previous four years were as follows:

	2022 £000	2021 £000	2020 £000	2019 £000	2018 £000
Balance brought forward	120	113	101	97	90
Acquisitions purchased with College funds	-	7	12	4	7
Total	120	120	113	101	97

10 Fixed Asset Investments

	2022 £000	2021 £000
Balance at beginning of year	259,830	226,340
Additions	121,207	36,717
Disposals	(118,847)	(30,957)
Appreciation	1,238	33,875
Increase/(decrease) in cash balances held by fund managers	1,027	(6,145)
Balance at end of year	264,455	259,830

Represented by:	2022 £000	2021 £000
Property	95,663	91,607
Quoted securities – equities	60,258	62,759
Fixed interest securities	12,570	14,196
Cash in hand and at investment managers	3,610	8,497
Other investments	92,354	82,771
Total	264,455	259,830

11 Stocks and work in progress

	2022 £000	2021 £000
Wine stocks	565	579
Bar, kitchen and other stocks	15	15
Total	580	594

12 Trade and other receivables

	2022 £000	2021 £000
Members of the College	433	287
Commercial rents	257	453
Donations	2,645	2,083
Other debtors	168	127
Prepayments and accrued income	130	86
Total	3,633	3,036

13 Cash and cash equivalents

	2022 £000	2021 £000
Current accounts	3,512	3,389
Total	3,512	3,389

14 Creditors: amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	2,672	2,682
Bank loan due for repayment within a year	360	360
Members of the College	376	616
University fees	172	65
Commercial rent deferred income	440	486
Contribution to Colleges Fund	197	206
Other creditors	92	69
Total	4,309	4,484

15 Creditors: amounts falling due after one year

	2022 £000	2021 £000
Bank loans	5,224	5,584
Other loans	10,000	10,000
Total	15,224	15,584

During 2014 the College borrowed from institutional investors, collectively with other Colleges, the College's share being £10 million. The loans were made in two stages, are unsecured and repayable during the period 2042-2053, and are at fixed interest rates of 4.4% for the first part and 4.45% for the second. Although issued through a funding vehicle, the College has no responsibility for the obligations of any of the other issuing Colleges. In addition, the College has unsecured bank loans:

- repayable over a period of 21 years, at a fixed rate of 4.59%.
- repayable over a period of 10 years, at a fixed rates of 2.25%, 2.30% and 2.14%.

16 Pension liabilities

Year to 30 June 2022

	CCFPS	USS	Other	Total
	£000	£000	£000	£000
Balance at beginning of year	5,011	1,700	291	7,002
Movement in year:				
Current service cost including life assurance	239	-	(3)	236
Contributions	(314)	(92)	(40)	(446)
Change in expected contributions	-	2,505	-	2,505
Other finance cost	91	15	5	111
Actuarial (gain)/loss recognised in Statement of Comprehensive Income and Expenditure	(2,411)	-	(33)	(2,444)
Balance at end of year	2,616	4,128	220	6,964

Year to 30 June 2021

	CCFPS	USS	Other	Total
	£000	£000	£000	£000
Balance at beginning of year	6,753	1,594	323	8,670
Movement in year:				
Current service cost including life assurance	251	-	(3)	248
Contributions	(302)	(82)	(44)	(428)
Change in expected contributions	-	176	-	176
Other finance cost	99	12	4	115
Actuarial (gain)/loss recognised in Statement of Comprehensive Income and Expenditure	(1,790)	-	11	(1,779)
Balance at end of year	5,011	1,700	291	7,002

17 Endowment funds	Restricted Permanent	Unrestricted Permanent	Total 2022	Total 2021
	£000	£000	£000	£000
Balance at beginning of year:				
Capital	84,628	-	84,628	74,908
New donations and endowments	4,090	-	4,090	1,026
Increase / (Decrease) in market value of investments	646	-	646	10,963
Transfer to restricted funds	-	-	-	(2,269)
Balance at end of year	89,364	-	89,364	84,628
Analysis by type of purpose				
Fellowship, Research, Scholarship and Studentship Funds	67,468	-	67,468	64,976
Prizes Funds	685	-	685	782
Bursaries, Hardship and Travel Funds	11,384	-	11,384	9,109
General and Other Trust Funds	9,827	-	9,827	9,761
Balance at end of year	89,364	-	89,364	84,628
Analysis by asset				
Property	33,479	-	33,479	32,361
Investments	54,690	-	54,690	49,558
Cash	1,195	-	1,195	2,709
Balance at end of year	89,364	-	89,364	84,628

18 Restricted Reserves	Capital Grants unspent £000	Permanent Unspent and other restricted income £000	Restricted expendable endowment £000	Total 2022 £000	Total 2021 £000
Balance at beginning of year:					
Capital	-	-	1,924	1,924	774
Accumulated income	-	5,922	-	5,922	3,840
Total	-	5,922	1,924	7,846	4,614
New grants	23	140	-	163	323
New donations	250	141	-	391	166
Endowment return transferred	-	1,817	40	1,857	1,891
Increase in market value	-	39	12	51	699
Expenditure	-	(1,769)	(26)	(1,795)	(1,968)
Capital grants utilised	(23)	-	-	(23)	(148)
Transfer from endowment funds	-	-	-	-	2,269
Total	250	6,290	1,950	8,490	7,846
Balance at end of year					
Capital	250	-	1,950	2,200	1,924
Accumulated income	-	6,290	-	6,290	5,922
Total	250	6,290	1,950	8,490	7,846
Analysis of restricted funds by type of purpose					
Fellowship, Research, Scholarship and Studentship Funds	-	5,206	958	6,164	5,768
Prizes Funds	-	300	-	300	300
Bursaries, Hardship and Travel Funds	-	686	992	1,678	1,656
General and Other Trust Funds	250	98	-	348	122
Total	250	6,290	1,950	8,490	7,846

19 Memorandum of Unapplied Total Return

Included within reserves, the following amounts represent the Unapplied Total Return of the College:	*Note*	**2022**	**2021**
		£000	**£000**
Unapplied Total Return at beginning of year		148,831	113,248
Unapplied Total Return for the year	*3b*	2,954	35,582
Unapplied Total Return at end of year		151,785	148,830

20 Reconciliation of consolidated surplus for the year to net cash (outflow)/inflow from operating activities

	2022	**2021**
	£000	**£000**
Surplus for the year	4,726	35,678
Adjustment for non-cash items		
Depreciation	2,120	2,094
Gain on endowments, donations and investment property	(5,372)	(38,588)
Decrease (increase) in stocks	14	35
Decrease/(increase) in trade and other receivables	(597)	1,092
Increase/(decrease) in creditors	(176)	76
Pension costs less contributions payable	(38)	(1,669)
Adjustment for investing or financing activities		
Investment income	(7,323)	(4,895)
Investment expenditure	5,407	5,557
Interest payable	644	667
Profit on the sale of non-current assets	142	-
Net cash (outflow)/inflow from operating activities	(453)	47

21 Cash flows from investing activities

	2022	**2021**
	£000	**£000**
Non-current investment disposal	346	2,393
Investment income	3,509	3,086
Investment expenditure	(1,333)	(977)
Payments to acquire non-current assets	(942)	(3,532)
	1,580	970

22 Cash flows from financing activities

	2022	**2021**
	£000	**£000**
Interest paid	(644)	(640)
Repayments of amounts borrowed	(360)	(359)
Total cash flows from financing activities	(1,004)	(999)

23 Consolidated reconciliation and analysis of net debt

	At beginning of year £000	Cash Flows £000	At end of year £000
Cash and cash equivalents	3,389	123	3,512
Borrowings:			
Amounts falling due within one year: unsecured loans	(360)	-	(360)
Borrowings:			
Amounts falling due after more than one year: unsecured loans	(15,584)	360	(15,224)
	(12,555)	483	(12,072)

24 Financial Instruments

	2022 £000	2021 £000
Financial assets		
Financial assets at fair value through Statement of Comprehensive income:		
Listed equity investments	106,461	116,441
Other investments	44,192	43,286
Financial assets that are debt instruments measured at amortised cost:		
Cash and cash equivalents	13,778	11,886
Other debtors	601	414
Financial liabilities		
Financial liabilities measured at amortised cost		
Loans	15,584	15,944
Trade creditors	478	355
Other creditors	816	900

25 Capital commitments

	2022 £000	2021 £000
Capital commitments at 30 June are as follows:		
Authorised and contracted	130	220
Authorised but not yet contracted for	1,061	556

26 Pensions

The College participates in four defined benefit schemes: The Universities Superannuation Scheme (USS); the Cambridge Colleges Federated Pensions Scheme (CCFPS); the Old Non Contributory Scheme; and the Church of England funded Pensions Scheme. The assets of the schemes are held in separate trustee

administered funds, with the exception of the closed Old Non Contributory Scheme which is recorded separately in the College balance sheet. The total pension cost for the year was £1,114,000 (2021: £1,007,000). The breakdown by scheme is shown below:

	2022 £000	2021 £000
USS	962	862
CCFPS	137	131
Church of England	10	10
Non-contributory scheme	5	4
Total	1,114	1,007

26a Universities Superannuation Scheme

The pension costs charged to the Statement of Comprehensive Income and Expenditure is £964,000 (2021: £862,000).

The latest available complete actuarial valuation of the Retirement Income Builder was at 31 March 2020 (the valuation date), which was carried out using the projected unit method. Since the College cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumption used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles.

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension Increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% 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 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% for females

The current life expectancies on retirement at age 65 are:

	2022	2021
Males currently aged 65 (years)	23.9	24.7
Females currently aged 65 (years)	25.5	26.1
Males currently aged 45 (years)	25.9	26.7
Females currently aged 45 (years)	27.3	27.9

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2022	2021
Discount rate	3.31%	0.87%
Pensionable salary growth	6% in year 1, 1.5% thereafter	1.5%

26b Cambridge Colleges Federated Pension Scheme

The College operates a defined benefit pension plan for the College's employees of the Cambridge Colleges' Federated Pension Scheme (CCFPS).

The liabilities of the plan 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 Cambridge Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

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

	2022 % p.a.	2021 % p.a.
Discount rate	3.80	1.80
Increase in salaries	3.25	3.10
RPI assumption	3.45	3.40
CPI assumption	2.75	2.60
Pension increases in payment (RPI Max 5% p.a.)	3.30	3.30
Pension increases in payment (CPI Max 2.5% p.a.)	2.05	1.95

For 1 year only, it has been assumed that RPI will be 11% and CPI 9%.

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2021 future improvement factors and a long-term rate of future improvement of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements (2021: S3PA with CMI_2020 future improvement factors and a long-term future improvement rate of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Male aged 65 now has a life expectancy of 21.9 years (previously 21.9 years).
- Female aged 65 now has a life expectancy of 24.3 years (previously 24.3 years).
- Male aged 45 now and retiring in 20 years has a life expectancy of 23.2 years (previously 23.2 years).
- Female aged 45 now and retiring in 20 years has a life expectancy of 25.7 years (previously 25.7 years).

Members are assumed to retire at their normal retirement age (65) apart from 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.

