



KING'S COLLEGE

CAMBRIDGE

Annual Report and Financial Statements

for the year ended

30 June 2025

Registered Charity number 1139422

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Reference and administrative information

The formal title of the College is 'The King's College of Our Lady and Saint Nicholas in Cambridge'. The College's address is King's College, King's Parade, Cambridge, CB2 1ST.

Charity trustees

The trustees of the College, who are the members of the College Council, during the year were:

Dr Gillian Tett (Provost and Chair of Council); Dr Ronojoy Adhikari (until December 2024); Professor Matei Candea (until December 2024); Professor John Dunn (until December 2024); Professor Chryssi Giannitsarou; Dr David Good; Professor Jason Sharman (until December 2024); Dr James Taylor (until December 2024); Mrs Lorraine Headen ; Dr Andjela Sarkovic ; Dr Angus Russell ; Professor Nicholas Bullock (from January 2025); Professor Robert Foley (from January 2025); Professor Cesare Hall (from January 2025) ; Professor Henning Grosse Ruse-Khan (from January 2025); Dr Philip Knox (from January 2025).

Members *in Statu Pupillari*, until the end of December 2024, were: Ms Berenice Bulteel; Mr Luca Limoncelli. Members *in Statu Pupillari*, from January 2025, were: Ms Fee Robinson; Mr John Teare.

Senior Officers

Provost	Dr Gillian Tett
Vice Provost	Professor Robin Osborne
First Bursar	Dr Ivan Collister
Senior Tutor	Dr Myfanwy Hill

Principal advisers

Actuaries	Cartwright Consulting, Mill Pool House, Mill Lane, Godalming, GU7 1EY
Auditors	PEM Audit Limited, Sailsbury House, Station Road, Cambridge, CB1 2LA
Bankers	Barclays Bank plc, 9-11 St Andrew's Street, Cambridge, CB2 3AA
Investment advisers	Mercer Limited, 1 Tower Place West, Tower Place, London, EC3R 5BU
Property advisers	Bidwells, Trumpington Road, Cambridge, CB2 2LD Savills, Unex House, 132-4 Hills Road, Cambridge, CB2 8PA
Solicitors	Barr Ellison, 39 Parkside, Cambridge, CB1 1PN Mills & Reeve, Botanic House, 98-100 Hills Road, Cambridge, CB2 1PH

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.

Membership of the Governing Body

The members of the Governing Body of the College, as at 30 June 2025, are set out below:

Provost: Dr Gillian Tett

Fellows (Senior Members of the Governing Body)

Dr Zoe Adams	Professor Ingo Gildenhard	Dame Judith Mayhew Jonas
Dr Ronojoy Adhikari	Professor Christopher Gilligan CBE	Professor Dan McKenzie
Dr Tess Adkins	Professor Simon Goldhill	Professor Campbell Middleton
Dr Sebastian Ahnert	Dr David Good	Dr Jonah Miller
Professor Anna Alexandrova	Professor Caroline Goodson	Dr Fraz Mir
Professor John Arnold	Professor Gillian Griffiths	Dr Perveez Mody
Dr Nicholas Atkins	Professor Mark Gross	Professor Geoffrey Moggridge
Professor Gareth Austin	Professor Henning Grosse Ruse-Khan	Dr Kamiar Mohaddes
Dr Seda Basihos	Professor Cesare Hall	Dr Ken Moody
Professor Mike Bate	Dr Iris Hardedge	Dr Basim Musallam
Dr Umang Bhatt	Professor Ross Harrison	Dr Rory O'Bryen
Dr Francesco Bianchini	Dr Tiffany Harte	Professor Rosanna Omitowoju
Dr Marcus Böick	Mr Apinan Hasthanasombat	Professor Robin Osborne
Dr Giulia Boitani	Dr Katie Haworth	Professor John Perry
Dr Shannon Bonke	Ms Lorraine Headen	Dr Sophie Pickford
Professor Richard Bourke	Professor John Henderson	Professor Christopher Prendergast
Dr Mirjana Bozic	Dr Felipe Hernandez	Professor Michael Proctor
Professor Angela Breitenbach	Dr Katherine Herrity	Professor Surabhi Ranganathan
Professor Judith Browne	Dr Ryan Heuser	Dr Benjamin Ravenhill
Professor Nicholas Bullock	Dr Myfanwy Hill	Professor Thomas Roulet
Dr Katherine Campbell	Dr David Hillman	Professor Robert Rowthorn
Professor Matei Candea	Dr Stephen Hugh-Jones	Dr Angus Russell
Dr Keith Carne	Professor Dame Caroline Humphrey DBE	Professor Paul Ryan
Professor Richard Causton	Dr Said Reza Huseini	Professor Hamid Sabourian
Rev Dr Stephen Cherry	Professor Alice Hutchings	Dr Andjela Sarkovic
Dr Ivan Collister	Mr Daniel Hyde	Dr Georgia Seabra Nesseh
Professor Francesco Colucci	Professor Martin Hyland	Professor Jason Sharman
Dr Sarah Crisp	Ms Polly Ingham	Dr Michael Sonenscher
Dr Laura Davies	Professor Ian James	Dr Sharath Srinivasan
Professor Anne Davis	Professor Mark Johnson	Professor Gareth Stedman Jones
Professor Peter de Bolla	Mr Peter Jones	Dr James Taylor
Dr James Dolan	Dr Dale Kedwards	Professor Nicholas Tosca
Professor John Dunn	Dr Aileen Kelly	Dr Marco Tripodi
Dr Mark Dyble	Professor Barry Keverne	Dr Sophie Turenne
Professor George Efstathiou	Dr Philip Knox	Professor Caroline Van Eck
Professor Aytek Erdil	Dr Patrycja Kozik	Professor Bert Vaux
Dr Sebastian Eves-Van den Akker	Professor James Laidlaw	Professor James Vicary
Professor Elisa Faraglia	Professor Richard Lambert	Dr Rob Wallach
Professor James Fawcett	Dr Zhuangnan Li	Dr Dror Weil
Professor Iain Fenlon	Professor Charlie Loke	Professor Darin Weinberg
Dr Timothy Flack	Professor Sarah Lummis	Professor Godela Weiss-Sussex
Professor Robert Foley	Professor Alan Macfarlane	Dr Thomas White
Professor Matthew Gandy	Dr Cicely Marshall	Professor John Young
Professor Chryssi Giannitsarou	Professor Nicholas Marston	Professor Nicolette Zeeman
Professor Lord Anthony Giddens	Professor Jean Michel Massing	

Members *in Statu Pupillari* (Junior Members of the Governing Body)

Ms Emily Kelly	Mr Ms Fee Robinson
Mr John Teare	Mr Benjamin Warner

Trustees' report

Overview

King's College, Cambridge is one of the thirty-one colleges within the University of Cambridge. It is an independent, self-governing community of scholars with its own property and income. The College was founded in 1441 by King Henry VI for 'poor and needy scholar clerks, engaged in study within the University of Cambridge in the diocese of Ely, and bound to study and progress in the different departments of learning and skill'.

Aims and objectives

The College's charitable objects are: (i) to maintain a College within the University of Cambridge dedicated to the advancement of education, religion, learning and research; and (ii) to provide for and conduct divine service within the College.

Public benefit

In setting about achieving its charitable objects, the College pursues several aims for the public benefit. These are to:

- Provide an education for undergraduates and graduate students, in conjunction with the University of Cambridge, that is recognised internationally as being of the highest standard. This education develops students academically and advances their broader intellectual qualities. The College maintains teaching, library, and study facilities in support of these activities.
- Foster an intellectual and social environment that supports students' personal development so that they can play full and effective roles in society. The College, with the assistance of the King's College Student Union and King's College Graduate Union, funds and provides for a wide range of extracurricular activities, including sports, music, theatre, and other creative and cultural activities. The College runs a programme of careers events and activities, as well as the King's Entrepreneurship Lab to support those students interested in entrepreneurial careers. The College provides extensive pastoral support with each student having access to a Tutor, who is a College Fellow or Bye-Fellow. The College's Healthcare Centre provides services, in collaboration with the University, to support students' wellbeing and mental health.
- Admit students who have the highest potential to benefit from the education provided by the College and the University, regardless of their gender, sexual orientation, age or educational, social, ethnic or personal background. The College provides financial support to its students through scholarships, awards and prizes to fund fees, maintenance, research and travel costs. It contributes with the University and other colleges to the Cambridge Bursary scheme, which is the primary mechanism of financial support for undergraduates to study at Cambridge.
- Curate an intellectual and social environment that supports research at the highest level and offers a fertile ground for novel and collaborative research approaches. King's recruits Fellows most able to contribute to the academic excellence of the College, regardless of their financial, social, religious, or ethnic background. As well as a range of in-kind benefits, events and social interactions, King's provides grants and other funding to support the research work of Fellows. King's further advances research by providing stipendiary Research Fellowships to outstanding academics in the early stages of their careers, enabling them to develop and focus on their research, and to begin their career in the most intellectually profitable way. Assisted by its benefactions, the College also supports larger research programmes which provide funding for Research Fellows and graduate scholarships related to particular disciplinary and research themes.

- Continue the tradition, preserved since its foundation, of the College Chapel as a place of spiritual and ethical reflection. Regular services are held, which are open to the public, as well as a programme of larger events, including the famous service of *Nine Lessons and Carols* traditionally broadcast on Christmas Day. The College employs a Dean and Chaplain, who provide for Christian spiritual care for the students, non-academic staff, and Fellows.
- Conserve and improve the College's buildings and grounds, preserving their historic significance and creating outstanding facilities for the intellectual and social life of King's. The College allows public access to its gardens and world-famous Chapel throughout the year.
- Use the College's resources sustainably, preserving intergenerational equity and securing the future success of the College as an institution of higher education.

The trustees have had due regard throughout the year to the Charity Commission's guidance on public benefit and consider that the College again delivered its planned public benefits in 2024-25.

Governance

The governing documents of the College are its Statutes and Ordinances of 1441, as amended from time to time. The charity trustees are the College Council, which is responsible for the general administration and management of the College and for ensuring compliance with charity law. The members of the Council are the Provost and ten Fellows, elected by the College's Governing Body for one-year terms. Council members may serve a maximum of four consecutive terms. The College Council meets on average five times per term, or more frequently as necessary.

