

**SIDNEY SUSSEX COLLEGE**  
**Sidney Street, Cambridge CB2 3HU**

**ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**Charity Registration Number: 1137586**

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REFERENCE AND ADMINISTRATIVE DETAILS

**Charity Trustees (Members of the Council)<sup>1</sup>**

**Ex-Officio Members:**

Master: Professor R Penty (to 31 Aug 2023); Professor M Burton (from 1 Sep 2023)  
Vice Master: Professor K Armstrong  
Dr Chris Doran (Acting from 6 Oct 2022 to 30 Jun 2023)  
Senior Tutor: Mr M Beber  
Bursar: Ms S Bonnett (to 13 Oct 2023); Mr M Pierce (from 14 Oct 2023)

**Fellows Elected by and from Members of the Governing Body:**

Ms A Baskerville (1 Sep 2022-31 Aug 2023)  
Professor E Biagini (from 1 Sep 2023)  
Dr F Bordin  
Dr C Doran  
Professor M Eilstrup-Sangiovanni  
Dr B Fulda (to 31 Aug 2023)  
Professor R Garcia-Mayoral  
Dr H Groom  
Dr T Lambert (from 1 Sep 2022)  
Dr Ö Öner (to 31 Aug 2023)  
Dr R Ranasinghe  
Professor C Reynolds (to 31 Aug 2023)  
Professor R Sepulchre (to 31 Aug 2022)  
Dr R Stasch (to 31 Aug 2023)  
Dr S Strelchuk (from 1 Sep 2023)  
Dr C Sumnall (to 31 Aug 2022 and then from 1 Sep 2023)  
Dr E Wilson-Lee (from 1 Sep 2023)

**Four Elected Student Members:**

JCR President: Mr S Lu (to 31 Dec 2022)  
Ms A Morgan (from 1 Jan 2023)  
MCR President: Ms I Horvat Mineh (to 31 Mar 2023)  
Ms S Mahmood (from 1 Apr 2023)  
JCR Vice-President: Ms E Lawson-Todd (to 31 Mar 2023)  
Mr L Nicholas (from 1 Apr 2023)  
Student Rep: Ms S Mahmood (to 30 Sep 2022)  
Mr R Robertson (from 1 Oct 2022)

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<sup>1</sup> In accordance with the Charity Commission Guidance, membership includes all those who were Trustees on 8 November 2023, the date the report was approved, and all those who had served as a Trustee during the 2022-23 financial year.

## **Governing Body**

The names of the members of the Governing Body for the year ended 30 June 2023 were as follows:

Master: Professor R Penty

Professor A Al-Tabbaa  
Professor K Armstrong  
Dr T Aubry (to 31 Aug 2022)  
Ms A Baskerville  
Dr A Bates (from 1 Sep 2022)  
Mr M Beber  
Professor E Biagini  
Dr S Bill (Professor since 1 Oct 2023)  
Ms S Bonnett  
Dr F Bordin  
Dr P Carter  
Dr L Cheke  
Dr G Crossan  
Dr S Dandeleit (from 1 Sep 2022)  
Dr T Demetriou  
Dr C Doran  
Dr R Duschinsky (Professor since 1 Oct 2023)  
Dr A Eaton (from 1 Sep 2022)  
Professor M Eilstrup Sangiovanni  
Professor E Eiser  
Professor A Flewitt  
Dr P Flynn  
Professor L Fruk  
Dr B Fulda  
Dr Y Galanakis  
Dr N Ganany  
Professor R Garcia-Mayoral  
Professor G Gerstle (to 31 Aug 2022)  
The Revd Dr B Gray  
Professor A Greer (to 31 Aug 2022)  
Dr B Groisman  
Dr H Groom  
Professor M Gurnell  
Dr F Hall  
Dr J Holley (to 31 Dec 2022)  
Dr A Jackson  
Dr T Lambert  
Dr H Leggett (to 31 Aug 2022)  
Dr J Longley  
Professor P McHugh (to 31 Aug 2022)  
Dr A Meghji (from 1 Sep 2022)  
Dr F Muschitiello (to 31 Aug 2022)  
Dr S Millington-Burgess (from 1 Sep 2022)  
Professor A Neely  
Dr M Noriega-Sánchez (Professor since 1 Oct 2023)  
Dr Ö Öner  
Professor M Pollitt  
Professor M Ramage  
Ms E Rampton  
Dr R Ranasinghe  
Professor C Reynolds

Dr C Roberts (to 31 Aug 2022)  
Dr C Roddie  
Dr C Scalliet  
Dr A Schneider  
Professor R Sepulchre  
Dr J Seymour  
Dr D Skinner  
Dr R Stasch (Professor since 1 Oct 2023)  
Dr S Strelchuk  
Dr C Sumnall  
Dr S Theil  
Dr A Weller (from 1 Sep 2022)  
Dr O Weller  
Dr C Whitewoods (from 1 Sep 2022)  
Dr E Wilson-Lee  
Professor M Zernicka-Goetz

Elected student members of Council are also members of the Governing Body (see Council membership on previous page)

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**Senior officers for the 2022-23 financial year**

Master: Professor R Penty  
Vice Master: Professor K Armstrong  
Dr Chris Doran (Acting from 6 Oct 2022 to 30 Jun 2023)  
Senior Tutor: Mr M Beber  
Bursar: Ms S Bonnett

**Principal advisers**

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

Bankers: Barclays Bank plc  
Abacus House  
Castle Park  
Castle Hill  
Cambridge  
CB3 0AN

Buildings Consultants: Pleasance, Hookham & Nix  
1 Northampton Street  
Cambridge  
CB3 0AD

Property Managers: Cheffins Commercial  
Clifton House  
1-2 Clifton Road  
Cambridge  
CB1 7EA

Investment Managers: BlackRock Investment Management (UK) Limited  
12 Throgmorton Avenue  
London  
EC2N 2DL

Legal Advisers: Mills & Reeve  
Botanic House  
100 Hills Road  
Cambridge  
CB2 1PH

## **OPERATING AND FINANCIAL REVIEW**

### **1. About Sidney Sussex**

Sidney Sussex College was founded in 1596 under the will of Lady Frances Sidney, Countess of Sussex and is one of the ancient colleges of the University of Cambridge. Its purposes are the admission and education of students matriculated in the University of Cambridge and the promotion of academic research by its Fellows. It is an independent, self-governing, corporate body whose affairs are regulated by statutes approved by the King in Council (formerly by the Queen in Council). The College was formally registered with the Charity Commission on 25 August 2010. The College provides accommodation and catering for its junior members through most of the year, and for academic and other conferences during vacations.

#### **Aims and objectives of the College**

The College is a place of education, religion, learning and research, and it aims to promote academic excellence and freedom of thought and belief.

#### ***Education***

The College provides, in conjunction with the University of Cambridge, an education for almost 650 undergraduate and postgraduate students, which is recognised internationally as being of the highest standard. This education is both academic and personal in the sense that it enhances the students' potential to become leaders and effective communicators, so preparing them to play full and effective roles in society. It is a central aim of the College to promote academic excellence, just as it is to guard freedom of thought and belief, for all its members and for the public good.

In pursuit of these benefits, the College:

- provides extensive teaching facilities, especially including individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial and graduate mentoring systems;
- provides social, cultural, musical, recreational and sporting facilities enabling all students to realise their academic and personal potential to the full while studying at the College;
- is committed to the freedom of thought and expression;
- maintains an extensive library, so providing a valuable resource for students and Fellows of the College.

The College is committed to:

- admitting undergraduate and postgraduate students who have the highest potential for benefitting from the education provided by the College and the University;
- operating an outreach programme to raise educational aspiration, and to attract outstanding applicants who might not otherwise have considered entering Higher Education at all, so that they may be encouraged to apply to a University, to Cambridge in general and to Sidney Sussex College in particular. This programme involves an extensive round of visits to schools, school visits to the College, open days, taster days devoted to individual academic disciplines and admissions conferences for teachers, as well as extensive guidance and information available on the College website;
- setting out an admissions policy that ensures students are selected without regard to their gender, sexuality, social background, geographic location, religious commitment, ethnic origin or financial position. No student is excluded on the grounds, or as a result, of these factors;
- assisting undergraduates with limited financial means by providing bursary support through the Cambridge Bursary Scheme, which is operated jointly by Colleges and the University. For the academic year 2022-23, the number of awards made was 86 (2021-22: 88) out of a Home/EU undergraduate population of 351 (2021-22: 348). 43 (2022: 40) of the awards were at the maximum value of £3,500 (2021-22: £3,500); and the average value of the awards was £2,648 (2021-22: £2,500);
- supporting the costs of postgraduate students by providing substantial financial support. This includes studentships to fund fees and living costs and 'top-up' funding to fill funding shortfalls in students' funding packages;

- supporting all students through a grants scheme, assisting with the purchase of books and equipment, attendance at conferences, study and research grants and travel grants;
- operating a financial assistance scheme for all students in financial need.

In order to fund the provision of its educational objectives, the College charges the following fees:

- Home and qualifying EU undergraduates are charged a combined University and College fee of £9,250 (£9,250 in 2021-22), of which the College's share is £4,625 (£4,625 in 2021-22);
- Overseas undergraduates are charged a College fee of £10,350 (£9,840 in 2021-22);
- Postgraduates are charged a combined University and College fee, which varies according to the course. The total fee income is then allocated across Colleges at an equal average rate per student which for 2022-23 is £4,761 per postgraduate (£4,475 in 2021-22);
- Accommodation and meals are charged at reasonable rates;

### ***Public benefit***

The Council has complied with its duty regarding public benefit, showing regard to the Charity Commission's guidance. The College follows a rigorous and objective process for selecting members in partnership with the University of Cambridge.

In order to fulfil its charitable purposes of advancing education, religion, learning and research, the College employs Fellows in roles which include those of Teaching Officers, Directors of Studies, Tutors, and senior administrative officers. All Fellows in Classes 1, 2 and 3 are members of the College's Governing Body. The employment of the Master and Fellows is undertaken with the intention of furthering the College's aims, and their employment directly contributes to the fulfilment of those aims. The private benefit accruing to the Master and Fellows through salaries, stipends and employment related benefits is objectively reasonable, measured against academic stipends generally, and reviewed by the Remuneration and Benefits Committee which has at least two external members. Annual pay increases normally follow national settlements applying to the university sector. Without the employment of Fellows, the College could not fulfil its charitable aims as a College in the University of Cambridge.

As a not-for-profit organisation, the College sets its charges for members only as high as is necessary to cover costs. Bursaries and other financial support are 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 need.

### ***Religion***

In pursuing its objective as a place of religion, the College carries forward the tradition, continuous since its foundation, of reflection upon the benefits, and moral and ethical commitments, entailed by religious belief, and upon the implications of that belief for the individual and society. It is, further, a central aim of the College to promote freedom of thought and belief among all its members, of any faith and none.

