



## **Annual Report and Accounts**

**For the year ended  
30 June 2023**

**Registered Charity No. 1137541**

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## REPORT OF THE COUNCIL

### I. CORPORATE GOVERNANCE

The members of the Augmented Council during the year 2022/23 were as follows:

Elisabeth Clara Kendall MA DPHIL PHD  
Harriet Dorothy Allen MA PHD MSC  
Matthew James Allen MA VETMB PHD  
Carolina Cristina Alves BSC MSC PHD  
James Spencer Anderson MA  
David Arvidsson-Shukur BSC MPHYS PHD  
Charles John McKinnon Bell MA PHD MB  
BSCHIRE  
Jenny K Blackhurst MA  
Edward John Briscoe BA MPHIL PHD  
Collin Mervin Constantine BCS MSC PHD  
Fiona Justine Cooke MA BM BCH MSC PHD  
FRCP  
Nik Cuniffe MA MSC MPHIL PHD  
Jacob Maren Rutledge Currie BA MPHIL PHD  
Stuart Davis MA BA MPHIL PHD  
Michael Jason Degani BA MA PHD  
Amy Rosamund Donovan BA MPHIL MSCI  
PHD  
Judith Ann Drinkwater MA  
Deborah Easlick BA  
Martin William Ennis MA PHD  
Simon Nicholas Fairclough MA  
Sebastian Leonard Dundas Falk BA PHD PGCE  
Shaun David Fitzgerald MA PHD FRENG OBE  
Christopher John Bristow Ford MA PHD  
Abigail Lesley Fowden MA PHD  
Alexandra Mary Fulton BSC PHD  
Diana Fusco BPHYS MPHYS PHD  
Marta Gentilucci MMUS MA MA PUK PHD  
Benjamin John Griffin MA PHD  
Maureen Jane Hackett BA MA  
Thomas Charles Hawker-Dawson MA MPHIL  
Aaron Hornkohl BA MA PHD

Andrew Irvine BSC PHD  
Morag Ann Hunter BA PHD  
Liliana Janik MPHIL PHD  
Henrik Latter BA PHD  
Arik Kershenbaum MA PHD SCD  
Clive Lawson MA PHD  
Ross Ian Lawther MA PHD  
Alexander Liu MA MESC PHIL  
Santa-Phani Gopal Madabhushi PHD  
Simone Maghenzani BA MA PHD  
Hilary Frances Marlow BA MA PHD  
Matthew Richard James Neal MA PHD  
Stephanie Palmer SJD LLM  
Sally Louise Ricketts BSC PHD  
Roland James Edward Riley BA MA PHD  
Angela Charlotte Roberts PHD  
Jochen Runde MPHIL PHD  
Lucio Sarno MA BECON MSC PHD  
Stuart Ashley Scott MA PHD  
Sophia Marie Irmgard Shellard-von Weikerthal BSC  
PHD  
Hugh Richard Shercliff MA PHD  
Shona Wilson Stark LLB LLM PHD  
Stéphanie Marianne Swarbreck BCS MCS PHD  
John Alphonse Tadross BSC PHD MBBS FRCPATH  
Stelios Tofaris MA PHD  
Helen Anne Van Noorden BA MPHIL PHD  
James Wade BA MA PHD  
Emma Jane Louise Weisblatt BA PHD  
Claire Emma White BA PHD  
Gail Antoinette Williams BA PHD  
Samantha Katherine Williams BA MSC PHD

## Professional Advisors

### **Auditors**

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

### **Bankers**

Barclays Bank plc  
9 – 11 Saint Andrews Street  
Cambridge CB2 3AA

Lloyds Bank plc  
3 Sidney Street  
Cambridge  
CB2 3HQ

### **Solicitors**

Mishcon de Reya  
Merlin Place  
Milton Road  
Cambridge  
CB4 0DP

### **Investment Managers**

Amundi Asset Management  
77 Coleman Street  
London  
EC2R 5BJ

Partners Capital LLP  
5 Young Street  
London  
W8 5EH

Savills Investment Management (UK)  
33 Margaret Street  
London W1G 0JD

## **Governing documents and charitable status**

The College is a “Body Politic and Corporate” established by a Royal Charter dated 1924 and a Supplemental Charter and Statutes dated 1954. The foundation bears the name and style of “The Mistress Fellows and Scholars of Girton College” and is also known by the short name and style of “Girton College”.

The College is governed by its Statutes and Ordinances, which position it as a self-governing community of scholars.

The College is a registered charity (registered number 1137541) and subject to regulation by the Charity Commission for England and Wales. Its principal office is at Girton College, Huntingdon Road, Cambridge CB3 0JG. The members of the College Council are the charity trustees and are responsible for ensuring compliance with charity law.

## **Constitution and how trustees are recruited**

The charity trustees of the College are the members of College Council, comprising, in accordance with the College Statutes, four members who serve ex officio, nine Fellows who are elected in accordance with the Statutes by the Governing Body of the College, and five students who serve ex officio in accordance with the Statutes and Ordinances of the College.

## **Names of trustees and principal officers during the financial year**

The members of the Council during the financial year 2022/23 were:

Dr E C Kendall (Mistress from 1.10.22)	Mr S N Fairclough (from 1.10.22)
Professor S J Smith (Mistress to 30.9.22)	Dr B J Griffin (from 1.10.22)
Dr H F Marlow (Vice Mistress)	Dr E Weisblatt (from 1.10.22)
Mr J Anderson (Bursar)	Ms J Blackhurst (from 1.10.22)
Professor G A Williams (Senior Tutor from 1.10.23)	Dr H D Allen (from 1.1.23)
Dr A M Fulton (Senior Tutor to 30.9.22)	Mr J Pye (JCR President) to 15.3.23
Professor C Durkan (to 1.9.22)	Ms I Hill (JCR President) from 16.3.23
Dr F Cooke (to 30.9.22)	Mr H Goolnik (JCR Vice-President) to 30.11.22
Dr J Wade (to 30.9.22)	Mr H Lone (JCR Vice-President) from 1.12.22
Dr C C Alves (to 30.9.22)	Mr R Misra (JCR Treasurer) to 30.11.22
Dr S Fitzgerald	Mr J Seabrook-Wafer (JCR Treasurer) from 1.12.22
Dr S Shellard von Weikersthal	Ms E Richardson (MCR President)
Professor A Fowden	Mr U-U-R Zia (MCR Vice-President)
Dr S Maghenzani	

The principal officers are the Mistress, the Vice Mistress, the Bursar and the Senior Tutor.

An induction and training session is held annually for all new and continuing members of the Council. This includes in particular the policy of the College on the management of conflicts of interest. There is a Register of Interests of members of Council. Declarations of interest are made systematically at meetings.

## **Organisation and governance structure**

The College Council is both the Board of Trustees and the Executive Body of the College. It meets 12 times annually, and it is augmented by other members of the Fellowship for the purposes of certain business, as provided for in the College Statutes. Girton's Governing Body also has certain powers as set out in the Charter and the Statutes.

The Council is supported by a professional Secretary to Council and a committee structure covering all College activities and involving Fellows, students and staff at all levels. The main Committees advising the Council in its duties and meeting in 2022/23 were:

- Investments Committee
- Financial Planning Committee
- Buildings and Estates Strategy Committee
- Human Resources Committee
- Academic Policy Committee
- Education Board
- Health and Safety Consultative Committee
- Development Strategy Committee
- Audit and Scrutiny Committee

It is the duty of the Audit and Scrutiny Committee, which has a majority of external members, to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the 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 Council. During 2022/23, the terms of reference of the Committee were under review and its membership vacant: as a result no meetings took place. In the current financial year the new Committee has been convened, has met and has prepared a report for Council.

The Council oversees a devolved budgeting system under which individual budget holders are responsible for managing income and expenditure within their own areas of operation, and for bringing forward budget proposals through an annual budgeting process. Students, Fellows and members of staff are encouraged to participate in the process through their membership of the College's various committees. The College Council considers the budget proposal in detail before it is approved, to ensure that it is consistent with the College's strategic aims and objectives.

The proper use of finances and resources, in a manner which not only satisfies the requirements of internal control expected of a college, but also fulfils any legal or financial obligations as laid down by the Statutes and Ordinances, HMRC, the University of Cambridge, the Charity Commission and

other authorities, is ensured by the College's Financial Regulations. The College Council reviews and approves these annually on the advice of the Bursar.

The College aims to operate as a model of good governance when measured against benchmarks within the charitable and higher education sectors, and to be open to best practice in other sectors, including the corporate sector, as appropriate. To that end, there is an annual review of governance, led by the Secretary to Council, following which key recommendations are implemented.

### **Statement of Internal Control**

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

The system of internal control is designed to identify, evaluate and manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness. This process was in place for the year ended 30 June 2023 and up to the date of approval of the financial statements.

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

- The Council receives an annual report from the Audit and Scrutiny Committee;
- The Augmented Council receives the annual Audit Matters document from the external auditors and refers any matters of concern to Council;
- The Council undertakes an annual review of the College's Financial Regulations.

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

### **Responsibilities of the Augmented Council**

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

The College's Statutes and the Statutes and Ordinances of the University of Cambridge require the Augmented 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 Augmented Council are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Augmented Council is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Statutes of the University of Cambridge. It 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 Augmented 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.

### **Remuneration policy and process**

The College is guided by the remuneration policies and pay scales of the collegiate University of Cambridge and the HE sectors generally. Council normally approves the application of the sector pay award to College pay scales. An internal committee is in place to deal with matters not systematically covered by the established scales. Individual members of this committee would be expected to declare an interest and withdraw from the meeting during any discussion relating to their own pay.

In addition, the College has an independent Remunerations Committee with external members, with a remit to provide an impartial view of the remuneration of certain trustees, in particular the Mistress, Fellows and Officers, and to demonstrate that decisions are taken transparently and in the best interests of the College's charitable purposes.

### **Impact of membership of wider network**

Although it is a legally and financially separate institution governed by its own constitution, the College is part of the collegiate University of Cambridge and is subject to the Statutes of the University.

The University and the Colleges make complementary provision for the education of matriculated students, who are admitted by their Colleges and presented by them for examination by the University.

In the interests of enhancing quality and value for money, the Colleges contribute directly to the cost of shared services provided on behalf of the Colleges collectively, and also to joint ventures with the University.



## II. WHAT WE DO

### **Our purpose**

The objects of the College are *the advancement of education, religion, learning and research and in particular the preparation of persons for taking examinations and proceeding to the degrees of the University of Cambridge.*

The College Council's four main strategic priorities are:

- Outstanding Education;
- A World-Class Fellowship;
- Green Girton; and
- Enrichment and Opportunity

Supporting these are a further five strategic enablers:

- Developing our estate
- Achieving financial sustainability;
- Enhancing information and communications;
- Reinforcing our governance; and
- Supporting our people

### **Our activities**

The College has two major streams of operating activity:

#### *Education*

The College provides a research-infused learning environment for undergraduate and post graduate students, early career researchers and established academics, supporting teaching, research, pastoral care, library and information services, social activities, sports, music and the arts, and all round personal development.

#### *Residences, Catering and Conferences.*

The College provides living accommodation and catering services for College members from two sites in Cambridge, the main College site on Huntingdon Road, close to Girton village, and Swirles Court on Pheasant Drive in the new urban district of Eddington. The College also carries on, as ancillary activities, a conference and events business, and a commercial business, Girton Summer Programmes, providing summer schools for international students of University age.

The College is also responsible as trustee for the management of the permanent endowment capital of the 128 (2022: 131) active restricted and unrestricted trust funds, which comprise its Amalgamated Trust Funds (ATF) scheme. These funds have been accumulated over the life of the College from the gifts of generous donors and benefactors and they enable the College to provide financial support for individuals and a range of other purposes, which would not otherwise be possible.

The College actively solicits further donations to these funds to enhance the scope of this support.

### **Our funding**

The College's charitable activities are funded in part by the fees and charges paid by College members and other users, and in part by donations, bequests and the restricted and unrestricted income generated by the investment of permanent endowment capital and general reserves.

The College's endowment assets and investments are professionally managed by external investment managers under the guidance of the Investments Committee. Funds are invested in a diverse range of assets on a total return basis with a view to securing a consistent funding stream to support the College's activities in pursuit of its charitable objectives.

### ***Fees and charges***

Students pay for tuition as follows:

#### ***Undergraduates:***

- Undergraduates entitled to Student Support (typically Home/EU students) are charged at externally regulated rates and are funded by such grant or loan funding arrangements as are from time to time approved by the Government. Tuition fee income paid by these students is shared with the University;
- Overseas undergraduates and any Home/EU undergraduates not entitled to Student Support are charged at a rate determined by the College. University fees are charged in addition;

#### ***Postgraduates:***

- the College receives a share of the overall fee income paid by graduate students in the University.

Students are charged for their accommodation and meals at rates intended to cover the cost of provision, but not to make any surplus for the College.

The College maintains an active and well-resourced alumni relations and development office with a view to securing a growing number and value of philanthropic gifts to the College for its own charitable purposes, and to support individual members of the College in their pursuit of learning and research.

### ***Grants from the endowment***

The permanent capital of the restricted funds in ATF is set out in Note 15 of the accounts, analysed by category of purpose.