Employee Benefit Obligations

The amounts recognised in the balance sheet as at 30 June 2022 (with comparative figures as at 30 June 2021) are as follows:

	2022 £000	2021 £000
Present value of plan liabilities	(15,832)	(20,677)
Market value of plan assets	13,216	15,666
Net defined benefit (liability)	(2,616)	(5,011)

The amounts to be recognised in the profit and loss for the year ended 30 June 2022 (with comparative figures for the year ended 30 June 2021) are as follows:

	2022 £000	2021 £000
Current service cost	206	222
Administrative expenses	33	29
Interest on net defined benefit liability	91	99
(Gain)/loss on plan changes	-	-
Total	330	350

Changes in the present value of the plan liabilities for the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

	2022 £000	2021 £000
Present value of plan liabilities at beginning of period	20,677	21,412
Current service cost (including employee contributions)	206	222
Employee contributions	38	44
Benefits paid	(533)	(435)
Interest on plan liabilities	370	309
Actuarial losses/(gains)	(4,926)	(875)
(Gain)/loss on plan changes	-	-
Present value of plan liabilities at end of period	15,832	20,677

Changes in the fair value of the plan assets for the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

	2022 £000	2021 £000
Market value of plan assets at beginning of period	15,666	14,659
Contributions paid by the College	314	302
Employee contributions	38	44
Benefits paid	(533)	(435)
Administrative expenses paid	(41)	(45)
Interest on plan assets	279	210
Return on assets, less interest included in Profit & Loss	(2,507)	931
Market value of plan assets at end of period	13,216	15,666
Actual return on plan assets	(2,228)	1,142

The major categories of plan assets as a percentage of total Scheme assets for the year ending 30 June 2022 (with comparative figures for the year ended 30 June 2021) are as follows:

	2022	2021
Equities	52%	48%
Bonds & Cash	34%	42%
Property	14%	10%
Total	100%	100%

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

Analysis of the remeasurement 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 £000	2021 £000
Return on assets less interest included in statement of income and expenditure	(2,507)	931
Expected less actual plan expenses	(7)	(16)
Experience gains and losses arising on plan liabilities	(955)	623
Changes in assumptions underlying the present value of plan liabilities	5,880	252
Remeasurement of net defined benefit liability recognised in OCI	2,411	1,790

Movement in net defined benefit asset/(liability) during the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

	2022 £000	2021 £000
Net defined benefit asset/(liability) at beginning of year	(5,011)	(6,753)
Recognised in statement of income and expenditure	(330)	(350)
Contributions paid by the College	314	302
Remeasurement of net defined benefit liability recognised in OCI	2,411	1,790
Net defined benefit asset/(liability) at end of year	(2,616)	(5,011)

Funding Policy

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

The last such valuation was as at 31 March 2020. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall. These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 21 May 2021 and are as follows:

- Annual contributions of not less than £140,565 payable for the period to 28 February 2030

These payments are subject to review following the next funding valuation, due as at 31 March 2023.

26c Old Non Contributory Scheme

The scheme is an unfunded defined benefit final salary scheme not operated under Trust. The scheme is not registered with the HM Revenue and Customs under the terms of the Finance Act 2004. The College's employees covered by the Scheme were not contracted out of the State Second Pension (S2P).

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

	2022 % p.a.	2021 % p.a.
Discount rate	3.80	1.85
Pension increases in payment	0.00	0.0

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2021 future improvement factors and a long-term rate of future improvement of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements (2021: S3PA with CMI_2020 future improvement factors and a long-term future improvement rate of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Male aged 65 now has a life expectancy of 21.9 years (previously 21.9 years)
- Female aged 65 now has a life expectancy of 24.3 years (previously 24.3 years)
- Male aged 45 now and retiring in 20 years has a life expectancy of 23.2 years (previously 23.2 years).
- Female aged 45 now and retiring in 20 years has a life expectancy of 25.7 years (previously 25.7 years).

Employee Benefit Obligations

The amounts recognised in the balance sheet as at 30 June 2022 (with comparative figures as at 30 June 2021) are as follows:

	2022 £000	2021 £000
Present value of plan liabilities	(219)	(287)
Net defined benefit (liability)	(219)	(287)

The amounts to be recognised in the statement of income and expenditure for the year ended 30 June 2022 (with comparative figures for the year ended 30 June 2021) are as follows:

	2022 £000	2021 £000
Interest on net defined benefit liability	(5)	(4)
Total	(5)	(4)

Changes in the present value of the plan liabilities for the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

	2022 £000	2021 £000
Present value of plan liabilities at beginning of period	287	317
Current service cost	-	-
Interest on plan liabilities	5	4
Actuarial losses (gains)	(33)	10
Benefits paid	(40)	(44)
Present value of plan liabilities at the end of the period	219	287

The plan has no assets.

Analysis of the remeasurement of the net defined benefit liability recognised in the 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 £000	2021 £000
Experience gains and losses arising on plan liabilities	8	(16)
Changes in assumptions underlying the present value of plan liabilities	25	6
Remeasurement of net defined benefit liability recognised in OCI	33	(10)

Movement in net defined benefit asset/(liability) during the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

	2022 £000	2021 £000
Net defined (liability) at beginning of year	(287)	(317)
Contributions paid by the College	40	43
Recognised in Profit and Loss	(5)	(4)
Remeasurement of net defined benefit liability recognised in OCI	33	(10)
Net defined benefit (liability) at the end of the year	(219)	(287)

Funding Policy
The scheme is an unfunded arrangement. The College pays pension out of their own funds as they fall due.

26d Church of England Funded Pensions Scheme

The College also participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Boards, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the statement of income and expenditure in the year are contributions payable towards benefits and expenses accrued in that year (2022: £10,000, 2021: £10,000), plus the figures highlighted in the table below as being recognised in the Other Comprehensive Income (OCI), giving a total credit of £2,000 for 2022 (2021 a credit of £3,000).

The valuation of the Scheme is carried out every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% p.a.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit repair contributions payable (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020 %	January 2021 to December 2022 %
Deficit repair contributions	11.9	7.1

As at 31 December 2019, 31 December 2020 and 31 December 2021, the deficit recovery contributions under the recovery plan in force were as set out in the table above.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below:

	2021 £000	2020 £000
Balance sheet liability at 1 January	4	6
Deficit contribution paid	(2)	(3)
Interest cost (recognised in SoFA)	-	-
Remaining change to balance sheet liability* (recognised in statement of income and expenditure)	-	1
Balance sheet liability at 31 December	2	4

*Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments, but as at 31 December 2021, under accounting rules the payments are not discounted since the remaining recovery plan is less than 12 months. No price inflation assumption is needed since pensionable stipends for the remainder of the recovery plan are already known.

	December 2021	December 2020	December 2019
Discount rate	0.0%	0.2% p.a.	1.1% p.a.
Price inflation	n/a	3.1% p.a.	2.8% p.a.
Increase to total pensionable payroll	-1.5%	1.6% p.a.	1.3% p.a.

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

27 Principal Subsidiary Undertakings

	Country of Incorporation and Operation	Cost £	Class of Shares	Proportion of shares held	Principal activity
Caius Property Services Limited	United Kingdom	1	Ordinary	100%	Dormant
Budworth Development Limited	United Kingdom	1	Ordinary	100%	Dormant
Caius Conferences Limited	United Kingdom	1	Ordinary	100%	Provision of conference services

28 Contingent Liabilities

With effect from 16 March 2007, the Universities Superannuation Scheme (USS) positioned itself as a 'last man standing' scheme so that in event of an insolvency of any of the participating employers in USS, the amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers.

29 Related Party Transactions

Owing to the nature of the College's operations and the composition of its College Council it is possible that transactions will take place with organisations in which a member of the College Council may have an interest. All transactions involving organisations in which a member of the College Council 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 College Council members and where any member of the College Council 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 College's Remuneration Committee.

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

From	To	2022 Number	2021 Number
£0	£10,000	8	11
£10,001	£20,000	3	3
£20,001	£30,000	-	-
£30,001	£40,000	-	1
£40,001	£50,000	1	-
£50,001	£60,000	3	2
£60,001	£70,000	1	1
£70,001	£80,000	-	-
£80,001	£90,000	-	-
£90,001	£100,000	1	1
	Total	17	19

The total Trustee salaries were £440,000 for the year (2021: £398,000)

The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £113,000 for the year (2021: £90,000).

The College has a number of trading and dormant subsidiary undertakings which are consolidated into these accounts. All subsidiary undertakings are 100% owned by the College and are registered and operating in England and Wales.

The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

30 Perse Trust

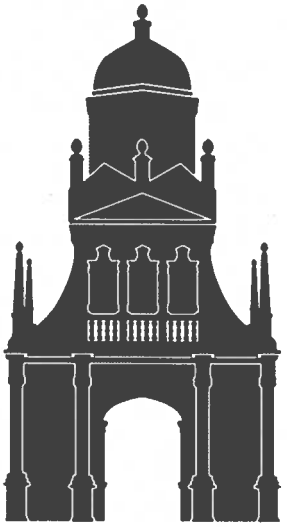
The College provides trustees for the Perse Trust, a registered non-collegiate charity. In addition, the College oversees investment management of the Perse Trust endowment which at 30 June 2022 amounted to £662,000. These assets have been excluded from the College balance sheet as have the liabilities of the Trust with the exception of £88,000 which was owed to the College.

GONVILLE AND CAIUS COLLEGE IN THE UNIVERSITY OF CAMBRIDGE FOUNDED IN HONOUR OF THE

England & Wales - Charity number 1137536

Accounts

Gonville & Caius



Trustees' Annual Report and Accounts 2020/21

For the year ended 30 June 2021

Gonville & Caius

Trustees' Annual Report and Accounts 2020/21

Reference and Administrative Details 2
Report of the College Council 3
Independent auditors' report to the Council of Gonville & Caius College, Cambridge 15
Statement of Principal Accounting Policies for the Year Ended 30 June 2021 19
Consolidated Statement of Comprehensive Income and Expenditure for the Year Ended 30 June 2021 27
Consolidated Statement of Changes in Reserves 28
Consolidated Balance Sheet as at 30 June 2021 29
Consolidated Cash Flow Statement as at 30 June 2021 30
Notes to the Accounts 2020/21 31

Reference and Administrative Details

The College of Gonville & Caius in the University of Cambridge comprises the Master, the Fellows and the Scholars. Its registered address is Trinity Street, Cambridge CB2 1TA. The College is a registered charity (Charity Registration Number: 1137536) and is subject to regulation by the Charity Commission for England and Wales. The charity Trustees of the College are the members of the College Council.

