

THE PRESIDENT AND FELLOWS OF WOLFSON COLLEGE IN THE UNIVERSITY OF CAMBRIDGE

England & Wales - Charity number 1138143

Details

Other names	WOLFSON COLLEGE, WOLFSON COLLEGE CAMBRIDGE, WOLFSON COLLEGE IN THE UNIVERSITY OF CAMBRIDGE, WOLFSON COLLEGE, CAMBRIDGE, WOLFSON COLLEGE, UNIVERSITY OF CAMBRIDGE
Status	Registered
Legal form	Other
Registered	2010-09-22
Register	View on the Charity Commission register

Contact

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Activities

Objects: A) TO ADVANCE EDUCATION, LEARNING AND RESEARCH IN THE UNIVERSITY;B) TO PROVIDE FOR MEN OR WOMEN WHO SHALL BE MEMBERS OF THE UNIVERSITY A COLLEGE WHEREIN THEY MAY WORK FOR DEGREES IN THE UNIVERSITY OR MAY CARRY OUT POSTGRADUATE OR OTHER SPECIAL STUDIES AT CAMBRIDGE.

Activities: Wolfson College is one of the 31 colleges in the University of Cambridge.

Classification

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

Geography

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

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£19,514,494	£12,510,794	£95,956,984	131
2024-06-30	£15,296,981	£10,980,777	£88,122,082	130
2023-06-30	£13,500,271	£10,657,529	£81,299,680	123
2022-06-30	£11,007,488	£10,188,521	£78,455,329	111
2021-06-30	£9,159,950	£8,932,900	£78,246,270	110

Trustees

Name	Role	Appointed
Professor Ijeoma Florence Uchegbu	Chair	2024-10-01
Dr Adam Christopher Welstead		2024-10-01
Dr Alex James Trinidad		2023-10-01
Dr Ana Luisa Toribio		2023-10-01
Dr Joseph Powell		2024-10-01
Dr Judith Collis		2024-09-01
Dr Kevin Mark Greenbank		2021-10-01
Dr Tugba Basaran		2024-10-01
Joanna Hilary Cheffins		2019-06-18
Professor Adrian Patrick Antony Kent		2024-10-01
Professor Anna Rosalind Hollis		2025-10-01
Professor James Lionel Norman Wood		2022-10-01
Professor Melody Susan Clark		2023-10-01
Professor Paul Gulab Ramchandani		2023-10-01
Simon Philip Crookall		2022-07-01

Accounts



WOLFSON COLLEGE CAMBRIDGE

**ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025**

Registered Charity No. 1138143



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INTRODUCTION

Wolfson College is one of the 31 colleges in the University of Cambridge. It was founded as University College in 1965, and was renamed Wolfson College in 1973, receiving its Royal Charter in 1977. The primary object of the College is to advance education, learning and research in the University of Cambridge.

The College admits both full-time and part-time postgraduate students studying for PhDs and Masters degrees, and full-time mature undergraduates aged 21 or above. The total number of students as at 1 December 2024 was 1,082. The College has a large Fellowship, which is particularly active in research within the University.

The College occupies a nine-acre site to the west of central Cambridge, consisting of new buildings built since 1972 and older houses absorbed into the site and landscaped gardens. The residential buildings include approximately 450 units of accommodation for students and academic visitors, accommodating over 500 residents in total. Other buildings house a library, a dining hall, seminar and teaching rooms, common rooms, a gym, and other shared spaces.

The College is a registered charity, regulated by the Charity Commission and is registered with the Fundraising Regulator.

These accounts are presented in the format of the Recommended Cambridge College Accounts (RCCA), which comply with the Higher Education SORP (Statement of Recommended Practice: Accounting for Further and Higher Education).

SUMMARY FINANCIAL RESULTS

The financial statements consolidate the activities of the College and the College's trading subsidiary, Wolfson College Cambridge Enterprises Limited.

Total income for the year was £19.51m. Total expenditure for the year (including depreciation of £1.62m) was £12.51m, leading to a surplus (before other gains and losses) of £7.00m and total comprehensive income for the year of £7.84m. The main sources of income were academic fees (£4.62m), accommodation and catering (£4.54m), and endowment donations (£4.64m). The main area of expenditure was staff costs of £5.89m.

Endowment investments, which are principally invested in the Cambridge University Endowment Fund (CUEF), were valued at £44.33m on 30 June 2025. In addition, the College held fixed asset investments of £9.89m in the CUEF at the year end, bringing the total of endowment and other investments to £54.22m. Total net assets were £95.96m.

PROFESSIONAL ADVISERS

Auditor

PEM Audit Limited*
Salisbury House
Station Road
Cambridge CB1 2LA

Bankers

Lloyds Bank plc
Endeavour House
Chivers Way, Histon
Cambridge
CB24 9ZR

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

Wolfson College
Barton Road
Cambridge CB3 9BB
Website: www.wolfson.cam.ac.uk
Charity Registration No. 1138143

**CHARITY TRUSTEES**

The College Officers and elected Fellow members of the College Council act as the Trustees of the charity. The College Council meets at least eight times in a year. In the financial year 2024-25 the following were members of the College Council:

Five College Officers *ex officio*

Professor Jane Clarke (to 30 September 2024)	President; Chair of the Council
Professor Dame Ijeoma Uchegbu (from 1 October 2024)	President; Chair of the Council
Dr Kevin Greenbank	Vice-President
Mrs Joanna Cheffins	Bursar; Secretary of the Council
Dr Susan Larsen (to 31 August 2024)	Senior Tutor
Dr Judith Collis (from 1 September 2024)	Senior Tutor
Mr Simon Crookall	Development Director

Ten Fellows elected by the Governing Body

Ms Lynette Alcántara (to 30 September 2024)
 Dr Tugba Basaran (from 1 October 2024)
 Professor Melody Clark
 Professor Stephen Evans (to 30 September 2024)
 Professor Peter Jones
 Professor Adrian Kent (from 1 October 2024)
 Dr Virginia Newcombe (to 30 September 2024)
 Dr Joseph Powell (from 1 October 2024)
 Professor Paul Ramchandani
 Dr Ana Toribio
 Dr Alex Trinidad
 Dr Martin Vinnell (to 30 September 2024)
 Dr Adam Welstead (from 1 October 2024)
 Professor James Wood

In addition, three Students from the Wolfson College Student Association (WCSA) are non-trustee members of College Council:

President of WCSA: Lewis Kilding (to November 2024)	Luke Grisoni (from November 2024)
Vice-President of WCSA: Isaac James (to November 2024)	Hamideh Farahmandian (from November 2024)
Treasurer of WCSA: Isaac James (to November 2024)	Dmitrii Petrukhin (from November 2024)

The Governing Body, consisting of all Fellows of the College (other than Emeritus, Visiting, Honorary and Bredon Fellows), is required by the College Statutes to be responsible for the approval of the annual audited accounts. There were 120 Governing Body Fellows as at 1 December 2024. The Governing Body meets at least four times in a year. The President is the Chair of the Governing Body, and the Bursar is the Secretary.

A full list of the Governing Body Fellows can be found on the College website at:

<https://www.wolfson.cam.ac.uk/people>

The College's corporate governance arrangements are set out on page 13.



OBJECTS

The objects of the College are set out in its Royal Charter, effective from 1 January 1977, as follows:

1. to advance education, learning and research in the University of Cambridge;
2. to provide, for men or women who shall be members of the University, a College wherein they may work for degrees in the University or may carry out postgraduate or other special studies at Cambridge provided that no members of the College or any candidate for membership thereof shall be subject to any test of religious, social, political or racial character;
3. to apply the moneys of the College to the purposes of the College with power to invest as prescribed in the Statutes of the College;
4. to administer any trust or scheme for purposes connected with the objects of the College; and
5. to do all such things as are incidental or conducive to the carrying out of the above objects.

PUBLIC BENEFIT

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

- teaching facilities and individual or small-group supervision for undergraduates, as well as pastoral, administrative and academic support for all students through its tutorial and mentoring systems; and
- social, cultural, musical, recreational, and sporting facilities which enable each of its students to realise their academic and personal potential to the full while studying at the College.

The College advances research through:

- providing Research Fellowships to outstanding young academics in the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- supporting the research work of its students and Fellows by promoting interaction across disciplines, providing facilities for seminars, and developing a community of researchers; and
- fostering academic networking by encouraging visits from outstanding academics as Visiting Fellows and Visiting College Research Associates.

The College maintains a Library which is a valuable resource for students and Fellows of the College.

The members of the College, both students and Fellows, are the primary beneficiaries and are directly engaged in education, learning or research.

Beneficiaries also include students and academic staff from other Colleges in Cambridge and the University of Cambridge more widely, visiting academics from other higher education institutions, and visiting alumni of the College who have an opportunity to attend educational events at the College or use its academic facilities. The College offers membership with Senior Member status to distinguished members of the local community without an existing College affiliation and membership with College Research Associate status to researchers in Cambridge also without an existing College affiliation. The general public is also able to attend various educational activities in the College such as lectures, seminars, exhibitions and concerts.

The College admits students who have the highest potential for benefiting from the education provided by the College and the University, regardless of their gender or their financial, social, religious, or ethnic background:

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects, although the University of Cambridge's Statutes and Ordinances restrict the College to admitting undergraduates who are aged 21 or above; and
- there are no religious restrictions in the College's objects and a wide range of faith traditions are represented in the College membership.

**PUBLIC BENEFIT (continued)**

The College admits a significant number of part-time postgraduate students and its encouragement of such students allows individuals to benefit from a Cambridge education who might not otherwise have access.

The focus of the College is strongly academic, and students are required to satisfy high academic entry requirements.

The College receives the following income in respect of students:

- (a) fees at externally regulated rates, charged to UK undergraduates (those eligible for loans from the Student Loans Company) and to postgraduate students; and College fees determined by the College annually, charged to Overseas undergraduates and to other UK undergraduates (those not eligible for loans from the Student Loans Company); and
- (b) accommodation charges and meal charges set at reasonable rates.

To assist undergraduates of limited financial means, the College provides bursary support through a scheme operated in common with the University and other Colleges. For the academic year 2024-25, awards totalling £350.7k were made to 63 Wolfson undergraduates (£422.5k to 78 undergraduates in 2023-24): 22 were awarded the maximum independent student bursary of £5,600; and a further 41 were awarded an average of £5,548. The net cost to the College for participation in this scheme was £39.8k after contributions by the University and other Colleges of £310.9k. The scheme is widely advertised on the University website, on College websites, and in the Admissions Prospectus.

To support the costs of both undergraduate and postgraduate students, the College provides various scholarships and bursaries, to help fund fees and living costs. The total cost to Wolfson in 2024-25 was £889.5k to 191 students (£687.6k to 181 students in 2023-24). Some of these awards were to students in receipt of Vice-Chancellor's and other matched funding awards, which when combined with funding of £1,037.1k from the Cambridge Trust or University Departments, provided a total benefit of £1,926.6k. The Vice-Chancellor's Awards scheme exists to support UK PhD students across the University, and in addition to awards made to named students by a College, all Colleges are required to contribute to the scheme irrespective of their participation. The amount required to be paid by the College in 2024-25 was £62.4k (£69.9k in 2023-24).

The College supports students through a grant scheme to assist with travel and attendance at conferences. The total awarded in 2024-25 was £42.6k to 90 students (£51.5k to 102 students in 2023-24).

In addition to its other programmes, the College operates a scheme for students in financial hardship. The total awarded in 2024-25 was £18.8k to 39 students (£23.0k to 36 students in 2023-24).

The College awards prizes to its students for academic distinction. The total awarded in prizes in 2024-25 was £19.8k to 66 students (£33.9k to 113 students in 2023-24).

To raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to Wolfson, the College holds open days and provides guidance and information for prospective applicants on the College website and through the admissions staff in its Tutorial Office.

To fulfil its charitable purposes of advancing education, learning and research, the College employs several of its Fellows in the following roles: College Assistant Professors, Directors of Studies, Supervisors, Tutors and senior administrative officers such as Bursar, Senior Tutor and Development Director. Several of these serve as charity trustees through membership of the College Council. The employment of the President 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 President and Fellows through salaries, stipends and employment-related benefits is objectively reasonable, measured against academic stipends generally; moreover, 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. All salaries are reviewed annually by the Human Resources Committee.

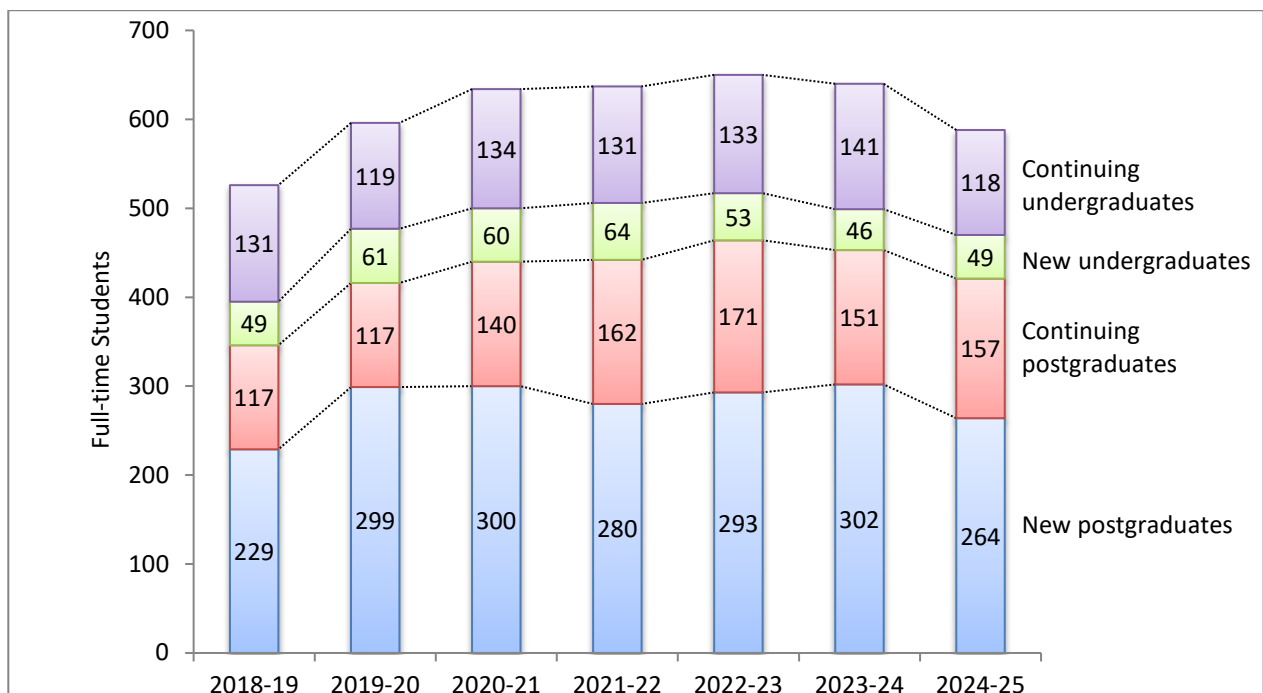


OPERATING AND FINANCIAL REVIEW

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1 Student Numbers

The College admits full-time and part-time postgraduate students studying for PhDs and Masters courses and full-time mature undergraduate students aged 21 and over. Total student numbers (including part-time postgraduates and postgraduates writing up or under examination) of 1,082 as at 1 December 2024 were slightly lower than the previous year (1,116). The College accepts both postgraduates who have selected the College as part of their application and postgraduates who are allocated to the College through an intercollegiate allocation process, designed to even out the distribution of applications across the Cambridge colleges. The following chart shows the figures for full-time students over the past seven years as at 1 December in each year:



The total full-time student body of 588 was split between 167 undergraduates and 421 postgraduates. The full-time postgraduate body of 421 was split between Masters (220) and PhD / integrated Doctorate students (201). The College’s 302 part-time postgraduates also continued to play an important part in the College’s mix of students.

**OPERATING AND FINANCIAL REVIEW (continued)****2 Income and Expenditure**

The Statement of Comprehensive Income and Expenditure (SOCIE) shows total income for the year of £19.51m (2023-24: £15.30m), an increase of £4.21m.

Academic income of £4.62m fell compared to the previous year (£4.71m) due to the lower number of full-time students and reduced Cambridge Bursary Scheme income. The total includes £4.26m relating to fees paid by or on behalf of students, as set out in detail in note 1, and the contributions from the University and other Colleges for Cambridge Bursaries: £311k is included as income from this source, with a corresponding figure in expenditure of £351k, i.e., there was a net cost to the College of £40k.

The College has 409 units of student accommodation, mainly for single occupation, accommodating up to 429 in total. In addition, there are five family flats. The remaining 38 units of accommodation are for visiting academics, part-time students, and other short-stay visitors. Accommodation and catering income, at £4.54m, was higher than the previous year (£4.39m) reflecting higher rents and an increase in conference operations. However, catering income was lower, largely due to the extensive refurbishment of the College's kitchen facilities which necessitated temporary facilities for an extended period of time.

There was an increase in endowment and investment income (from £2.39m to £2.45m), despite the net withdrawal of units from the Cambridge University Endowment Fund (CUEF) last year, due to the purchase of additional units during the year and the performance of the Fund.

Donations are classified as one of the following: unrestricted or restricted donations for spending in the current year; new endowments, for spending over the longer term; or capital grants, to support building or refurbishment projects. Total donation, endowment and grant income as shown in the SOCIE was £7.90m, compared to the previous year's figure of £3.81m. Donations include a grant from the Colleges Fund of £775k in 2024-25 (£928k in 2023-24) which is added to unrestricted permanent endowment.

Total expenditure within the SOCIE was £12.51m, including depreciation of £1.62m. The prior year total of £10.98m includes a credit resulting from the elimination of the USS deficit provision of £861k. This liability was based on the College's obligation over several years to contribute to the USS deficit recovery plan but, following a valuation of the scheme, the deficit provision is no longer required. The proportion of total expenditure spent on staff costs was 47.0% (£5.89m), and the cost of the three pension schemes on offer to staff (USS, CCFPS, Aviva) was £506k, representing 8.6% of staff costs.

The unrestricted category of income and expenditure on the SOCIE relates to the day-to-day operations of the College. In order to make a meaningful year on year comparison it is helpful to adjust for the USS pension deficit release in 2024, one-off unrestricted donations which may not reoccur, and the depreciation charge. The underlying unrestricted operating cash surplus, which allows the College to generate funds for capital expenditure or other investment, may then be represented as follows:

	2025	2024	Change
	£'000	£'000	£'000
Surplus / (deficit) before other gains and losses	(78)	1,126	(1,204)
Deduct unrestricted donations	(308)	(197)	(111)
Add back depreciation charge	1,616	1,162	454
Total release of USS deficit provision	-	(873)	873
Unrestricted operating cash surplus	1,230	1,218	12

**OPERATING AND FINANCIAL REVIEW (continued)****3 Capital Additions**

Capital transactions relating to the College's estate and equipment costing £8.78m (2023-24: £3.19m) are shown in note 9. This includes further expenditure on the main kitchen refurbishment of £3.95m. Construction work on this project started in January 2024 and was completed in March 2025. The project involved a small extension and the complete refurbishment of the ground floor and first floor catering facilities in the Main Building (including degasification), as well as the provision of temporary kitchen and dining facilities in the Lee Hall. The bar area in the ground floor Club Room has also been extended and modernised, providing a daytime coffee bar and additional space for informal dining.

In addition, with the assistance of a philanthropic capital grant of £1.5m, the College purchased two large houses adjoining the College site, at a combined cost of £3.93m. These properties had been identified in the College's estate masterplan as being of significant strategic importance to the College, both in terms of extending the footprint of the College's site, and in terms of increasing opportunities for student accommodation. Both properties are currently being converted into student accommodation, and their gardens are being landscaped to blend into the College's overall outdoor space.

4 Investments

Since 1 July 2010 the major part of the College's endowment has been invested in the Cambridge University Endowment Fund (CUEF).

The CUEF's investment objective is to achieve or exceed a long-term average annual rate of total return equal to the Consumer Prices Index (CPI) for each calendar year plus 5%, net of investment management costs. The fund has a hybrid rule for its distribution based on a long-term target capital value rate of 4%. Therefore, the overall long-term objective of the CUEF is to achieve an increase in asset values, after paying the distributions, of at least 1% above CPI.

In the year to June 2025 the College invested £5m in the CUEF which comprised £4,949k of new endowment funds, plus £100k of existing endowment funds previously invested with Cazenove Capital Management.

The College's investments in the CUEF were as follows:

Wolfson College investments in the CUEF	30 June 2025	30 June 2024
Unit value	£71.99	£70.87
Number of units (endowment)	615,189	544,992
Number of units (fixed asset investments)	137,345	137,345
Total number of units	752,534	682,337
Value of units (endowment)	£44.29m	£38.62m
Value of units (fixed asset investments)	£9.89m	£9.73m
Total value of units	£54.18m	£48.35m

The College received distributions totalling £1.98m (£1.59m from the endowment units and £0.39m from the fixed asset investment units), giving a distribution yield of 4.10% on the opening capital value.

The unaudited CUEF total fund value was £4.43 billion at 30 June 2025, and the estimated asset allocation of the fund was as follows:

CUEF asset classes	30 June 2025	30 June 2024
	%	%
Public equity	40	40
Private equity	24	24
Absolute return and credit	22	23
Real assets	9	8
Inflation-sensitive assets	1	-
Cash and fixed income	4	5



OPERATING AND FINANCIAL REVIEW (continued)

4 Investments (continued)

In addition to its investment in the CUEF, the College still holds endowment funds in two private equity funds with Cazenove Capital Management which were valued at £44k as at 30 June 2025 (2024: £139k). The College's strategy is, as and when exit opportunities arise in those private equity funds, to invest the proceeds in the CUEF. The College supports the CUEF's aim to have no meaningful exposure to fossil fuels by 2030.

5 Reserves

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

Total reserves at 30 June 2025 were £95.96m, of which £49.46m were classed as 'unrestricted reserves'. However, as these reserves are mainly represented by the College's operational estate and therefore not available as funds to be spent, a more practical reserves policy has been implemented. The aim is to have realisable unrestricted reserves, being equivalent to fixed asset investments (excluding the investment cost relating to the £10m private placement) plus net current assets, in the range of 25% to 50% of annual unrestricted expenditure as shown on the Statement of Consolidated Income and Expenditure, for use in the case of unexpected financial downturns or to pursue new opportunities. The figure for realisable unrestricted reserves at 30 June 2025 was £3.89m, within the specified range of £2.80m-£5.60m.

6 Fundraising and Alumni Relations

The Development Office maintains contact with our alumni and heads up the fundraising activity of the College. The College has a database of over 14,000 alumni, of whom more than half live outside the UK in over 150 different countries. The Office works to keep the alumni community engaged with regular communications and a programme of in person and on-line events which reaches audiences across the world.

The College is registered with the Fundraising Regulator and does not use third-party professional fundraisers. Fundraising is geared towards: the annual fund, for spending in the current year; the endowment, for spending over the longer term; or capital grants, to support building or refurbishment projects. As set out above, the endowment creates a stream of income also for spending in the current year. Total donations were as follows:

	30 June 2025	30 June 2024
	£'000	£'000
Colleges Fund grant	775	928
Legacies	248	1,116
Trusts	223	353
Donations above £1m	4,625	-
Donations between £100k and £1m	1,505	1,074
Donations between £25k and £100k	128	79
Donations up to £25k	399	258
Total Donations	7,903	3,808

Donations, whether made to the annual fund, to the endowment, or as capital grants, make a significant impact on the College, especially in student support and scholarships. The Morrison Society recognises those who have made a pledge to the College in their will to ensure the long-term future of the College. At 30 June 2025 there were 105 members of the Morrison Society. In addition, the President's Circle members make generous annual gifts to the College, and a series of stewardship events are arranged throughout the year to honour and thank our supporters.



OPERATING AND FINANCIAL REVIEW (continued)

7 Principal Risks and Uncertainties

The College has a detailed risk register which the College Council reviews regularly. The risk register was substantially revised in 2022-23 to take account of lessons learned from the pandemic and the economic and political changes that have followed. The register sets out risks in the following areas: Finance; Size & Shape of Student Body; Student Academic Experience; Student Welfare and Wellbeing; Fellowship & Membership; Human Resources; Buildings & Estate; Sustainability; Equality, Diversity & Inclusion; Fundraising; Communications; IT; Governance & Administration; and Cybersecurity. A number of risks are analysed in each area and are monitored throughout the year by the relevant College committee. As well as setting out the likelihood of occurrence and severity of impact, the risk register also sets out control procedures, monitoring processes, risk owners and further actions.

The principal risks and uncertainties facing the College are:

Inflation: The Consumer Prices Index rose from 2.2% in July 2024 to 3.6% in June 2025 and inflation continues to impact members of the College community and all areas of the College's operations. The value of the regulated undergraduate fee for UK students, which has remained at £9,250 p.a. since 2017 (having been £9,000 since 2012) has significantly reduced and the increase to £9,535 from the beginning of the 2025-26 academic year will not have a material impact on the College's fee income. Wage inflation affects the College's ability to maintain optimal staffing levels as Colleges compete for operational and other staff. It also remains to be seen how the continuing significant cost of living rises could affect student applications and current students in the longer term; the College will likely need to increase its investment in student support at the same time as it faces demands in many other areas of business. As a member of the Cambridge Colleges' energy purchasing consortium, the College has fixed electricity and gas prices, which may or may not benefit the College depending on whether energy prices rise or fall during the period of the contracts. Food inflation rates continue to rise, putting pressure on the catering team to provide affordable and attractive options for formal and informal dining.

Climate Change: The College and its members face physical risks, arising from the changes in weather and climate that impact the economy and transition risks which arise from the transition to a low-carbon economy. The College has an ambitious sustainability strategy which sets out the College's plan to reduce its carbon emissions as well as to embed sustainability in all of its operations and to increase biodiversity. The implementation of the plan, which has already started with the degasification of the College kitchen, will be costly and access to public funds for this purpose is increasingly restricted. However, if the College does not implement its strategy in a timely manner, it will not only fail to make its contribution to tackling this existential crisis but could also suffer a negative impact on its reputation and its recruitment of students, Fellows, and staff.

External political and economic threats facing Collegiate Cambridge: The war in Ukraine, the conflict in Gaza, the volatility and vulnerability of energy prices and supply as well as withdrawal from the European Union all have the potential to affect the University and its Colleges adversely because of major uncertainty about their impact on the recruitment of students, researchers, and staff. The longer term economic, social and health effects of the Covid 19 pandemic are still revealing themselves. Before the pandemic, the University signalled its intention to increase its postgraduate numbers, particularly by way of increasing the number of its MPhil courses. The Colleges, including Wolfson, have stated their intention to support that growth, but this may be more difficult to achieve than was anticipated before the pandemic. General global political uncertainty, difficulties with and the increased expense of international travel, the rise of digital educational options and economic uncertainty may constrain the University's anticipated growth. Whilst the Cambridge brand will undoubtedly continue to be extremely strong, predominantly graduate colleges such as Wolfson, with a significant number of international students, may find it more challenging to recruit and maintain target student numbers.

Student numbers: The student fees, room rents and catering income from members represent the most significant and predictable sources of income to fund the College's operations and activities; accordingly, achieving and maintaining the College's student number targets is critical to the College's financial model. As explained above, although overall student numbers at Wolfson have remained healthy, there is no guarantee that the College will always maintain its target numbers. Since decisions on graduate admissions are taken by the University, the College is dependent on the University to admit sufficient numbers of graduate students that will either apply directly to the College or be allocated to the College through the intercollegiate allocation process. Government changes to immigration policies applicable to students could negatively impact the number of international students applying to Cambridge. Furthermore, Wolfson competes with Cambridge colleges that have traditionally been predominantly undergraduate colleges but are increasing their graduate student intake and their accommodation to house such



OPERATING AND FINANCIAL REVIEW (continued)

7 Principal Risks and Uncertainties (continued)

students. Any reduction in student numbers would have an impact on the College's finances and the College may come under pressure to maintain its status as an attractive destination for graduate students. Its strategic plan to increase scholarships and bursaries as well as accommodation is designed to address this potential challenge.

8 Future Plans

The College has started on the first phase of its decarbonisation strategy with the extension and refurbishment of the College kitchen facilities, and is planning its next steps to increase its student accommodation on site, following the recommendations of its estate masterplan (<https://www.wolfson.cam.ac.uk/masterplan>). The Development department is planning a capital campaign to raise the necessary funds for the masterplan but is equally focussed on maintaining and growing the funding needed to attract and support our excellent students. Whilst embarking on this work is financially and logistically challenging, the College is confident that, with prudent financial management and a detailed understanding of the risks involved, it will be able to progress and prepare for future generations of Wolfson members.



CORPORATE GOVERNANCE

- 1 The following statement is provided by the Trustees to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.
- 2 The College is a registered charity (registered number 1138143) and subject to regulation by the Charity Commission for England and Wales. The members of the Council are the charity trustees and are responsible for ensuring compliance with charity law.
- 3 The Trustees are advised in carrying out their duties by a number of Committees, including:

Buildings & Estate	Development	Educational Policy
Fellowship & Membership	Finance	Health & Safety
House	Human Resources	Sustainability
- 4 The principal College officers are the President, Vice-President, Bursar, Senior Tutor, and Development Director.
- 5 It is the duty of the Finance Committee to keep under review the effectiveness of the College’s internal systems of financial and other controls; to advise the Trustees on the appointment of the external Auditor; to consider reports submitted by the Auditor; to monitor the implementation of recommendations made by the Auditor; and to make regular reports to the Trustees by way of minutes of its meetings. Membership of the Finance Committee includes all the principal College officers, other members of the Governing Body and the Emeritus Fellowship, the Finance Manager and two officers of the Student Association.
- 6 Three members of the Governing Body, who are not members of the Finance Committee, are elected by the Governing Body to act as Inspectors of Accounts to serve a three-year term, with annual rotation of one Inspector.
- 7 There is a Register of Interests of Trustees. Declarations of interest are made systematically at all Governing Body, Council, and committee meetings.

The College’s Trustees during the year ended 30 June 2025 are set out on page 4.

STATEMENT OF INTERNAL CONTROL

- 1 The Trustees are responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College’s Statutes.
- 2 The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.
- 3 The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively, and economically. This process was in place for the year ended 30 June 2025 and up to the date of approval of the financial statements.
- 4 The Trustees are responsible for reviewing the effectiveness of the system of internal control.
- 5 The Trustees’ review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Bursar, and the College officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external Auditor in their management letter and other reports.



RESPONSIBILITIES OF THE TRUSTEES

The Trustees are 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 Trustees 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 Trustees are required to:

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

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

The Trustees are 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 AUDITOR'S REPORT TO THE TRUSTEES OF WOLFSON COLLEGE

OPINION

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

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

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

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

We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT (continued)

OPINION ON OTHER MATTERS PRESCRIBED BY THE STATUTES OF THE UNIVERSITY OF CAMBRIDGE

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- sufficient accounting records have not been kept by Wolfson College; or
- the Wolfson College 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 TRUSTEES

As explained more fully in the responsibilities of the Trustees statement, set out on page 14, the Trustees 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 Trustees 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 Trustees are responsible for assessing the Group's and College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the College or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the College through discussions with management, and from our commercial knowledge and experience of the education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the College, including the Charities Act 2011, the Statutes of the University of Cambridge and taxation legislation;
- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's and College's ability to operate or to avoid material penalties;

**INDEPENDENT AUDITOR'S REPORT (continued)****AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (continued)**

- we obtained an understanding of the College's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance.
- we made enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- we considered the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we assessed the susceptibility of the College's financial statements to material misstatement, including how fraud might occur;
- laws and regulations identified were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business;
- assessed whether judgements and assumptions made in determining the accounting estimates set out on page 25 were indicative of potential bias;
- we used Audit Data Analytics to review the client data for unusual anomalies;
- we performed substantive testing for a sample of donations from Raiser's Edge to supporting documentation to ensure that all income was appropriately recognised in the general ledger in the correct period and any restrictions appropriately recognised;
- we also tested a sample of donations around the year end and discussed ongoing legacies with the Development Office to ensure cut off had been correctly applied;
- we performed substantive testing for a sample of conferences from the booking system to invoice to ensure that all income was appropriately recognised in the general ledger in the correct period;

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT (continued)****AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (continued)**

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

USE OF OUR REPORT

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

PEM Audit Limited

Registered Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA
Date:



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

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

Basis of accounting

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

Basis of consolidation

The consolidated financial statements include the College and its active subsidiary undertaking, Wolfson College Cambridge Enterprises Limited. Intra-group balances are eliminated on consolidation. The financial statements of the College's two other subsidiary companies, Lee Library Limited and Wolfson College Development Limited, have not been consolidated because they are dormant. Details of the subsidiary undertakings are set out in note 21. The activities of student societies have not been consolidated, because they are separate bodies which are not within the financial control of the College.

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 are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance-related conditions have been met.

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

Donations and endowments

Donations and endowments are non-exchange transactions. They are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

Donations with donor-imposed restrictions are held in restricted reserves until such time that expenditure is incurred in accordance with the restrictions.

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 permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective;
4. Restricted expendable endowments – the donor has specified a particular objective, and the College has the power to use the capital element of the fund.

**STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)****Investment income and changes in value of investment assets**

Investment income and changes in the value of investment assets are recorded in income in the period in which they arise and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

Other income

Income is received from a range of activities including accommodation, catering, conferences, and other services rendered. It is recognised in the period to which it relates.

Cambridge Bursary Scheme

Payment of the Cambridge Bursaries to eligible students is made directly by the Student Loans Company (SLC). The College reimburses the SLC for the full amount and the University of Cambridge and other Colleges pay their shares to the College. The gross payment made to eligible students is shown within education expenditure and the contribution from the University and other Colleges is shown as income within academic fees and charges.

The net payment of £40k in 2024-25 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£311k
Expenditure (see note 4)	£351k

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 contracts, at contract rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Non-current assets**Freehold land and buildings**

Land is included at deemed cost, being its fair value on the date of transition to FRS102. Land is not depreciated as it is considered to have an indefinite useful life.

Buildings are stated at cost less accumulated depreciation. Costs incurred after initial purchase or construction are capitalised to the extent that they increase the expected future benefit to the College. Buildings and capital improvements are depreciated on a straight-line basis over their expected useful economic life of 20-50 years (2% - 5% per annum).

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

Equipment

Assets are capitalised and depreciated over their expected useful life as follows:

Furniture and fittings	10 years (10% per annum)
General equipment	5 years (20% per annum)
Computer equipment	4 years (25% per annum)

Leased assets

The College does not currently have any assets acquired under finance leases. Rental costs under operating leases are charged to expenditure in equal amounts over the periods of the leases.

Investments

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



STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

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 Group 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 assets and liabilities

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.

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.

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.



STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

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 1138143) 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 to income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

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

Contribution under Statute G, II

The College is liable to be assessed for Contribution under the provisions of Statute G, II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The College may from time to time be eligible for such grants. The liability for the year is as advised to the College by the University based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

Pension costs

The College participates in two defined benefit type schemes, the Cambridge Colleges Federated Pension Scheme (CCFPS) and the Universities Superannuation Scheme (USS); and one defined contribution scheme (Aviva).

The CCFPS is a defined benefit scheme with the assets held in a separate trustee-administered fund. The College is able to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and a valuation is obtained as at 30 June annually. The amount charged to expenditure represents the amount calculated under FRS102 guidelines and the College's net liability is shown in the Balance Sheet.

**STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)****Pension costs (continued)**

The USS is a hybrid pension scheme, providing defined benefits (for all members) as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions, and a scheme-wide contribution rate is set. The College is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 'Employee Benefits', the College therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to expenditure represents the contributions payable to the scheme. Where a scheme valuation determines that the scheme is in deficit on a technical provisions basis (as was the case following the 2020 valuation), the trustee of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund the overall deficit and the College recognises a liability for the contributions payable that arise from such an agreement (to the extent that they relate to a deficit) with related movements being recognised in expenditure.

The College contributes to a defined contribution pension scheme (Aviva). For defined contribution schemes the amount charged to expenditure is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either debtors or creditors in the Balance Sheet.

Employment benefits

Short term employment benefits such as salaries and holiday pay are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured at 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.

Going concern

The Trustees consider that the Group 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.



CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the College's accounts requires management to make judgements, estimates and assumptions that affect about the application of accounting policies and reported amounts of assets and liabilities and income and expenses that are not readily apparent from other sources. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events, which are considered to be reasonable under the circumstances. Actual results may differ from these estimates.

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

Income recognition

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

Useful lives of fixed assets

Property and equipment represent a significant proportion of the College's total assets. The estimated useful lives can therefore 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 fixed assets are shown in note 9.

Recoverability of debtors

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

Retirement benefit obligations

The costs of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 20.

Universities Superannuation Scheme (USS)

FRS102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control usually with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as USS. The accounting for a multi-employer scheme, where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting change is recognised in comprehensive expenditure in accordance with section 28 of FRS102.