The Governing Body of the College is the ultimate authority in the government of the College. It includes the Provost, all eligible Fellows and four students, at least one of whom is an undergraduate and one a post-graduate. Student representatives are elected by the College's undergraduate and post-graduate students. They attend for the discussion of all matters directly affecting the interests of the College's students. The Governing Body meets twice a term or more frequently as necessary. A register of interests is recorded for all members of the Governing Body. Unreserved minutes of the Governing Body and College Council are published on the College's website.

The principal officers of the College are the Provost, who is responsible for general oversight of the College, the Vice Provost, who deputises for the Provost and looks after the interests of the Fellows, the First Bursar who has responsibility for the College's finances and administration, and the Senior Tutor who has overall charge of education within the College. Additionally, the Director of Research oversees research activity within the College, the Domus Bursar is responsible for the College's operations and estate, the Dean is charged with all activities within the College Chapel, the Director of Music is responsible for the College Choirs and music within the College, and the Director of Development oversees fundraising and alumni relations.

The Council and Governing Body are advised by several committees, each addressing a distinct area of College activity and whose members comprise Fellows and student members, elected annually. It is the duty of the Finance Committee to advise Council on the effectiveness of the College's internal systems of financial controls and risk management. The Governing Body appoints an Audit and Scrutiny Committee to act as internal auditors. The Committee considers reports from those auditors and makes an annual report to the Council and the Governing Body. Non-academic staff remuneration is determined by the College's Human Resources Committee. Fellows' remuneration, including that of College Officers, is decided by a Remuneration Committee, which is formed of four external and three internal members and is chaired by an external member. The College maintains a conflicts of interest policy and systematically requires declarations of interest at all committee meetings.

The Visitor of the College is the Bishop of Lincoln.

Activities and achievements

Introduction

2024-25 saw continued progress against the College's strategic aims, notwithstanding pressures on the higher education sector. In recent years King's has made significant investments in its academic life and in our engaging community of students, scholars and non-academic staff. We have also begun to strengthen our communications, not least to attract the outstanding students and academics who will be part of King's future. The intention, over three to five years, is for King's to emerge from the pandemic years as a revitalised, secure and intellectually vibrant institution. The focus of our efforts is across three themes:

1. Academic strength

We believe that academic excellence comes from the combination of world-class research and outstanding teaching. In this regard, an important step this year was the appointment of a Research Director. This role, supported by a deputy, will oversee the enhancement of the already rich research life of the College. Initial priorities include the further development of interdisciplinary exchange, identification of new research collaborations, further mechanisms to support novel research ideas and the expansion of programmes of workshops, seminars and other events.

For our undergraduate and postgraduate students, an ongoing focus has been the strengthening of our teaching environment. King's takes undergraduates in every Tripos subject, except Land Economy, Education and Veterinary Medicine, and collectively our Fellows provided several thousand hours of teaching. Supervision sizes are dictated by teaching need, rather than other factors, and were most frequently given to pairs of students. This work is led by College Fellows and was enhanced in the year through additional support to Directors of Studies and strengthening of the Tutorial team. Additional funding was made available to Fellows to organise supra-curricular academic events, and our Academic Skills advisor continues to support our undergraduate and post graduate students to reach their full potential.

The College continued to expand its provision for students' personal and intellectual development. This included a strong year for our summer research programme, in which students were funded to remain in College over the summer vacation and to work with one of our Fellows on a six-to-ten-week research project. Several students have gone on to publish their research or pursued postgraduate research on topics first encountered on their Summer Research placement. The Entrepreneurship Lab also saw a further enhancement of its programmes through 'Spark', a new incubator programme developed in partnership with Founders at the University of Cambridge. This exciting initiative helps participants to formulate their entrepreneurial ideas, develop early-stage products and bring social and commercial ventures to action.

Alongside these priorities, the outstanding academic work of our students and Fellows is nurtured within a supportive and compassionate environment. This is reflected in our commitment to high levels of pastoral support for our students, and in a wide range of other activities and initiatives. After strengthening our student health and wellbeing provision last year, through our Healthcare Centre, further investment was made in the year to increase the number of Tutors providing pastoral support to students. A further step was the appointment of a Head of Graduate Affairs, to oversee pastoral provision for our graduate students and to mirror an arrangement already in place for our undergraduates.

These activities were supported by the College's outreach initiatives, which we continued to expand during the year. Ongoing work included the College's successful bridging programme (supporting incoming students) and mentoring and tutoring for students in the run-up to A-Level examinations. In

April, we launched our first 'Calculating Women' residential, aimed at encouraging female students to consider maths-based careers and degrees through maths-based games (including an 'Escape Room'). We also began a new attainment-raising residential called 'Maths from Underground', our longest outreach residential to-date with students spending three nights in College. Our outreach activities also saw the third iteration of our 'Small Subjects' residential, on the theme of 'AI and the Other', and the second year of our language-based residential 'World of Words'. The College also piloted a 'Language Bus': an online day of language-based workshops which, in 2026, we hope to take 'on the road'.

This year also saw the beginning of our partnership with IntoUniversity, establishing a learning centre in the Northeast of England, where we focus much of our access work. The centre supports students from years six through thirteen and is part of a broader, evidence-based programme of support for promising students working towards a university education. IntoUniversity centres provide spaces for children to learn and explore, raising aspirations and attainment, and supporting schools and families to help students into higher education. King's Fellows, staff and students attended the launch event for the centre in March, and the Admissions Team have already begun collaborating on numerous projects in what the College hopes will be a long and successful partnership.

2. Community environment

King's is proud of the strength of its community and the friendliness shared amongst our students, Fellows and non-academic staff. The College is committed to more progressive approaches in the support of all members of the community, with a particular emphasis on provision for our students.

In the year, King's continued to provide a significant proportion of current students with financial assistance through scholarships, bursaries and other grants – many of which were made possible through generous donations to the College. As well as ongoing funding for student societies and social activities, the College also introduced various measures to support students in lieu of weakening financial support from the state. Significant changes to our accommodation costs were introduced this year, resulting in a net decrease in charges and a new approach that will protect future students from inflation volatility. Lower catering charges were also introduced, in support of students and Fellows facing pressure on their personal finances.

The College continued the progressive approach of recent years in support of our academic and non-academic staff. Funds were set aside for people facing financial pressures and the College continued to enhance benefits for academic and non-academic staff. For its lower-paid staff, King's again implemented a progressive pay award, providing these employees with greater support and reducing the ratio between the highest and lowest paid across the College.

The College also implemented various measures to support and protect community life. These included a stronger team to assist visitors to the College, providing a more welcoming face to King's and supporting the privacy of our students and academics. A shift is also underway in our conferencing activity, with an emphasis on summer schools and programmes whose activities align with our educational mission.

Alongside these changes, King's has continued to invest in its facilities and built environment. In the year, this included a strengthened facilities team that began an expansive programme of improvements and upgrades to the College's buildings and key services. Amongst these were the creation of a Junior Combination Room, in a suite of rooms previously occupied by the College café, and a substantial refurbishment of the Graduate Suite, formerly the residential set occupied by E. M. Forster.

While major capital works within the College were relatively limited this year, King's was delighted to approve the refurbishment of the Cambridge Arts Theatre, generously supported by the Gatsby Foundation. The College continued to develop its plans to renovate the Gibbs building, which accommodates much of the Fellowship and is the location for much of the College's teaching. In support of enhanced student facilities over the long term, the College also made an offer to purchase a nearby site, on Mill Lane, subject to the relocation of current occupants by July 2027.

3. Telling our story

King's academic excellence depends on the College's ability to attract the very best students and scholars. That relates to our outreach, to the intellectual life of the College's members, and also to our engagement with current topics in academic and public life.

In support of this aspect of the College, we have recently invested in an expanded communications team. This now supports the College's many publications (including our alumni magazine, *King's Parade*) as well as digital communications and social media, engaging with current and prospective students, an active programme of public events and the College's other external and media relations. A significant step this year was the launch of a new College website. This was comprehensively redesigned to support prospective students interested in King's and to help our current students engage more deeply in the life of the College. The new website will, in time, provide a platform to showcase Fellows' research and King's wider intellectual and cultural activities.

Alongside this wider engagement, we seek wherever we can to collaborate with our alumni, drawing on their ideas and ambitions for the College. This year, some extraordinary gifts from alumni allowed the College to reach its £100 million fundraising goal. This remarkable achievement, shaped over the last seven years, is testament to the attachment people feel to King's and the continued involvement of many alumni in the life and development of the College. Importantly for our commitment to access and outreach, over half the donations received during the campaign were for student support. In the year, the campaign's total was met by a remarkable gift from the Gatsby Foundation in support of the King's Entrepreneurship Lab. Other substantial donations in the year provided funding for no less than five research fellowships. The College's acquisition of papers from Alan Turing's *Delilah Project*, on voice encryption, was also made possible through a generous donation.

Future plans

Plans for the coming year will continue to be shaped by the three thematic priorities described above. This will involve sustained investment in academic improvements in all aspects of the daily life of King's, and ongoing work to share our intellectual and cultural life with our alumni and wider audiences. In pursuit of these objectives, the College has targeted breakeven in its management accounts in the near term, notwithstanding continued headwinds facing the higher education sector.

Further information

King's supported over eight hundred full- and part-time students through the 2024-25 academic year. The total number of undergraduate and postgraduate students in residence and registered with the University were:

	2020-21	2021-22	2022-23	2023-24	2024-25
Undergraduates	458	454	466	466	467
Postgraduates	294	320	326	333	359
Total	752	774	792	799	826

At 467, the undergraduate population remained slightly higher than the College's target of 450. Higher postgraduate numbers reflect a larger in-take of part-time students.

The College's undergraduate finalists gave a robust performance in Tripos, with 90% gaining an upper second or better and 26% receiving a first-class degree. Recent trends in Tripos examinations for King's undergraduates in all years are set out below:

	2020-21	2021-22	2022-23	2023-24	2024-25
First	33%	25%	24%	24%	21%
2:1 or higher	85%	78%	79%	78%	81%

Looking ahead to 2025-26, King's made offers to 161 students of which 82% were from UK schools and, of those, 69% were from maintained or non-fee-paying schools. Trends in admissions offer statistics (reflecting 'apply years', rather than those when students are admitted) are as follows:

	2020-21	2021-22	2022-23	2023-24	2024-25
Offers	162	155	156	159	161
UK schools	76%	83%	81%	77%	82%
State schools	76%	78%	87%	80%	69%

While the proportion of offers to students from state schools declined from recent years, acceptances were more buoyant. 75% of students who accepted an offer from King's in 2024-25 were from maintained or non-fee-paying schools.