Council Members 1 July 2020 – 30 June 2021

Ex Officio	Master	Professor P J Rogerson
Ex Officio	Senior Bursar	Mr R Gardiner
Ex Officio	Senior Tutor	Dr A Spencer
Elected members		Professor J Herbert (to 9 October 2020)
		Professor M C Smith (to 9 October 2020)
		Dr M T Calaresu (to 30 April 2021)
		Professor J D Mollon (to 29 January 2021)
		Professor K Khaw
		Dr J Sale (to 9 October 2020)
		Dr G J Conduit
		Professor E Harper (to 9 October 2020)
		Professor F Gallagher
		Dr R Yotova
		Dr W Handley (from 9 October 2020)
		Professor S Sivasundaram (from 9 October 2020)
		Revd Dr C Hammond (from 9 October 2020)
		Dr E Ringe (from 9 October 2020)
		Professor P Robinson (from 29 January 2021)
		Professor A Ahmed (from 30 April 2021)

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

Bankers
Barclays Bank plc
Mortlock House
Histon
Cambridge
CB24 9DE

Lloyds Bank PLC
3 Sidney Street
Cambridge
CB2 3BU

Property Managers
Bidwells
Trumpington Road
Cambridge
CB2 2LD

Legal Advisers
Mills & Reeve LLP
Botanic House
98-100 Hills Road
Cambridge
CB2 1PH

Investment Managers
Partners Capital
5 Young Street
London
W8 5EH

CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Report of the College Council

Status

Gonville & Caius is one of the oldest and largest Colleges in the University of Cambridge, originally founded in 1348 by Edmund Gonville and subsequently augmented and re-founded by John Caius in 1557. It is a self-governing community of scholars, home to more than 850 undergraduates, graduates and academics supported by over 150 full-time equivalent staff.

The College is constituted under the provisions of the Universities of Oxford and Cambridge Act 1923 and is a registered charity. These accounts consolidate the operations of the College with its subsidiaries Caius Property Services Limited, Budworth Development Limited and Caius Conferences Limited. They are prepared in accordance with the Recommended Cambridge College Accounts (RCCA) format.

Aims and Objectives

The College is an institution of Higher Education. Its primary charitable purpose is the pursuit of education, religion, learning and research and its overall objective is to rank amongst the highest achieving academic institutions in the world.

Public Benefit

The College provides, in conjunction with the University of Cambridge, an education for more than 850 undergraduate and graduate students that is recognised internationally as being of the highest standard. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial systems;
- social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential while studying at the College; and
- specialist choral musical education for its choristers who make up the College's renowned choir.

The College advances learning and research through:

- providing an intellectual and social base for around 200 graduate students, as well as offering studentships, bursaries, financial support and grants for travel and other support relating to their research;
- providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- supporting research work pursued by its Fellows through promoting interaction across disciplines, providing facilities and providing grants for national and international conferences, research trips and materials;
- encouraging visits from outstanding academics from abroad; and
- encouraging the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

The College maintains an extensive library and archives (including important special collections), providing a valuable resource for students and Fellows of the College, members of other Colleges and the University of Cambridge more widely, external scholars and researchers, as well as offering a venue for occasional lectures and exhibitions open to the general public.

The College admits as students those who have the highest potential for benefiting from the education provided by the College and the University and recruits as academic staff those who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background:

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects but students of the College are predominantly between 18 and 26 years old; and
- there are no religious restrictions in the College's objects and members of the College have a wide variety of faith traditions or none.

The focus of the College is strongly academic and students need to satisfy high academic entry requirements. The College works to ensure that no one is barred from attending the College because of financial constraints and it provides assistance to many of its students:

- to assist undergraduates who have limited financial means. The College participates in the Cambridge Bursary Scheme. The scheme operates in conjunction with the University of Cambridge and is approved by the Office for Students (OfS) providing benefits at a substantially higher level than the minimum OfS requirement;
- to support the costs of graduate students, the College provides substantial financial support. This includes scholarships to fund fees and living costs and 'top-up' funding to fill funding shortfalls in students' funding packages;
- the College also supports students through a grant scheme to assist with the purchase of books and equipment, attendance at conferences, childcare support and travel grants, as appropriate; and
- in addition to its other programmes, the College has limited funds for any student in financial hardship.

To raise educational aspiration and encourage more talented applicants from under-represented backgrounds to apply to the College, it operates an extensive outreach programme which includes large sustained programmes of supervision and guidance, visits to schools, visits by schools to the College, residential events, guidance for teachers, partnerships with external organisations and a lively presence across a range of social media.

The College carries forward the requirement, continuous since its foundation, of being a place of spiritual and ethical reflection on the Christian faith and its implications for the individual and society. In particular, the College:

- maintains and supports the Chapel as a place of religious worship where visitors are welcome during the day; where a variety of religious services take place on weekdays and at weekends during term, details of which are advertised; and where all regular services in the College Chapel are open to the public and are attended by students and staff from elsewhere in the University as well as local residents and visitors to Cambridge;
- maintains its outstanding choral tradition, which is integral to the provision of Divine Service in its Chapel, through the College's choir, formed from the students of the College;
- supports, through the College Dean, the emotional, mental and spiritual well-being of all members of the College community whatever their faith tradition, or none;
- maintains its historic connection with the work of the Church of England, particularly through its involvement as Patron of 22 parishes (and, in the absence of a Rector of Stockport, as Patron of a further 6 parishes) and Lay Rector of 4 parishes; and
- supports the institution of Caius House Battersea through the appointment of its Trustees (in the gift of the Master) and the involvement of the Dean as a Trustee.

Achievements and Performance

Covid-19 pandemic

The pandemic continued to define the approach to the year under review. The College was substantially closed for non-academic purposes until the start of Michaelmas Term. It again had to close much of its non-academic operations during the Lent Term 2021. Fellows had to teach online during a large portion of the year. Some staff continued to be put on leave under the Coronavirus Job Retention Scheme during the early part of the period. Remaining staff worked, where they could, substantially from home during much of the year. The Lent Term was mainly non-resident under a second lock-down. The College did, however, have a number of resident students who could not return home or had no alternative place to live and study and for whom the College maintained basic residential and catering services within government restrictions and guidelines. The College benefited from very significant intercollegiate and University collaboration in developing a 'Covid-secure' basis for operations. During the whole period under review regulations changed frequently, each time requiring Covid planning to be revised.

The principal effects and challenges of the pandemic during the year were:

- Ensuring that the College Council was informed and available to make quick decisions on often limited information
- Ensuring clear communication to the various groups within the College affected by changes in the way that the college was run
- Dealing with unexpectedly high numbers of students satisfying admissions offers owing to changes in A-level assessment
- Enabling teaching online including flexibility for individual students and teachers to respond to their circumstances
- Providing study materials online
- Contributing to remote examination and assessment
- Adapting and severely limiting graduation events without the normal opportunity to celebrate and congratulate the cohort
- Conducting admissions process including interviews entirely on-line
- Determining how student activities could continue, for example the cohesion of the choir and sports clubs.
- Supporting the well-being of students remotely
- Successfully participating in a colleges-wide asymptomatic testing programme for students
- Ensuring that essential maintenance and the College's kitchen refurbishment programme could continue in a Covid-secure manner while trying to protect the timetable of this very complex project so it could complete in a timely manner
- Reconfiguring our catering provision, with severe constraints on dining at the common table and maintaining takeaway services in many cases
- Securing adequate supplies for College departments including those required for infection control
- Managing the financial consequences of student rental and catering voids in Lent Term and the wholesale cancellation of the conference events during the period and beyond
- Making staff comfortable with the arrangements for working in Covid-secure environments in the College as the restrictions were lifted
- Conducting satisfactory interviews for key recruitment both within the fellowship and staff groups
- Managing the College's substantial central Cambridge retail property portfolio through continuing turbulence and uncertainty for the retail industry.

It is a testament to the ingenuity, dedication and resilience of the College's operational management and staff that the College reopened successfully in October 2020 after the first lock-downs and then coped with subsequent, successive versions of unlocking or locking down again.

Educational activities

The College's undergraduates study all the subjects offered in the University and our postgraduates play a key role in the research activities of the wider University. Our Fellows have internationally renowned research expertise ranging from Archaeology to Zoology and are all recognised as leaders in their fields. The number of undergraduate and graduate students registered with the University at 3rd December 2020 was:

	2020/21	2019/20	% Change
Undergraduate	619	603	+2.7
Postgraduate	252	225	+12.0
Total	**871**	**828**	**+5.2**

Research activities

Three new Research Fellows started their Fellowships during the year: Dr Christina Faraday (History of Art); Dr Emily Sandford (Physics); and Dr Vedran Sulovsky (History). In addition the College appointed Dr Ahab Bdaiwi as the Cook-Crone Bye-Fellow for one year (Religion) and Dr Nico Bell-Romero for one year as a part-time Research Associate and Bye-Fellow to carry out research into the legacy of slavery.

Funding

The principal sources of income of the College are as follows:

- Fees charged for the provision of education to students.
- Students and Fellows through charges for goods, services and facilities provided.
- Investment income.
- Members and friends of the College through donations and bequests.
- Conference customers for goods, services and facilities provided.

Financial Review

The College's financial objective is to ensure that the College's primary educational, religious, learning and research functions are managed cost-effectively and supported by robust and well-managed financial resources, which will sustain the enterprise in perpetuity.

Academic Fees and Expenditure

Academic fee income has increased by 2.9% principally due to the increase in undergraduates paying unregulated fees (+ 15) arising from the change in the manner of awarding A-Levels in 2020 and higher than usual rates of achieving admissions offers. Total fee income does not cover the full cost of educational provision and the net cost to the College of providing education has increased from £4.1m in 2019/20 to £4.9m in 2020/21:

	2020/21 £000	2019/20 £000	Change £000
Income	3,980	3,868	112
Expenditure	(8,882)	(7,946)	(936)
Net Cost	**(4,902)**	**(4,078)**	**(824)**

The average funding for each student that was provided by Gonville & Caius College in 2020/21 was £5,628 (2019/20: £4,925).

The education costs are made up as follows:

	2020/21 £000	2019/20 £000	Change £000
Teaching	3,516	3,472	+44
Tutorial and student welfare	1,341	1,286	+55
Admissions	290	346	-56
Research	1,026	1,070	-44
Scholarships and awards	1,991	1,054	+937
Other educational facilities	690	685	+5
Other educational expenses	28	33	-5
Totals	**8,882**	**7,946**	**+936**

There was a substantial increase in the costs of Scholarships and awards due to the higher number and value of awards granted and required to be recognised as commitments. Some new awards were granted, such as the first Tammy Chen Studentship, which honours a graduate student of the College killed in a terrorist attack in 2017 in Burkina Faso. Changes in tutorial costs reflect the creation of additional posts to support students. The reduction in admissions expenditure reflects the inability to run physical outreach activity.

Residences, Catering and Conferences

Income from residences, catering and conferences amounted to £3.7m which was £0.8m (18%) lower than the previous year due to the cancellation of conference activity because of Covid and the non-resident undergraduate Lent Term. Expenditure reduced by 1.8% owing to consequential savings on food and other costs.