ATF funds enable the College to:

- Fund outreach activity in schools;
- Participate in the Cambridge Bursary Scheme (which has recently been enhanced) for Home undergraduate bursaries;
- Award Scholarships and Prizes to academically successful students;
- Give other bursaries and student support grants to students in financial need;
- Provide travel grants and sports awards to encourage extra-curricular activity;
- Award Music, Organ and Choral Scholarships and Exhibitions to talented students;
- Appoint fully funded Research Fellows and Postgraduate Studentships in Arts and Sciences;
- Host Visiting Fellows in Arts and Sciences and a Visiting Fellow Commoner in the arts or professions;
- Employ teaching fellows, including a core of six College-based career teaching officer posts;
- Employ a Chaplain and a Director of Music.

### **Public benefit**

The Council have complied with their duty regarding public benefit, having regard to the Charity Commission's guidance.

Founded in 1869 by Emily Davies and others, in particular, Barbara Bodichon, Girton is distinctive as Britain's first residential institution for the higher education of women and has subsequently aspired to set the pace on matters of equality and inclusion. Girton was the first of the women's colleges in Oxbridge to admit men and is now open to anyone with a passion for learning and the ability and inclination to pursue it.

The College follows a rigorous and objective recruitment process, as part of the University of Cambridge, for selecting the best candidates for admission.

As a not-for-profit organisation, the College sets its charges for members only as high as is necessary to cover costs. Bursary and other financial support is offered to individuals, wherever possible, in an effort to ensure that no one is dissuaded from applying, taking up a place or completing their studies because of financial difficulty.

### **Safeguarding**

The Safeguarding leads in College are the Senior Tutor and the HR Manager, who, together with the Admissions Tutors, Senior Officers and Heads of Departments, oversee the implementation of policy throughout the organisation.

Children and vulnerable adults are present in College from time to time as prospective students, employees, casual workers, students, external trainees on work placements, event delegates, school visitors and when attending social events with members and alumni. In addition, the College has an active schools liaison programme involving staff working off site in schools.

The College aims to adopt the highest possible standards and take all reasonable steps in relation to protecting the safety and welfare of any children and vulnerable adults who come onto College premises or into contact with College staff (whether working in a paid or unpaid capacity).

The College implements a number of policies and processes designed to keep children and vulnerable adults safe from harm, primarily the Child & Vulnerable Adult Protection Policy (last updated May 2018) which outlines processes for risk assessment, recruitment and selection, supervision, training and support, confidentiality and responding to concerns. The Policy describes likely levels of staff contact, and required checks.

In addition, the College, as the owner of licensed premises, has a duty of care to risk assess all events with regard to avoiding harm to children and vulnerable adults.

As part of its Prevent duty, the College trains all staff to recognise indicators of vulnerability to radicalisation in colleagues and student members.

The College's Dignity at Work policy protects children and vulnerable adults at work, and there are prescribed, specific health and safety risk assessments for the employment of children and vulnerable adults.

### III. OUR ACHIEVEMENTS AND PERFORMANCE IN 2022/23

The year 2022/23 saw College life fully back to normal after the pandemic, with Fellows, students and staff undertaking the full range of research, teaching, cultural, sporting and other extracurricular activities which characterise the richness of the Girton experience.

The year also saw some very significant transitions, with the arrival of the new Mistress, Dr. Elisabeth Kendall to begin her term of office following the retirement of Professor Susan Smith. Professor Toni Williams also joined the College as Senior Tutor and has overseen the completion of the transition to a greatly enhanced academic division, with more dedicated support both for students and for Fellows.

The one final lingering financial impact of the COVID years was seen in the summer of 2022, as students from Asia were unable to arrange travel in time to participate in Girton Summer Programmes, which as a result saw a relatively muted financial performance.

This notwithstanding the College was able to record a moderate surplus pre-depreciation, and saw a further strengthening in its overall financial position. The progress the College has made over recent years in “balancing the books” and in building its balance sheet – thanks in no small part to the generosity of its alumni/ae and other supporters - puts us in a strong position to plan further improvements for the coming years, both in our built environment and in improving the experience of both students and Fellows.

#### **I. Size and Shape**

As at 1st October 2022 the College had 51 Official Fellows, 1 Senior Research Fellow, 5 Research Fellows, 7 Professorial Fellows, 5 Supernumerary Fellows, 1 Non-stipendiary Fellow, 38 Life Fellows, 22 Bye-Fellows, 1 Enterprise Fellow, 30 Honorary Fellows and 10 Barbara Bodichon Fellows; additionally 536 undergraduate and 383 postgraduates and research students.

Of these, 6 Official Fellows, 4 Research Fellows, 1 Bye-Fellow, 1 Cavendish Arts Science Fellow, 2 staff members, 469 undergraduates, and 180 postgraduate and research students were living in College-owned accommodation and 2 Visiting Fellows in College rented accommodation at Turing Locke.

For each undergraduate, the College provided a Director of Studies and small-group teaching (known as supervision) to complement the teaching provided by the University. The College employed 47 College Lecturers in all the main subjects offered by the University to undergraduates, of whom 29 were also employed by or affiliated to the University or other institutions and 8 were employed as College Teaching Officers solely by the College or under a share arrangement with another College.

## **2. Outstanding education**

### ***Widening participation***

Outreach work continues to be organised by Student Services, with most sessions delivered by our Schools Liaison Officer and Admissions Tutors. This year we continued to utilise the blended approach to fit into school timetables and offer some of our key events to more than one school at a time.

We have offered 24 in-person events and, whilst pursuing a blended approach, offered 12 online events for prospective applicants in line with the Widening Participation aims of the College and University.

Following a review of strategy and an Issac Newton Grant, we relaunched our Pathways initiative. This is a long-term outreach programme that works with students from year 7 until they leave secondary school. With this programme of sustained engagement, we collaborate with schools in our West Midlands and Cambridge Link Areas to raise academic aspirations, inform and guide students about the impact of their choices at key transition periods and to support students at the point of applying to HE. The Girton College Pathways to HE scheme is in line with government priorities as there is a growing body of evidence that emphasises the importance of a long-term strategy for widening participation to HE, particularly to the most selective institutions.

The three-day residential visit for the STEM SMART programme saw seventeen students visiting Girton, embarking on a busy intercollegiate programme and a collegiate dinner too.

Our first Foundation Year students arrived in October 2022, and following a successful year, will be continuing to their first year of tripos in October 2023. They will act as mentors for our four new Foundation Year students arriving for the new academic year. Across the collegiate university, this Widening Participation-inspired programme has been hugely successful in its first year.

The Cambridge Bursary Scheme underpinned by permanent endowment and other restricted funds from the College, supported 140 undergraduate students in 2022/23. Enhanced awards for care leavers continue to be available, including those accessing the Educational Premium (an extra £1000 per year for those eligible for free school meals from their local authority). Thanks to generous donor funding the College has now made permanent its Residence Bursary scheme which offers additional support of £760 per year towards residence fees automatically for all students who qualify for the Cambridge Bursary Scheme.

### ***Increasing the value added to students***

This academic year has seen the introduction of several posts and roles in College that will work to enhance the student experience: Deputy Senior Tutor for Teaching and Learning; Head of Welfare and Wellbeing; Fellow for Postgraduate Affairs and a Student Programmes administrator. As this team has formed during the year, they have engaged with the previous work and recommendations of working groups formed to ensure that all our students are able to fulfil their potential as students in a positive and supportive academic environment.

In response to the growing need to address the transition experience from school or college to university, all Fresher students were asked in 2023 to arrive at Girton three days earlier than previously, to attend and participate in a carefully curated timetable of talks and events; the JCR continues also to supplement these with a range of social activities. Since 2022 we have also continued to run a series of pre-arrival webinars for both undergraduates and postgraduates, covering a range of topics and introducing new students to the key members of the College.

The welfare and wellbeing services at Girton continue to improve the support available to its students. In 2023, we welcomed our Head of Wellbeing and Welfare and completed the renovation of the Welfare Centre. In 2024, we seek to expand the nursing provision in College and link these services with the Girton Skills Programme (providing key welfare events throughout the year).

#### **4. Maintaining a world class Fellowship**

As at 1 October 2022, the College had a notional teaching establishment of 43 against a quota of 45 (2021: 45 against 42), covering nearly all of the subjects offered by the University.

The Fellowship as a whole numbered 131 (2021: 128) including Life Fellows. Together with 29 Honorary and 13 Barbara Bodichon Fellows, the total community was 173.

During 2022/23, the College admitted:

- Its 20<sup>th</sup> Mistress, Dr Elisabeth Kendall.
- A new Senior Tutor and Official Fellow, Professor Toni Williams.
- Further Official Fellows Dr Marta Gentilucci (Music Composition), Dr Jacob Currie (Classics) and Dr Michael Degani, Juliet Campbell Fellow (Social Anthropology).
- Dr James White, Oschinsky Research Fellow, in partnership with the University Library, and Dr Evelina Gambino as Margaret Tyler Research Fellow in Geography.
- Bye Fellows, Dr Hazel Mills (Legacies of Enslavement and College History), Dr Hugo LePage (Natural Sciences), and Dr Stephen Oppong Peprah, Cambridge in Africa Bye-Fellow (Classics).
- Dr Sabesan Sithamparanathan as its first Enterprise Fellow.
- Professor Sasha Tsenkova as Helen Cam Visiting Fellow, and Ain Bailey as Cavendish Arts-Science Visiting Fellow Commoner.

#### **5. Enrichment and opportunity**

Under the leadership of the new role of Deputy Senior Tutor for Teaching and Learning, working alongside the also new Fellow for Postdoctoral Affairs, the College “Thrive” programme continued to offer education related activities throughout the year. These activities ranged from bespoke academic skills support for individual students and groups within a discipline, to talks and events open to all, with the aim of supporting development of transferable skills for student life and for future careers. With the arrival in January 2023 of the postholder in the new role of Head of Welfare and Wellbeing, this team of three, working with the Head of Student Services and a newly appointed Student Programmes Administrator, have reviewed and revised the “Thrive” programme, in consultation with a

wide body of the Girton community. The programme has launched as the “Girton Skills Programme” to our undergraduates and postgraduates with an exciting new identity and enhanced programme in September 2023.

In addition, the following are also highlighted:

- The Rose Awards (for full bursary students who demonstrate the intention to benefit society and serve the community in a practical way) saw a jump in applications. In 2022/23, 12 awards have been made ranging from £250 to £1,000 in value;
- The Girton Pioneer Award was shared this year between two students who had contributed to College life through participation in student societies, forums or welfare initiatives;
- Girton's Sports Awards continue to be popular, but in addition to those elite sportspersons, grass roots and entry level sport are also being encouraged through our welfare work. We held our Inaugural Sports Awards Holders' and College Sports Captains' Reception in July 2023;
- Travel Awards that cover both academic related trips and volunteering opportunities (and everything in between) support students during the long vacation period;
- Additional academic costs can be covered by the Academic Fund, with undergraduate students being invited to apply three times a year;
- The Student Living Costs Working Group continues to work together with collegiate and local members to support students amidst the Cost of Living crisis;
- GADS had an exciting year with their wonderful 'Girtonian Nights' pantomime in Michaelmas term, and Macbeth in Easter term, taking full advantage of the natural stage in the Fellows' Garden;
- Girton welcomed Ain Bailey in Michaelmas 2022 as the Cavendish Arts Science Fellow;
- Music remains an integral part of Girton, and the College was delighted to welcome James Pearson (Artistic Director at Ronnie Scott's Jazz Club) as Musician in Residence from 1 April 2023;
- The Chapel Choir released a new album in May 2023; 'Marc'Antonio Ingegneri. Volume Three: Missa Susanne un Jour' and toured northern Italy in summer 2023, playing to large audiences at a wide range of beautiful and historic venues.



## **6. Green Girton and the College Estate**

The College was fully compliant with its recently revised Responsible Investment Policy, committing it to an entirely fossil fuel-free investment strategy, and holding managers and its bankers to account for their progress on sustainability. Investment cash was moved out of Barclays Bank to Lloyds Bank, due to long-standing concern over Barclays' lending to the fossil fuel industry: Barclays are on notice that the College's operational banking arrangements are under review.

The College continues to advance planning on larger-scale decarbonisation, and it is expected that in the course of the current year it will commission a report which forms the basis of a detailed programme – including, as far as possible, retrofitting and alternative energy sources – which enables the college to achieve its Net Zero targets.

Following a launch event in November 2022 for students, staff, and fellows showcasing the various avenues for participation, the College received a Green Impact gold award this year, with one of our students highly commended in the category for student leadership in respect of her work to reduce the carbon footprint of the annual College ball.

In the gardens, the major hard landscaping and first planting phase of the sensory garden was completed so that final year undergraduates were able to gather in the garden prior to the College feast to dedicate their 2020 cohort tree. After a year of vigorous propagation the gardens team sold surplus plants at the JCR garden party to raise funds for charity. Three Members of the Fellowship undertook beekeeping training in preparation for the arrival of the College hives in early Spring 2024.

Work has also now commenced on the restoration of Cloister Court, which will be permanently closed to car parking (other than three blue badge spaces), in order to become a beautiful and vibrant external living space for the College. The lawn will be extended, a new terrace will be constructed outside the Social Hub, and a fresh new planting scheme will be introduced. A new lighting scheme will enhance the appearance of the Court in the evenings, and a new path will be laid between the Mare's Run car park and the Lodge, to provide a more fitting approach than the Old Kitchens Door for visitors arriving by car.

## **7. Enhancing Communications**

This year's focus was to push content out online, whether this was a social media post, news articles, collated photograph albums or videos. This is to encourage our followers to engage, to educate new audiences about what Girton College is doing and promote our key messages or initiatives.