As part of this, the College:

- maintains, in accordance with its Statutes and the law of the land, its historic connection with the work of the Church of England, particularly through its Anglican services in College;
- maintains and supports the Chapel as a place of religious worship and holds a variety of religious services on weekdays and at weekends during term, which are open to the general public and to visitors;
- supports the emotional, spiritual and mental wellbeing of all members of the College community through its chaplaincy, and through the stimulus that the chapel can provide to all, regardless of whether they have a particular faith commitment or not, to reflect upon the ethical and wider dimensions of human existence and the accompanying social responsibilities;
- enriches its services in Chapel through its outstanding choral tradition carried forward by the College's Choir.

The College's religious services (in all senses of the word 'services') are available to every member of the College, and benefit the wider public through the openness of all rites (twice weekly Evensong), alongside a variety of other services, to all members of the public, through charitable collections undertaken by members of

the College, and through the promotion and dissemination into society at large of values and practices that foster moral, spiritual and ethical well-being.

### ***Learning and research***

Learning and research seek to increase the sum of human knowledge and to be applied to the benefit of society. It is a central aim of the College to promote academic excellence through research, and in doing so to uphold freedom of expression, thought and belief, for all its members and for the public good.

In carrying out its objective of advancing research, the College:

- usually offers two Research Fellowships per year tenable for a period of 3 years;
- provides College Teaching Officer posts, the duties of which require that a substantial proportion (at least 50%) of time be devoted to developing the Fellow's research. In 2022-23 there were 6.5 College Teaching Officers in post;
- supports research work pursued by its other Fellows through promoting interaction across disciplines, providing facilities and providing grants for national and international conferences, research trips and research materials;
- encourages visits from other academics, from home and abroad, through its Visiting Fellowships and other similar programmes;
- maintains a library and College Archive, including important special collections of great value for which the College has a duty of perpetual and inalienable care, so providing a valuable resource of learning and scholarship.

With a view to improving access to learning and research:

- the academic staff of the College are recruited for their potential to contribute to the College's aim of promoting academic excellence, regardless of their gender, sexuality, social background, religious commitment, ethnic origin or financial position;
- the College supports and encourages the dissemination of research undertaken by members of the College to the public at large through the publication of papers in academic journals or other suitable means, including the mass-media of radio, television, journalism, web and social media;
- Research Fellowships, like College Teaching Fellowships, are awarded to outstanding academics at the early stages of their careers. Research Fellowships enable academics to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post. Teaching Fellowships combine a proportion of teaching and administrative duties with a similar opportunity to develop and focus on research.



## 2. Review of operations

### 2.1. Student numbers

During the 2021-22 academic year, the College admitted 109 (2021-22: 109) undergraduates and 114 (2021-22: 115) postgraduate students. The breakdown for each is shown in the tables below.

<u>Undergraduate Admissions</u>	<b>Arts</b>		<b>Sciences</b>		<b>Overall</b>	
	<b>2022-23</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2021-22</b>
Male	21	21	38	29	59 (54%)	50 (46%)
Female	37	35	13	24	50 (46%)	59 (54%)
<b>Total</b>	<b>58</b>	<b>56</b>	<b>51</b>	<b>53</b>	<b>109</b>	<b>109</b>

#### Comprising:

Home maintained school	62 (57%)	57 (52%)
Home independent school	26 (24%)	32 (29%)
Settled Status maintained school	0	1 (1%)
Settled Status independent school	0	1 (1%)
Pre-settled Status	0	2 (2%)
Overseas Status (EU)	0	2 (2%)
Overseas Status (non-EU)	21 (19%)	14 (13%)
<b>Total</b>	<b>109</b>	<b>109</b>

<u>Postgraduate Admissions</u>	<b>Arts</b>		<b>Sciences</b>		<b>Overall</b>	
	<b>2022-23</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2021-22</b>
Male	36	31	24	30	63 (57%)	61 (53%)
Female	37	39	17	13	48 (43%)	52 (45%)
Other/Unknown	0	1	0	1		2 (2%)
<b>Total</b>	<b>73</b>	<b>71</b>	<b>41</b>	<b>44</b>	<b>114*</b>	<b>115</b>

\* Total does not include 8 MB/BChir, 2 VetMB and 2 MMath students, all of whom progress automatically from their undergraduate courses, and 2 visiting Fox Fellows.

In total, 412 (2021-2022: 402) undergraduate and 258 (220 full-time) (2021-2022: 269 [225 full-time]) postgraduate students were on the register.

### 2.2. Student support

In order to assist undergraduates from families with low incomes, the College provides financial support through the Cambridge Bursary Scheme which is operated jointly by Colleges and the University. In addition, the College provides a number of top-up bursaries. Undergraduates in the College received £346k (2021-22: £320k) in bursaries. In addition, the College provided £52k (2020-21: £88k) in study awards and financial assistance grants to students in financial need.

The College provided £214k (2021-22: £210k) in financial support to postgraduate students in order to assist with their costs. This is in the form of a limited number of full studentships, top-ups to external studentships and assistance with research expenses.

To raise educational aspiration and attract outstanding applicants, who might not otherwise have considered applying, the College operates an outreach programme. The programme includes visits to schools, visits by schools, open days, taster days devoted to individual academic disciplines and admissions conferences for teachers, as well as extensive guidance and information available on the College website. Excluding bursaries the College spent £127k (2021-22: £59k) on access activity in the year.

### 2.3. Academic achievements

A marking and assessment boycott by members of the University and College Union (UCU) delayed academic results for 2023. The University reported that, at the end of August 2023, "out of 4,090 undergraduate students in the Collegiate university who should have graduated in the summer, only 59% did so. For nine-month MPhils, only 45% were able to get their final marks. Of 7,275 non-finalist undergraduates, only 30% have been classed." The University Examinations Offices set a deadline of 16 October 2023 for receipt of all approved

marks and class lists, but noted that in exceptional circumstances, extensions to the deadline may be agreed. Final results were not yet available from the University at the time of finalising this report.

#### **2.4. Capital expenditure and maintenance**

The maintenance of the College's operating assets requires a continuing financial commitment from the College.

As well as day-to-day reactive maintenance, the College also operates a planned maintenance refurbishment programme designed to maintain and improve the estate. In 2022-23 the College spent the budgeted £500k on this programme, principally on the refurbishment of 25, 26 and 27 Park Parade hostels and the further redecoration of Garden Court.

The College has budgeted £550k (10% increase from the previous year) for this programme for 2023-24. This will focus on the internal refurbishment of 4 and 6 Park Parade, the replacement of Z Staircase bathroom and kitchens, and priority accessibility works recommended by the Accessibility Working Group based on student feedback and an external accessibility audit conducted by AccessAble. An additional £76k has been approved for enabling works to replace the College's boilers as part of its decarbonisation and environmental sustainability programme.

#### **2.5. Data handling**

The College continues to monitor its data handling, reporting and Data Protection Statements in line with the UK General Data Protection Regulation (UK-GDPR).

#### **2.6. Donations and fundraising**

The College's fundraising efforts are primarily directed at raising money from its alumni and supporters through major gifts, regular giving and legacies. While unrestricted gifts are a current priority, enabling the College to direct fundraising where it is most needed, other priority areas are student support, teaching and research, college life, and buildings and environment. Despite on-going challenges in the recruitment market, and the continuing need to improve the operational side of the office, by the end of the financial year all team members were in post, which should place the team in a good position going forwards.

Given the circumstances, the College is immensely grateful for the £2.216 million in donations and legacies received over the course of the year.

As income received can vary significantly, the table below shows funds received over last five financial years which demonstrates the fluctuation from year to year.

<b>SIDNEY</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
Income received	£1.439m	£1.582m	£2.362m	£1.215m	£2.216m

All fundraising is carried out by the Development and Alumni Relations Office (DARO), with support from the wider Fellowship and student volunteers. The department reports quarterly results to Council and all its work is subject to oversight by a dedicated College committee, which meets three times per year. The College is registered with the Fundraising Regulator and was not the subject of any complaints to that body in 2022-23. The College has a Data Protection Statement which governs the use of any personal data held and how it is used, and the College ensures that alumni provide consent in its holding their personal data, in line with best practice methodology.

A new process was implemented this year to enable internal transfer of contact details from consenting students from the Tutorial Office to DARO as part of students' graduation arrangements, and DARO has worked hard to ensure that all consent information is up-to-date and stored in accordance with recommendations from the Information Commissioner's Office (ICO). The College does not seek support from the general public and takes active steps to respect the needs of any potential supporter who may be in a

vulnerable circumstance or require additional care and support to make an informed decision. A Donations, Solicitation and Approvals Policy was adopted this year by the Council, on the recommendation of the Development Committee, and placed on the College's website to provide transparency and reassurance for all prospective and current donors.

### ***2.7. Equal opportunities***

The College is committed to the principle and practice of equal opportunities and strives to be an equal opportunities employer. Building upon this, the College established an Equality, Diversity and Inclusion (EDI) working group in 2020-21 to develop a strategy for improving EDI within the College. During the 2021-22 academic year, the Working Group evolved its approach from one that was principally about listening to, and learning from, others, to one more focussed on actions that the College could implement. An EDI Policy Framework document was developed and adopted by Council on 30 June 2022 which establishes the College's values and commitments in relation to EDI and modalities for their implementation.

In 2022-23 the EDI Working Group was reconstituted as a standing Council Committee from the start of Lent Term 2023, and has moved into an active phase of work, focussing on the implementation and monitoring of the EDI Policy Framework, and a more detailed analysis of EDI norms and principles, with a particular emphasis on ensuring alignment with Codes applicable to a charitable organisation. The EDI Committee has formed a sub-committee to draft an equality, diversity and inclusion survey of students to have better quantifiable data from which to develop its recommendations.

### ***2.8. Gender equality***

Women undergraduates were first admitted to the College in 1976 and for the past two years women comprised 50% of undergraduate admissions and 44% of postgraduate admissions are women. 1% of postgraduate admissions were students who identified as 'other' or whose gender identification is unknown to the College.

The College appointed its first female Master in 1999, the first of the formerly all-male Cambridge Colleges to do so. At the start of the 2022-23 academic year, women comprised 38% of the current Fellowship and 35% of the Trustees of the College (11 male and 5 female Fellows, 2 male and 2 female students). Women held many positions of responsibility within the College during the same period, including Admissions Director, Bursar, College Registrar, Development Director, Domestic Bursar, Head of Student Wellbeing and four Heads of Department.

### **3. Review of financial performance**

In 2022-23, the College returned fully to pre-pandemic operations, with conference activity resuming strongly and returning to pre-pandemic levels, and students in residence for the full academic year. However, the continued depression in income from commercial rental units and high levels of inflation, particularly for energy, heat and light, but also for staffing costs and food and drink, has had a significant and sustained financial impact.

#### **3.1. Balance Sheet**

Net assets this year increased by £8.5 million from £131.0 million to £139.5 million. This was driven by:

	<b><u>2022-23</u></b>
	<b>£m</b>
Investment Gains	5.9
Sidney Sussex 1975 Pension scheme	1.1
Commercial Property Investment Gains	0.7
Operating surplus/ (deficit)	0.8
<b>Total</b>	<b>8.5</b>

Two of the largest movements in the balance sheet are the increase in the market value of the shares held by the College, and the favourable movement in the surplus/deficits of the two pension schemes in which the College participates.