Investment Income

The College depends on investment income to fully fund its activities. The endowment is managed for total return, with a spending rule which seeks to preserve the purchasing power of the endowment and is derived using a 'Yale Rule' being 70% of the previous year's total adjusted for college inflation and 30% based on 2.625% of the value of investments at 31 March 2020. In addition the expendable amount derived from property is the lower of the Yale Rule or the amount of income arising from the property net of costs and an allowance for repairs. The income derived figure was lower for the year leading to a reduction in the overall value of the expendable amount. That amount was subsequently reduced by unrestricted donations with this reduction being capped at a level to avoid a negative transfer from capital to unrestricted funds. It is however no longer increased by investment management costs and interest on endowment borrowing as in previous years with these being reflected in a reduction to the gains figure in the accounts. This approach is more in line with the accounting treatment used by other Colleges.

The key figures are summarised below.

	2020/21 £000	2019/20 £000	Change £000
Drawdown permitted under spending rule	5,305	5,349	(44)
Reduction due to unrestricted donations	(3,413)	(2,843)	(570)
Sub-total	1,892	2,506	(614)
Gross up for costs of investment management	-	2,250	(2,250)
Endowment transfer in the Statement of Comprehensive Income and Expenditure	**1,892**	**4,756**	**(2,864)**

Donations and Fundraising

The College is dependent on the philanthropic donations from Caians, parents of Caians and friends of the College to build its endowment and to fund some of its annual activities. Following a comprehensive review of

the fundraising and alumni relation strategy, in February 2021 the College Council approved fundraising priorities with a strong focus on increasing sources of support for outreach programmes, and undergraduate and graduate students.

The College is registered with the Fundraising Regulator and adheres to its Code of Fundraising Practice, subject to the terms and conditions agreed by the Colleges of the University of Cambridge and the Fundraising Regulator, as set out in the letter from the Chief Executive of the Fundraising Regulator, Stephen Dunmore, dated 20th July 2017.

The key staff responsible for fundraising are the Director, Deputy Director of Development and the Senior Development Officer, supported by a team of five.

The Development and Alumni Relations Office actively seeks lifetime gifts and legacies for teaching, research, student support and the maintenance and improvement of the College's buildings and heritage assets as well as general support of the College activities. Solicitation methods include face-to-face meetings, telephone calls, emails and letters from Development and Alumni Relations Office staff. The Office also conducts two annual fund appeals: a digital Giving Day campaign and a traditional telephone campaign. Both campaigns are managed by our staff with technical support from expert consultants.

No complaints were received about the College's fundraising activities during the year. Any requests to be withdrawn from fundraising approaches were implemented immediately.

To protect vulnerable people and others, any potential supporters included in a telephone fundraising campaign are sent a pre-call letter, making clear the purpose of the call and offering the opportunity to be withdrawn from the Campaign. During the telephone fundraising campaign the list of those wishing to be excluded is updated on a daily basis.

The College has signed up for AmazonSmile and the Paypal Giving Fund but otherwise does not use third-party professional fundraisers or commercial participators.

Fundraising income is a crucial source of revenue and comes in the form of regular or one-off gifts and bequests left in wills. Caius is deeply grateful to its historic and current benefactors, which it recognises through membership of various groups and the entitlement to attend exclusive events.

Donations, which amounted to £5.046m, are shown in four places within the Statement of Comprehensive Income and Expenditure:

- New endowments of £1,091,000 for existing and some new funds. They provide income for the long term.
- Unrestricted donations of £3,705,000 immediately available for general purposes.
- Donations of £100,000 for specific purposes and immediate use.
- Donations of £148,000 to fund the refurbishment of the Boathouse.

Some of the unrestricted donations carried expressions of wish for their use and the College Council has designated commensurate reserves to purposes consistent with those wishes.

Expenditure

Nearly 50% of expenditure is staffing costs, allocated to various categories. The overall numbers of Fellows and permanent Staff in the College at 30 June were as follows:

	30 June 2021	30 June 2020	Change
Number of Fellows	108	107	1
Number of Staff (FTEs)	145	148	(3)

University Contribution

The sum levied is redistributed by the Colleges' Fund to less wealthy colleges. Colleges' contributions are determined principally by reference to the value of their endowments and the number of their students. In the year the Colleges' Fund Committee, which determines the allocation of funds to poorer colleges, exceptionally permitted donee colleges to use the funds immediately rather than requiring them to add the receipts to endowment, recognising the financial pressures put upon poorer colleges by Covid.

Capital and Reserves

Total capital and reserves stood at £377.6m at 30 June 2021 (30 June 2020: £341.9m). The College's unrestricted funds amount to £285.1m (30 June 2020: £262.4m) and are represented in the balance sheet by the College's operational buildings and heritage assets valued at £137.8m. The free reserves are therefore £147.3m of the investment portfolio. The restricted endowments amount to £84.6m, represented by part of the investment portfolio. There is also a restricted reserve of £7.8m built up from restricted but expendable donations and unspent income relating to the funds in the endowment reserve.

The College intends to continue to pursue its objects in perpetuity. Its activities require income support from its investments comprising its free reserves. The College Council is aware of the need for financial prudence and has been taking steps to increase its free reserves by reducing the expendable amount, developing the conference business and growing the endowment through prudent investments, development opportunities within the property portfolio and donations. The level of reserves is reviewed routinely by the Finance Committee and in response to any relevant, specific interim request for expenditure but as a general matter the income arising from free reserves is considered integral to the College's operations and required to deliver its charitable objectives. Although the college's other income streams are reasonably stable in the short term, the free reserves also provide support in the event of an unforeseen downturn in the college's operating or investment income arising from wider economic uncertainty. In addition the reserves are required to permit the repayment of £5.9m outstanding debt drawn for operational purposes.

Investments

The Investments of the College increased from £226m to £260m at 30 June 2021. Property assets include £10m financed by a loan from the 2013/14 Cambridge Colleges Private Placement.

Decisions on investment policy are taken by the College Council on the advice of the Investments Committee. The Investments Committee, appointed by the College Council, comprises the Master, the Senior Bursar, three other Fellows of the College and four experienced external members. An Investment Property sub-committee reports to the Investments Committee and focuses on the College's extensive directly property held portfolio.

Financial investments are managed under a discretionary mandate by Partners Capital LLP and the CCLA Investment Management Limited. Directly held property investments are managed with the assistance of its agents Bidwells LLP who are responsible for the collection of rent.

The College has interests in three shared equity house purchase arrangements with Fellows of the College.

The investment asset allocation comprises:

	June 21 £000	June 20 £000	June 19 £000	June 18 £000	June 17 £000
Total Return	**17.3%**	**1.8%**	**3.9%**	**7.7%**	**12.7%**
Cash	8,497	8,338	12,419	8,413	2,924
Fixed income	-	266	-	-	-
Credit	5,442	5,256	6,243	2,851	2,858
Hedge funds – absolute return	7,252	3,878	12,225	11,998	15,251
Hedge funds – hedged equities	11,228	12,411	10,630	13,604	15,870
Public equity	93,310	77,559	62,222	60,935	56,359
Private equity	24,399	18,676	21,933	17,609	16,421
Private debt	4,832	4,367	4,661	5,405	5,795
Core property	91,607	84,271	88,710	91,222	87,776
Property funds	2,503	2,365	4,591	5,540	2,849
Infrastructure and operating assets	5,232	4,671	-	-	-
Contractual and other income	1,606	1,770	-	-	-
Inflation linked bonds and inflation hedges	3,922	2,512	3,825	3,517	3,897
Total Investments	**259,830**	**226,340**	**227,459**	**221,094**	**210,000**
Private Placement	**(10,000)**	**(10,000)**	**(10,000)**	**(10,000)**	**(10,000)**
Net Investments	**249,830**	**216,340**	**217,459**	**211,094**	**200,000**

The College aims to grow the endowment to £300m. This is because the College has grown significantly in the past fifty years and a prudent view is taken of long term annual investment returns required to meet the College's annual needs.

Current market conditions, including the impact of Brexit, continue to concern the Investments Committee. Therefore the College has gradually reduced its withdrawal percentage under the spending rule from 4% in 2013/14 to 2.625% for 2020/21.

Statement of Investment Responsibility

The primary fiduciary responsibility of the College Council in investing and managing the Endowment is to maximise the financial return on those resources, taking into account the amount of risk permitted within the College's investment policy. There are circumstances, however, described in Charity Commission guidance and founded in judicial decisions, when the College may balance against its primary responsibility considerations of the ethical nature of investments. Therefore as an eleemosynary institution established to exist in perpetuity and a long-term investor, the College will take due care to ensure that its investment management reflects the interests and values of the College. This includes matters of sustainability and environmental, social, and governance issues (together referred to as 'ESG issues' or 'responsible investment') among the many factors that inform its investment decision-making and manager selection.

Financial Assets

The College believes that by engaging in a broad set of extra-financial considerations, the long-term financial performance of the portfolio of financial assets can be improved. The College judges the extent to which responsible investing is successfully integrated within the investment portfolio with the help of our investment managers and through scrutiny of the investment managers' actions and success in managing those issues in the investments they make on the College's behalf. How our investment managers consider ESG issues in their investment decisions, analysis, and monitoring on the College's behalf varies by asset-class and investment strategy.

Where our investment managers invest on our behalf through independent third-party asset managers, they seek to integrate and manage ESG issues through an operational due diligence framework to assess such third-party asset managers. This framework includes an ESG due diligence section to ensure that ESG-related questions are assessed and considered during the due diligence process. After making an investment they continue to monitor identified ESG risks and maintain a dialogue with the third-party assets managers to ensure effective oversight and application of responsible investment best practices. The College scrutinises its investment managers in relation to the effectiveness of their application of those processes and ESG engagement with the relevant third-party asset managers.

Where our investment managers invest on our behalf in their own managed funds, we consider carefully the ethical and responsible investment policy of those funds in the process of selecting those fund managers. The College scrutinises those managers in relation to the effectiveness of their application of ESG criteria in the selection of assets for acquisition or disposal and engagements with investee companies. In this context the following document is relevant at page 9:
https://www.ccla.co.uk/sites/default/files/COIF%20Charities%20Investment%20Fund%20-%20Scheme%20Particulars%2029.09.21.pdf

As a general matter, the College insists that its investment managers demonstrate a very high standard of integrity towards their clients, their staff and the relevant regulatory authorities. Where any breaches of integrity are detected, the assets under management may be moved to another fund manager.

The College holds minimal holdings in 'fossil fuel' stocks which are limited to historic private equity positions which are in run-off. On 2nd July 2021 the College transferred £63m managed by CCLA Investment Management Limited from the COIF Charities Investment Fund to the COIF Charities Ethical Investment Fund.

Directly-held Property Assets

The College holds substantial property assets which it manages directly. These include residential, commercial, retail and agricultural properties. The policy for ensuring sustainable management of these assets, including particularly the rural estates, is under review. The College is actively involved with other similar property owners to determine how matters of environmental sustainability can be managed for the good of the estate in perpetuity.

Operational Assets

Fixed assets are principally the operational buildings of the College. Of the total expenditure on operational asset additions of £3,433,000 during this year were £2,911,000 was spent on the kitchen refurbishment and the remainder on other student accommodation and IT and AV systems.

The College also spent £1,108,000, which included the salaries of the in-house maintenance team, on continuing maintenance and repair of its buildings.