To achieve this, we set up weekly events communications meetings, where the main stakeholders are the driving force to ensure content is generated and messages are communicated regularly to all our different audiences. Areas of content for communications focus are:

- Historic features and anniversaries
- Profiles of students, staff, Fellows, and alumni

- All College events (including Office/Department/student-run)
- Celebration of any achievements by College members (awards, prizes, research etc.)
- Fundraising activities (such as Giving Days and Telethon)

The Mistress's Office has also recruited a paid College Student Communication Intern, who will help with collecting and generating content from College events (typically outside of normal office working hours) and other exciting in-house projects, led by the Communications Officer or the College Office Events and Digital Media Officer.

## Social media

During 1 October 2022 – 30 September 2023, Girton College social media accounts saw a steady growth in the number of followers, subscribers and page likes, with a positive increase in impressions, interactions, and engagement, relative to the push in online content.

Twitter/X	Facebook	Instagram	LinkedIn	YouTube	Vimeo	Flickr
▪ 6,803 Followers	▪ 5,911 Page Likes	▪ 4,919 Followers	▪ 2,043 Followers	▪ 324 Subscribers	▪ 3.8k Views	▪ 221,978 views
▪ 320.2k Impressions	▪ 5,468 Followers	▪ 20,565 Reach	▪ 3,483 Page Views	▪ 34,292 views ▪ 57 videos	▪ 100 videos	▪ 1,239 photos
	▪ 86,587 Reach		▪ 2,663 Reactions			

\*data capture for LinkedIn from 23 October 2022 – 30 September 2023

In July 2023, Meta launched a new social media account called Threads and the College immediately created an account. As this is a very new concept, with limited business functionality and restrictions, it is linked to our Instagram account and has no analytics function. We currently have 494 followers and will continue to monitor this channel to see how effective and useful it is.

It is also worth noting that we will be consciously monitoring Twitter/X, due to the change in focus and ambitions for this channel.

## Website

Our College website analytics show data from 1/10/2022 to 30/09/2023, the site has seen an increase in usage with 162,621 users and 572,489 page views.

### The top 5 most visited pages (not including the homepage):

1. Humanities Writing Competition - 16,350 views
2. Work at Girton - 14,797 views
3. About Girton - 11,035 views
4. News - 10,042 views
5. Our People - 9,810 views

### Top 5 news articles:

1. 7 October 2022: Installation of the Mistress – Dr Elisabeth Kendall - 1,046 page views [\[link\]](#)
2. 26 January 2023: Remembering Giulio Regeni (1988-2016) – 889 page views [\[link\]](#)

3. 3 January 2023: Girtonian recognised in 2023 New Year's Honours List – 683 page views [\[link\]](#)
4. 23 January 2023: 10,000 Girtonians – Help us celebrate this milestone by sending a selfie – 620 page views [\[link\]](#)
5. 15 February 2023: 2023 Winners of the Mountford Humanities and Arts Communications Prize – 454 page views [\[link\]](#)

## **College identity and branding**

We have been encouraging staff and Fellows to use a consistent College branding and in Easter term 2023, a new Girton College communications Resource site was created as a reference tool. This site contains all the latest College logos, branded templates and files, with the longer-term goal for the site to include further resources, such as College identity guidelines, media toolkits, writing guidelines and other useful information.

Some design work can now be produced in-house for staff and Fellows by request. This includes items such as branded office templates, new design materials and sub branding logos.

Fellows are encouraged to credit the College externally as 'Girton College, University of Cambridge'.

## **Visual Content**

Since March 2023, we have actively increased the production of online visual content to promote Girton's inclusive research-infused learning environment worldwide; to showcase the achievements of Fellows, students, and alumni; and to inspire current students and attract future students. We have seen a significant boost in engagement with our social media channels.

### **Video**

On social media, many users prefer to watch a video rather than read text. For this reason, we have invested in producing in-house videos to provide engaging, relevant, and inspiring content.

The video topics we have chosen to support our strategic goals for widening participation, showcasing our Fellows' ground-breaking research and dedication to teaching excellence.

'*Girton Fellows*' is our first video series. It highlights the research of our world-class Fellowship whose expertise spans a vast range of subjects. We hope the series will enhance Girton's international reputation, resonate with teaching and research professionals, inspire students and, of course, attract support.

Another new series, '*The Study Series*', focuses on a subject-specific student learning experience, providing inspiring information for students looking to attend a higher education institution. Our starter episode on '*Engineering at Girton*' was well received by students, Fellows, alumni and the wider audience on our social media platforms.

This year we also produced visual content for a few internationally recognised days which relate to Girton's ethos of diversity, inclusivity, and equality. We celebrated International Women's Day, International Day of Women Judges, World Book Day, International Women in Engineering Day, and we produced student-led explainers on Ramadan and Eid.

Additionally, we captured the thoughts of our final-year students as they celebrated the end of their studies in June. These videos became some of our most-viewed content, reflecting how much our audience resonated with it.

Over the summer, work was carried out with Girton Summer Programmes to produce a series of short promotional videos, with the aim of enhancing the online profile of the Programmes and to encourage applications. The videos focus on the student perspective on the course, their experience at Girton College, and why others should apply.

Going forward, Student Services and our Admissions team are looking into ways they can further engage with prospective students and boost applications by providing useful, informative, and inspiring videos for our YouTube channel and social media accounts. There are also plans to create a 'Global Girton' video series which will capture the fascinating stories of our ever-growing alumni community on life after Girton and the impact College had on their careers. In addition, we plan to have a series on 'Our Donors: Transforming Lives at Girton' (working title), to emphasise the impact financial support has on Girton students past and present.

## **8. Investment performance**

### ***Investment policy & objectives***

The College's investment portfolio comprises both endowment and general investment assets. The purpose of the College's endowment is to support the long-term operating needs of the College in perpetuity. The investment assets represent accumulated expendable capital, surpluses and reserves, which may be employed to support the operating and capital needs of the College, as required. To this end, the overall investment portfolio is managed to maximize the long-term total return of the portfolio, subject to maintaining a reasonable level of risk of loss. The portfolio supports the operating and capital needs of Girton College through an annual spending rule, which is reviewed as necessary to ensure that it is sustainable over the long term.

The College recently amended its long-term spending rule, which permits the transfer for each financial year of 3.5% of the average value of the investment assets as of 1st January of the current fiscal year and two preceding fiscal years. This in effect held the spending at the level it had reached as a result of a taper down from 4.0% under the previous policy.

If the investment portfolio is to fulfil its purpose, its purchasing power must be at least preserved and, if possible, enhanced. This implies that the investment assets must target a time-weighted total return of an estimated 6.5% p.a. after all costs, comprising the 3.5% annual spending rate plus a long-run allowance for 3% annual inflation. Clearly the current extraordinary level of inflation, coupled with low available investment returns, represent a significant challenge to asset preservation in real terms.

The College takes a long-term view on investment strategy, and the Strategic Asset Allocation ("SAA") is designed to reflect the optimal long-term asset allocation for the College given the risk/return objectives outlined herein. The Strategic Asset Allocation was altered significantly as a result of the 2021 portfolio review, and is set out on page 29 below. It is formally reviewed on an annual basis by the Investments Committee and may be modified as needed in light of experience and changing circumstances, based on research and discussion involving Investments Committee members and outside experts. Such discussion focuses on the College's liquidity needs and perceived risk tolerance, as well as the projected behaviour of asset classes and strategies deemed worthy of consideration for the College's potential use.

Re-balancing will normally be undertaken at least on an annual basis to re-align asset allocations with the Strategic Asset Allocation. Where funds are required for operational purposes or differences in performance between asset classes are large, re-balancing may be implemented on a more frequent basis. At the year end the portfolio was slightly underweight in its allocation to Real Estate through the Charities Property Fund, which has been addressed subsequently by a reallocation from equities, and at the time of writing the portfolio is fully in compliance.

### ***Responsible investment policy***

During the year the College remained in full compliance with the policy set out in its Statement of Responsible Investment revised in 2022. In this we commit to upholding our responsibilities as stewards of charitable funds whilst acting as Universal Owners, investing according to principles which advance our ethical priorities, including tackling the challenges of climate change.

Our securities portfolio now includes no known exposure to any businesses related to fossil fuels. We also monitor closely the voting records and financing activities of our portfolio managers and bankers, and will only do business with institutions which demonstrably share our ethical and climate commitments. To this end, the College during the year moved its investment cash out of Barclays Bank, and may in future take further action with regard to operational cash if Barclays does not make material further progress in reducing its exposure to the fossil fuels industry.

With regard to its equity investments, the College's policy is to invest in publicly listed equities via an index tracker fund replicating the performance of the MSCI ACWI index, whilst excluding several sectors, notably fossil fuels.

With regard to investment grade debt, the College's policy is to invest in investment grade corporate debt via index tracker funds which replicate the Bloomberg Barclays MSCI SRI indices, and which adhere to policies consistent with Girton's ethical commitments.

The College may also have exposure to funds invested in UK government securities.

## Investment fees and costs

It should be noted that the movement of the portfolio to a low-cost model based on index tracker funds has resulted in a considerable saving of top-level manager fees, underlying manager performance fees, and transaction costs, with a reduction of £795k between the financial year 2021/22 and 2022/23.

## Investment returns

June 30 2023	£m	% of portfolio	Strategic Allocation	Performance Benchmark Difference	
Global Equities	77.3	64%	60-65%	9.8%	11.3% -1.5%
Private Equity	20.4	17%	15-18%	-6.7%	-4.8% -1.9%
Real Estate	10.3	9%	10%	-13.2%	-16.8% 3.6%
Investment Grade Credit	8.5	7%	7-8%	2.5%	-1.6% 4.1%
Inflation Linked Bonds	2.5	2%	2-3%	-19.4%	-17.0% -2.4%
Cash	0.9	1%	1-2%	1.5%	
<b>TOTAL</b>	<b>119.8</b>	<b>100.0%</b>		<b>4.8%</b>	<b>4.4% 0.4%</b>

The overall portfolio returned 4.8% over the financial year, outperforming the blended strategic benchmark by 0.4%. The portfolio closed the year largely in compliance with the Strategic Asset Allocation, albeit with a slight underweighting to real estate. This has since been addressed by a modest rebalancing post the period end.

Over the long term the portfolio has outperformed relative to its target, looking purely at investment returns (i.e. stripping out new donations and endowments, new borrowings, property sales etc):

- On a five-year basis the compound annual growth in investments has been 8.9%
- On a ten-year basis the compound annual growth in investments has been 9.6%

The major contributor to positive performance in 2022/23 was Global Equities (the Amundi ESG Global Tracker Fund) which delivered a return of 9.8%, albeit that this underperformed its benchmark (the MSCI ACWI Index) by 1.5%. This underperformance can be attributed to the exclusion of a number of stocks in the energy and basic resources sectors which added to the overall non-ESG benchmark index performance.

Private equity proved a drag on performance this year, with some mark downs in certain of the Partners Capital funds which were not fully compensated by value-creation events elsewhere. Our private equity portfolio underperformed its benchmark by 1.9%. The high and febrile interest rate environment led to significant mark-downs in the UK real estate sector, down 16.8% overall, but with the Charities Property Fund (our sole exposure to this) outperforming by 3.6%. Our small allocation to inflation-linked bonds reflected the turmoil in bond markets (see below) and underperformed government bonds in general by 2.4%.

The year 2022/23 presented market conditions which were in some ways more benign than 2021/22 (in which the portfolio returned -1.5%) with high inflation to some extent “priced in”. The war in Ukraine represented an ongoing concern globally, albeit that in financial terms markets had already priced in the initial shock 2021/22, with alternative sources of oil and gas identified by European countries: thus its impact on market valuations was more around the potential timescale for the conflict and longer-term consequences. US markets in particular saw a significant recovery led by technology shares, with the S&P500 up 18% and the technology-focused Nasdaq index up 24% over the period.

In other areas, however, markets continued to present investors with significant challenges, most notably around interest rates and bond yields. There was major volatility caused by the short-lived premiership of Liz Truss and chancellorship of Kwasi Kwarteng in autumn 2022: their abortive “mini-budget” promising large unfunded tax cuts and eschewing advice from the Office of Budget Responsibility prompted a run on bond markets, with the need for the Bank of England to intervene as a buyer. This led to a major fall in Sterling amid fears for the UK’s credit quality, and consequent further upward pressure on interest rates, with markets in the latter half of our financial year dominated by inflation data and oscillating between rallies on hopes that inflation was cooling, and then falls as fresh UK RPI data remained high and US jobs data came in stronger than expected.

At the time of writing (mid-November 2023) the portfolio is flat on where it closed the year in June 2023, with a late-summer rally having been erased by the shock of major renewed conflict in the Middle East. The outlook remains uncertain, clouded by mixed signals on the prospects for interest rates, and with the potential knock-on global impacts of the conflict between Israel and Hamas currently unknown.

## **9. Development performance**

Fundraising during the Financial Year 2022/23 continued to focus on endowing various aspects of student support and on growing the College’s Unrestricted Permanent Endowment. In 2022/23, funds raised (including pledges) totalled £6.8m, with income received through the same period totalling £6.5m.

This exceptional year was the result of the receipt of several generous and sizeable legacies (totalling £5.2m of the income received during the financial year). A number of significant donations were also received during the year, and income from the Annual Fund remained broadly comparable to previous years (thanks to a successful Giving Day in October 2022 and to our annual Telethon). Over the course of the year 1561 alumni and supporters donated to the College. We remain very grateful to all those who support the College philanthropically.