The market value of shares held by the College increased by £5.9 million from June 2022 to June 2023.

The USS pension provision has remained static at just over £3.0 million; however, the Sidney Sussex 1975 Pension Scheme provision has moved favourably by £1.3 million from a scheme deficit of £0.2 million to a scheme surplus of £1.1 million. This improvement is due to the increase in the discount rate used to value the liabilities from 3.8 % pa to 5.15% pa, which acts to reduce significantly the value placed on the Scheme's liabilities. There has also been growth in the market value of the plan assets of £0.5 million.

The College's commercial property portfolio was revalued internally in June 2023, which resulted in an increase in the valuation from £15.3 million to £15.9 million. This followed a decrease in value of over £7 million over the previous three years. The valuation was undertaken on the basis of market value of rents using yields as published by third party property specialists such as Knight Frank and Savills.

At the end of the 2020-21 financial year, the College secured a second long term debt issue by way of a private placement of £10.0 million from the Pensions Insurance Corporation (a loan of £8.5 million was secured in the 2019-20 financial year). The funds were received in June 2021 with a maturity date of 12 May 2066. The College's objective in securing the debt was to take advantage of the low interest rates at the time and gear the balance sheet to generate future unrestricted income for the College. The loan has created a short term cash reserve, which has alleviated the risk of liquidity issues arising from the significant and prolonged reduction in income during the COVID-19 pandemic. During the course of 2021-22 and 2022-23 the cash from these instruments has continued to be invested.

#### **3.2. Statement of Comprehensive Income and Expenditure (SOCIE)**

The SOCIE shows an operating surplus (before other gains and losses) of £0.783 million for the year, compared with an operating deficit of £2.197 million in 2021-22. The 2021-22 figures were significantly impacted by the increase in the provision required against the USS pension scheme of £1.747 million.

Other gains and losses in the year show a gain on investments of £6.6 million compared with a loss of £2.7 million in 2021-22. This year's increase is predominantly due to gains on the Amalgamated Fund (securities portfolio which is managed for long term total return) of £6.3 million, offset by losses on other investments of £0.4 million, alongside the £0.7 million increase in the commercial property valuation.

The College also measures the underlying operational surplus or deficit by excluding donations income and expenditure on major works. In 2022-23, the underlying operational deficit on this measure was £0.6m, which represents an improvement compared with the 2022 operational deficit of £1.3 million. This resulted from the

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benefits of higher levels of conference and events activity. However, the outlook for 2023-24 and future years remains challenging due to inflationary pressures on staff costs, utilities and other expenditure whilst tuition fees from home fee status undergraduates remain fixed.

### **3.2.1. Income**

The College had total income of £12.958 million in the year, an increase of £2.749 million (27%) from the £10.209 million for 2021-22.

	<b><u>2022-23</u></b>	<b><u>2021-22</u></b>	<b><u>Variance</u></b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Student fees	3.051	2.850	0.201
Accommodation and catering charges to members	3.123	2.868	0.255
Conference and hospitality	1.345	0.623	0.722
Investment income	3.174	2.588	0.586
Donations and Endowments	2.216	1.215	1.101
Other	0.049	0.065	(0.016)
<b>Total</b>	<b>12.958</b>	<b>10.209</b>	<b>2.749</b>

Income from academic fees and charges increased by £0.201 million (7%) because of the higher postgraduate per capita fee which has increased from £4,475 to £4,767 per FTE student. There was also an increase in the numbers of undergraduates on the unregulated fee rate which generated an additional £0.100 million of income.

Income from accommodation, catering and conferences increased by a total of £0.977 million (28%) in the year. This is predominantly due to the return of conferences and guest room income to pre pandemic levels.

The increase of £0.586 million (23%) in investment and endowment income predominantly comprises an increase in interest on deposit accounts (which generated an additional £0.233 million across the year) and higher commercial property income of £0.166 million. The increase in commercial property income represents the removal of rent reductions and waivers for tenants during Covid-19 that had suppressed the income in the 2021-22 accounts. The College has recognised all the commercial rental income that was invoiced to the tenants, although there is still a significant doubtful debt provision for a small number who continue to have financial difficulties.

Donations and Endowment income increased by £1.001 million (82%) to £2.216 million. The 2022-23 income includes the final instalment of a significant annual pledge and also a substantial legacy which means that expected donations income for 2023-24 are likely to be lower. The College is extremely grateful for the donations and benefactions it receives as they enable the College to continue to provide high quality personalised teaching and other benefits to its students to deliver its charitable purpose, particularly in such financially challenging times.

Other income has decreased by £0.016 million from £0.065 million last year to £0.049 million this year.

Academic fees cover only 54% of the cost of providing education, and this year the College ran a deficit of £2.616 million on education. The College is reliant on income from conferences, commercial property and dividends from investments, as well as donations, to fund the education deficit. As such, the ongoing reduction in income from commercial rental income due to the COVID-19 pandemic has meant that the College has been, and continues to be, even more exposed to the deficit on education.

### **3.2.2. Expenditure**

In 2022-23 expenditure decreased from the previous year by £0.231 million (2%) to £12.175 million. The 2021-22 expenditure included an adjustment of £1.747 million due to the USS provision increase. Excluding this, underlying costs therefore increased by £1.516 million (14%).

The increases in underlying costs came from a variety of areas and were largely due to inflationary pressures impacting staffing costs, utilities and food. However, more positively, it was also as a result of increased conference activity, associated with increased income under this heading. Expenditure on maintenance and

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major projects resumed to pre-pandemic levels and there were significant increases in fundraising activity, professional fees, IT infrastructure expenditure and Wellbeing support.

### 3.3 Investments

Broadly the College has four categories of investments:

- 1) Securities portfolio (the Amalgamated Fund) which is managed for long term total return.
- 2) Commercial property, which comprises retail units that are integral to the College site, or student accommodation blocks. The College is unlikely to be able to sell any of this property, so it is managed for income over the long term.
- 3) Other investments, which have been donated to the College. The College aims to reduce any direct holdings and convert investments into the equity portfolio.
- 4) Cash

As shown in the table below, the College's investments increased in value by £10.71 million to £102.982 million.

These investments generated £3.174 million income during the year; a combination of equity returns, rent from commercial properties and bank interest.

During the year, £5 million additional funds were transferred from cash to investments for future College income. £1.5 million was disinvested from BlackRock, and £6.5 million was invested into the Cambridge University Endowment Fund. These funds came from the debt issue raised in June 2021 and receipts from the Darwin Green land sale.

#### 3.3.1 Investment Asset Allocation

The proportions held in each investment category change over time as a result of investment performance and operational need:

<b>Movements in Investment Asset Allocation</b>	<b>June 2022 £ million</b>	<b>June 2023 £ million</b>	<b>Movement £ million</b>
Charities UK Equity Index Fund (BlackRock)	18.94	18.19	(0.74)
iShares Developed World Index Fund (BlackRock)	0.00	0.00	0.00
iShares Developed World Fossil Fuel Screened Equity Index Fund (BlackRock)	52.82	58.92	6.09
Cash held pending transactions (BlackRock)	0.00	0.00	0.00
Charities Property Fund (Savills)	2.93	2.44	(0.48)
Cambridge University Endowment Fund	0.00	6.50	6.50
<b>Sub-total: Amalgamated Fund</b>	<b>74.68</b>	<b>86.05</b>	<b>11.37</b>
Commercial Property	15.28	15.93	0.66
Other Investments	1.63	0.85	(0.68)
Cash held for funds	0.68	0.07	(0.48)
<b>Total</b>	<b>92.27</b>	<b>102.98</b>	<b>10.71</b>

The Amalgamated Fund, in which the College's Special Trust Funds and Designated Funds are held, is a securities portfolio which predominantly comprises passive tracker funds managed by BlackRock; specifically in the Charity UK Index Fund and the iShares Developed World Fossil Fuel-screened Fund. There are also investments in the Charities Property Fund. During the year £1.5 million was disinvested from BlackRock Charities UK Equity Index Fund and £6.5 million was invested into the Cambridge University Endowment Fund.

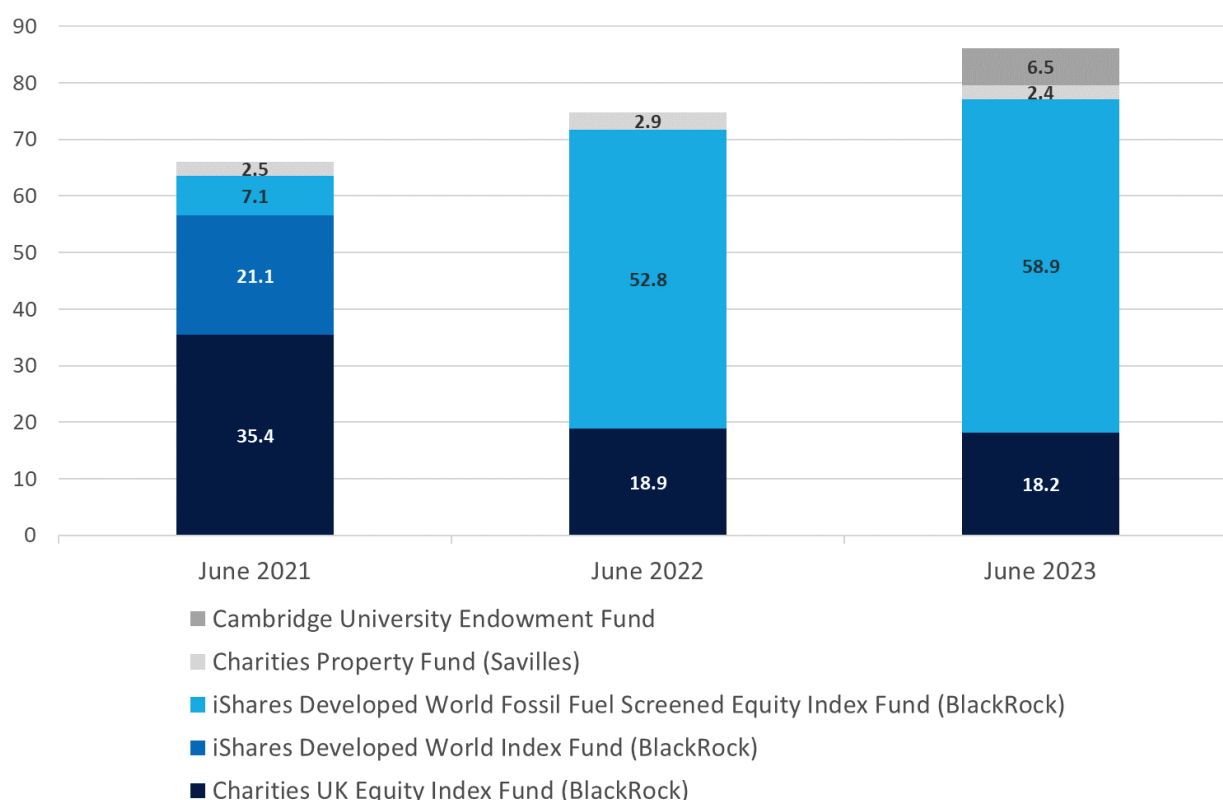


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The College has been moving towards this revised allocation in a phased approach over time. In 2022-23 it was agreed to add investment to the Cambridge University Endowment Fund (CUEF) to the portfolio to improve diversification by adding exposure to private equity and other assets. Currently the investment in CUEF represents 6% of the portfolio, however the Investment Committee has agreed a medium-term aim to increase to 30%.