A deficit recovery plan was put in place as part of the 2020 valuation. It required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The College was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the statement of comprehensive income and expenditure in the prior year. Further details are set out in notes 15 and 20.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

For the year ended 30 June

	Note	2025				2024			
		Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Income									
Academic fees and charges	1	4,307	311	-	4,618	4,337	374	-	4,711
Accommodation, catering, and conferences	2	4,544	-	-	4,544	4,390	-	-	4,390
Investment income	3	1,957	493	-	2,450	2,020	368	-	2,388
Total income before donations and endowments		10,808	804	-	11,612	10,747	742	-	11,489
Donations		308	476	-	784	197	652	-	849
New endowments		-	-	4,638	4,638	-	-	2,028	2,028
Capital grant from Colleges Fund		-	-	775	775	-	-	928	928
Other capital grants for assets		-	1,706	-	1,706	-	3	-	3
Total income		11,116	2,986	5,413	19,515	10,944	1,397	2,956	15,297
Expenditure									
Education	4	4,507	1,317	-	5,824	4,296	1,111	-	5,407
Accommodation, catering, and conferences	5	6,129	-	-	6,129	5,614	-	-	5,614
Other expenditure	6	558	-	-	558	769	52	-	821
Change in USS deficit recovery provision	8, 15	-	-	-	-	(861)	-	-	(861)
Total expenditure	7	11,194	1,317	-	12,511	9,818	1,163	-	10,981
Surplus / (deficit) before other gains and losses		(78)	1,669	5,413	7,004	1,126	234	2,956	4,316
Gain / (loss) on investments	10	153	41	580	774	738	113	1,503	2,354
Surplus / (deficit) for the year		75	1,710	5,993	7,778	1,864	347	4,459	6,670
Other comprehensive income									
Actuarial gain/(loss) in respect of pension schemes	15	57	-	-	57	152	-	-	152
Total comprehensive income for the year		132	1,710	5,993	7,835	2,016	347	4,459	6,822

**CONSOLIDATED STATEMENT OF CHANGES IN RESERVES**

For the year ended 30 June

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Balance at 1 July 2023	45,565	3,711	32,024	81,300
Surplus / (deficit) for the year	1,864	347	4,459	6,670
Other comprehensive income	152	-	-	152
Release of restricted funds spent in the year	41	(41)	-	-
Balance at 30 June 2024	47,622	4,017	36,483	88,122
Surplus / (deficit) for the year	75	1,710	5,993	7,778
Other comprehensive income	57	-	-	57
Release of restricted funds spent in the year	1,706	(1,713)	7	-
Balance at 30 June 2025	49,460	4,014	42,483	95,957

**CONSOLIDATED AND COLLEGE BALANCE SHEETS**

As at 30 June		2025 Group £'000	2025 College £'000	2024 Group £'000	2024 College £'000
	Note				
Non-current assets					
Fixed assets	9	47,741	47,741	40,575	40,575
Investments	10	54,219	54,219	48,495	48,495
Total non-current assets		101,960	101,960	89,070	89,070
Current assets					
Stocks		82	82	55	55
Trade and other receivables	11	2,646	2,556	1,069	1,130
Cash and cash equivalents	12	5,038	4,799	11,722	11,570
Total current assets		7,766	7,437	12,846	12,755
Creditors: amounts falling due within one year	13	(1,597)	(1,268)	(1,452)	(1,361)
Net current assets		6,169	6,169	11,394	11,394
Total assets less current liabilities		108,129	108,129	100,464	100,464
Creditors: amounts falling due after more than one year	14	(11,128)	(11,128)	(11,125)	(11,125)
Provisions					
Pension provisions	15	(1,044)	(1,044)	(1,217)	(1,217)
Total net assets		95,957	95,957	88,122	88,122
Represented by:					
Restricted reserves					
Income and expenditure reserve - endowment	16	42,483	42,483	36,483	36,483
Income and expenditure reserve - restricted	17	4,014	4,014	4,017	4,017
Unrestricted reserves					
Income and expenditure reserve - unrestricted		49,460	49,460	47,622	47,622
Total reserves		95,957	95,957	88,122	88,122

The financial statements were approved by the Governing Body on 12 November 2025 and signed on its behalf by:

Joanna Cheffins
Bursar

**CONSOLIDATED CASH FLOW STATEMENT**

For the year ended 30 June

	Note	2025 £'000	2024 £'000
Cash flow from operating activities:			
Surplus / (deficit) for the year		7,778	6,670
<i>Adjustment for non-cash items:</i>			
- depreciation	9	1,616	1,162
- pension costs less contributions payable		(116)	10
- amortisation of placement arrangement fees		3	2
- (gain) / loss on investments	10	(774)	(2,354)
- (increase) / decrease in stocks		(27)	(8)
- (increase) / decrease in trade and other receivables		(1,577)	251
- increase / (decrease) in creditors		145	131
- increase / (decrease) in provisions		-	(873)
<i>Adjustment for investing or financing activities:</i>			
- investment income	3	(2,450)	(2,388)
- new endowments	16	(5,413)	(2,956)
- capital grants for assets	17	(1,706)	(3)
- interest payable	6	328	328
Net cash inflow from operating activities		(2,193)	(28)
Cash flows from investing activities:			
Investment income	3	2,450	2,388
New endowments	16	5,413	2,956
Endowment funds invested	10	(4,950)	(2,706)
Receipts from disposal of non-current asset investments	10	-	5,841
Capital grants for assets	17	1,706	3
Payments made to acquire fixed assets	9	(8,782)	(3,193)
Total cash flows from investing activities		(4,163)	5,289
Cash flows from financing activities:			
Interest paid	6	(328)	(328)
Total cash flows from financing activities		(328)	(328)
Increase / (decrease) in cash and cash equivalents in the year		(6,684)	4,933
Cash and cash equivalents at beginning of the year	12	11,722	6,789
Cash and cash equivalents at end of the year	12	5,038	11,722

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

1 Academic fees and charges	2025	2024
	£'000	£'000
Fee income		
Fee income received at the regulated undergraduate rate (a)	412	495
Fee income received at the unregulated undergraduate rate (b)	888	915
Fee income received at the postgraduate rate (c)	2,964	2,885
	4,264	4,295
Other income		
Research Fellow support	-	-
Cambridge Bursaries	311	374
Teaching and other income	17	17
College courses	26	25
Total	4,618	4,711
 (a) This rate is received for UK students who are eligible for Student Loans Company loans. Such students are sometimes referred to as 'publicly funded'. The total rate is set by the University up to a limit set by the Government, and the College receives a 50% share.		
 (b) This rate is paid by Overseas students and those UK students not eligible for Student Loans Company loans. Such students are sometimes referred to as 'privately funded'. This rate is set by the College.		
 (c) This rate is a fixed proportion of the course fees set by the University.		
 2 Accommodation, catering, and conferences income	 2025	 2024
	£'000	£'000
Accommodation		
College members	3,377	3,227
Conferences	526	510
Catering		
College members	430	473
Conferences	211	180
Total	4,544	4,390
 3 Investment income	 2025	 2024
	£'000	£'000
Income from:		
Unquoted securities - unit trust *		
- endowment assets	1,591	1,402
- fixed asset investments	390	580
Cash	469	406
Total	2,450	2,388

* invested in Cambridge University Endowment Fund units

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

4	Education expenditure	2025	2024
		£'000	£'000
	Teaching	1,310	1,287
	Tutorial	1,148	1,126
	Admissions	437	403
	Research	414	412
	Scholarships and awards	1,033	866
	Cambridge Bursaries	351	423
	Other educational facilities	1,113	879
	College courses	18	11
	Total	5,824	5,407
5	Accommodation, catering, and conferences expenditure	2025	2024
		£'000	£'000
	Accommodation		
	College members	3,733	3,325
	Conferences	387	358
	Catering		
	College members	1,796	1,695
	Conferences	213	236
	Total	6,129	5,614
6	Other expenditure	2025	2024
		£'000	£'000
	Alumni relations	167	398
	Loan interest	328	328
	Pension schemes' finance charges (see note 15)	63	95
	Total	558	821

Expenditure on all activities in notes 4, 5 and 6 includes both direct costs and an allocation of overheads.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

7a Analysis of expenditure by activity

		Staff costs (note 8) 2025 £'000	Other operating expenses 2025 £'000	Depreciation 2025 £'000	Total 2025 £'000
	Note				
Education	4	2,688	2,699	437	5,824
Accommodation, catering, and conferences	5	3,089	1,864	1,176	6,129
Other	6	109	446	3	558
Change in USS deficit recovery provision	8	-	-	-	-
		5,886	5,009	1,616	12,511

Expenditure includes fundraising costs of £415k in addition to the costs of alumni relations which are disclosed in note 6.

		Staff costs (note 8) 2024 £'000	Other operating expenses 2024 £'000	Depreciation 2024 £'000	Total 2024 £'000
Education	4	2,437	2,629	341	5,407
Accommodation, catering, and conferences	5	2,857	1,941	816	5,614
Other	6	287	529	5	821
Change in USS deficit recovery provision	8	(861)	-	-	(861)
		4,720	5,099	1,162	10,981

Expenditure includes fundraising costs of £398k in addition to the costs of alumni relations which are disclosed in note 6.

7b Auditor's remuneration

	2025 £'000	2024 £'000
Other operating expenses include:		
Audit fees payable to the Group's external auditor (including VAT)	32	33
Other fees payable to the Group's external auditor (including VAT)	1	1

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

8a Staff costs	Fellows £'000	Other Staff £'000	Total 2025 £'000	Total 2024 £'000
Salaries	810	4,101	4,911	4,685
National Insurance	82	387	469	409
Pension costs	104	402	506	523
Net change in USS deficit recovery provision (see note 15)			-	(897)
Subtotal of pension costs (see note 8b)			506	(374)
	996	4,890	5,886	4,720

Average staff numbers (full-time equivalents):

Academic	12	1	13	12
Non-academic	2	116	118	118
	14	117	131	130

There were 120 Fellows (excluding the President) in the Governing Body as at 1 December 2024, 43 of whom were stipendiary, representing 14 full-time equivalent College Fellows included above.

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

	2025 Number	2024 Number
£100,001 - £110,000	-	2
£110,001 - £120,000	1	-
£120,001 - £130,000	1	1
£130,001 - £140,000	-	-
£140,001 - £150,000	-	-
£150,001 - £160,000	-	1

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

Key management personnel and Trustees

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the College. The key management personnel are the members of the College Council, who act as the Trustees of the charity.

The aggregated remuneration (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) paid to key management personnel was:

	2025 £'000	2024 £'000
College Officers <i>ex officio</i>	410	418
Fellows elected by the Governing Body	25	54
	435	472

The Trustees received no remuneration in their capacity as Trustees.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

8b Pension Costs

The total pension cost included in staff costs for the year was:

	Employer Contributions	Provisions	Total 2025	Employer Contributions	Provisions	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000
USS	172	-	172	223	(897)	(674)
CCFPS	287	(200)	87	168	(77)	91
Aviva	247	-	247	141	-	141
NOW	-	-	-	68	-	68
	706	(200)	506	600	(974)	(374)

Based on the 2023 valuation of the Universities Superannuation Scheme (USS), the impact of the net change in the USS deficit recovery provision on staff costs last year was a credit of £897k. This comprised a non-cash credit resulting from the change in assumptions, including the discount rate, of £861k and cash contributions made to reduce the deficit in the year of £36k.

9 Tangible fixed assets

Group and College	Freehold land and buildings	Fixtures and equipment	Assets in the course of construction	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At beginning of year	51,158	6,062	2,805	60,025	57,213
Additions at cost	4,243	987	3,552	8,782	3,193
Transfers	5,220	1,137	(6,357)	-	-
Disposals	-	(573)	-	(573)	(381)
At end of year	60,621	7,613	-	68,234	60,025
Depreciation					
At beginning of year	15,213	4,237	-	19,450	18,669
Charge for the year	1,089	527	-	1,616	1,162
Disposals	-	(573)	-	(573)	(381)
At end of year	16,302	4,191	-	20,493	19,450
Net book value					
As at 30 June 2025	44,319	3,422	-	47,741	
As at 30 June 2024	35,945	1,825	2,805	40,575	

The declared value of freehold buildings for insurance purposes as at 30 June 2025 was £72,398,196 (2024: £68,801,361).

At 30 June 2025, freehold land and buildings included £22.0m (2024: £22.0m) in respect of freehold land which is not depreciated.

Capital commitments

	Group and College	
	2025	2024
	£'000	£'000
Capital expenditure contracted but not provided for	702	3,292

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

10 Non-current investments

	Group and College	
	2025	2024
	£'000	£'000
Balance at beginning of year	48,495	49,276
Additions	4,950	2,706
Disposals	-	(5,841)
Gain / (loss)	774	2,354
Balance at end of year	54,219	48,495
Represented by:		
Unquoted securities - unit trust	54,175	48,356
Unquoted securities - equities	44	139
Total	54,219	48,495
Analysis by asset:		
Endowments - permanent	41,736	36,217
Endowments - expendable	2,596	2,545
Fixed asset investments	9,887	9,733
Total	54,219	48,495

11 Trade and other receivables

	Group	College	Group	College
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Members of the College	208	208	231	231
Amounts due from subsidiary undertakings	1	142	1	66
Other receivables	294	63	67	63
Prepayments and accrued income	2,143	2,143	770	770
Total	2,646	2,556	1,069	1,130

12 Cash and cash equivalents

	Group	College	Group	College
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Short-term money market investments	4,000	4,000	9,000	9,000
Bank deposits	796	796	2,566	2,566
Bank current accounts	241	2	155	3
Cash in hand	1	1	1	1
Total cash and cash equivalents	5,038	4,799	11,722	11,570
Analysis by asset:				
Endowments – permanent capital	8	8	266	266
Endowments – restricted	343	343	279	279
Other restricted reserves	1,056	1,056	1,174	1,174
Other cash and cash equivalents	3,631	3,392	10,003	9,851
Total	5,038	4,799	11,722	11,570

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

13 Creditors: amounts falling due within one year	Group	College	Group	College
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Trade creditors	469	467	601	600
Members of the College	190	190	216	216
University fees	117	117	211	211
Other creditors (PAYE, NI, VAT)	207	149	139	131
Accruals and deferred income	614	345	285	203
Total	1,597	1,268	1,452	1,361

14 Creditors: amounts falling due after more than one year	Group and College	
	2025	2024
	£'000	£'000
Bank loan	1,200	1,200
Private placement	10,000	10,000
Private placement arrangement fees	(72)	(75)
Total	11,128	11,125

Interest is payable on the bank loan at 4.8%. The loan is repayable in August 2048.

Interest is payable on the private placement at 2.7%. The placement is repayable in June 2053.

The placement arrangement fees are being amortised over the duration of the placement.

15 Pension provisions (see note 20)	CCFPS	USS deficit	Group and College	
	liability	provision	Total	Total
	£'000	£'000	2025	2024
	£'000	£'000	£'000	£'000
Balance at beginning of year	1,217	-	1,217	2,232
<i>Movement in the year:</i>				
Current service cost	84	-	84	93
Administrative expenses	21	-	21	16
Contributions	(284)	-	(284)	(170)
Net change in underlying assumptions (see note 8)				
- USS deficit contributions paid	-	-	-	(36)
- Change in underlying assumptions	-	-	-	(861)
Other finance costs	63	-	63	95
Actuarial (gain) / loss	(57)	-	(57)	(152)
Balance at end of year	1,044	-	1,044	1,217

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

16 Permanent endowments	Unrestricted permanent £'000	Restricted permanent £'000	Group and College	
			Total 2025 £'000	Total 2024 £'000
Balance at beginning of year	27,545	8,938	36,483	32,024
New endowments	782	4,631	5,413	2,956
Transfers	-	7	7	-
Gain / (loss) on investments	438	142	580	1,503
Balance at end of year	28,765	13,718	42,483	36,483
Analysis by purpose:				
Fellowship Funds	-	185	185	182
Scholarship Funds	-	11,150	11,150	6,487
Prize Funds	-	115	115	110
Hardship Funds	-	1,315	1,315	1,286
Bursary Funds	-	194	194	129
Travel Grant Funds	-	63	63	63
Library Funds	-	456	456	449
Other Funds	-	240	240	232
General	28,765	-	28,765	27,545
Total	28,765	13,718	42,483	36,483
Analysis by asset:				
Investments	28,760	12,976	41,736	36,217
Accrued income	-	739	739	-
Cash	5	3	8	266
	28,765	13,718	42,483	36,483

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

17 Restricted reserves**Group and College**

	Capital grants £'000	Restricted income £'000	Restricted permanent endowment income £'000	Expendable endowment £'000	Total 2025 £'000	Total 2024 £'000
Balance at beginning of year						
Capital	-	-	-	2,548	2,548	2,422
Accumulated income	7	1,186	161	115	1,469	1,289
	7	1,186	161	2,663	4,017	3,711
Academic income	-	311	-	-	311	374
Investment income	-	1	391	101	493	368
New donations	-	469	-	7	476	652
New grants	1,706	-	-	-	1,706	3
Expenditure	-	(899)	(355)	(63)	(1,317)	(1,163)
Capital grants utilised	(1,706)	-	-	-	(1,706)	(41)
Transfers	(7)	7	(7)	-	(7)	-
Gain / (loss) on investments	-	-	-	41	41	113
Balance at end of year						
Capital	-	-	-	2,596	2,596	2,548
Accumulated income	-	1,075	190	153	1,418	1,469
	-	1,075	190	2,749	4,014	4,017
Analysis by purpose:						
Fellowship Funds	-	133	10	904	1,047	1,003
Scholarship Funds	-	802	99	1,249	2,150	2,210
Prize Funds	-	-	9	1	10	8
Hardship Funds	-	-	-	100	100	95
Bursary Funds	-	-	8	259	267	257
Travel Grant Funds	-	-	4	12	16	13
Library Funds	-	-	-	-	-	-
Other Funds	-	140	60	224	424	431
General	-	-	-	-	-	-
Total	-	1,075	190	2,749	4,014	4,017
Analysis by asset:						
Investments	-	19	-	2,596	2,615	2,564
Cash	-	1,056	190	153	1,399	1,453
	-	1,075	190	2,749	4,014	4,017

Some endowments are classified as expendable rather than permanent to reflect the wishes of the donor: when the donor expects their donation to be retained for the benefit of the College with a view to it having an impact over several years while also providing flexibility to spend capital as required.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

18 Consolidated reconciliation and analysis of net debt

	At 1 July 2024	Cash flows	Other non- cash changes	At 30 June 2025
	£'000	£'000	£'000	£'000
Cash and cash equivalents	11,722	(6,684)	-	5,038
Borrowings due after more than one year Unsecured loans	(11,125)	-	(3)	(11,128)
Net total	597	(6,684)	(3)	(6,090)

19 Financial instruments

	2025 £'000	2024 £'000
Financial assets		
<i>Financial assets at fair value through Statement of Comprehensive Income</i>		
Other investments	54,219	48,495
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Cash and cash equivalents	5,038	11,722
Other debtors	503	299
Financial liabilities		
<i>Financial liabilities measured at amortised cost</i>		
Loans	11,128	11,125
Trade creditors	469	601
Other creditors	514	566

The fair values of the assets held at fair value at the balance sheet date are determined using quoted prices.

20 Pension schemes

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

20a Cambridge Colleges Federated Pension Scheme

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

The principal actuarial assumptions at the balance sheet date were:

	2025 % p.a.	2024 % p.a.
Discount rate	5.50	5.10
Increase in salaries – to 2030	2.40	2.85
Increase in salaries – from 2031	3.30	3.75
Retail Prices Index (RPI) assumption	2.90	3.35
Consumer Prices Index (CPI) assumption – to 2030	1.90	2.35
Consumer Prices Index (CPI) assumption – from 2031	2.80	3.25
Pension increases in payment (RPI cap 5.0% p.a.)	2.85	3.15
Pension increases in payment (CPI cap 2.5% p.a.)	1.80	2.00

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

20a Cambridge Colleges Federated Pension Scheme (continued)

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

- Male aged 65 now has a life expectancy of 21.4 years (previously 21.4 years);
- Female aged 65 now has a life expectancy of 24.0 years (previously 23.9 years);
- Male aged 45 now, retiring at age 65, has a life expectancy from 65 of 22.7 years (previously 22.6 years);
- Female aged 45 now, retiring at 65, has a life expectancy from 65 of 25.4 years (previously 25.3 years).

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

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

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

The amounts recognised in the balance sheet as at 30 June are as follows:

	2025	2024
	£'000	£'000
Present value of plan liabilities	(5,283)	(5,584)
Market value of plan assets	4,239	4,367
Net defined benefit liability	(1,044)	(1,217)

The amounts recognised in expenditure for the year ending 30 June are:

	2025	2024
	£'000	£'000
Current service cost	84	93
Administrative expenses	21	16
Interest on net defined benefit liability	63	71
Total	168	180

Changes in the present value of the plan liabilities for the year ending 30 June are:

	2025	2024
	£'000	£'000
Present value of plan liabilities at beginning of year	5,584	5,528
Current service cost	84	93
Employee contributions	8	10
Benefits paid	(298)	(223)
Interest on plan liabilities	279	284
Actuarial (gains) / losses	(374)	(108)
Present value of plan liabilities at end of year	5,283	5,584

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

20a Cambridge Colleges Federated Pension Scheme (continued)

Changes in the fair value of the plan assets for the year ending 30 June are:

	2025	2024
	£'000	£'000
Market value of plan assets at beginning of year	4,367	4,169
Contributions paid by the College	284	170
Employee contributions	8	10
Benefits paid	(298)	(223)
Administrative expenses paid	(22)	(19)
Interest on plan assets	216	213
Return on assets, less interest included in income and expenditure	(316)	47
Market value of plan assets at end of year	4,239	4,367
Actual return on plan assets	(99)	260

The major categories of plan assets as a percentage of total plan assets at 30 June are as follows:

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

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

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June:

	2025	2024
	£'000	£'000
Return on assets less interest included in comprehensive income	(316)	47
Expected less actual plan expenses	(1)	(3)
Experience gains and losses arising on plan liabilities	(101)	74
Changes in assumptions underlying the present value of plan liabilities	475	34
Re-measurement of net defined benefit liability recognised in OCI	57	152

Movements in the net defined benefit liability during the year ending 30 June are:

	2025	2024
	£'000	£'000
Net defined benefit liability at beginning of year	(1,217)	(1,359)
Recognised in expenditure	(168)	(180)
Contributions paid by the College	284	170
Re-measurement of net defined benefit liability recognised in OCI	57	152
Net defined benefit liability at end of year	(1,044)	(1,217)

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

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

20a Cambridge Colleges Federated Pension Scheme (continued)

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

These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 3 June 2024 and are as follows:

- annual contributions of not less than £173,955 p.a. payable for the period to 31 March 2030.

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

20b Universities Superannuation Scheme

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

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

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

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

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

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

	2023 valuation
Mortality base table	101% of S2PMA 'light' for males and 95% of S3PFA for females
Future improvements to mortality	CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

20b Universities Superannuation Scheme (continued)

The current life expectancies (in years) on retirement at age 65 are:

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

21 Subsidiary undertakings

The College's subsidiary undertakings, all of which are companies incorporated in the United Kingdom, are as follows:

Undertaking	Activity	Holding	%
Wolfson College Cambridge Enterprises Limited	The provision of conferences and events at Wolfson College, Cambridge	1 ordinary share of £1	100%
Wolfson College Development Limited	Dormant	1,000 ordinary shares of £1 each	100%
Lee Library Limited	Dormant	2 ordinary shares of £1 each	100%

22 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 member of the College Council may have an interest. All transactions involving organisations in which a member of the College Council may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

The College maintains a register of interests for all College Council members and where any member of the College Council has a material interest in a College matter, they are required to declare that fact.

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

Fellows are remunerated for teaching, research, and other duties within the College. Fellows are billed for any private catering. All salaries are reviewed annually by the Human Resources Committee.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

22 Related party transactions (continued)

The salaries paid to Trustees in the year, for duties other than serving as a Trustee, are summarised in the table below:

From	To	2025 Number	2024 Number
£0	£10,000	10	8
£10,001	£20,000	1	3
£20,001	£30,000	-	-
£30,001	£40,000	-	-
£40,001	£50,000	-	-
£50,001	£60,000	-	-
£60,001	£70,000	2	1
£70,001	£80,000	-	-
£80,001	£90,000	-	2
£90,001	£100,000	2	1
	Total	15	15

The total Trustee salaries were £345,597 for the year (2024: £378,083).

The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £89,689 for the year (2024: £94,021).

Details of subsidiary undertakings are disclosed in note 21. The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

Accounts



WOLFSON COLLEGE CAMBRIDGE

**ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2024**

Registered Charity No. 1138143



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INTRODUCTION

Wolfson College is one of the 31 colleges in the University of Cambridge. It was founded as University College in 1965, and was renamed Wolfson College in 1973, receiving its Royal Charter in 1977. The primary object of the College is to advance education, learning and research in the University of Cambridge.

The College admits both full-time and part-time postgraduate students studying for PhDs and Masters degrees, and full-time mature undergraduates aged 21 or above. The total number of students as at 1 December 2023 was 1,116. The College has a large Fellowship, which is particularly active in research within the University.

The College occupies a nine-acre site to the west of central Cambridge, consisting of new buildings built since 1972 and older houses absorbed into the site and landscaped gardens. The residential buildings include approximately 450 units of accommodation for students and academic visitors, accommodating over 500 residents in total. Other buildings house a library, a dining hall, seminar and teaching rooms, common rooms, a gym, and other shared spaces.

The College is a registered charity, regulated by the Charity Commission and is registered with the Fundraising Regulator.

These accounts are presented in the format of the Recommended Cambridge College Accounts (RCCA), which comply with the Higher Education SORP (Statement of Recommended Practice: Accounting for Further and Higher Education).

SUMMARY FINANCIAL RESULTS

The financial statements consolidate the activities of the College and the College's trading subsidiary, Wolfson College Cambridge Enterprises Limited.

Total income for the year was £15.30m. Total expenditure for the year (including depreciation of £1.16m) was £10.98m, leading to a surplus (before other gains and losses) of £4.32m and total comprehensive income for the year of £4.47m. The main sources of income were academic fees (£4.71m) and accommodation and catering (£4.39m). The main area of expenditure was staff costs of £5.58m.

Endowment investments, which are mainly invested in the Cambridge University Endowment Fund (CUEF), were valued at £38.76m on 30 June 2024. In addition, the College held fixed asset investments of £9.73m in the CUEF at the year end, bringing the total of endowment and other investments to £48.49m. Total net assets were £88.12m.

PROFESSIONAL ADVISERS

Auditor

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

Bankers

Lloyds Bank plc
Endeavour House
Chivers Way, Histon
Cambridge
CB24 9ZR

Wolfson College
Barton Road
Cambridge CB3 9BB
Website: www.wolfson.cam.ac.uk
Charity Registration No. 1138143

**CHARITY TRUSTEES**

The College Officers and elected Fellow members of the College Council act as the Trustees of the charity. The College Council meets at least eight times in a year. In the financial year 2023-24 the following were members of the College Council:

Five College Officers *ex officio*

Professor Jane Clarke	President; Chair of the Council
Dr Kevin Greenbank	Vice-President
Mrs Joanna Cheffins	Bursar; Secretary of the Council
Dr Susan Larsen	Senior Tutor
Mr Simon Crookall	Development Director

Ten Fellows elected by the Governing Body

Ms Lynette Alcántara
 Professor Melody Clark (from 1 October 2023)
 Dr Anna Dempster (to 30 September 2023)
 Professor Stephen Evans
 Professor Peter Jones
 Dr Virginia Newcombe
 Professor Lloyd Peck (to 30 September 2023)
 Professor Paul Ramchandani (from 1 October 2023)
 Dr Samuel Roberts (to 30 September 2023)
 Dr Liron Shmilovits (to 30 September 2023)
 Dr Ana Toribio (from 1 October 2023)
 Dr Alex Trinidad (from 1 October 2023)
 Dr Martin Vinnell
 Professor James Wood

In addition, three Students from the Wolfson College Student Association (WCSA) are non-trustee members of College Council:

President of WCSA: Cameron Few (to November 2023)	Lewis Kilding (from November 2023)
Vice-President of WCSA: Ksenia Leonovich (to November 2023)	Isaac James (from November 2023)
Treasurer of WCSA: Isaac James (to November 2023)	Karol Langer (from November 2023)

The Governing Body, consisting of all Fellows of the College (other than Emeritus, Visiting, Honorary and Bredon Fellows), is required by the College Statutes to be responsible for the approval of the annual audited accounts. There were 116 Governing Body Fellows as at 1 December 2023. The Governing Body meets at least four times in a year. The President is the Chair of the Governing Body, and the Bursar is the Secretary.

A full list of the Governing Body Fellows can be found on the College website at:
<https://www.wolfson.cam.ac.uk/people>

The College's corporate governance arrangements are set out on page 13.



OBJECTS

The objects of the College are set out in its Royal Charter, effective from 1 January 1977, as follows:

1. to advance education, learning and research in the University of Cambridge;
2. to provide, for men or women who shall be members of the University, a College wherein they may work for degrees in the University or may carry out postgraduate or other special studies at Cambridge provided that no members of the College or any candidate for membership thereof shall be subject to any test of religious, social, political or racial character;
3. to apply the moneys of the College to the purposes of the College with power to invest as prescribed in the Statutes of the College;
4. to administer any trust or scheme for purposes connected with the objects of the College; and
5. to do all such things as are incidental or conducive to the carrying out of the above objects.

PUBLIC BENEFIT

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

- teaching facilities and individual or small-group supervision for undergraduates, as well as pastoral, administrative and academic support for all students through its tutorial and mentoring systems; and
- social, cultural, musical, recreational, and sporting facilities which enable each of its students to realise their academic and personal potential to the full while studying at the College.

The College advances research through:

- providing Research Fellowships to outstanding young academics in the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- supporting the research work of its students and Fellows by promoting interaction across disciplines, providing facilities for seminars, and developing a community of researchers; and
- fostering academic networking by encouraging visits from outstanding academics as Visiting Fellows and Visiting College Research Associates.

The College maintains a Library which is a valuable resource for students and Fellows of the College.

The members of the College, both students and Fellows, are the primary beneficiaries and are directly engaged in education, learning or research.

Beneficiaries also include: students and academic staff from other Colleges in Cambridge and the University of Cambridge more widely, visiting academics from other higher education institutions and visiting alumni of the College who have an opportunity to attend educational events at the College or use its academic facilities. The College offers membership with Senior Member status to distinguished members of the local community without an existing College affiliation and membership with College Research Associate status to researchers in Cambridge also without an existing College affiliation. The general public is also able to attend various educational activities in the College such as lectures, seminars, exhibitions and concerts.

The College admits students who have the highest potential for benefiting from the education provided by the College and the University, regardless of their gender or their financial, social, religious, or ethnic background:

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects, although the University of Cambridge's Statutes and Ordinances restrict the College to admitting undergraduates who are aged 21 or above; and
- there are no religious restrictions in the College's objects and a wide range of faith traditions are represented in the College membership.

**PUBLIC BENEFIT (continued)**

The College admits a significant number of part-time postgraduate students and its encouragement of such students allows individuals to benefit from a Cambridge education who might not otherwise have access.

The focus of the College is strongly academic, and students are required to satisfy high academic entry requirements.

The College receives the following income in respect of students:

- (a) fees at externally regulated rates, charged to UK undergraduates (those eligible for loans from the Student Loans Company) and to postgraduate students; and College fees determined by the College annually, charged to Overseas undergraduates and to other UK undergraduates (those not eligible for loans from the Student Loans Company); and
- (b) accommodation charges and meal charges set at reasonable rates.

In order to assist undergraduates of limited financial means, the College provides bursary support through a scheme operated in common with the University and other Colleges. For the academic year 2023-24, awards totalling £422.5k were made to 78 Wolfson undergraduates (£320.5k to 65 undergraduates in 2022-23): 31 were awarded the maximum independent student bursary of £5,600; and a further 47 were awarded an average of £5,295. The net cost to the College for participation in this scheme was £48.7k after contributions by the University and other Colleges of £373.8k. The scheme is widely advertised on the University website, on College websites and in the Admissions Prospectus.

To support the costs of both undergraduate and postgraduate students, the College provides various scholarships and bursaries, to help fund fees and living costs. The total cost to Wolfson in 2023-24 was £687.6k to 181 students (£440.6k to 165 students in 2022-23). Some of these awards were to students in receipt of Vice-Chancellor's and other matched funding awards, which when combined with funding of £838.6k from the Cambridge Trust or University Departments, provided a total benefit of £1,526.2k. The Vice-Chancellor's Awards scheme exists to support UK PhD students across the University, and in addition to awards made to named students by a College, all Colleges are required to contribute to the scheme irrespective of their participation. The amount required to be paid by the College in 2023-24 was £69.9k (£79.8k in 2022-23).

The College supports students through a grant scheme to assist with travel and attendance at conferences. The total awarded in 2023-24 was £51.5k to 102 students (£51.1k to 98 students in 2022-23).

In addition to its other programmes, the College operates a scheme for students in financial hardship. The total awarded in 2023-24 was £23.0k to 36 students (£33.5k to 43 students in 2022-23).

The College awards prizes to its students for academic distinction. The total awarded in prizes in 2023-24 was £33.9k to 113 students (£11.7k to 39 students in 2022-23).

To raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to Wolfson, the College holds open days, and provides guidance and information for prospective applicants on the College website and through the admissions staff in its Tutorial Office.

In order to fulfil its charitable purposes of advancing education, learning and research, the College employs a number of its Fellows in the following roles: College Assistant Professors, Directors of Studies, Supervisors, Tutors and senior administrative officers such as Bursar, Senior Tutor and Development Director. Several of these serve as charity trustees through membership of the College Council. The employment of the President 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 President and Fellows through salaries, stipends and employment-related benefits is objectively reasonable, measured against academic stipends generally; moreover, 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. All salaries are reviewed annually by the Human Resources Committee.

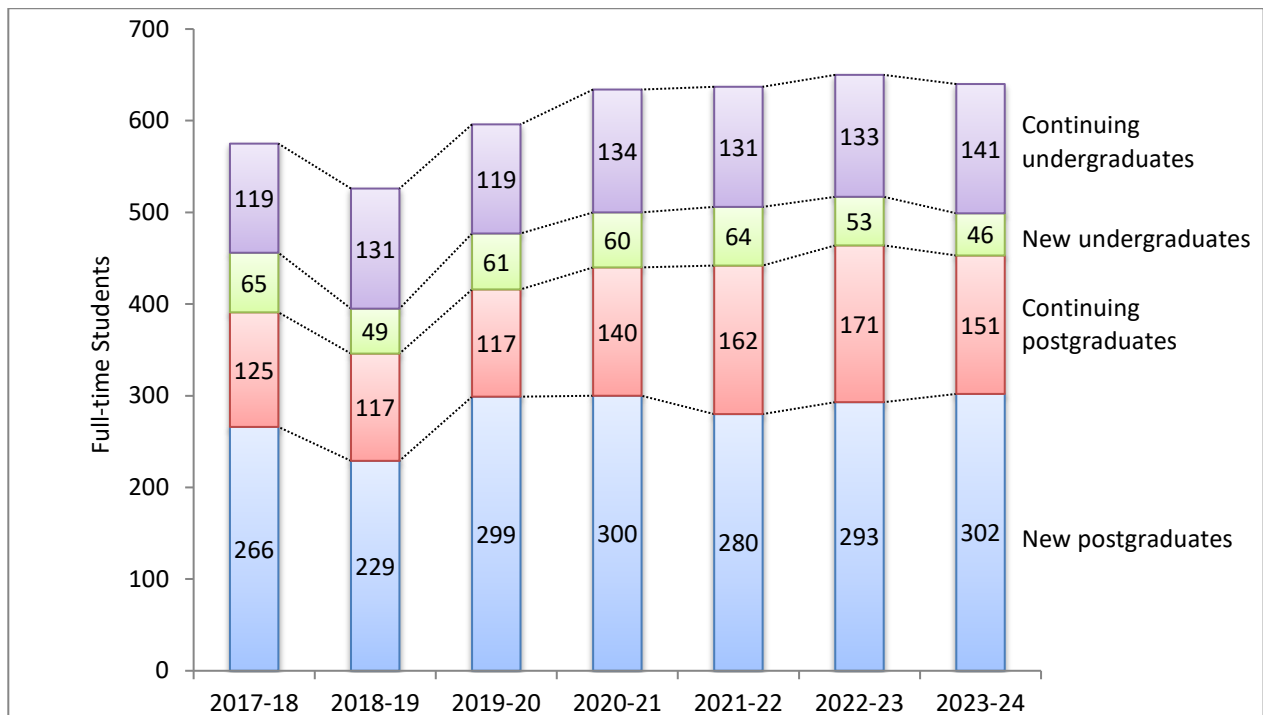


OPERATING AND FINANCIAL REVIEW

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1 Student Numbers

The College admits full-time and part-time postgraduate students studying for PhDs and Masters courses and full-time mature undergraduate students aged 21 and over. Total student numbers (including part-time postgraduates and postgraduates writing up or under examination) of 1,116 as at 1 December 2023 did not change significantly from the previous year (1,098). The College accepts both postgraduates who have selected the College as part of their application and postgraduates who are allocated to the College through an intercollegiate allocation process, designed to even out the distribution of applications across the Cambridge colleges. The following chart shows the figures for full-time students over the past seven years as at 1 December in each year:



The total full-time student body of 640 was split between 187 undergraduates and 453 postgraduates. The full-time postgraduates body of 453 was split between Masters (245) and PhD / integrated Doctorate students (208). The College’s 288 part-time postgraduates also continued to play an important part in the College’s mix of students.



OPERATING AND FINANCIAL REVIEW (continued)

2 Income and Expenditure

The Statement of Comprehensive Income and Expenditure (SOCIE) shows total income for the year of £15.30m (2022-23: £13.50m)

Increased student fees contributed to academic income of £4.71m, which was higher than in the previous year (£4.43m). Of this total, £4.29m is made up of fees paid by or on behalf of students, as set out in detail in note 1. Within academic income are included the contributions from the University and other Colleges for Cambridge Bursaries: £374k is included as income from this source, with a corresponding figure in expenditure of £423k, i.e., there was a net cost to the College of £49k.

Accommodation and catering income, at £4.39m, was higher than the previous year (£4.00m) reflecting an increase in conference operations in the summer. In 2022-23, although student occupancy was back to pre-pandemic levels, conference business, which mainly takes place in the summer months at the start of the financial year, was not. The College has 409 units of student accommodation, mainly for single occupation, accommodating up to 429 in total. In addition, there are five family flats. The remaining 38 units of accommodation are for visiting academics, part-time students, and other short-stay visitors.

There was an increase in endowment and investment income (from £2.00m to £2.39m) because of the purchase of additional units in the Cambridge University Endowment Fund (CUEF) at the end of last year and the performance of the Fund. Units were withdrawn from the CUEF in the last quarter of the current year in order to pay for capital expenditure.

Donations are classified as one of the following: unrestricted or restricted donations for spending in the current year; new endowments, for spending over the longer term; or capital grants, to support building or refurbishment projects. Total donation, endowment and grant income as shown in the SOCIE was £3.81m, compared to the previous year's figure of £3.07m. Donations include a grant from the Colleges Fund of £928k in 2023-24 (£768k in 2022-23). This grant is added to endowment, however last year, because of the financial impact of the COVID-19 pandemic, the Colleges Fund Committee agreed that recipients of the grant might use it for operational purposes.

Total expenditure within the SOCIE was £10.98m, including depreciation of £1.16m. This total however includes a credit resulting from the decrease in the USS deficit provision of £861k (2022-23 charge of £16k). This liability was based on the College's obligation over several years to contribute to the USS deficit recovery plan, but following a new valuation of the scheme the deficit provision is no longer required. Excluding the USS deficit liability movement, the proportion of total expenditure spent on staff costs was 48.7% (£5.58m). The cost of the three pension schemes on offer to staff (USS, CCFPS, Aviva), excluding the USS deficit provision change, was £523k, representing 9.3% of staff costs before the USS provision change.