Over 63% of funds raised from donations (as opposed to legacies) have been directed towards our student support initiatives, including the endowment of a further 6 full undergraduate bursaries and 20 additional student support grants (for undergraduate and postgraduate students who find themselves in unexpected financial or other difficulties). Over £92k was raised to support postgraduate scholarships, and funds raised this year have also continued to help support the College’s involvement in the trialling of pioneering access

initiatives. Donations have also made a significant contribution to creating new Fellowship funds and to the Legacies of Enslavement Project.

At 30/6/2023 future legacy pledges stood at £15.3m where amounts are known. We continue to be grateful to the 408 members of the 1869 Society who have informed us that they will be leaving a gift to Girton in their Will. The legacies we received in 2022/23 have been transformational, endowing undergraduate bursaries, providing a significant boost of our student support initiatives, enhancing the life of the College (including enabling the purchasing of new grand piano for Stanley Library) and underpinning our Fellowship funding.

Thirty-three events took place over the course of year, with over 1,000 alumni, supporters and guests attending. These events included our alumni year and subject reunions, the roll of alumni weekend (held in person for the first time since the COVID-19 restrictions were lifted), the MA dinner, the 14<sup>th</sup> London-based Law and Finance reception, a People's Portraits reception in the Mall Galleries, the Jane Martin Poetry Prize and the Foundation Dinner and Commemoration of Benefactors.

Over 60 one-to-one meetings took place with alumni, potential legators and supporters (including trips by the Development Director and the Mistress to the East Coast of the USA and to Singapore).

It has been wonderful to meet so many alumni, supporters, and their guests at these events. The College remains grateful to all the alumni who have helped us in hosting or speaking at events, and of course to all our very generous donors.

#### *Approach to fundraising*

The College is registered with the Fundraising Regulator and is compliant with the requirements of the Code of Fundraising Practice, the Data Protection Act 2019 and EU General Data Protection Regulation (GDPR), the Privacy and Electronic Communications (EC Directive) Regulations 2003 and the ICO Direct Marketing guidelines 2016 in the collection, retention and use of alumni data.

#### *Commercial participators or fundraisers*

Girton has employed Commercial Participators or Fundraisers as callers in our telephone campaigns, although these are our current students who are calling former students to update them and ask for donations. We include an appropriate disclosure statement in the telephone scripts which are read out by the callers.

#### *Conforming to recognised standards*

Girton is registered with the Fundraising Regulator and conforms to their voluntary code of practice. Some members of the Development Office team are also personal members of the Institute of Fundraising. The team attends training courses on Fundraising Regulation from the University of Cambridge, Institute of Fundraising, CASE and other recognised providers. An appropriate Alumni and Supporters Data Protection statement is on all digital and hard copy correspondence and on the College's websites.



### *Monitoring*

The College monitors fundraising complaints and completes the Annual Complaints Return. With regard to data cleaning, the College provides 'Update your Details' forms or links in its three main publications, The Year, the Development Newsletter and the e-newsletter. As well as regular requests for data cleansing by alumni, the College has previously paid for professional data cleansing on occasion: most recently in 2015. Any returned post is logged and addresses as well as requests to change preferences are all changed promptly, within a week.

### *Fundraising complaints*

No fundraising complaints were received in 2022/23.

### *Protection of the public*

The College removes those deemed vulnerable from its mailing lists as soon as the College knows about their condition (but keeps their data unless specifically requested as this helps ensure they are not accidentally re-added) except where certain arrangements have been requested e.g. family members ask to keep sending them the Annual Report.

The College removes alumni and supporters from its mailing lists if they request it in compliance with its Data Protection Statement.

In its telephone campaigns, the College sends pre-call letters to all alumni enabling them to opt-out in advance of telephone communications. The College does not call anyone aged between 75 to 85 after 8.30pm and does not call anyone over the age of 85 years. In five years, the College has only had one complaint about the timing of the call. The College may include those aged 85 and older in direct mailings, event invitations, newsletters etc. if appropriate e.g. they are a regular donor or they request to be included.

The College asks alumni and supporters about the type of contact they wish to have with the College and record their contact preferences on its database. This is done via the regular alumni and supporters questionnaires and during the annual telethons.

## IV. FINANCIAL REVIEW

### I. Review of financial position at year end

#### *Balance sheet*

Overall, 2022/23 was another year of stability as the impact of the pandemic moved further to the past and the period of recovery continued. We expect this to continue into 2023/24, when summer programmes return in full. The fall in the value of the balance sheet by £1.0m was driven primarily because of the decision to take an additional year of depreciation (£1.8m) in order to bring the College into line with its policy of depreciating assets when brought into use (rather than the year after). The main change seen was an increase of £5.4m in investments, most of which was from accrued legacies in the prior year and cash held. Creditors rose in no small part to the summer programme income received in advance of the 2023 programmes (which took place post-balance sheet).

#### *Total net assets*

The College's total net assets as at 30 June 2023 were £172.8m, £1.0m lower than that recorded in the previous year (again, the impact of the double depreciation described above). Over the last decade the College's net assets have increased by c 50%.

#### *Investments*

The investments portfolio, as a whole, stood at £119.8m as at 30 June 2023, a 4.8% increase over the previous year; a combination of new investment from legacy cash received and solid investment growth.

#### *Operational fixed assets*

Operational fixed assets as at 30 June 2023 were £67.6m, lower than the previous year (£69.4m). This reflects capital expenditure of £2m compared with a depreciation charge for the year of £3.8m (of which £1.8m relates to the additional prior year charge and £2m for 2022/23).

The main areas of capital expenditure in 2022/23 were: Chapel Wing £1.1m; boiler works £0.2m; New Wing £0.1m; leasehold property costs £0.2m; equipment £0.3m.

#### *Cash, borrowing and gearing*

Cash on the balance sheet decreased from £3.1m to £1.7m, in part as cash was invested. Cash holdings will increase again in 2023/24, as 2% of the endowment will be invested in cash as well as holding operational cash.

The balance of outstanding loan capital stands at £16.1m. As set out in Note 13, the majority of this borrowing is very long term and was intended to provide the liquidity needed for the College to maintain continuity of improvement and enhance the sustainability of its operational estate over a number of years.

### *Pension provisions*

Over 60% of the £4.5m pension provision (2022: £4.9m) relates to the College's section of the Cambridge Colleges Federated Pensions Scheme (CCFPS) for non-academic staff. The Girton section of this scheme, in common with that of a number of other Colleges, has been closed to new members for some years, but existing members still in College employment are able to accrue benefits from future service. The decrease in provision is due to updated assumptions as set out in Note 23 of the accounts.

The College continues to enrol academic members of staff in the Universities Superannuation Scheme (USS). The accounts this year reflect the deficit recovery plan following the completion of the 2020 actuarial valuation.

New members of non-academic staff are enrolled in a Defined Contribution scheme with NOW: Pensions.

### *Restricted and unrestricted permanent endowment capital*

After completing the College's most recent fundraising campaign, the College continues to grow the endowment, primarily through legacies, but is moving towards a campaign with a greater emphasis on annual giving which can be put directly to use to fund the College's purposes as part of its unrestricted spending. This will create a more balanced overall fundraising profile when combined with a significant number of legacy pledges which are largely focused on the College's endowment.

The restricted permanent capital funds of the College are invested as an Amalgamated Trust Funds scheme (ATF) in the College's investment portfolio.

As at 30 June 2023, the value of restricted and endowment funds was £77.1m, a 3.8% increase from £74.3m the previous year. The growth was due to a combination of new capital added as a result of donations and benefactions and an increase in the value of the College's investments.

The ATF at 30 June 2023 comprises 128 (2022: 131) active funds, for a variety of purposes, as summarised in Note 15 of the accounts. The capital value fell in the year to 30 June 2023 with the unit value going down from £18.12 to £18.02. This comes on the back of a number of years of sustained growth with the unit value having increased from £11.47 per unit to £19.00 per unit between 2009 and 2020.

Donations and benefactions are gratefully accepted for a wide range of purposes, and the College is ever mindful of the generosity of its supporters in allowing it to continue in its mission. Although we are increasing our focus on annual giving, the College continues to accept gifts for the unrestricted permanent endowment (UPEC), because of the flexibility it offers to meet future needs as they arise. The total value of UPEC at the end of June 2023 (£22.1m) was broadly the same as at the end of the previous year with new donations matched by the fall in investment values. The value had more than quadrupled during the decade from 2011 to 2021 (up from £4.6m to £22.0m).

## **2. Financial effect of significant events in 2022/23**

### *Capital items in the Statement Of Comprehensive Income ("SOI")*

The net comprehensive deficit for the year of £1.0m has decreased the College's net assets by 0.6% from £173.8 to £172.8m.

### *Benefactions and donations in SOI*

The College was again grateful to receive very substantial donation income during the year. A total of £3.6m was accrued for the permanent endowment, reflecting the continuing strengthening of this bedrock of the College's financial security, primarily through legacies. Unrestricted donations were £8k. In addition £0.3m was received into the restricted reserves. Thus a total of £3.9m was accrued for the year. This is another outstanding result and we owe a very great debt of gratitude to our supporters.

### *Investment gains and losses*

Net investment gains of £3.2m (2022: losses £2.4m) in 2022/23 represent a return to gains after the stellar year in 2020-21, and the performance was solid despite continued market turmoil and pressures felt in sectors including real estate and private equity.

### *Gains and losses on disposal of fixed assets*

There were no disposals of fixed assets in 2022/23.

### *Revaluation of fixed assets*

There have been no operational fixed asset revaluations during the year.

### *Actuarial gains and losses*

The actuarial gain of £0.3m (2022: gain of £3.2m) relates to the College's share of the Cambridge Colleges Federated Pensions Scheme (CCFPS) for non-academic staff. The Girton section of this scheme, in common with that of a number of other Colleges, has been closed to new members for some years, but existing members still in College employment are able to accrue benefits from future service.

## **3. Principal sources of funding 2022/23**

### *A. Endowment and investment income*

As grant-giving and operational charities, Cambridge Colleges typically rely on a combination of restricted and unrestricted income from their endowments and investments to offset their activity deficit (on which see below).

The College's policy of smoothing capital values over three years reduces the volatility of funds available for expenditure. During Easter Term 2023, the College decided to increase its spending rule to a 3.8% drawdown of a 3-year weighted average endowment value overall (based on 30 June values). This policy will be reviewed annually, with a view to reducing back down to 3.5% in the next 3 years. The annual transfer to Accumulated Trust Funds remains at 3.5% of the fund value each year.

In 2022/23, the amount of total return from investments transferred to unrestricted and restricted funds in the SOCI under the College's spending rule was £4.0m (2022: £3.9m)

The total return recognised in the SOCI (see Note 3 to the accounts) includes a decrease in investment management costs of £148k to £24k (2022: £172k). This reflects the move to a new, lower-cost configuration.

#### *B. Activity accounts*

The income and expenditure in the SOCI is classified by reference to the College's two major activities, (1) Education and (2) Accommodation, Catering and Conferences. Income, direct and indirect costs, and overheads are allocated between these two activities by a consistent process approved by the auditors. The overall net activity result is a deficit, which reflects the extent to which unrestricted income is needed to enhance the scope and quality of academic provision to College members, particularly students.

In recent years, the College's activity net deficit has been only partially offset by endowment and investment income, leading to an overall unrestricted net deficit before investment gains/losses.

Last year saw a considerable improvement from that position, recording a net unrestricted deficit of £455k (£3,022k excluding depreciation £1,607k and also excluding an exceptional non-cash provision of £960k relating to the USS pension scheme). Thus on an underlying basis the deficit grew by c. £1.3m.

This year saw a slight improvement from that position, recording a net unrestricted surplus of £2k (£3,648k excluding depreciation £3,770k and USS upward adjustment £120k). Thus on an underlying basis the deficit narrowed by c. £0.45m.

The difference between the Recommended Cambridge College Accounts (RCCA) net unrestricted surplus (as adjusted above) and the management accounts surplus is:

Management accounts surplus £494k

- Less: USS adjustment £120k
- Add: Annual fund gift transfers £223k (see statement of changes in reserves)
- Less: Movements in unrestricted trust funds £595k

RCCA net unrestricted surplus £2k

To assist in improving the financial transparency of the College's financial activities, considerable work has been undertaken to make improvements from budget management to understanding College finances more widely, including reviewing and rationalising its funds. This will enable improvements in allocating resources and in decision-making.

#### *C. Education activity (notes 1 and 4)*

Student fee income was £438k higher than in the previous year. A rise in Postgraduate fees was the main driver here (up £270k), as the College continued with its long-standing strategy of growing its

postgraduate population. Fees for home students were up £54k, with fees for international students rising by £114k.

The rate of recovery of Education expenditure through tuition fees and educational income rose from the 65% level in 2022 to 66% in 2023. Despite the fee cap continuing to erode the value of fees in real terms, there was an increase in postgraduate and overseas undergraduate fee income in the year which more than offset the increase in expenditure.

Education expenditure was up by 8.8% at £7.3m (2022: £6.7m). Underlying this, major drivers were scholarships and awards (up by £0.3m) and educational facility costs up by £0.1m.