Underpinning the academic life of the College, King's continued to support its large Fellowship. The College provided for 78 Official Fellows, 15 Research Fellows and 43 Life Fellows in the year. King's also admitted four Bye-Fellows. The College reappointed five College Research Associates and appointed a further eleven such Associates, each working on exciting projects, five in the Sciences, three in the Arts and Humanities and three associated with the Entrepreneurship Lab.

Several of our Fellows received awards for their research during the year. Amongst these, George Efsthathiou was awarded (jointly, with Dick Bond) the 2025 Shaw Prize in Astronomy for 'pioneering work in cosmology, in particular for their studies of the fluctuations in the cosmic microwave background'. Professor Azim Surani was awarded the prestigious Kyoto prize for his discovery of genomic imprinting in mammals and elucidation of molecular mechanisms. Surabhi Ranganathan was awarded the Max Planck-Humboldt Research Award for 2025.

Financial review

Scope of the financial statements

The consolidated financial statements include the College and the College’s wholly owned subsidiaries, King’s College Cambridge Enterprises Limited and King’s College Cambridge Developments Limited. Together, these entities comprise the Group. References to the College in the Financial Review refer to the results of the Group.

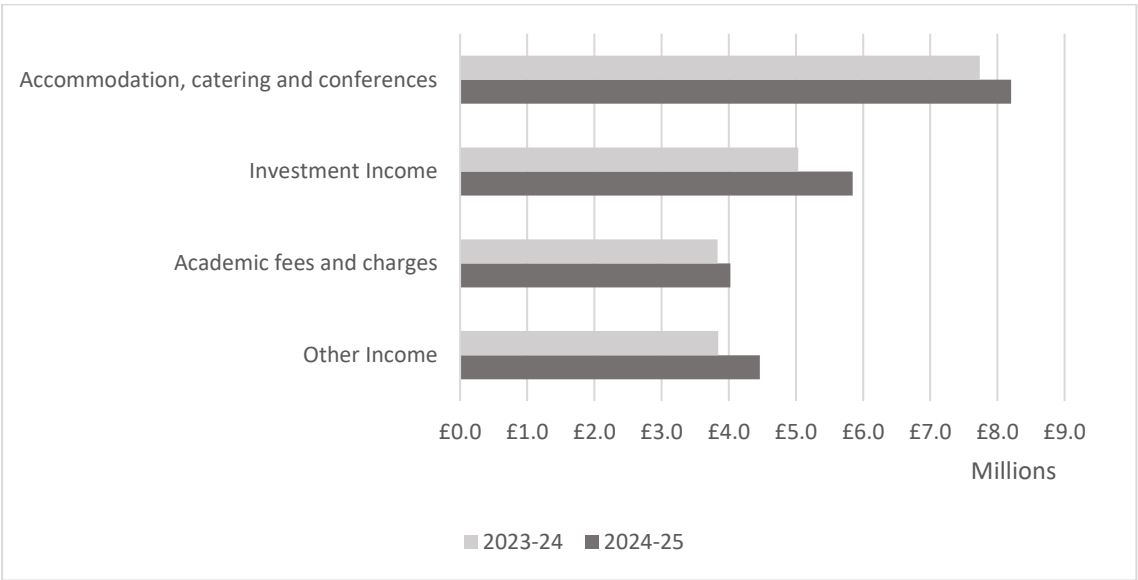
The financial statements are produced by the College having regard to the Recommended Cambridge College Account (RCCA) format introduced through revisions to Statute G,III of the University which replaced the previous format introduced in 1926 by the University of Cambridge Commissioners.

Results overview

Income before donations and endowments

Income before donations and endowments grew 10% from £20.4m in 2024 to £22.5m in 2025. Growth came from all areas, including a 17% increase in visitor income and a 4.4% increase in accommodation income, driven by improved occupancy levels.

Investment income received in the year rose 16%. This compared favourably to a slight fall in 2024, however both changes were largely due to timing differences rather than underlying performance. This remained stable. The College has a ‘spending rule’ that sets the maximum withdrawal from the endowment at 3.85% of the average year-end value of the endowment for the preceding five years. This is designed to reduce the effect on income of fluctuations in investment returns. The total investment income, net of fees, distributed to unrestricted and restricted funds including the spending rule was £7.7m in 2025, a 3% increase on 2024.

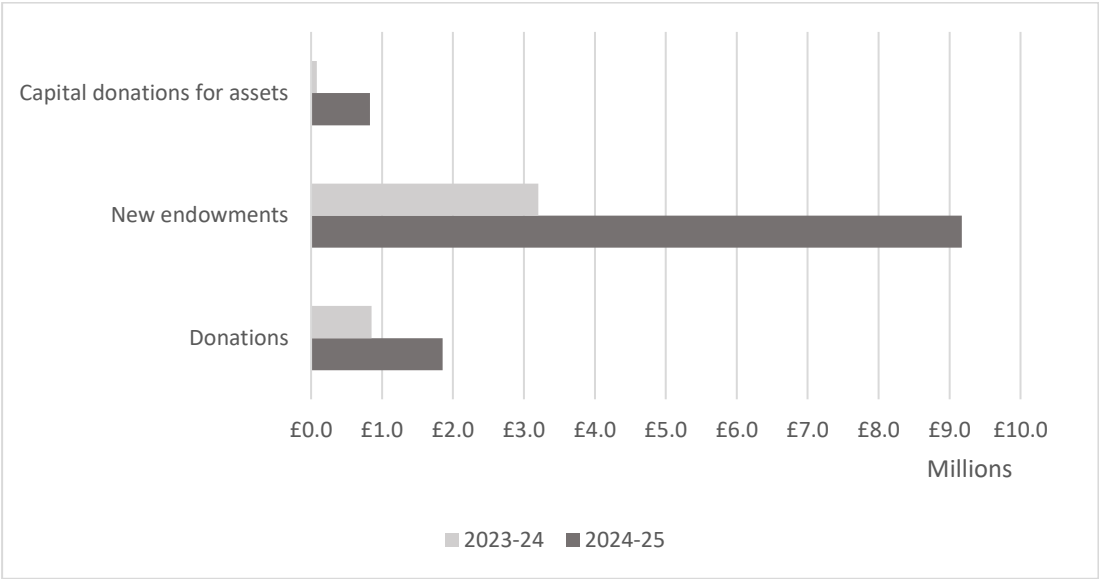


Income from donations and endowments

King’s fundraising is focused on five areas: student support, including bursaries and scholarships; teaching and research; maintenance and development of the College estate; extracurricular activities; and a ‘future fund’ to support the College’s long-term development.

Total donations and endowments rose from £4.1m in 2024 to £11.9m in 2025. This was driven by three large new endowments to support Research Fellowships as well as generous support for our undergraduate and graduate community. Total income from donations and endowments was above the College’s long-term run rate, in part reflecting several years of historically high donations in support

of major capital works. The College’s participation rate in the year was 11% of the non-resident members for whom it had contact details. Fundraising costs during the year amounted to £0.6m, implying a strong return in the year of 18x (7x in 2024).



King’s College is committed to best practice in relation to all fundraising activities, which are carried out by an in-house Development team who are subject to the scrutiny of the Development Committee and College Council. The College did not engage any third parties to carry out fundraising activities on its behalf during the year. The College is registered with the Fundraising Regulator and has set up internal protocols and procedures to adhere to the Code of Fundraising Practice as a set of guiding principles to ensure fundraising is legal, open, honest and respectful. The College received no formal complaints in the year.

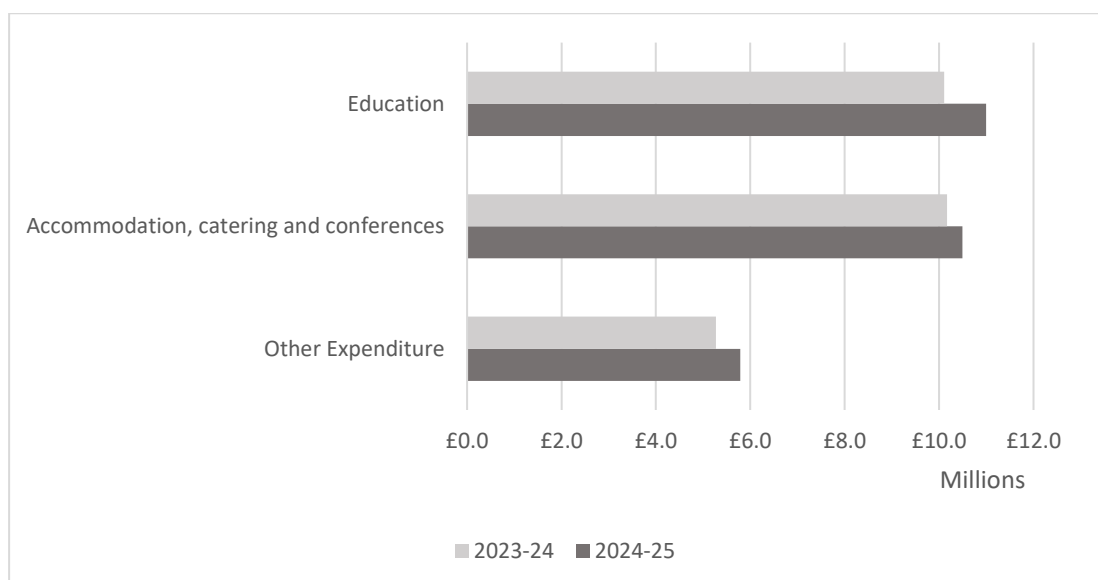
Expenditure

Total costs rose by 16% in the year, though this was largely the result of an exceptional £2.0m pension provision credit for the Universities Superannuation Scheme recorded in the financial year ending in 2024. Excluding the impact of this one-off item, expenditure rose in 2025 by 7%.