3 Capital Additions

A number of capital transactions relating to the College's estate and equipment, costing £3.19m (2022-23: £1.22m) are shown in note 9. Most of this relates to further expenditure on the main kitchen refurbishment of £2.38m to the end of June. The College started construction work in January 2024 and the project is due to complete in the next financial year, and so the costs are included as assets in the course of construction.

**OPERATING AND FINANCIAL REVIEW (continued)****4 Investments**

Since 1 July 2010 the major part of the College's endowment has been invested in the Cambridge University Endowment Fund (CUEF).

The CUEF's investment objective is to achieve or exceed a long-term average annual rate of total return equal to the Consumer Prices Index (CPI) for each calendar year plus 5%, net of investment management costs. The fund has a hybrid rule for its distribution based on a long-term target capital value rate of 4%. Therefore, the overall long-term objective of the CUEF is to achieve an increase in asset values, after paying the distributions, of at least 1% above CPI.

In the year to June 2024 the College withdrew a net amount of £3m from the CUEF which comprised £2,706k of new endowment funds, plus £135k of existing endowment funds previously invested with Cazenove Capital Management, less a withdrawal of £5,841k of fixed asset investments.

The College's investments in the CUEF were as follows:

Wolfson College investments in the CUEF	30 June 2024	30 June 2023
Unit value	£70.87	£67.59
Number of units (endowment)	544,992	504,907
Number of units (fixed asset investments)	137,345	219,472
Total number of units	682,337	724,379
Value of units (endowment)	£38.62m	£34.13m
Value of units (fixed asset investments)	£9.73m	£14.83m
Total value of units	£48.35m	£48.96m

The College received distributions totalling £1.98m (£1.40m from the endowment units and £0.58m from the fixed asset investment units), giving a distribution yield of 4.04% on the opening capital value.

The unaudited CUEF total fund value was £4.23 billion at 30 June 2024 and the estimated asset allocation of the fund was as follows:

CUEF asset classes	30 June 2024	30 June 2022
	%	%
Public equity	40	43
Private equity	24	24
Absolute return and Credit	23	19
Real assets	8	7
Cash	5	7

In addition to its investment in the CUEF, the College still holds endowment funds in two private equity funds with Cazenove Capital Management which were valued at £139k as at 30 June 2024 (2023: £314k). The College's strategy is, as and when exit opportunities arise in those private equity funds, to invest the proceeds in the CUEF. The College supports the CUEF's aim to have no meaningful exposure to fossil fuels by 2030.

5 Reserves

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

**OPERATING AND FINANCIAL REVIEW (continued)****5 Reserves (continued)**

Total reserves at 30 June 2024 were £88.12m, of which £47.62m were classed as ‘unrestricted reserves’. However, as these reserves are mainly represented by the College’s operational estate and therefore not available as funds to be spent, a more practical reserves policy has been implemented. The aim is to have realisable unrestricted reserves, being equivalent to fixed asset investments (excluding the investment cost relating to the £10m private placement) plus net current assets, in the range of 25% to 50% of annual expenditure as shown on the Statement of Consolidated Income and Expenditure, for use in the case of unexpected financial downturns or to pursue new opportunities. The figure for realisable unrestricted reserves at 30 June 2024 was £9.39m, above the specified range of £2.74-5.49m, but considered beneficial in the current circumstances to help fund ‘masterplan’ capital expenditure requirements.

6 Fundraising and Alumni Relations

The Development Office maintains contact with our alumni and heads up the fundraising activity of the College. The College has a database of over 14,000 alumni, of whom more than half live outside the UK in over 150 different countries. The office works to keep the alumni community engaged with regular communications and a programme of in person and on-line events which reaches audiences across the world.

The College is registered with the Fundraising Regulator and does not use third-party professional fundraisers. Fundraising is geared towards: the annual fund, for spending in the current year; the endowment, for spending over the longer term; or capital grants, to support building or refurbishment projects. As set out above, the endowment creates a stream of income also for spending in the current year. Total donations were as follows:

	30 June 2024	30 June 2023
	£'000	£'000
Colleges Fund grant	928	768
Legacies	1,116	107
Trusts	353	173
Donations above £100k	1,074	1,753
Donations up between £25k and £100k	79	45
Donations up to £25k	258	227
Total Donations	3,808	3,073

Donations, whether made to the annual fund, to the endowment, or as capital grants, make a significant impact on the College, especially in student support and scholarships. The Morrison Society recognises those who have made a pledge to the College in their Will to ensure the long-term future of the College. At 30 June 2024 there were 105 members of the Morrison Society. In addition, the President’s Circle members make generous annual gifts to the College, and a series of stewardship events are arranged throughout the year to honour and thank our supporters.



OPERATING AND FINANCIAL REVIEW (continued)

7 Principal Risks and Uncertainties

The College has a detailed risk register which the College Council reviews regularly. The risk register was substantially revised in 2022-23 to take account of lessons learned from the pandemic and the economic and political changes that have followed. The register sets out risks in the following areas: Finance; Size & Shape of Student Body; Student Academic Experience; Student Welfare and Wellbeing; Fellowship & Membership; Human Resources; Buildings & Estate; Sustainability; Equality, Diversity & Inclusion; Fundraising; Communications; IT; Governance & Administration; and Cybersecurity. A number of risks are analysed in each area and are monitored throughout the year by the relevant College committee. As well as setting out the likelihood of occurrence and severity of impact, the risk register also sets out control procedures, monitoring processes, risk owners and further actions.

The principal risks and uncertainties facing the College are:

Inflation: The Consumer Prices Index fell from 6.8% in July 2023 to 2% in June 2024 but the after-effects of the recent high inflation are still felt by members of the College community and in every area of the College's operations. The value of the regulated undergraduate fee for UK students, which has remained at £9,250 p.a. since 2017 (having been £9,000 since 2012) has significantly reduced. Wage inflation affects the College's ability to maintain optimal staffing levels as Colleges compete for operational and other staff. It also remains to be seen how the recent significant cost of living rises could affect student applications and current students in the longer term; the College will likely need to increase its investment in student support at the same time as it faces demands in many other areas of business. As a member of the Cambridge Colleges' energy purchasing consortium, the College has fixed electricity and gas prices, which may or may not benefit the College depending on whether energy prices rise or fall during the period of the contracts.

Climate Change: The College and its members face physical risks, arising from the changes in weather and climate that impact the economy and transition risks which arise from the transition to a low-carbon economy. The College is developing an ambitious sustainability strategy which sets out the College's plan to reduce its carbon emissions as well as to embed sustainability in all of its operations. The implementation of the plan, which has already started with the degasification of the College kitchen, will be costly and access to public funds for this purpose is increasingly restricted. However, if the College does not implement its strategy in a timely manner, it will not only fail to make its contribution to tackling this existential crisis but could also suffer a negative impact on its reputation and its recruitment of students, Fellows, and staff.

External political and economic threats facing Collegiate Cambridge: The war in Ukraine, the conflict in Gaza, the volatility and vulnerability of energy prices and supply as well as withdrawal from the European Union all have the potential to affect the University and its Colleges adversely because of major uncertainty about their impact on the recruitment of students, researchers, and staff. The longer term economic, social and health effects of the Covid 19 pandemic are still unknown. Before the pandemic, the University signalled its intention to increase its postgraduate numbers, particularly by way of increasing the number of its MPhil courses. The Colleges, including Wolfson, have stated their intention to support that growth, but this may be more difficult to achieve than was anticipated before the pandemic. Difficulties with and the increased expense of international travel, the rise of digital educational options and economic uncertainty may constrain the University's anticipated growth. Whilst the Cambridge brand will undoubtedly continue to be extremely strong, predominantly graduate colleges such as Wolfson, with a significant number of international students, may find it more challenging to recruit and maintain target student numbers.

Economic factors which might affect the College's sources of income and growth: The student fees, room rents and catering income from members represent the greatest source of income to the College; accordingly achieving the College's student number targets is critical to the College's financial model and increasing student numbers is critical to growth. As explained above, although overall student numbers at Wolfson have remained buoyant, there is no guarantee that University graduate numbers will continue to increase and, since decisions on graduate admissions are taken by the University, the College is dependent on the University to obtain the benefit of any increased student numbers. Any reduction in student numbers would have an impact on the College's finances. The demand for rooms in College normally outstrips supply, so any shortfall in student numbers would have to be significant before affecting rental income. Fee income, however, is more sensitive to shifts in student numbers.



OPERATING AND FINANCIAL REVIEW (continued)

8 Future Plans

As the College prepares for the arrival of its next president, Professor Ijeoma Uchegbu, in Michaelmas term 2024 and for its sixtieth anniversary in 2025, it is looking to the future. The College has started on the first phase of its decarbonisation strategy with the extension and refurbishment of the College kitchen facilities, and is planning its next steps to increase its student accommodation on site, following the recommendations of its masterplan (<https://www.wolfson.cam.ac.uk/masterplan>). The Development department is planning a capital campaign to raise the necessary funds for the masterplan but is equally focussed on maintaining and growing the funding needed to attract and support our excellent students. Whilst embarking on this work is financially and logistically challenging, the College is confident that, with prudent financial management and a detailed understanding of the risks involved, it will be able to progress and prepare for future generations of Wolfson members.



CORPORATE GOVERNANCE

- 1 The following statement is provided by the Trustees to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.
- 2 The College is a registered charity (registered number 1138143) and subject to regulation by the Charity Commission for England and Wales. The members of the Council are the charity trustees and are responsible for ensuring compliance with charity law.
- 3 The Trustees are advised in carrying out their duties by a number of Committees, including:

Buildings & Estate	Development	Educational Policy
Fellowship & Membership	Finance	Health & Safety
House	Human Resources	Sustainability
- 4 The principal College officers are the President, Vice-President, Bursar, Senior Tutor, and Development Director.
- 5 It is the duty of the Finance Committee to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the Trustees on the appointment of the external Auditor; to consider reports submitted by the Auditor; to monitor the implementation of recommendations made by the Auditor; and to make regular reports to the Trustees by way of minutes of its meetings. Membership of the Finance Committee includes all the principal College officers, other members of the Governing Body and the Emeritus Fellowship, the Finance Manager and two officers of the Student Association.
- 6 Three members of the Governing Body, who are not members of the Finance Committee, are elected by the Governing Body to act as Inspectors of Accounts to serve a three-year term, with annual rotation of one Inspector.
- 7 There is a Register of Interests of Trustees. Declarations of interest are made systematically at all Governing Body, Council, and committee meetings.

The College's Trustees during the year ended 30 June 2024 are set out on page 4.

STATEMENT OF INTERNAL CONTROL

- 1 The Trustees are responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College's Statutes.
- 2 The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.
- 3 The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively, and economically. This process was in place for the year ended 30 June 2024 and up to the date of approval of the financial statements.
- 4 The Trustees are responsible for reviewing the effectiveness of the system of internal control.
- 5 The Trustees' review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Bursar, and the College officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external Auditor in their management letter and other reports.



RESPONSIBILITIES OF THE GOVERNING BODY

The Governing Body is responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY OF WOLFSON COLLEGE****Opinion**

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and College's affairs as at 30 June 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes of the University of Cambridge.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT (continued)

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

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of the Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 14, the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Body determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Group through discussions with Trustees and other management, and from our knowledge and experience of the education sector;
- we obtained an understanding of the legal and regulatory framework applicable to the Group and how the Group is complying with that framework;
- we obtained an understanding of the Group's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the Group. The Laws and regulations we considered in this context were Charities Act 2011, the Statutes of the University of Cambridge and taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items;

**INDEPENDENT AUDITOR'S REPORT (continued)**

- in addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's and College's ability to operate or to avoid material penalty; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

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

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

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

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

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

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

Use of our report

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

PETERS ELWORTHY & MOORE

Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge CB1 2LA

Date:

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



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

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

Basis of accounting

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

Basis of consolidation

The consolidated financial statements include the College and its active subsidiary undertaking, Wolfson College Cambridge Enterprises Limited. Intra-group balances are eliminated on consolidation. The financial statements of the College's two other subsidiary companies, Lee Library Limited and Wolfson College Development Limited, have not been consolidated because they are dormant. Details of the subsidiary undertakings are set out in note 21. The activities of student societies have not been consolidated, because they are separate bodies which are not within the financial control of the College.

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 are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance-related conditions have been met.

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

Donations and endowments

Donations and endowments are non-exchange transactions. They are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

Donations with donor-imposed restrictions are held in restricted reserves until such time that expenditure is incurred in accordance with the restrictions.

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 permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective;
4. Restricted expendable endowments – the donor has specified a particular objective and the College has the power to use the capital element of the fund.

**STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)****Investment income and changes in value of investment assets**

Investment income and changes in the value of investment assets are recorded in income in the period in which they arise and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

Other income

Income is received from a range of activities including accommodation, catering, conferences, and other services rendered. It is recognised in the period to which it relates.

Cambridge Bursary Scheme

Payment of the Cambridge Bursaries to eligible students is made directly by the Student Loans Company (SLC). The College reimburses the SLC for the full amount and the University of Cambridge and other Colleges pay their shares to the College. The gross payment made to eligible students is shown within education expenditure and the contribution from the University and other Colleges is shown as income within academic fees and charges.

The net payment of £49k in 2023-24 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£374k
Expenditure (see note 4)	£423k

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 contracts, at contract rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Non-current assets**Freehold land and buildings**

Land is included at deemed cost, being its fair value on the date of transition to FRS102. Land is not depreciated as it is considered to have an indefinite useful life.

Buildings are stated at cost less accumulated depreciation. Costs incurred after initial purchase or construction are capitalised to the extent that they increase the expected future benefit to the College. Buildings and capital improvements are depreciated on a straight-line basis over their expected useful economic life of 20-50 years (2% - 5% per annum).

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

Equipment

Assets are capitalised and depreciated over their expected useful life as follows:

Furniture and fittings	10 years (10% per annum)
General equipment	5 years (20% per annum)
Computer equipment	4 years (25% per annum)

Leased assets

The College does not currently have any assets acquired under finance leases. Rental costs under operating leases are charged to expenditure in equal amounts over the periods of the leases.

Investments

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



STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

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 Group 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 assets and liabilities

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.

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.

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.



STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

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 1138143) 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 to income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

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

Contribution under Statute G, II

The College is liable to be assessed for Contribution under the provisions of Statute G, II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The College may from time to time be eligible for such grants. The liability for the year is as advised to the College by the University based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

Pension costs

The College participates in two defined benefit type schemes, the Cambridge Colleges Federated Pension Scheme (CCFPS) and the Universities Superannuation Scheme (USS); and one defined contribution scheme (Aviva).

The CCFPS is a defined benefit scheme with the assets held in a separate trustee-administered fund. The College is able to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and a valuation is obtained as at 30 June annually. The amount charged to expenditure represents the amount calculated under FRS102 guidelines and the College's net liability is shown in the Balance Sheet.

**STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)****Pension costs (continued)**

The USS is a hybrid pension scheme, providing defined benefits (for all members) as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The College is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 'Employee Benefits', the College therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to expenditure represents the contributions payable to the scheme. Where a scheme valuation determines that the scheme is in deficit on a technical provisions basis (as was the case following the 2020 valuation), the trustee of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund the overall deficit. The College recognises a liability for the contributions payable that arise from such an agreement (to the extent that they relate to a deficit) with related movements being recognised in expenditure.

The College contributes to a defined contribution pension scheme (Aviva). For defined contribution schemes the amount charged to expenditure is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either debtors or creditors in the Balance Sheet.

Employment benefits

Short term employment benefits such as salaries and holiday pay are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured at 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.

Going concern

The Trustees consider that the Group 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.



CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the College's accounts requires management to make judgements, estimates and assumptions that affect about the application of accounting policies and reported amounts of assets and liabilities and income and expenses that are not readily apparent from other sources. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events, which are considered to be reasonable under the circumstances. Actual results may differ from these estimates.

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

Income recognition

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

Useful lives of fixed assets

Property and equipment represent a significant proportion of the College's total assets. The estimated useful lives can therefore 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 fixed assets are shown in note 9.

Recoverability of debtors

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

Retirement benefit obligations

The costs of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 20.

Universities Superannuation Scheme (USS)

FRS102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as USS. The accounting for a multi-employer scheme, where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting change is recognised in comprehensive expenditure in accordance with section 28 of FRS102.

At 31 June 2023, the College's balance sheet included a liability of £873k for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021 following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the College was no longer required to make deficit recovery contributions. The remaining liability of £861k was released to the Income and Expenditure account. Further details are set out in notes 15 and 20.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

For the year ended 30 June		2024				2023			
		Note	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Endowment £'000
Income									
Academic fees and charges	1	4,337	374	-	4,711	4,155	270	-	4,425
Accommodation, catering, and conferences	2	4,390	-	-	4,390	3,999	-	-	3,999
Investment income	3	2,020	368	-	2,388	1,712	292	-	2,004
Total income before donations and endowments		10,747	742	-	11,489	9,866	562	-	10,428
Donations		197	652	-	849	92	529	-	621
New endowments		-	-	2,028	2,028	-	-	1,636	1,636
Capital grant from Colleges Fund		-	-	928	928	768	-	-	768
Other capital grants for assets		-	3	-	3	-	48	-	48
Total income		10,944	1,397	2,956	15,297	10,726	1,139	1,636	13,501
Expenditure									
Education	4	4,296	1,111	-	5,407	3,891	789	-	4,680
Accommodation, catering, and conferences	5	5,614	-	-	5,614	5,209	-	-	5,209
Other expenditure	6	769	52	-	821	719	33	-	752
Change in USS deficit recovery provision	8, 15	(861)	-	-	(861)	16	-	-	16
Total expenditure	7	9,818	1,163	-	10,981	9,835	822	-	10,657
Surplus / (deficit) before other gains and losses		1,126	234	2,956	4,316	891	317	1,636	2,844
Gain / (loss) on investments	10	738	113	1,503	2,354	33	9	105	147
Surplus / (deficit) for the year		1,864	347	4,459	6,670	924	326	1,741	2,991
Other comprehensive income									
Actuarial gain/(loss) in respect of pension schemes	15	152	-	-	152	(146)	-	-	(146)
Total comprehensive income for the year		2,016	347	4,459	6,822	778	326	1,741	2,845

**CONSOLIDATED STATEMENT OF CHANGES IN RESERVES**

For the year ended 30 June

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Balance at 1 July 2022	44,784	3,388	30,283	78,455
Surplus / (deficit) for the year	924	326	1,741	2,991
Other comprehensive income	(146)	-	-	(146)
Release of restricted capital funds spent in the year	3	(3)	-	-
Balance at 30 June 2023	45,565	3,711	32,024	81,300
Surplus / (deficit) for the year	1,864	347	4,459	6,670
Other comprehensive income	152	-	-	152
Release of restricted capital funds spent in the year	41	(41)	-	-
Balance at 30 June 2024	47,622	4,017	36,483	88,122

**CONSOLIDATED AND COLLEGE BALANCE SHEETS**

As at 30 June		2024 Group £'000	2024 College £'000	2023 Group £'000	2023 College £'000
	Note				
Non-current assets					
Fixed assets	9	40,575	40,575	38,544	38,544
Investments	10	48,495	48,495	49,276	49,276
Total non-current assets		89,070	89,070	87,820	87,820
Current assets					
Stocks		55	55	47	47
Trade and other receivables	11	1,069	1,130	1,320	1,346
Cash and cash equivalents	12	11,722	11,570	6,789	6,729
Total current assets		12,846	12,755	8,156	8,122
Creditors: amounts falling due within one year	13	(1,452)	(1,361)	(1,321)	(1,287)
Net current assets		11,394	11,394	6,835	6,835
Total assets less current liabilities		100,464	100,464	94,655	94,655
Creditors: amounts falling due after more than one year	14	(11,125)	(11,125)	(11,123)	(11,123)
Provisions					
Pension provisions	15	(1,217)	(1,217)	(2,232)	(2,232)
Total net assets		88,122	88,122	81,300	81,300
Represented by:					
Restricted reserves					
Income and expenditure reserve - endowment	16	36,483	36,483	32,024	32,024
Income and expenditure reserve - restricted	17	4,017	4,017	3,711	3,711
Unrestricted reserves					
Income and expenditure reserve - unrestricted		47,622	47,622	45,565	45,565
Total reserves		88,122	88,122	81,300	81,300

The financial statements were approved by the Governing Body on 13 November 2024 and signed on its behalf by:

Joanna Cheffins
Bursar

**CONSOLIDATED CASH FLOW STATEMENT**

For the year ended 30 June

	Note	2024 £'000	2023 £'000
Cash flow from operating activities:			
Surplus / (deficit) for the year		6,670	2,991
<i>Adjustment for non-cash items:</i>			
- depreciation	9	1,162	1,115
- pension costs less contributions payable		10	2
- amortisation of placement arrangement fees		2	3
- (gain) / loss on investments	10	(2,354)	(147)
- (increase) / decrease in stocks		(8)	8
- (increase) / decrease in trade and other receivables		251	(332)
- increase / (decrease) in creditors		131	254
- increase / (decrease) in provisions		(873)	(23)
<i>Adjustment for investing or financing activities:</i>			
- investment income	3	(2,388)	(2,004)
- new endowments	16	(2,956)	(1,636)
- capital grants for assets	17	(3)	(48)
- interest payable	6	328	328
Net cash inflow from operating activities		(28)	511
Cash flows from investing activities:			
Investment income	3	2,388	2,004
New endowments	16	2,956	1,636
Endowment funds invested	10	(2,706)	(1,648)
Receipts from disposal of non-current asset investments	10	5,841	1,343
Capital grants for assets	17	3	48
Payments made to acquire fixed assets	9	(3,193)	(1,218)
Total cash flows from investing activities		5,289	2,165
Cash flows from financing activities:			
Interest paid	6	(328)	(328)
Total cash flows from financing activities		(328)	(328)
Increase / (decrease) in cash and cash equivalents in the year		4,933	2,348
Cash and cash equivalents at beginning of the year	12	6,789	4,441
Cash and cash equivalents at end of the year	12	11,722	6,789

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

1 Academic fees and charges	2024	2023
	£'000	£'000
Fee income		
Fee income received at the regulated undergraduate rate (a)	495	479
Fee income received at the unregulated undergraduate rate (b)	915	933
Fee income received at the postgraduate rate (c)	2,885	2,699
	4,295	4,111
Other income		
Research Fellow support	-	-
Cambridge Bursaries	374	270
Teaching and other income	17	20
College courses	25	24
Total	4,711	4,425
 (a) This rate is received for UK students who are eligible for Student Loans Company loans. Such students are sometimes referred to as 'publicly funded'. The total rate is set by the University up to a limit set by the Government, and the College receives a 50% share.		
 (b) This rate is paid by Overseas students and those UK students not eligible for Student Loans Company loans. Such students are sometimes referred to as 'privately funded'. This rate is set by the College.		
 (c) This rate is a fixed proportion of the course fees set by the University.		
 2 Accommodation, catering, and conferences income	 2024	 2023
	£'000	£'000
Accommodation		
College members	3,227	3,078
Conferences	510	238
Catering		
College members	473	571
Conferences	180	112
Total	4,390	3,999
 3 Investment income	 2024	 2023
	£'000	£'000
Income from:		
Unquoted securities - unit trust *		
- endowment assets	1,402	1,244
- fixed asset investments	580	617
Cash	406	143
Total	2,388	2,004

* invested in Cambridge University Endowment Fund units

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

4	Education expenditure	2024	2023
		£'000	£'000
	Teaching	1,287	1,179
	Tutorial	1,126	1,028
	Admissions	403	367
	Research	412	375
	Scholarships and awards	866	617
	Cambridge Bursaries	423	320
	Other educational facilities	879	790
	College courses	11	4
	Total	5,407	4,680
5	Accommodation, catering, and conferences expenditure	2024	2023
		£'000	£'000
	Accommodation		
	College members	3,325	3,188
	Conferences	358	178
	Catering		
	College members	1,695	1,729
	Conferences	236	114
	Total	5,614	5,209
6	Other expenditure	2024	2023
		£'000	£'000
	Alumni relations	398	348
	Loan interest	328	328
	Pension schemes' finance charges (see note 15)	95	76
	Total	821	752

Expenditure on all activities in notes 4, 5 and 6 includes both direct costs and an allocation of overheads.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

7a Analysis of expenditure by activity

		Staff costs (note 8) 2024 £'000	Other operating expenses 2024 £'000	Depreciation 2024 £'000	Total 2024 £'000
	Note				
Education	4	2,437	2,629	341	5,407
Accommodation, catering, and conferences	5	2,857	1,941	816	5,614
Other	6	287	529	5	821
Change in USS deficit recovery provision	8	(861)	-	-	(861)
		4,720	5,099	1,162	10,981

Expenditure includes fundraising costs of £398k in addition to the costs of alumni relations which are disclosed in note 6.

		Staff costs (note 8) 2023 £'000	Other operating expenses 2023 £'000	Depreciation 2023 £'000	Total 2023 £'000
Education	4	2,221	2,132	327	4,680
Accommodation, catering, and conferences	5	2,613	1,813	783	5,209
Other	6	245	502	5	752
Change in USS deficit recovery provision	8	16	-	-	16
		5,095	4,447	1,115	10,657

Expenditure includes fundraising costs of £310k in addition to the costs of alumni relations which are disclosed in note 6.

7b Auditor's remuneration

	2024 £'000	2023 £'000
Other operating expenses include:		
Audit fees payable to the Group's external auditor (including VAT)	33	30
Other fees payable to the Group's external auditor (including VAT)	1	1

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

8a Staff costs	Fellows £'000	Other Staff £'000	Total 2024 £'000	Total 2023 £'000
Salaries	932	3,753	4,685	4,239
National Insurance	88	321	409	380
Pension costs	131	392	523	528
Net change in USS deficit recovery provision (see note 15)	<u>(477)</u>	<u>(420)</u>	<u>(897)</u>	<u>(52)</u>
Subtotal of pension costs (see note 8b)	<u>(346)</u>	<u>(28)</u>	<u>(374)</u>	<u>476</u>
	674	4,046	4,720	5,095

Average staff numbers (full-time equivalents):

Academic	11	1	12	12
Non-academic	3	115	118	111
	14	116	130	123

There were 116 Fellows (excluding the President) in the Governing Body as at 1 December 2023, 46 of whom were stipendiary, representing 14 full-time equivalent College Fellows included above.

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

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

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

Key management personnel and Trustees

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the College. The key management personnel are the members of the College Council, who act as the Trustees of the charity.

The aggregated remuneration (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) paid to key management personnel was:

	2024 £'000	2023 £'000
College Officers <i>ex officio</i>	418	441
Fellows elected by the Governing Body	54	53
	472	494

The Trustees received no remuneration in their capacity as Trustees.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

8b Pension Costs

The total pension cost included in staff costs for the year was:

	Employer Contributions	Provisions	Total 2024	Employer Contributions	Provisions	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000
USS	223	(897)	(674)	237	(52)	185
CCFPS	168	(77)	91	174	(61)	113
Aviva	141	-	141	-	-	-
NOW	68	-	68	178	-	178
	600	(974)	(374)	589	(113)	476

Based on the 2023 valuation of the Universities Superannuation Scheme (USS), the impact of the net change in the USS deficit recovery provision on staff costs is a credit of £897k (2023: £52k). This comprises a non-cash credit resulting from the change in assumptions, including the discount rate, of £861k (2023: £16k charge) and cash contributions made to reduce the deficit in the year of £36k (2023: £68k).

9 Tangible fixed assets

Group and College	Freehold land and buildings	Fixtures and equipment	Assets in the course of construction	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At beginning of year	51,154	5,637	422	57,213	56,048
Additions at cost	4	806	2,383	3,193	1,218
Disposals	-	(381)	-	(381)	(53)
At end of year	51,158	6,062	2,805	60,025	57,213
Depreciation					
At beginning of year	14,470	4,199	-	18,669	17,607
Charge for the year	743	419	-	1,162	1,115
Disposals	-	(381)	-	(381)	(53)
At end of year	15,213	4,237	-	19,450	18,669
Net book value					
As at 30 June 2024	35,945	1,825	2,805	40,575	
As at 30 June 2023	36,684	1,438	422	38,544	

The declared value of freehold buildings for insurance purposes as at 30 June 2024 was £68,801,361 (2023: £66,989,313).

At 30 June 2024, freehold land and buildings included £22.0m (2023: £22.0m) in respect of freehold land which is not depreciated.

Capital commitments

	Group and College	
	2024	2023
	£'000	£'000
Capital expenditure contracted but not provided for	3,292	-

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

10 Non-current investments

	Group and College	
	2024	2023
	£'000	£'000
Balance at beginning of year	49,276	48,824
Additions	2,706	1,648
Disposals	(5,841)	(1,343)
Gain / (loss)	2,354	147
Balance at end of year	48,495	49,276
Represented by:		
Unquoted securities - unit trust	48,356	48,962
Unquoted securities - equities	139	314
Total	48,495	49,276
Analysis by asset:		
Endowments - permanent	36,217	32,021
Endowments - expendable	2,545	2,421
Fixed asset investments	9,733	14,834
Total	48,495	49,276

11 Trade and other receivables

	Group	College	Group	College
	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
Members of the College	231	231	246	246
Amounts due from subsidiary undertakings	1	66	1	79
Other receivables	67	63	153	101
Prepayments and accrued income	770	770	920	920
Total	1,069	1,130	1,320	1,346

12 Cash and cash equivalents

	Group	College	Group	College
	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
Short-term money market investments	9,000	9,000	4,900	4,900
Bank deposits	2,566	2,566	1,829	1,829
Bank current accounts	155	3	60	-
Cash in hand	1	1	-	-
Total cash and cash equivalents	11,722	11,570	6,789	6,729
Analysis by asset:				
Endowments – permanent capital	266	266	3	3
Endowments – restricted	279	279	222	222
Other restricted reserves	1,174	1,174	1,050	1,050
Other cash and cash equivalents	10,003	9,851	5,514	5,454
Total	11,722	11,570	6,789	6,729

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

13 Creditors: amounts falling due within one year	Group	College	Group	College
	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
Trade creditors	601	600	631	631
Members of the College	216	216	178	178
University fees	211	211	162	162
Other creditors (PAYE, NI, VAT)	139	131	150	141
Accruals and deferred income	285	203	200	175
Total	1,452	1,361	1,321	1,287

14 Creditors: amounts falling due after more than one year	Group and College	
	2024	2023
	£'000	£'000
Bank loan	1,200	1,200
Private placement	10,000	10,000
Private placement arrangement fees	(75)	(77)
Total	11,125	11,123

Interest is payable on the bank loan at 4.8%. The loan is repayable in August 2048.

Interest is payable on the private placement at 2.7%. The placement is repayable in June 2053.

The placement arrangement fees are being amortised over the duration of the placement.

15 Pension provisions (see note 20)	CCFPS liability	USS deficit provision	Group and College	
			Total 2024	Total 2023
	£'000	£'000	£'000	£'000
Balance at beginning of year	1,359	873	2,232	2,107
<i>Movement in the year:</i>				
Current service cost	93	-	93	114
Administrative expenses	16	-	16	16
Contributions	(170)	-	(170)	(175)
Net change in underlying assumptions (see note 8)				
- USS deficit contributions paid	-	(36)	(36)	(68)
- Change in underlying assumptions	-	(861)	(861)	16
Other finance costs	71	24	95	76
Actuarial (gain) / loss	(152)	-	(152)	146
Balance at end of year	1,217	-	1,217	2,232

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

16 Permanent endowments

	Unrestricted permanent £'000	Restricted permanent £'000	Group and College	
			Total 2024 £'000	Total 2023 £'000
Balance at beginning of year	25,412	6,612	32,024	30,283
New endowments	942	2,014	2,956	1,636
Transfers	-	-	-	-
Gain / (loss) on investments	1,191	312	1,503	105
Balance at end of year	27,545	8,938	36,483	32,024
Analysis by purpose:				
Fellowship Funds	-	182	182	174
Scholarship Funds	-	6,487	6,487	4,288
Prize Funds	-	110	110	104
Hardship Funds	-	1,286	1,286	1,218
Bursary Funds	-	129	129	121
Travel Grant Funds	-	63	63	60
Library Funds	-	449	449	429
Other Funds	-	232	232	218
General	27,545	-	27,545	25,412
Total	27,545	8,938	36,483	32,024
Analysis by asset:				
Investments	27,542	8,675	36,217	32,021
Cash	3	263	266	3
	27,545	8,938	36,483	32,024

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

17 Restricted reserves**Group and College**

	Capital grants £'000	Restricted income £'000	Restricted permanent endowment income £'000	Expendable endowment £'000	Total 2024 £'000	Total 2023 £'000
Balance at beginning of year						
Capital	-	-	-	2,422	2,422	2,404
Accumulated income	45	1,023	138	83	1,289	984
	45	1,023	138	2,505	3,711	3,388
Academic income	-	374	-	-	374	270
Investment income	-	1	269	98	368	292
New donations	-	639	-	13	652	529
New grants	3	-	-	-	3	48
Expenditure	-	(852)	(246)	(65)	(1,163)	(822)
Capital grants utilised	(41)	-	-	-	(41)	(3)
Gain / (loss) on investments	-	1	-	112	113	9
Balance at end of year						
Capital	-	-	-	2,548	2,548	2,422
Accumulated income	7	1,186	161	115	1,469	1,289
	7	1,186	161	2,663	4,017	3,711
Analysis by purpose:						
Fellowship Funds	-	125	17	861	1,003	985
Scholarship Funds	-	907	76	1,227	2,210	1,876
Prize Funds	-	-	7	1	8	13
Hardship Funds	-	-	-	95	95	91
Bursary Funds	-	2	8	247	257	239
Travel Grant Funds	-	-	2	11	13	12
Library Funds	-	-	-	-	-	-
Other Funds	7	152	51	221	431	495
General	-	-	-	-	-	-
Total	7	1,186	161	2,663	4,017	3,711
Analysis by asset:						
Investments	-	19	-	2,545	2,564	2,439
Cash	7	1,167	161	118	1,453	1,272
	7	1,186	161	2,663	4,017	3,711

Some endowments are classified as expendable rather than permanent to reflect the wishes of the donor: when the donor expects their donation to be retained for the benefit of the College with a view to it having an impact over a number of years while also providing flexibility to spend capital as required.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

18 Consolidated reconciliation and analysis of net debt

	At 1 July 2023	Cash flows	Other non- cash changes	At 30 June 2024
	£'000	£'000	£'000	£'000
Cash and cash equivalents	6,789	4,933	-	11,722
Borrowings due after more than one year Unsecured loans	(11,123)	-	(2)	(11,125)
Net total	(4,334)	4,933	(2)	597

19 Financial instruments

	2024 £'000	2023 £'000
Financial assets		
<i>Financial assets at fair value through Statement of Comprehensive Income</i>		
Other investments	48,495	49,276
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Cash and cash equivalents	11,722	6,789
Other debtors	299	400
Financial liabilities		
<i>Financial liabilities measured at amortised cost</i>		
Loans	11,125	11,123
Trade creditors	601	631
Other creditors	566	490

The fair values of the assets held at fair value at the balance sheet date are determined using quoted prices.

20 Pension schemes

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

20a Cambridge Colleges Federated Pension Scheme

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

The principal actuarial assumptions at the balance sheet date were:

	2024 % p.a.	2023 % p.a.
Discount rate	5.10	5.20
Increase in salaries – to 2030	2.85	3.30
Increase in salaries – from 2031	3.75	3.30
Retail Prices Index (RPI) assumption	3.35	3.40*
Consumer Prices Index (CPI) assumption – to 2030	2.35	2.80*
Consumer Prices Index (CPI) assumption – from 2031	3.25	2.80*
Pension increases in payment (RPI max 5.0% p.a.)	3.15	3.30*
Pension increases in payment (CPI max 2.5% p.a.)	2.00	2.05*

* For 1 year only, we assumed that RPI will be 9% and CPI will be 7%. The caps under the Rules are applied to assumed pension increases.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

20a Cambridge Colleges Federated Pension Scheme (continued)

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI 2023 future improvement factors and a long-term rate of future improvement of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements (2023: S3PA on a year of birth usage with CMI 2022 future improvement factors and a long-term rate of future improvement of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

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

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

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

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

The amounts recognised in the balance sheet as at 30 June are as follows:

	2024	2023
	£'000	£'000
Present value of plan liabilities	(5,584)	(5,528)
Market value of plan assets	4,367	4,169
Net defined benefit liability	(1,217)	(1,359)

The amounts recognised in expenditure for the year ending 30 June are:

	2024	2023
	£'000	£'000
Current service cost	93	114
Administrative expenses	16	16
Interest on net defined benefit liability	71	47
Total	180	177

Changes in the present value of the plan liabilities for the year ending 30 June are:

	2024	2023
	£'000	£'000
Present value of plan liabilities at beginning of year	5,528	6,112
Current service cost	93	114
Employee contributions	10	10
Benefits paid	(223)	(265)
Interest on plan liabilities	284	230
Actuarial (gains) / losses	(108)	(673)
Present value of plan liabilities at end of year	5,584	5,528

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

20a Cambridge Colleges Federated Pension Scheme (continued)

Changes in the fair value of the plan assets for the year ending 30 June are:

	2024	2023
	£'000	£'000
Market value of plan assets at beginning of year	4,169	4,901
Contributions paid by the College	170	175
Employee contributions	10	10
Benefits paid	(223)	(265)
Administrative expenses paid	(19)	(20)
Interest on plan assets	213	183
Return on assets, less interest included in income and expenditure	47	(815)
Market value of plan assets at end of year	4,367	4,169
Actual return on plan assets	260	(632)

The major categories of plan assets as a percentage of total plan assets at 30 June are as follows:

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

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

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June:

	2024	2023
	£'000	£'000
Return on assets less interest included in comprehensive income	47	(815)
Expected less actual plan expenses	(3)	(4)
Experience gains and losses arising on plan liabilities	74	(702)
Changes in assumptions underlying the present value of plan liabilities	34	1,375
Re-measurement of net defined benefit liability recognised in OCI	152	(146)

Movements in the net defined benefit liability during the year ending 30 June are:

	2024	2023
	£'000	£'000
Net defined benefit liability at beginning of year	(1,359)	(1,211)
Recognised in expenditure	(180)	(177)
Contributions paid by the College	170	175
Re-measurement of net defined benefit liability recognised in OCI	152	(146)
Net defined benefit liability at end of year	(1,217)	(1,359)

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

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

20a Cambridge Colleges Federated Pension Scheme (continued)

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

These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 3 June 2024 and are as follows:

- annual contributions of not less than £173,955 p.a. payable for the period to 31 March 2030.