#### *D. Accommodation, catering and conference activity (notes 2 and 5)*

The above notes show details of the activity which includes International Summer Programmes:

- **Accommodation for College Members: net cost £3.4m (2022: £2.7m)** although income increased by £0.6m, expenditure increased by £1.3m which includes maintenance, domestic/cleaning charges, general running costs and also rent of Swirles Court from the University. These costs increased significantly too in respect of inflationary aspects such as increased energy charges.
- **Catering for College Members: net cost £1.1m (2022: £1m)** has seen a steady increase in costs due to the effect of food inflation but also in staff costs.
- **Conference activity: net cost £0.1m (2022: £0.2m)** after attribution of College overheads, the activity appears not to generate a surplus but before indirect costs, the net surplus is £0.2m
- **Girton Summer Programmes net surplus £0.3m (2022: £0.2m)** generates a net surplus after overhead attribution, due to the added value nature of the activity. It should be noted that the result in 2022/23 reflects activity which lacked the regular in-person summer programmes. These returned in full during summer 2023 and thus will benefit the result in the financial year 2023/24. The activity in 2022/23 was mainly on-line programmes which provided a useful source of income whilst in-person programmes were paused during the pandemic.

Buildings-related overhead and depreciation expenditure is allocated to Education, where it relates to spaces with academic use. The expenditure balance is allocated to Accommodation, Catering and Conferences. Notwithstanding the apparent loss on Conference activity in these accounts, the departmental management accounts show a positive contribution from conference activity to fixed costs.

The recovery rate in Accommodation (total income in note 2 divided by total costs in note 5), was 60% (2022: 63%). This has historically been at or around the 70% mark so is currently lower, mainly due to the higher inflation borne by the College not being matched by income. This is also affected by the attribution of costs, which is reviewed periodically.

Catering saw a recovery rate of 52% (2022: 47%) which was a gradual improvement over the previous year. The College continues to aim to increase use of the catering provision by Girton students, maximising use whilst keeping prices at affordable levels. New senior staff in the Catering and Conference area have been appointed and will aim to continue this improvement into 2023/24.

#### *E. Spendable donation income*

Unrestricted donation income in the SOCI is £8k.

#### *F. Other costs*

Other costs in the year relates to a one-off prior year depreciation charge of £1,822k (2022: NIL) and USS net contributions over service costs of £(120k) (2022: net costs £960k). The depreciation charge was made to bring the College into line with its accounting policy, in that assets should be depreciated for the first time in the financial year they are first brought into use and over their useful lives. This is a one-year catch up exercise and will not be repeated.

### **4. Review of reserves**

#### *A. Reserves policy*

- (1) The College is a permanent institution and holds substantial charitable funds on trust for a variety of purposes. The Council monitors the College's "free reserves", calculated as total unrestricted funds less fixed assets, since it does not regard the operational estate as available for such a purpose. Nevertheless, there are functional assets within the operational property portfolio which might at some stage be sold or otherwise removed from the operational estate.
- (2) The College requires free reserves:
  - (1) to underwrite the continuity of its operations;
  - (2) to maintain equity between generations of members;
  - (3) to fund capital expenditure;
  - (4) to be able to respond to any urgent need for unplanned expenditure;
  - (5) to fund any future increases in pension reserves; and
  - (6) to provide for winding up costs in the event of a cessation of business.
- (3) The Council regards accumulated free reserves which arose from:
  - (1) unrestricted spendable donations in the quiet period of *A Great Campaign* and certain subsequent major donations (£3.5m); and
  - (2) the proceeds of sales of property (£23.4m)as quasi-unrestricted permanent endowment, invested alongside other permanent funds to provide an income for the College. Such free reserves designated as quasi-unrestricted permanent endowment (quasi-UPEC) will be used only sparingly and if absolutely necessary to maintain continuity of operations and equity between generations, but they are regarded as available for capital purposes such as further investment in the College's operational estate.
- (4) The Council aims to fund the College's capital expenditure requirements over the next five years (currently budgeted at £8.1m) from a combination of free reserves

(including quasi-UPEC), donations and long term loans. Of these sources, loan capital will be used to fund capital expenditure capable of generating a return above that which may be delivered from the College's investment portfolio.

- (5) The Council aims to retain a minimum of one year's unrestricted expenditure before depreciation and gross of any sources of known income as free reserves (£16.0m).
- (6) The Council monitors:
  - (1) the relationship between free reserves and the unrestricted funds net deficit before investment gains and losses in the Statement of Comprehensive Income;
  - (2) the ratio of free reserves to the net deficit before depreciation and donations, which it regards as a prudent measure of cash absorbed by operations.

#### *B. Amount of reserves*

As at 30 June 2023 the College's free reserves were £28.1m (2022: £30.1m) and during the year 2022/23 annual unrestricted expenditure before depreciation was £16.0m (2022: £14.5m). The ratio of free reserves to unrestricted funds net deficit before investment gains and losses was 7.2 (2022: 10.4).

#### *C. Comparison with reserves policy*

The College's free reserves remain compliant with the Council's reserves policy, which was most recently reviewed in July 2023.

#### *D. Longer term trends (5 years)*

The five-year budgeting exercise undertaken this year mapped out a suitably-risked continuation of the recovery trend tempered by expected further inflationary pressures across our activities. Our model, along with the rest of collegiate Cambridge, does not offer significant scope to pass on increased costs, which therefore requires us to be vigilant in respect of our cost base if we are to continue to provide the variety of facilities and events which underpin our world-class residential education.

Our plan nonetheless shows that the College should be capable of achieving at or close to break-even in cash terms over the next few years: sustainable financing of this nature is a key enabler for our agreed strategic plan and provides an important reassurance of sound financial stewardship for current and potential supporters of the College through donations and legacies.

Student numbers for 2023/24 are broadly in line with the previous year; and our objective for the short to medium term is to hold postgraduate numbers at the current level, with a strategic focus on increasing the proportion of PhDs and thus creating a more coherent MCR with an improved experience of community.

Room occupancy, always slightly vulnerable to student intermissions, is high at c. 97%, and it was pleasing that Swirles Court was busier during the summer of 2023 than it has been in previous years, thanks to the combination of longer tenancy lengths among Postgraduates, and some usage by Summer Programmes students.



We continue to see pleasing growth in the contribution made by the College's investment portfolio under the spending rule, albeit that growth from financial markets remains subject to considerable uncertainties resulting from geopolitics and the difficulty of determining whether the impact of high interest rates in reducing inflation will lead to a "soft landing" or a period of economic downturn.

The Council has budgeted for capital expenditure totalling £8.1m over the next five years, with as an immediate priority c. £790k to be spent on the restoration and renewal of Cloister Court, including the construction of a terrace outside the social hub. This sum may be reduced on the basis of attracting a level of donor support, with the new terrace representing an attractive naming opportunity.

At the time of writing the College is consulting internally on a major building project with the potential construction of a new Court by 2029 providing 150+ student bedrooms as well as new Fellows' accommodation, guest rooms and new high quality public facilities. It is expected that the advancement of these plans, if approved, will significantly change several elements within our planned Capex, as we think about the repurposing of several elements of the existing estate alongside what will be available in what we might build. We expect that next year's report will provide significantly greater detail on these plans and their impact for Capex.

It should be noted, however, that planned financing for the new Court will be made up primarily of existing and new debt facilities, and a major development campaign, rather than drawing heavily on existing reserves.

## **5. Going concern**

### *A. Explanation of operating deficit/surplus*

The College's overall financial sustainability has been transformed over recent years by the growth in the permanent endowment through A Great Campaign and some estate restructuring, helped as well by a decade of strong investment returns. The latest financial year saw a continuation of that trend, and the College remains at or around the strongest financial position it has been in.

For the 2022/23 financial year the deficit stood at (£3.9m). On a cash basis (i.e. before depreciation and unrestricted fund transactions) the surplus was £0.5m, which is declared as the management accounts result.

It is the goal of the College to remain at or around breakeven in cash terms and on an unrestricted basis. This means that we are not relying on a diminishing pool of cash reserves to subsidise our day-to-day operations, instead deploying our capital strategically on investments which will over time be accretive to the value of the College and improve the experience of its community.

The current economic environment remains challenging with continuing high levels of inflation and risks to investment returns, and the College remains vigilant in managing its operations in this light. We are making progress with regard to some major structural areas which have contributed to prior deficits:

- Occupancy levels at Swirles Court are improving, particularly in the summer months which in previous years have had significant numbers of voids. We continue to negotiate with the university as to liability attribution for the several major and costly deficits which we have addressed (and continue to address) related to the building;
- Commercial operations are now back up to full strength, though we are taking some important steps in the strategic planning and management of these, supported by the recruitment of experienced professionals within the Conferencing and Catering and the Girton Summer Programmes departments. In particular we will be reviewing the structure of event delivery in order to ensure this is more consistent and process-driven, and with a view to freeing up resource in other departments which is currently overly occupied with event management. We will also be reviewing cost allocation between different types of commercial activity in order better to plan for maximising the bottom-line contribution to college finances;
- We are improving the transparency of people planning as part of the annual budget cycle in order to ensure that recruitment of additional heads, and promotions, are fully aligned to the College's strategic priorities, including the enabling priority of financial sustainability;
- Our adjustment of our development focus should have the effect of increasing the level of contribution to annual spending, whilst still striking a balance between this and continuing to strengthen the endowment.

#### *B. Cash Flow Statement*

We monitor cash flows regularly throughout the year in order to ensure the College has sufficient liquid funds at all times in order to meet its needs. At 30 June 2023 the College's cash balance stood at £1.7m, lower than the £3.1m recorded at the end of the 2021/22 financial year.

#### *C. Any fund or subsidiary in deficit*

None of the constituent funds of the ATF were in deficit at the year end.

## **6. Plans for future periods**

### *A. Council's future plans*

The College is a permanent institution and an important constituent of the collegiate University of Cambridge. The Council's plans for the next five years include:

- Continuing to implement its new strategic plan, which was formed as a result of a wide-ranging consultation with internal and external stakeholders;
- Taking further steps towards the goal of "inclusive excellence" by a renewed focus on diversity across a range of metrics; and providing students with the support and tools to achieve the best possible educational outcomes, measured in terms of academic success and personal growth;
- Building the financial support offered to students, including: (i) continuing to raise funds to offer bursary support to undergraduates and postgraduates; (ii) focused fundraising for PhD students so as to be able to increase the proportion of our postgraduates who are PhDs; (iii) as far as possible within the overall budget minimising the burden on students from residence charges and other costs while delivering excellent facilities;
- Improving the offer to Fellows (both CTOs and UTOs) in order to attract and retain world-class scholars at Girton: pay, working conditions and benefits;

- Further fostering the wellbeing of all members of the College as an essential basis for achieving their full potential, within the residential higher education setting that is a hallmark of the collegiate University;
- Improving the built environment through both large and small-scale renovations and redecorations, and developing and implementing a decarbonisation plan that enables the College to achieve Net Zero;
- Taking significant further steps in estates planning, including advancing plans to build a potential new Court on the College's main site, containing a mixture of student rooms, Fellows' offices and accommodation, and public areas, including potentially an auditorium. At the same time reviewing alternative models for Swirles Court in the future accommodation provision of the College;
- Working to achieve improvements to the operating performance of the College, including making more effective use of Information Technology in order to increase efficiency and, over time, deliver permanent improvements to the cost base;
- Further maximising the College's commercial revenue by taking a focused and co-ordinated approach to growing Girton Summer Programmes and the conferencing business;
- Continuous improvements to governance arrangements, including a review and reformation of the Statutes;

#### *B. Five year rolling budget*

The Council has adopted a five year rolling budget for 2022/23 to 2027/28. The revenue budget includes operating income and expenditure, the proportion of total return allowed by the College's long-term spending rule, depreciation, interest and donations. It does not include investment gains/losses retained as unapplied total return (see Note 17 to the Accounts), gains/losses on disposal of fixed assets, gains/losses on revaluation of fixed assets, nor actuarial gains/losses in respect of pension schemes.

#### *C. Capital expenditure programme*

2023/24	<ul style="list-style-type: none"> <li>• Cloister Court renovation including a terrace outside the Social Hub, laying a pathway from Mare's Run to the Lodge and improved lighting</li> <li>• Completion of redecoration of Old Hall</li> <li>• Proposed new lighting scheme in Chapel</li> <li>• Renewable energy generation review</li> </ul>
2024/25	<ul style="list-style-type: none"> <li>• Alterations within the Kitchen and Servery</li> <li>• Redecoration of Tower Wing (though unlikely to be full refurbishment)</li> <li>• Potential improvements to Stanley Library decoration</li> </ul>
2025/26	<ul style="list-style-type: none"> <li>• Tower Plant Room strip and refit</li> <li>• Decarbonisation works</li> </ul>
2026/27	<ul style="list-style-type: none"> <li>• Further wing refurbishment (to be confirmed)</li> <li>• Decarbonisation works</li> </ul>
2027/28	<ul style="list-style-type: none"> <li>• Decarbonisation works</li> </ul>

It should be noted that these budgeted works for the outer years are provisional at this point and will require further internal review and sign-off – including with reference to prevailing financial conditions – before proceeding.

The Capex plan does not yet include any costs associated with the design and construction of a new Court. On the basis that the College proceeds with this plan, further information will be included in the next Annual Report and Accounts

#### *D. Impact on free reserves*

Both the net (deficit)/surplus before depreciation and exceptional income and any capital expenditure will ultimately be funded by a combination of free reserves and long-term loans available for capital expenditure. The impact over five years of the 2023 revenue and CapEx budgets is as set out below.

£000's	2023/24	2024/25	2025/26	2026/27	2027/28	5 year total
2023 final CapEx budget	(2,159)	(1,885)	(1,155)	(1,965)	(955)	(8,119)
2023 final I&E budget	(264)	(144)	26	55	83	(244)
<b>Impact on free reserves</b>	<b>(2,423)</b>	<b>(2,029)</b>	<b>(1,129)</b>	<b>(1,910)</b>	<b>(872)</b>	<b>(8,363)</b>

## **7. Risk management**

### *A. Acknowledgement of trustee responsibility*

Members of the College Council as trustees have ultimate responsibility for ensuring that risk is managed satisfactorily within the College.