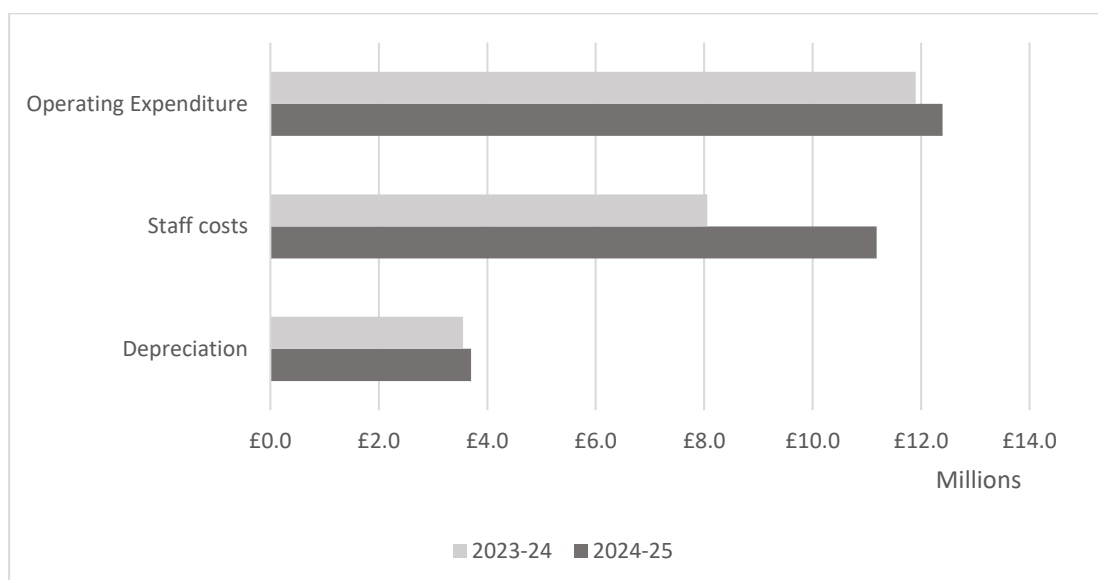
Within this, education costs increased by 9%, driven in part by a 25% rise in student support costs, supported by existing funds and new donations. In addition, supervision, Director of Studies and Tutor costs rose by 16%, reflecting higher rates of pay and the appointment of new Tutors to strengthen our pastoral care.

Accommodation, catering, and conference costs were 3% higher than in 2024. Other expenditure rose by 10% compared with 2024. This included a 25% increase in visitor-related costs, largely reflecting the recruitment of additional staff to support the privacy of our students and Fellows. Choir expenditure also rose 15% with more tours undertaken than in 2024.

These movements are reflected in the chart below.



The expenditure involved in the activities above is composed of staff costs, other operating expenditure and depreciation. These are broken out in the chart below.



Staff costs rose 11%, excluding the impact of the exceptional pension provision credit last year. Alongside increases in pay, this growth in expenditure was driven by the recruitment of additional staff, notably to support our tutorial and research activities, and visitor staff to support the privacy of our students and Fellows.

Operating expenditure rose by 4% in 2025. This included additional funding for student support and research, as well as for expenditure for choir tours and visitor services, as described above. These increases were partly offset by a 16% reduction in utility costs.

Depreciation rose 4% in the year following the completion of the Spalding Hostel capital project and other recent capital works.

Capital expenditure

The College's capital expenditure on tangible fixed assets was £2.3m in 2025, a fall from £7.6m in 2024. Expenditure in 2024-25 included ongoing repairs to the Chapel and wider College estate.

Balance sheet

Consolidated net assets were £471.4m for the Group, up £17.1m from 2024. This growth was driven mainly by a 7% increase in investment assets (see below). The College holds £15.4m debt at a rate of 4.4% repayable between 2043-2053. At 30 June 2025, borrowing stood at 3% of total assets less current liabilities. There was no new borrowing in the year.

Reserves

Unrestricted reserves grew by £2.3m to £266.9m. This included £246.3m of tangible fixed assets and heritage assets, implying 'free reserves' of £20.6m. Free reserves provide working capital to fund unexpected opportunities or to provide a degree of protection against unforeseen expenditure or unanticipated loss of income. The College's free reserves in 2025 saw a growth of £3.4m from 2024. Current free reserves amount to approximately one year of unrestricted operational expenditure. The College targets free reserves of at least 6 months of unrestricted operational expenditure.

Restricted reserves for 2025 were £204.5m, an increase of 8% (£14.7m) on 2024. This was driven by investment returns and new donations, offset by spending down of expendable funds.

Endowment and investment performance

The College has a pool of capital (known as the 'Endowment') invested for the long-term to support its charitable activities (see note 12).

The College aims to manage the total return from the Endowment so that the long-term capital value is preserved in real terms, such that the College can fulfil its charitable objects in perpetuity. The College targets a long-term total return of CPI + 3.85% gross of investment management fees. Within this, the College believes it has a responsibility for its investments. The College has published a Statement on Responsible Investment that accompanies its Investment Policy. Implementation of the Statement was ongoing at the end of the financial year.

The total value of the Endowment was £232.5m in 2025, up from £218.3m in 2024. Performance of the College's investments was 7%. Growth was recorded across all asset classes, and no withdrawals were required during the year to support the College's capital expenditure or cash reserves. Notwithstanding capital markets volatility in recent years, the long-run performance of the Endowment is in line with the College's return objective.

Principal risks and uncertainties

The major risks to which King's is exposed are assessed by the Finance Committee reporting to Council, using the College's Risk Register. The principal risks the College must address relate to its ability to maintain and develop its educational and research activity and, as part of that, to attract the best academic and non-academic staff, and to maintain and enhance its physical facilities.

Key financial uncertainties and risks, and the measures taken to manage them, are:

- Weak or volatile macro environment preventing recovery of operating surplus. The College has prepared scenario forecasts around the recovery of operating surplus, investment income, and investment valuations, and is reviewing this on an ongoing basis as the macroeconomic, geopolitical and UK policy contexts evolve. The College's processes for in-year performance management include a regular assessment of income and expenditure across departments and early identification of variances against forecasts.

- Movements in investment markets reducing the value of the Endowment. The College's Investments Committee considers, with independent advice, what is the sustainable investment return and reports this to the Annual Congregation. The target spending rate is set at a prudent level to preserve the Endowment in real terms, and the Investment Committee aims to reduce volatility so as to protect the College's income from rapid changes in the investment markets.
- Unexpected in-year operational or capital expenditure. The College regularly monitors spending across all departments and material variances are discussed by the Finance Committee with appropriate actions taken in response. Significant in-year changes require approval from the College Council and, for larger sums, from the Governing Body. The risk of financial errors or fraud is mitigated by controls set out in financial regulations and monitored by the Finance department. The condition of the College estate is assessed through regular surveys, the incidence of complaints or accidents, and maintenance and refurbishment activity is undertaken with appropriate resourcing to preserve the condition of estate. Other operational risks with a financial impact are monitored through the College's Risk Register with appropriate mitigations regularly reviewed.

The College monitors and manages risks more widely through the internal control processes outlined in the Statement of Internal Control below.

Responsibilities of the College Council

The Council is responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the *Statement of Recommended Practice: Accounting for Further and Higher Education*.

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

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

The College has prepared a detailed budget covering the period to 30 June 2026 as well as a five-year forecast of expected demands on the College's operating position and capital expenditure. Accordingly, the trustees believe the College's financial resources are sufficient to ensure there are no material uncertainties around its ability to continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements, and have therefore prepared the financial statements on the going concern basis.

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

the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement of Internal Control

The Council is responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Council is responsible, in accordance with the College's Statutes. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.

The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process was in place for the year ended 30 June 2025 and up to the date of approval of the financial statements.

The Council is responsible for reviewing the effectiveness of the system of internal control. The following processes have been established. The Council has sixteen regular meetings each year and, as part of the annual planning round, considers the major risks to which the College and its subsidiary undertakings are exposed and satisfies itself that systems or procedures are established to manage those risks.

Key controls used by the College include:

- Strategic planning, budgeting, management accounting and cashflow forecasting;
- Authorisation and approval levels;
- Risk-management process overseen by Finance Committee;
- Formal agendas and clear terms of reference for all committee and Council activity; and
- Formal written policies in significant areas such as health and safety and safeguarding.

The College is improving these controls through various refinements, including financial reviews of key departments, and increased resourcing of central functions, including Finance, Legal and Governance, and Human Resources.

The Council's oversight of internal controls is informed by the work of the committees and College Officers, including the College Audit and Scrutiny Committee, and by comments made by the external auditors in their management letter and other reports.

Outlook


King's is fortunate to have significant operational capabilities and investment assets in support of its charitable mission. These have allowed the College to continue to invest in a difficult environment. The progress made in recent years will provide long-term resilience for our provision and wider community. Equally, we believe the issues facing the higher education sector pose significant

challenges to the further development of the College. In response, we continue to refine our priorities in support of our educational provision, research and unique intellectual and social environment.

On behalf of College Council,

A handwritten signature in black ink, appearing to read 'G. Tett', with a horizontal line underneath.

Gillian Tett
Provost

A handwritten signature in black ink, appearing to read 'Ivan Collister', with a horizontal line underneath.

Ivan Collister
First Bursar

4 December 2025

Independent Auditors' Report to the Council and Governing Body of King's College, Cambridge

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions related to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other

information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of the College Council

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

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

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;
- 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; and
- 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 29 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; and
- 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; and
- we discussed with management actual and potential litigation and claims.

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

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

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

Use of our report

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

PEM Audit Limited

PEM Audit Limited

Registered Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA
Date: 8 December 2025

Statement of Principal Accounting Policies

Basis of preparation

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

The Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate 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.

Going concern

The Trustees have prepared forecasts for the period to 2028 and have considered the impact upon the College and its cash resources and unrestricted reserves. The College has reviewed its income sources and cost base in order to assess its short- and medium-term financial position. The College also has significant investments which could be realised if required.

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

Basis of accounting

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

Basis of consolidation

The financial statements incorporate those of the College and the College's subsidiaries, King's College Cambridge Developments Limited and King's College Cambridge Enterprises Limited.

The accounts do not include the activities of the King's College Student Union and King's College Graduate Society, on the basis that the College does not have control over the operations of these entities.

Recognition of income and investment return

Academic fees

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

Grant Income

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

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

Donations and endowments

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

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

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

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

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

Investment income and change in value of investment assets

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

Total return

The College operates a total return policy with regard to its endowment assets (including property). Spendable income equivalent to 3.85% of the average endowment for the last five years is included as endowment income and investment management costs are charged against capital.

Other income

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

Cambridge Bursary Scheme

The Cambridge Bursary Scheme (CBS) administration has changed from 2016/17:

- The Student Loan Company (SLC) assesses the students for CBS eligibility.