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

20b Universities Superannuation Scheme

The total amount included in the consolidated statement of comprehensive income and expenditure, including changes in the deficit provision, is a credit of £650,082 (2023: charge of £214,589).

Deficit recovery contributions due within one year for the institutions are £nil (2023: £74,214).

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

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

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

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

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles available on the USS website.

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

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

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

20b Universities Superannuation Scheme (continued)

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

The current life expectancies (in years) on retirement at age 65 are:

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

21 Subsidiary undertakings

The College's subsidiary undertakings, all of which are companies incorporated in the United Kingdom, are as follows:

Undertaking	Activity	Holding	%
Wolfson College Cambridge Enterprises Limited	The provision of conferences and events at Wolfson College, Cambridge	1 ordinary share of £1	100%
Wolfson College Development Limited	Dormant	1,000 ordinary shares of £1 each	100%
Lee Library Limited	Dormant	2 ordinary shares of £1 each	100%

22 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 member of the College Council may have an interest. All transactions involving organisations in which a member of the College Council may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

The College maintains a register of interests for all College Council members and where any member of the College Council has a material interest in a College matter, they are required to declare that fact.

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

Fellows are remunerated for teaching, research, and other duties within the College. Fellows are billed for any private catering. All salaries are reviewed annually by the Human Resources Committee.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

22 Related party transactions (continued)

The salaries paid to Trustees in the year, for duties other than serving as a Trustee, are summarised in the table below:

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

The total Trustee salaries were £378,083 for the year (2023: £369,530).

The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £94,021 for the year (2023: £124,290).

Details of subsidiary undertakings are disclosed in note 21. The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

23 US Department of Education Financial Responsibility Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, the College is required, by the US Department of Education, to present the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets.
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).
- presented in pounds sterling.

The schedules set out how each amount disclosed has been extracted from the financial statements. As set out above, the accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

23 US Department of Education Financial Responsibility Supplemental Schedule (continued)**Primary Reserve Ratio**

Page	Primary statement or note and line item		2024 £'000	2023 £'000
		<u>Expendable Net Assets</u>		
27	Balance Sheet – Unrestricted reserves	Net assets without donor restrictions	47,622	45,565
27	Balance Sheet – Restricted reserves	Net assets with donor restrictions	40,500	35,735
27	Balance Sheet – Restricted reserves	Net assets with donor restrictions restricted in perpetuity	(40,500)	(35,735)
27	Balance Sheet – Fixed assets	Property plant and equipment	(40,575)	(38,544)
27	Balance Sheet – Pension provisions	Post-employment and pension liabilities	1,217	2,232
27	Balance Sheet – Creditors falling due after one year	Long term debt for long term purposes	11,125	11,123
35	Note 14 – Private Placement	Long term debt not for purchase of property	(10,000)	(10,000)
			9,389	10,376
		<u>Total Expenses and Losses Without Donor Restrictions</u>		
25	Statement of Comprehensive Income and Expenditure – Unrestricted total expenditure	Total operating expenses	9,818	9,835
			9,818	9,835

Equity Ratio

Page	Primary statement / note and line item		2024 £'000	2023 £'000
		<u>Modified Net Assets</u>		
27	Balance Sheet – Unrestricted reserves	Net assets without donor restrictions	47,622	45,565
27	Balance Sheet – Restricted reserves	Net assets with donor restrictions	40,500	35,735
			88,122	81,300
		<u>Modified Assets</u>		
27	Balance Sheet – Non-current assets	Total non-current assets	89,070	87,820
27	Balance Sheet – Current assets	Total current assets	12,846	8,156
			101,916	95,976

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

23 US Department of Education Financial Responsibility Supplemental Schedule (continued)**Net Income Ratio**

Page	Primary statement / note and line item		2024 £'000	2023 £'000
		<u>Change in Net Assets Without Donor Restrictions</u>		
26	Statement of Changes in Reserves – Unrestricted reserves	Surplus / (deficit) from income and expenditure statement	1,864	924
26	Statement of Changes in Reserves – Unrestricted reserves	Other comprehensive income	152	(146)
26	Statement of Changes in Reserves – Unrestricted reserves	Release of restricted capital funds spent in the year	41	3
			2,057	781
		<u>Total Revenue and Gains Without Donor Restrictions</u>		
25	Statement of Comprehensive Income and Expenditure Unrestricted total income	Total operating revenue	10,944	10,726
25	Statement of Comprehensive Income and Expenditure – Unrestricted investment income	Investment return appropriated for spending	(2,020)	(1,712)
26	Statement of Changes in Reserves – Unrestricted reserves	Release of restricted capital funds spent in the year	41	3
			8,965	9,017

Accounts



WOLFSON COLLEGE CAMBRIDGE

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

Registered Charity No. 1138143



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INTRODUCTION

Wolfson College is one of the 31 colleges in the University of Cambridge. It was founded as University College in 1965, and was renamed Wolfson College in 1973, receiving its Royal Charter in 1977. The primary object of the College is to advance education, learning and research in the University of Cambridge.

The College admits both full-time and part-time postgraduate students studying for PhDs and Masters degrees, and full-time mature undergraduates aged 21 or above. The total number of students as at 1 December 2022 was 1,098. The College has a large Fellowship, which is particularly active in research within the University.

The College occupies a nine-acre site to the west of central Cambridge, consisting of new buildings built since 1972 and older houses absorbed into the site and landscaped gardens. The residential buildings include approximately 450 units of accommodation for students and academic visitors, accommodating over 500 residents in total. Other buildings house a library, a dining hall, seminar and teaching rooms, common rooms, a gym, and other shared spaces.

The College is a registered charity, regulated by the Charity Commission and is registered with the Fundraising Regulator.

These accounts are presented in the format of the Recommended Cambridge College Accounts (RCCA), which comply with the Higher Education SORP (Statement of Recommended Practice: Accounting for Further and Higher Education).

SUMMARY FINANCIAL RESULTS

The financial statements consolidate the activities of the College and the College's trading subsidiary, Wolfson College Cambridge Enterprises Limited.

Total income for the year was £13.50m. Total expenditure for the year (including depreciation of £1.12m but excluding capital expenditure of £1.22m) was £10.66m, leading to a surplus (before other gains and losses) of £2.84m and total comprehensive income for the year of £2.85m. The main sources of income were academic fees (£4.43m) and accommodation and catering (£4.00m). The main area of expenditure was staff costs of £5.10m.

Endowment investments, which are mainly invested in the Cambridge University Endowment Fund (CUEF), were valued at £34.45m on 30 June 2023. In addition, the College held fixed asset investments of £14.83m in the CUEF at the year end, bringing the total of endowment and other investments to £49.28m.

Total net assets were £81.30m.

WOLFSON 2022-23

The financial and academic year 2022-23 has been the first "normal" year since the outbreak of the Covid 19 pandemic. Students were able to travel without restriction and the College has enjoyed a return to a full and varied programme of activities and events and signs of increased conference activity were welcome. Capital expenditure on renovation and refurbishment of College facilities resumed in the summer of 2022 and substantial planning was undertaken to prepare for a major kitchen refurbishment in 2024. The College's ambitions to make progress on its masterplan have been reinvigorated with the appointment of a new Development Director and fund-raising has been identified as one of the President's top priorities in her final year, 2023-24.

PROFESSIONAL ADVISERS

Auditor

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

Bankers

Lloyds Bank plc
Endeavour House
Chivers Way, Histon
Cambridge CB24 9ZR

Wolfson College
Barton Road
Cambridge CB3 9BB
Website: www.wolfson.cam.ac.uk
Charity Registration No. 1138143

**CHARITY TRUSTEES**

The College Officers and elected Fellow members of the College Council act as the Trustees of the charity. The College Council meets at least eight times in a year. In the financial year 2022-23 the following were members of the College Council:

Five College Officers *ex officio*

Professor Jane Clarke	President; Chair of the Council
Mr Graham Allen (to 31 December 2022)	Vice-President
Dr Kevin Greenbank (from 1 January 2023)	Vice-President
Mrs Joanna Cheffins	Bursar; Secretary of the Council
Dr Susan Larsen	Senior Tutor
Mr Simon Crookall	Development Director

Ten Fellows elected by the Governing Body

Ms Lynette Alcántara
 Dr Anna Dempster
 Professor Stephen Evans
 Dr Kevin Greenbank (to 31 December 2022)
 Professor Peter Jones
 Dr Antonina Kouli (to 30 September 2022)
 Dr Virginia Newcombe
 Professor Lloyd Peck
 Dr Samuel Roberts (from 1 October 2022)
 Dr Liron Shmilovits (from 1 January 2023)
 Dr Martin Vestergaard (to 30 September 2022)
 Dr Martin Vinnell (from 1 October 2022)
 Dr Warwick (Jeremy) Webb (to 30 September 2022)
 Professor James Wood (from 1 October 2022)

In addition, three Students from the Wolfson College Student Association (WCSA) are non-trustee members of College Council:

President of WCSA: Scott Dunleavy (to November 2022)	Cameron Few (from November 2022)
Vice-President of WCSA: Bridget Smith (to November 2022)	Ksenia Leonovich (from November 2022)
Treasurer of WCSA: Dan Scott (to November 2022)	Isaac James (from November 2022)

The Governing Body, consisting of all Fellows of the College (other than Emeritus, Visiting, Honorary and Bredon Fellows), is required by the College Statutes to be responsible for the approval of the annual audited accounts. There were 113 Governing Body Fellows as at 1 December 2022. The Governing Body meets at least four times in a year. The President is the Chair of the Governing Body, and the Bursar is the Secretary.

A full list of the Governing Body Fellows can be found on the College website at:
<https://www.wolfson.cam.ac.uk/people>

The College's corporate governance arrangements are set out on page 13.



OBJECTS

The objects of the College are set out in its Royal Charter, effective from 1 January 1977, as follows:

1. to advance education, learning and research in the University of Cambridge;
2. to provide, for men or women who shall be members of the University, a College wherein they may work for degrees in the University or may carry out postgraduate or other special studies at Cambridge provided that no members of the College or any candidate for membership thereof shall be subject to any test of religious, social, political or racial character;
3. to apply the moneys of the College to the purposes of the College with power to invest as prescribed in the Statutes of the College;
4. to administer any trust or scheme for purposes connected with the objects of the College; and
5. to do all such things as are incidental or conducive to the carrying out of the above objects.

PUBLIC BENEFIT

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

- teaching facilities and individual or small-group supervision for undergraduates, as well as pastoral, administrative and academic support for all students through its tutorial and mentoring systems; and
- social, cultural, musical, recreational, and sporting facilities which enable each of its students to realise their academic and personal potential to the full while studying at the College.

The College advances research through:

- providing Research Fellowships to outstanding young academics in the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- supporting the research work of its students and Fellows by promoting interaction across disciplines, providing facilities for seminars, and developing a community of researchers; and
- fostering academic networking by encouraging visits from outstanding academics as Visiting Fellows and Visiting College Research Associates.

The College maintains a Library which is a valuable resource for students and Fellows of the College.

The members of the College, both students and Fellows, are the primary beneficiaries and are directly engaged in education, learning or research.

Beneficiaries also include: students and academic staff from other Colleges in Cambridge and the University of Cambridge more widely, visiting academics from other higher education institutions and visiting alumni of the College who have an opportunity to attend educational events at the College or use its academic facilities. The College offers membership with Senior Member status to distinguished members of the local community without an existing College affiliation and membership with College Research Associate status to researchers in Cambridge also without an existing College affiliation. The general public is also able to attend various educational activities in the College such as lectures, seminars, exhibitions and concerts.

The College admits students who have the highest potential for benefiting from the education provided by the College and the University, regardless of their gender or their financial, social, religious, or ethnic background:

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects, although the University of Cambridge's Statutes and Ordinances restrict the College to admitting undergraduates who are aged 21 or above; and
- there are no religious restrictions in the College's objects and a wide range of faith traditions are represented in the College membership.

**PUBLIC BENEFIT (continued)**

The College admits a significant number of part-time postgraduate students and its encouragement of such students allows individuals to benefit from a Cambridge education who might not otherwise have access.

The focus of the College is strongly academic, and students are required to satisfy high academic entry requirements.

The College receives the following income in respect of students:

- (a) fees at externally regulated rates, charged to UK undergraduates (those eligible for loans from the Student Loans Company) and to postgraduate students; and College fees determined by the College annually, charged to Overseas undergraduates and to other UK undergraduates (those not eligible for loans from the Student Loans Company); and
- (b) accommodation charges and meal charges set at reasonable rates.

In order to assist undergraduates of limited financial means, the College provides bursary support through a scheme operated in common with the University and other Colleges. For the academic year 2022-23, awards totalling £320.5k were made to 65 Wolfson undergraduates (£379.5k to 80 undergraduates in 2021-22): 40 were awarded the maximum independent student bursary of £5,600; and a further 25 were awarded an average of £3,860. The net cost to the College for participation in this scheme was £50.7k after contributions by the University and other Colleges of £269.8k. The scheme is widely advertised on the University website, on College websites and in the Admissions Prospectus. Enhanced Bursaries totalling £28.7k in 2022-23, part funded by a grant from Trinity College, were also awarded to undergraduates needing additional support.

To support the costs of both undergraduate and postgraduate students, the College provides various scholarships and bursaries, to help fund fees and living costs. The total cost to Wolfson in 2022-23 was £440.6k to 165 students (£523.5k to 159 students in 2021-22). Within this amount, £221.1k was awarded to 30 students in receipt of Vice-Chancellor's and other matched funding awards, which when combined with funding from the Cambridge Trust or University Departments, provided a total benefit of £797.1k. The Vice-Chancellor's Awards scheme exists to support UK PhD students across the University, and in addition to awards made to named students by a College, all Colleges are required to contribute to the scheme irrespective of their participation. The amount required to be paid by the College in 2022-23 was £79.8k (£71.1k in 2021-22).

The College supports students through a grant scheme to assist with travel and attendance at conferences. The total awarded in 2022-23 was £51.1k to 98 students (£32.9k to 77 students in 2021-22).

In addition to its other programmes, the College operates a scheme for students in financial hardship. The total awarded in 2022-23 was £33.5k to 43 students (£17.2k to 36 students in 2021-22).

The College awards prizes to its students for academic distinction. The total awarded in prizes in 2022-23 was £11.7k to 39 students (£29.1k to 97 students in 2021-22).

To raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to Wolfson, the College holds open days, and provides guidance and information for prospective applicants on the College website and through the admissions staff in its Tutorial Office.

In order to fulfil its charitable purposes of advancing education, learning and research, the College employs a number of its Fellows in the following roles: College Assistant Professors, Directors of Studies, Supervisors, Tutors and senior administrative officers such as Bursar, Senior Tutor and Development Director. Several of these serve as charity trustees through membership of the College Council. The employment of the President 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 President and Fellows through salaries, stipends and employment-related benefits is objectively reasonable, measured against academic stipends generally; moreover, 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. All salaries are reviewed annually by the Human Resources Committee.

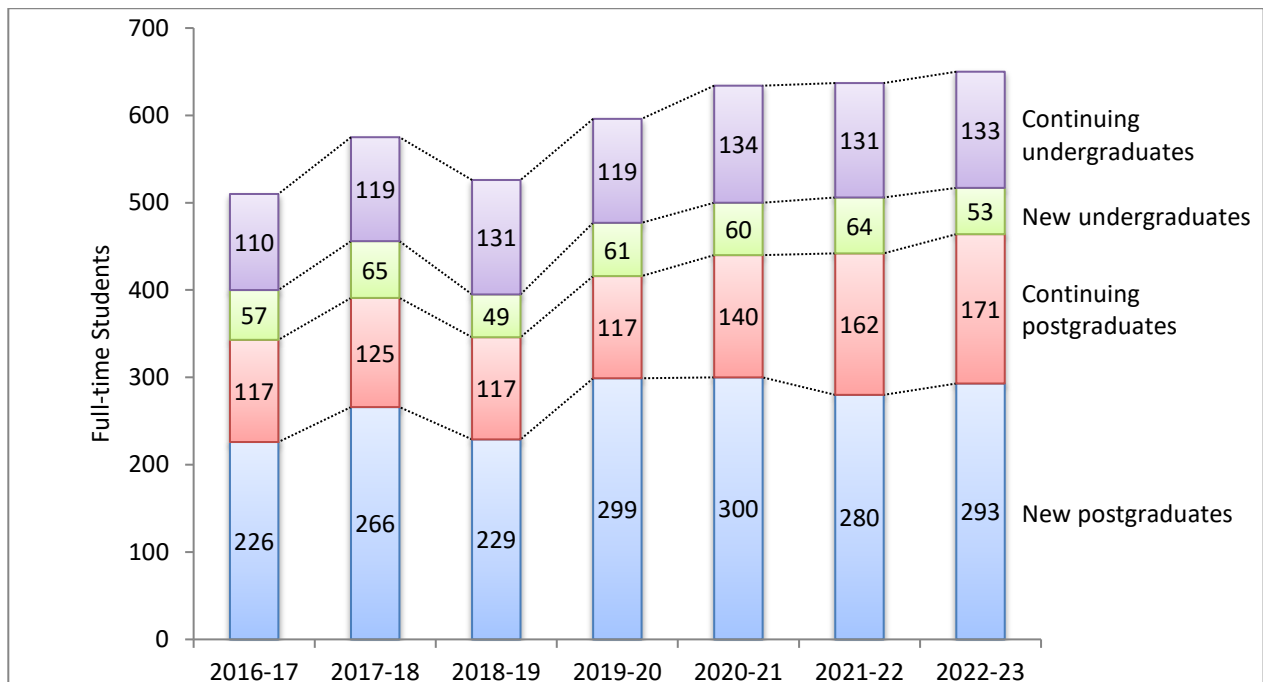


OPERATING AND FINANCIAL REVIEW

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1 Student Numbers

The College admits full-time and part-time postgraduate students studying for PhDs and Masters courses and full-time mature undergraduate students aged 21 and over. Total student numbers (including part-time postgraduates and postgraduates writing up or under examination) of 1,098 as at 1 December 2022 did not change significantly from the previous year (1,160). The College accepts both postgraduates who have selected the College as part of their application and postgraduates who are allocated to the College through an intercollegiate allocation process, designed to even out the distribution of applications across the Cambridge colleges. The following chart shows the figures for full-time students over the past seven years as at 1 December in each year:



The total full-time student body of 650 was split approximately one-third undergraduates and two-thirds postgraduates. The full-time postgraduates body of 464 was split between Masters (249) and PhD / integrated Doctorate students (215). The College’s 268 part-time postgraduates also continued to play an important part in the College’s mix of students.



OPERATING AND FINANCIAL REVIEW (continued)

2 Income and Expenditure

The Statement of Comprehensive Income and Expenditure (SOCIE) shows total income for the year of £13.50m (2021-22: £11.01m)

Increased student fees contributed to academic income of £4.43m, which was higher than in the previous year (£4.21m). Of this total, £4.11m is made up of fees paid by or on behalf of students, as set out in detail in note 1. Within academic income are included the contributions from the University and other Colleges for Cambridge Bursaries: £270k is included as income from this source, with a corresponding figure in expenditure of £320k, i.e., there was a net cost to the College of £50k.

Accommodation and catering income, at £4.00m, was higher than the previous year (£3.54m) reflecting the return to full scale operations following the ending of restrictions necessitated by the COVID-19 pandemic. The College has 409 units of student accommodation, mainly for single occupation, accommodating up to 429 in total. In addition, there are five family flats. The remaining 38 units of accommodation are for visiting academics, part-time students, and other short-stay visitors. College accommodation is normally full but, during the academic year 2021-22, some full-time students were unable to travel to and/or remain in Cambridge due to the pandemic and most courses for part-time students were conducted online, resulting in reduced levels of occupancy compared to pre-pandemic levels. In 2022-23, although student occupancy was back to pre-pandemic levels, conference business, which mainly takes place in the summer months at the start of the financial year, was not.

There was an increase in endowment and investment income (from £1.67m to £2.00m), as a result of the purchase of additional units in the Cambridge University Endowment Fund at the end of last year and the performance of the Fund.

Donations are classified as one of the following: unrestricted or restricted donations for spending in the current year; new endowments, for spending over the longer term; or capital grants, to support building or refurbishment projects. Total donation, endowment and grant income as shown in the SOCIE was £3.07m, compared to the previous year's figure of £1.59m. Donations include a grant from the Colleges Fund of £768k in 2022-23 (£707k in 2021-22). This grant is usually added to endowment, however this year, as last year, because of the financial impact of the COVID-19 pandemic, the Colleges Fund Committee agreed that recipients of the grant might use it for operational purposes. The grant is therefore included in unrestricted income.

Total expenditure within the SOCIE was £10.66m, including depreciation of £1.12m (which represents 10.5% of expenditure). The proportion of total expenditure (excluding depreciation) spent on staff costs was 53.4% (£5.10m), however this includes a credit resulting from a decrease in the USS deficit provision of £52k (2021-22 charge resulting from an increase in the provision of £502k). This liability is based on the College's obligation over a number of years to contribute to the USS deficit recovery plan. The cost of the three pension schemes on offer to staff (USS, CCFPS, NOW), excluding the USS deficit provision change, was £528k, representing 10.3% of staff costs before the USS provision change.

3 Capital Additions

A number of capital transactions relating to the College's estate and equipment, costing £1.22m (2021-22: £0.28m) are shown in note 9. The annual cycle of refurbishment of accommodation, which was put on hold due to reduced levels of income during the pandemic, commenced again with expenditure of £483k on H Block. The preliminary stage of the College's estate masterplan has also started, with expenditure on the main kitchen refurbishment of £422k to the end of June. The College is following the RIBA detailed design and planning stages, on schedule to start construction work in January 2024, and so the costs are included as assets in the course of construction.

**OPERATING AND FINANCIAL REVIEW (continued)****4 Investments**

Since 1 July 2010 the major part of the College's endowment has been invested in the Cambridge University Endowment Fund (CUEF).

The CUEF's investment objective is to achieve or exceed a long term average annual rate of total return equal to the Consumer Prices Index (CPI) for each calendar year plus 5%, net of investment management costs. The fund has a hybrid rule for its distribution based on a long-term target capital value rate of 4%. Therefore, the overall long-term objective of the CUEF is to achieve an increase in asset values, after paying the distributions, of at least 1% above CPI.

In the year to June 2023 the College invested a further net amount of £509k in the CUEF which comprised £1,648k of new endowment funds, plus £204k of existing endowment funds previously invested with Cazenove Capital Management, less a withdrawal of £1,343k of fixed asset investments.

The College's investments in the CUEF were as follows:

Wolfson College investments in the CUEF	30 June 2023	30 June 2022
Unit value	£67.59	£67.45
Number of units (endowment)	504,907	477,407
Number of units (fixed asset investments)	219,472	239,338
Total number of units	724,379	716,745
Value of units (endowment)	£34.13m	£32.20m
Value of units (fixed asset investments)	£14.83m	£16.14m
Total value of units	£48.96m	£48.34m

The College received distributions totalling £1.86m (£1.24m from the endowment units and £0.62m from the fixed asset investment units), giving a distribution yield of 3.85% on the opening capital value.

The unaudited CUEF total fund value was £3.97 billion at 30 June 2023 and the estimated asset allocation of the fund was as follows:

CUEF asset classes	30 June 2023	30 June 2022
	%	%
Public equity	43	42
Private equity	24	24
Absolute return	18	17
Credit	1	3
Real assets	7	10
Cash	7	4

In addition to its investment in the CUEF, the College still holds endowment funds in two private equity funds with Cazenove Capital Management which were valued at £314k as at 30 June 2023 (2022: £477k). The College's strategy is, as and when exit opportunities arise in those private equity funds, to invest the proceeds in the CUEF. The College supports the CUEF's aim to have no meaningful exposure to fossil fuels by 2030.

5 Reserves

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

**OPERATING AND FINANCIAL REVIEW (continued)****5 Reserves (continued)**

Total reserves at 30 June 2023 were £81.30m, of which £45.57m were classed as ‘unrestricted reserves’. However, as these reserves are mainly represented by the College’s operational estate and therefore not available as funds to be spent, a more practical reserves policy has been implemented. The aim is to have realisable unrestricted reserves, being equivalent to fixed asset investments (excluding the investment cost relating to the £10m private placement) plus net current assets, in the range of 25% to 50% of annual expenditure as shown on the Statement of Consolidated Income and Expenditure, for use in the case of unexpected financial downturns or to pursue new opportunities. The figure for realisable unrestricted reserves at 30 June 2023 was £11.67m, above the specified range of £2.66-5.33m, but considered beneficial in the current circumstances to help fund ‘masterplan’ capital expenditure requirements.

6 Fundraising and Alumni Relations

At the end of last year, a review of operations saw the Development & Alumni Relations Office split into two teams – the Development Office for fundraising and the Networks Office for alumni relations and to develop initiatives such as the College’s Interdisciplinary Research Hubs.

The College is registered with the Fundraising Regulator and does not use third-party professional fundraisers. Fundraising is geared towards: the annual fund, for spending in the current year; the endowment, for spending over the longer term; or capital grants, to support building or refurbishment projects. As set out above, the endowment creates a stream of income also for spending in the current year. Total donations were as follows:

	30 June 2023	30 June 2022
	£’000	£’000
Colleges Fund grant	768	707
Donations above £50k	1,753	463
Donations up to £50k	285	221
Bequests from individuals’ estates	107	40
The Alborada Trust	160	160
Total Donations	3,073	1,591

Donations, whether made to the annual fund, to the endowment, or as capital grants, make a significant impact on the College, especially in student support and scholarships. The Morrison Society recognises those who have made a pledge to the College in their Will to ensure the long-term future of the College. At 30 June 2023 there were 105 members of the Morrison Society. In addition, the President’s Circle members make generous annual gifts to the College, and a series of stewardship events are arranged throughout the year to honour and thank our supporters.

In terms of alumni relations and communications, the Networks Office has continued to build relationships with the wider membership of Wolfson. The College maintains contact details for over 13,000 alumni, of whom more than half live outside the UK in over 150 different countries. Strenuous efforts are made to keep the community engaged with regular communications and a programme of in person and on-line events which reaches audiences across the world.



OPERATING AND FINANCIAL REVIEW (continued)

7 Principal Risks and Uncertainties

The College has a detailed risk register which the College Council reviews regularly. In this register the risks are set out in the following areas: Students; Finance, Funding & Fundraising; College Estate & Infrastructure; Staff, Fellowship, Membership & Governance; The Changing Landscape of Cambridge; Government & Legislation; and Reputation. A number of risks are analysed in each area. As well as setting out the likelihood of occurrence and severity of impact, the risk register also sets out control procedures, monitoring processes, risk owners and further actions. Whilst the risk of a pandemic was not listed as a specific risk, the College's Critical Incident Management Plan provided an effective framework for governing the College's response to the pandemic. The College has produced a substantially revised risk register for 2022-23 which takes account of lessons learned from the pandemic and the economic and political changes that have followed.

The principal risks and uncertainties facing the College are:

Inflation: The Consumer Prices Index reached 11.1% in October 2022 and was still at 7.9% in June 2023. It is by no means clear whether inflation will continue to decrease in 2023-24. As inflation rises, the College's income becomes increasingly stretched. The value of the undergraduate fee for UK students, which has been capped by the Government until 2025, has significantly reduced. As the College prepares to raise funds for the first phase of its estate masterplan, continued high inflation rates could considerably constrain the level of investment it can afford to make in its estate. Wage inflation could also affect the College's ability to maintain optimal staffing levels as Colleges compete in the post-pandemic market for operational and other staff. It also remains to be seen how significant cost of living rises could affect student applications and current students; the College will likely need to increase its investment in student support at the same time as it faces demands in many other areas of business. As a member of the Cambridge Colleges' energy purchasing consortium, the College has fixed electricity and gas prices, which may or may not benefit the College depending on whether energy prices rise or fall during the period of the contracts.

Climate Change: The College and its members face physical risks, arising from the changes in weather and climate that impact the economy and transition risks which arise from the transition to a low-carbon economy. The College is developing an ambitious sustainability strategy which sets out the College's plan to reduce its carbon emissions as well as to embed sustainability in all of its operations. The implementation of the plan, particularly as it relates to degasification, will be costly and likely to be adversely affected by inflation. Planning for the degasification of the College Kitchen has already demonstrated the volatility in this market. However, if the College does not implement its strategy in a timely manner, it will not only fail to make its contribution to tackling this existential crisis but could also suffer a negative impact on its recruitment of students, Fellows, and staff.

External political and economic threats facing Collegiate Cambridge: The war in Ukraine, the volatility and vulnerability of energy prices and supply as well as withdrawal from the European Union all have the potential to affect the University and its Colleges adversely because of major uncertainty about their impact on the recruitment of students, researchers, and staff. The trajectory of the pandemic and its longer term economic, social and health effects are still unknown. Before the pandemic, the University signalled its intention to increase its postgraduate numbers, particularly by way of increasing the number of its MPhil courses. The Colleges, including Wolfson, have stated their intention to support that growth, but this may be more difficult to achieve than was anticipated before the pandemic. Difficulties with and the increased expense of international travel, the rise of digital educational options and economic uncertainty may constrain the University's anticipated growth. Whilst the Cambridge brand will undoubtedly continue to be extremely strong, predominantly graduate colleges such as Wolfson, with a significant number of international students, may find it more challenging to recruit and maintain target student numbers.

Economic factors which might affect the College's sources of income and growth: The student fees, room rents and catering income from members represent the greatest source of income to the College; accordingly achieving the College's student number targets is critical to the College's financial model and increasing student numbers is critical to growth. As explained above, although overall student numbers at Wolfson have remained buoyant, there is no guarantee that University graduate numbers will continue to increase and, since decisions on graduate admissions are taken by the University, the College is dependent on the University to obtain the benefit of any increased student numbers. Any reduction in student numbers would have an impact on the College's finances. The demand for rooms in College normally outstrips supply, so any shortfall in student numbers would have to be significant before affecting rental income. Fee income, however, is more sensitive to shifts in student numbers.



OPERATING AND FINANCIAL REVIEW (continued)

7 Principal Risks and Uncertainties (continued)

Staff pension costs: The College has a number of staff in two defined benefit schemes – USS and CCFPS – both of which are in deficit (see Note 20), although in the case of the USS, it appears the next valuation may provide a more positive picture. As at 30 June 2023 there were 38 staff members in USS (whose salaries represented 28% of the June 2023 payroll) and 13 members in CCFPS (representing 9% of the June 2023 payroll). The College is currently making deficit reduction contributions to both schemes. The College closed CCFPS to new entrants in 2008, which has helped markedly to reduce the exposure to uncertainties associated with the scheme. In the case of USS, the number of new entrants has slowed down considerably since the introduction of a defined contribution scheme for non-academic staff, which helps to manage the risk of the College’s liabilities increasing.

8 Future Plans

As it emerges from the pandemic, the College is looking to the future. The College has invested in a strategic masterplan for its estate, which offers options to refurbish existing buildings and develop a variety of sustainable new buildings, as funding permits over the short and longer term: <https://www.wolfson.cam.ac.uk/masterplan..> Planning for the refurbishment and gasification of the College kitchen is at an advanced stage, with construction scheduled to start in 2024. Considerable effort is being made to ensure that the temporary facilities, likely to be in place for at least 9 months, are of a high standard, for the benefit of the students and other members of the College as well as for the staff who will be working in them. The restructured Development department is planning a capital campaign to raise the necessary funds for the masterplan but is equally focussed on maintaining and growing the funding needed to attract and support our excellent students. Whilst embarking on this work in the current economic climate is challenging, the College is confident that, with extremely prudent financial management and a detailed understanding of the risks involved, it will be able to progress and prepare for future generations of Wolfson members.



CORPORATE GOVERNANCE

- 1 The following statement is provided by the Trustees to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.
- 2 The College is a registered charity (registered number 1138143) and subject to regulation by the Charity Commission for England and Wales. The members of the Council are the charity trustees and are responsible for ensuring compliance with charity law.
- 3 The Trustees are advised in carrying out their duties by a number of Committees, including:

Buildings & Estate	Development	Educational Policy
Fellowship & Membership	Finance	Health & Safety
House	Human Resources	Sustainability
- 4 The principal College officers are the President, Vice-President, Bursar, Senior Tutor, and Development Director.
- 5 It is the duty of the Finance Committee to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the Trustees on the appointment of the external Auditor; to consider reports submitted by the Auditor; to monitor the implementation of recommendations made by the Auditor; and to make regular reports to the Trustees by way of minutes of its meetings. Membership of the Finance Committee includes all the principal College officers, other members of the Governing Body and the Emeritus Fellowship, the Finance Manager and two officers of the Student Association.
- 6 Three members of the Governing Body, who are not members of the Finance Committee, are elected by the Governing Body to act as Inspectors of Accounts to serve a three-year term, with annual rotation of one Inspector.
- 7 There is a Register of Interests of Trustees. Declarations of interest are made systematically at all Governing Body, Council, and committee meetings.

The College's Trustees during the year ended 30 June 2023 are set out on page 4.

STATEMENT OF INTERNAL CONTROL

- 1 The Trustees are responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College's Statutes.
- 2 The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.
- 3 The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively, and economically. This process was in place for the year ended 30 June 2023 and up to the date of approval of the financial statements.
- 4 The Trustees are responsible for reviewing the effectiveness of the system of internal control.
- 5 The Trustees' review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Bursar, and the College officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external Auditor in their management letter and other reports.



RESPONSIBILITIES OF THE GOVERNING BODY

The Governing Body is responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY OF WOLFSON COLLEGE****Opinion**

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT (continued)

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

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of the Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 14, the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Body determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Group through discussions with Trustees and other management, and from our knowledge and experience of the education sector;
- we obtained an understanding of the legal and regulatory framework applicable to the Group and how the Group is complying with that framework;
- we obtained an understanding of the Group's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the Group. The Laws and regulations we considered in this context were Charities Act 2011, the Statutes of the University of Cambridge and taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items;

**INDEPENDENT AUDITOR'S REPORT (continued)**

- in addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's and College's ability to operate or to avoid material penalty; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

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

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

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

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

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

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

Use of our report

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

PETERS ELWORTHY & MOORE

Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge CB1 2LA

Date:

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



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

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

Basis of accounting

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

Basis of consolidation

The consolidated financial statements include the College and its active subsidiary undertaking, Wolfson College Cambridge Enterprises Limited. The financial statements of the College's two other subsidiary companies, Lee Library Limited and Wolfson College Development Limited, have not been consolidated because they are dormant. Details of the subsidiary undertakings are set out in note 21. The activities of student societies have not been consolidated, because they are separate bodies which are not within the financial control of the College.

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 are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance-related conditions have been met.

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

Donations and endowments

Donations and endowments are non-exchange transactions. They are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

Donations with donor-imposed restrictions are held in restricted reserves until such time that expenditure is incurred in accordance with the restrictions.

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 permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective;
4. Restricted expendable endowments – the donor has specified a particular objective and the College has the power to use the capital element of the fund.

**STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)****Investment income and changes in value of investment assets**

Investment income and changes in the value of investment assets are recorded in income in the period in which they arise and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

Other income

Income is received from a range of activities including accommodation, catering, conferences, and other services rendered. It is recognised in the period to which it relates.

Cambridge Bursary Scheme

Payment of the Cambridge Bursaries to eligible students is made directly by the Student Loans Company (SLC). The College reimburses the SLC for the full amount and the University of Cambridge and other Colleges pay their shares to the College. Each College shows the gross payment made to eligible students within education expenditure and the contribution from the University and other Colleges as income within academic fees and charges.

The net payment of £50k is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£270k
Expenditure (see note 4)	£320k

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 contracts, at contract rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Non-current assets**Freehold land and buildings**

Land is included at deemed cost, being its fair value on the date of transition to FRS102. Land is not depreciated as it is considered to have an indefinite useful life.

Buildings are stated at cost less accumulated depreciation. Costs incurred after initial purchase or construction are capitalised to the extent that they increase the expected future benefit to the College. Buildings and capital improvements are depreciated on a straight-line basis over their expected useful economic life of 20-50 years (2% - 5% per annum).

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

Equipment

Assets are capitalised and depreciated over their expected useful life as follows:

Furniture and fittings	10 years (10% per annum)
General equipment	5 years (20% per annum)
Computer equipment	4 years (25% per annum)

Leased assets

The College does not currently have any assets acquired under finance leases. Rental costs under operating leases are charged to expenditure in equal amounts over the periods of the leases.

Investments

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



STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

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 Group 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 assets and liabilities

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.

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.

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.



STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

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 1138143) 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 to income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

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

Contribution under Statute G, II

The College is liable to be assessed for Contribution under the provisions of Statute G, II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The College may from time to time be eligible for such grants. The liability for the year is as advised to the College by the University based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

Pension costs

The College participates in two defined benefit type schemes, the Cambridge Colleges Federated Pension Scheme (CCFPS) and the Universities Superannuation Scheme (USS); and one defined contribution scheme (NOW: Pensions).

The CCFPS is a defined benefit scheme with the assets held in a separate trustee-administered fund. The College is able to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and a valuation is obtained as at 30 June annually. The amount charged to expenditure represents the amount calculated under FRS102 guidelines and the College's net liability is shown in the Balance Sheet.

**STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)****Pension costs (continued)**

The USS is a hybrid pension scheme, providing defined benefits (for all members) as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The College is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 'Employee Benefits', the College therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to expenditure represents the contributions payable to the scheme. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the College recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related movements being recognised in expenditure.

The College contributes to a defined contribution pension scheme (NOW: Pensions). For defined contribution schemes the amount charged to expenditure is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either debtors or creditors in the Balance Sheet.

Employment benefits

Short term employment benefits such as salaries and holiday pay are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured at 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.

Going concern

The Trustees consider that the Group 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.



CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the College's accounts requires management to make judgements, estimates and assumptions that affect about the application of accounting policies and reported amounts of assets and liabilities and income and expenses that are not readily apparent from other sources. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events, which are considered to be reasonable under the circumstances. Actual results may differ from these estimates.

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

Income recognition

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

Useful lives of fixed assets

Property and equipment represent a significant proportion of the College's total assets. The estimated useful lives can therefore 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 fixed assets are shown in note 9.

Recoverability of debtors

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

Retirement benefit obligations

The costs of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 20.