The College maintains a seven year forward programme of works. With the completion of the kitchen project, commenced in June 2019 and completed during the past year, the next major project will be the refurbishment of the Aston Webb building (A to F staircases St Michael's Court) which is in its planning phase.

Trusts and Funds of the College

The majority of the donations to the College are unrestricted and allow the College Council to determine their use. Other donations are for specific purposes, e.g. bursaries, lectureships and studentships. Each of these restricted donations must be accounted for in a separate fund. With some exceptions, notably the Tapp Trust, the underlying assets are invested on an amalgamated basis with a record of the share of the assets and income attributable to each fund to ensure donors' wishes are observed.

Principal Risks and Uncertainties

College Council considers matters of risk on a regular basis through its committees and sub-committees and the risks that are faced by the College can be categorised into physical operational risks, academic and reputational risks and financial risks. Financial impacts of risks are covered in various ways by the College's insurance policy and the level and nature of the cover is reviewed on an annual basis. The College also maintains and tests a business continuity plan. Each College Committee considers the risks that relate to its area of responsibility and in addition the College has a Health, Safety and Security Committee to address these issues for the College as a whole.

Financial risks are addressed by the Finance Committee and the Investments Committee. The College is dependent on its endowment and reviews its investment policies on an annual basis in order that it balances the need to achieve high returns and manage risk. The Finance Committee is responsible for reviewing the level of expenditure that can be supported by income and together with the Investment Committee establishes an appropriate level of withdrawal from the endowment to ensure the long term future of the College while providing a fair and appropriate level of funding for the current cohort of students and thus ensuring that inter-generational equity is maintained.

At the time of approval of these accounts, the principal, specific risks facing the College and which it has limited control over arise from: the continuing pandemic including the provision of face to face and operational support as a result of illness; the impact of Brexit and other economic developments on the recruitment of support staff; the potential impact of the revisions to the funding of university education following the Augar Review; and the outcome of the funding proposals for the University Superannuation Scheme.

Future Developments

Although relatively well-endowed the College supports one of the largest communities of students and Fellows. It has the benefit of a strong fundraising team, and a committed Investments Committee. The higher education sector continues to be subject to uncertainties including the level and form of government support for tuition and research, visa requirement extending to citizens of more countries as a barrier to accessing UK education and research positions, the preparedness of foreign governments to support and encourage their citizens to come to the UK for higher education, international competition for students and academic staff, the continuing effects and uncertainties of Covid, the funding of the Universities Superannuation Scheme and growing discontent over the erosion of academic pay. The value of the regulated fee continues to be eroded by inflation while the Office for Students demands more of outreach and participation targets which needs to be funded. Considerating these, the College sees the immediate key challenges and priorities as:

- delivering education safely where resurgence of Covid infections remain a threat and curbs regular activities;
- dealing with the effects of Brexit, in particular the long-term effect on recruitment of the most talented Fellows and students and the immediate problems it has had on the availability of staff for certain core services;
- maintaining the high level of teaching, either one to one or in small groups, that is core to the educational experience offered by Cambridge University;
- attracting suitably qualified students from the widest possible range of backgrounds;
- providing students with adequate support through bursary schemes to enable them to study without the distraction of financial concerns;
- responding to the requirements of Access and Participation Plans agreed with the Office for Students;

- strengthening the College's support for graduate study and for research;
- attracting and retaining an active Fellowship that is committed to excellence in research and teaching, in a global marketplace for academic talent;
- addressing the risks arising from climate change and developing appropriate actions in the maintenance and adaption of its operating estate and policies to address climate change risks and requirements in its investment policies;
- maintaining the beautiful historic and modern buildings and upgrading them to meet the requirements and aspirations of our students, current health and safety standards and modern IT requirements; and
- growing the College's investments in order to fund the above.

In order to meet these challenges, in 2017 the College completed a master planning project, seeking to identify options for the estate over the next three decades. Options arising continue to be considered focussing in the near and medium term on the current three site structure for the College's operational buildings. Work on specific options is now commencing.

Corporate Governance

The following statement is provided by the College Council 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 1137536) and subject to regulation by the Charity Commission for England and Wales. The members of the College Council are the charity trustees and are responsible for ensuring compliance with charity law.

The College Council is advised in carrying out its duties by seven main committees:

Development Committee
Domestic and Catering Committee
Education and Research Committee
Finance Committee
Investments Committee, supported by the Investment Property Sub-Committee
Works and Accommodation Committee
Personnel Committee

There are Registers of Interests of members of College Council and of senior administrative officers. Declarations of interest are made systematically at all the main Committee meetings.

The principal officers of the College are the Master, the President, the Senior Tutor, the Senior Bursar, the Domestic Bursar and the Registrary.

The Finance Committee's principal duties are to consider long-term financial strategy, to oversee the financial management of the College, to recommend annual budgets to the College Council keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the College Council 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 College Council. Membership of the Finance Committee includes the Master, the Senior Bursar, the Domestic Bursar, the Development Director and four fellows with appropriate skills and experience, including at least one tutor and one teaching fellow.

The composition of the College Council during the year ended 30 June 2021 is set out on page 2.

Statement of Internal Control

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

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. This process was in place for the year ended 30 June 2021 and continues to provide reasonable but not absolute assurance of effectiveness.

The College Council is responsible for reviewing the effectiveness of the system of internal control. This review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Senior Bursar and the 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.

Responsibilities of the College Council

The College 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 Statutes and the Statutes and Ordinances of the University of Cambridge require the College Council 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 College Council is 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 College Council is responsible for keeping accounting records that disclose, with reasonable accuracy at any time, the financial position of the College and ensure that the financial statements comply with the Statutes of the University of Cambridge. The College Council is 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 College 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.

On behalf of the College Council

Professor Philippa Rogerson ..... **Dated 10th November 2021**

Independent auditors' report to the Council of Gonville & Caius College, Cambridge

Opinion

We have audited the financial statements of Gonville & Caius College (the 'College) for the year ended 30 June 2021 which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the College's affairs as at 30 June 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes of the University of Cambridge.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 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 Report of the Council.

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 Council

As explained more fully in the responsibilities of the Council statement set out on page 14, the 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 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 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.

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

Use of our report

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

Peters Elworthy & Moore

PETERS ELWORTHY & MOORE
Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA
Date: 30 November 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 for the Year Ended 30 June 2021

Basis of Preparation

The financial statements have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge, 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 that all fee income is spent for educational purposes. The analysis required by the SORP is set out in Note 7.

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

Basis of Accounting

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

Going concern

The global health crisis caused by COVID-19 has had a significant impact on all businesses. College activities were seriously curtailed during the year and in particular many students were out of residence in the Lent Term 2021. All students returned to the College in October 2021 and the majority of College activities have resumed at the date of this report. However, it is unlikely that significant conference activity will be resumed in the short term.

The Trustees prepared forecasts for the period to 2023 which have been stress tested based on a number of scenarios and have considered the impact upon the College and its cash resources and unrestricted reserves. The College has taken measures to reduce its cost base in order to combat the reduction in revenues and to extend financial headroom. The College has sought to utilise financial measures announced by the Chancellor of the Exchequer, on behalf of HM Treasury to support and provide funding to businesses during this time. The College also has significant investments which could be realised if required.

Based upon their review the Trustees believe that the College will have sufficient resources to meet its liabilities as they fall due for the foreseeable future and therefore have continued to adopt the going concern basis in preparing the financial statements.

Basis of Consolidation

The consolidated financial statements include the College and two of its subsidiary undertakings, Caius Conferences Ltd and Caius Property Services Ltd. Intra-group transactions are eliminated on consolidation. A separate balance sheet and related notes for the College only are not included because the balance sheet of the College would not be materially different to the one included in the accounts. The other subsidiary undertaking, Budworth Development Ltd, had no financial transactions in the year to 30th June 2021. Details of the subsidiaries are set out in Note 27.

The Consolidated Financial Statements do not include the activities of student societies as these are separate bodies in which the College has no financial interest and over whose policy decisions it has no direct control.

Recognition of Income

Academic Fees

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

Restricted grant income

Grants for restricted purposes are recognised as income to the extent that relevant expenditure has been incurred.

Income from research grants
Income from research grants is included to the extent of the completion of the contract or service concerned.

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

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

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

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

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

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

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

Total return basis of accounting
The college manages its investment portfolio and allocates the related earnings for expenditure in accordance with the "total return" concept. The endowment spending policy is designed to preserve the real value of the portfolio over time. The spending policy attempts to achieve this objective by using a long-term targeted spending rate with this being annually reviewed. This has been reduced in steps in recent years and for the year to 30 June 2021 this was reduced from 2.75% to 2.625% of the value of investments at 31 March 2020.

Cambridge Bursary Scheme
During the year, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC) and Cambridge University has reimbursed the College for their portion. 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 £221,000 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£175,000
Expenditure	£396,000

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

Tangible Fixed Assets

Buildings

Buildings are stated at deemed cost following a comprehensive revaluation exercise that was carried out in 2016 with the valuation effective from 1 July 2014. Freehold buildings are now depreciated on a straight line basis over their expected useful economic lives as independently assessed with building elements ranging from 15 to 112 years. Freehold land is not depreciated.
Where land and buildings are acquired with the aid of specific bequests or donations they are capitalised and depreciated as above.

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. They are not depreciated until they are brought into use.

Maintenance of premises

The College has an estate strategy and a five-year rolling maintenance plan which are reviewed on an annual basis. The cost of routine maintenance is charged to the income and expenditure account as it is incurred. The cost of refurbishment is capitalised and depreciated over the expected useful economic life with a £10,000 limit applied for capitalisation.

Equipment

Furniture, fittings and equipment costing less than £10,000 per individual item, or group of related and interconnected items, is written off in the year of acquisition. All other assets are capitalised and depreciated over the expected useful lives of the assets, which are as follows:

Major equipment and software	5 years
Furniture and fittings	10 years
Computer equipment	3 years
Motor vehicles and general equipment	5 years

These assets are assumed to be scrapped once they reach the end of their estimated useful lives. Therefore they are eliminated from the financial statements at this point.

Leased assets

Fixed assets held under finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the lease. The excesses of lease payments over recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligations. Rental costs under operating leases are charged to expenditure in equal amounts over the periods of the leases.

Heritage assets

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

Investments

Securities
Securities are shown at their market value. For listed investments this is the middle market quotation ruling at the close of business on 30 June. Overseas investments are translated into sterling at the rates of exchange ruling at that date. Investment income is included as and when dividends and interest become payable. Interest on bank deposits is included as earned. Interest purchased or sold as part of the price for investments is treated as capital rather than being brought into the income and expenditure account.

Properties
Investment properties are revalued annually and the aggregate surplus or deficit is transferred to the investment revaluation reserve, where properties are held by the college, or credited to restricted funds, where a restricted fund holds property.

Stocks

Stocks are stated at the lower of cost or net realisable value.

Provisions

Provisions are recognised if, 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

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.

Endowment Funds

Endowment funds are classified under two headings:

- where the donor has specified that that the fund is to be permanently invested to generate an income stream for the general purposes of the College, the fund is classified as an unrestricted permanent endowment; and
- where the donor has specified that the fund is to be permanently invested to generate an income stream to be applied for a restricted purpose, the fund is classified as a restricted permanent endowment.