- The SLC pays the student direct for the CBS payment and then takes the money from the College by direct debit.
- At the end of term, the University provides the College with a list of students and a breakdown of the University and College contributions.

The College has shown the gross payment made to eligible students and a contribution from the University as Income under “Academic Fees and Charges.

The net payment of £201k is shown within the Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£254k
Expenditure	£455k

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.

Pension schemes

The College pays contributions to three pension schemes which provide benefits to its members based on final pensionable salary and one defined contribution pension scheme, ‘NOW: Pensions’. The assets of these schemes are held separately from those of the College.

Universities Superannuation Scheme

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

Cambridge Colleges Federated Pension Scheme

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

Actuarial valuations are obtained at least triennially and are updated at each balance sheet date for accounting purposes. The assets of the Scheme are measured at fair value, and liabilities are estimated on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond. The resulting net asset or liability is presented separately after total assets less current liabilities on the face of the balance sheet.

Church of England Funded Pensions Scheme

The College participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Employer and the other participating employers.

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

The scheme is considered to be a multi-employer scheme as described in section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pension costs charged to the Statement of Comprehensive Income and Expenditure in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions.

NOW: Pensions

The College also operates a defined contribution scheme NOW: Pensions. This is a UK multi-employer pension fund and the pension charge represents the amounts payable by the College to the fund in respect of the year.

Fixed assets

Land and buildings

College land and buildings used for operational purposes (to house College Members) are stated at depreciated replacement cost at the 30 June 2024 following a revaluation review carried out by professional valuers, Gerald Eve. Freehold buildings are depreciated on a straight-line basis over their expected useful economic lives with a range for the different buildings (excluding the Chapel) between 45 years to 115 years. The Chapel is depreciated over 200 years. Freehold land is not shown separately and is not depreciated. Assets 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.

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

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

Maintenance of premises

The cost of major refurbishment is capitalised and depreciated over the expected useful economic life. The cost of routine maintenance under £10,000 is charged to the Statement of Comprehensive Income and Expenditure as it is incurred.

Plant, furniture, fittings and equipment

Plant, furniture, fittings and equipment are capitalised at cost. Depreciation is provided in equal annual instalments over the estimated useful lives of the assets, which are as follows:

Plant	20 to 35 years
Furniture and equipment	10 years
Computer equipment	5 years

Heritage assets

The College holds and conserves a number of collections, exhibits, artefacts and other assets of historical, artistic or scientific importance. Heritage assets acquired before 1 July 2006 have not been capitalised since reliable estimates of cost or value are not available on a cost-benefit basis. Acquisitions since 1 July 2006 have been capitalised at cost or, in the case of donated assets, at expert valuation on receipt. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

Investments

Securities

Securities listed on a recognised stock exchange are shown at their market value, i.e. the middle market quotation ruling at the close of business on 30 June, translated for overseas investments into sterling at the rates of exchange ruling at that date. Unlisted securities are shown at the Governing Body's estimate of fair value.

Investment income is included as and when dividends and interest become payable. Interest on bank deposits is included as earned. Interest purchased or sold as part of the price for investments is treated as capital rather than being brought into the statement of comprehensive income and expenditure.

Properties

The College has used external advisors to carry out desktop valuations of its investment properties and carries out a full valuation periodically.

Other investments

Shared equity housing interests are stated at cost. Royalties are held at valuation and are valued periodically by independent valuers.

Stocks

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

Provisions

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

Contingent liabilities and assets

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

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

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

Financial instruments

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

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

Financial assets

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

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 and Expenditure. Where the investment in equity instruments is not publicly traded and where the fair value cannot be reliably measured, the assets are measured at cost less impairment. Investments in property or other physical assets do not constitute a financial instrument and are not included.

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

Financial liabilities

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

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

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

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

Employment benefits

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

Reserves

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

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

Taxation

The College is a registered charity (number 1139422) and also a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section

256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

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

Contribution under Statute G,II

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

Critical accounting estimates and judgements

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

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

- Income recognition – Judgement is applied in determining the value and timing of certain income items to be recognised in the accounts. This includes determining when performance related conditions have been met and determining the appropriate recognition timing for donations, bequests and legacies. In general, the later are recognised when at the probate stage.
- Useful lives of property, plant and equipment – Property, plant and equipment represent a significant proportion of the College's total assets. Therefore the estimated useful lives can have a significant impact on the depreciation charged and the College's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets, professional advice and anticipation of future events. Details of the carrying values of property, plant and equipment are shown in note 10.
- Recoverability of debtors – The provision for doubtful debts is based on the College's estimate of the expected recoverability of those debts. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due.
- Investment property – Properties are revalued to their fair value at the reporting date by either Bidwells or Savills. The valuation is based on the assumptions and judgements which are impacted by a variety of factors including market and other economic conditions.
- Retirement benefit obligations – The cost of defined benefit pension plans 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 25.

Management are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the accounts.

As the College is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2038. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in note 25.

All other accounting judgements and estimates are detailed under the appropriate accounting policy.

Statement of Comprehensive Income and Expenditure

Year ended 30 June 2025

	Note	2025 Unrestricted £000	2025 Restricted £000	2025 Endowment £000	2025 Total £000	2024 Unrestricted £000	2024 Restricted £000	2024 Endowment £000	2024 Total £000
INCOME									
Academic fees and charges	1	3,770	254	-	4,024	3,536	299	-	3,835
Accommodation, catering and conferences	2	8,205	-	-	8,205	7,738	-	-	7,738
Investment income	3	829	547	4,468	5,844	642	571	3,823	5,036
Endowment return transferred	3	3,071	3,209	(6,280)	-	3,064	3,140	(6,204)	-
Other income	4	4,461	-	-	4,461	3,841	-	-	3,841
Total income before donations and endowments		20,336	4,010	(1,812)	22,534	18,821	4,010	(2,381)	20,450
Donations		1,193	662	-	1,855	444	408	-	852
New endowments		-	3,505	5,666	9,171	-	3,182	22	3,204
Capital donations for assets		-	829	-	829	-	82	-	82
Total Income		21,529	9,006	3,854	34,389	19,265	7,682	(2,359)	24,588
EXPENDITURE									
Education	5	6,721	4,272	-	10,993	6,436	3,673	-	10,109
Accommodation, catering and conferences	6	10,232	260	-	10,492	9,930	238	-	10,168
Other expenditure	7	3,853	1,194	610	5,657	3,255	1,159	742	5,156
Change in USS pension deficit recovery provision contributions	17	-	-	-	-	(2,040)	-	-	(2,040)
Contribution under Statute G,II		132	-	-	132	118	-	-	118
Total expenditure		20,938	5,726	610	27,274	17,699	5,070	742	23,511
Surplus/(deficit) before other gains and losses		591	3,280	3,244	7,115	1,566	2,612	(3,101)	1,077
Gain/(loss) on investments		1,023	1,536	7,206	9,765	1,888	4,705	15,304	21,897
Surplus for the year		1,614	4,816	10,450	16,880	3,454	7,317	12,203	22,974
Other comprehensive income									
Unrealised surplus on revaluation of fixed assets		-	-	-	-	-	-	-	-
Actuarial gain/(loss) in respect of pension schemes	17	217	-	-	217	175	-	-	175
Total comprehensive income for year		1,831	4,816	10,450	17,097	3,629	7,317	12,203	23,149

The notes on pages 35 to 57 form part of these accounts.

Statement of Changes in Reserves

Year ended 30 June 2025

	Unrestricted £000	Restricted £000	Endowment £000	Total £000
Balance at 1 July 2024	264,553	69,632	120,145	454,330
Surplus from income and expenditure statement	1,614	4,816	10,450	16,880
Other comprehensive income/(expenditure)	217	-	-	217
Transfer in year	-	-	-	-
Release of restricted capital funds spent in the year	516	(516)	-	-
Balance at 30 June 2025	<u>266,900</u>	<u>73,932</u>	<u>130,595</u>	<u>471,427</u>

	Unrestricted £000	Restricted £000	Endowment £000	Total £000
Balance at 1 July 2023	260,557	62,682	107,942	431,181
Surplus from income and expenditure statement	3,454	7,317	12,203	22,974
Other comprehensive income/(expenditure)	175	-	-	175
Release of restricted capital funds spent in the year	367	(367)	-	-
Balance at 30 June 2024	<u>264,553</u>	<u>69,632</u>	<u>120,145</u>	<u>454,330</u>

The notes on pages 35 to 57 form part of these accounts.

Consolidated and College Balance Sheets

As at 30 June 2025

	Note	Group 2025 £000	College 2025 £000	Group 2024 £000	College 2024 £000
NON-CURRENT ASSETS					
Tangible assets	10	244,089	244,058	245,574	245,481
Heritage assets	11	2,236	2,236	1,839	1,839
Investment assets	12	232,533	232,533	218,340	218,340
Total non-current assets		478,858	478,827	465,753	465,660
CURRENT ASSETS					
Stocks - good for resale		4,205	38	4,202	34
Trade and other receivables	13	3,280	8,596	4,273	10,177
Cash and cash equivalents	14	9,909	8,168	5,185	3,040
Total current assets		17,394	16,802	13,660	13,251
CREDITORS: amounts falling due within one year	15	(7,838)	(7,222)	(7,678)	(7,184)
NET CURRENT ASSETS		9,556	9,580	5,982	6,067
TOTAL ASSETS LESS CURRENT LIABILITIES		488,414	488,407	471,735	471,727
CREDITORS: amounts falling due after more than one year	16	(15,359)	(15,359)	(15,564)	(15,564)
Provisions					
Pension provisions	17	(1,628)	(1,628)	(1,841)	(1,841)
TOTAL NET ASSETS		471,427	471,420	454,330	454,322
RESTRICTED RESERVES					
Income and expenditure reserve – endowment reserve	18	130,595	130,595	120,145	120,145
Income and expenditure reserve – restricted reserve	19	73,932	73,932	69,632	69,632
		204,527	204,527	189,777	189,777
UNRESTRICTED RESERVES					
Income and expenditure reserve – unrestricted reserve		261,526	261,519	259,179	259,171
Revaluation reserve		5,374	5,374	5,374	5,374
		266,900	266,893	264,553	264,545
TOTAL RESERVES		471,427	471,420	454,330	454,322

Approved by Council on 18 November 2025 and signed on their behalf by:

Dr Ivan Collister, First Bursar 

The notes on pages 35 to 57 form part of these accounts.