Universities Superannuation Scheme (USS)

FRS102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as USS. The accounting for a multi-employer scheme, where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting change is recognised in comprehensive expenditure in accordance with section 28 of FRS102. The Governing Body is satisfied that USS meets the definition of a multi-employer scheme, and the College has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

As the College is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2038. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in notes 15 and 20.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

For the year ended 30 June

	Note	2023				2022			
		Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Income									
Academic fees and charges	1	4,155	270	-	4,425	3,880	327	-	4,207
Accommodation, catering, and conferences	2	3,999	-	-	3,999	3,539	-	-	3,539
Investment income	3	1,712	292	-	2,004	1,421	249	-	1,670
Total income before donations and endowments		9,866	562	-	10,428	8,840	576	-	9,416
Donations		92	529	-	621	132	729	-	861
New endowments		-	-	1,636	1,636	-	-	20	20
Capital grant from Colleges Fund		768	-	-	768	707	-	-	707
Other capital grants for assets		-	48	-	48	-	3	-	3
Total income		10,726	1,139	1,636	13,501	9,679	1,308	20	11,007
Expenditure									
Education	4	3,932	789	-	4,721	3,728	937	-	4,665
Accommodation, catering, and conferences	5	5,235	-	-	5,235	4,435	-	-	4,435
Other expenditure	6	668	33	-	701	1,088	-	-	1,088
Total expenditure	7	9,835	822	-	10,657	9,251	937	-	10,188
Surplus / (deficit) before other gains and losses		891	317	1,636	2,844	428	371	20	819
Gain / (loss) on investments	10	33	9	105	147	(589)	(69)	(951)	(1,609)
Surplus / (deficit) for the year		924	326	1,741	2,991	(161)	302	(931)	(790)
Other comprehensive income									
Actuarial gain/(loss) in respect of pension schemes	15	(146)	-	-	(146)	999	-	-	999
Total comprehensive income for the year		778	326	1,741	2,845	838	302	(931)	209

**CONSOLIDATED STATEMENT OF CHANGES IN RESERVES**

For the year ended 30 June

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Balance at 1 July 2021	43,943	3,089	31,214	78,246
Surplus / (deficit) for the year	(161)	302	(931)	(790)
Other comprehensive income	999	-	-	999
Release of restricted capital funds spent in the year	3	(3)	-	-
Balance at 30 June 2022	44,784	3,388	30,283	78,455
Surplus / (deficit) for the year	924	326	1,741	2,991
Other comprehensive income	(146)	-	-	(146)
Release of restricted capital funds spent in the year	3	(3)	-	-
Balance at 30 June 2023	45,565	3,711	32,024	81,300

**CONSOLIDATED AND COLLEGE BALANCE SHEETS**

As at 30 June		2023 Group £'000	2023 College £'000	2022 Group £'000	2022 College £'000
	Note				
Non-current assets					
Fixed assets	9	38,544	38,544	38,441	38,441
Investments	10	49,276	49,276	48,824	48,824
Total non-current assets		87,820	87,820	87,265	87,265
Current assets					
Stocks		47	47	55	55
Trade and other receivables	11	1,320	1,346	988	1,012
Cash and cash equivalents	12	6,789	6,729	4,441	4,406
Total current assets		8,156	8,122	5,484	5,473
Creditors: amounts falling due within one year	13	(1,321)	(1,287)	(1,067)	(1,056)
Net current assets		6,835	6,835	4,417	4,417
Total assets less current liabilities		94,655	94,655	91,682	91,682
Creditors: amounts falling due after more than one year	14	(11,123)	(11,123)	(11,120)	(11,120)
Provisions					
Pension provisions	15	(2,232)	(2,232)	(2,107)	(2,107)
Total net assets		81,300	81,300	78,455	78,455
Represented by:					
Restricted reserves					
Income and expenditure reserve - endowment	16	32,024	32,024	30,283	30,283
Income and expenditure reserve - restricted	17	3,711	3,711	3,388	3,388
Unrestricted reserves					
Income and expenditure reserve - unrestricted		45,565	45,565	44,784	44,784
Total reserves		81,300	81,300	78,455	78,455

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

Joanna Cheffins
Bursar

**CONSOLIDATED CASH FLOW STATEMENT**

For the year ended 30 June

	Note	2023 £'000	2022 £'000
Cash flow from operating activities:			
Surplus / (deficit) for the year		2,991	(790)
<i>Adjustment for non-cash items:</i>			
- depreciation	9	1,115	1,149
- pension costs less contributions payable		2	47
- amortisation of placement arrangement fees		3	3
- (gain) / loss on investments	10	(147)	1,609
- (increase) / decrease in stocks		8	2
- (increase) / decrease in trade and other receivables		(332)	(98)
- increase / (decrease) in creditors		254	(120)
- increase / (decrease) in provisions		(23)	505
<i>Adjustment for investing or financing activities:</i>			
- investment income	3	(2,004)	(1,670)
- new endowments	16	(1,636)	(20)
- capital grants for assets	17	(48)	(3)
- interest payable	6	328	328
Net cash inflow from operating activities		511	942
Cash flows from investing activities:			
Investment income	3	2,004	1,670
New endowments	16	1,636	20
Endowment funds invested	10	(1,648)	(22)
Receipts from disposal of non-current asset investments	10	1,343	-
Payments made to acquire non-current asset investments	10	-	(300)
Capital grants for assets	17	48	3
Payments made to acquire fixed assets	9	(1,218)	(275)
		2,165	1,096
Cash flows from financing activities:			
Interest paid	6	(328)	(328)
		(328)	(328)
Increase / (decrease) in cash and cash equivalents in the year		2,348	1,710
Cash and cash equivalents at beginning of the year	12	4,441	2,731
Cash and cash equivalents at end of the year	12	6,789	4,441

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

1 Academic fees and charges	2023	2022
	£'000	£'000
Fee income		
Fee income received at the regulated undergraduate rate (a)	479	565
Fee income received at the unregulated undergraduate rate (b)	933	709
Fee income received at the postgraduate rate (c)	2,699	2,484
	4,111	3,758
Other income		
Research Fellow support	-	56
Cambridge Bursaries	270	327
Teaching and other income	20	25
College courses	24	41
Total	4,425	4,207
<p>(a) This rate is received for UK students who are eligible for Student Loans Company loans. Such students are sometimes referred to as 'publicly funded'. The total rate is set by the University up to a limit set by the Government, and the College receives a 50% share.</p> <p>(b) This rate is paid by Overseas students and those UK students not eligible for Student Loans Company loans. Such students are sometimes referred to as 'privately funded'. This rate is set by the College.</p> <p>(c) This rate is a fixed proportion of the course fees set by the University.</p>		
2 Accommodation, catering, and conferences income	2023	2022
	£'000	£'000
Accommodation		
College members	3,078	2,872
Conferences	238	117
Catering		
College members	571	462
Conferences	112	88
Total	3,999	3,539
3 Investment income	2023	2022
	£'000	£'000
Income from:		
Unquoted securities - unit trust *		
- endowment assets	1,244	1,108
- fixed asset investments	617	549
Cash	143	13
Total	2,004	1,670

* invested in Cambridge University Endowment Fund units

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

4	Education expenditure	2023	2022
		£'000	£'000
	Teaching	1,189	1,124
	Tutorial	1,047	950
	Admissions	371	319
	Research	378	411
	Scholarships and awards	617	674
	Cambridge Bursaries	320	379
	Other educational facilities	795	801
	College courses	4	7
	Total	4,721	4,665
5	Accommodation, catering, and conferences expenditure	2023	2022
		£'000	£'000
	Accommodation		
	College members	3,210	2,905
	Conferences	179	83
	Catering		
	College members	1,732	1,361
	Conferences	114	86
	Total	5,235	4,435
6	Other expenditure	2023	2022
		£'000	£'000
	Alumni relations	349	216
	Loan interest	328	328
	Pension schemes' finance charges (see note 15)	76	42
	Change in USS deficit provision	(52)	502
	Total	701	1,088

Expenditure on all activities in notes 4, 5 and 6 includes both direct costs and an allocation of overheads.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

7a Analysis of expenditure by activity

		Staff costs (note 8) 2023 £'000	Other operating expenses 2023 £'000	Depreciation 2023 £'000	Total 2023 £'000
	Note				
Education	4	2,262	2,132	327	4,721
Accommodation, catering, and conferences	5	2,639	1,813	783	5,235
Other	6	194	502	5	701
		5,095	4,447	1,115	10,657

Expenditure includes fundraising costs of £310k in addition to the costs of alumni relations which are disclosed in note 6.

		Staff costs (note 8) 2022 £'000	Other operating expenses 2022 £'000	Depreciation 2022 £'000	Total 2022 £'000
Education	4	2,035	2,264	366	4,665
Accommodation, catering, and conferences	5	2,149	1,507	779	4,435
Other	6	633	451	4	1,088
		4,817	4,222	1,149	10,188

Expenditure includes fundraising costs of £216k in addition to the costs of alumni relations which are disclosed in note 6.

7b Auditor's remuneration

	2023 £'000	2022 £'000
Other operating expenses include:		
Audit fees payable to the Group's external auditor (including VAT)	30	24
Other fees payable to the Group's external auditor (including VAT)	1	1

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

8 Staff costs	Fellows	Other	Total	Total
	£'000	Staff £'000	2023 £'000	2022 £'000
Salaries	827	3,412	4,239	3,512
National Insurance	80	300	380	297
Pension costs	125	403	528	506
Change in USS deficit provision	(25)	(27)	(52)	502
	1,007	4,088	5,095	4,817

Average staff numbers (full-time equivalents):

Academic	11	1	12	11
Non-academic	3	108	111	100
	14	109	123	111

There were 113 Fellows (excluding the President) in the Governing Body as at 1 December 2022, 46 of whom were stipendiary, representing 14 full-time equivalent College Fellows included above.

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

	2023 Number	2022 Number
£100,001 - £110,000	3	-
£110,001 - £120,000	1	1
£120,001 - £130,000	-	-
£130,001 - £140,000	-	-
£140,001 - £150,000	-	1

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

Key management personnel and Trustees

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the College. The key management personnel are the members of the College Council, who act as the Trustees of the charity.

The aggregated remuneration (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) paid to key management personnel was:

	2023 £'000	2022 £'000
College Officers <i>ex officio</i>	441	459
Fellows elected by the Governing Body	53	38
	494	497

The Trustees received no remuneration in their capacity as Trustees.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

9 Tangible fixed assets

Group and College	Freehold land and buildings £'000	Fixtures and equipment £'000	Assets in the course of construction £'000	Total 2023 £'000	Total 2022 £'000
Cost or valuation					
At beginning of year	50,720	5,328	-	56,048	56,041
Additions at cost	434	362	422	1,218	275
Disposals	-	(53)	-	(53)	(268)
At end of year	51,154	5,637	422	57,213	56,048
Depreciation					
At beginning of year	13,721	3,886	-	17,607	16,726
Charge for the year	749	366	-	1,115	1,149
Disposals	-	(53)	-	(53)	(268)
At end of year	14,470	4,199	-	18,669	17,607
Net book value					
As at 30 June 2023	36,684	1,438	422	38,544	
As at 30 June 2022	36,999	1,442	-	38,441	

The declared value of freehold buildings for insurance purposes as at 30 June 2023 was £66,989,313 (2022: £61,906,056).

At 30 June 2023, freehold land and buildings included £22.0m (2022: £22.0m) in respect of freehold land which is not depreciated.

Capital commitments

	Group and College	
	2023 £'000	2022 £'000
Capital expenditure contracted but not provided for	-	416

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

10 Non-current investments

	Group and College	
	2023	2022
	£'000	£'000
Balance at beginning of year	48,824	50,111
Additions	1,648	322
Disposals	(1,343)	-
Gain / (loss)	147	(1,609)
Balance at end of year	49,276	48,824
Represented by:		
Unquoted securities - unit trust	48,962	48,347
Unquoted securities - equities	314	477
Total	49,276	48,824
Analysis by asset:		
Endowments - permanent	32,021	30,277
Endowments - expendable	2,421	2,403
Fixed asset investments	14,834	16,144
Total	49,276	48,824

11 Trade and other receivables

	Group	College	Group	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Members of the College	246	246	192	192
Amounts due from subsidiary undertakings	1	79	1	28
Other receivables	153	101	88	85
Prepayments and accrued income	920	920	707	707
Total	1,320	1,346	988	1,012

12 Cash and cash equivalents

	Group	College	Group	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Short-term money market investments	4,900	4,900	2,100	2,100
Bank deposits	1,829	1,829	2,295	2,295
Bank current accounts	60	-	46	11
Cash in hand	-	-	-	-
Total cash and cash equivalents	6,789	6,729	4,441	4,406
Analysis by asset:				
Endowments – permanent capital	3	3	6	6
Endowments – restricted	222	222	144	144
Other restricted reserves	1,050	1,050	840	840
Other cash and cash equivalents	5,514	5,454	3,451	3,416
Total	6,789	6,729	4,441	4,406

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

13 Creditors: amounts falling due within one year	Group	College	Group	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Trade creditors	631	631	446	446
Members of the College	178	178	272	272
University fees	162	162	39	39
Other creditors (PAYE, NI, VAT)	150	141	112	108
Accruals and deferred income	200	175	198	191
Total	1,321	1,287	1,067	1,056

14 Creditors: amounts falling due after more than one year	Group and College	
	2023	2022
	£'000	£'000
Bank loan	1,200	1,200
Private placement	10,000	10,000
Private placement arrangement fees	(77)	(80)
Total	11,123	11,120

Interest is payable on the bank loan at 4.8%. The loan is repayable in August 2048.

Interest is payable on the private placement at 2.7%. The placement is repayable in June 2053.

The placement arrangement fees are being amortised over the duration of the placement.

15 Pension provisions (see note 20)	CCFPS liability	USS deficit provision	Group and College	
			Total 2023	Total 2022
	£'000	£'000	£'000	£'000
Balance at beginning of year	1,211	896	2,107	2,554
<i>Movement in the year:</i>				
Current service cost	114	-	114	166
Administrative expenses	16	-	16	16
Contributions	(175)	-	(175)	(174)
Other allocation to staff costs	-	(52)	(52)	502
Other finance costs	47	29	76	42
Actuarial (gain) / loss	146	-	146	(999)
Balance at end of year	1,359	873	2,232	2,107

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

16 Permanent endowments	Unrestricted permanent £'000	Restricted permanent £'000	Group and College	
			Total 2023 £'000	Total 2022 £'000
Balance at beginning of year	25,329	4,954	30,283	31,214
New endowments	1	1,635	1,636	20
Transfers	-	-	-	-
Gain / (loss) on investments	82	23	105	(951)
Balance at end of year	25,412	6,612	32,024	30,283
Analysis by purpose:				
Fellowship Funds	-	174	174	173
Scholarship Funds	-	4,288	4,288	2,639
Prize Funds	-	104	104	118
Hardship Funds	-	1,218	1,218	1,204
Bursary Funds	-	121	121	120
Travel Grant Funds	-	60	60	60
Library Funds	-	429	429	427
Other Funds	-	218	218	213
General	25,412	-	25,412	25,329
Total	25,412	6,612	32,024	30,283
Analysis by asset:				
Investments	25,412	6,609	32,021	30,277
Cash	-	3	3	6
	25,412	6,612	32,024	30,283

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

17 Restricted reserves**Group and College**

	Capital grants £'000	Restricted income £'000	Restricted permanent endowment income £'000	Expendable endowment £'000	Total 2023 £'000	Total 2022 £'000
Balance at beginning of year						
Capital	-	-	-	2,404	2,404	2,457
Accumulated income	-	841	91	52	984	632
	-	841	91	2,456	3,388	3,089
Academic income	-	270	-	-	270	327
Investment income	-	1	201	90	292	249
New donations	-	520	-	9	529	729
New grants	48	-	-	-	48	3
Expenditure	-	(609)	(154)	(59)	(822)	(937)
Capital grants utilised	(3)	-	-	-	(3)	(3)
Gain / (loss) on investments	-	-	-	9	9	(69)
Balance at end of year						
Capital	-	-	-	2,422	2,422	2,404
Accumulated income	45	1,023	138	83	1,289	984
	45	1,023	138	2,505	3,711	3,388
Analysis by purpose:						
Fellowship Funds	-	171	18	796	985	883
Scholarship Funds	-	655	54	1,167	1,876	1,742
Prize Funds	-	-	12	1	13	10
Hardship Funds	-	-	-	91	91	90
Bursary Funds	-	2	9	228	239	226
Travel Grant Funds	-	-	1	11	12	12
Library Funds	-	-	-	-	-	-
Other Funds	45	195	44	211	495	425
General	-	-	-	-	-	-
Total	45	1,023	138	2,505	3,711	3,388
Analysis by asset:						
Investments	-	18	-	2,421	2,439	2,421
Cash	45	1,005	138	84	1,272	967
	45	1,023	138	2,505	3,711	3,388

Some endowments are classified as expendable rather than permanent to reflect the wishes of the donor: when the donor expects their donation to be retained for the benefit of the College with a view to it having an impact over a number of years while also providing flexibility to spend capital as required.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

18 Consolidated reconciliation and analysis of net debt

	At 1 July 2022	Cash flows	Other non- cash changes	At 30 June 2023
	£'000	£'000	£'000	£'000
Cash and cash equivalents	4,441	2,348	-	6,789
Borrowings due after more than one year Unsecured loans	(11,120)	-	(3)	(11,123)
Net total	(6,679)	2,348	(3)	(4,334)

19 Financial instruments

2023	2022
£'000	£'000

Financial assets*Financial assets at fair value through Statement of Comprehensive Income*

Other investments 49,276 48,824

Financial assets that are debt instruments measured at amortised cost

Cash and cash equivalents 6,789 4,441

Other debtors 400 281

Financial liabilities*Financial liabilities measured at amortised cost*

Loans 11,123 11,120

Trade creditors 631 446

Other creditors 490 423

The fair values of the assets held at fair value at the balance sheet date are determined using quoted prices.

20 Pension schemes

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

20a Cambridge Colleges Federated Pension Scheme

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

The principal actuarial assumptions at the balance sheet date were:

	2023 % p.a.	2022 % p.a.
Discount rate	5.20	3.80
Increase in salaries	3.30	3.25
Retail Prices Index (RPI) assumption	3.40*	3.45*
Consumer Prices Index (CPI) assumption	2.80*	2.75*
Pension increases in payment (RPI max 5.0% p.a.)	3.30*	3.30*
Pension increases in payment (CPI max 2.5% p.a.)	2.05*	2.05*

* For 1 year only, we have assumed that RPI will be 9% and CPI will be 7% (2022: 11% and 9% respectively). The caps under the Rule are applied to assumed pension increases.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

20a Cambridge Colleges Federated Pension Scheme (continued)

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI 2022 future improvement factors and a long term rate of future improvement of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements (2022: S3PA with CMI 2021 future improvement factors and a long term future improvement rate of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Males aged 65 now have a life expectancy of 21.4 years (previously 21.9 years);
- Females aged 65 now have a life expectancy of 23.9 years (previously 24.3 years);
- Males aged 45 now and retiring in 20 years have a life expectancy of 22.6 years on retirement (previously 23.2 years);
- Females aged 45 now and retiring in 20 years have a life expectancy of 25.3 years on retirement (previously 25.7 years).

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

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

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

The amounts recognised in the balance sheet as at 30 June are as follows:

	2023	2022
	£'000	£'000
Present value of plan liabilities	(5,528)	(6,112)
Market value of plan assets	4,169	4,901
Net defined benefit liability	(1,359)	(1,211)

The amounts recognised in expenditure for the year ending 30 June are:

	2023	2022
	£'000	£'000
Current service cost	114	166
Administrative expenses	16	16
Interest on net defined benefit liability	47	38
Total	177	220

Changes in the present value of the plan liabilities for the year ending 30 June are:

	2023	2022
	£'000	£'000
Present value of plan liabilities at beginning of year	6,112	8,115
Current service cost	114	166
Employee contributions	10	10
Benefits paid	(265)	(389)
Interest on plan liabilities	230	144
Actuarial (gains) / losses	(673)	(1,934)
Present value of plan liabilities at end of year	5,528	6,112

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

20a Cambridge Colleges Federated Pension Scheme (continued)

Changes in the fair value of the plan assets for the year ending 30 June are:

	2023	2022
	£'000	£'000
Market value of plan assets at beginning of year	4,901	5,951
Contributions paid by the College	175	174
Employee contributions	10	10
Benefits paid	(265)	(389)
Administrative expenses paid	(20)	(19)
Interest on plan assets	183	105
Return on assets, less interest included in income and expenditure	(815)	(931)
Market value of plan assets at end of year	4,169	4,901
Actual return on plan assets	(632)	(826)

The major categories of plan assets as a percentage of total plan assets at 30 June are as follows:

	2023	2022
Equities	49%	52%
Bonds & Cash	38%	34%
Property	13%	14%
Total	100%	100%

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

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June:

	2023	2022
	£'000	£'000
Return on assets less interest included in comprehensive income	(815)	(931)
Expected less actual plan expenses	(4)	(4)
Experience gains and losses arising on plan liabilities	(702)	(353)
Changes in assumptions underlying the present value of plan liabilities	1,375	2,287
Re-measurement of net defined benefit liability recognised in OCI	(146)	999

Movements in the net defined benefit liability during the year ending 30 June are:

	2023	2022
	£'000	£'000
Net defined benefit liability at beginning of year	(1,211)	(2,164)
Recognised in expenditure	(177)	(220)
Contributions paid by the College	175	174
Re-measurement of net defined benefit liability recognised in OCI	(146)	999
Net defined benefit liability at end of year	(1,359)	(1,211)

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



NOTES TO THE ACCOUNTS

For the year ended 30 June

20a Cambridge Colleges Federated Pension Scheme (continued)

The last such valuation was as at 31 March 2020. This showed that the plan’s assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall.

These deficit reduction contributions are incorporated into the plan’s Schedule of Contributions dated 21 May 2021 and are as follows:

- annual contributions of not less than £35,069 p.a. payable for the period to 30 November 2029.

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

20b Universities Superannuation Scheme

The total amount included in the consolidated statement of comprehensive income and expenditure, including changes in the deficit provision, is a charge of £214,589 (2022: charge of £711,426).

Deficit recovery contributions due within one year for the institutions are £74,214 (2022: £60,212)

The latest available complete actuarial valuation of the Scheme is as at 31 March 2020 (‘the valuation date’) and was carried out using the projected unit method.

Since the College cannot identify its share of 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 available on the USS website.

CPI assumption	Term dependant rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% p.a.

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

	2020 valuation
Mortality base table	101% of S2PMA ‘light’ for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

20b Universities Superannuation Scheme (continued)

The current life expectancies (in years) on retirement at age 65 are:

	2023	2022
Males currently aged 65	24.0	23.9
Females currently aged 65	25.6	25.5
Males currently aged 45	26.0	25.9
Females currently aged 45	27.4	27.3

A deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 to 31 March 2024 at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan.

The liability provision figures have been produced using the following assumptions:

	2023	2022
Discount rate	5.52%	3.31%
Pensionable salary growth – year 1	4.00%	5.00%
Pensionable salary growth – year 2	3.00%	4.00%
Pensionable salary growth – years 3-17	2.50%	2.50%

21 Subsidiary undertakings

The College's subsidiary undertakings, all of which are companies incorporated in the United Kingdom, are as follows:

Undertaking	Activity	Holding	%
Wolfson College Cambridge Enterprises Limited	The provision of conferences and events at Wolfson College, Cambridge	1 ordinary share of £1	100%
Wolfson College Development Limited	Dormant	1,000 ordinary shares of £1 each	100%
Lee Library Limited	Dormant	2 ordinary shares of £1 each	100%

22 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 member of the College Council may have an interest. All transactions involving organisations in which a member of the College Council may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

The College maintains a register of interests for all College Council members and where any member of the College Council has a material interest in a College matter, they are required to declare that fact.

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

Fellows are remunerated for teaching, research, and other duties within the College. Fellows are billed for any private catering. All salaries are reviewed annually by the Human Resources Committee.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

22 Related party transactions (continued)

The salaries paid to Trustees in the year, for duties other than serving as a Trustee, are summarised in the table below:

From	To	2023 Number	2022 Number
£0	£10,000	3	3
£10,001	£20,000	2	2
£20,001	£30,000	1	-
£30,001	£40,000	-	-
£40,001	£50,000	-	-
£50,001	£60,000	-	-
£60,001	£70,000	-	-
£70,001	£80,000	3	2
£80,001	£90,000	1	1
£90,001	£100,000	-	-
£100,001	£110,000	-	1
	Total	10	9

The total Trustee salaries were £369,530 for the year (2022 £386,300).

The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £124,290 for the year (2022: £110,830).

Details of subsidiary undertakings are disclosed in note 21. The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

23 US Department of Education Financial Responsibility Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, the College is required, by the US Department of Education, to present the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets.
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).
- presented in pounds sterling.

The schedules set out how each amount disclosed has been extracted from the financial statements. As set out above, the accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

23 US Department of Education Financial Responsibility Supplemental Schedule (continued)**Primary Reserve Ratio**

Page	Primary statement or note and line item		2023 £'000	2022 £'000
		<u>Expendable Net Assets</u>		
27	Balance Sheet – Unrestricted reserves	Net assets without donor restrictions	45,565	44,784
27	Balance Sheet – Restricted reserves	Net assets with donor restrictions	35,735	33,671
27	Balance Sheet – Restricted reserves	Net assets with donor restrictions restricted in perpetuity	(35,735)	(33,671)
27	Balance Sheet – Fixed assets	Property plant and equipment	(38,544)	(38,441)
27	Balance Sheet – Pension provisions	Post-employment and pension liabilities	2,232	2,107
27	Balance Sheet – Creditors falling due after one year	Long term debt for long term purposes	11,123	11,120
35	Note 14 – Private Placement	Long term debt not for purchase of property	(10,000)	(10,000)
			10,376	9,570
		<u>Total Expenses and Losses Without Donor Restrictions</u>		
25	Statement of Comprehensive Income and Expenditure – Unrestricted total expenditure	Total operating expenses	9,835	9,251
			9,835	9,251

Equity Ratio

Page	Primary statement / note and line item		2023 £'000	2022 £'000
		<u>Modified Net Assets</u>		
27	Balance Sheet – Unrestricted reserves	Net assets without donor restrictions	45,565	44,784
27	Balance Sheet – Restricted reserves	Net assets with donor restrictions	35,735	33,671
			81,300	78,455
		<u>Modified Assets</u>		
27	Balance Sheet – Non-current assets	Total non-current assets	87,820	87,265
27	Balance Sheet – Current assets	Total current assets	8,156	5,484
			95,976	92,749

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

23 US Department of Education Financial Responsibility Supplemental Schedule (continued)**Net Income Ratio**

Page	Primary statement / note and line item		2023 £'000	2022 £'000
		<u>Change in Net Assets Without Donor Restrictions</u>		
26	Statement of Changes in Reserves – Unrestricted reserves	Surplus / (deficit) from income and expenditure statement	924	(161)
26	Statement of Changes in Reserves – Unrestricted reserves	Other comprehensive income	(146)	999
26	Statement of Changes in Reserves – Unrestricted reserves	Release of restricted capital funds spent in the year	3	3
			781	841
		<u>Total Revenue and Gains Without Donor Restrictions</u>		
25	Statement of Comprehensive Income and Expenditure Unrestricted total income	Total operating revenue	10,726	9,679
25	Statement of Comprehensive Income and Expenditure – Unrestricted investment income	Investment return appropriated for spending	(1,712)	(1,421)
26	Statement of Changes in Reserves – Unrestricted reserves	Release of restricted capital funds spent in the year	3	3
			9,017	8,261

Accounts



WOLFSON COLLEGE CAMBRIDGE

**ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2022**

Registered Charity No. 1138143



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INTRODUCTION

Wolfson College is one of the 31 colleges in the University of Cambridge. It was founded as University College in 1965, and was renamed Wolfson College in 1973, receiving its Royal Charter in 1977. The primary object of the College is to advance education, learning and research in the University of Cambridge.

The College admits both full-time and part-time postgraduate students studying for PhDs and Masters degrees, and full-time mature undergraduates aged 21 or above. The total number of students as at 1 December 2021 was 1,160. The College has a large Fellowship, which is particularly active in research within the University.

The College occupies a nine-acre site to the west of central Cambridge, consisting of new buildings built since 1972 and older houses absorbed into the site and landscaped gardens. The residential buildings include approximately 450 units of accommodation for students and academic visitors, accommodating over 500 residents in total. Other buildings house a library, a dining hall, seminar and teaching rooms, common rooms, a gym and other shared spaces.

The College is a registered charity, regulated by the Charity Commission and is registered with the Fundraising Regulator.

These accounts are presented in the format of the Recommended Cambridge College Accounts (RCCA), which comply with the Higher Education SORP (Statement of Recommended Practice: Accounting for Further and Higher Education).

SUMMARY FINANCIAL RESULTS

The financial statements consolidate the activities of the College and the College's trading subsidiary, Wolfson College Cambridge Enterprises Limited.

Total income for the year was £11.01m. Total expenditure for the year (including depreciation of £1.15m but excluding capital expenditure of £0.28m) was £10.19m, leading to a surplus (before other gains and losses) of £0.82m and total comprehensive income for the year of £0.21m. The main sources of income were academic fees (£4.21m) and accommodation and catering (£3.54m). The main area of expenditure was staff costs of £4.82m.

Endowment investments, which are mainly invested in the Cambridge University Endowment Fund (CUEF), were valued at £32.68m on 30 June 2022. In addition, the College held fixed asset investments of £16.14m in the CUEF at the year end, bringing the total of endowment and other investments to £48.82m.

Net assets were £78.45m.

WOLFSON AND COVID-19 – 2021-22

The global COVID-19 pandemic continued to have an effect on the College's activities and finances in 2021-22 but with the Government's final lifting of restrictions in July 2021, College life started to return to its pre-pandemic rhythm. Activities were still at a very much reduced level over the summer months of 2021 with fewer students in residence than usual and no significant conference or events business. Students however returned for Michaelmas Term with a full programme of induction events and in person teaching ahead of them, albeit with some social distancing and other protective measures remaining.

A full and varied calendar of events took place throughout the Michaelmas Term but, as the Omicron variant took hold in the UK in the winter of 2021, many end-of-term and Christmas social events for students and staff were cancelled. Some students from overseas had difficulties returning to College in the New Year due to travel and other restrictions in their home countries.

In the Lent Term, the College experienced a higher infection rate amongst students and staff than since the beginning of the pandemic but, with the reduction in the length of the recommended self-isolation period, the impact on activities was significantly less pronounced. The dining capacity in the hall returned to its pre-pandemic level and formal hall dining resumed twice a week at full capacity. Students and staff made strenuous efforts to protect the College community by continuing to self-test, using the supply of lateral flow tests provided to higher education establishments by the Government. The College encouraged all staff and students to take advantage of the walk-in vaccination centres set up in and around Cambridge.

**WOLFSON AND COVID-19 – 2021-22 (continued)**

Examinations, sporting events and graduation ceremonies went ahead in the Easter Term as normal. The May Ball, having been cancelled for the last two years, was a great success and was enjoyed by a number of returning students who had missed out on the experience previously. The College faced, and continues to face, a challenging programme of additional graduation ceremonies, scheduled by the University to address the backlog of students who were not able to graduate in person during the pandemic.

By the end of the academic year, the social and academic sides of College life had largely returned to pre-pandemic levels. Higher than anticipated numbers of students meant that income was higher than forecasted and, for the third year running, the Colleges Fund Committee agreed that recipients of the Colleges Fund grant might retain the grant for operational purposes rather than use it to increase their endowments. The College was able to contract for the refurbishment of an accommodation block in the summer of 2022 and to invest in its endowment, reversing the trend of the previous two years. However, the impact of the war in Ukraine, high inflation rates, significant political and commercial uncertainty and the possibility of further variants of coronavirus all indicate that 2022-23 is far from predictable.

PROFESSIONAL ADVISERS**Auditor**

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

Bankers

Lloyds Bank plc
Endeavour House
Chivers Way, Histon
Cambridge CB24 9ZR

Wolfson College
Barton Road
Cambridge CB3 9BB

Website: www.wolfson.cam.ac.uk

Charity Registration No. 1138143



CHARITY TRUSTEES

The College Officers and elected Fellow members of the College Council act as the Trustees of the charity. The College Council meets at least eight times in a year. In the financial year 2021-22 the following were members of the College Council:

Five College Officers *ex officio*

Professor Jane Clarke	President; Chair of the Council
Mr Graham Allen	Vice-President
Mrs Joanna Cheffins	Bursar; Secretary of the Council
Dr Susan Larsen	Senior Tutor
Ms Sian Cook	Development Director

Ten Fellows elected by the Governing Body

Ms Lynette Alcántara
Professor Ian Cross (to 30 September 2021)
Dr Anna Dempster
Professor Stephen Evans
Dr Kevin Greenbank (from 1 October 2021)
Dr Antonina Kouli (from 1 October 2021)
Professor Peter Jones (from 1 October 2021)
Dr Virginia Newcombe
Professor Lloyd Peck
Dr Frank Tietze (to 30 September 2021)
Dr Martin Vestergaard
Dr Steve Watson (to 30 September 2021)
Dr Warwick (Jeremy) Webb

In addition, three Students from the Wolfson College Student Association (WCSA) are non-trustee members of College Council:

President of WCSA: Charlotte Clarke (to November 2021)	Scott Dunleavy (from November 2021)
Vice-President of WCSA: Eric LeGresley (to November 2021)	Bridget Smith (from November 2021)
Treasurer of WCSA: Sheryl Wombell (to November 2021)	Dan Scott (from November 2021)

The Governing Body, consisting of all Fellows of the College (other than Emeritus, Visiting, Honorary and Bredon Fellows), is required by the College Statutes to be responsible for the approval of the annual audited accounts. There were 112 Governing Body Fellows as at 1 December 2021. The Governing Body meets at least four times in a year. The President is the Chair of the Governing Body and the Bursar is the Secretary.

A full list of the Governing Body Fellows can be found on the College website at:
<https://www.wolfson.cam.ac.uk/people>

The College's corporate governance arrangements are set out on page 14.



OBJECTS

The objects of the College are set out in its Royal Charter, effective from 1 January 1977, as follows:

1. to advance education, learning and research in the University of Cambridge;
2. to provide, for men or women who shall be members of the University, a College wherein they may work for degrees in the University or may carry out postgraduate or other special studies at Cambridge provided that no members of the College or any candidate for membership thereof shall be subject to any test of religious, social, political or racial character;
3. to apply the moneys of the College to the purposes of the College with power to invest as prescribed in the Statutes of the College;
4. to administer any trust or scheme for purposes connected with the objects of the College; and
5. to do all such things as are incidental or conducive to the carrying out of the above objects.

PUBLIC BENEFIT

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

- teaching facilities and individual or small-group supervision for undergraduates, as well as pastoral, administrative and academic support for all students through its tutorial and mentoring systems; and
- social, cultural, musical, recreational and sporting facilities which enable each of its students to realise their academic and personal potential to the full while studying at the College.

The College advances research through:

- providing Research Fellowships to outstanding young academics in the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- supporting the research work of its students and Fellows by promoting interaction across disciplines, providing facilities for seminars and developing a community of researchers; and
- fostering academic networking by encouraging visits from outstanding academics as Visiting Fellows and Visiting College Research Associates.

The College maintains a Library which is a valuable resource for students and Fellows of the College.

The members of the College, both students and Fellows, are the primary beneficiaries and are directly engaged in education, learning or research.

Beneficiaries also include: students and academic staff from other Colleges in Cambridge and the University of Cambridge more widely, visiting academics from other higher education institutions and visiting alumni of the College who have an opportunity to attend educational events at the College or use its academic facilities. The College offers membership with Senior Member status to distinguished members of the local community without an existing College affiliation and membership with College Research Associate status to researchers in Cambridge also without an existing College affiliation. The general public is also able to attend various educational activities in the College such as lectures, seminars, exhibitions and concerts.

The College admits students who have the highest potential for benefiting from the education provided by the College and the University, regardless of their gender or their financial, social, religious or ethnic background:

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects, although the University of Cambridge's Statutes and Ordinances restrict the College to admitting undergraduates who are aged 21 or above; and
- there are no religious restrictions in the College's objects and a wide range of faith traditions are represented in the College membership.



PUBLIC BENEFIT (continued)

The College has approximately 300 part-time postgraduate students and its encouragement of part-time students allows individuals to benefit from a Cambridge education who might not otherwise have access.

The focus of the College is strongly academic and students are required to satisfy high academic entry requirements.

The College receives the following income in respect of students:

- (a) fees at externally regulated rates, charged to UK undergraduates (those eligible for loans from the Student Loans Company) and to postgraduate students; and College fees determined by the College annually, charged to Overseas undergraduates and to other UK undergraduates (those not eligible for loans from the Student Loans Company); and
- (b) accommodation charges and meal charges set at reasonable rates.

In order to assist undergraduates of limited financial means, the College provides bursary support through a scheme operated in common with the University and other Colleges. For the academic year 2021-22, awards totalling £379.5k were made to 80 Wolfson undergraduates (£393.2k to 81 undergraduates in 2020-21): 40 were awarded the maximum independent student bursary of £5,600; and a further 40 were awarded an average of £3,887. The net cost to the College for participation in this scheme was £52.2k after contributions by the University and other Colleges of £327.3k. The scheme is widely advertised on the University website, on College websites and in the Admissions Prospectus. Enhanced Bursaries totalling £41.9k in 2021-22, funded by a donation from Santander Universities UK and a grant from Trinity College, were also awarded to undergraduates needing additional support.

To support the costs of both undergraduate and postgraduate students, the College provides various scholarships and bursaries, to help fund fees and living costs. The total awarded in 2021-22 was £523.5k to 159 students (£573.6k to 158 students in 2020-21). Within this amount, £42.2k was awarded to 7 students in receipt of Vice-Chancellor's Awards which when combined with funding from the Cambridge Trust provided a total benefit of £103.0k. The Vice-Chancellor's Awards scheme exists to support UK PhD students across the University. In addition to awards made to named students by a College, all Colleges are required to contribute to the Vice-Chancellor's Awards scheme irrespective of their participation in the scheme, and the amount required to be paid by the College in 2021-22 was £71.1k (£74.0k in 2020-21).

The College supports students through a grant scheme to assist with travel and attendance at conferences. The total awarded in 2021-22 was £32.9k to 77 students, a significant increase from the total of £9.9k to 41 students in 2020-21 when there were reduced travel opportunities as a result of the pandemic.

In addition to its other programmes, the College operates a scheme for students in financial hardship. The total awarded in 2021-22 was £17.2k to 36 students (£27.2k to 63 students in 2020-21).

