

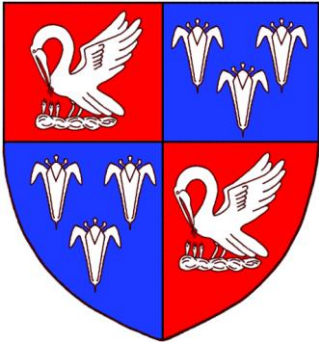


**Corpus Christi College  
Cambridge**

**RECOMMENDED CAMBRIDGE COLLEGE ACCOUNTS (RCCA)**

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**For the financial year ended  
30 June 2017**





**Page No**

**Reference and Administrative Details**

1 - 3 Trustees and Advisors

**Operating and Financial Review**

4 Aims and Objectives

5 - 10 Review of Activity - Financial Review, Plans for the Future and Results

11 - 12 Statement of Public Benefit

13 Corporate Governance

14 Responsibilities of the Governing Body and Internal Control

**15 - 17 Independent Auditors' Report**

**18 - 22 Statement of Principal Accounting Policies**

**23 Consolidated Statement of Comprehensive Income and Expenditure**

**24 Statement of Changes in Reserves**

**25 Consolidated and College Balance Sheets**

**26 Consolidated Cash Flow Statement**

**27 - 45 Notes to the Financial Statements**



## Reference and Administrative Details

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Corpus Christi College, Trumpington Street, Cambridge CB2 1RH

Charity Registration Number 1137453

Charity Exemption Number X6457

VAT Number GB 213 291 049

www.corpus.cam.ac.uk

The College of Corpus Christi and the Blessed Virgin Mary in the University of Cambridge is a corporate body comprising the Master, the Fellows and the Scholars whose registered office is at Trumpington Street, Cambridge, CB2 1RH. The College is a registered charity and is subject to regulation by the Charity Commission for England and Wales. The charity trustees of the College are the members of the Governing Body, being its Official Fellows, appointed by the Governing Body in accordance with the Statutes of the College.

### MEMBERS OF THE GOVERNING BODY AND TRUSTEES OF THE CHARITY

#### **Master**

Stuart Laing MA MPhil

CJB Brookes MA, PhD

Professor CJ Howe MA, PhD, ScD, FLS

R Davis LTCL, LRAM, BMus (Hons) (London), MFA, PhD (Princeton), (31.12.16)

Professor AG Smith BSc (Bristol) ,MPhil, PhD

Professor PC Hewett MA, PhD (Edinburgh)

Professor NE Simmonds MA, LL.M, PhD

Professor M Warner FRS, MA, PhD (London)

PNR Zutshi MA, PhD, FSA

Professor CM Kelly BA (Hons) (Sydney), PhD, FSA

D Greaves MA, PhD

Professor S Godsill MA, PhD

Professor EF Wilson MA, PhD

HPC Robinson MA, PhD

DA Sneath BSc (Ulster), PhD

CFR de Hamel Dphil (Oxford), LittD (Hon, St John's, Minnesota, USA), LittD (Hon, Otago NZ), FSA (31.12.16)

KA Seffen MA, PhD, CMath

Professor JI Warren MA, MPhil, PhD

EJ Winter MA

S Cain MA, MPhil

M Sutherland BSc, MSc, PhD (Toronto)

Professor P Cicuta Laurea (Milan), PhD

B Kushner BA, PhD (Princeton)

JAD Buxton BA (Hons), DipTH (19.09.17)

M Frasca-Spada Laurea (Rome) PhD

S Kapila BA(Panjab), MA (New Dehli), PhD (London)

S Ainger-Brown MA, FCMA, CGMA, FCMI

P Bearcroft MA, MB, Bchir, FRCP, FRCR

Tutor for Advanced Students, College Lecturer in Mathematics, *Affiliated Lecturer in the Faculty of Mathematics*

*Professor of Plant and Microbial Biochemistry*

*Reader in Ethnomusicology*

*Professor of Plant Biochemistry*

*Food and Wine Steward, Professor of Observational Cosmology and Astrophysics*

*Dean of College, Professor of Jurisprudence*

*Professor of Theoretical Physics*

*Graduate Tutor*

*President, Keeper of College Pictures and Fine Furniture, Professor of Ancient History, Laurence Lecturer in Classics*