The graph below illustrates the diversification of the portfolio over the last three years, moving away from a high weighting to the UK equity market, replacing the Developed World fund with a Fossil Fuel-screened Developed World Fund, and investing for the first time in CUEF.

**Evolution of Strategic Asset allocation for the Amalgamated Fund**



The total investment returns for the passive tracker funds held with BlackRock (90% of the Amalgamated Fund as at June 2023) are shown below for the periods to July 2023. The remaining 10% of the Amalgamated Fund at June 2023 was held in CUEF.

Period	Portfolio (%)	CPI (%)	Portfolio net of CPI (%)
1 Year	7.75	6.83	0.92
3 Years (Ann.)	11.28	6.30	4.98
5 Years (Ann.)	5.31	4.37	0.95

Source: BlackRock, data as at 30 June 2023

**3.3.2 Total Return Accounting**

The College Statutes, approved in 2018, confer the power to adopt Total Return accounting for investment income. The College approved proposals for the implementation of Total Return accounting from 1 July 2022. In order to smooth the effects of short-term volatility in asset values, the income spending rule is based on a three-year rolling average of the quarter-end unit values of the Amalgamated Fund. To provide budget certainty and an opportunity to react to unanticipated changes in market conditions, the rolling average will be lagged by

two quarters. As an example, the expenditure in the year 2022-23 was based on the twelve quarter-end unit values from the quarter ended 31 March 2019 to the quarter ended 31 December 2021. It was agreed that the Total Return draw down will be set at the level of 3.2% of the weighted average unit value of the Amalgamated Fund. The College approved that the initial Unapplied Total Return was calculated from June 2012 based on a review with the auditors of the data available.

The College adheres to the Charity Commission guidance on ethical investments as a minimum standard but will take additional action on ESG (environmental, social and governance) considerations whenever it is possible and effective to do so within the College's fiduciary responsibilities. The College's current holdings are concentrated in publicly listed companies through passive market tracker funds. Where the College sees that within its fiduciary responsibilities it can contribute to changes in public discourse, it will exclude particular companies or sectors from its portfolio for ESG considerations. The College aims to appoint investment managers with ambitious shareholder engagement goals and methods, including those that combine divestment and engagement to good effect. The College's default position will be to expect managers to vote in favour of ESG shareholder resolutions.

### 3.4 Reserves

The College's Reserves Policy ensures that the College has sufficient financial resources to continue to operate effectively under financially stressed conditions, but also constrains the extent to which reserves are built up from operating surpluses to help maintain inter-generational equity and balance the needs of current and future students.

The College's target for free reserves is set out below:

Reserve	Target Free Reserves	Rationale
Strategic initiative reserve	£2.5 million	To fund strategic initiatives such as investment in property and facilities for members of College – equivalent to approximately 5% of fixed assets.
Contingency Income and Expenditure	£2.5 million	Contingency to cover extreme/unexpected expenditure or cover shortfall in income – equivalent to approximately 25% of turnover.
<b>Total</b>	<b>£5.0 million</b>	

Available free reserves represent unrestricted general funds of the College. The calculation involves analysis of the composition of the total reserves shown in the Balance Sheet. In line with the Charity Commission definition, the College excludes the following categories in its calculation of free reserves:

- Restricted reserves (comprising special trust funds, restricted capital grants and permanent restricted endowment);
- Illiquid investments (which includes the College's commercial rental properties since they are integrated with student accommodation blocks);
- Fixed and heritage assets.

Additionally, the College excludes 'Designated Funds' (technically unrestricted funds but which the Council has designated for a particular purpose) from the free reserves calculation since these funds are not normally available for general expenditure.



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Set out below is a table showing the historical trend in free reserves:

£ million	June 2018	June 2019	June 2020	June 2021*	June 2022	June 2023
<b>Total reserves</b>	<b>133.3</b>	<b>131.7</b>	<b>123.3</b>	<b>131.3</b>	<b>131.0</b>	<b>139.5</b>
Less: Restricted reserves	(34.1)	(34.5)	(31.9)	(32.1)	(30.3)	(32.5)
Less: Fixed/heritage assets	(49.6)	(53.0)	(57.0)	(60.1)	(59.3)	(57.9)
Less: Illiquid investments	(30.2)	(28.9)	(21.4)	(18.9)	(18.6)	(16.8)
<b>Sub-total: Free Reserves including Designated Funds</b>	<b>19.4</b>	<b>15.3</b>	<b>13.0</b>	<b>22.5</b>	<b>22.7</b>	<b>32.3</b>
Less: Designated funds	(14.4)	(15.1)	(17.5)	(21.1)	(21.6)	(25.9)
<b>Available Free Reserves</b>	<b>5.0</b>	<b>0.1</b>	<b>(4.5)</b>	<b>(0.9)</b>	<b>1.1</b>	<b>6.5</b>

*\*Note that for June 2021 figures, Free Reserves are stated after the Post Balance Sheet Event in which the impact of a new deficit recovery plan agreed for the USS pension scheme was included with an increase in the provision of £2.3 million for the obligation to fund the deficit. Before this adjustment, the Free Reserves were £1.3 million.*

As at 30 June 2023, the College's free reserves were £6.5 million compared with target reserves of £5.0 million. The significant increase from June 2022 to June 2023 primarily reflects the increase in market value of the investments, the overall decrease in the pension provisions, and the receipt of unrestricted donations during the year. The market values of the investments increased by £6.6 million of which £4.0 million is restricted or designated, the Sidney Sussex Pension Scheme provision improved by £1.3 million and the receipt of £1.2 million donations in the year with no restrictions have further increased the free reserves.

Whilst the return to target level of free reserves is welcome, the College recognises that continuing to operate at an operational deficit will erode the free reserves and remains focussed on maximising income and donations, reducing costs, using restricted income from Special Trust Funds and Designated Funds effectively, and investing in the Sidney Sussex Permanent Fund in order to improve financial resilience and recover from an operational deficit. The Sidney Sussex Permanent Fund was set up 2019-20 to build a permanent capital fund to generate additional unrestricted income for the College.

### 3.5 Pension funds

The College participates in two pension schemes, the Sidney Sussex 1975 Pension Scheme and the Universities Superannuation Scheme (USS). The Sidney Sussex 1975 Pension Scheme has been closed to new members since 2004 and at the June 2023 year-end has only four active members accruing benefits. All other College staff (academic and non-academic) on the payroll are auto-enrolled in the USS Scheme (subject to meeting the eligibility criteria) unless they choose to opt out. Further details of these schemes are set out on page 52 under 'Pension costs'.

The Sidney Sussex 1975 Pension Scheme moved during the year from a deficit of £0.2 million to a surplus of £1.1 million due to the increase in the discount rate used to value the liabilities from 3.8% pa to 5.15% pa, which acts to reduce significantly the value placed on the Scheme's liabilities. There has also been growth in the market value of the plan assets of £0.5 million.

Meanwhile, the USS deficit funding provision was stable at £3.0 million (there was a small reduction of £32k).

Both pension funds underwent a triennial valuation in 2020. A valuation establishes whether, at a certain date, the scheme trustees believe the pension scheme will have enough money to be able to pay the pensions that the scheme's members are expecting, now and long into the future. Given the timing of the global COVID-19 pandemic, both valuations, particularly USS, were impacted by the financial uncertainty in the markets at the valuation date.

The July 2020 valuation for the Sidney Sussex 1975 Pension Scheme was completed in March 2021. The deficit reduction contributions were maintained at the pre-existing level of £294k per annum whilst the period of

the deficit recovery plan was reduced to seven years. The July 2023 valuation is not yet complete at the time of writing.

The 'snapshot' date for USS 2020 valuation was 31 March 2020. There has been no further update to the valuation in the intervening period, however further increases in employer and employee contributions came into effect from 1 October 2021.

Work is being undertaken in both schemes to deliver the next triennial valuations as at 31 March 2023 for USS and 1 July 2023 for the 1975 Sidney Sussex Pension Scheme.

Given the current favourable market conditions and the rising risks, costs and uncertainty due to the increasing regulatory burden and possible future volatility of markets, the Council approved a proposal to undertake a consultation in the latter half of 2023 to close the Sidney Sussex 1975 Pension Scheme to future accruals and consider an insurance buy-in / buy-out to exit the scheme.

#### 4. Principal risks and uncertainties

Members of the Council, as Trustees of the College, have ultimate responsibility for ensuring risk is managed effectively within College. The Council implemented a revised risk management process in 2019-20, with regular reviews and updates now having become embedded in annual committee work plans.

The principal risks the College must continuously address are:

- The long-term ability to maintain and develop its educational and research activities;
- To attract the best staff and students; and
- To maintain and renew its physical facilities (including improvements to its environmental sustainability).

There are always uncertainties regarding the future external environment within which the College will operate, most notably regarding higher education policy and funding.

All the College's principal risks were heightened by the emergence of COVID-19 in 2020 and its continuing impact throughout 2021 and 2022. The residual scores for Student Welfare, Non-Academic Staff and Information Technology (the latter being the principal risk in 2022-23), have reduced due to mitigations implemented in the past year.

##### Summary table of Sidney Sussex College risks in 2023

Risk	Raw risk score 2023	Residual risk score 2023	Residual score movement from 2022
Information Technology	18	12	↓
Estates and facilities	16	12	▬
Student academic performance and personal development	16	12	▬
Academic staff	16	12	▬
Student admissions	16	12	▬
Financial Management	16	12	▬
Student welfare	16	12	↓
Non-academic staff	16	12	↓
Communications	12	9	↓
Health and Safety	12	9	↓
Governance	12	6	▬
Donation and legacy income	9	6	↓
University and inter-collegiate relations	6	4	▬

As indicated in the table above, due to the mitigation actions taken, all residual risk scores now fall within 'Amber' (moderate or major) or 'Green' (minor or insignificant).

'Red' (major or extreme) and 'Amber' risks are monitored at least once each term by the relevant risk owner via committee meetings, with the minutes of each committee presented to Council for information. 'Green' risks are generally considered acceptable and require no further action other than confirmation that the relevant controls in place remain effective.

The College will not be complacent and recognises that in respect of eight risks 'raw' scores are only marginally below the threshold of 'Red'; therefore it will continue to monitor the mitigations in place and whether the likelihood or impact of any risks has continued to decrease. It will also continue its annual horizon-scanning exercise to identify whether any new risks are emerging so it can take appropriate steps at the earliest possible opportunity.