The College awards prizes to its students for academic distinction. The total awarded in prizes in 2021-22 was £29.1k to 97 students (£25.7k to 81 students in 2020-21).

To raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to Wolfson, the College holds open days, and provides guidance and information for prospective applicants on the College website and through the admissions staff in its Tutorial Office.

In order to fulfil its charitable purposes of advancing education, learning and research, the College employs a number of its Fellows in the following roles: College Teaching Officers, Supervisors, Directors of Studies, Tutors and senior administrative officers such as Bursar, Senior Tutor and Development Director. Several of these serve as charity trustees through being members of the College Council. The employment of the President 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 President and Fellows through salaries, stipends and employment-related benefits is objectively reasonable, measured against academic stipends generally; moreover 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. All salaries are reviewed annually by the Personnel Committee.

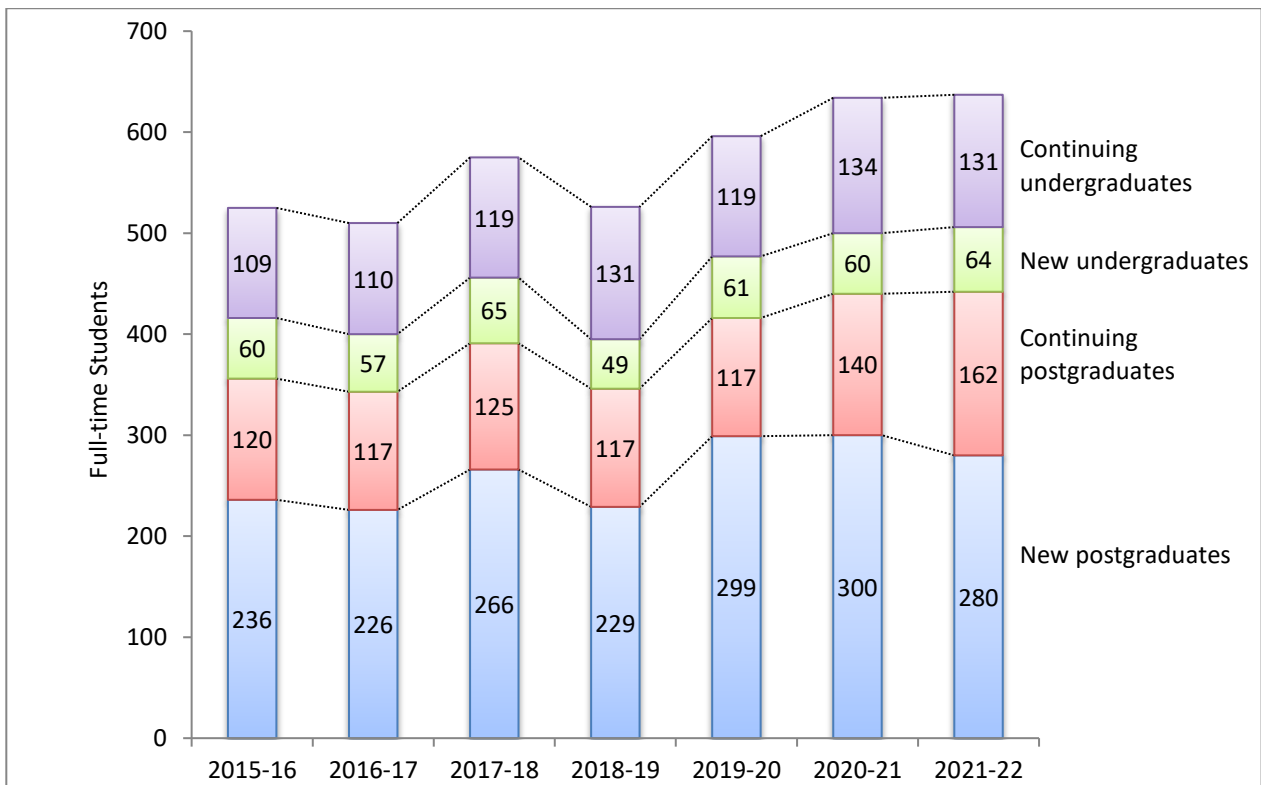


OPERATING AND FINANCIAL REVIEW

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1 Student Numbers

The College admits full-time and part-time postgraduate students studying for PhDs and Masters courses and full-time mature undergraduate students aged 21 and over. Total student numbers (including part-time postgraduates and postgraduates writing up or under examination) of 1,160 as at 1 December 2021 did not change significantly from the previous year (1,033). The College accepts both postgraduates who have selected the College as part of their application and postgraduates who are allocated to the College through an intercollegiate allocation process, designed to even out the distribution of applications across the Cambridge colleges. The following chart shows the figures for full-time students over the past seven years as at 1 December in each year:



The total full-time student body of 637 was split approximately one-third undergraduates and two-thirds postgraduates. The full-time postgraduates body of 442 was split evenly between Masters (223) and PhD / integrated Doctorate students (219). The College’s 311 part-time postgraduates also continued to play an important part in the College’s mix of students.



OPERATING AND FINANCIAL REVIEW (continued)

2 Income and Expenditure

The Statement of Comprehensive Income and Expenditure (SOCIE) shows total income for the year of £11.01m (2020-21: £9.16m)

Increased student fees contributed to academic income of £4.21m, which was higher than in the previous year (£3.72m). Of this total, £3.79m is made up of fees paid by or on behalf of students, as set out in detail in note 1. Within academic income are included the contributions from the University and other Colleges for Cambridge Bursaries: £327k is included as income from this source, with a corresponding figure in expenditure of £379k, i.e. there was a net cost to the College of £52k.

Accommodation and catering income, at £3.54m, was significantly higher than the previous year (£2.21m) as a result of the reduced impact of the COVID-19 pandemic. The College has 409 units of student accommodation, mainly for single occupation, accommodating up to 429 in total. In addition there are five family flats. The remaining 38 units of accommodation are for visiting academics, part-time students, and other short-stay visitors. College accommodation is normally full but, during the academic year 2021-22, some full-time students were unable to travel to and/or remain in Cambridge due to the pandemic and most courses for part-time students were conducted online, resulting in reduced levels of occupancy compared to pre-pandemic levels.

There was an increase in endowment and investment income (from £1.54m to £1.67m), as a result of the purchase of additional units in the Cambridge University Endowment Fund at the end of last year and the performance of the Fund.

Donations are classified as one of the following: unrestricted or restricted donations for spending in the current year; new permanent endowments, for spending over the longer term; or capital grants, to support building or refurbishment projects. Total donation, endowment and grant income as shown in the SOCIE was £1.59m, compared to the previous year's figure of £1.41m. Donations include a grant from the Colleges Fund of £707k in 2021-22 (£785k in 2020-21). This grant is usually added to endowment, however this year, as last year, because of the financial impact of the COVID-19 pandemic, the Colleges Fund Committee agreed that recipients of the grant might use it for operational purposes. The grant is therefore included in unrestricted income.

Total expenditure within the SOCIE was £10.19m, including depreciation of £1.15m (which represents 11.3% of expenditure). The proportion of total expenditure (excluding depreciation) spent on staff costs was 53.3% (£4.82m), however this includes a large cost resulting from an increase in the USS deficit provision of £502k (2020-21 credit resulting from a decrease in the provision of £100k). The liability is based on the College's obligation over a number of years to contribute to the USS deficit recovery plan. The cost of the three pension schemes on offer to staff (USS, CCFPS, NOW), excluding the USS deficit provision change, was £506k, representing 11.7% of staff costs before the USS provision change.

3 Capital Additions

A number of capital transactions relating to the College's estate and equipment, costing £0.28m (2020-21: £0.58m) are shown in note 10. Most expenditure on the estate related to essential work only which was required to remain compliant with health and safety regulations. The annual cycle of refurbishment of accommodation was put on hold, due to reduced levels of income. The College is however prioritising plans to invest in its estate and has planned the refurbishment of a student accommodation block for the summer of 2022. It has also worked with architects and quantity surveyors to identify strategic options for refurbishment, decarbonisation, and new buildings. The resulting estate "masterplan" will inform fundraising initiatives and financial planning for the short and longer term future of the estate.

**OPERATING AND FINANCIAL REVIEW (continued)****4 Investments**

Since 1 July 2010 the major part of the College's endowment has been invested in the Cambridge University Endowment Fund (CUEF).

The CUEF's investment objective is to achieve or exceed a long term average annual rate of total return equal to the Consumer Prices Index (CPI) for each calendar year plus 5%, net of investment management costs. The fund has a hybrid rule for its distribution based on a long-term target capital value rate of 4%. Therefore, the overall long term objective of the CUEF is to achieve an increase in asset values, after paying the distributions, of at least 1% above CPI.

In the year to June 2022 the College invested a further £500k in the CUEF, made up of £22k of new endowment funds, £178k of existing endowment funds previously invested with Cazenove Capital Management, and £300k fixed asset investments funded by current and prior year Colleges Fund Grants and donations.

The College's investments in the CUEF were as follows:

Wolfson College investments in the CUEF	30 June 2022	30 June 2021
Unit value	£67.45	£69.96
Number of units (endowment)	477,407	474,445
Number of units (fixed asset investments)	239,338	234,888
Total number of units	716,745	709,333
Value of units (endowment)	£32.20m	£33.19m
Value of units (fixed asset investments)	£16.14m	£16.43m
Total value of units	£48.34m	£49.62m

The College received distributions totalling £1.66m (£1.11m from the endowment units and £0.55m from the fixed asset investment units), giving a distribution yield of 3.35% on the opening capital value.

The unaudited CUEF total fund value was £3.82 billion at 30 June 2022 and the estimated asset allocation of the was as follows:

CUEF asset classes	30 June 2022	30 June 2021
	%	%
Public equity	42	43
Private equity	24	20
Absolute return	17	11
Credit	3	3
Real assets	10	10
Fixed interest/cash	4	13

In addition to its investment in the CUEF, the College still holds endowment funds in two private equity funds with Cazenove Capital Management which were valued at £477k as at 30 June 2022 (2021: £484k). The College's strategy is, as and when exit opportunities arise in those private equity funds, to invest the proceeds in the CUEF. The College supports the CUEF's aims to divest from all direct and indirect investments in fossil fuels by 2030.

5 Reserves

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

**OPERATING AND FINANCIAL REVIEW (continued)****5 Reserves (continued)**

Total reserves at 30 June 2022 were £78.45m, of which £44.78m were classed as ‘unrestricted reserves’. However, as these reserves are mainly represented by the College’s operational estate and therefore not available as funds to be spent, a more practical reserves policy has been implemented. The aim is to have realisable unrestricted reserves, being equivalent to fixed asset investments (excluding the investment cost relating to the £10m private placement) plus net current assets, in the range of 25% to 50% of annual expenditure as shown on the Statement of Consolidated Income and Expenditure, for use in the case of unexpected financial downturns or to pursue new opportunities. The figure for realisable unrestricted reserves at 30 June 2022 was £10.56m, above the specified range of £2.55-5.09m, but considered beneficial in the current circumstances to help fund future ‘masterplan’ capital expenditure requirements.

6 Fundraising and Alumni Relations

Fundraising is a major part of the role of the Development & Alumni Relations Office, which was established in 2008. The College is registered with the Fundraising Regulator and does not use third-party professional fundraisers. Fundraising is geared towards: the annual fund, for spending in the current year; the endowment, for spending over the longer term; or capital grants, to support building or refurbishment projects. As set out above, the endowment creates a stream of income also for spending in the current year. Total donations were as follows:

	30 June 2022	30 June 2021
	£’000	£’000
Colleges Fund grant	707	785
Donations above £50k	463	50
Donations up to £50k	180	206
Bequests from individuals’ estates	40	171
The Alborada Trust	160	160
Santander Universities UK	29	29
Cambridge University Press	12	12
Total Donations	1,591	1,413

Donations, whether made to the annual fund, to the endowment, or as capital grants, make a significant difference to what the College can achieve, especially in student support. Membership of the Morrison Society is given to those who have made a pledge to the College in their Will and enables the College to recognise and thank such supporters in their lifetime. At 30 June 2022 there were 105 members of the Morrison Society.

In terms of alumni relations and communications, the Development & Alumni Relations Office has continued to build relationships with the wider membership of Wolfson. The College maintains contact details for over 12,000 alumni, of whom more than half live outside the UK in over 150 different countries. An e-bulletin (Ring True) is emailed to over 10,000 members six times a year, who also receive the Wolfson Review magazine annually. More regular newsletters are sent to specific interest groups such as the Friends of the Boat Club and the Interdisciplinary Research Hubs which help to keep the community engaged. The first major in-person event post COVID, was the annual reunion weekend for alumni held in September 2021. During COVID, a regular programme of on-line events reached audiences across the world. Last year, we retained several on-line events to keep this community engaged. A review of operations saw the Development & Alumni Relations Office split into two teams – the Development Office for fundraising and the Networks Office for alumni relations and to develop initiatives such as the College’s Interdisciplinary Research Hubs. This came into effect at the end of June.



OPERATING AND FINANCIAL REVIEW (continued)

7 Principal Risks and Uncertainties

The College has a detailed risk register which the College Council reviews regularly. In this register the risks are set out in the following areas: Students; Finance, Funding & Fundraising; College Estate & Infrastructure; Staff, Fellowship, Membership & Governance; The Changing Landscape of Cambridge; Government & Legislation; and Reputation. A number of risks are analysed in each area. As well as setting out the likelihood of occurrence and severity of impact, the risk register also sets out control procedures, monitoring processes, risk owners and further actions. Whilst the risk of a pandemic was not listed as a specific risk, the College's Critical Incident Management Plan provided an effective framework for governing the College's response to the pandemic. The College is producing a revised risk register for 2022-23 which takes account of lessons learned from the pandemic and the economic and political changes that have followed.

The principal risks and uncertainties facing the College are:

Inflation: The Consumer Prices Index rose by 9.4% in the 12 months to June 2022 and continues to rise. As inflation rises, the College's income becomes increasingly stretched. The value of the undergraduate fee for UK students, which has been capped by the Government until 2025, has significantly reduced. As the College prepares to raise funds for the first phase of its estate masterplan, continued high inflation rates could considerably constrain the level of investment it can afford to make in its estate. Wage inflation could also affect the College's ability to maintain optimal staffing levels as Colleges compete in the post-pandemic market for operational and other staff. It also remains to be seen how significant cost of living rises could affect student applications and current students; the College will likely need to increase its investment in student support at the same time as it faces demands in many other areas of business. As a member of the Cambridge Colleges' energy purchasing consortium, the College has the benefit of fixed electricity and gas prices until March 2023 but if energy demands exceed the projected consumption levels, expenditure will increase significantly.

Climate Change: The College and its members face physical risks, arising from the changes in weather and climate that impact the economy and transition risks which arise from the transition to a low-carbon economy. The College is developing an ambitious sustainability strategy which sets out the College's plan to reduce its carbon emissions as well as to embed sustainability in all of its operations. The implementation of the plan, particularly as it relates to degasification, will be costly and likely to be adversely affected by inflation. However, if the College does not implement its strategy in a timely manner it will not only fail to make its contribution to tackling this existential crisis but could also suffer a negative impact on its recruitment of students, Fellows and staff.

External political and economic threats facing Collegiate Cambridge: The war in Ukraine, the volatility and vulnerability of energy prices and supply as well as withdrawal from the European Union all have the potential to affect the University and its Colleges adversely because of major uncertainty about their impact on the recruitment of students, researchers and staff. The trajectory of the pandemic and its longer term economic, social and health effects are still unknown. Before the pandemic, the University signalled its intention to increase its postgraduate numbers, particularly by way of increasing the number of its MPhil courses. The Colleges, including Wolfson, have stated their intention to support that growth, but this may be more difficult to achieve than was anticipated before the pandemic. Difficulties with and the increased expense of international travel, the rise of digital educational options and economic uncertainty may constrain the University's anticipated growth. Whilst the Cambridge brand will undoubtedly continue to be extremely strong, predominantly graduate colleges such as Wolfson, with a significant number of international students, may find it more challenging to recruit and maintain target student numbers.

Economic factors which might affect the College's sources of income and growth: The student fees, room rents and catering income from members represent the greatest source of income to the College; accordingly achieving the College's student number targets is critical to the College's financial model and increasing student numbers is critical to growth. As explained above, there is no guarantee that University graduate numbers will continue to increase and, since decisions on graduate admissions are taken by the University, the College is dependent on the University to obtain the benefit of any increased student numbers. Any reduction in student numbers would have an impact on the College's finances. The demand for rooms in College normally outstrips supply, so any shortfall in student numbers would have to be significant before affecting rental income. Fee income, however, is more sensitive to shifts in student numbers.



OPERATING AND FINANCIAL REVIEW (continued)

7 Principal Risks and Uncertainties (continued)

Staff pension costs: The College has a number of staff in two defined benefit schemes – USS and CCFPS – both of which are in deficit (see Note 21). As at 30 June 2022 there were 37 staff members in USS (whose salaries represented 26% of the June 2022 payroll) and 14 members in CCFPS (representing 10% of the June 2022 payroll). The College is making deficit reduction contributions to both schemes. The College closed CCFPS to new entrants in 2008, which has helped markedly to reduce the exposure to uncertainties associated with the scheme. In the case of USS, the number of new entrants has slowed down considerably since the introduction of a defined contribution scheme for non-academic staff, which helps to manage the risk of the College’s liabilities increasing.

8 Future Plans

Whilst responding to the pandemic has taken up a significant amount of time and resource, the College is also looking to the future. The College has invested in a strategic masterplan for its estate, which offers options to refurbish existing buildings and develop a variety of sustainable new buildings, as funding permits over the short and longer term: <https://www.wolfson.cam.ac.uk/masterplan>. The College has restructured its Alumni and Development Office to focus resources on a capital campaign in order to raise the necessary funds. Feasibility studies for a potential first phase of the masterplan are currently underway to assist the College to assess its priorities and their affordability. Environmental engineers have also been appointed to produce a decarbonisation plan which will identify the most effective mitigations. Whilst embarking on this work in the current economic climate is challenging, the College is confident that, with extremely prudent financial management and a detailed understanding of the risks involved, it will be able to progress and prepare for future generations of Wolfson members.



CORPORATE GOVERNANCE

- 1 The following statement is provided by the Trustees to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.
- 2 The College is a registered charity (registered number 1138143) and subject to regulation by the Charity Commission for England and Wales. The members of the Council are the charity trustees and are responsible for ensuring compliance with charity law.
- 3 The Trustees are advised in carrying out their duties by a number of Committees, including:

Development	Educational Policy	Fellowship & Membership
Finance	Health & Safety	House & Student Events
Personnel	Sustainability	
- 4 The principal College officers are the President, Vice-President, Bursar, Senior Tutor and Development Director.
- 5 It is the duty of the Finance Committee to keep under review the effectiveness of the College’s internal systems of financial and other controls; to advise the Trustees on the appointment of the external Auditor; to consider reports submitted by the Auditor; to monitor the implementation of recommendations made by the Auditor; and to make regular reports to the Trustees by way of minutes of its meetings. Membership of the Finance Committee includes all the principal College officers, other members of the Governing Body and the Emeritus Fellowship, the Finance Manager and two officers of the Student Association.
- 6 Three members of the Governing Body, who are not members of the Finance Committee, are elected by the Governing Body to act as Inspectors of Accounts to serve a three-year term, with annual rotation of one Inspector.
- 7 There is a Register of Interests of Trustees. Declarations of interest are made systematically at all Governing Body, Council and committee meetings.

The College’s Trustees during the year ended 30 June 2022 are set out on page 5.

STATEMENT OF INTERNAL CONTROL

- 1 The Trustees are responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College’s Statutes.
- 2 The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.
- 3 The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process was in place for the year ended 30 June 2022 and up to the date of approval of the financial statements.
- 4 The Trustees are responsible for reviewing the effectiveness of the system of internal control.
- 5 The Trustees’ review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Bursar, and the College officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external Auditor in their management letter and other reports.



RESPONSIBILITIES OF THE GOVERNING BODY

The Governing Body is responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY OF WOLFSON COLLEGE****Opinion**

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and College's affairs as at 30 June 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes of the University of Cambridge.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT (continued)

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

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of the Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 15, the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Body determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Group through discussions with Trustees and other management, and from our knowledge and experience of the education sector;
- we obtained an understanding of the legal and regulatory framework applicable to the Group and how the Group is complying with that framework;
- we obtained an understanding of the Group's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the Group. The Laws and regulations we considered in this context were Charities Act 2011, the Statutes of the University of Cambridge and taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items;

**INDEPENDENT AUDITOR'S REPORT (continued)**

- in addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's and College's ability to operate or to avoid material penalty; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

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

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

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

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

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

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

Use of our report

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

PETERS ELWORTHY & MOORE

Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge CB1 2LA

Date:

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



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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 Consolidated 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 8.

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 historic cost convention, modified in respect of the treatment of investments which are included at valuation.

Basis of consolidation

The consolidated financial statements include the College and its active subsidiary undertaking, Wolfson College Cambridge Enterprises Limited. The financial statements of the College's two other subsidiary companies, Lee Library Limited and Wolfson College Development Limited, have not been consolidated because they are dormant. Details of the subsidiary undertakings are set out in note 22. The activities of student societies have not been consolidated, because they are separate bodies which are not within the financial control of the College.

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 are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance-related conditions have been met.

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

Donations and endowments

Donations and endowments are non-exchange transactions. They are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

Donations with donor-imposed restrictions are held in restricted reserves until such time that expenditure is incurred in accordance with the restrictions.

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 permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective;
4. Restricted expendable endowments – the donor has specified a particular objective and the College has the power to use the capital element of the fund.

**STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)****Investment income and changes in value of investment assets**

Investment income and changes in the value of investment assets are recorded in income in the period in which they arise and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

Other income

Income is received from a range of activities including accommodation, catering, conferences, and other services rendered. It is recognised in the period to which it relates.

Cambridge Bursary Scheme

Payment of the Cambridge Bursaries to eligible students is made directly by the Student Loans Company (SLC). The College reimburses the SLC for the full amount and the University of Cambridge and other Colleges pay their shares to the College. Each College shows the gross payment made to eligible students within education expenditure and the contribution from the University and other Colleges as income within academic fees and charges.

The net payment of £52k is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£327k
Expenditure (see note 5)	£379k

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 contracts, at contract rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Non-current assets**Freehold land and buildings**

Land is included at deemed cost, being its fair value on the date of transition to FRS102. Land is not depreciated as it is considered to have an indefinite useful life.

Buildings are stated at cost less accumulated depreciation. Costs incurred after initial purchase or construction are capitalised to the extent that they increase the expected future benefit to the College. Buildings and capital improvements are depreciated on a straight-line basis over their expected useful economic life of 20-50 years (2% - 5% per annum).

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

Equipment

Assets are capitalised and depreciated over their expected useful life as follows:

Furniture and fittings	10 years (10% per annum)
General equipment	5 years (20% per annum)
Computer equipment	4 years (25% per annum)

Leased assets

The College does not currently have any assets acquired under finance leases. Rental costs under operating leases are charged to expenditure in equal amounts over the periods of the leases.

Investments

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



STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

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 Group 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 assets and liabilities

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.

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.

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.



STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

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 1138143) 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 to income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

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

Contribution under Statute G, II

The College is liable to be assessed for Contribution under the provisions of Statute G,II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The College may from time to time be eligible for such grants. The liability for the year is as advised to the College by the University based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

Pension costs

The College participates in two defined benefit type schemes, the Cambridge Colleges Federated Pension Scheme (CCFPS) and the Universities Superannuation Scheme (USS); and one defined contribution scheme (NOW: Pensions).

The CCFPS is a defined benefit scheme with the assets held in a separate trustee-administered fund. The College is able to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and a valuation is obtained as at 30 June annually. The amount charged to expenditure represents the amount calculated under FRS102 guidelines and the College's net liability is shown in the Balance Sheet.

**STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)****Pension costs (continued)**

The USS is a hybrid pension scheme, providing defined benefits (for all members) as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The College is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 'Employee Benefits', the College therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to expenditure represents the contributions payable to the scheme. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the College recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related movements being recognised in expenditure.

The College contributes to a defined contribution pension scheme (NOW: Pensions). For defined contribution schemes the amount charged to expenditure is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either debtors or creditors in the Balance Sheet.

Employment benefits

Short term employment benefits such as salaries and holiday pay are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured at 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.

Going concern

The Trustees consider that the Group 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.



CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the College's accounts requires management to make judgements, estimates and assumptions that affect about the application of accounting policies and reported amounts of assets and liabilities and income and expenses that are not readily apparent from other sources. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events, which are considered to be reasonable under the circumstances. Actual results may differ from these estimates.

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

Income recognition

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

Useful lives of fixed assets

Property and equipment represent a significant proportion of the College's total assets. The estimated useful lives can therefore 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 fixed assets are shown in note 10.

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 debtor, the age profile of the debt and the nature of the amount due.

Retirement benefit obligations

The costs of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 21.

Universities Superannuation Scheme (USS)

FRS102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as USS. The accounting for a multi-employer scheme, where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting change is recognised in comprehensive expenditure in accordance with section 28 of FRS102. The Governing Body is satisfied that USS meets the definition of a multi-employer scheme, and the College has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

As the College is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2038. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in notes 16 and 21.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

For the year ended 30 June

	Note	2022			Total £'000	2021			Total £'000
		Unrestricted £'000	Restricted £'000	Endowment £'000		Unrestricted £'000	Restricted £'000	Endowment £'000	
Income									
Academic fees and charges	1	3,880	327	-	4,207	3,378	342	-	3,720
Accommodation, catering and conferences	2	3,539	-	-	3,539	2,214	-	-	2,214
Investment income	3	1,421	249	-	1,670	1,309	235	-	1,544
Other income	4	-	-	-	-	268	-	-	268
Total income before donations and endowments		8,840	576	-	9,416	7,169	577	-	7,746
Donations		132	729	-	861	276	323	-	599
New endowments		-	-	20	20	-	-	27	27
Capital grant from Colleges Fund		707	-	-	707	785	-	-	785
Other capital grants for assets		-	3	-	3	-	2	-	2
Total income		9,679	1,308	20	11,007	8,230	902	27	9,159
Expenditure									
Education	5	3,728	937	-	4,665	3,576	912	-	4,488
Accommodation, catering and conferences	6	4,435	-	-	4,435	3,923	-	-	3,923
Other expenditure	7	1,088	-	-	1,088	512	9	-	521
Total expenditure	8	9,251	937	-	10,188	8,011	921	-	8,932
Surplus / (deficit) before other gains and losses		428	371	20	819	219	(19)	27	227
Gain / (loss) on investments	11	(589)	(69)	(951)	(1,609)	2,745	434	5,507	8,686
Surplus / (deficit) for the year		(161)	302	(931)	(790)	2,964	415	5,534	8,913
Other comprehensive income									
Actuarial gain/(loss) in respect of pension schemes	16	999	-	-	999	253	-	-	253
Total comprehensive income for the year		838	302	(931)	209	3,217	415	5,534	9,166

**CONSOLIDATED STATEMENT OF CHANGES IN RESERVES**

For the year ended 30 June

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Balance at 1 July 2020	40,558	2,842	25,680	69,080
Surplus for the year	2,964	415	5,534	8,913
Other comprehensive income	253	-	-	253
Release of restricted capital funds spent in the year	168	(168)	-	-
Balance at 30 June 2021	43,943	3,089	31,214	78,246
Deficit for the year	(161)	302	(931)	(790)
Other comprehensive income	999	-	-	999
Release of restricted capital funds spent in the year	3	(3)	-	-
Balance at 30 June 2022	44,784	3,388	30,283	78,455

**CONSOLIDATED AND COLLEGE BALANCE SHEETS**

As at 30 June	Note	2022 Group £'000	2022 College £'000	2021 Group £'000	2021 College £'000
Non-current assets					
Fixed assets	10	38,441	38,441	39,315	39,315
Investments	11	48,824	48,824	50,111	50,111
Total non-current assets		87,265	87,265	89,426	89,426
Current assets					
Stocks		55	55	57	57
Trade and other receivables	12	988	1,012	890	890
Cash and cash equivalents	13	4,441	4,406	2,731	2,731
Total current assets		5,484	5,473	3,678	3,678
Creditors: amounts falling due within one year	14	(1,067)	(1,056)	(1,187)	(1,187)
Net current assets		4,417	4,417	2,491	2,491
Total assets less current liabilities		91,682	91,682	91,917	91,917
Creditors: amounts falling due after more than one year	15	(11,120)	(11,120)	(11,117)	(11,117)
Provisions					
Pension provisions	16	(2,107)	(2,107)	(2,554)	(2,554)
Total net assets		78,455	78,455	78,246	78,246
Represented by:					
Restricted reserves					
Income and expenditure reserve - endowment	17	30,283	30,283	31,214	31,214
Income and expenditure reserve - restricted	18	3,388	3,388	3,089	3,089
Unrestricted reserves					
Income and expenditure reserve - unrestricted		44,784	44,784	43,943	43,943
Total reserves		78,455	78,455	78,246	78,246

The financial statements were approved by the Governing Body on 9 November 2022 and signed on its behalf by:

Joanna Cheffins
Bursar

**CONSOLIDATED CASH FLOW STATEMENT**

For the year ended 30 June

	Note	2022 £'000	2021 £'000
Cash flow from operating activities:			
Surplus for the year		(790)	8,913
<i>Adjustment for non-cash items:</i>			
- depreciation	10	1,149	1,224
- pension costs less contributions payable		47	74
- amortisation of placement arrangement fees		3	2
- (gain) / loss on investments	11	1,609	(8,686)
- (increase) in stocks		2	6
- (increase) / decrease in trade and other receivables		(98)	(194)
- (decrease) in creditors		(120)	345
- increase / (decrease) in provisions		505	(97)
<i>Adjustment for investing or financing activities:</i>			
- investment income	3	(1,670)	(1,544)
- new endowments	17	(20)	(27)
- capital grants for assets	18	(3)	(2)
- interest payable	7	328	328
Net cash inflow from operating activities		942	342
Cash flows from investing activities:			
Investment income	3	1,670	1,544
New endowments	17	20	27
Endowment funds invested	11	(22)	(35)
Payments made to acquire non-current asset investments	11	(300)	(1,085)
Capital grants for assets	18	3	2
Payments made to acquire fixed assets	10	(275)	(582)
		1,096	(129)
Cash flows from financing activities:			
Interest paid	7	(328)	(328)
		(328)	(328)
Increase / (decrease) in cash and cash equivalents in the year		1,710	(115)
Cash and cash equivalents at beginning of the year	13	2,731	2,846
Cash and cash equivalents at end of the year	13	4,441	2,731

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

1 Academic fees and charges	2022	2021
	£'000	£'000
Fee income		
Fee income received at the regulated undergraduate rate (a)	565	572
Fee income received at the unregulated undergraduate rate (b)	709	561
Fee income received at the postgraduate rate (c)	2,484	2,162
	3,758	3,295
Other income		
Research Fellow support	56	76
Cambridge Bursaries	327	342
Teaching and other income	25	7
College courses	41	-
Total	4,207	3,720
<p>(a) This rate is received for UK students who are eligible for Student Loans Company loans. Such students are sometimes referred to as 'publicly funded'. The total rate is set by the University up to a limit set by the Government, and the College receives a 50% share.</p> <p>(b) This rate is paid by Overseas students and those UK students not eligible for Student Loans Company loans. Such students are sometimes referred to as 'privately funded'. This rate is set by the College.</p> <p>(c) This rate is a fixed proportion of the course fees set by the University.</p>		
2 Accommodation, catering and conferences income	2022	2021
	£'000	£'000
Accommodation		
College members	2,872	1,934
Conferences	117	19
Catering		
College members	462	254
Conferences	88	7
Total	3,539	2,214
3 Investment income	2022	2021
	£'000	£'000
Income from:		
Unquoted securities - unit trust *		
- endowment assets	1,108	1,052
- fixed asset investments	549	488
Cash	13	4
Total	1,670	1,544

* invested in Cambridge University Endowment Fund units

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

4	Other income	2022	2021
		£'000	£'000
	Coronavirus Job Retention Scheme grant	-	268
	Total	-	268
5	Education expenditure	2022	2021
		£'000	£'000
	Teaching	1,124	1,123
	Tutorial	950	867
	Admissions	319	307
	Research	411	391
	Scholarships and awards	674	710
	Cambridge Bursaries	379	393
	Other educational facilities	801	696
	College courses	7	1
	Total	4,665	4,488
6	Accommodation, catering and conferences expenditure	2022	2021
		£'000	£'000
	Accommodation		
	College members	2,905	2,804
	Conferences	83	18
	Catering		
	College members	1,361	1,084
	Conferences	86	17
	Total	4,435	3,923
7	Other expenditure	2022	2021
		£'000	£'000
	Alumni relations	216	256
	Loan interest	328	328
	Pension schemes' finance charges (see note 16)	42	37
	Change in USS deficit provision	502	(100)
	Total	1,088	521

Expenditure on all activities in notes 5, 6 and 7 includes both direct costs and an allocation of overheads.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

8a Analysis of expenditure by activity

		Staff costs (note 9) 2022 £'000	Other operating expenses 2022 £'000	Depreciation 2022 £'000	Total 2022 £'000
	Note				
Education	5	2,035	2,264	366	4,665
Accommodation, catering and conferences	6	2,149	1,507	779	4,435
Other	7	633	451	4	1,088
		4,817	4,222	1,149	10,188

Expenditure includes fundraising costs of £216k in addition to the costs of alumni relations which are disclosed in note 7.

		Staff costs (note 9) 2021 £'000	Other operating expenses 2021 £'000	Depreciation 2021 £'000	Total 2021 £'000
Education	5	2,042	2,011	435	4,488
Accommodation, catering and conferences	6	1,997	1,141	785	3,923
Other	7	96	421	4	521
		4,135	3,573	1,224	8,932

Expenditure includes fundraising costs of £256k in addition to the costs of alumni relations which are disclosed in note 7.

8b Auditor's remuneration

	2022 £'000	2021 £'000
Other operating expenses include:		
Audit fees payable to the Group's external auditor (including VAT)	24	18
Other fees payable to the Group's external auditor (including VAT)	1	3

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

9 Staff costs	Fellows	Other	Total	Total
	£'000	Staff £'000	2022 £'000	2021 £'000
Salaries	726	2,786	3,512	3,442
National Insurance	68	229	297	277
Pension costs	90	416	506	516
Change in USS deficit provision	195	307	502	(100)
	1,079	3,738	4,817	4,135

Average staff numbers (full-time equivalents):

Academic	10	1	11	12
Non-academic	2	98	100	98
	12	99	111	110

There were 112 Fellows (excluding the President) in the Governing Body as at 1 December 2021, 40 of whom were stipendiary, representing 12 full-time equivalent College Fellows included above.

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

	2022 Number	2021 Number
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
£120,001 - £130,000	-	-
£130,001 - £140,000	-	-
£140,001 - £150,000	1	-

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

Key management personnel and Trustees

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College. The key management personnel are the members of the College Council, who act as the Trustees of the charity.

The aggregated remuneration (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) paid to key management personnel was:

	2022 £'000	2021 £'000
College Officers <i>ex officio</i>	459	395
Fellows elected by the Governing Body	38	35
	497	430

The Trustees received no remuneration in their capacity as Trustees.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

10 Tangible fixed assets
Group and College

	Freehold land £'000	Freehold buildings £'000	Equipment £'000	Total 2022 £'000	Total 2021 £'000
Cost or valuation					
At beginning of year	22,000	28,720	5,321	56,041	55,573
Additions at cost	-	-	275	275	582
Disposals	-	-	(268)	(268)	(114)
At end of year	22,000	28,720	5,328	56,048	56,041
Depreciation					
At beginning of year	-	12,992	3,734	16,726	15,616
Charge for the year	-	729	420	1,149	1,224
Disposals	-	-	(268)	(268)	(114)
At end of year	-	13,721	3,886	17,607	16,726
Net book value					
As at 30 June 2022	22,000	14,999	1,442	38,441	
As at 30 June 2021	22,000	15,728	1,587	39,315	

The declared value of freehold buildings for insurance purposes as at 30 June 2022 was £61,906,056 (2021: £56,635,528).

Capital commitments

	Group and College	
	2022 £'000	2021 £'000
Capital expenditure contracted but not provided for	416	-

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

11	Non-current investments	Group and College			
		2022 £'000	2021 £'000		
	Balance at beginning of year	50,111	40,305		
	Additions	322	1,120		
	Gain / (loss)	(1,609)	8,686		
	Balance at end of year	48,824	50,111		
	Represented by:				
	Unquoted securities - unit trust	48,347	49,627		
	Unquoted securities - equities	477	484		
	Total	48,824	50,111		
	Analysis by asset:				
	Endowments - permanent	30,277	31,212		
	Endowments - expendable	2,403	2,466		
	Fixed asset investments	16,144	16,433		
	Total	48,824	50,111		
12	Trade and other receivables	Group	College	Group	College
		2022 £'000	2022 £'000	2021 £'000	2021 £'000
	Members of the College	192	192	193	193
	Amounts due from subsidiary undertakings	1	28	1	1
	Other receivables	88	85	53	53
	Prepayments and accrued income	707	707	643	643
	Total	988	1,012	890	890
13	Cash and cash equivalents	Group	College	Group	College
		2022 £'000	2022 £'000	2021 £'000	2021 £'000
	Short-term money market investments	2,100	2,100	200	200
	Bank deposits	2,295	2,295	2,523	2,523
	Bank current accounts	46	11	8	8
	Cash in hand	-	-	-	-
	Total cash and cash equivalents	4,441	4,406	2,731	2,731
	Analysis by asset:				
	Endowments – permanent capital	6	6	2	2
	Endowments – restricted	144	144	108	108
	Other cash and cash equivalents	4,291	4,256	2,621	2,621
	Total	4,441	4,406	2,731	2,731

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

14 Creditors: amounts falling due within one year	Group	College	Group	College
	2022	2022	2021	2021
	£'000	£'000	£'000	£'000
Trade creditors	446	446	428	428
Members of the College	272	272	267	267
University fees	39	39	165	165
Other creditors (PAYE, NI, VAT)	112	108	76	76
Accruals and deferred income	198	191	251	251
Total	1,067	1,056	1,187	1,187

15 Creditors: amounts falling due after more than one year	Group and College	
	2022	2021
	£'000	£'000
Bank loan	1,200	1,200
Private placement	10,000	10,000
Private placement arrangement fees	(80)	(83)
Total	11,120	11,117

Interest is payable on the bank loan at 4.8%. The loan is repayable in August 2048.