### *B. Overview of risk identification, assessment and monitoring process*

Risks are identified in the College Risk Register which is a detailed document produced some years ago. During 2017/18, the College Council agreed to take a different approach to identifying risk. It was agreed that a new Corporate Risk Register would be devised, focussing on risks to delivering the College's Strategic Academic Plan, while the major committees of the College would be responsible for compiling and maintaining operational risk registers, feeding upwards to Council and the Corporate Risk Register as required.

Capital projects undertaken within College are subject to detailed local risk registers by individual project managers.

### *C. Review and assessment of major risks and confirmation of controls*

Council considered the major risks to which the College is exposed in 2022/23 and satisfied itself then that systems were in place in order to manage those risks. The main categories of operational risk for the College are:

- a) Admissions
- b) Compliance
- c) Employment
- d) Financial and accounting
- e) Fire
- f) Funding and higher education policy

- g) Governance
- h) Health & Safety
- i) Investment
- j) Property maintenance and management
- k) Reputation
- l) Student experience

As set out above, a Corporate Risk Register is under development, which will link risk to the College's Strategic Academic Plan.

*D. Identified risks and uncertainties outside the College's control*

The persistent high level of inflation remains a risk to cost budgeting across salaries, procurement, utilities etc, though it is to be hoped that the recent reducing trend may continue.

The College's ability to pass on higher costs to students by way of increased pricing for accommodation and catering is highly constrained, and there is no prospect of an increase in fee income. Indeed, the risk to fees appears to be firmly on the downside.

The College depends for the maintaining the value of its portfolio in real terms on a reasonable performance from global financial markets. These currently represent a further risk given the significant geopolitical uncertainties and in particular the risk of a widening of the conflict which has started between Israel and Hamas, added to the ongoing war between Russia and Ukraine (amongst other issues). It also remains to be seen whether efforts to manage inflation through high interest rates will lead to a "soft landing" or will cause a recession across developed economies.

Whilst the College's commercial activity has bounded back strongly, it remains highly exposed to Girton Summer Programme business generated from visitors from a single country. Should any those participants be prevented from attending, for example due to political or health developments preventing travel, then the negative impact on the current business mix would be very significant. Efforts are currently being undertaken to diversify the range and nature of business within the College's commercial activities.

**Trustees' review**

Council reviewed the arrangements for managing risk in 2023/24 during consideration of its annual governance report.

**On behalf of the Council**



**Dr Elisabeth Kendall**  
**The Mistress**  
**30 November 2023**

# **Independent Auditors' Report to the Augmented Council of Girton College**

**Year Ended 30 June 2023**

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## **Opinion**

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

In our opinion, the financial statements:

- give a true and fair view of the state of the College's affairs as at 30 June 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes of the University of Cambridge.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

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

## **Other information**

The Augmented 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 Augmented Council**

As explained more fully in the responsibilities of the Augmented Council statement set out on page 7, the Augmented Council and 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 Augmented 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 Augmented 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/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

## **Use of our report**

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



**PETERS ELWORTHY & MOORE**

Chartered Accountants and Statutory Auditors

Salisbury House

Station Road

Cambridge

CBI 2LA

Date: 7 December 2023

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

## **Statement of Principal Accounting Policies**

### **Basis of preparation**

The financial statements have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge, using the Recommended Cambridge College Accounts (RCCA) format; and applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education issued in 2019.

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

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 Trustees have prepared forecasts for the period to 2027 which have been stress tested based on a “worst case” outcome in several respects and have considered the impact upon the College and its cash resources and unrestricted reserves. The College manages its cost base prudently, including a measured approach to maintenance, capex and reserves, in order to combat the reduction in revenues and to extend financial headroom. 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.

## **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. The costs of any fees waived or written off by the College are included as expenditure.

### *Grant income*

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

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

### *Donations and endowments*

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

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

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

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

Donations with no restrictions are recorded within the Statement of Comprehensive Income and Expenditure when the College is entitled to the income.<sup>1</sup>

*Investment income and change in value of investment assets*

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

*Total return*

The College invests its endowment portfolio and allocated the related earnings for expenditure in accordance with the total return concept. The spending policy is specifically designed to stabilise annual spending levels and to preserve the real value of the endowment portfolio over time. The College spending rule permits the transfer for the academic year of no more than 3.5% of the 3-year rolling weighted average of the balance of the fund as at 30 June (to increase to 3.8% from 2023/24). The College operates a unitised Amalgamated Trust Fund (ATF) scheme for the collective investment of endowment funds, under which the transfer is permitted by the spending rule is converted into a pro-rata distribution of the funds.

*Other income*

Income is received from a range of activities including Accommodation, Catering Conferences (including Summer Programmes) and other services rendered.

*Cambridge Bursary Scheme*

In 2022/23, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). As a consequence, the College reimbursed the SLC for the full amount paid to their eligible students and the College subsequently received a contribution from the University of Cambridge towards this payment.

The net payment of £215k is shown within the SOCI as follows:

	<b>2022/23</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>
<b>Income (see note I)</b>	206	177
<b>Expenditure</b>	421	366

**Foreign currency translation**

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

**Fixed assets***Land and buildings*

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Operational property assets that had been revalued to fair value on 30 June 2014, the date of transition to SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

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

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

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight-line basis over their expected useful lives as follows:

Buildings	63-99 years	Fit-Outs	5-34 years
Sports Facilities	67-99 years	M&E services	10-40 years
Outbuildings/workshops	10-46 years		

Leasehold land is depreciated over the life of the lease up to a maximum of 50 years.

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

Land held specifically for development, investment and subsequent sale is included in current assets at the lower of cost and net realisable value.

The cost of additions to operational property shown in the balance sheet includes the cost of land. Furniture, fittings and equipment costing less than £5k per individual item or group of related items is written off in the year of acquisition. All other assets are capitalised and depreciated over their expected useful life as follows:

Furniture and fittings	20% per annum
Equipment	20% per annum

#### *Leased assets*

Leases in which the College assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance leases are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

### *Heritage assets*

Rare books, silver, works of art and other assets not related to education are valued at the insured value. Assets deemed to be inalienable are not included in the balance sheet. Items of antique furniture and silver have been valued by Cheffins, Auctioneers and Valuers.

### **Investments**

Fixed asset investments are included in the balance sheet at fair value, except for investments in subsidiary undertakings which are stated in the College's balance sheet at cost and eliminated on consolidation. Investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value/market value.

### **Stocks**

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

### **Provisions**

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

### **Contingent liabilities and assets**

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

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

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

### **Financial instruments**

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

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

### **Financial assets**

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

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

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

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

### **Financial Liabilities**

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

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

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

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at the reporting date. Changes in the fair value of derivatives are recognised in the Statement of



Comprehensive Income in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

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

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

### **Taxation**

The College is a registered charity (number 1137541) 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 liability for the year is as advised to the College by the University based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

### **Pension costs**

The College participates in Universities Superannuation Scheme. With effect from 1 October 2016, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

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

The College also offers membership of NOW: Pensions, a defined contribution pension scheme, for non-academic staff and the pension charge represents the amounts payable by the College to the scheme in respect of the employees' service during the year.

### **Employment benefits**

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

### **Reserves**

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

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

### **Critical Accounting Estimates and Judgements**

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

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

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

Useful lives of property, plant and equipment – Property, plant and equipment represent a significant proportion of the College's total assets. Therefore, the estimated useful lives can have a significant impact on the depreciation charged and the College's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets, professional advice and anticipation of future events. Details of the carrying values of property, plant and equipment are shown in note 8.

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.

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 23.

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 2023. 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 23.

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**Statement of Comprehensive Income**  
**Year Ended 30th June 2023**

	Note	Unrestricted Funds £'000	Restricted Funds £000s	Endowment Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £000s	Endowment Funds £'000	Total Funds £'000
<b>Income</b>									
Academic fees and charges	1	4,530	260	-	4,790	4,154	177	-	4,331
Accommodation, catering and conferences	2	7,311	-	-	7,311	6,056	-	-	6,056
Investment income	3	62	-	385	447	-	-	884	884
Endowment return transferred	3	2,174	1,782	(3,956)	(0)	2,226	1,656	(3,882)	0
Other Income		47	16	-	63	17	-	-	17
Total Income before Donations & Endowments		14,124	2,058	(3,571)	12,611	12,453	1,833	(2,998)	11,288
Donations		8	-	-	8	642	-	-	642
New endowments	15-16	-	271	3,607	3,878	-	142	5,952	6,094
Other capital grants for assets	16	-	-	-	-	-	2	-	2
Total		8	271	3,607	3,886	642	144	5,952	6,738
Total Income for the year		14,132	2,329	36	16,497	13,095	1,977	2,954	18,026
<b>Expenditure:</b>									
Education	4	4,431	2,836	-	7,267	5,415	1,263	-	6,678
Accommodation, catering and conferences	5	11,654	-	-	11,654	9,715	-	-	9,715
Investment Management & Other Investment Costs	3	-	-	416	416	-	-	582	582
Other Expenditure		1,668	-	-	1,668	960	-	-	960
Contribution under Statute G, II		27	-	-	27	27	-	-	27
Total Expenditure for the year	6	17,780	2,836	416	21,032	16,117	1,263	582	17,962
(Deficit)/Surplus before investment gains/(losses)		(3,648)	(507)	(380)	(4,535)	(3,022)	714	2,372	64
Net gains/(losses) on investments	3	(247)	(20)	3,498	3,231	(2,863)	(108)	591	(2,380)
(Deficit)/Surplus after gains and losses		(3,895)	(527)	3,118	(1,304)	(5,885)	606	2,963	(2,316)
<b>Other comprehensive income/(Losses)</b>									
Gains/(losses) on revaluation of heritage assets	8b	27	-	-	27	-	-	-	-
Actuarial Gain/(loss) in respect of pension schemes	14	271	-	-	271	3,196	-	-	3,196
Total comprehensive (deficit)/income for the year		(3,597)	(527)	3,118	(1,006)	(2,689)	606	2,963	880

The notes on pages 56 to 74 form part of these accounts

**Statement of Changes in Reserves**  
**Year Ended 30th June 2023**

	2023 Unrestricted Funds £'000	2023 Restricted Funds £'000	2023 Endowment Funds £'000	2023 Total Funds £'000
<b>Reconciliation of funds:</b>				
Balance at 1st July 2022	99,546	4,553	69,727	173,826
(Deficit)/Surplus from Income & Expenditure statement	(3,597)	(527)	3,118	(1,006)
Release of restricted capital funds	-	-	-	-
Transfer between reserves	(223)	148	75	(0)
Adjustment to prior year net assets	(4)	-	-	(4)
<b>Total funds carried forward</b>	<b>95,722</b>	<b>4,174</b>	<b>72,920</b>	<b>172,816</b>

**Statement of Changes in Reserves**  
**Year Ended 30th June 2022**

	2022 Unrestricted Funds £'000	2022 Restricted Funds £'000	2022 Endowment Funds £'000	2022 Total Funds £'000
<b>Reconciliation of funds:</b>				
Balance at 1st July 2021	102,234	3,971	66,741	172,946
Surplus/(deficit) from Income & Expenditure statement	(2,689)	606	2,963	880
Release of restricted capital funds	1	(1)	-	-
Transfer between reserves	-	(23)	23	-
<b>Total funds carried forward</b>	<b>99,546</b>	<b>4,553</b>	<b>69,727</b>	<b>173,826</b>

*The notes on pages 56 to 74 form part of these accounts*

**Balance sheet**  
**Year Ended 30th June 2023**

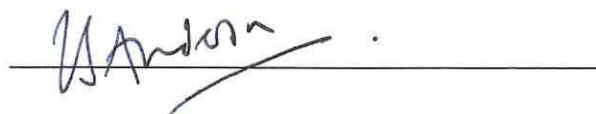
	Note	2023 £'000	2022 £'000
<b>Non Current Assets</b>			
Fixed assets	8a	67,643	69,403
Heritage Assets	8b	6,144	6,103
Investments	9	119,759	114,328
<i>Total Non Current Assets</i>		<u>193,546</u>	<u>189,834</u>
<b>Current Assets:</b>			
Stocks		63	46
Trade & Other receivables	10	3,456	6,171
Cash & Cash equivalent	11	1,700	3,085
<i>Total current assets</i>		<u>5,219</u>	<u>9,302</u>
<b>Liabilities:</b>			
Creditors: amounts falling due within one year	12	(4,350)	(3,237)
<i>Net current assets</i>		<u>869</u>	<u>6,065</u>
<i>Total Assets less current liabilities</i>		<u>194,415</u>	<u>195,899</u>
Creditors: amounts falling due after more than one year - Loans	13	(15,973)	(16,122)
Creditors: amounts falling due after more than one year - Others	13	(1,175)	(1,062)
<i>Total Long Term Liabilities</i>		<u>(17,148)</u>	<u>(17,184)</u>
<i>Net assets excluding pension liability</i>		<u>177,267</u>	<u>178,715</u>
<b>Provisions</b>			
Pension Provisions	14	(4,451)	(4,889)
<i>Total net assets</i>		<u>172,816</u>	<u>173,826</u>
<b>The funds of the charity:</b>			
<b>Restricted Reserves</b>			
Income & Expenditure Reserves - Endowment	15	72,920	69,727
Income & Expenditure Reserves - Restricted	16	4,174	4,553
<i>Total Restricted funds</i>		<u>77,094</u>	<u>74,280</u>
<b>Unrestricted Reserves</b>			
Income & Expenditure Reserves - Unrestricted		95,722	99,546
<i>Total Unrestricted funds</i>		<u>95,722</u>	<u>99,546</u>
<b>Total Reserves</b>		<u>172,816</u>	<u>173,826</u>