Consolidated Cash Flow Statement

Year ended 30 June 2025

	2025 £000	2024 £000
Surplus for the year	16,880	22,974
Adjustment for non-cash items		
Depreciation	3,701	3,552
Non-cash donations or donated shares	(2,172)	(25)
Loss/(gain) on endowments, donations and investment property	(9,765)	(21,897)
Pension scheme (credit)/debit	3	(1,975)
(Increase)/decrease in stocks	(4)	(244)
(Increase)/decrease in debtors	993	786
Increase/(decrease) in creditors	(45)	(2,997)
Adjusting for investing or financing activities		
Investment income	(7,656)	(7,416)
Interest payable	667	667
Profit on sale of non-current assets	-	-
Net cash flows from operating activities	<u>2,602</u>	<u>(6,575)</u>
Cash flows from investing activities		
Investment income	5,259	5,558
Non-current investment disposal	362	12,093
Payments to acquire non-current fixed assets	(2,215)	(7,615)
Payments to acquire non-current heritage assets	(397)	(142)
Payments to acquire non-current investments	(220)	(520)
Net cash flows from investing activities	<u>2,789</u>	<u>9,374</u>
Cash flows from financing activities		
Interest paid	(667)	(667)
	<u>(667)</u>	<u>(667)</u>
Increase/(decrease) in cash and cash equivalents in the year	<u>4,724</u>	<u>2,132</u>
Cash and cash equivalents at beginning of year	5,185	3,053
Increase/(decrease) in cash and cash equivalents in the year	4,724	2,132
Cash and cash equivalents at end of the year (note 14)	<u>9,909</u>	<u>5,185</u>

The notes on pages 35 to 57 form part of these accounts.

Notes to the Financial Statements

As at 30 June 2025

1. ACADEMIC FEES AND CHARGES

	2025 £000	2024 £000
College fees:		
Fee income received at the Regulated Undergraduate rate	1,786	1,792
Fee income received at the Unregulated Undergraduate rate	691	676
Fee income received at the Graduate rate	1,215	1,008
	<hr/>	<hr/>
Total fee income	3,692	3,476
Other academic income	78	60
Cambridge Bursary Scheme	254	299
	<hr/>	<hr/>
Total	4,024	3,835
	<hr/>	<hr/>

2. INCOME FROM ACCOMMODATION, CATERING AND CONFERENCES

	2025 £000	2024 £000
Accommodation		
College members	4,561	4,650
International programmes	260	186
Third parties	731	482
Catering		
College members	875	959
International programmes	130	93
Third parties	1,648	1,368
	<hr/>	<hr/>
Total	8,205	7,738
	<hr/>	<hr/>

Notes to the Financial Statements

3. ENDOWMENT RETURN AND INVESTMENT INCOME

	2025 £000	2024 £000
3a. Analysis of Investment Income		
Income drawdown from endowment (note 3b)	6,280	6,204
Other investment income	547	571
Restrictive covenants	27	-
Rent from King's College School	411	392
Cash balances and shared equity properties	266	116
Royalties	125	134
	<u>7,656</u>	<u>7,417</u>
Gains/(losses) on investment assets:		
Gains on total return investment assets (below)	10,250	22,832
(Losses)/gains on other investment assets	(485)	(935)
	<u>9,765</u>	<u>21,897</u>
3b. Summary of Total Return		
<u>Income from:</u>		
Freehold land and buildings	1,609	1,677
Quoted securities and cash	2,859	2,146
	<u>4,468</u>	<u>3,823</u>
<u>Gains/(losses) on total return investment assets:</u>		
Freehold land and buildings	1,612	439
Quoted securities and cash	8,638	22,393
	<u>10,250</u>	<u>22,832</u>
<u>Investment management costs in respect of:</u>		
Freehold land and buildings	(381)	(576)
Quoted securities and cash	(229)	(166)
	<u>(610)</u>	<u>(742)</u>
Total return for the year	14,108	25,913
Transfer to income and expenditure reserve (note 3a)	<u>(6,280)</u>	<u>(6,204)</u>
Unapplied total return for year included within Statement of Comprehensive Income and Expenditure (see note 20)	<u>7,828</u>	<u>19,709</u>

Notes to the Financial Statements

4. OTHER INCOME

	2025 £000	2024 £000
Tourist admissions and shop sales	3,885	3,335
Chapel and choir	447	373
Other income	129	133
	<hr/>	<hr/>
Total	<u>4,461</u>	<u>3,841</u>

5. EDUCATION EXPENDITURE

	2025 £000	2024 £000
Teaching	3,716	3,500
Tutorial	1,108	1,017
Admissions - General	621	614
Admissions - Access and Widening Participation	1,233	1,032
Research	1,807	1,495
Scholarships and awards	1,653	1,670
Other educational facilities	855	781
	<hr/>	<hr/>
Total	<u>10,993</u>	<u>10,109</u>

6. ACCOMMODATION, CATERING AND CONFERENCES EXPENDITURE

	2025 £000	2024 £000
Accommodation		
College members	5,771	5,680
Third parties	1,459	1,434
Catering		
College members	2,211	2,065
Third parties	1,051	989
	<hr/>	<hr/>
Total	<u>10,492</u>	<u>10,168</u>

Notes to the Financial Statements

7. OTHER EXPENDITURE

	2025 £000	2024 £000
Investment management costs	756	892
Loan interest	667	667
Tourist admission and shop expenditure	1,225	981
Chapel expenditure	2,235	1,945
Development	223	203
USS pension interest charge	-	57
CCFPS pension interest charge	131	128
Other expenditure	420	283
Total	5,657	5,156
Included within other costs is auditors' remuneration as follows:		
Fees payable to the College's auditors for the audit of the College's annual accounts	42	40
Fees payable to the College's auditors for the audit of the College's subsidiaries	12	11
Total fees payable	54	51

8. ANALYSIS OF EXPENDITURE BY ACTIVITY

	Staff costs (Note 9a) £000	Other operating expenses £000	Deprecia- tion £000	Total £000
2024/25				
Education	4,591	5,535	867	10,993
Accommodation, catering and conferences	4,570	3,284	2,638	10,492
Other	2,018	3,443	196	5,657
Change in USS provision	-	-	-	-
Contribution under Statute G,II	-	132	-	132
	11,179	12,394	3,701	27,274
2023/24				
Education	4,155	5,122	832	10,109
Accommodation, catering and conferences	4,223	3,413	2,532	10,168
Other	1,719	3,249	188	5,156
Change in USS provision	(2,040)	-	-	(2,040)
Contribution under Statute G,II	-	118	-	118
	8,057	11,902	3,552	23,511

The above expenditure includes £616k as the cost of fundraising (2023/24: £602k).

Notes to the Financial Statements

9a. STAFF EXPENDITURE

	College fellows £000	Non- academic £000	Total 2025 £000	Total 2024 £000
Staff costs				
Salaries and wages	2,342	7,133	9,475	8,538
National Insurance	173	700	873	726
Pension costs	164	667	831	925
Net change in USS deficit recovery provision (see Note 17)	-	-	-	(2,132)
Subtotal of pension costs (see Note 9b)	164	667	831	(1,207)
	<u>2,679</u>	<u>8,500</u>	<u>11,179</u>	<u>8,057</u>

Based on the 2023 valuation of the Universities Superannuation Scheme (USS), the impact of the net change in the USS deficit recovery provision is £0 (2023/24: credit of £2,132,676). The 2023/24 credit comprises a non-cash credit resulting from the change in assumptions, including the discount rate, of £2,040,207 and cash contributions made to reduce the deficit in the year of £92,469.

Average staff numbers	No. of Fellows	FTE non- academic staff
2024/25	<u>105</u>	<u>204</u>
2023/24	<u>112</u>	<u>191</u>

At the balance sheet date there were 135 members of the Governing Body. During the year the average number receiving remuneration was the 105 shown above.

The number of officers or employees of the College, including Head of House and School, who received remuneration (including 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) in the following ranges were:

	2025	2024
£100,000-£109,999	2	3
£110,000-£119,999	1	1
£120,000-£129,999	3	1
£130,000-£139,999	1	-
£140,000-£149,999	-	1
£150,000-£159,999	-	-
	<u> </u>	<u> </u>

Notes to the Financial Statements

During the year remuneration paid to key management personnel in their capacity as College Fellows were:	2025 £000	2024 £000
Key management personnel aggregated remuneration	<u>789</u>	<u>739</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College. The aggregated remuneration paid to key management personnel consists of salary, employer's national insurance contributions, employer's pension contributions, plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements. Key management personnel include the trustees, the Provost, the First Bursar, the Domus Bursar and the Senior Tutor.

9b. PENSION COSTS

The total pension cost included in staff costs for the year (see note 9a) was:

	Employer contributions 2024/25	Provisions (Note 17) 2024/25	Total 2024/25 £000	Employer contributions 2023/24	Provisions (Note 17) 2023/24	Total 2023/24 £000
USS	329	-	329	430	(2,132)	(1,702)
CCFPS	-	131	131	-	128	128
Other	371	-	371	367	-	367
Total	<u>700</u>	<u>131</u>	<u>831</u>	<u>797</u>	<u>(2,004)</u>	<u>(1,207)</u>