Interest is payable on the private placement at 2.7%. The placement is repayable in June 2053.

The placement arrangement fees are being amortised over the duration of the placement.

16 Pension provisions (see note 21)	CCFPS liability	USS deficit provision	Group and College	
			Total 2022	Total 2021
	£'000	£'000	£'000	£'000
Balance at beginning of year	2,164	390	2,554	2,830
<i>Movement in the year:</i>				
Current service cost	166	-	166	176
Administrative expenses	16	-	16	14
Contributions	(174)	-	(174)	(150)
Other allocation to staff costs	-	502	502	(100)
Other finance costs	38	4	42	37
Actuarial (gain) / loss	(999)	-	(999)	(253)
Balance at end of year	1,211	896	2,107	2,554

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

17 Permanent endowments	Unrestricted permanent £'000	Restricted permanent £'000	Group and College	
			Total 2022 £'000	Total 2021 £'000
Balance at beginning of year	26,124	5,090	31,214	25,680
New endowments	1	19	20	27
Transfers	-	-	-	-
Gain / (loss) on investments	(796)	(155)	(951)	5,507
Balance at end of year	25,329	4,954	30,283	31,214
Analysis by purpose:				
Fellowship Funds	-	173	173	180
Scholarship Funds	-	2,639	2,639	2,716
Prize Funds	-	118	118	120
Hardship Funds	-	1,204	1,204	1,231
Bursary Funds	-	120	120	125
Travel Grant Funds	-	60	60	61
Library Funds	-	427	427	439
Other Funds	-	213	213	218
General	25,329	-	25,329	26,124
Total	25,329	4,954	30,283	31,214
Analysis by asset:				
Investments	25,329	4,948	30,277	31,212
Cash	-	6	6	2
	25,329	4,954	30,283	31,214

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

18 Restricted reserves**Group and College**

	Capital grants £'000	Restricted income £'000	Restricted permanent endowment income £'000	Expendable endowment £'000	Total 2022 £'000	Total 2021 £'000
Balance at beginning of year						
Capital	-	-	-	2,457	2,457	1,993
Accumulated income	-	515	77	40	632	849
	-	515	77	2,497	3,089	2,842
Academic income	-	327	-	-	327	342
Investment income	-	1	168	80	249	235
New donations	-	724	-	5	729	323
New grants	3	-	-	-	3	2
Expenditure	-	(725)	(154)	(58)	(937)	(921)
Capital grants utilised	(3)	-	-	-	(3)	(168)
Gain / (loss) on investments	-	(1)	-	(68)	(69)	434
Balance at end of year						
Capital	-	-	-	2,404	2,404	2,457
Accumulated income	-	841	91	52	984	632
	-	841	91	2,456	3,388	3,089
Analysis by purpose:						
Fellowship Funds	-	106	12	765	883	777
Scholarship Funds	-	554	26	1,162	1,742	1,529
Prize Funds	-	-	9	1	10	8
Hardship Funds	-	-	-	90	90	93
Bursary Funds	-	2	6	218	226	231
Travel Grant Funds	-	-	2	10	12	12
Library Funds	-	-	-	-	-	-
Other Funds	-	179	36	210	425	439
General	-	-	-	-	-	-
Total	-	841	91	2,456	3,388	3,089
Analysis by asset:						
Investments	-	18	-	2,403	2,421	2,485
Cash	-	823	91	53	967	604
	-	841	91	2,456	3,388	3,089

Some endowments are classified as expendable rather than permanent to reflect the wishes of the donor: when the donor expects their donation to be retained for the benefit of the College with a view to it having an impact over a number of years while also providing flexibility to spend capital as required.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

19 Consolidated reconciliation and analysis of net debt

	At 1 July 2021	Cash flows	Other non- cash changes	At 30 June 2022
	£'000	£'000	£'000	£'000
Cash and cash equivalents	2,731	1,710	-	4,441
Borrowings due after more than one year Unsecured loans	(11,117)	-	(3)	(11,120)
Net total	(8,386)	1,710	(3)	(6,679)

20 Financial instruments

	2022 £'000	2021 £'000
Financial assets		
<i>Financial assets at fair value through Statement of Comprehensive Income</i>		
Other investments	48,824	50,111
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Cash and cash equivalents	4,441	2,731
Other debtors	281	247
Financial liabilities		
<i>Financial liabilities measured at amortised cost</i>		
Loans	11,120	11,117
Trade creditors	446	428
Other creditors	423	508

The fair values of the assets held at fair value at the balance sheet date are determined using quoted prices.

21 Pension schemes

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

21a Cambridge Colleges Federated Pension Scheme

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

The principal actuarial assumptions at the balance sheet date were:

	2022 % p.a.	2021 % p.a.
Discount rate	3.80	1.80
Increase in salaries	3.25	3.10
Retail Prices Index (RPI) assumption	3.45*	3.40
Consumer Prices Index (CPI) assumption	2.75*	2.60
Pension increases in payment (RPI max 5.0% p.a.)	3.30*	3.30
Pension increases in payment (CPI max 2.5% p.a.)	2.05*	1.95

* For 1 year only, we have assumed that RPI will be 11% and CPI will be 9%. The caps under the Rule are applied to assumed pension increases.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

21a Cambridge Colleges Federated Pension Scheme (continued)

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI 2021 future improvement factors and a long term rate of future improvement of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements (2021: S3PA with CMI 2020 future improvement factors and a long term future improvement rate of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Males aged 65 now have a life expectancy of 21.9 years (previously 21.9 years);
- Females aged 65 now have a life expectancy of 24.3 years (previously 24.3 years);
- Males aged 45 now and retiring in 20 years have a life expectancy of 23.2 years on retirement (previously 23.2 years);
- Females aged 45 now and retiring in 20 years have a life expectancy of 25.7 years on retirement (previously 25.7 years).

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

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

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

The amounts recognised in the balance sheet as at 30 June are as follows:

	2022	2021
	£'000	£'000
Present value of plan liabilities	(6,112)	(8,115)
Market value of plan assets	4,901	5,951
Net defined benefit liability	(1,211)	(2,164)

The amounts recognised in expenditure for the year ending 30 June are:

	2022	2021
	£'000	£'000
Current service cost	166	176
Administrative expenses	16	14
Interest on net defined benefit liability	38	34
Total	220	224

Changes in the present value of the plan liabilities for the year ending 30 June are:

	2022	2021
	£'000	£'000
Present value of plan liabilities at beginning of year	8,115	7,912
Current service cost	166	176
Employee contributions	10	10
Benefits paid	(389)	(193)
Interest on plan liabilities	144	115
Actuarial (gains) / losses	(1,934)	95
Present value of plan liabilities at end of year	6,112	8,115

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

21a Cambridge Colleges Federated Pension Scheme (continued)

Changes in the fair value of the plan assets for the year ending 30 June are:

	2022	2021
	£'000	£'000
Market value of plan assets at beginning of year	5,951	5,569
Contributions paid by the College	174	150
Employee contributions	10	10
Benefits paid	(389)	(193)
Administrative expenses paid	(19)	(20)
Interest on plan assets	105	80
Return on assets, less interest included in income and expenditure	(931)	355
Market value of plan assets at end of year	4,901	5,951
Actual return on plan assets	(826)	436

The major categories of plan assets as a percentage of total plan assets at 30 June are as follows:

	2022	2021
Equities	52%	48%
Bonds & Cash	34%	42%
Property	14%	10%
Total	100%	100%

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

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June:

	2022	2021
	£'000	£'000
Return on assets less interest included in comprehensive income	(931)	355
Expected less actual plan expenses	(4)	(6)
Experience gains and losses arising on plan liabilities	(353)	(218)
Changes in assumptions underlying the present value of plan liabilities	2,287	122
Re-measurement of net defined benefit liability recognised in OCI	999	253

Movement in the net defined benefit liability during the year ending 30 June are:

	2022	2021
	£'000	£'000
Net defined benefit liability at beginning of year	(2,164)	(2,343)
Recognised in expenditure	(220)	(224)
Contributions paid by the College	174	150
Re-measurement of net defined benefit liability recognised in OCI	999	253
Net defined benefit liability at end of year	(1,211)	(2,164)

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

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

21a Cambridge Colleges Federated Pension Scheme (continued)

The last such valuation was as at 31 March 2020. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall.

These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 21 May 2021 and are as follows:

- annual contributions of not less than £35,069 p.a. payable for the period to 30 November 2029.

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

21b Universities Superannuation Scheme

The total amount included in the consolidated statement of comprehensive income and expenditure, including changes in the deficit provision, is a charge of £711,426 (2021: charge of £119,106).

Deficit recovery contributions due within one year for the institutions are £60,212 (2021: £47,501)

The latest available complete actuarial valuation of the Retirement Income Builder (defined benefit) section of the Scheme is as at 31 March 2020 ('the valuation date'), which was carried out using the projected unit method.

Since the College cannot identify its share of Retirement Income Builder 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 available on the USS website.

CPI assumption	Term dependant rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% p.a.

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

	2020 valuation
Mortality base table	101% of S2PMA 'light' for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

21b Universities Superannuation Scheme (continued)

The current life expectancies (in years) on retirement at age 65 are:

	2022	2021
Males currently aged 65	23.9	24.6
Females currently aged 65	25.5	26.1
Males currently aged 45	25.9	26.6
Females currently aged 45	27.3	27.9

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 to 31 March 2024 at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan.

The provision figures have been produced using the following assumptions:

	2022	2021
Discount rate	3.31%	0.87%
Pensionable salary growth – year 1	5.00%	1.00%
Pensionable salary growth – year 2	4.00%	2.50%
Pensionable salary growth – years 3-17	2.50%	2.50%

22 Subsidiary undertakings

The College's subsidiary undertakings, all of which are companies incorporated in the United Kingdom, are as follows:

Undertaking	Activity	Holding	%
Wolfson College Cambridge Enterprises Limited	The provision of conferences and events at Wolfson College, Cambridge	1 ordinary share of £1	100%
Wolfson College Development Limited	Dormant	1,000 ordinary shares of £1 each	100%
Lee Library Limited	Dormant	2 ordinary shares of £1 each	100%

23 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 member of the College Council may have an interest. All transactions involving organisations in which a member of the College Council may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

The College maintains a register of interests for all College Council members and where any member of the College Council has a material interest in a College matter, they are required to declare that fact.

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

Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for any private catering. All salaries are reviewed annually by the Personnel Committee.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

23 Related party transactions (continued)

The salaries paid to Trustees in the year, for duties other than serving as a Trustee, are summarised in the table below:

From	To	2022 Number	2021 Number
£0	£10,000	3	6
£10,001	£20,000	2	1
£20,001	£30,000	-	-
£30,001	£40,000	-	-
£40,001	£50,000	-	-
£50,001	£60,000	-	-
£60,001	£70,000	-	1
£70,001	£80,000	2	3
£80,001	£90,000	1	-
£90,001	£100,000	-	-
£100,001	£110,000	1	-
	Total	9	11

The total Trustee salaries were £386,300 for the year (2021 £335,432).

The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £110,830 for the year (2021: £94,324).

Details of subsidiary undertakings are disclosed in note 22. The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

24 US Department of Education Financial Responsibility Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, the College is required, by the US Department of Education, to present the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets.
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition).
- presented in pounds sterling.

The schedules set out how each amount disclosed has been extracted from the financial statements. As set out above, the accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

24 US Department of Education Financial Responsibility Supplemental Schedule (continued)**Primary Reserve Ratio**

Page	Primary statement / note and line item		2022 £'000	2021 £'000
		<u>Expendable Net Assets</u>		
28	Balance Sheet – Unrestricted reserves	Net assets without donor restrictions	44,784	43,943
28	Balance Sheet – Restricted reserves	Net assets with donor restrictions	33,671	34,303
28	Balance Sheet – Restricted reserves	Net assets with donor restrictions restricted in perpetuity	(33,671)	(34,303)
28	Balance Sheet – Fixed assets	Property plant and equipment	(38,441)	(39,315)
28	Balance Sheet – Pension provisions	Post-employment and pension liabilities	2,107	2,554
28	Balance Sheet – Creditors falling due after one year	Long term debt for long term purposes	11,120	11,117
36	Note 15 – Private Placement	Long term debt not for purchase of property	(10,000)	(10,000)
			9,570	8,299
		<u>Total Expenses and Losses Without Donor Restrictions</u>		
26	Statement of Comprehensive Income and Expenditure – Unrestricted total expenditure	Total operating expenses	9,251	8,011
			9,251	8,011

Equity Ratio

Page	Primary statement / note and line item		2022 £'000	2021 £'000
		<u>Modified Net Assets</u>		
28	Balance Sheet – Unrestricted reserves	Net assets without donor restrictions	44,784	43,943
28	Balance Sheet – Restricted reserves	Net assets with donor restrictions	33,671	34,303
			78,455	78,246
		<u>Modified Assets</u>		
28	Balance Sheet – Non-current assets	Total non-current assets	87,265	89,426
28	Balance Sheet – Current assets	Total current assets	5,484	3,678
			92,749	93,104

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

24 US Department of Education Financial Responsibility Supplemental Schedule (continued)**Net Income Ratio**

Page	Primary statement / note and line item		2022 £'000	2021 £'000
		<u>Change in Net Assets Without Donor Restrictions</u>		
27	Statement of Changes in Reserves – Unrestricted reserves	Surplus / (deficit) from income and expenditure statement	(161)	2,964
27	Statement of Changes in Reserves – Unrestricted reserves	Other comprehensive income	999	253
27	Statement of Changes in Reserves – Unrestricted reserves	Release of restricted capital funds spent in the year	3	168
			841	3,385
		<u>Total Revenue and Gains Without Donor Restrictions</u>		
26	Statement of Comprehensive Income and Expenditure Unrestricted total income	Total operating revenue	9,679	8,230
26	Statement of Comprehensive Income and Expenditure – Unrestricted investment income	Investment return appropriated for spending	(1,421)	(1,309)
27	Statement of Changes in Reserves – Unrestricted reserves	Release of restricted capital funds spent in the year	3	168
			8,261	7,089

Accounts



WOLFSON COLLEGE CAMBRIDGE

**ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2021**

Registered Charity No. 1138143



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INTRODUCTION

Wolfson College is one of the 31 colleges in the University of Cambridge. It was founded as University College in 1965, and was renamed Wolfson College in 1973, receiving its Royal Charter in 1977. The primary object of the College is to advance education, learning and research in the University of Cambridge.

The College admits both full-time and part-time postgraduate students studying for PhDs and Masters degrees, and full-time mature undergraduates aged 21 or above. The total number of students as at 1 December 2020 was 1,033. The College has a large Fellowship, which is particularly active in research within the University.

The College occupies a nine-acre site to the west of central Cambridge, consisting of new buildings built since 1972 and older houses absorbed into the site and landscaped gardens. The residential buildings include approximately 450 units of accommodation for students and academic visitors, accommodating over 500 residents in total. Other buildings house a library, a dining hall, seminar and teaching rooms, common rooms, a gym and other shared spaces.

The College is a registered charity, regulated by the Charity Commission and is registered with the Fundraising Regulator.

These accounts are presented in the format of the Recommended Cambridge College Accounts (RCCA), which comply with the Higher Education SORP (Statement of Recommended Practice: Accounting for Further and Higher Education).

SUMMARY FINANCIAL RESULTS

The financial statements consolidate the activities of the College and the College's trading subsidiary, Wolfson College Cambridge Enterprises Limited.

Total income for the year was £9.16m. Total expenditure for the year (including depreciation of £1.22m but excluding capital expenditure of £0.58m) was £8.93m, leading to a surplus (before other gains and losses) of £0.23m and total comprehensive income for the year of £9.17m. The main sources of income were academic fees (£3.72m) and accommodation and catering (£2.21m). The main area of expenditure was staff costs of £4.14m.

Endowment investments, which are mainly invested in the Cambridge University Endowment Fund (CUEF), were valued at £33.68m at 30 June 2021. In addition, the College held fixed asset investments of £16.43m in the CUEF at the year end, bringing the total of endowment and other investments to £50.11m.

Net assets were £78.25m.

COVID-19

The global COVID-19 pandemic has continued to have a significant effect on the College's activities and finances throughout 2020-21. Following the end of the 2020 Easter term, during which all face-to-face teaching was cancelled and all teaching and examinations moved online, activity in the College was very much reduced. Around 100 students remained in residence over the summer, mostly due to restrictions on travel. Almost all administrative staff worked from home, a reduced number of "essential workers" remained on site, working in rotas, and all other staff who were eligible, went on furlough leave, under the terms of the Government's Coronavirus Job Retention Scheme (or "furlough scheme").

As the summer progressed, and the College prepared for the return of students for the 2020 Michaelmas term, activity increased gradually, although there was still no conference or events business. The College took advantage of developments in the furlough scheme to allow for "flexible furlough" leave, enabling furloughed staff to come back to work on a part-time basis. The College continued to make use of flexible furlough throughout the year, resulting in a total income of £268k under the scheme. Furloughed staff were paid 100% of their salaries throughout the year. The annual cost-of-living increases for all staff, which had previously been put on hold, were implemented with effect from 1 January 2021.

The most significant financial effect of the pandemic has been on accommodation income. Accommodation rental income from student and other College members in 2020-21 was £1.9m compared with £2.1m in 2019-20 and £2.7m in 2018-19 (the most recent financial year unaffected by the pandemic). Accommodation income from conference business for the same periods was £19k, £385k and £463k. The catering income associated with residents and visitors on site has similarly been negatively impacted.



COVID-19 (continued)

Whilst approximately 100 students remained in residence throughout the year, occupancy levels fluctuated considerably. College accommodation was full at the beginning of Michaelmas term but as the levels of infection began to rise again in October 2020, locally and nationally, Cambridge entered into “Tier 3” COVID-19 restrictions before a second national lockdown was implemented in November. When infection rates remained high and a third national lockdown started in January 2021, many students remained at home for the Lent term. In March 2021, the Government announced its 4 step roadmap to reduce restrictions. The College, along with the University and all other Cambridge colleges, worked hard to interpret and follow Government and Department for Education guidelines, as they applied to a wide range of College activities – dining, educational and social events, sports, the bar, visitors and many more. Two large marquees, erected in the East and West Courts, served a number of purposes including social spaces, study spaces and the bar.

The Easter term gradually gained momentum as it became possible, first, for research students and, then, For Masters and undergraduate students to return. A large number of international students however were not able to travel and did not return to their accommodation. Examinations were predominantly online although a small number were held in person. A streamlined and socially-distanced format was devised by the University for graduation ceremonies. The May Ball however was cancelled for the second year running owing to the uncertainty over whether certain restrictions would be lifted in time.

Throughout the varying phases of restrictions, the College established the principle that if students were not able to take up or remain in their College accommodation due to the pandemic, they would not be required to pay rent, notwithstanding the terms of their licence agreements. This resulted in substantial rent rebates which, together with lower than normal occupancy rates, caused the consequent significant reduction in accommodation and catering income described above.

With such reduced income from accommodation and catering, cash flow was monitored particularly closely. For the second year running, the Colleges Fund Committee agreed that recipients of the Colleges Fund grant might retain the grant for operational purposes rather than use it to increase their endowments. The College accordingly included the 2020-21 Colleges Fund grant (£785k) in unrestricted income, which relieved some of the pressure on its cash flow. Capital expenditure on the College’s estate and buildings was also kept to the minimum level required to cover essential work only. The College has noted that such reduced levels of investment in its endowment and estate, whilst they have provided temporary relief during the pandemic, are not in the best interests of the College in the longer term. The College’s financial planning aims to restore investment in its endowment and estate as soon as possible.

PROFESSIONAL ADVISERS

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Barton Road
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Charity Registration No. 1138143

**CHARITY TRUSTEES**

The College Officers and elected Fellow members of the College Council act as the Trustees of the charity. The College Council meets at least eight times in a year. In the financial year 2020-21 the following were members of the College Council:

Five College Officers *ex officio*

Professor Jane Clarke	President; Chair of the Council
Mr Graham Allen	Vice-President
Mrs Joanna Cheffins	Bursar; Secretary of the Council
Dr Susan Larsen	Senior Tutor
Ms Sian Cook	Development Director

Ten Fellows elected by the Governing Body

Ms Lynette Alcántara (from 1 October 2020)
 Professor Ian Cross
 Dr Anna Dempster
 Professor Stephen Evans (from 1 October 2020)
 Dr Lesley MacVinish (to 30 September 2020)
 Dr Guillaume Nataf (to 31 December 2020)
 Dr Virginia Newcombe (from 1 October 2020)
 Mr Michael O'Sullivan (to 30 September 2020)
 Professor Lloyd Peck
 Professor George Salmond (to 30 September 2020)
 Dr Frank Tietze (from 10 February 2021)
 Dr Martin Vestergaard
 Dr Steve Watson
 Dr Warwick (Jeremy) Webb (from 1 October 2020)
 Professor James Wood (to 30 September 2020)

In addition, three Students from the Wolfson College Student Association (WCSA) are non-trustee members of College Council:

President of WCSA: Mr Benjamin Remez (to November 2020)	Ms Charlotte Clarke (from November 2020)
Vice-President of WCSA: Mr Kenneth Okwor (to November 2020)	Mr Eric Legresley (from November 2020)
Treasurer of WCSA: Mr Daniel Sowood (to November 2020)	Miss Sheryl Wombell (from November 2020)

The Governing Body, consisting of all Fellows of the College (other than Emeritus, Visiting, Honorary and Bredon Fellows), is required by the College Statutes to be responsible for the approval of the annual audited accounts. There were 99 Governing Body Fellows as at 1 December 2020. The Governing Body meets at least four times in a year. The President is the Chair of the Governing Body and the Bursar is the Secretary.

A full list of the Governing Body Fellows can be found on the College website at:
<https://www.wolfson.cam.ac.uk/people>

The College's corporate governance arrangements are set out on page 14.



OBJECTS

The objects of the College are set out in its Royal Charter, effective from 1 January 1977, as follows:

1. to advance education, learning and research in the University of Cambridge;
2. to provide, for men or women who shall be members of the University, a College wherein they may work for degrees in the University or may carry out postgraduate or other special studies at Cambridge provided that no members of the College or any candidate for membership thereof shall be subject to any test of religious, social, political or racial character;
3. to apply the moneys of the College to the purposes of the College with power to invest as prescribed in the Statutes of the College;
4. to administer any trust or scheme for purposes connected with the objects of the College; and
5. to do all such things as are incidental or conducive to the carrying out of the above objects.

PUBLIC BENEFIT

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

- teaching facilities and individual or small-group supervision for undergraduates, as well as pastoral, administrative and academic support for all students through its tutorial and mentoring systems; and
- social, cultural, musical, recreational and sporting facilities which enable each of its students to realise their academic and personal potential to the full while studying at the College.

The College advances research through:

- providing Research Fellowships to outstanding young academics in the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- supporting the research work of its students and Fellows by promoting interaction across disciplines, providing facilities for seminars and developing a community of researchers; and
- fostering academic networking by encouraging visits from outstanding academics as Visiting Fellows and Visiting College Research Associates.

The College maintains a Library which is a valuable resource for students and Fellows of the College.

The members of the College, both students and Fellows, are the primary beneficiaries and are directly engaged in education, learning or research.

Beneficiaries also include: students and academic staff from other Colleges in Cambridge and the University of Cambridge more widely, visiting academics from other higher education institutions and visiting alumni of the College who have an opportunity to attend educational events at the College or use its academic facilities. The College offers membership with Senior Member status to distinguished members of the local community without an existing College affiliation and membership with College Research Associate status to researchers in Cambridge also without an existing College affiliation. The general public is also able to attend various educational activities in the College such as lectures, seminars, exhibitions and concerts.

The College admits students who have the highest potential for benefiting from the education provided by the College and the University, regardless of their gender or their financial, social, religious or ethnic background:

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects, although the University of Cambridge's Statutes and Ordinances restrict the College to admitting undergraduates who are aged 21 or above; and
- there are no religious restrictions in the College's objects and a wide range of faith traditions are represented in the College membership.

**PUBLIC BENEFIT (continued)**

The College has approximately 280 part-time postgraduate students and its encouragement of part-time students allows individuals to benefit from a Cambridge education who might not otherwise have access.

The focus of the College is strongly academic and students are required to satisfy high academic entry requirements.

The College receives the following income in respect of students:

- (a) fees at externally regulated rates, charged to UK and EU undergraduates (those eligible for loans from Student Finance) and to postgraduate students; and College fees determined by the College annually, charged to Overseas undergraduates and to other UK and EU undergraduates (those not eligible for loans from Student Finance); and
- (b) accommodation charges and meal charges set at reasonable rates.

In order to assist undergraduates of limited financial means, the College provides bursary support through a scheme operated in common with the University and other Colleges. For the academic year 2020-21, awards totalling £393.2k were made to 81 Wolfson undergraduates (£369.6k to 77 undergraduates in 2019-20): 40 were awarded the maximum independent student bursary of £5,600; and a further 41 were awarded an average of £4,126. The net cost to the College for participation in this scheme was £51.4k after contributions by the University and other Colleges of £341.8k. The scheme is widely advertised on the University website, on College websites and in the Admissions Prospectus. Enhanced Bursaries totalling £42.3k in 2020-21, funded by a donation from Santander Universities UK and a grant from Trinity College, were also awarded to undergraduates needing additional support.

To support the costs of both undergraduate and postgraduate students, the College provides various scholarships and bursaries, to help fund fees and living costs. The total awarded in 2020-21 was £573.6k to 158 students (£549.5k to 143 students in 2019-20). Within this amount, £152.2k was awarded to 21 students in receipt of Vice-Chancellor's Awards worth £439.8k in total. The Vice-Chancellor's Awards scheme exists to support UK and EU PhD students across the University. In addition to awards made to named students by a College, all Colleges are required to contribute to the Vice-Chancellor's Awards scheme irrespective of their participation in the scheme, and the amount required to be paid by the College in 2020-21 was £74.0k (£62.3k in 2019-20).

The College supports students through a grant scheme to assist with travel and attendance at conferences. The total awarded in 2020-21 was £9.9k to 41 students, which represented a decrease from the total of £30.1k to 88 students in 2019-20 due to much reduced travel opportunities during the pandemic.

In addition to its other programmes, the College operates a scheme for students in financial hardship. The total awarded in 2020-21 was £27.2k to 63 students (£18.6k to 43 students in 2019-20).

The College awards prizes to its students for academic distinction. The total awarded in prizes in 2020-21 was £25.7k to 81 students (£15.9k to 53 students in 2019-20).

To raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to Wolfson, the College holds open days, and provides guidance and information for prospective applicants on the College website and through the admissions staff in its Tutorial Office.

In order to fulfil its charitable purposes of advancing education, learning and research, the College employs a number of its Fellows in the following roles: College Teaching Officers, Supervisors, Directors of Studies, Tutors and senior administrative officers such as Bursar, Senior Tutor and Development Director. Several of these serve as charity trustees through being members of the College Council. The employment of the President 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 President and Fellows through salaries, stipends and employment-related benefits is objectively reasonable, measured against academic stipends generally; moreover 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. All salaries are reviewed annually by the Personnel Committee.

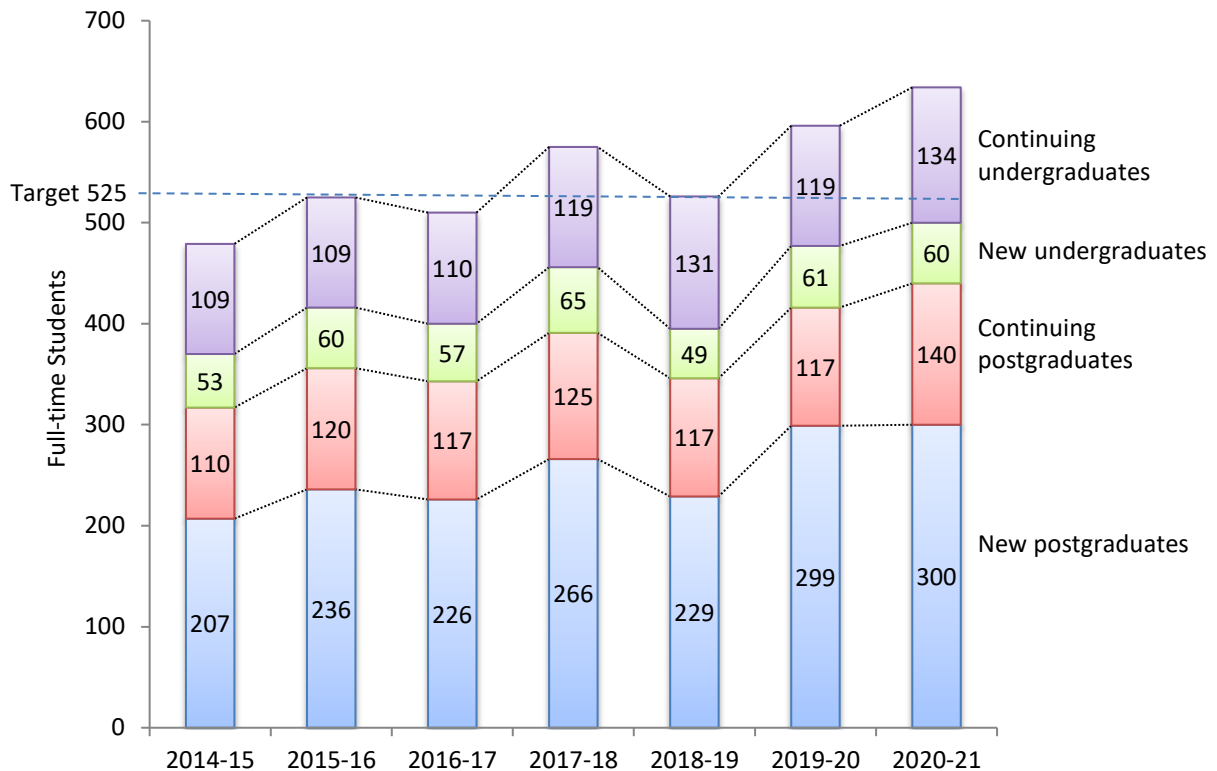


OPERATING AND FINANCIAL REVIEW

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1 Student Numbers

The College admits full-time and part-time postgraduate students studying for PhDs and Masters courses and full-time mature undergraduate students aged 21 and over. Total student numbers (including part-time postgraduates and postgraduates writing up or under examination) of 1,033 as at 1 December 2020 did not change significantly from the previous year (1,012). The key measure is full-time students, and the College has historically had a strategic target of 525 full-time students per year. The College accepts both postgraduates who have selected the College as part of their application and postgraduates who are allocated to the College through an intercollegiate allocation process, designed to even out the distribution of applications across the Cambridge colleges. The following chart shows the figures for full-time students over the past seven years as at 1 December in each year:



The target of 525 breaks down into a target of 375 full-time postgraduates and 150 undergraduates, and there is a clearly stated objective to increase the number of PhD and other doctoral level students: increased financial support for students at this level is one of the College’s fundraising priorities. In 2020-21, as in the previous year, in addition to the postgraduate students who selected the College, the College was allocated a significant number of postgraduate students through the allocation system, resulting in 65 students above the College’s target.



OPERATING AND FINANCIAL REVIEW (continued)

1 Student Numbers (continued)

Meanwhile, the total number of undergraduates also remained above target at 194. The total full-time student body of 634 was split approximately one-third undergraduates and two-thirds postgraduates. The College's 279 part-time postgraduates also continued to play an important part in the College's mix of students.

2 Income and Expenditure

The Statement of Comprehensive Income and Expenditure (SOCIE) shows total income for the year of £9.16m (2019-20: £10.28m)

Increased student numbers resulted in academic income of £3.72m, which was higher than in the previous year (£3.53m). Of this total, £3.30m is made up of fees paid by or on behalf of students, as set out in detail in note 1. Within academic income are included the contributions from the University and other Colleges for Cambridge Bursaries: £342k appears as income from this source, with a corresponding figure in expenditure of £393k, i.e. there was a net cost to the College of £51k.

Accommodation and catering income, at £2.21m, was again significantly lower than the previous year (£2.99m) as a result of the impact of the COVID-19 pandemic. The College has 409 units of student accommodation, mainly for single occupation, accommodating up to 429 in total. In addition there are five family flats. The remaining 38 units of accommodation are for visiting academics, part-time students and other short-stay visitors. College accommodation is normally full but, during the academic year 2020-21, many full-time students were unable to travel to and/or remain in Cambridge due to the pandemic and courses for part-time students were conducted online, resulting in significantly reduced levels of occupancy.

There was a modest increase in endowment and investment income (from £1.50m to £1.54m), as a result of the purchase of additional units in the Cambridge University Endowment Fund at the end of last year and the improved performance of the Fund.

Donations are classified as one of the following: unrestricted or restricted donations for spending in the current year; new permanent endowments, for spending over the longer term; or capital grants, to support building or refurbishment projects. Total donation, endowment and grant income as shown in the SOCIE was £1.41m, compared to the previous year's figure of £2.00m. Donations include a grant from the Colleges Fund of £785k in 2020-21 (£920k in 2019-20). This grant is usually added to endowment, however this year, as last year, because of the financial impact of the COVID-19 pandemic, the Colleges Fund Committee agreed that recipients of the grant might use it for operational purposes. The grant is therefore included in unrestricted income.

Total expenditure within the SOCIE was £8.93m, including depreciation of £1.22m (which represents 13.7% of expenditure). The proportion of total expenditure (excluding depreciation) spent on staff costs was 53.6% (£4.14m), however this includes another reduction in costs resulting from a decrease in the USS deficit provision of £100k (2019-20 credit of £400k). The liability is based on the College's obligation over a number of years to contribute to the USS deficit recovery plan. The cost of the three pension schemes on offer to staff (USS, CCFPS, NOW), excluding the USS deficit provision change, was £516k, representing 12.2% of staff costs before the USS provision change.

3 Capital Additions

A number of capital transactions relating to the College's estate and equipment, costing £0.58m (2019-20: £1.27m) are shown in note 10. The Porters' Lodge was refurbished during the 2020 summer, funded mostly by philanthropic funds. Most other expenditure on the estate related to essential work only which was required to remain compliant with health and safety regulations. The annual cycle of refurbishment of accommodation was put on hold, due to reduced levels of income. The College is however prioritising plans to invest in its estate and is working with architects to identify strategic options for refurbishment and new buildings. The resulting estate "masterplan" will inform fundraising initiatives and financial planning for the short and longer term future of the estate.

**OPERATING AND FINANCIAL REVIEW (continued)****4 Investments**

Since 1 July 2010 the major part of the College's endowment has been invested in the Cambridge University Endowment Fund (CUEF).

The CUEF's investment objective is to achieve or exceed a long term average annual rate of total return equal to the Consumer Prices Index (CPI) for each calendar year plus 5%, net of investment management costs. The fund has a hybrid rule for its distribution based on a long-term target capital value rate of 4%. Therefore, the overall long term objective of the CUEF is to achieve an increase in asset values, after paying the distributions, of at least 1% above CPI.

In the year to June 2021 the College invested a further £1,232k in the CUEF, made up of £36k of new endowment funds, £111k of existing endowment funds previously invested with Cazenove Capital Management, and £1,085k fixed asset investments funded by current and prior year Colleges Fund Grants.

The College's investments in the CUEF were as follows:

Wolfson College investments in the CUEF	30 June 2021	30 June 2020
Unit value	£69.96	£57.44
Number of units (endowment)	474,445	472,461
Number of units (fixed asset investments)	234,888	219,379
Total number of units	709,333	691,840
Value of units (endowment)	£33.19m	£27.14m
Value of units (fixed asset investments)	£16.43m	£12.60m
Total value of units	£49.62m	£39.74m

The College received distributions totalling £1.54m (£1.05m from the endowment units and £0.49m from the fixed asset investment units), giving a distribution yield of 3.88% on the opening capital value.

The CUEF had a total fund value of £3.84 billion at 30 June 2021. The asset allocation of the CUEF was as follows:

CUEF asset classes	30 June 2021	30 June 2020
	%	%
Public equity	43	47
Private equity	20	15
Absolute return	11	8
Credit	3	5
Real assets	10	9
Fixed interest/cash	13	16

In addition to its investment in the CUEF, the College still holds endowment funds in two private equity funds with Cazenove Capital Management which were valued at £484k as at 30 June 2021 (2020: £567k). The College's strategy is, as and when exit opportunities arise in those private equity funds, to invest the proceeds in the CUEF. The College supports the CUEF's aims to divest from all direct and indirect investments in fossil fuels by 2030.

5 Reserves

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

**OPERATING AND FINANCIAL REVIEW (continued)****5 Reserves (continued)**

Total reserves at 30 June 2021 were £78.25m, of which £43.94m were classed as ‘unrestricted reserves’. However, as these reserves are mainly represented by the College’s operational estate and therefore not available as funds to be spent, a more practical reserves policy has been implemented. The aim is to have realisable unrestricted reserves, being equivalent to fixed asset investments (excluding the investment cost relating to the £10m private placement) plus net current assets, in the range of 25% to 50% of annual expenditure as shown on the Statement of Consolidated Income and Expenditure, for use in the case of unexpected financial downturns or to pursue new opportunities. The figure for realisable unrestricted reserves at 30 June 2021 was £8.92m, above the specified range of £2.23-4.47m, but considered beneficial in the continuing uncertain circumstances to help fund future capital expenditure requirements.

6 Fundraising and Alumni Relations

Fundraising is a major part of the role of the Development & Alumni Relations Office, which was established in 2008. The College is registered with the Fundraising Regulator and does not use third-party professional fundraisers. Fundraising is geared towards: the annual fund, for spending in the current year; the endowment, for spending over the longer term; or capital grants, to support building or refurbishment projects. As set out above, the endowment creates a stream of income also for spending in the current year. Total donations were as follows:

	30 June 2021	30 June 2020
	£’000	£’000
Colleges Fund grant	785	920
Donations above £50k	50	376
Donations up to £50k	206	194
Bequests from individuals’ estates	171	153
The Alborada Trust	160	160
The Frank Jackson Foundation	-	80
Collegiate Development Accelerator Fund	-	50
Geistlich Pharma AG	-	25
Santander Universities UK	29	25
Cambridge University Press	12	12
Total Donations	1,413	1,995

Donations, whether made to the annual fund, to the endowment or as capital grants, make a significant difference to what the College can achieve, especially in the area of student support. Membership of the Morrison Society is given to those who have made a pledge to the College in their Will, and enables the College to recognise and thank such supporters in their lifetime. At 30 June 2021 there were 105 members of the Morrison Society.