The annual risk management process begins at the end of Michaelmas Term with a high-level review by Council of the current and emerging major risks for the coming year. Risk owners and committees have an oversight role in reviewing the nature of the identified risks, effectiveness of controls and progress against agreed actions; they review and score risks in Lent Term, and again in Easter Term following consideration by the Bursar and College Registrar to ensure consistency of scoring. The register is compiled and presented to the Audit Committee and Council for approval each Michaelmas Term.

Full details of all risk areas, risk descriptions and mitigating actions are held in the College's risk register.

## **5. Plans for future periods**

The College is a permanent institution and an important constituent of the collegiate University of Cambridge. The charitable purpose is that the College is to be a place of education, religion, learning and research, and it aims to promote academic excellence and freedom of thought and belief.

College plans for the short and medium term include:

- developing a vision and strategy for the College;
- continually improving our core student services to support their education, personal development, and readiness for graduate employment or study;
- implementing the College's Student Wellbeing Strategy, with transformational improvements in wellbeing and pastoral care for all our students from confirmation of offer to graduation;
- ongoing participation in the University-wide Foundation Year Programme;
- reviewing opportunities for Fellows' engagement with academic and student wellbeing programmes, and active involvement in College governance;
- ongoing review and implementation of plans to recover from financial losses resulting from the pandemic and significant inflation increases; specifically to develop plans to return to break-even on operational income and expenditure;
- focus on developing alumni relations and philanthropic opportunities;
- implementing the College's Equality, Diversity and Inclusion (EDI) Policy Framework;
- developing, funding and implementing an environmental sustainability strategy for the College;
- developing a medium/long term estates refurbishment and maintenance plan to improve the quality of College accommodation and facilities, and building upon recent improvements to physical accessibility;

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- continuous improvements to governance arrangements, including implementation of recommendations from independent review of the performance of the College against the Charity Commission's Code of Governance;
- implementing measures to improve College's resistance to cyber-security breaches.

This annual report was approved at the meeting of the Council on 8 November 2023



Professor Martin Burton  
Master

## CORPORATE GOVERNANCE

In February 2018 a revised set of Statutes for the College were approved by the Privy Council. The College is governed, under these Statutes, by two principal bodies:

- **The Governing Body:** comprises the Master, all Fellows in Class 1 (teaching), Class 2 (research) or Class 3 (administrative), and four elected students representing the junior members of the College. The Governing Body meets 6 to 8 times a year. It elects the College Council and supervises its work. In addition, it has the authority to make or amend the Statutes and Ordinances of the College and to resolve issues concerning their interpretation; to authorise any substantial alterations or additions to the College buildings or grounds; to hold the annual Audit Meeting; to elect and decide on the remuneration of the Master (subject to the Remuneration and Benefits Committee); and to elect the Vice-Master.
- **The College Council:** comprises the Master, three Fellows ex officio (the Vice-Master, Bursar and Senior Tutor), nine to twelve Fellows elected for three-year terms by the Annual Meeting of the Governing Body, and four junior members, three of whom are elected ex officio and one directly. The Council usually meets 9 times a year and deals with all matters of College administration not reserved to the Governing Body. The members of the College Council are the Charity Trustees of the College.

The Governing Body and the College Council are served by sub-committees of which the principal ones as set out in the Statutes and Ordinances are Audit Committee, Education and Pastoral Care Committee, Finance and Needs Committee, Investment Committee, Remuneration and Benefits Committee and Statutes and Ordinances Committee. The Audit, Investment and Remuneration and Benefits Committees contain members who are external to the College.

The **Finance and Needs Committee** is a standing committee of the Council, appointed annually, normally at the Annual Council Meeting. The Committee has the responsibility for the financial affairs of the College, including in the long-term, and for all aspects of financial policy, which includes priorities and resources for teaching needs identified by the Education and Pastoral Care Committee, financial strategy and policy, financial planning and resource management, including human resources, College accounts and suitable procedures for financial and other control. The Committee also acts as a remuneration and benefits committee for assistant staff, setting annual policy and pay bands.

The **Audit Committee** is a standing committee of the Governing Body, appointed annually, normally at the Annual Meeting. The Committee has the authority to seek out information and investigate any matter within its remit. Any member of the Committee, and any authorised agent of the Committee, may inspect the financial records of the College. The Committee scrutinises accounting policy and practice, alongside the internal systems of financial and other control set by the Finance and Needs Committee. It also sets policy and oversees procedures for risk assessment and risk management. It is its duty to manage the annual external audit of the College accounts and it has general oversight of the effectiveness of College governance, with authority to raise any matter of concern with the Governing Body.

The **Investment Committee** is a standing committee of the Council, also appointed annually. Within the terms of policies set by the Council and subject to any specific directions from the Council, the Committee manages cash, including the investment or realisation of operational cash, stocks and shares and other financial instruments, investment funds and land or any interests in land held by the College for investment purposes.

The **Remuneration and Benefits Committee** is a standing committee of the Governing Body. The Committee acts as an independent advisory body with power to set limits on the level of remuneration and other direct and indirect benefits (including the receipt of any salary, stipend, allowance, fund or facility, or any other benefit of a measurable value) of the Master, Fellows and Officers of the College, including the Trustees.

The **Education and Pastoral Care Committee** is a standing committee of the Council. The Committee has general superintendence of educational policy and provision in the College, keeping all aspects under review. In particular it monitors relevant University policies and general public policies on educational matters, considers proposals and makes recommendations on undergraduate and graduate admissions policy and practice, makes annual assessments of teaching needs and resources, and identifies any appropriate changes to teaching provision or admissions practice, including the addition or loss of teaching staff. The Committee

takes steps to maintain the quality of College teaching and its cost-effectiveness, and for that purpose takes due account of feedback from students, both through formal general consultation and in dialogue with students' representatives. It reports annually to the Council on the academic performance of undergraduate and postgraduate students and proposes measures which may help sustain and improve that performance including, through the appropriate channels (in particular the Graduate Tutors' Committee and Education Sub-Committee of the Senior Tutors' Committee) any aspects of the University's educational provision for postgraduates which gives rise to concern.

The **Statutes and Ordinances Committee** is a standing committee of the Governing Body. The Committee provides advice on legal matters which arise, whether within the College or from advice or consultations initiated by bodies in the collegiate University or beyond. It keeps the Statutes and Ordinances of the College under review in the light of University policy and practice, the law of the land and best practice, and makes recommendations for changes to the instruments of governance, providing appropriate draft instruments to give effect to such recommendations.

## **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 risk based, so is designed to manage and mitigate, rather than eliminate, the risk of failure to achieve policies, aims and objectives.

The system of internal control is designed to identify the principal risks to the achievement of the College's policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively, and economically. The Council has responsibility for agreeing the risk assessment. Risk management is delegated to individual Committees and is overseen by the Audit Committee. The Audit Committee's and Council's review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Bursar, and College officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

The Audit Committee sets aside part of each meeting for discussions without officers being present. It can carry out independent investigations of complaints and is a point of independent contact for the Auditors.



## **RESPONSIBILITIES OF THE COUNCIL**

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

The College's Statutes, and the Statutes and Ordinances of the University of Cambridge, require the Governing Body to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the College and of the surplus or deficit of the College for that period. In preparing these financial statements, the Council is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Council is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable it 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 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.

## **INDEPENDENT AUDITORS' REPORT TO THE COUNCIL**

### **Opinion**

We have audited the financial statements of Sidney Sussex College (the 'College') for the year ended 30 June 2022 which comprise the Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the College's affairs as at 30 June 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes of the University of Cambridge.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

### **Responsibilities of the Council**

As explained more fully in the responsibilities of the Council statement set out on page 28, the Council are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council are responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the College or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities, and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the College through discussions with Trustees and other management, and from our knowledge and experience of the education sector;
- we obtained an understanding of the legal and regulatory framework applicable to the College and how the College is complying with that framework;

- we 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.

**SIDNEY SUSSEX COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

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**Use of our report**

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



**PETERS ELWORTHY & MOORE**

Chartered Accountants and Statutory Auditors

Salisbury House  
Station Road  
Cambridge  
CB1 2LA  
Date: 14 November 2023

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

## **STATEMENT OF PRINCIPAL ACCOUNTING POLICIES**

### **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 and certain operational properties which are included at valuation.

### **Going Concern**

The College has undertaken detailed budgeting, forecasting and cash flow planning which is reviewed and monitored by the Finance and Needs Committee and Council. Forecasts have been prepared for the period to 2028 on a prudent basis and have considered the impact upon the College and its cash resources and unrestricted reserves. The College continues to review its cost base in order to combat the inflationary pressures on all expenditure. 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.

### **Consolidation of subsidiaries**

Sidney Sussex College has two wholly owned subsidiaries, Sidney Sussex Limited and Sidney Sussex Hospitality Company Limited. Sidney Sussex Limited is a dormant company and Sidney Sussex Hospitality Company Limited has not been consolidated on the basis of materiality but has produced accounts that are available at Companies House.

### **Recognition of income**

#### *Academic fees*

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

#### *Grant income*

Grants received from non-government sources (including research grants from non-government sources) are recognised within the 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. Restricted capital grants are released to general reserves upon completion of the capital project to which they relate.

Special Trust Funds are restricted funds that the College holds in trust. The College is not free to change the terms on which these funds were established, though, as a result of the new Statutes approved in February 2018, it does have relatively broad powers to use surplus income.

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.

Designated Funds are funds that have been given without restriction, which the Council has decided to designate for a specific purpose. Often this reflects the preferences of the donor. The Council is free to make and amend the regulations for these funds.

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

#### *Investment income and change in value of investment assets*

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

#### *Total Return*

The College operates a total return policy with regards to its endowment assets. Spendable income of 3.2% of the three year weighted average value of the investments, lagged by six months, is included as endowment income. Investment management costs are charged against income.

#### *Other income*

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

#### *Cambridge Bursary Scheme*

In 2022-23, the Cambridge Bursaries given by the College to eligible students were made directly by the Student Loans Company (SLC). 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 College has shown the gross payment made to eligible students and a contribution from the University as Income under "Academic Fees and Charges". The numbers below include Foundation year bursaries

The net payment of £140,987 is shown within the Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£147,467
Expenditure	£288,454



### **Foreign currency translation**

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

### **Fixed assets**

#### *Land and buildings*

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

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

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

#### *Fixed assets*

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a 2% reducing balance basis.

Short Leasehold Buildings are depreciated over the life of the lease up to a maximum of 50 years.

Assets under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred and are recognised on a cash basis. 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 £5,000 per individual item is written off in the year of acquisition unless the aggregate value of related items exceeds £25,000. All other assets are capitalised and depreciated over their expected useful life as follows:

Furniture and fittings	2-25% reducing balance/straight line
Motor vehicles	20% straight line
Plant and equipment	15-25% reducing balance/straight line

#### *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*

The College holds and conserves a number of collections, exhibits, artefacts, and other assets of historical, artistic or scientific importance. Heritage assets acquired before 1 July 2000 have not been capitalised since reliable estimates of cost or value are not available on a cost-benefit basis. Acquisitions since 1 July 2000 have been capitalised at cost or, in the case of donated assets, at expert valuation on receipt. Heritage assets



are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

### **Investments**

Securities are included in the balance sheet at fair value on 30 June each year, except for investments in subsidiary undertakings which are stated in the College's balance sheet at cost.