Taxation

The College is a registered charity (number 1137536) 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 advised to the College by the University, based on an assessable amount derived from the value of the College's assets at the end of the previous financial year.

Pension Schemes

The College pays contributions to three pension schemes which provide benefits to its members based on final pensionable salary. The assets of these schemes are held separately from those of the College. In addition the Colleges administers a closed non-contributory scheme, which is recorded separately in the College balance sheet.

Universities Superannuation Scheme

The College participates in Universities Superannuation Scheme (the scheme). With effect from 1 October 2016, the scheme changed from a defined benefit only to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. Because of the mutual nature of the scheme, the scheme's 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 FRS 102 "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 the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme. 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 therefore an expense is recognised.

Cambridge Colleges Federated Pension Scheme

The College also contributes to the Cambridge Colleges Federated Pension Scheme (CCFPS), which is a similar defined benefit pension scheme. Unlike the USS, this scheme has surpluses and deficits directly attributable to individual colleges. Current service costs, assessed by the scheme actuary, are included as part of staff costs. The expected return on assets less the interest costs is shown as a net amount as part of interest income or costs. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

Actuarial valuations are obtained at least triennially and are updated at each balance sheet date for accounting purposes. The liabilities of the plan have been calculated for the purposes of FRS102 using a valuation system designed for the Management Committee acting as Trustee of the Cambridge Colleges' Federated Pension Scheme, at 31 June 2017 but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

Church of England Funded Pensions Scheme

The College also participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Boards, which holds the assets of the schemes separately from those of the Employer and the other participating employers. Each participating employer in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the statement of income and expenditure in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions.

Staff Pension Fund

The College runs a defined benefit scheme, funded by the College, which is closed to new members. Benefit payments are accounted for when payments are made.

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 in 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 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 latter 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.

Recoverability of debtors – The provision for doubtful debts is based on the College's estimate of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due.

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

Retirement benefit obligations – The cost of defined benefit pension plans and other post-employment benefits 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 26.

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 26.

Consolidated Statement of Comprehensive Income and Expenditure for the Year Ended 30 June 2021

	Note	Unrestricted	Restricted	Endowment	2021 Total	Unrestricted	Restricted	Endowment	2020 Total
Income		£000	£000	£000	£000	£000	£000	£000	£000
Academic fees and charges	1	3,805	175	-	3,980	3,719	149	-	3,868
Accommodation, catering and conferences	2	3,667	-	-	3,667	4,474	-		4,474
Investment income	3	-	-	4,895	4,895	-	-	5,623	5,623
Endowment return transferred	3	-	1,892	(1,892)	-	2,009	2,747	(4,756)	-
Other income		259	-	-	259	448	-	-	448
Total income before donations and endowments		7,731	2,067	3,003	12,801	10,650	2,896	867	14,413
Donations		3,705	100	-	3,805	2,843	69	-	2,912
New endowments		-	65	1,026	1,091	-	42	871	913
Other capital grants for assets		-	148	-	148	-	56	-	56
Total income		11,436	2,380	4,029	17,845	13,493	3,063	1,738	18,294
Expenditure									
Education	4	7,026	1,856	-	8,882	6,356	1,590	-	7,946
Accommodation, catering and conferences	5	6,330	-	-	6,330	6,431	-	-	6,431
Other expenditure	6	997	112	6,008	7,117	819	1,079	-	1,898
Contribution under Statute G,II		206	-	-	206	194	-	-	194
Total expenditure		14,559	1,968	6,008	22,535	13,800	2,669	-	16,469
Surplus/(deficit) before other gains and losses		(3,123)	412	(1,979)	(4,690)	(307)	394	1,738	1,825
Gain/(loss) on investments	3	23,921	699	13,968	38,588	2,550	(10)	(2,134)	406
Surplus/(deficit) for the year		20,798	1,111	11,989	33,898	2,243	384	(396)	2,231
Other comprehensive income/(expenditure)									
Actuarial gain/(loss) in respect of pension schemes	16	1,780	-	-	1,780	(923)	-	-	(923)
Total comprehensive income for the year		22,578	1,111	11,989	35,678	1,320	384	(396)	1,308

The notes on pages 31 to 54 form part of these accounts.

GONVILLE & CAIUS COLLEGE

Consolidated Statement of Changes in Reserves

Year ended 30 June 2021

	Income and expenditure reserve			
	Unrestricted	**Restricted**	**Endowment**	**Total**
	£000	**£000**	**£000**	**£000**
Balance at 1 July 2020	262,405	4,614	74,908	341,927
Surplus/(Deficit) from income and expenditure statement	20,798	1,111	11,989	33,898
Other comprehensive income/(expenditure)	1,780	-	-	1,780
Transfer between restricted and endowment funds		2,269	(2,269)	-
Release of restricted capital funds spent in the year	148	(148)	-	-
Balance at 30 June 2021	285,130	7,846	84,628	377,604
Balance at 1 July 2019	261,029	4,286	75,304	340,619
Surplus/(Deficit) from income and expenditure statement	2,243	384	(396)	2,231
Other comprehensive income	(923)	-	-	(923)
Release of restricted capital funds spent in the year	56	(56)	-	-
Balance at 30 June 2020	262,405	4,614	74,908	341,927

The notes on pages 31 to 54 form part of these accounts.

Consolidated Balance Sheet as at 30 June 2021

	Note	2021 £000	2020 £000
Non-current assets			
Fixed assets	9	137,705	136,367
Heritage assets	9	120	113
Investment assets	10	259,830	226,340
Total non-current assets		397,655	362,820
Current assets			
Stock	11	594	629
Trade and other receivables	12	3,036	3,112
Cash and cash equivalents	13	3,389	3,371
Total current assets		7,019	7,112
Creditors: amounts falling due within one year	14	(4,484)	(3,393)
Net Current assets		2,535	3,719
Total Assets less current liabilities		400,190	366,539
Creditors: amounts falling due after more than one year	15	(15,584)	(15,942)
Net assets excluding pension liability		384,606	350,597
Net pension liability	16	(7,002)	(8,670)
Net assets		377,604	341,927
Restricted reserves			
Income and expenditure reserve – endowment reserve	17	84,628	74,908
Income and expenditure reserve – restricted reserve	18	7,846	4,614
Unrestricted reserves			
Income and expenditure reserve – unrestricted		285,130	262,405
Total Reserves		377,604	341,927

Approved by the College Council on 10th November 2021 and signed on their behalf by Mr Robert Gardiner, Senior Bursar

The notes on pages 31 to 54 form part of these accounts.

Consolidated Cash Flow Statement as at 30 June 2021

	Note	2021	2020
		£000	£000
Net cash inflow /(outflow) from operating activities	20	47	(2,148)
Cash flows from investing activities	21	970	800
Cash flows from financing activities	22	(999)	3,129
Increase/(decrease) in cash and cash equivalents in the year	23	18	1,781
Cash and cash equivalents at beginning of the year		3,371	1,590
Cash and cash equivalents at end of the year		3,389	3,371

The notes on pages 31 to 54 form part of these accounts.

Notes to the Accounts 2020/21

1 Academic fees and charges

	2021 £000	2020 £000
College fees:		
Fee income received at the Regulated Undergraduate rate	2,520	2,441
Fee income received at the Unregulated Undergraduate rate	536	547
Fee income received at the graduate rate	708	698
	3,764	3,686
Income for Cambridge Bursaries	175	149
Other income	41	33
Total	3,980	3,868

2 Income from accommodation, catering and conferences

		2021 £000	2020 £000
Accommodation	College members	3,073	2,784
	Conferences	69	792
Catering	College members	470	542
	Conferences	55	356
Total		3,667	4,474

3 Endowment and Investment income

3a Analysis

	2021	2020
	£000	£000
Total return contribution (see note 3b)	1,892	4,756

3b Summary of Total Return

	2021	2020
Income from:	£000	£000
Land and buildings	3,075	3,365
Quoted and other securities and cash	1,820	2,257
Gains on endowment assets:		
Land and buildings	7,435	(4,361)
Quoted and other securities and cash	31,152	4,767
Investment Management costs (see note 3c)	(6,008)	(2,250)
Total Return for year	37,474	3,778
Total Return transferred to Income and Expenditure Account	(1,892)	(4,756)
Investment management costs (see note 3c)	-	2,250
Total return expendable amount	(1,892)	(2,506)
Unapplied Total Return for Year included within Statement of Comprehensive Income and Expenditure (see note 19)	35,582	1,271

3c Investment management costs

	2021	2020
	£000	£000
Land and buildings	1,582	1,070
Other investments	4,426	1,180
Total	6,008	2,250

4 Education Expenditure	2021	2020
	£000	£000
Teaching	3,516	3,472
Tutorial	1,341	1,286
Admissions	290	346
Research	1,026	1,070
Scholarships and awards	1,991	1,054
Other educational facilities	690	685
Other educational expenses	28	33
Total	8,882	7,946

5 Accommodation, Catering and Conferences Expenditure		2021	2020
		£000	£000
Accommodation:	College members	4,836	4,529
	Conferences	43	343
Catering:	College members	1,312	1,100
	Conferences	139	459
Total		6,330	6,431

6 Other Expenditure	2021	2020
	£000	£000
Investment management and administration	5,557	1,780
Interest	667	640
Pension scheme losses (gains) and other non-cash pension charges	151	(1,397)
Other general and administrative	742	875
Total	7,117	1,898

7a Analysis of 2020/2021 Expenditure by Activity

	Staff costs (Note 8)	Other Operating Expenses	Depreciation (Note 9)	Total
	£000	£000	£000	£000
Education (note 4)	4,081	4,319	482	8,882
Accommodation, catering and conferences (note 5)	3,141	1,580	1,609	6,330
Other (note 6)	466	6,647	4	7,117
Contribution under Statute G,II	-	206	-	206
Total	7,688	12,752	2,095	22,535

Expenditure includes Development Office costs of £514,000. This expenditure includes the cost of alumni relations.

7b Analysis of 2019/2020 Expenditure by Activity

	Staff costs (Note 8) £000	Other Operating Expenses £000	Depreciation (Note 9) £000	Total £000
Education (note 4)	4,049	3,456	441	7,946
Accommodation, catering and conferences (note 5)	3,432	1,477	1,522	6,431
Other (note 6)	479	1,415	4	1,898
Contribution under Statute G,II	-	194	-	194
Total	7,960	6,542	1,967	16,469

Expenditure includes Development Office costs of £483,000. This expenditure includes the cost of alumni relations.

7c Auditors' remuneration	2021 £000	200 £000
Other operating expenses include:		
Audit fees payable to the College's external auditors	29	26
Other fees payable to the College's external auditors	3	7
Total	32	33

8 Staff costs

	Academic £000	Non-academic £000	Total 2021 £000	Total 2020 £000
Salaries	1,978	4,136	6,114	6,366
National insurance	235	332	567	576
Other pension costs	436	571	1,007	1,018
Total	2,649	5,039	7,688	7,960

	Average staff numbers 2021		Average staff numbers 2020	
	Number of Fellows	Number of Non-Fellows	Number of Fellows	Number of Non-Fellows
Academic (number receiving a stipend)	77	10	74	13
Non-Academic (full-time equivalents)	2	145	2	148
Total	79	155	76	161

At the balance sheet there were 108 members of the Governing Body. During the year the average number receiving remuneration was the 79 shown above.