In terms of alumni relations and communications, the Development & Alumni Relations Office has continued to build relationships with the wider membership of Wolfson. The College maintains contact details for over 12,000 alumni, of whom more than half live outside the UK in over 150 different countries. An e-bulletin (Ring True) is emailed to over 10,000 members six times a year, who also receive the Wolfson Review magazine annually. More regular newsletters were sent out during the COVID-19 pandemic which helped to keep the community engaged and a COVID-19 Emergency Appeal raised additional funds. A “virtual” reunion weekend for alumni was held in September 2020, and the Development & Alumni Relations Office has found that the large number of on-line events arranged for members throughout the year has reached a significantly increased audience across the world.



OPERATING AND FINANCIAL REVIEW (continued)

7 Principal Risks and Uncertainties

The College has a detailed risk register which the College Council reviews regularly. In this register the risks are set out in the following areas: Students; Finance, Funding & Fundraising; College Estate & Infrastructure; Staff, Fellowship, Membership & Governance; The Changing Landscape of Cambridge; Government & Legislation; and Reputation. A number of risks are analysed in each area. As well as setting out the likelihood of occurrence and severity of impact, the risk register also sets out control procedures, monitoring processes, risk owners and further actions. Whilst the risk of a pandemic was not listed as a specific risk, the College's Critical Incident Management Plan provided an effective framework for governing the College's response to the pandemic.

The principal risks and uncertainties facing the College are:

COVID-19 - Students: The trajectory of the pandemic and its longer term economic, social and health effects are still unknown. Initial concerns about student numbers for the 2020-21 academic year proved to be unfounded and student numbers for 2021-22 remain above the College's target. If the pandemic continues, with its related health and financial risks, and levels of vaccination around the world remain variable, it is unclear how this will affect prospective students' decisions to undertake further study. Many may see the opportunity to continue their education as a more attractive option than to enter the current volatile job market. Others may wish to delay their further studies until the situation is more settled in order to make the most of the "Cambridge experience". Whilst the Cambridge brand will undoubtedly continue to be extremely strong, predominantly graduate colleges such as Wolfson, with a significant number of international students, may find it more challenging to recruit and maintain target student numbers.

COVID-19 - Staff: Whilst the College has been fortunate that levels of infection amongst College staff have been extremely low, any increase in the rate of infection amongst staff could have an impact on the delivery of services across the College. In some operational areas, there may be a need to take on additional temporary staff, if available. In other areas, service could be delayed.

COVID-19 – Conferences: Whilst the College has received moderate income from external conferences before the pandemic, such business is unlikely to resume and reach previous levels for some time. It is anticipated that many customers will restrict their expenditure on such events until the travel restrictions and economic pressures due to the pandemic are relieved.

External political and economic threats: Withdrawal from the European Union has the potential to affect the College adversely because of major uncertainty in the following areas: international student recruitment; recruitment of post-doctoral researchers as Junior Research Fellows and College Research Associates; and the employment of EU workers. From 2021-2022 EU/EEA/Swiss students will no longer be eligible for Home Fee status or financial assistance from Student Finance England which is likely to impact the number of applications the College will receive from these students.

Economic factors which might affect the College's sources of income and growth: The student fees, room rents and catering income from members represent the greatest source of income to the College; accordingly achieving the College's student number targets is critical to the College's financial model and increasing student numbers is critical to growth. The University has signalled its intention to increase its postgraduate numbers, particularly by way of increasing the number of its MPhil courses, and is in discussions with colleges about the future size and shape of collegiate Cambridge. There is however no guarantee that University graduate numbers will continue to increase and, since decisions on graduate admissions are taken by the University, the College is dependent on the University to obtain the benefit of any increased student numbers. Any reduction in student numbers would have an impact on the College's finances. The demand for rooms in College normally outstrips supply, so any shortfall in student numbers would have to be significant before affecting rental income. Fee income, however, is more sensitive to shifts in student numbers.

Staff pension costs: The College has a number of staff in two defined benefit schemes – USS and CCFPS – both of which are in deficit (see Note 21). As at 30 June 2021 there were 38 staff members in USS (whose salaries represented 26% of the June 2021 payroll) and 14 members in CCFPS (representing 10% of the June 2020 payroll). The College is making deficit reduction contributions to both schemes. The College closed CCFPS to new entrants in 2008, which has helped markedly to reduce the exposure to uncertainties associated with the scheme. In the case of USS, the number of new entrants has slowed down considerably since the introduction of a defined contribution scheme for non-academic staff, which helps to manage the risk of the College's liabilities increasing.



OPERATING AND FINANCIAL REVIEW (continued)

7 Principal Risks and Uncertainties (continued)

Costs of providing buildings and facilities which are of a suitable quality to meet the needs of students: While the College has maintained a programme of annual refurbishment of its accommodation and main building, substantially funded by the Wolfson Foundation, funding from the Wolfson Foundation has now been spent. Future refurbishment at the same level is dependent on new fund raising or other income generation. In the meantime, expenditure on the estate has been restricted to essential works. Interrupting the annual programme of refurbishment may mean additional expenditure is required at a later date.

8 Future Plans

Looking to the immediate future, the College's priority is to continue to ensure the safety and wellbeing of its community throughout the pandemic. Contrary to expectations at the start of the pandemic, applications from prospective students for the academic years commencing in October 2020 and 2021 have been above target levels. The College's accommodation is expected to be full in 2021 and plans are in place to provide students with an educational and social experience that is as fulfilling as possible in the circumstances. The College has taken all appropriate measures to provide a "COVID-Secure" environment for its students and staff and has plans in place to support its community in the event of further outbreaks of the virus.

Whilst responding to the pandemic will continue to take up a significant amount of time and resource, the College is also looking to the future. The disruption caused by the pandemic and discussions about the future size and shape of collegiate Cambridge have presented opportunities to review the College's strategic priorities for the future and to consider the potential for growth. Any ambition to increase the number of students at Wolfson is dependent upon the College's ability to offer sufficient accommodation and appropriate facilities. To that end, the College is working with architects to produce a strategic masterplan for its estate, which will offer options to refurbish existing buildings and develop a variety of sustainable new buildings, as funding permits over the short and longer term.



CORPORATE GOVERNANCE

- 1 The following statement is provided by the Trustees to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.
- 2 The College is a registered charity (registered number 1138143) and subject to regulation by the Charity Commission for England and Wales. The members of the Council are the charity trustees and are responsible for ensuring compliance with charity law.
- 3 The Trustees are advised in carrying out their duties by a number of Committees, including:

Development	Educational Policy	Fellowship & Membership
Finance	Health & Safety	House & Student Events
IT Strategy	Personnel	Sustainability
- 4 The principal College officers are the President, Vice-President, Bursar, Senior Tutor and Development Director.
- 5 It is the duty of the Finance Committee to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the Trustees on the appointment of the external Auditor; to consider reports submitted by the Auditor; to monitor the implementation of recommendations made by the Auditor; and to make regular reports to the Trustees by way of minutes of its meetings. Membership of the Finance Committee includes all the principal College officers, other members of the Governing Body and the Emeritus Fellowship, the Finance Manager and two officers of the Student Association.
- 6 Three members of the Governing Body, who are not members of the Finance Committee, are elected by the Governing Body to act as Inspectors of Accounts to serve a three-year term, with annual rotation of one Inspector.
- 7 There is a Register of Interests of Trustees. Declarations of interest are made systematically at all Governing Body, Council and committee meetings.

The College's Trustees during the year ended 30 June 2021 are set out on page 5.

STATEMENT OF INTERNAL CONTROL

- 1 The Trustees are responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College's Statutes.
- 2 The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.
- 3 The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process was in place for the year ended 30 June 2021 and up to the date of approval of the financial statements.
- 4 The Trustees are responsible for reviewing the effectiveness of the system of internal control.
- 5 The Trustees' review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Bursar, and the College officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external Auditor in their management letter and other reports.



RESPONSIBILITIES OF THE GOVERNING BODY

The Governing Body is responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY OF WOLFSON COLLEGE****Opinion**

We have audited the financial statements of Wolfson College (the 'College') for the year ended 30 June 2021 which comprise the Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the College Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT (continued)

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 Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 15, the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Body determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the College through discussions with Trustees and other management, and from our knowledge and experience of the education sector;
- we obtained an understanding of the legal and regulatory framework applicable to the College and how the College is complying with that framework;
- we obtained an understanding of the College's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the College. The Laws and regulations we considered in this context were Charities Act 2011, the Statutes of the University of Cambridge and taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items;

**INDEPENDENT AUDITOR'S REPORT (continued)**

- 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.

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

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

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

Use of our report

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

PETERS ELWORTHY & MOORE

Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA
Date:

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



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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 Consolidated 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 8.

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 historic cost convention, modified in respect of the treatment of investments which are included at valuation.

Basis of consolidation

The consolidated financial statements include the College and its active subsidiary undertaking, Wolfson College Cambridge Enterprises Limited. The financial statements of the College's two other subsidiary companies, Lee Library Limited and Wolfson College Development Limited, have not been consolidated because they are dormant. Details of the subsidiary undertakings are set out in note 22. The activities of student societies have not been consolidated, because they are separate bodies which are not within the financial control of the College.

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 are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance-related conditions have been met.

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

Donations and endowments

Donations and endowments are non-exchange transactions. They are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

Donations with donor imposed restrictions are held in restricted reserves until such time that expenditure is incurred in accordance with the restrictions.

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 permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective;
4. Restricted expendable endowments – the donor has specified a particular objective and the College has the power to use the capital element of the fund.

**STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)****Investment income and changes in value of investment assets**

Investment income and changes in the value of investment assets are recorded in income in the period in which they arise and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

Other income

Income is received from a range of activities including accommodation, catering, conferences and other services rendered. It is recognised in the period to which it relates.

Cambridge Bursary Scheme

Payment of the Cambridge Bursaries to eligible students is made directly by the Student Loans Company (SLC). The College reimburses the SLC for the full amount and the University of Cambridge and other Colleges pay their shares to the College. Each College shows the gross payment made to eligible students within education expenditure and the contribution from the University and other Colleges as income within academic fees and charges.

The net payment of £51k is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£342k
Expenditure (see note 5)	£393k

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 contracts, at contract rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

Non-current assets**Freehold land and buildings**

Land is included at deemed cost, being its fair value on the date of transition to FRS102. Land is not depreciated as it is considered to have an indefinite useful life.

Buildings are stated at cost less accumulated depreciation. Costs incurred after initial purchase or construction are capitalised to the extent that they increase the expected future benefit to the College. Buildings and capital improvements are depreciated on a straight line basis over their expected useful economic life of 20-50 years (2% - 5% per annum).

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

Equipment

Assets are capitalised and depreciated over their expected useful life as follows:

Furniture and fittings	10 years (10% per annum)
General equipment	5 years (20% per annum)
Computer equipment	4 years (25% per annum)

Leased assets

The College does not currently have any assets acquired under finance leases. Rental costs under operating leases are charged to expenditure in equal amounts over the periods of the leases.

Investments

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



STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

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 Group 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 assets and liabilities

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.

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.

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.



STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

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 1138143) 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 to income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

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

Contribution under Statute G, II

The College is liable to be assessed for Contribution under the provisions of Statute G,II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The College may from time to time be eligible for such grants. The liability for the year is as advised to the College by the University based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

Pension costs

The College participates in two defined benefit type schemes, the Cambridge Colleges Federated Pension Scheme (CCFPS) and the Universities Superannuation Scheme (USS); and one defined contribution scheme (NOW: Pensions).

The CCFPS is a defined benefit scheme with the assets held in a separate trustee-administered fund. The College is able to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and a valuation is obtained as at 30 June annually. The amount charged to expenditure represents the amount calculated under FRS102 guidelines and the College's net liability is shown in the Balance Sheet.

**STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)****Pension costs (continued)**

The USS is a hybrid pension scheme, providing defined benefits (for all members) as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The College is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 'Employee Benefits', the College therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to expenditure represents the contributions payable to the scheme. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the College recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related movements being recognised in expenditure.

The College contributes to a defined contribution pension scheme (NOW: Pensions). For defined contribution schemes the amount charged to expenditure is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either debtors or creditors in the Balance Sheet.

Employment benefits

Short term employment benefits such as salaries and holiday pay are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured at 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.

Going concern

The global health crisis caused by COVID-19 has had a significant impact on all businesses.

Forecasts have been prepared which consider the College's cash resources. The College has taken measures to reduce its cost base in order to combat the reduction in revenues and to extend financial headroom. The College has sought to utilise the Coronavirus Job Retention Scheme and has retained the Colleges Fund Grant as unrestricted income. The College also has investments which could be realised if required.

The Trustees consider that the Group 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.



CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the College's accounts requires management to make judgements, estimates and assumptions that affect about the application of accounting policies and reported amounts of assets and liabilities and income and expenses that are not readily apparent from other sources. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events, which are considered to be reasonable under the circumstances. Actual results may differ from these estimates.

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

Income recognition

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

Useful lives of fixed assets

Property and equipment represent a significant proportion of the College's total assets. The estimated useful lives can therefore 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 fixed assets are shown in note 10.

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 debtor, the age profile of the debt and the nature of the amount due.

Retirement benefit obligations

The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 21.

Universities Superannuation Scheme (USS)

FRS102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as USS. The accounting for a multi-employer scheme, where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting change is recognised in comprehensive expenditure in accordance with section 28 of FRS102. The Governing Body is satisfied that USS meets the definition of a multi-employer scheme and the College has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

As the College is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2018 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2028. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in notes 16 and 21.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

For the year ended 30 June

	Note	2021				2020			
		Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Income									
Academic fees and charges	1	3,378	342	-	3,720	3,211	323	-	3,534
Accommodation, catering and conferences	2	2,214	-	-	2,214	2,986	-	-	2,986
Investment income	3	1,309	235	-	1,544	1,282	219	-	1,501
Other income	4	268	-	-	268	259	-	-	259
Total income before donations and endowments		7,169	577	-	7,746	7,738	542	-	8,280
Donations		276	323	-	599	247	462	-	709
New endowments		-	-	27	27	-	-	198	198
Capital grant from Colleges Fund		785	-	-	785	920	-	-	920
Other capital grants for assets		-	2	-	2	-	168	-	168
Total income		8,230	902	27	9,159	8,905	1,172	198	10,275
Expenditure									
Education	5	3,576	912	-	4,488	3,442	929	-	4,371
Accommodation, catering and conferences	6	3,923	-	-	3,923	3,932	-	-	3,932
Other expenditure	7	512	9	-	521	198	40	-	238
Total expenditure	8	8,011	921	-	8,932	7,572	969	-	8,541
Surplus / (deficit) before other gains and losses		219	(19)	27	227	1,333	203	198	1,734
Gain / (loss) on investments	11	2,745	434	5,507	8,686	(224)	(23)	(338)	(585)
Surplus / (deficit) for the year		2,964	415	5,534	8,913	1,109	180	(140)	1,149
Other comprehensive income									
Actuarial gain/(loss) in respect of pension schemes	16	253	-	-	253	(119)	-	-	(119)
Total comprehensive income for the year		3,217	415	5,534	9,166	990	180	(140)	1,030

**CONSOLIDATED STATEMENT OF CHANGES IN RESERVES**

For the year ended 30 June

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Balance at 1 July 2019	39,566	2,664	25,820	68,050
Surplus for the year	1,109	180	(140)	1,149
Other comprehensive income	(119)	-	-	(119)
Release of restricted capital funds spent in the year	2	(2)	-	-
Balance at 30 June 2020	40,558	2,842	25,680	69,080
Surplus for the year	2,964	415	5,534	8,913
Other comprehensive income	253	-	-	253
Release of restricted capital funds spent in the year	168	(168)	-	-
Balance at 30 June 2021	43,943	3,089	31,214	78,246

**CONSOLIDATED AND COLLEGE BALANCE SHEETS**

As at 30 June	Note	2021 Group £'000	2021 College £'000	2020 Group £'000	2020 College £'000
Non-current assets					
Fixed assets	10	39,315	39,315	39,957	39,957
Investments	11	50,111	50,111	40,305	40,305
Total non-current assets		89,426	89,426	80,262	80,262
Current assets					
Stocks		57	57	63	63
Trade and other receivables	12	890	890	696	755
Cash and cash equivalents	13	2,731	2,731	2,846	2,785
Total current assets		3,678	3,678	3,605	3,603
Creditors: amounts falling due within one year	14	(1,187)	(1,187)	(842)	(840)
Net current assets		2,491	2,491	2,763	2,763
Total assets less current liabilities		91,917	91,917	83,025	83,025
Creditors: amounts falling due after more than one year	15	(11,117)	(11,117)	(11,115)	(11,115)
Provisions					
Pension provisions	16	(2,554)	(2,554)	(2,830)	(2,830)
Total net assets		78,246	78,246	69,080	69,080
Represented by:					
Restricted reserves					
Income and expenditure reserve - endowment	17	31,214	31,214	25,680	25,680
Income and expenditure reserve - restricted	18	3,089	3,089	2,842	2,842
Unrestricted reserves					
Income and expenditure reserve - unrestricted		43,943	43,943	40,558	40,558
Total reserves		78,246	78,246	69,080	69,080

The financial statements were approved by the Governing Body on 10 November 2021 and signed on its behalf by:

Joanna Cheffins
Bursar

**CONSOLIDATED CASH FLOW STATEMENT**

For the year ended 30 June

	Note	2021 £'000	2020 £'000
Cash flow from operating activities:			
Surplus for the year		8,913	1,149
<i>Adjustment for non-cash items:</i>			
- depreciation	10	1,224	1,228
- pension costs less contributions payable		74	65
- amortisation of placement arrangement fees		2	3
- (gain) / loss on investments	11	(8,686)	585
- (increase) in stocks		6	(5)
- (increase) / decrease in trade and other receivables		(194)	(247)
- (decrease) in creditors		345	(128)
- increase / (decrease) in provisions		(97)	(386)
<i>Adjustment for investing or financing activities:</i>			
- investment income	3	(1,544)	(1,501)
- new endowments	17	(27)	(198)
- capital grants for assets	18	(2)	(168)
- interest payable	7	328	328
Net cash inflow from operating activities		342	725
Cash flows from investing activities:			
Investment income	3	1,544	1,501
New endowments	17	27	198
Endowment funds invested	11	(35)	(212)
Payments made to acquire non-current asset investments	11	(1,085)	-
Capital grants for assets	18	2	168
Payments made to acquire fixed assets	10	(582)	(1,273)
		(129)	382
Cash flows from financing activities:			
Interest paid	7	(328)	(328)
		(328)	(328)
Increase / (decrease) in cash and cash equivalents in the year		(115)	779
Cash and cash equivalents at beginning of the year	13	2,846	2,067
Cash and cash equivalents at end of the year	13	2,731	2,846

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

1 Academic fees and charges	2021	2020
	£'000	£'000
Fee income		
Fee income received at the regulated undergraduate rate (a)	572	507
Fee income received at the unregulated undergraduate rate (b)	561	594
Fee income received at the postgraduate rate (c)	2,162	2,062
	3,295	3,163
Other income		
Research Fellow support	76	29
Cambridge Bursaries	342	323
Teaching and other income	7	19
College courses	-	-
Total	3,720	3,534
<p>(a) This rate is received for UK and EU students who are eligible for Student Finance loans. Such students are sometimes referred to as 'publicly funded'. The total rate is set by the University up to a limit set by the Government, and the College receives a 50% share.</p> <p>(b) This rate is paid by Overseas students and those UK and EU students not eligible for Student Finance loans. Such students are sometimes referred to as 'privately funded'. This rate is set by the College.</p> <p>(c) This rate is a fixed proportion of the course fees set by the University.</p>		
2 Accommodation, catering and conferences income	2021	2020
	£'000	£'000
Accommodation		
College members	1,934	2,126
Conferences	19	385
Catering		
College members	254	316
Conferences	7	159
Total	2,214	2,986
3 Investment income	2021	2020
	£'000	£'000
Income from:		
Unquoted securities - unit trust *		
- endowment assets	1,052	1,006
- fixed asset investments	488	473
Cash	4	22
Total	1,544	1,501

* invested in Cambridge University Endowment Fund units

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

4	Other income	2021	2020
		£'000	£'000
	Coronavirus Job Retention Scheme grant	268	259
	Total	268	259
5	Education expenditure	2021	2020
		£'000	£'000
	Teaching	1,123	1,051
	Tutorial	867	853
	Admissions	307	300
	Research	391	452
	Scholarships and awards	710	676
	Cambridge Bursaries	393	370
	Other educational facilities	696	668
	College courses	1	1
	Total	4,488	4,371
6	Accommodation, catering and conferences expenditure	2021	2020
		£'000	£'000
	Accommodation		
	College members	2,804	2,394
	Conferences	18	286
	Catering		
	College members	1,084	1,097
	Conferences	17	155
	Total	3,923	3,932
7	Other expenditure	2021	2020
		£'000	£'000
	Alumni relations	256	248
	Loan interest	328	328
	Pension schemes' finance charges (see note 16)	37	62
	Change in USS deficit provision	(100)	(400)
	Total	521	238

Expenditure on all activities in notes 5, 6 and 7 includes both direct costs and an allocation of overheads.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

8a Analysis of expenditure by activity

		Staff costs (note 9) 2021 £'000	Other operating expenses 2021 £'000	Depreciation 2021 £'000	Total 2021 £'000
	Note				
Education	5	2,042	2,011	435	4,488
Accommodation, catering and conferences	6	1,997	1,141	785	3,923
Other	7	96	421	4	521
		4,135	3,573	1,224	8,932

Expenditure includes fundraising costs of £256k in addition to the costs of alumni relations which are disclosed in note 7.

		Staff costs (note 9) 2020 £'000	Other operating expenses 2020 £'000	Depreciation 2020 £'000	Total 2020 £'000
Education	5	1,985	1,939	447	4,371
Accommodation, catering and conferences	6	2,091	1,064	777	3,932
Other	7	(224)	458	4	238
		3,852	3,461	1,228	8,541

Expenditure includes fundraising costs of £248k in addition to the costs of alumni relations which are disclosed in note 7.

8b Auditor's remuneration

	2021 £'000	2020 £'000
Other operating expenses include:		
Audit fees payable to the Group's external auditor (including VAT)	18	19
Other fees payable to the Group's external auditor (including VAT)	3	1

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

9 Staff costs	Fellows	Other	Total	Total
	£'000	Staff £'000	2021 £'000	2020 £'000
Salaries	706	2,736	3,442	3,465
National Insurance	56	221	277	277
Pension costs	84	432	516	510
Change in USS deficit provision	(35)	(65)	(100)	(400)
	811	3,324	4,135	3,852

Average staff numbers (full-time equivalents):

Academic	11	1	12	12
Non-academic	2	96	98	105
	13	97	110	117

There were 99 Fellows (excluding the President) in the Governing Body as at 1 December 2020, 40 of whom were stipendiary, representing 13 full-time equivalent College Fellows included above.

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

	2021 Number	2020 Number
£100,001 - £110,000	1	-

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

Key management personnel and Trustees

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College. The key management personnel are the members of the College Council, who act as the Trustees of the charity.

The aggregated remuneration (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) paid to key management personnel was:

	2021 £'000	2020 £'000
College Officers <i>ex officio</i>	395	401
Fellows elected by the Governing Body	35	72
	430	473

The Trustees received no remuneration in their capacity as Trustees.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

10 Tangible fixed assets
Group and College

	Freehold land £'000	Freehold buildings £'000	Equipment £'000	Total 2021 £'000	Total 2020 £'000
Cost or valuation					
At beginning of year	22,000	28,472	5,101	55,573	54,674
Additions at cost	-	248	334	582	1,273
Disposals	-	-	(114)	(114)	(374)
At end of year	22,000	28,720	5,321	56,041	55,573
Depreciation					
At beginning of year	-	12,263	3,353	15,616	14,762
Charge for the year	-	729	495	1,224	1,228
Disposals	-	-	(114)	(114)	(374)
At end of year	-	12,992	3,734	16,726	15,616
Net book value					
As at 30 June 2021	22,000	15,728	1,587	39,315	
As at 30 June 2020	22,000	16,209	1,748	39,957	

The declared value of freehold buildings for insurance purposes as at 30 June 2021 was £56,635,528 (2020: £55,798,548).

Capital commitments

	Group and College	
	2021 £'000	2020 £'000
Capital expenditure contracted but not provided for	-	-

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

11	Non-current investments	Group and College			
		2021 £'000	2020 £'000		
	Balance at beginning of year	40,305	40,678		
	Additions	1,120	212		
	Gain / (loss)	8,686	(585)		
	Balance at end of year	50,111	40,305		
	Represented by:				
	Unquoted securities - unit trust	49,627	39,738		
	Unquoted securities - equities	484	567		
	Total	50,111	40,305		
	Analysis by asset:				
	Endowments - permanent	31,212	25,679		
	Endowments - expendable	2,466	2,025		
	Fixed asset investments	16,433	12,601		
	Total	50,111	40,305		
12	Trade and other receivables	Group	College	Group	College
		2021 £'000	2021 £'000	2020 £'000	2020 £'000
	Members of the College	193	193	150	150
	Amounts due from subsidiary undertakings	1	1	1	60
	Other receivables	53	53	115	115
	Prepayments and accrued income	643	643	430	430
	Total	890	890	696	755
13	Cash and cash equivalents	Group	College	Group	College
		2021 £'000	2021 £'000	2020 £'000	2020 £'000
	Short-term money market investments	200	200	-	-
	Bank deposits	2,523	2,523	2,658	2,658
	Bank current accounts	8	8	186	125
	Cash in hand	-	-	2	2
	Total cash and cash equivalents	2,731	2,731	2,846	2,785
	Analysis by asset:				
	Endowments – permanent capital	2	2	1	1
	Endowments – restricted	108	108	61	61
	Other cash and cash equivalents	2,621	2,621	2,784	2,723
	Total	2,731	2,731	2,846	2,785

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

14 Creditors: amounts falling due within one year	Group	College	Group	College
	2021	2021	2020	2020
	£'000	£'000	£'000	£'000
Trade creditors	428	428	278	278
Members of the College	267	267	208	208
University fees	165	165	128	128
Other creditors (PAYE, NI, VAT)	76	76	78	79
Accruals and deferred income	251	251	150	147
Total	1,187	1,187	842	840

15 Creditors: amounts falling due after more than one year	Group and College	
	2021	2020
	£'000	£'000
Bank loan	1,200	1,200
Private placement	10,000	10,000
Private placement arrangement fees	(83)	(85)
Total	11,117	11,115

Interest is payable on the bank loan at 4.8%. The loan is repayable in August 2048.

Interest is payable on the private placement at 2.7%. The placement is repayable in June 2053.

The placement arrangement fees are being amortised over the duration of the placement.

16 Pension provisions (see note 21)	Group and College			
	CCFPS liability	USS deficit provision	Total 2021	Total 2020
	£'000	£'000	£'000	£'000
Balance at beginning of year	2,343	487	2,830	3,032
<i>Movement in the year:</i>				
Current service cost	176	-	176	169
Administrative expenses	14	-	14	14
Contributions	(150)	-	(150)	(166)
Other allocation to staff costs	-	(100)	(100)	(400)
Other finance costs	34	3	37	62
Actuarial (gain) / loss	(253)	-	(253)	119
Balance at end of year	2,164	390	2,554	2,830

Post Balance Sheet Event

Since the year end, following the completion of the 2020 actuarial valuation, a new deficit recovery plan has been agreed in respect of the USS pension scheme. A new Schedule of Contributions based on the 2020 actuarial valuation has been agreed, and become effective, post year end. This results in an increase of £695k in the provision for the obligation to fund the deficit on the USS pension which would instead be £1,085k. As the Schedule of Contributions was not in place at the financial year end this adjustment will be reflected in the Financial Statements for the year ended 30 June 2022. If the Joint Negotiating Committee (JNC) recommended deed on benefit changes has not been executed by 28 February 2022 then a different schedule of contributions would become applicable. If this were to happen then there would be an increase of £1,350k in the provision for the obligation to fund the deficit on the USS pension which would instead be £1,740k.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

17 Permanent endowments	Unrestricted permanent £'000	Restricted permanent £'000	Group and College	
			Total 2021 £'000	Total 2020 £'000
Balance at beginning of year	21,505	4,175	25,680	25,820
New endowments	4	23	27	198
Transfers	-	-	-	-
Gain / (loss) on investments	4,615	892	5,507	(338)
Balance at end of year	26,124	5,090	31,214	25,680
Analysis by purpose:				
Fellowship Funds	-	180	180	150
Scholarship Funds	-	2,716	2,716	2,228
Prize Funds	-	120	120	98
Hardship Funds	-	1,231	1,231	1,005
Bursary Funds	-	125	125	101
Travel Grant Funds	-	61	61	51
Library Funds	-	439	439	362
Other Funds	-	218	218	180
General	26,124	-	26,124	21,505
Total	26,124	5,090	31,214	25,680
Analysis by asset:				
Investments	26,124	5,088	31,212	25,679
Cash	-	2	2	1
	26,124	5,090	31,214	25,680

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

18 Restricted reserves**Group and College**

	Capital grants £'000	Restricted income £'000	Restricted permanent endowment income £'000	Expendable endowment £'000	Total 2021 £'000	Total 2020 £'000
Balance at beginning of year						
Capital	-	-	-	1,993	1,993	1,987
Accumulated income	166	590	47	46	849	677
	166	590	47	2,039	2,842	2,664
Academic income	-	342	-	-	342	323
Investment income	-	1	158	76	235	219
New donations	-	314	-	9	323	462
New grants	2	-	-	-	2	168
Expenditure	-	(735)	(128)	(58)	(921)	(969)
Capital grants utilised	(168)	-	-	-	(168)	(2)
Gain / (loss) on investments	-	3	-	431	434	(23)
Balance at end of year						
Capital	-	-	-	2,457	2,457	1,993
Accumulated income	-	515	77	40	632	849
	-	515	77	2,497	3,089	2,842
Analysis by purpose:						
Fellowship Funds	-	10	6	761	777	630
Scholarship Funds	-	306	28	1,195	1,529	1,412
Prize Funds	-	-	7	1	8	7
Hardship Funds	-	-	-	93	93	75
Bursary Funds	-	7	3	221	231	188
Travel Grant Funds	-	-	2	10	12	8
Library Funds	-	-	-	-	-	-
Other Funds	-	192	31	216	439	522
General	-	-	-	-	-	-
Total	-	515	77	2,497	3,089	2,842
Analysis by asset:						
Investments	-	19	-	2,466	2,485	2,041
Cash	-	496	77	31	604	801
	-	515	77	2,497	3,089	2,842

Some endowments are classified as expendable rather than permanent to reflect the wishes of the donor; when the donor expects their donation to be retained for the benefit of the College with a view to it having an impact over a number of years while also providing flexibility to spend capital as required.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

19 Consolidated reconciliation and analysis of net debt

	At 1 July 2020	Cash flows	Other non- cash changes	At 30 June 2021
	£'000	£'000	£'000	£'000
Cash and cash equivalents	2,846	(115)	-	2,731
Borrowings due after more than one year Unsecured loans	(11,115)	-	(2)	(11,117)
Net total	(8,269)	(115)	(2)	(8,386)

20 Financial instruments

	2021 £'000	2020 £'000
Financial assets		
<i>Financial assets at fair value through Statement of Comprehensive Income</i>		
Other investments	50,119	40,305
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Cash and cash equivalents	2,731	2,846
Other debtors	247	266
Financial liabilities		
<i>Financial liabilities measured at amortised cost</i>		
Loans	11,117	11,115
Trade creditors	428	278
Other creditors	508	414

The fair values of the assets held at fair value at the balance sheet date are determined using quoted prices.

21 Pension schemes

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

21a Cambridge Colleges Federated Pension Scheme

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

The principal actuarial assumptions at the balance sheet date were:

	2021 % p.a.	2020 % p.a.
Discount rate	1.80	1.45
Increase in salaries	3.10	2.70
Retail Prices Index (RPI) assumption	3.40	3.10
Consumer Prices Index (CPI) assumption	2.60	2.20
Pension increases in payment (RPI max 5.0% p.a.)	3.30	3.00
Pension increases in payment (CPI max 2.5% p.a.)	1.95	1.80

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

21a Cambridge Colleges Federated Pension Scheme (continued)

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI 2020 future improvement factors and a long term rate of future improvement of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements (2020: S3PA with CMI 2019 future improvement factors and a long term future improvement rate of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Males aged 65 now have a life expectancy of 21.9 years (previously 21.9 years);
- Females aged 65 now have a life expectancy of 24.3 years (previously 24.2 years);
- Males aged 45 now and retiring in 20 years have a life expectancy of 23.2 years on retirement (previously 23.2 years);
- Females aged 45 now and retiring in 20 years have a life expectancy of 25.7 years on retirement (previously 25.6 years).

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

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

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

The amounts recognised in the balance sheet as at 30 June are as follows:

	2021	2020
	£'000	£'000
Present value of plan liabilities	(8,115)	(7,912)
Market value of plan assets	5,951	5,569
Net defined benefit liability	(2,164)	(2,343)

The amounts recognised in expenditure for the year ending 30 June are:

	2021	2020
	£'000	£'000
Current service cost	176	169
Administrative expenses	14	14
Interest on net defined benefit liability	34	48
Total	224	231

Changes in the present value of the plan liabilities for the year ending 30 June are:

	2021	2020
	£'000	£'000
Present value of plan liabilities at beginning of year	7,912	7,365
Current service cost	176	169
Employee contributions	10	10
Benefits paid	(193)	(196)
Interest on plan liabilities	115	166
Actuarial (gains) / losses	95	398
Present value of plan liabilities at end of year	8,115	7,912

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

21a Cambridge Colleges Federated Pension Scheme (continued)

Changes in the fair value of the plan assets for the year ending 30 June are:

	2021	2020
	£'000	£'000
Market value of plan assets at beginning of year	5,569	5,206
Contributions paid by the College	150	166
Employee contributions	10	10
Benefits paid	(193)	(196)
Administrative expenses paid	(20)	(19)
Interest on plan assets	80	117
Return on assets, less interest included in income and expenditure	355	285
Market value of plan assets at end of year	5,951	5,569
Actual return on plan assets	436	402

The major categories of plan assets as a percentage of total plan assets at 30 June are as follows:

	2021	2020
Equities	48%	49%
Bonds & Cash	42%	41%
Property	10%	10%
Total	100%	100%

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

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June:

	2021	2020
	£'000	£'000
Return on assets less interest included in comprehensive income	355	285
Expected less actual plan expenses	(6)	(6)
Experience gains and losses arising on plan liabilities	(218)	245
Changes in assumptions underlying the present value of plan liabilities	122	(643)
Re-measurement of net defined benefit liability recognised in OCI	253	(119)

Movement in the net defined benefit liability during the year ending 30 June are:

	2021	2020
	£'000	£'000
Net defined benefit liability at beginning of year	(2,343)	(2,159)
Recognised in expenditure	(224)	(231)
Contributions paid by the College	150	166
Re-measurement of net defined benefit liability recognised in OCI	253	(119)
Net defined benefit liability at end of year	(2,164)	(2,343)

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

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

21a Cambridge Colleges Federated Pension Scheme (continued)

The last such valuation was as at 31 March 2020. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall.

These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 21 May 2021 and are as follows:

- annual contributions of not less than £35,060 p.a. payable for the period to 30 November 2029.

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

21b Universities Superannuation Scheme

The total amount included in the consolidated statement of comprehensive income and expenditure, including changes in the deficit provision, is a charge of £119,106 (2020: credit of £153,967).

Deficit recovery contributions due within one year for the institutions are £47,501 (2020: £22,116)

As at 30 June 2021, the latest available complete actuarial valuation of the Retirement Income Builder (defined benefit) section of the Scheme was at 31 March 2018 ('the valuation date'), which was carried out using the projected unit method. The valuation as at 31 March 2020 was signed and filed with The Pensions Regulator with an effective date of 1 October 2021. As the new valuation was not in place at the financial year end, any adjustment in the deficit provision will be reflected in the financial statements for the year ended 30 June 2022.

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

The 2018 valuation was the fifth valuation for the Scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the Scheme was £63.7 billion and the value of the Scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

Pension increases (CPI)	Term dependant rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
Discount rate (forward rates)	Years 1-10: CPI + 0.14% reducing linearly to CPI – 0.73% Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21 Years 21+: CPI + 1.55%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the Scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2018 valuation
Mortality base table	Pre-retirement: 71% of AMCO0 (duration 0) for males and 112% of AFC00 (duration 0) for females Post retirement: 97.6% of SAPS S1NMA 'light' for males and 102.7% of RFV00 for females
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

21b Universities Superannuation Scheme (continued)

The current life expectancies (in years) on retirement at age 65 are:

	2021	2020
Males currently aged 65	24.6	24.4
Females currently aged 65	26.1	25.9
Males currently aged 45	26.6	26.3
Females currently aged 45	27.9	27.7

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2020 deficit recovery liability reflects this plan.

The provision figures have been produced using the following assumptions:

	2021	2020
Discount rate	0.87%	0.73%
Pensionable salary growth – year 1	1.00%	0.00%
Pensionable salary growth – years 2-16	2.50%	2.50%

22 Subsidiary undertakings

The College's subsidiary undertakings, all of which are companies incorporated in the United Kingdom, are as follows:

Undertaking	Activity	Holding	%
Wolfson College Cambridge Enterprises Limited	The provision of conferences and events at Wolfson College, Cambridge	1 ordinary share of £1	100%
Wolfson College Development Limited	Dormant	1,000 ordinary shares of £1 each	100%
Lee Library Limited	Dormant	2 ordinary shares of £1 each	100%

23 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 member of the College Council may have an interest. All transactions involving organisations in which a member of the College Council may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

The College maintains a register of interests for all College Council members and where any member of the College Council has a material interest in a College matter, they are required to declare that fact.

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

Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for any private catering. All salaries are reviewed annually by the Personnel Committee.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

23 Related party transactions (continued)

The salaries paid to Trustees in the year, for duties other than serving as a Trustee, are summarised in the table below:

From	To	2021 Number	2020 Number
£0	£10,000	6	4
£10,001	£20,000	1	1
£20,001	£30,000	-	1
£30,001	£40,000	-	1
£40,001	£50,000	-	-
£50,001	£60,000	-	-
£60,001	£70,000	1	1
£70,001	£80,000	3	3
	Total	11	11

The total Trustee salaries were £335,432 for the year (2020 £368,791).

The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £94,324 for the year (2020: £104,474).

Details of subsidiary undertakings are disclosed in note 22. The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.