Investment properties are included at fair valuation and the aggregate surplus or deficit is transferred to Unrestricted Reserves. An internal valuation was carried out as at 30 June 2023, calculated on the basis of the yields published by third party property specialists such as Knight Frank or Savills. A formal valuation of the commercial property holdings was last carried out by Cheffins, Chartered Surveyors, as at 30 June 2022. A formal independent valuation will be conducted at least every five years.

### **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 1137586) 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**

Retirement benefits for employees, who started after 2 January 2004, and for the majority of Fellows are provided by the Universities Superannuation Scheme (USS). Benefits for participating employees who started before 1 January 2004 are provided by the College's own scheme, Sidney Sussex 1975 Pension Scheme, but this is now closed to new entrants.

### *Universities Superannuation Scheme*

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

### *Sidney Sussex College 1975 Pension Scheme*

This is a defined benefit scheme which is externally funded and contracted out of the State Second Pension Scheme up to 31 March 2016. 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 scheme. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the scheme and is accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the employees' and Fellows' services.

## **Employment benefits**

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

## **Reserves**

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

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

## **Critical accounting estimates and judgements**

The preparation of the College's accounts requires College Officers 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.

College Officers 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, vehicle, equipment, and furniture**– Property, vehicle, equipment, and furniture 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.

**Investment property** – Properties were revalued to their fair value at the reporting date by Cheffins Commercial. The valuation is based on the assumptions and judgements which are impacted by a variety of factors including market and other economic conditions. The revised valuation at 30 June 2023 was increased from £15.3 million to £15.9 million. Given the unknown future impact that COVID-19 might have on the real estate market, the valuation of the properties will be kept under frequent review.

**Investments in Charities Property Fund** – the College holds an investment in the Charities Property Fund Income Units which at the year-end was valued at £2.4 million.

**Investments in the Cambridge University Endowment Fund** – the College holds an investment in the Cambridge University Endowment Fund which at the year-end was valued at £6.5 million.

**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.

College Officers are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements. Further details are given in note 26.

As the College is contractually bound to make deficit recovery payments to the scheme, this is recognised as a liability on the balance sheet. The provision is currently based on the scheme deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2038. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on College Officers' estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in note 26.

**SIDNEY SUSSEX COLLEGE**  
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**STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE**

	Note	Unrestricted £000	Restricted £000	Endowment £000	2023 Total £000	Unrestricted £000	Restricted £000	Endowment £000	2022 Total £000
<b>Income</b>									
Academic fees and charges	1	3,051			3,051	2,850			2,850
Accommodation, catering and conferences	2	4,468			4,468	3,491			3,491
Investment income	3	1,367	2	1,805	3,174	1,903	17	668	2,588
Endowment return transferred	3	1,519	574	(2,093)	0	258	410	(668)	0
Other income		49			49	65			65
<b>Total income before donations and endowments</b>		<b>10,454</b>	<b>576</b>	<b>(288)</b>	<b>10,742</b>	<b>8,567</b>	<b>427</b>	<b>0</b>	<b>8,994</b>
<b>Donations</b>									
New endowments		2,139	77		2,216	1,144	11		1,155
Other capital grants for assets					0		60		0
<b>Total income from donations and endowments</b>		<b>2,139</b>	<b>77</b>	<b>0</b>	<b>2,216</b>	<b>1,144</b>	<b>71</b>	<b>0</b>	<b>1,215</b>
<b>Total income</b>		<b>12,593</b>	<b>653</b>	<b>(288)</b>	<b>12,958</b>	<b>9,711</b>	<b>498</b>	<b>0</b>	<b>10,209</b>
<b>Expenditure</b>									
Education	4	(5,082)	(585)		(5,667)	(4,539)	(534)		(5,073)
Accommodation, catering and conferences	5	(5,824)	(10)		(5,834)	(5,076)	(1)		(5,077)
Other expenditure		(605)	(49)	(15)	(669)	(2,191)	(57)		(2,248)
Contribution under Statute G,II		(5)			(5)	(7)	0		(7)
<b>Total expenditure</b>	6	<b>(11,516)</b>	<b>(644)</b>	<b>(15)</b>	<b>(12,175)</b>	<b>(11,813)</b>	<b>(592)</b>		<b>(12,405)</b>
<b>Surplus/(deficit) before other gains and losses</b>		<b>1,077</b>	<b>9</b>	<b>(303)</b>	<b>783</b>	<b>(2,102)</b>	<b>(94)</b>	<b>0</b>	<b>(2,196)</b>
Gain/(loss) on disposal of fixed assets	8	0							
Gain/(loss) on investments	9	3,993	104	2,503	6,600	(1,160)	(36)	(1,461)	(2,657)
<b>Surplus/(deficit) for the year</b>		<b>5,070</b>	<b>113</b>	<b>2,200</b>	<b>7,383</b>	<b>(3,262)</b>	<b>(130)</b>	<b>(1,461)</b>	<b>(4,853)</b>
<b>Other comprehensive income</b>									
Actuarial gain/(loss) in respect of pension schemes	15	1,108			1,108	2,298			2,298
<b>Total comprehensive income for the year</b>		<b>6,178</b>	<b>113</b>	<b>2,200</b>	<b>8,491</b>	<b>(964)</b>	<b>(130)</b>	<b>(1,461)</b>	<b>(2,555)</b>

**SIDNEY SUSSEX COLLEGE**  
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**STATEMENT OF CHANGES IN RESERVES**

	Income and expenditure reserve	Revaluation reserve	Total
	Unrestricted £000	Restricted £000	Endowment £000
<b>Balance at 1 July 2022</b>	<b>65,735</b>	<b>1,685</b>	<b>28,615</b>
Prior Year Adjustment: Change of Fund Classification	133	(133)	
Surplus/(Deficit) from income and expenditure statement	5,070	113	
Other comprehensive income	1,108		
Release of restricted capital funds spent in the year			
Transfers to / from Reserves	1,604	(29)	0
<b>Balance at 30 June 2023</b>	<b>73,650</b>	<b>1,636</b>	<b>30,815</b>

	Income and expenditure reserve	Revaluation reserve	Total
	Unrestricted £000	Restricted £000	Endowment £000
<b>Balance at 1 July 2021</b>	<b>65,253</b>	<b>1,822</b>	<b>30,167</b>
Prior Year Adjustment: Change of Fund Classification	26	(26)	
Surplus/(Deficit) from income and expenditure statement	(3,262)	(130)	
Other comprehensive income	2,298		
Release of restricted capital funds spent in the year	60	(60)	
Transfers to / from Reserves	1,360	78	(90)
<b>Balance at 30 June 2022</b>	<b>65,735</b>	<b>1,685</b>	<b>28,615</b>

The notes on pages 44 to 58 form part of these accounts

**SIDNEY SUSSEX COLLEGE**  
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**BALANCE SHEET**

	<b>Note</b>	<b>2023 £000</b>	<b>2022 £000</b>
<b>Non-current Assets</b>			
Fixed assets	8	57,482	58,886
Heritage assets	8	462	434
Investments	9	102,982	92,272
<b>Total non-current assets</b>		<b>160,926</b>	<b>151,592</b>
<b>Current assets</b>			
Stocks	10	191	198
Trade and other receivables	11	1,653	2,647
Cash and cash equivalents	12	5,929	7,037
<b>Total current assets</b>		<b>7,773</b>	<b>9,882</b>
<b>Creditors: amounts falling due within one year</b>	13	<b>(2,392)</b>	<b>(2,293)</b>
<b>Net current assets</b>		<b>5,381</b>	<b>7,589</b>
<b>Total Assets less current liabilities</b>		<b>166,307</b>	<b>159,181</b>
<b>Creditors: amounts falling due after more than one year</b>	14	<b>(24,900)</b>	<b>(24,900)</b>
<b>Provisions</b>			
Pension provisions	15	(1,904)	(3,268)
<b>Total net assets</b>		<b>139,503</b>	<b>131,012</b>
<b>Represented by:</b>			
<b>Restricted reserves</b>			
Income and expenditure reserve – endowment reserve	16	30,815	28,615
Income and expenditure reserve – restricted reserve	17	1,636	1,685
		<b>32,451</b>	<b>30,300</b>
<b>Unrestricted Reserves</b>			
Income and expenditure reserve – unrestricted		73,650	65,735
Revaluation reserve		33,402	34,977
		<b>107,052</b>	<b>100,712</b>
<b>Total Reserves</b>		<b>139,503</b>	<b>131,012</b>

The financial statements were approved by the Master and Fellows on 8 November 2023 and signed on its behalf by:



Professor M Burton  
Master



Mr M Pierce  
Bursar

The notes on pages 44 to 58 form part of these accounts

**CASH FLOW STATEMENT**

	<b>Note</b>	<b>2023 £000</b>	<b>2022 £000</b>
<b>Net cash inflow from operating activities</b>	18	(3,443)	(1,884)
<b>Cash flows from investing activities</b>	19	2,419	(7,559)
<b>Cash flows from financing activities</b>	20	(698)	(698)
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		<u>(1,722)</u>	<u>(10,141)</u>
Cash and cash equivalents at beginning of the year		7,720	17,861
Cash and cash equivalents at end of the year	9 & 12	<u>5,998</u>	<u>7,720</u>

The notes on pages 44 to 58 form part of these accounts



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**NOTES TO THE ACCOUNTS**

<b>1</b>	<b>Academic fees and charges</b>	<b>2023</b>	<b>2022</b>
		<b>£000</b>	<b>£000</b>
	Colleges fees:		
	Fee income received at the Regulated Undergraduate rate	1,537	1,533
	Fee income received at the Unregulated Undergraduate rate	566	484
	Fee income received at the Graduate rate	801	749
	Cambridge Bursaries Income	147	84
	Total	3,051	2,850
<b>2</b>	<b>Income from accommodation, catering and conferences</b>	<b>2023</b>	<b>2022</b>
		<b>£000</b>	<b>£000</b>
	Accommodation		
	College members	2,848	2,565
	Conferences	881	358
	Catering		
	College members	275	303
	Conferences	464	265
	Total	4,468	3,491
<b>3</b>	<b>Endowment return and investment income</b>	<b>2023</b>	<b>2022</b>
		<b>£000</b>	<b>£000</b>
<b>3a</b>	<b>Analysis of Investment Income</b>		
	Total Return Contribution	2,093	1,566
	Other Investment Income	0	31
	Cash	282	49
	Land and buildings	1,109	943
	Total	3,484	2,588
<b>3b</b>	<b>Analysis of Investment Gains</b>	<b>2023</b>	<b>2022</b>
		<b>£000</b>	<b>£000</b>
	Gains/(losses) on endowment assets:		
	Quoted and other securities	6,365	(3,776)
	Gains/(losses) on other assets:		
	Quoted and other securities	(420)	(87)
	Gains/(losses) on Land and Buildings	655	257
	Total	6,600	(3,606)
<b>3c</b>	<b>Summary of Total Return</b>	<b>2023</b>	<b>2022</b>
		<b>£000</b>	<b>£000</b>
	Income from:		
	Quoted securities:		
	-equities	1,783	1,566
	(Losses)/gains on endowment assets (note b)	6,365	(3,776)
	Investment management costs	(15)	(33)
	<b>Total Return for year</b>	<b>8,133</b>	<b>(2,243)</b>
	Total return transferred to income and expenditure (note a)	(2,093)	(1,566)
	<b>Unapplied total return for year included within SOCIE</b>	<b>6,040</b>	<b>(3,809)</b>