One officer of the College received remuneration in the range of £100,000 to £110,000 (2020: One). Remuneration includes salary, employer's national insurance contributions, employer's pension contributions plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements

Key management personnel 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.

For the College these are the Master, the Senior Bursar and the Senior Tutor. During the year remuneration paid to key management personnel was £268,000 (2020: £329,000).

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

9 Fixed Assets

	Land	College Buildings	Assets in construction	Furniture & Equipment	Total 2021	Total 2020
	£000	£000	£000	£000	£000	£000
Cost/Valuation						
At beginning of year	62,220	80,637	4,385	333	147,575	143,876
Additions	-	3,202	118	113	3,433	3,732
Disposals at cost/valuation	--	-	-	(79)	(79)	(33)
Transfers		4,257	(4,257)	-		
At end of year	62,220	88,096	246	367	150,929	147,575
Depreciation						
At beginning of year		11,036	-	172	11,208	9,274
Charge for the year		2,017		78	2,095	1,967
Eliminated on disposal				(79)	(79)	(33)
At end of year		13,053		171	13,224	11,208
Net book value						
At end of year	62,220	75,043	246	196	137,705	136,367
At beginning of year	62,220	69,601	4,385	161	136,367	134,602

The insured value for rebuilding of freehold operational buildings (excluding investments assets) at 30 June 2021 is £231m, compared with the 2020 total of £223m.

Heritage assets

The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance. As stated in the principal accounting policies, heritage assets acquired since 1999 have been capitalised. However, the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of cost or valuation are not available for these on a cost-benefit basis they have not been capitalised. As a result the total included in the balance sheet is partial.

Amounts for the current and previous four years were as follows:

	2021 £000	2020 £000	2019 £000	2018 £000	2017 £000
Balance brought forward	113	101	97	90	90
Acquisitions purchased with College funds	7	12	4	7	-
Total	120	113	101	97	90

10 Fixed Asset Investments

	2021 £000	2020 £000
Balance at beginning of year	226,340	227,459
Additions	36,717	81,252
Disposals	(30,957)	(79,259)
Appreciation	33,875	406
(Decrease)/Increase in cash balances held by fund managers	(6,145)	(3,518)
Balance at end of year	259,830	226,340

Represented by:	2021 £000	2020 £000
Cash	8,497	8,338
Fixed income	-	266
Credit	5,442	5,256
Hedge funds - absolute return	7,252	3,878
Hedge funds - hedged equities	11,228	12,411
Public equities	93,310	77,559
Private equity	24,399	18,676
Private debt	4,832	4,367
Core property	91,607	84,271
Property funds	2,503	2,365
Infrastructure and operating assets	5,232	4,671
Contractual and other income	1,606	1,770
Inflation linked bonds and inflation hedges	3,922	2,512
Total	259,830	226,340

11 Stocks and work in progress	2021 £000	2020 £000
Wine stocks	579	619
Bar, kitchen and other stocks	15	10
Total	594	629

12 Trade and other receivables	2021 £000	2020 £000
Members of the College	287	250
Commercial rents	453	679
Donations	2,083	1,831
Other debtors	127	283
Prepayments and accrued income	86	69
Total	3,036	3,112

13 Cash and cash equivalents	2021 £000	2020 £000
Current accounts	3,389	3,371
Total	3,389	3,371

14 Creditors: amounts falling due within one year	2021 £000	2020 £000
Trade creditors	2,682	1,781
Bank loan due for repayment within a year	360	360
Members of the College	616	458
University fees	65	37
Commercial rent deferred income	486	528
Contribution to Colleges Fund	206	194
Other creditors	69	35
Total	4,484	3,393

15 Creditors: amounts falling due after one year

	2021	2020
	£000	£000
Bank loans	5,584	5,942
Other loans	10,000	10,000
Total	15,584	15,942

During 2014 the College borrowed from institutional investors, collectively with other Colleges, the College's share being £10 million. The loans were made in two stages, are unsecured and repayable during the period 2042-2053, and are at fixed interest rates of 4.4% for the first part and 4.45% for the second. Although issued through a funding vehicle, the College has no responsibility for the obligations of any of the other issuing Colleges. In addition the College has an existing unsecured bank loan which is repayable over a period of 21 years, at a fixed rate of 4.59%.

16 Pension liabilities

Year to 30 June 2021

	CCFPS	USS	Other	Total
	£000	£000	£000	£000
Balance at beginning of year	6,753	1,594	323	8,670
Movement in year:				
Current service cost including life assurance	251	-	(3)	248
Contributions	(302)	(82)	(44)	(428)
Change in expected contributions	-	176	-	176
Other finance cost	99	12	4	115
Actuarial (gain)/loss recognised in Statement of Comprehensive Income and Expenditure	(1,790)	-	11	(1,779)
Balance at end of year	5,011	1,700	291	7,002

Year to 30 June 2020

	CCFPS	USS	Other	Total
	£000	£000	£000	£000
Balance at beginning of year	5,789	3,053	339	9,181
Movement in year:				
Current service cost including life assurance	248	-	(3)	245
Contributions	(314)	(46)	(44)	(404)
Change in expected contributions	-	(1,461)	-	(1,461)
Other finance cost	131	48	7	186
Actuarial (gain)/loss recognised in Statement of Comprehensive Income and Expenditure	899	-	24	923
Balance at end of year	6,753	1,594	323	8,670

17 Endowment funds	Restricted Permanent	Unrestricted Permanent	Total 2021	Total 2020
	£000	£000	£000	£000
Balance at beginning of year:				
Capital	74,908	-	74,908	75,304
New donations and endowments	1,026	-	1,026	872
Increase / (Decrease) in market value of investments	10,963	-	10,963	(1,268)
Transfer to restricted funds	(2,269)		(2,269)	-
Balance at end of year	84,628	-	84,628	74,908
Analysis by type of purpose				
Fellowship, Research, Scholarship and Studentship Funds	64,976	-	64,976	58,191
Prizes Funds	782	-	782	679
Bursaries, Hardship and Travel Funds	9,109	-	9,109	7,570
General and Other Trust Funds	9,761	-	9,761	8,468
Balance at end of year	84,628	-	84,628	74,908
Analysis by asset				
Property	32,361	-	32,361	30,335
Investments	49,558	-	49,558	41,950
Cash	2,709	-	2,709	2,623
Balance at end of year	84,628	-	84,628	74,908

18 Restricted Reserves	Capital Grants unspent £000	Permanent Unspent and other restricted income £000	Restricted expendable endowment £000	Total 2021 £000	Total 2020 £000
Balance at beginning of year:					
Capital	-	-	774	774	737
Accumulated income	-	3,840	-	3,840	3,549
Total	-	3,840	774	4,614	4,286
New grants	148	175	-	323	205
New donations	-	100	66	166	111
Endowment return transferred	-	1,873	18	1,891	2,747
Increase in market value	-	582	117	699	(10)
Expenditure	-	(1,965)	(3)	(1,968)	(2,669)
Capital grants utilised	(148)	-	-	(148)	(56)
Transfer from endowment funds		1,317	952	2,269	-
Total	-	5,922	1,924	7,846	4,614
Balance at end of year					
Capital	-	-	1,924	1,924	774
Accumulated income	-	5,922	-	5,922	3,840
Total	-	5,922	1,924	7,846	4,614
Analysis of restricted funds by type of purpose					
Analysis by type of purpose					
Fellowship, Research, Scholarship and Studentship Funds	-	4,816	952	5,768	2,979
Prizes Funds	-	300	-	300	245
Bursaries, Hardship and Travel Funds	-	684	972	1,656	1,270
General and Other Trust Funds	-	122	-	122	120
Total	-	5,922	1,924	7,846	4,614

19 Memorandum of Unapplied Total Return

Included within reserves, the following amounts represent the Unapplied Total Return of the College:

	Note	2021 £000	2020 £000
Unapplied Total Return at beginning of year		113,248	111,977
Unapplied Total Return for the year	3b	35,582	1,271
Unapplied Total Return at end of year		148,830	113,248

20 Reconciliation of consolidated surplus for the year to net cash inflow/(outflow) from operating activities

	2021 £000	2020 £000
Surplus for the year	35,678	1,308
Adjustment for non-cash items		
Depreciation	2,094	1,967
Gain on endowments, donations and investment property	(38,588)	(406)
Decrease (increase) in stocks	35	9
Decrease/(increase) in trade and other receivables	1,092	(1,161)
Increase/(decrease) in creditors	76	(152)
Pension costs less contributions payable	(1,669)	(511)
Adjustment for investing or financing activities		
Investment income	(4,895)	(5,623)
Investment expenditure	5,557	1,780
Interest payable	667	641
Net cash inflow/(outflow) from operating activities	47	(2,148)

21 Cash flows from investing activities

	2021 £000	2020 £000
Non-current investment disposal	2,393	60,183
Investment income	3,086	3,659
Investment expenditure	(977)	(1,422)
Payments to acquire non-current assets	(3,532)	(61,620)
	970	800

22 Cash flows from financing activities

	2021 £000	2020 £000
Interest paid	(640)	(614)
New borrowing	-	4,000
Repayments of amounts borrowed	(359)	(257)
Total cash flows from financing activities	(999)	3,129

23 Consolidated reconciliation and analysis of net debt

	At beginning of year £000	Cash Flows £000	At end of year £000
Cash and cash equivalents	3,371	18	3,389
Borrowings:			
Amounts falling due within one year: unsecured loans	(360)	-	(360)
Borrowings:			
Amounts falling due after more than one year: unsecured loans	(15,942)	358	(15,584)
	(12,931)	376	(12,555)

24 Financial Instruments

	2021 £000	2020 £000
Financial assets		
Financial assets at fair value through Statement of Comprehensive income:		
Listed equity investments	116,441	97,760
Other investments	43,286	35,970
Financial assets that are debt instruments measured at amortised cost:		
Cash and cash equivalents	11,886	11,709
Other debtors	414	541
Financial liabilities		
Financial liabilities measured at amortised cost		
Loans	15,944	16,303
Trade creditors	355	214
Other creditors	900	677

25 Capital commitments

	2021 £000	2020 £000
Capital commitments at 30 June are as follows:		
Authorised and contracted	220	1,982
Authorised but not yet contracted for	556	295

26 Pensions

The College participates in four defined benefit schemes: The Universities Superannuation Scheme (USS); the Cambridge Colleges Federated Pensions Scheme (CCFPS); the Old Non Contributory Scheme; and the Church of England funded Pensions Scheme. The assets of the schemes are held in separate trustee

administered funds, with the exception of the closed Old Non Contributory Scheme which is recorded separately in the College balance sheet. The total pension cost for the year was £1,007,000 (2020: £1,018,000). The breakdown by scheme is shown below:

	2021 £000	2020 £000
USS	862	856
CCFPS	131	145
Church of England	10	10
Non-contributory scheme	4	7
Total	1,007	1,018

26a Universities Superannuation Scheme

The pension costs charged to the Statement of Comprehensive Income and Expenditure is £862,000 (2020: £856,000).