Notes to the Financial Statements

10. FIXED ASSETS

a) CONSOLIDATED

	<u>Freehold</u>	<u>Buildings</u>	<u>Asset in Course of Construction</u>	<u>Plant, Furniture and equipment</u>	<u>Computer Equipment</u>	Group 2025 £000	Group 2024 £000
Cost	<u>Land</u>						
At 1 July 2024	83,998	111,295	1,788	55,810	1,279	254,170	247,692
Additions	-	1,597	49	500	119	2,265	7,615
Disposals	-	-	-	(49)	-	(49)	-
Transfer from assets in construction	-	-	-	-	-	-	-
Transfer (to)/from investment properties	-	-	-	-	-	-	(1,137)
At 30 June 2025	<u>83,998</u>	<u>112,892</u>	<u>1,837</u>	<u>56,261</u>	<u>1,398</u>	<u>256,386</u>	<u>254,170</u>
Depreciation							
At 1 July 2024	-	2,614	-	5,211	771	8,596	5,101
Charge for the year	-	1,302	-	2,292	113	3,707	3,551
Transfer (to)/from investment properties	-	-	-	-	-	-	(56)
Disposals	-	-	-	(6)	-	(6)	-
At 30 June 2025	<u>-</u>	<u>3,916</u>	<u>-</u>	<u>7,497</u>	<u>884</u>	<u>12,297</u>	<u>8,596</u>
Net book value – 2025	<u>83,998</u>	<u>108,976</u>	<u>1,837</u>	<u>48,764</u>	<u>514</u>	<u>244,089</u>	<u>245,574</u>
Net book value – 2024	<u>83,998</u>	<u>108,681</u>	<u>1,788</u>	<u>50,599</u>	<u>508</u>	<u>245,574</u>	

b) COLLEGE

	<u>Freehold</u>	<u>Buildings</u>	<u>Asset in Course of Construction</u>	<u>Plant, Furniture and equipment</u>	<u>Computer Equipment</u>	College 2025 £000	College 2024 £000
Cost	<u>Land</u>						
At 1 July 2024	83,998	111,304	1,788	55,531	1,192	253,813	247,374
Additions	-	1,599	49	498	119	2,265	7,576
Disposals	-	-	-	-	-	-	-
Transfer from assets in construction	-	-	-	-	-	-	-
Transfer (to)/from investment properties	-	-	-	-	-	-	(1,137)
At 30 June 2025	<u>83,998</u>	<u>112,903</u>	<u>1,837</u>	<u>56,029</u>	<u>1,311</u>	<u>256,078</u>	<u>253,813</u>
Depreciation							
At 1 July 2024	-	2,612	-	5,030	690	8,332	4,856
Charge for the year	-	1,301	-	2,275	112	3,688	3,532
Disposals	-	-	-	-	-	-	-
Transfer (to)/from investment properties	-	-	-	-	-	-	(56)
At 30 June 2025	<u>-</u>	<u>3,913</u>	<u>-</u>	<u>7,305</u>	<u>802</u>	<u>12,020</u>	<u>8,332</u>
Net book value - 2025	<u>83,998</u>	<u>108,990</u>	<u>1,837</u>	<u>48,724</u>	<u>509</u>	<u>244,058</u>	<u>245,481</u>
Net book value - 2024	<u>83,998</u>	<u>108,692</u>	<u>1,788</u>	<u>50,501</u>	<u>501</u>	<u>245,481</u>	

Notes to the Financial Statements

10. FIXED ASSETS (continued)

- c) The insured value of freehold land and buildings as at 30 June 2025 was £352 million (£321 million at 30 June 2024).

11. HERITAGE ASSETS

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

As stated in the statement of principal accounting policies, heritage assets acquired since 1 July 2006 have been capitalised. However, the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of cost or valuation are not available for these on a cost-benefit basis, they have not been capitalised. As a result the total included in the balance sheet is partial.

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

	2025 £000	2024 £000	2023 £000	2022 £000	2021 £000	2020 £000
Balance at beginning of year	1,839	1,696	1,481	1,481	1,481	1,481
Acquisitions purchased with specific donations	397	142	215	-	-	-
Acquisitions purchased with College funds	-	-	-	-	-	-
Total cost of acquisitions purchased	397	142	215	-	-	-
Balance at end of year	2,236	1,839	1,696	1,481	1,481	1,481

Notes to the Financial Statements

12. INVESTMENTS ASSETS

	Group 2025 £000	College 2025 £000	Group 2024 £000	College 2024 £000
Balance at beginning of year	218,340	218,340	205,058	205,058
Additions	2,392	2,392	535	535
Disposals	(765)	(765)	(8,750)	(8,750)
Gain/(loss)	9,794	9,794	21,609	21,609
Transfer to operational buildings	-	-	1,082	1,082
Increase/(decrease) in cash balances held	2,772	2,772	(1,194)	(1,194)
Balance at end of year	<u>232,533</u>	<u>232,533</u>	<u>218,340</u>	<u>218,340</u>
Represented by:				
Quoted securities and unit trusts	167,237	167,237	158,191	158,191
Quoted securities – fixed interest	697	697	647	647
Freehold land and buildings	44,616	44,616	43,477	43,477
Investment in subsidiary undertakings	-	-	-	-
Unlisted securities	13,221	13,221	12,014	12,014
Cash with fund managers	3,250	3,250	479	479
College joint equity scheme	2,410	2,410	2,430	2,430
Literary royalties	1,102	1,102	1,102	1,102
Total	<u>232,533</u>	<u>232,533</u>	<u>218,340</u>	<u>218,340</u>

Subsidiary Undertakings

	Holding	Proportion of voting rights	Country of Incorporation	Nature of Business
At 30 June 2025, Kings College held an investment in the following companies:				Provision of conference facilities
King's College Cambridge Enterprises Ltd	Ordinary	100%	United Kingdom	Provision of development facilities
King's College Cambridge Developments Ltd	Ordinary	100%	United Kingdom	

13. TRADE AND OTHER RECEIVABLES

	Group 2025 £000	College 2025 £000	Group 2024 £000	College 2024 £000
Members of the College	71	71	87	87
Trade debtors	366	365	376	373
Amounts due from subsidiary companies	-	5,371	-	5,955
Other debtors	2,843	2,789	3,810	3,762
	<u>3,280</u>	<u>8,596</u>	<u>4,273</u>	<u>10,177</u>

Included in other debtors is £358,975 (2024: £564,103) that is due in more than one year.

Notes to the Financial Statements

14. CASH AND CASH EQUIVALENTS

	Group 2025 £000	College 2025 £000	Group 2024 £000	College 2024 £000
Bank deposits	7,637	7,637	2,581	2,581
Current accounts	2,266	527	2,598	455
Cash in hand	6	4	6	4
	<u>9,909</u>	<u>8,168</u>	<u>5,185</u>	<u>3,040</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £000	College 2025 £000	Group 2024 £000	College 2024 £000
Bank loan	205	205	205	205
Members of the College	278	278	233	233
Trade creditors	593	456	634	540
Accruals and deferred income	3,429	2,942	2,834	2,434
Social security, pension and taxes	688	691	588	594
University fees	1,589	1,589	2,004	2,004
Contribution to Colleges fund	132	132	118	118
Amounts due to subsidiary companies	-	-	-	-
Other creditors	924	929	1,062	1,056
	<u>7,838</u>	<u>7,222</u>	<u>7,678</u>	<u>7,184</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2025 £000	College 2025 £000	Group 2024 £000	College 2024 £000
Project Tintagel loan	15,000	15,000	15,000	15,000
School bank loan	359	359	564	564
	<u>15,359</u>	<u>15,359</u>	<u>15,564</u>	<u>15,564</u>

In 2014 the College borrowed from institutional investors (Project Tintagel loan), collectively with other Colleges. The College's share was £15 million. The loans are unsecured and repayable during the period 2043-2053 and are at fixed interest rates of approximately 4.4%. Although issued through a funding vehicle, the College has no responsibility for the obligations of any other of the issuing Colleges.

In 2018 the College took out a bank loan of £2 million on behalf of the School to help fund the building of the Sports Centre. The loan is to be repaid over 10 years at a fixed interest rate of 2.99%. The balance falling due after more than one year at 30 June 2025 was £358,975.

Notes to the Financial Statements

17. PENSION PROVISIONS

	CCFPS £000	USS £000	Total 2025 £000	Total 2024 £000
Balance at beginning of year	(1,841)	-	(1,841)	(3,993)
Movement in year:				
Current service cost	-	-	-	-
Contributions paid by the College	127	-	127	28
Change in expected contribution	-	-	-	-
Finance cost	(131)	-	(131)	(184)
Actuarial gains recognised in statement of comprehensive income and expenditure	217	-	217	175
Net change in underlying assumptions (see Note 9b) -				
- Change in underlying assumptions	-	-	-	2,040
- USS deficit contributions payable	-	-	-	92
Balance at end of year	<u>(1,628)</u>	<u>-</u>	<u>(1,628)</u>	<u>(1,841)</u>

18. ENDOWMENTS

Group and College	Restricted Permanent Endowments 2025 £000	Unrestricted Permanent Endowments 2025 £000	Total 2025 £000	Total 2024 £000
Balance at beginning of year:				
Capital	45,085	75,060	120,145	107,942
New donations and endowments	5,666	-	5,666	22
Increase in market value of investments	1,891	2,893	4,784	12,181
Balance at end of year	<u>52,642</u>	<u>77,953</u>	<u>130,595</u>	<u>120,145</u>
Analysis by type of purpose:				
Student support	30,991	-	30,991	29,678
Fellowship	11,831	-	11,831	6,067
Chapel and choir	4,756	-	4,756	4,473
Other funds	5,064	-	5,064	4,867
General endowments	-	77,953	77,953	75,060
	<u>52,642</u>	<u>77,953</u>	<u>130,595</u>	<u>120,145</u>

Notes to the Financial Statements

18. ENDOWMENTS (continued)

	Restricted Permanent Endowments	Unrestricted Permanent Endowments	Total 2025 £000	Total 2024 £000
Analysis by asset:				
Property	10,101	14,954	25,055	23,924
Investments	41,805	61,909	103,714	95,957
Cash	736	1,090	1,826	264
	<u>52,642</u>	<u>77,953</u>	<u>130,595</u>	<u>120,145</u>

19. RESTRICTED RESERVES

	Capital grants unspent £000	Permanent unspent and other restricted income £000	Restricted expendable endowment £000	Total 2025 £000	Total 2024 £000
Group and College					
Balance at beginning of year	<u>899</u>	<u>11,118</u>	<u>57,615</u>	<u>69,632</u>	<u>62,682</u>
Comprising:					
Capital	-	-	57,615	57,615	51,290
Unspent income	<u>899</u>	<u>11,118</u>	<u>-</u>	<u>12,017</u>	<u>11,392</u>
Balance at beginning of year	899	11,118	57,615	69,632	62,682
New grants	829	-	-	829	80
New donations	-	533	3,504	4,037	3,500
Endowment return transferred	-	1,656	1,548	3,204	3,139
Other income	-	547	255	802	870
Increase/(decrease) in market value of investments	-	172	1,360	1,532	4,704
Expenditure	-	(2,046)	(3,544)	(5,590)	(4,976)
Capital grants utilised	(514)	-	-	(514)	(367)
Transfer	(125)	60	65	-	-
Balance at end of year	<u>1,089</u>	<u>12,040</u>	<u>60,803</u>	<u>73,932</u>	<u>69,632</u>
Comprising:					
Capital	-	-	60,803	60,803	57,615
Unspent income	<u>1,089</u>	<u>12,040</u>	<u>-</u>	<u>13,129</u>	<u>12,017</u>
Balance at end of year	<u>1,089</u>	<u>12,040</u>	<u>60,803</u>	<u>73,932</u>	<u>69,632</u>