The financial statements were approved by the Augmented Council on 28th November 2023 and signed on its behalf by:

Dr Elisabeth Kendall - Mistress, Girton College



James Anderson - Bursar, Girton College



The notes on pages 56 to 74 form part of these accounts

**Cash flow statement**  
**Year Ended 30th June 2023**

	<b>Note</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Net Cash Inflow from Operating Activities	18	2,951	1,263
Cash Flows from Investing activities	19	(392)	(410)
Cash Flows from Capital Transactions	19	(3,801)	(388)
Cash Flows from Financing Activities	20	(143)	(138)
<i>(Decrease)/Increase in cash and cash equivalent in the year</i>		<b><u>(1,385)</u></b>	<b><u>327</u></b>
Cash and cash equivalent at the beginning of the year		3,085	2,758
<b>Cash and cash equivalent at the end of the year</b>	<b>11</b>	<b><u>1,700</u></b>	<b><u>3,085</u></b>
<b>Reconciliation of net cash flow to movement in net liquid assets</b>			
(Decrease)/Increase in Cash in the Year		(1,385)	327
Movement in Long Term Loans		143	138
Net change in Cash		<b><u>(1,242)</u></b>	<b><u>465</u></b>
<i>Net Cash/Borrowing brought forward</i>		<i>(13,180)</i>	<i>(13,645)</i>
<b>Net cash/borrowing carried forward</b>	<b>24</b>	<b><u>(14,422)</u></b>	<b><u>(13,180)</u></b>

*The notes on pages 56 to 74 form part of these accounts*

# Notes to the Accounts

## For the year ended 30 June 2023

### 1. Academic Fees and Charges

	2023 £'000	2022 £'000
<b>College Fees</b>		
Fee Income received at the regulated undergraduate rate	2,149	2,095
Fee Income received at the unregulated undergraduate rate	655	541
Fee Income received at the postgraduate rate	1,480	1,210
<b>Total Fees</b>	<b>4,284</b>	<b>3,846</b>
Cambridge Bursaries income	206	177
Foundation Bursaries income	54	-
Other academic income	246	308
<b>Total</b>	<b>4,790</b>	<b>4,331</b>

### 2. Accommodation, Catering & Conference Income

	2023 £'000	2022 £'000
<b>Accommodation</b>		
College members	4,755	4,196
Conferences	270	295
	<b>5,025</b>	<b>4,491</b>
<b>Catering</b>		
College members	968	809
Conferences	306	221
	<b>1,274</b>	<b>1,030</b>
<b>International Summer Programmes</b>	<b>1,012</b>	<b>535</b>
<b>Total</b>	<b>7,311</b>	<b>6,056</b>



## Notes to the Accounts

### For the year ended 30 June 2023

### 3. Endowment and Investment Income

	2023 £'000	2022 £'000
<b>3.a Analysis</b>		
Total return recognised in Income & Expenditure account (3b)	3,956	3,882
<b>3.b Summary of Total Return</b>		
<i>Income from:</i>		
Quoted securities and cash	385	884
<i>Total Income from Investments</i>	<u>385</u>	<u>884</u>
<i>Gains/(losses) from endowment assets</i>		
Quoted securities & cash	3,231	(2,380)
Loan interest payable	(392)	(410)
Investment management costs (see note 3c)	(24)	(172)
<b>Total return for the year</b>	<u>3,200</u>	<u>(2,078)</u>
Total return transferred to Income & Expenditure account (see note 3a)	<u>(3,956)</u>	<u>(3,882)</u>
Unapplied total return for the year included within Income & expenditure	<u>(756)</u>	<u>(5,960)</u>
<b>3.c Investment management costs</b>		
Quoted & other securities & cash	24	172
<b>Total Investment management costs</b>	<u>24</u>	<u>172</u>

### 4. Education Expenditure

	2023 £'000	2022 £'000
Teaching	3,037	2,954
Tutorial	1,034	1,020
Admissions	759 <sup>¶</sup>	710
Research	905	859
Scholarships & Awards	1,017 <sup>¶</sup>	765
Other educational Facilities	515	370
<b>Total</b>	<u>7,267</u>	<u>6,678</u>

## Notes to the Accounts

### For the year ended 30 June 2023

#### 5. Accommodation, Catering & Conferences Expenditure

	2023 £'000	2022 £'000
<b>Accommodation</b>		
College members	8,126	6,888
Conferences	317	286
	<u>8,443</u>	<u>7,174</u>
<b>Catering</b>		
College members	2,091	1,783
Conferences	377	399
	<u>2,468</u>	<u>2,182</u>
International Summer Programmes	743	359
<b>Total</b>	<u>11,654</u>	<u>9,715</u>

#### 6. Analysis of Expenditure by Activity

##### 6.a Analysis of 2023 Expenditure

	Staff Costs (Note 7) £'000	Other Operating Expenses £'000	Depreciation £'000	Total £'000
Education (Note 4)	3,691	3,245	331	7,267
Accommodation Catering & Conferences (Note 5)	3,751	6,286	1,617	11,654
Investment management Costs	-	416	-	416
Pension annual valuation (USS)	-	(120)	-	(120)
Additional depreciation for prior years	-	-	1,822	1,822
Other costs	-	(34)	-	(34)
Contribution under Statute G, II	-	27	-	27
<b>Total</b>	<u>7,442</u>	<u>9,820</u>	<u>3,770</u>	<u>21,032</u>

##### 6.b Analysis of 2022 Expenditure

	Staff Costs (Note 7) £'000	Other Operating Expenses £'000	Depreciation £'000	Total £'000
Education (Note 4)	3,474	2,931	273	6,678
Accommodation Catering & Conferences (Note 5)	3,307	5,074	1,334	9,715
Investment management Costs	-	582	-	582
Pension annual Valuation (USS)	-	960	-	960
Contribution under Statute G, II	-	27	-	27
<b>Total</b>	<u>6,781</u>	<u>9,574</u>	<u>1,607</u>	<u>17,962</u>

Expenditure includes fundraising costs of £495k (2022 £430k). This expenditure excludes the cost of Alumni relations

## Notes to the Accounts

### For the year ended 30 June 2023

#### 6.c Auditors remuneration included in Other Operating Expenses

	2023 £'000	2022 £'000
Audit fees payable to the College's External Auditors - Current year	29	25
Other Fees payable to the College's External Auditors	6	-
	<u>35</u>	<u>25</u>

#### 7. Staff costs

	College Academic 2023 £'000	College Non Academic 2023 £'000	Total 2023 £'000	Total 2022 £'000
Salaries	1,887	4,011	5,898	5,245
National Insurance	168	422	590	505
Other Pension costs (see note 23)	307	647	954	1,032
<b>Total</b>	<b>2,362</b>	<b>5,080</b>	<b>7,442</b>	<b>6,782</b>

#### 7. (b) Staff Numbers

	Average Number 2023		Average Number 2022	
	Number of Fellows	FTE	Number of Fellows	FTE
Staff Number				
Academic	69	-	65	-
Non Academic (FTE)	3	113	3	111
<b>Total</b>	<b>72</b>	<b>113</b>	<b>68</b>	<b>111</b>

The number of officers and employees of the college, including Head of House, who received emoluments in the following range was:

	2023	2022
£100,001 - £110,000	1	-
£110,001 - £120,000	1	-
£120,001 - £130,000	1	1
£130,001 - £140,000	1	-
£140,001 - £150,000	-	1
	<b>Total 2023 £'000</b>	<b>Total 2022 £'000</b>
During the year, remuneration paid to Trustees in their capacity as College Officers were:	670	671

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College. These are deemed to be Reserved Council members. The note above includes aggregated remuneration paid to key management personnel.

At the balance sheet date, there were 59 members of the Augmented Council. During the year, the average number receiving a remuneration was 53.

## Notes to the Accounts

### For the year ended 30 June 2023

#### 8a. Fixed Assets

	Assets in Construction £'000	Freehold Land £'000	Freehold Building £'000	Long Leasehold Land & Building £'000	Furniture Fittings & Equipment £'000	Software £'000	Total 2023 £'000	Total 2022 £'000
<b>Original Costs</b>								
As at 1 July 2022	162	24,400	55,404	308	868	201	81,343	78,934
Additions	19	-	1,484	228	279	-	2,010	2,409
Transfers	(162)	-	162	-	-	-	-	-
Disposals	-	-	-	-	(79)	-	(79)	-
As at 30 June 2023	19	24,400	57,050	536	1,068	201	83,274	81,343
<b>Accumulated Depreciation</b>								
As at 1 July 2022	-	-	11,150	67	622	101	11,940	10,333
Charge for the year	-	-	3,479	17	218	56	3,770	1,607
Disposal in year	-	-	-	-	(79)	-	(79)	-
As at 30 June 2023	-	-	14,629	84	761	157	15,631	11,940
<b>Net Book Value</b>								
As at 30 June 2023	19	24,400	42,421	452	307	44	67,643	69,403
As at 30 June 2022	162	24,400	44,254	241	246	100	69,403	70,009

Freehold land and Buildings were revalued by Gerald Eve Associates as of 30 June 2014. The properties are valued at depreciated replacement cost. The insured value of the freehold buildings at 30 June 2023 was £123.0m (2022 £104.8m).

#### 8b. Heritage Assets

	2023 £'000	2022 £'000
Balance as at 1 July	6,103	6,103
Additions	14	-
Appreciation on revaluation	27	-
Balance as at 30 June	6,144	6,103

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

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Acquisitions purchased with specific donations,	-	-	-	-	-
Acquisitions purchased with College funds	14	-	-	-	-
<b>Total cost of acquisitions</b>	14	-	-	-	-
Value of acquisitions by donations	-	-	-	80	-
<b>Total</b>	14	-	-	80	-

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

**9. Investments**

	2023 £'000	2022 £'000
Balance at the beginning of the year	114,328	117,988
Additions	14,466	105,584
Disposals	(9,897)	(114,007)
Appreciation/(Depreciation) on revaluation	3,231	3,094
(Decrease)/Increase in cash balance held by Fund Managers	(2,369)	1,669
<b>Balance at the end of the year</b>	<b>119,759</b>	<b>114,328</b>

**Represented by**

Quoted Securities - Equities	43	42
Other shares	14	14
Alternative investments	118,787	110,988
Cash held for reinvestment	915	3,284
<b>Balance at the end of the year</b>	<b>119,759</b>	<b>114,328</b>

The College is also the joint beneficiary with another organisation of a trust which owns a number of properties in Ealing, West London. Rental income less expenses is divided equally between the beneficiaries. When tenants vacate the properties, they are sold, and the proceeds of the sales (less expenses) are divided equally between the beneficiaries. At 30 June 2023, the College's share in the remaining property is estimated to be about £350k (gross); this amount is not included within Investment assets.

**10. Trade and other receivables**

	2023 £'000	2022 £'000
Members of the College	161	113
Other debtors	360	114
Accrued Donations	2,543	5,162
Prepayment & Accrued Income	392	782
<b>Total</b>	<b>3,456</b>	<b>6,171</b>

**11. Cash and cash equivalent**

	2023 £'000	2022 £'000
Bank Deposits	887	543
Current Account	811	2,540
Cash in hand	2	2
<b>Total</b>	<b>1,700</b>	<b>3,085</b>

## Notes to the Accounts

### For the year ended 30 June 2023

#### 12. Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Long term Loans	149	143
Student prepayments	100	100
Other Creditors	4,101	2,994
<b>Total</b>	<b>4,350</b>	<b>3,237</b>

#### 13. Creditors: amounts falling due after more than one year

	2023 £'000	2022 £'000
Other loans	10,000	10,000
Bank Loans	5,973	6,122
Student prepayments	1,175	1,062
<b>Total</b>	<b>17,148</b>	<b>17,184</b>

One of the bank loans is due for repayment in 2049 at a fixed interest rate of 5.54%. The other bank loans are repayable over a period of 11 to 12 years at fixed interest rates of between 5.20% and 5.40%.

During 2013-14, the College borrowed £10m from institutional investors in a private placement done collectively with other colleges, although the College's loan is separate from those of the others. The loans are unsecured and repayable during the period 2043-2053 and are at fixed interest rates of approximately 4.40%.