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	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Memorandum of Unapplied Total Return</b>		
Included within reserves, the following amounts represent the Unapplied Total Return of the College:		
Unapplied Total Return at beginning of year	17,969	21,778
Unapplied Total Return for the year	6,040	(3,809)
Unapplied Total Return at end of year	<u>24,010</u>	<u>17,969</u>
<b>4 Education expenditure</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Teaching	2,267	2,051
Tutorial	1,003	915
Admissions	571	486
Research	480	481
Scholarships and awards	680	585
Other educational facilities	666	555
Total	<u>5,667</u>	<u>5,073</u>
<b>5 Accommodation, catering and conferences expenditure</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Accommodation	3,252	2,887
Conferences	898	775
Catering	966	888
Conferences	718	527
Total	<u>5,834</u>	<u>5,077</u>

**6a Analysis of 2022-23 expenditure by activity**

	<b>Staff costs (note 7) £000</b>	<b>Other operating expenses £000</b>	<b>Depreciation £000</b>	<b>Total £000</b>
Education	2,732	2,624	311	5,667
Accommodation, catering and conferences	2,372	2,718	744	5,834
Investment management costs	0	106	0	106
Other	195	337	36	568
Totals	<u>5,299</u>	<u>5,785</u>	<u>1,091</u>	<u>12,175</u>

Expenditure includes fundraising costs of £354k.

**6b Analysis of 2021-22 expenditure by activity**

	<b>Staff costs (note 7) £000</b>	<b>Other operating expenses £000</b>	<b>Depreciation £000</b>	<b>Total £000</b>
Education	2,474	2,283	316	5,073
Accommodation, catering and conferences	2,227	2,094	756	5,077
Investment management costs	0	60	0	60
Other	188	223	37	448
USS Provision Adjustment	1,747	0	0	1,747
Totals	<u>6,636</u>	<u>4,661</u>	<u>1,109</u>	<u>12,405</u>

Expenditure includes fundraising costs of £214k.

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<b>6c Auditors' remuneration</b>		<b>2023</b>	<b>2022</b>
		<b>£000</b>	<b>£000</b>
Other operating expenses include:			
Audit fees payable to the College's external auditors		26	21
Other fees payable to the College's external auditors		1	5
Total		27	26

<b>7 Staff costs</b>					
<b>Consolidated</b>	<b>College</b>	<b>Other</b>	<b>Non-</b>	<b>2023</b>	<b>2022</b>
	<b>Fellows</b>	<b>academic</b>	<b>academic</b>	<b>Total</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Staff costs:</b>					
Salaries	1,103	60	2,976	4,139	3,645
National Insurance	98	6	261	365	334
Pension costs	205	12	579	796	910
Sub-total	1,406	78	3,816	5,299	4,889
USS Provision Adjustment	0	0	0	0	1,747
Total	1,406	78	3,816	5,299	6,636

<b>Average staff numbers</b>	<b>Average staff numbers</b>		<b>Average staff numbers</b>	
	<b>2023</b>		<b>2022</b>	
	<b>Number of</b>	<b>Full-time</b>	<b>Number of</b>	<b>Full-time</b>
	<b>Fellows</b>	<b>equivalents</b>	<b>Fellows</b>	<b>equivalents</b>
Academic	66	0	59	-
Non-academic	7	91	9	84
Total	73	91	68	84

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

	<b>2023</b>	<b>2022</b>
	<b>Total</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>
<b>£100,001 - £110,000</b>	0	0
<b>£110,001 - £120,000</b>	1	1
<b>£120,001 - £130,000</b>	1	0

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

**Key management personnel**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College. This includes aggregated emoluments paid to key management personnel. Key management personnel for the College include the Master, Vice Master, Bursar, Senior Tutor and Development Director. Aggregated emoluments consist of salary and taxable benefits including any employer's pension contribution.

	<b>2023</b>	<b>2022</b>
	<b>Total</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>
<b>Key management personnel</b>	396	334

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

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**8 Fixed assets**

	Freehold Land and buildings	Leasehold Land and buildings	Vehicle, Equipment and Furniture	Assets in construction	2023 Total	2022 Total
	£000	£000	£000	£000	£000	£000
<b>Cost or valuation</b>						
At beginning of year	58,880	1,201	3,287	33	63,401	63,243
Additions			28	56	84	173
Transfers			46	(68)	(22)	
Disposals	(308)		(66)		(374)	(15)
At end of year	58,572	1,201	3,295	21	63,089	63,401
<b>Depreciation</b>						
At beginning of year	(3,570)	(241)	(704)		(4,515)	(3,413)
Charge for the year	(878)	(27)	(187)		(1,092)	(1,102)
Eliminated on disposals						
At end of year	(4,448)	(268)	(891)		(5,607)	(4,515)
<b>Net book value</b>						
At end of year	<b>54,124</b>	<b>933</b>	<b>2,404</b>	<b>21</b>	<b>57,482</b>	<b>58,886</b>
At beginning of year	55,310	960	2,583	33	58,886	59,831

The insured value of land and buildings as at 30 June 2023 was £181m (2022: £166m).

**Heritage assets**

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

As stated in the statement of principal accounting policies, heritage assets acquired since 1 July 2000 have been capitalised. However, the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of cost or valuation are not available for these on a cost-benefit basis, they have not been capitalised. As a result the total included in the balance sheet is partial.

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

	2023 £000	2022 £000	2021 £000	2020 £000	2019 £000
Acquisitions purchased with specific donations	5				
Acquisitions purchased with College funds	22				
Total cost of acquisitions purchased	28				
Value of acquisitions by donation		200			
Total acquisitions capitalised	462	434	234	234	234

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**9 Investments**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Balance at beginning of year	92,272	84,154
Additions	6,500	51,785
Disposals	(1,765)	(39,913)
Depreciation		
Transfers out	(10)	(11)
Gain/(loss)	6,600	(3,606)
Increase/(decrease) in cash balances held at fund managers	(615)	(137)
Balance at end of year	<u>102,982</u>	<u>92,272</u>

**Represented by:**

Property	15,933	15,278
Property Held for Sale		
Quoted securities – equities	86,608	75,789
Fixed interest securities	0	0
Unquoted securities – equities	294	433
Cash on Short Term Deposit	69	683
Cash in hand and at investment managers	0	0
Other investments	79	89
	<u>102,982</u>	<u>92,272</u>

The College has two wholly owned subsidiaries. Sidney Sussex Limited, a dormant company and Sidney Sussex Hospitality Company, a conference business. All profits generated through Sidney Sussex Hospitality Company are covenanted back to the college.

**10 Stocks and work in progress**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Goods for resale	124	126
Other stocks	67	72
Total	<u>191</u>	<u>198</u>

**11 Trade and other receivables**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Members of the College	185	257
Other receivables	491	401
Prepayments and accrued income	1,111	332
Provision for bad debts etc	(134)	(187)
Assets Held for Sale (Due less than 1 year)	0	1,844
Assets Held for Sale (Due greater than 1 year)	0	0
Total	<u>1,653</u>	<u>2,647</u>

**12 Cash and cash equivalents**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Short-term money market investments	4,562	4,849
Current accounts	1,367	2,188
Total	<u>5,929</u>	<u>7,037</u>

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**13 Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Payments on account	277	208
Trade creditors	410	468
Taxation and Social Security	101	99
University fees	0	62
Contribution to Colleges Fund	5	7
Other creditors	410	396
Accruals and deferred income	1,189	1,053
<b>Total</b>	<b>2,392</b>	<b>2,293</b>

**14 Creditors: amounts falling due after more than one year**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
College Bond (30 year) 4.40% interest rate- maturing October 2043	2,900	2,900
College Bond (30 year) 4.45% interest rate- maturing January 2044	1,200	1,200
College Bond (40 year) 4.40% interest rate- maturing October 2053	2,300	2,300
Pensions Insurance Corporation Private Placement 2.26% interest rate- maturing December 2063	8,500	8,500
Pensions Insurance Corporation Private Placement 2.24% interest rate- maturing May 2066	10,000	10,000
<b>Total</b>	<b>24,900</b>	<b>24,900</b>

During 2013-14, the College borrowed from institutional investors, collectively with other Colleges, the College's share being £6.4 million. The loans are unsecured and repayable during the period 2043-53 and are at fixed interest rates of approximately 4.4%. The College has agreed a financial covenant of the ratio of Borrowings to net Assets, and has been in compliance with the covenant at all times since incurring the debt. In March 2020, the college secured a new long term loan for £8.5 million with the Pensions Insurance Corporation (PIC) with a maturity date of 12 December 2063 at a fixed interest rate of 2.26%. In June 2021, the college secured a further long term loan for £10 million with the Pensions Insurance Corporation (PIC) with a maturity date of 12 May 2066 at a fixed interest rate of 2.24%.