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 USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumption used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

Pension Increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
Discount rate (forward rates)	Years 1-10: CPI + 0.14% reducing linearly to CPI – 0.73% Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21 Years 21+: CPI + 1.55%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

		2018 valuation
Mortality base table		Pre-retirement: 71% of AMC00 (duration 0) for males and 112% of AFC00 (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		CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

The current life 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

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	0.87%	0.73%
Pensionable salary growth	1.50%	1.58%

26b Cambridge Colleges Federated Pension Scheme

The College operates a defined benefit pension plan for the College's employees of the Cambridge Colleges' Federated Pension Scheme (CCFPS).

The liabilities of the plan 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 Cambridge Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

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

	2021 % p.a.	2020 % p.a.
Discount rate	1.80	1.45
Increase in salaries	3.10	2.70
RPI assumption	3.40	3.10
CPI assumption	2.60	2.20
Pension increases in payment (RPI Max 5% p.a.)	3.30	3.00
Pension increases in payment (CPI Max 2.5% p.a.)	1.95	1.80

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2020 future improvement factors and a long-term rate of future improvement of 1.25% per annum, 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% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Male aged 65 now has a life expectancy of 21.9 years (previously 21.9 years).
- Female aged 65 now has a life expectancy of 24.3 years (previously 24.2 years).
- Male aged 45 now and retiring in 20 years has a life expectancy of 23.2 years (previously 23.2 years).
- Female aged 45 now and retiring in 20 years has a life expectancy of 25.7 years (previously 25.6 years).

Members are assumed to retire at their normal retirement age (65) apart from 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.

Employee Benefit Obligations

The amounts recognised in the balance sheet as at 30 June 2021 (with comparative figures as at 30 June 2020) are as follows:

	2021 £000	2020 £000
Present value of plan liabilities	(20,677)	(21,412)
Market value of plan assets	15,666	14,659
Net defined benefit (liability)	(5,011)	(6,753)

The amounts to be recognised in the profit and loss for the year ended 30 June 2021 (with comparative figures for the year ended 30 June 2020) are as follows:

	2021 £000	2020 £000
Current service cost	222	219
Administrative expenses	29	29
Interest on net defined benefit liability	99	131
(Gain)/loss on plan changes	-	-
Total	350	379

Changes in the present value of the plan liabilities for the year ending 30 June 2021 (with comparative figures for the year ending 30 June 2020) are as follows:

	2021 £000	2020 £000
Present value of plan liabilities at beginning of period	21,412	19,575
Current service cost (including employee contributions)	222	219
Employee contributions	44	48
Benefits paid	(435)	(577)
Interest on plan liabilities	309	437
Actuarial losses/(gains)	(875)	1,710
(Gain)/loss on plan changes	-	-
Present value of plan liabilities at end of period	20,677	21,412

Changes in the fair value of the plan assets for the year ending 30 June 2021 (with comparative figures for the year ending 30 June 2020) are as follows:

	2021 £000	2020 £000
Market value of plan assets at beginning of period	14,659	13,786
Contributions paid by the College	302	314
Employee contributions	44	48
Benefits paid	(435)	(577)
Administrative expenses paid	(45)	(44)
Interest on plan assets	210	306
Return on assets, less interest included in Profit & Loss	931	826
Market value of plan assets at end of period	15,666	14,659
Actual return on plan assets	1,142	1,132

The major categories of plan assets as a percentage of total Scheme assets for the year ending 30 June 2021 (with comparative figures for the year ended 30 June 2020) are as follows:

	2021	2020
Equities	48%	49%
Bonds & Cash	42%	41%
Property	10%	10%
Total	100%	100%

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

Analysis of the remeasurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2021 (with comparable figures for the year ending 30 June 2020) are as follows:

	2021 £000	2020 £000
Return on assets less interest included in statement of income and expenditure	931	826
Expected less actual plan expenses	(16)	(15)
Experience gains and losses arising on plan liabilities	623	118
Changes in assumptions underlying the present value of plan liabilities	252	(1,828)
Remeasurement of net defined benefit liability recognised in OCI	1,790	(899)

Movement in net defined benefit asset/(liability) during the year ending 30 June 2021 (with comparative figures for the year ending 30 June 2020) are as follows:

	2021 £000	2020 £000
Net defined benefit asset/(liability) at beginning of year	(6,753)	(5,789)
Recognised in statement of income and expenditure	(350)	(379)
Contributions paid by the College	302	314
Remeasurement of net defined benefit liability recognised in OCI	1,790	(899)
Net defined benefit asset/(liability) at end of year	(5,011)	(6,753)

Funding Policy

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

The last such valuation was as at 31 March 2020. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall. These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 21 May 2021 and are as follows:

- Annual contributions of not less than £140,565 payable for the period to 28 February 2030

These payments are subject to review following the next funding valuation, due as at 31 March 2023.

26c Old Non Contributory Scheme

The scheme is an unfunded defined benefit final salary scheme not operated under Trust. The scheme is not registered with the HM Revenue and Customs under the terms of the Finance Act 2004. The College's employees covered by the Scheme were not contracted out of the State Second Pension (S2P).

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

	2021 % p.a.	2020 % p.a.
Discount rate	1.85	1.45
Pension increases in payment	0.00	0.0

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

- Male aged 65 now has a life expectancy of 21.9 years (previously 21.9 years)
- Female aged 65 now has a life expectancy of 24.3 years (previously 24.2 years)

Employee Benefit Obligations

The amounts recognised in the balance sheet as at 30 June 2021 (with comparative figures as at 30 June 2020) are as follows:

	2021 £000	2020 £000
Present value of plan liabilities	(287)	(317)
Net defined benefit (liability)	(287)	(317)

The amounts to be recognised in the statement of income and expenditure for the year ended 30 June 2021 (with comparative figures for the year ended 30 June 2020) are as follows:

	2020 £000	2020 £000
Interest on net defined benefit liability	(4)	(7)
Total	(4)	(7)

Changes in the present value of the plan liabilities for the year ending 30 June 2021 (with comparative figures for the year ending 30 June 2020) are as follows:

	2021 £000	2020 £000
Present value of plan liabilities at beginning of period	317	319
Current service cost	-	-
Interest on plan liabilities	4	7
Actuarial losses (gains)	10	34
Benefits paid	(44)	(43)
Present value of plan liabilities at the end of the period	287	317

The plan has no assets.

Analysis of the remeasurement of the net defined benefit liability recognised in the 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 £000	2020 £000
Experience gains and losses arising on plan liabilities	(16)	(18)
Changes in assumptions underlying the present value of plan liabilities	6	(16)
Remeasurement of net defined benefit liability recognised in OCI	(10)	(34)

Movement in net defined benefit asset/(liability) during the year ending 30 June 2021 (with comparative figures for the year ending 30 June 2020) are as follows:

	2021 £000	2020 £000
net defined benefit (liability) at beginning of year	(317)	(319)
Contributions paid by the College	43	43
Recognised in Profit and Loss	(4)	(7)
Remeasurement of net defined benefit liability recognised in OCI	(10)	(34)
Net defined benefit (liability) at the end of the year	(287)	(317)

Funding Policy

The scheme is an unfunded arrangement. The College pays pension out of their own funds as they fall due.

26d Church of England Funded Pensions Scheme

The College also participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Boards, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the statement of income and expenditure in the year are contributions payable towards benefits and expenses accrued in that year (2021: £10,000, 2020: £10,000), plus the figures highlighted in the table below as being recognised in the Other Comprehensive Income (OCI), giving a total credit of £3,000 for 2021 (2020 a credit of £3,000).

The valuation of the Scheme is carried out every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- increase in pensionable stipends of 3.4% p.a.; Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% p.a.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit repair contributions payable (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020 %	January 2021 to December 2022 %
Deficit repair contributions	11.9	7.1

As at 31 December 2018 the deficit repair contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 and 31 December 2020 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the scheme's rules.

Section 28.11A of FRS102 requires agreed deficit recovery plans to be recognised as a liability. The movement in the provision is set out in the table below:

	2020 £000	2019 £000
Balance sheet liability at 1 January	6	19
Deficit contribution paid	(3)	(3)
Interest cost (recognised in SoFA)	-	-
Remaining change to balance sheet liability* (recognised in statement of income and expenditure)	1	(10)
Balance sheet liability at 31 December	4	6

*Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2020	December 2019	December 2018
Discount rate	0.2% p.a.	1.1% p.a.	2.1% p.a.
Price inflation	3.1% p.a.	2.8% p.a.	3.1% p.a.
Increase to total pensionable payroll	1.6% p.a.	1.3% p.a.	1.6% p.a.

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

27 Principal Subsidiary Undertakings

	Country of Incorporation and Operation	Cost	Class of Shares	Proportion of shares held	Principal activity
		£			
Caius Property Services Limited	United Kingdom	1	Ordinary	100%	Dormant
Budworth Development Limited	United Kingdom	1	Ordinary	100%	Dormant
Caius Conferences Limited	United Kingdom	1	Ordinary	100%	Provision of conference services

28 Contingent Liabilities

With effect from 16 March 2007, the Universities Superannuation Scheme (USS) positioned itself as a 'last man standing' scheme so that in event of an insolvency of any of the participating employers in USS, the amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers.

29 Related Party Transactions

Owing to the nature of the College's operations and the composition of its College Council it is possible that transactions will take place with organisations in which a member of the College Council may have an interest. All transactions involving organisations in which a member of the College Council 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 College Council members and where any member of the College Council 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 College's Remuneration Committee.

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

From	To	2021 Number	2020 Number
£0	£10,000	11	5
£10,001	£20,000	3	3
£20,001	£30,000	-	-
£30,001	£40,000	1	-
£40,001	£50,000	-	1
£50,001	£60,000	2	4
£60,001	£70,000	1	1
£70,001	£80,000	-	-
£80,001	£90,000	-	-
£90,001	£100,000	1	1
	Total	19	15

The total Trustee salaries were £398,000 for the year (2020: £500,000)

The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £90,000 for the year (2020: £125,000).

The College has a number of trading and dormant subsidiary undertakings which are consolidated into these accounts. All subsidiary undertakings are 100% owned by the College and are registered and operating in England and Wales.

The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

30 Perse Trust

The College provides trustees for the Perse Trust, a registered non-collegiate charity. In addition, the College oversees investment management of the Perse Trust endowment which at 30 June 2021 amounted to £755,000. These assets have been excluded from the College balance sheet as have the liabilities of the Trust with the exception of £24,000 which was owed to the College and has since been paid by the Trust.

31 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 £2,838,000 in the provision for the obligation to fund the deficit on the USS pension which would instead be £4,537,000. 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 £5,696,000 in the provision for the obligation to fund the deficit on the USS pension which would instead be £7,396,000.