The table below gives further details on how the loans contracted by the College were accounted for:

	Interest rate %	Repayment date	Balance as at 30-	Balance as at 30-	Interests 2022-23 (In £'000)	
			06-23 £'000	06-22 £'000	Investment Portfolio	Operations
2009 Loan	5.54%	2049	5,000	5,000	-	280
Other bank loans	5.20%-5.40%	2029-2030	1,122	1,265	38	26
Bond	4.40%-4.45%	2043-2053	10,000	10,000	354	88
<b>Total</b>			<b>16,122</b>	<b>16,265</b>	<b>392</b>	<b>394</b>

#### 14. Pension Provision

	CCFPS £'000	USS £'000	CEFPS £'000	Total 2023 £'000	Total 2022 £'000
Balance at beginning of year	3,192	1,693	4	4,889	7,091
<i>Movements in year</i>					
Current service costs including Life Insurance	240	285	-	525	1,755
Contributions	(467)	(404)	-	(871)	(881)
Other finance costs	123	56	-	179	120
Actuarial loss/(gain)	(271)	-	-	(271)	(3,196)
<b>Balance at end of year</b>	<b>2,817</b>	<b>1,630</b>	<b>4</b>	<b>4,451</b>	<b>4,889</b>

## Notes to the Accounts

### For the year ended 30 June 2023

## 15. Endowment Funds

Restricted net assets relating to endowments are as follows:

	Restricted Permanent Endowment £'000	Unrestricted Permanent Endowment £'000	Total 2023 £'000	Total 2022 £'000
<b>Balance at beginning of year</b>				
Capital	47,531	22,196	69,727	66,741
Unspent Income			-	-
	47,531	22,196	69,727	66,741
New donations and endowments	3,466	141	3,607	5,953
Transfer between reserves	75	0	75	23
Increase/(Decrease) in market value of investment	(279)	(210)	(489)	(2,990)
<b>Balance at end of year</b>	<b>50,793</b>	<b>22,127</b>	<b>72,920</b>	<b>69,727</b>
<b>Represented by:</b>				
Fellowship Funds	25,405	2,545	27,950	27,985
Scholarship Funds	8,847	103	8,950	8,771
Prize Funds	892	399	1,291	1,297
Hardship Funds	1,459	148	1,607	1,480
Bursary Funds	10,606	112	10,718	7,931
Travel Grant Funds	424	22	446	447
Other Funds	3,054	3,300	6,354	6,271
General Endowments	106	15,498	15,604	15,545
<b>Total</b>	<b>50,793</b>	<b>22,127</b>	<b>72,920</b>	<b>69,727</b>
<b>Analysis by asset</b>				
Investments	50,793	22,127	72,920	69,727

# Notes to the Accounts

## For the year ended 30 June 2023

### 16. Restricted reserves

Reserves with restrictions are as follows:

	Permanent unspent and other restricted income £'000	Restricted expendable endowment £'000	Capital Grants unspent £'000	Total 2023 £'000	Total 2022 £'000
<b>Balance at beginning of year</b>					
Capital	2,240	-	-	2,240	2,185
Accumulated income	1,875	422	16	2,313	1,786
	4,115	422	16	4,553	3,971
 New grants	-	-	-	-	2
New donations	-	271	-	271	142
Other income	9 <sup>9</sup>	7	-	16	-
Cambridge Bursary Scheme	206	-	-	206	177
Foundation Bursaries income	54	-	-	54	-
Endowment return transferred	1,782	-	-	1,782	1,656
Increase/(Decrease) in market value of investment	(19)	(1)	-	(20)	(108)
 Expenditure	(2,601)	(219)	(16)	(2,836)	(1,263)
Capital grants utilised				-	(1)
 Transfer between reserves	145 <sup>9</sup>	3 <sup>9</sup>	-	148	(23)
 <b>Balance at end of year</b>					
Capital	3,505	-	-	3,505	2,240
Accumulated income	186	483	0	669	2,313
<b>Total</b>	<b>3,691</b>	<b>483</b>	<b>0</b>	<b>4,174</b>	<b>4,553</b>
 <b>Represented by:</b>					
Fellowship Funds	1,615	201	-	1,816	2,465
Scholarship Funds	621	-	-	621	463
Prize Funds	131	52	-	183	120
Hardship Funds	327	-	-	327	258
Bursary Funds	717	-	-	717	737
Travel Grant Funds	66	-	-	66	61
Other Funds	190	230	-	420	428
General Endowments	24	-	-	24	21
 <b>Total</b>	<b>3,691</b>	<b>483</b>	<b>-</b>	<b>4,174</b>	<b>4,553</b>
 <b>Analysis by asset</b>					
Investments	3,691	483	-	4,174	4,553



## Notes to the Accounts

### For the year ended 30 June 2023

#### 17. Memorandum of Unapplied Total Return

	2023 £'000	2022 £'000
Unapplied total return at beginning of year	34,898	40,858
Unapplied total return in the year (note 3b)	(756)	(5,960)
<b>Unapplied total return at end of year</b>	<b>34,142</b>	<b>34,898</b>

#### 18. Reconciliation of consolidated deficit for the year to net cashflow from operating activities

	2023 £'000	2022 £'000
<b><i>Operating Activities</i></b>		
Operating (Deficit)/Surplus	(4,535)	64
Adjustment to prior year	(4) <sup>RM</sup>	-
Depreciation	3,770	1,607
Provisions	(23) <sup>RM</sup>	4 <sup>RM</sup>
Pension costs less contributions payable	(168)	994
(Increase)/Decrease in Stocks	(16)	(6)
Decrease/(Increase) in Debtors	2,738	(1,762)
Increase/(Decrease) in Creditors	1,220	692 <sup>RM</sup>
<b><i>Adjustment for Investing or Financing Activities</i></b>		
Investment Income	(447)	(884)
Investment Costs	24	172
Interest Payable	392	382
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>2,951</b>	<b>1,263</b>

#### 19. Cash Flow from Investing Activities and Capital Transactions

	2023 £'000	2022 £'000
Other Investment Income	-	-
Investment charges	-	-
Interest paid	(392) <sup>RM</sup>	(410)
<b>Net Cash (Outflow)/Inflow from Investing Activities</b>	<b>(392)</b>	<b>(410)</b>
<b><i>Cash Flow from Capital Transactions</i></b>		
Payment to acquire Tangible Fixed Assets	(2,010)	(2,409)
Payment to acquire Heritage Assets	(14)	-
Payment to acquire Investment Assets	(1,777) <sup>RM</sup>	2,021 <sup>RM</sup>
<b>Net Cash (Outflow)/Inflow from Capital Transactions</b>	<b>(3,801)</b>	<b>(388)</b>

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

**20. Cash flow from financing activities**

	2023 £'000	2022 £'000
Long Term Loans repaid	(143)	(138)
<b>Net Cash (Outflow)/Inflow from Financing activities</b>	<b>(143)</b>	<b>(138)</b>

**21. Capital commitments**

	2023 £'000	2022 £'000
Commitments contracted for at 30 June	470	326

**22. Lease obligations**

	2023 £'000	2022 £'000
<i>Commitments contracted for at 30 June</i>		
Expiring within one year	1,922	1,909
Expiring between two and five years	7,764	7,687
Expiring in over five years	52,221	54,135

## Notes to the Accounts

### For the year ended 30 June 2023

#### 23 Pension schemes

The college participates in three defined benefit schemes and one defined contribution scheme. The defined benefit schemes are the University Superannuation Scheme (USS), the Cambridge Colleges Federated Pension Scheme and the Church of England Funded Pension Scheme (CEFPS). The defined contribution scheme is NOW: Pensions.

The costs recognised in the Income & Expenditure account for the year were:

Scheme	2023 £000	2022 £000
USS	405	371
CCFPS	373	516
Now Pensions	176	145
<b>Total</b>	<b>954</b>	<b>1,032</b>

#### University Superannuation Scheme

##### *Deficit recovery Liability*

The total cost charged to the Statement of Comprehensive Income account is £405k (2022: £371k).

Deficit recovery contributions due within one year for the institution are £126k (2022: £110k).

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2020 (the valuation date), and was carried out using the projected unit method. Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles ([uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles](http://uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles)).

##### **CPI assumption**

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less:

1.1% 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%

## Notes to the Accounts

### For the year ended 30 June 2023

**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 assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

#### 2020 valuation

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

Future improvements to mortality CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. 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:

	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 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2023	2022
Discount rate	5.52%	3.31%
Pensionable salary growth	3.00%	3.00%

#### Cambridge Colleges' Federated Pension Scheme

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

The liabilities of the plan have been calculated, at 30 June 2023, for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Cambridge Colleges'

## Notes to the Accounts

### For the year ended 30 June 2023

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, we have assumed that RPI will be 11% and CPI will be 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 with CMI\_2021 future improvement factors and a long-term future improvement rate of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Male age 65 now has a life expectancy of 21.4 years (previously 21.9 years).
- Female age 65 now has a life expectancy of 23.9 years (previously 24.3 years).
- Male age 45 now and retiring in 20 years has a life expectancy of 22.6 years (previously 23.2 years).
- Female age 45 now and retiring in 20 years has a life expectancy of 25.3 years (previously 25.7 years).

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

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

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

The amounts recognised in the Balance Sheet as at 30 June 2023 (with comparative figures as at 30 June 2022) are as follows:

	2023 £	2022 £
Present value of plan liabilities	(14,516,108)	(16,856,938)
Market value of plan assets	11,698,718	13,664,732
Net defined benefit asset/(liability)	(2,817,390)	(3,192,206)

## Notes to the Accounts

### For the year ended 30 June 2023

The amounts to be recognised in Profit and Loss for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023 £	2022 £
Current service cost	209,516	393,451
Administrative expenses	30,369	30,369
Interest on net defined benefit (asset)/liability	122,455	115,004
(Gain)/loss on plan changes	0	0
Curtailment (gain)/loss	0	0
Total	362,340	538,824

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 £	2022 £
Present value of plan liabilities at beginning of period	16,856,938	22,691,866
Current service cost	209,516	393,451
Employee contributions	68,273	82,311
Benefits paid	(660,695)	(918,050)
Interest on plan liabilities	633,136	404,476
Actuarial (gains)/losses	(2,591,060)	(5,797,116)
(Gain)/loss on plan changes	0	0
Curtailment (gain)/loss	0	0
Present value of plan liabilities at end of period	14,516,108	16,856,938

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:

	2023 £	2022 £
Market value of plan assets at beginning of period	13,664,732	16,331,807
Contributions paid by the College	466,619	510,454
Employee contributions	68,273	82,311
Benefits paid	(660,695)	(918,050)
Administrative expenses	(43,392)	(40,163)
Interest on plan assets	510,681	289,472
Return on assets, less interest included in Profit & Loss	(2,307,500)	(2,591,099)
Market value of plan assets at end of period	11,698,718	13,664,732
Actual return on plan assets	(1,796,819)	(2,301,627)

The major categories of plan assets for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

## Notes to the Accounts

### For the year ended 30 June 2023

	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 £	2022 £
Return on assets, less interest included in Profit & Loss	(2,307,500)	(2,591,099)
Expected less actual plan expenses	(13,023)	(9,794)
Experience gains and losses arising on plan liabilities	(1,193,333)	(1,359,849)
Changes in assumptions underlying the present value of plan liabilities	3,784,393	7,156,965
Remeasurement of net defined benefit liability recognised in OCI	270,537	3,196,223

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 £	2022 £
Net defined benefit asset/(liability) at beginning of year	(3,192,206)	(6,360,059)
Recognised in Profit and Loss	(362,340)	(538,824)
Contributions paid by the College	466,619	510,454
Remeasurement of net defined benefit liability recognised in OCI	270,537	3,196,223
Net defined benefit asset/(liability) at end of year	(2,817,390)	(3,192,206)

#### Funding Policy

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

The last such actuarial 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:

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

- Annual contributions of not less than £226,570 per annum payable for the period from 1 July 2021 to 31 March 2030.

These payments are subject to review following the next funding valuation, due as at 31 March 2023.

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

**Defined Contribution Pension Scheme: NOW: Pensions**

The College operates a defined contribution pension scheme in respect of certain employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the College amounting to £176k (2022: £145k), of which £22k (2022 £20k) was outstanding at the year end.



## Notes to the Accounts

### For the year ended 30 June 2023

#### 24. Reconciliation and analysis of net debt

	As at 1 July 2022 £'000	Cash Flow £'000	Non Cash changes £'000	As at 30 June 2023 £'000
Cash and cash equivalents	3,085	(1,385)	-	1,700
<b>Borrowings:</b>				
Amounts falling due within one year	-			
Unsecured loans	(143)	143	(149)	(149)
Amounts falling due after more than one year				
Unsecured loans	(16,122)	-	149	(15,973)
<b>Total</b>	<b>(13,180)</b>	<b>(1,242)</b>	<b>-</b>	<b>(14,422)</b>

#### 25. Financial Instruments

	2023 £'000	2022 £'000
<b>Financial assets</b>		
<i>Financial assets at fair value through Statement of</i>		
Other investments	118,844	110,670
<i>Financial assets that are debt instruments measured at</i>		
Cash and cash equivalents	2,615	6,743
Other debtors	521	227
<b>Financial liabilities</b>		
<i>Financial liabilities measured at amortised cost</i>		
Loans	(16,122)	(16,265)
Trade creditors	(517)	(904)
Other creditors	(3,729)	(2,186)

## Notes to the Accounts

For the year ended 30 June 2023

### 26. Related Parties

Owing to the nature of the College's operations and the composition of the College Council, it is inevitable that transactions will take place with organisations in which a College Council member 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 Remuneration Committee.

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

From	To	2023 Number	2022 Number
£0	£10,000	5	4
£10,001	£20,000	5	2
£20,001	£30,000	3	1
£30,001	£40,000	1	1
£40,001	£50,000	1	2
£50,001	£60,000	-	1
£60,001	£70,000	1	1
£70,001	£80,000	-	-
£80,001	£90,000	-	-
£90,001	£100,000	2	1
£100,001	£110,000	-	-
£110,001	£120,000	-	1
£120,001	£130,000	-	-
£130,001	£140,000	-	-
<b>Total</b>		<b>18</b>	<b>14</b>

The total Trustee salaries were £512k for the year (2022 £509k)

The aggregate amount of other benefits, employer national insurance and employer pension contributions paid or payable during the year was £158k (2022: £162k)

### 27. Contingent Liabilities

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