Notes to the Financial Statements

19. RESTRICTED RESERVES (continued)

Analysis of other restricted funds/donations by type of purpose:	Capital grants unspent £000	Permanent unspent and other restricted income £000	Restricted expendable endowment £000	Total 2025 £000	Total 2024 £000
Student support	-	7,703	24,288	31,991	29,235
Fellowship	-	959	8,632	9,591	8,840
Chapel and choir	-	2,175	18,224	20,399	20,711
Buildings	1,089	-	3,410	4,499	4,181
Other funds	-	1,203	6,249	7,452	6,665
	<u>1,089</u>	<u>12,040</u>	<u>60,803</u>	<u>73,932</u>	<u>69,632</u>

20. MEMORANDUM OF UNAPPLIED TOTAL RETURN

Memorandum of Unapplied Total Return	2025 £000	2024 £000
Within reserves the following amounts represent the Unapplied Total Return of the College:		
Unapplied total return at the beginning of year	133,405	113,696
Unapplied total return for the year (note 3b)	<u>7,828</u>	<u>19,709</u>
Unapplied total return at end of year	<u>141,233</u>	<u>133,405</u>

21. RECONCILIATION AND ANALYSIS OF NET DEBT

	At 30 June 2024 £000	Cash Flows £000	New finance leases £000	Other non-cash changes £000	At 30 June 2025 £000
Cash and cash equivalents	5,185	4,724	-	-	9,909
Borrowings: Amount falling due within one year:					
Secured loans	(205)	-	-	-	(205)
Borrowings: Amount falling due after more than one year:					
Secured loans	<u>(15,564)</u>	<u>205</u>	<u>-</u>	<u>-</u>	<u>(15,359)</u>
Total net debt	<u>(10,584)</u>	<u>4,929</u>	<u>-</u>	<u>-</u>	<u>(5,655)</u>

Notes to the Financial Statements

22. FINANCIAL INSTRUMENTS

	2025 £000	2024 £000
Financial assets at fair value through Statement of Comprehensive income		
Listed equity investments (note 12)	167,934	158,838
Other equity investments (note 12)	13,221	12,014
Financial assets that are debt instruments measured at amortised cost		
Cash and cash equivalents (note 12 and 14)	13,159	5,664
Other equity investments (note 12)	2,410	2,430
Other debtors	1,452	1,765
Financial liabilities		
Financial liabilities measured at amortised cost		
Loans (note 15 and 16)	15,564	15,769
Trade creditors (note 15)	593	634
Other creditors (note 15)	5,451	4,835

23. CAPITAL COMMITMENTS

Authorised future capital expenditure amounted to £90,000 at 30 June 2025 in respect of a masterplanning study (£618,000 at 30 June 2024). In addition, the College has committed to invest a further £2,000,000 in private equity funds.

24. FINANCIAL COMMITMENTS

At 30 June 2025 and 2024 the College had no annual commitments under non-cancellable operating leases. In support of enhanced student facilities over the long term, the College has made an offer to purchase a nearby site, on Mill Lane, subject to the relocation of current occupants by July 2027.

25. PENSION SCHEMES

The College and its subsidiary undertakings participate in four defined benefit schemes and one defined contribution scheme.

The total pension cost for the year was as follows:

Notes to the Financial Statements

25. PENSION SCHEMES (continued)

	2025 £000	2024 £000
University Superannuation Scheme (includes FRS 102)	329	(1,702)
Cambridge Colleges' Federated Pension Scheme (includes FRS 102)	131	128
Teachers' Pension Scheme (King's College School in 2022)	-	-
Church of England Funded Pension Scheme	10	11
NOW: Pensions	361	356
	<u>831</u>	<u>(1,207)</u>

University Superannuation Scheme (USS)

The total cost charged to the statement of comprehensive income and expenditure is £329k (2023/24 (£1,702k)).

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 statement of comprehensive income and expenditure.

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

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

The 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 (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

Notes to the Financial Statements

25. PENSION SCHEMES (USS continued)

Discount rate	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post-retirement: 0.9% p.a.
Pension increases (all subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a 'soft cap' of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps

The main demographic 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 0.40% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.80% p.a. for males and 1.60% p.a. for females

The current life expectancies on retirement at age 65 are:

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

Notes to the Financial Statements

Cambridge Colleges Federation Pension Scheme (CCFPS)

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

The liabilities of the plan have been calculated, at 30 June 2025, for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Cambridge Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

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

	2025	2024
	% p.a.	% p.a.
Discount rate	5.50	5.10
RPI assumption	2.90	3.35
CPI assumption: To 2030	1.90	2.35
CPI assumption: From 2031	2.80	3.35

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

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

	Male	Female
Deferred Members – Option 1 Benefits	63	62

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

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

	2025	2024
	£000	£000
Present value of plan liabilities	(10,383)	(11,445)
Market value of plan assets	8,755	9,604
Net defined benefit asset/(liability)	<u>(1,628)</u>	<u>(1,841)</u>

Notes to the Financial Statements

25. PENSION SCHEMES (CCFPS continued)

The amounts to be recognised in Profit and Loss for the year ending 30 June 2025 (with comparative figures for the year ending 30 June 2024) are as follows.

	2025 £000	2024 £000
Current service cost & ongoing expenses	36	28
Interest on net defined benefit (asset)/liability	95	100
	<u> </u>	<u> </u>
Total	<u>131</u>	<u>128</u>

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

	2025 £000	2024 £000
Present value of plan liabilities at beginning of period	11,445	11,595
Current service cost (including Employee contributions)	-	-
Benefits paid	(740)	(679)
Interest on plan liabilities	565	585
Actuarial (gains)/losses	(887)	(56)
	<u> </u>	<u> </u>
Present value of plan liabilities at end of period	<u>10,383</u>	<u>11,445</u>

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

	2025 £000	2024 £000
Market value of plan assets at beginning of period	9,603	9,678
Contributions paid by the College	128	28
Employee contributions	-	-
Benefits paid	(778)	(712)
Interest on plan assets	470	485
Return on assets, less interest included in Profit & Loss	(668)	124
	<u> </u>	<u> </u>
Market value of plan assets at end of period	<u>8,755</u>	<u>9,603</u>
	<u> </u>	<u> </u>
Actual return on plan assets (including interest)	<u>(198)</u>	<u>609</u>

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

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

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

Notes to the Financial Statements

25. PENSION SCHEMES (CCFPS continued)

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

	2025 £000	2024 £000
Return on assets, less interest included in Profit & Loss*	(668)	124
Experience gains and losses arising on plan liabilities	31	46
Changes in assumptions underlying the present value of plan liabilities	854	5
	<u>217</u>	<u>175</u>
Remeasurement of net defined benefit liability recognised in OCI	<u>217</u>	<u>175</u>

Movement in surplus/(deficit) during the year ending 30 June 2025 (with comparative figures for the year ending 30 June 2024) are as follows:

	2025 £000	2024 £000
Surplus/(deficit) in plan at beginning of year	(1,842)	(1,917)
Recognised in Profit and Loss	(131)	(128)
Contributions paid by the College	128	28
Actuarial (loss)/gain recognised in OCI	217	175
	<u>(1,628)</u>	<u>(1,842)</u>
Surplus/(deficit) in plan at the end of the year	<u>(1,628)</u>	<u>(1,842)</u>

Funding Policy

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

The last such valuation was 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 20 June 2024 and are as follows:

* Annual contributions of not less than £92,418 p.a. payable for the period to 31 March 2030 only.

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

Notes to the Financial Statements

25. PENSION SCHEMES (continued)

Church of England Funded Pensions Scheme (CEFPS)

The College participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Comprehensive Income and Expenditure in the year are contributions payable towards benefits and expenses accrued in that year, which were £10k in 2024 (2023: £11k), plus any figures arising from contributions in respect of the Scheme's deficit (see below). The 2021 valuation showed the Scheme to be fully funded and as such in 2023, following the valuation results being agreed, the deficit contributions paid were £0 (2023: £0).

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

- An average discount rate of 2.7% p.a.
- RPI inflation of 3.6% p.a. (and pension increases consistent with this).
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards.
- Increase in pensionable stipends in line with CPIH.
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% p.a. and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

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

The deficit recovery contributions under the recovery plan in force at each 31 December were as follows:

	1 January 2022 to 31 December 2024	1 January 2021 to 31 December 2021
Deficit repair contributions	nil	7.1%

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

Notes to the Financial Statements

25. PENSION SCHEMES (CEFPS continued)

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

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2023 and 31 December 2024 is nil. The movement in the balance sheet liability over 2023 and over 2024 is set out in the table below.

	2024 £'000	2023 £'000
Balance sheet liability at 1 January	-	-
Deficit contribution paid	-	-
Interest cost	-	-
Remaining change to the balance sheet liability*	-	-
Balance sheet liability at 31 December	-	-

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

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

NOW: Pensions

The College operates a defined contribution pension scheme in respect of certain employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the College amounting to £361,000 (2023/24 £356,000).

26. CONTINGENT LIABILITIES

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

27. RELATED PARTY TRANSACTIONS

Owing to the nature of the College's operations and the composition of the College Council, it is inevitable that transactions will take place with organisations in which a College Council member may have an interest. All transactions involving organisations in which a member of the College Council may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

Notes to the Financial Statements

27. RELATED PARTY TRANSACTIONS (continued)

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

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

Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for any private catering. The Trustees remuneration is overseen by the Fellows' Remuneration Committee.

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

From	To	2025 Number	2024 Number
£0	£10,000	11	7
£10,001	£20,000	-	4
£20,001	£30,000	-	1
£30,001	£40,000	1	1
£40,001	£50,000	-	-
£50,001	£60,000	1	-
£60,001	£70,000	-	-
£70,001	£80,000	-	2
£80,001	£90,000	-	-
£90,001	£100,000	-	-
£100,001	£110,000	2	-
£110,001	£120,000	-	-
£120,001	£130,000	-	-
	Total	15	15

The total Trustee salaries were £326,693 for the year (2023/24 £296,529).

The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £78,031 for the year (2023/24 £68,843). In addition, the College has provided shared equity loans to its Fellows that amount to £2,410,000 (2023/24 £2,430,000) at the year end and are included within investment assets.

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

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