**15 Pension provisions**

	<b>Sidney Sussex College 1975 Pension Scheme</b>	<b>US\$</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>	<b>Total £000</b>	<b>Total £000</b>
Balance at beginning of year	226	3,043	3,269	3,926
Movement in year:				
Current service cost including life assurance	135	564	699	2,525
Contributions	(363)	(698)	(1,061)	(993)
Other finance (income)/cost	4	101	105	110
Actuarial loss/(gain) recognised in Statement of Comprehensive Income and Expenditure	(1,108)	0	(1,108)	(2,300)
<b>Balance at end of year</b>	<b>(1,106)</b>	<b>3,010</b>	<b>1,904</b>	<b>3,268</b>

See note 26 for further analysis

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**16 Endowment funds**

Restricted net assets relating to endowments are as follows:

	<b>Restricted permanent endowments £000</b>	<b>Unrestricted permanent endowments £000</b>	<b>2023 Total £000</b>	<b>2022 Total £000</b>
<b>Balance at beginning of year</b>				
Capital	17,492	11,123	28,615	30,166
New donations and endowments	0	0	0	0
Increase/(decrease) in market value of investments	1,346	854	2,200	(1,461)
Transfers to / from Reserves	0	0	0	(90)
<b>Balance at end of year</b>	<b>18,838</b>	<b>11,977</b>	<b>30,815</b>	<b>28,615</b>

**Analysis by type of purpose**

Fellowship Funds	9,621		9,621	8,945
Scholarship Funds	3,546		3,546	3,286
Prize Funds	188		188	174
Financial Assistance Funds	279		279	259
Bursary Funds	244		244	226
Travel Grant Funds	239		239	222
Other Funds	4,721		4,721	4,380
General endowments	0	11,977	11,977	11,123
<b>Total</b>	<b>18,838</b>	<b>11,977</b>	<b>30,815</b>	<b>28,615</b>

**Analysis by asset**

Property	0	0	0	
Investments	18,838	11,977	30,815	28,613
Cash	0	0	0	2
<b>Total</b>	<b>18,838</b>	<b>11,977</b>	<b>30,815</b>	<b>28,615</b>

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**17 Restricted Reserves**

Reserves with restrictions are as follows:

	Capital grants unspent £000	Permanent unspent and other restricted income £000	Restricted expendable endowment £000	2023 Total £000	2022 Total £000
<b>Balance at beginning of year</b>					
Capital	0	0	748	748	844
Accumulated income	0	825	111	937	978
	0	825	860	1,685	1,822
Prior Year Adjustment: Change of Fund Classification			(133)	(133)	(26)
New grants				0	60
New donations			77	77	11
Other investment income		555	21	576	427
Increase/(decrease) in market value of investments		55	49	104	(36)
Expenditure		(583)	(61)	(644)	(591)
Capital grants utilised				0	(60)
Transfers to / from Reserves		(1)	(28)	(29)	78
<b>Balance at end of year</b>	0	851	785	1,636	1,685
<b>Comprising of:</b>					
Capital	0	0	720	720	748
Accumulated income	0	851	65	916	937
	0	851	785	1,636	1,685
Fellowship Funds		295		295	296
Scholarship Funds		193		193	183
Prize Funds		9		9	7
Financial Assistance Funds		53	1	54	46
Bursary Funds		54	634	688	684
Travel Grant Funds		39	86	125	116
Other Funds		208	64	272	353
<b>Total</b>		851	785	1,636	1,685
<b>Analysis by asset</b>					
Property					
Investments		846	721	1,567	1,004
Cash		4	65	69	681
<b>Total</b>		851	785	1,636	1,685



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**18 Reconciliation of surplus for the year to net cash inflow from operating activities**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Surplus (deficit) for the year	7,383	(4,853)
<b>Adjustment for non-cash items</b>		
Depreciation	1,092	1,117
Loss/(gain) on disposal of fixed assets	374	0
Loss/(gain) on investments	(6,600)	2,657
Decrease/(increase) in stocks	7	(8)
Decrease/(increase) in trade and other receivables	(850)	433
Increase/(decrease) in creditors	99	235
Pension costs less contributions payable	(256)	1,640
<b>Adjustment for investing or financing activities</b>		
Investment income	(3,174)	(2,588)
Interest payable	698	698
Donations and Legacies	(2,216)	(1,155)
Donations for Capital Grants	0	(60)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(3,443)</b>	<b>(1,884)</b>

**19 Cash flows from investing activities**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Current investment disposal	1,844	872
Non-current investment disposal	10	11
Investment income	3,174	2,588
Withdrawal of deposit	1,765	541
Payments made to acquire non-current fixed assets	(84)	(173)
Payments made to acquire non-current investment assets	(6,500)	(12,413)
Donations and Legacies (excluding Donations in Kind)	2,210	955
Donations for Capital Grants	0	60
<b>Total cash flows from investing activities</b>	<b>2,419</b>	<b>(7,559)</b>

**20 Cash flows from financing activities**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Interest paid	(698)	(698)
New secured loans	0	0
Repayments of amounts borrowed		
<b>Total cash flows from financing activities</b>	<b>(698)</b>	<b>(698)</b>

**21 Analysis of cash and cash equivalents**

	<b>At beginning of year £000</b>	<b>Cash flows £000</b>	<b>At end of year £000</b>
Cash at bank and in hand	7,720	(1,722)	5,998
Cash held at Fund Managers			
<b>Net Funds</b>	<b>7,720</b>	<b>(1,669)</b>	<b>5,998</b>

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**22 Capital commitments**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Capital commitments at 30 June 2023 are as follows:		
Authorised and contracted	62	
Authorised but not yet contracted for	25	29

**23 Lease obligations**

At 30 June 2023 the College had commitments under non-cancellable operating leases as follows:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Land and buildings:		
Expiring within one year	2	0
Expiring in over 5 years	1	1

**24 Reconciliation and analysis of net debt**

	At 1 July 2022	Cash Flows	At 30 June 2023
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cash and cash equivalents</b>	(7,720)	(1,722)	5,998
<b>Borrowings:</b>			
<b>Amounts falling due within one year</b>			
Secured loans	0	0	0
Unsecured loans	0	0	0
Bank overdraft	0	0	0
<i>subtotal</i>	0	0	0
<b>Borrowings:</b>			
<b>Amounts falling after more than one year</b>			
Secured loans	0	0	0
Unsecured loans	24,900	0	24,900
<i>subtotal</i>	24,900	0	24,900
<b>Total</b>	(17,180)	(1,722)	(18,902)

**25 Financial Instruments**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Financial assets</b>		
<i>Financial assets at fair value through Statement of Comprehensive Income</i>		
Listed equity investments	86,608	75,789
Other equity investments	294	433
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Cash and cash equivalents	5,998	7,720
Other debtors	542	2,315
<b>Financial liabilities</b>		
<i>Financial liabilities measured at amortised cost</i>		
Bank overdraft		
Loans	24,900	24,900
Trade creditors	410	468
Other creditors	793	772

**26 Pension schemes**

The College participates in two defined benefit schemes:

**Universities Superannuation Scheme**

The total cost charged to the profit and loss account is £664,222 (2021-22: £2,371,989). This includes £66,838 (2021-22: £56,158) outstanding contributions at the balance sheet date.

Deficit recovery contributions due within one year for the College are £242,704 (2021-22: £211,072)

As at the 30 June 2023, the latest available complete actuarial valuation of the Retirement Income Builder was at 31 March 2020 (the valuation date), which was carried out using the projected unit method.

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

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%. The key financial 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%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% p.a.

### Universities Superannuation Scheme (Continued)

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

#### 2020 Valuation

Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% 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	5.00%	4.50%

### Sidney Sussex College 1975 Pension Scheme

The College operates a defined benefits plan, the Sidney Sussex College 1975 Pension Scheme.

The liabilities of the plan have been estimated for the purposes of FRS102 based on the results of the actuarial valuation as at 1 July 2020, adjusted for the different assumptions required under FRS102 and taking into consideration subsequent cash flows.

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

	2023 % pa	2022 % pa
Discount rate	5.15	3.80
Increase in salaries	3.05	2.90
RPI assumption	3.35	3.20
CPI assumption	2.55	2.40
Increases to deferred pensions in excess of the GMP	2.55	2.40
Increases to pensions in payment for service pre 6/4/97 in excess of GMP	3.35	2.90
Increases to pensions in payment for service from 6/4/97	3.25	3.10

Members are assumed to retire at the plan normal retirement age, which is 65.

The underlying mortality assumption is based upon 100% of the rates in the standard table known as S3LPA on a year of birth usage with CMI\_2019 future improvement factors and a long-term rate of future improvement of 1.25% p.a. and no additional improvement (A=0%) (2022: same)

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**Sidney Sussex College 1975 Pension Scheme (Continued)**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Present value of defined benefit obligation	4,696,400	5,509,600
Fair value of plan assets	(5,801,900)	(5,283,600)
Net defined benefit liability/ (asset)	<u>(1,105,500)</u>	<u>226,000</u>

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:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Current service cost	135,400	215,200
Interest on the net defined benefit liability	4,200	47,300
Loss on plan changes	-	-
Losses (or gains) on settlements or curtailments	-	-
Total	<u>139,600</u>	<u>262,500</u>

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:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Present value of plan liabilities at beginning of period	5,509,600	7,829,300
Current service cost	135,400	215,200
Employee contributions	5,900	7,300
Benefits paid and DIS premiums	(73,800)	(71,600)
Interest on plan liabilities	210,600	146,200
Actuarial (gains)/losses	(1,091,300)	(2,616,800)
(Gain)/loss on plan changes	-	-
Curtailment (gain)/loss	-	-
Settlement	-	-
Present value of plan liabilities at end of period	<u>4,696,400</u>	<u>5,509,600</u>

Changes in the fair value of the plan assets for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Market value of plan assets at beginning of period	5,283,600	5,188,100
Contributions paid by the College	363,100	379,300
Employee contributions	5,900	7,300
Benefits paid and DIS premiums	(73,800)	(71,600)
Administrative expenses	-	-
Interest on plan assets	206,400	98,900
Return on assets, less interest included in Profit & Loss	16,700	(318,400)
Settlement	-	-
Market value of plan assets at end of period	<u>5,801,900</u>	<u>5,283,600</u>
Actual return on plan assets	<u>223,100</u>	<u>(219,500)</u>

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**Sidney Sussex College 1975 Pension Scheme (Continued)**

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:

	<b>2023</b>	<b>2022</b>
Equities	74%	78%
Property	3%	4%
Corporate bonds	5%	6%
With profit funds	4%	4%
Cash	14%	8%
Total	<u>100%</u>	<u>100%</u>

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

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Actuarial gain/(loss) on plan assets	16,700	(318,400)
Actuarial gain/(loss) on plan liabilities	1,091,300	2,616,800
Re-measurement of net defined benefit liability recognised in OCI	<u>1,108,000</u>	<u>2,298,400</u>

Movement in net defined benefit asset/ (liability) during the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net defined benefit asset/(liability) at beginning of year	(226,000)	(2,641,200)
Recognised in Profit and Loss	(139,600)	(262,500)
Contributions paid by the College	363,100	379,300
Re-measurement of net defined benefit liability recognised in OCI	1,108,000	2,298,400
Net defined benefit asset/(liability) at end of year	<u>1,105,500</u>	<u>(226,000)</u>

**27 Contingent Liabilities**

No contingent liability has been recognised.

**28 Related Party Transactions**

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 (excluding employer's national insurance contributions and employer's pension contributions employers) in the year are summarised in the table below:

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	<b>From</b>	<b>To</b>	<b>2023 Number</b>	<b>2022 Number</b>
	£0	£10,000	7	13
	£10,001	£20,000	3	1
	£20,001	£30,000	1	-
	£30,001	£40,000	-	2
	£40,001	£50,000	2	2
	£50,001	£60,000	2	-
	£60,001	£70,000	-	1
	£70,001	£80,000	1	-
	£80,001	£90,000	1	1
	£90,001	£100,000	1	-
		<b>Total</b>	<b>18</b>	<b>20</b>
The total Trustee salaries were £538k for the year (2021-22: £388k)				
The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £168k for the year (2021-22: £115k)				
The Trustees were also paid expenses in respect of their teaching, research and other duties within the College which totalled £29k for the year. These expenses related to travel, College entertainment and research expenditure				
The College has one trading and one dormant subsidiary undertaking which are not consolidated into these accounts. All subsidiary undertakings are 100% owned by the College and are registered and operating in England and Wales. Under the exemption within section 33 of FRS 102, the College does not disclose transactions with wholly owned group companies that are related parties.				