*Senior Lecturer in Computer Science*

*Tutor, Professor of Statistical Signal Processing*

*Tutor, Professor of French Literature and the Visual Arts*

*Senior Lecturer in Neuroscience*

*Graduate Tutor, Reader in the Anthropology of Political Economy*

*Donnelley Fellow Librarian*

*Reader in Structural Mechanics*

*Tutor, Web Editor, Professor of Ancient Philosophy*

*Development and Communications Director*

*College Teaching Officer in English, Taylor Fellow Librarian*

*Admissions Tutor, Tutor, Affiliated Lecturer in Physics*

*Professor of Biological Physics*

*Reader in Modern Japanese History*

*Dean of Chapel, Warden of Leckhampton*

*Senior Tutor, Affiliated Lecturer in the Department of History and Philosophy of Science, Affiliated Lecturer in the Faculty of Philosophy*

*Lecturer in History*

*Treasurer and Second Bursar, GB Secretary*

*Clinical Director in the Department Radiology, Associate Lecturer*



|   |  |
|---|--|
| J Carr BSc, PhD (Liverpool)                                     | Graduate Tutor, <i>Reader in Plant Virology</i>  |
| E Spary BA, MA, PhD   | Tutor, <i>Reader in the History of Modern European Knowledge</i>   |
| J Hirst MA, DPhil (Oxon)  | <i>Programme Leader at and Deputy Director of the MRC Mitochondrial Biology Unit</i> , Lecturer in Chemistry                           |
| J Morgan MA(Oxon), PhD  | Vice President, Tutor, <i>Senior Lecturer in Law</i>   |
| P Rendahl BA, MA(Lund), PhD (EUI, Florence)                     | <i>Reader in Economics</i>   |
| B Pilgrim MChem, DPhil (Oxon)                                   | <i>Royal Commission for the Exhibition of 1851 Research Fellowship, Fellow in Chemistry</i>  |
| K Collis BA, DPhil (30.09.16)                                   | Research Fellow in English   |
| S Bohndiek MA, PhD (London)                                     | Graduate Tutor, <i>Reader in Biomedical Physics</i>  |
| E St John Smith MPharmacol (Bath), PhD                          | Tutor, Graduate Tutor, Keeper of the Chronophage, <i>Senior Lecturer in Pharmacology</i>   |
| AG Milne BA, MA, PhD  | EB Secretary, Keeper of the Lewis Collection, <i>Judith E Wilson Lecturer in Drama &amp; Poetry</i>                                    |
| T Harvey-Samuel MA  | Bursar   |
| A Rapport BA (Northwestern), PhD (Minnesota)                    | <i>Lecturer in Politics &amp; International Studies</i>  |
| A Davison BA, DPhil (Oxon), MA, PhD                             | <i>Starbridge Lecturer in Theology &amp; Natural Sciences</i>  |
| S Zadeh BA, MPhil, PhD  | Stipendiary Research Fellow in Social Psychology   |
| J Bradley BSc, MSc, PhD (Bristol) (30.09.17)                    | William Cook Research Fellow & College Teaching Officer in Economics   |
| R Adelstein BA, MA, PhD (Chicago) (30.09.17)                    | Donnelley Research Fellow in Ethnomusicology   |
| E Luger BA, MA, PhD (30.09.16)                                  | Microsoft Research Fellow  |
| A Joannides BA, MA, MB, BChir, MRCS, PhD                        | <i>Clinical Lecturer in Clinical Neurosurgery</i>  |
| V Braithwaite BSc (St Andrews), PhD                             | Non-Stipendiary Research Fellow in Biological Sciences   |
| JD Rhodes BA(Univ. of the South), MA (Columbia), PhD (New York) | <i>Lecturer in Film, and Visual Media Studies</i>  |
| T Adams BA, BCL, DPhil (Oxon) (30.09.17)                        | Hong Kong Link Research Fellow & College Teaching Officer in Law   |
| A Kisil BA, PhD   | Sultan Qaboos Research Fellow & College Teaching Officer in Mathematics  |
| F Iida BEng, MEng (Tokyo) Dr Sc Nat (Zurich)                    | <i>Lecturer in Mechatronics</i>  |
| R Damgaard BSc, MSc, PhD (Copenhagen)                           | <i>Marie Curie Postdoctoral Fellow</i> ; Non Stipendiary Research Fellow in Molecular Biology  |
| R Harries BA, MPhil, PhD  | Stipendiary Research Fellow in Modern Visual Culture   |
| F Hill BA (Manchester), MA (London), PhD (UEA)                  | Stipendiary Research fellow in Medieval Studies  |
| S Behjati MA, BM BCH (Oxon), PhD, MRCPCH                        | <i>Wellcome Trust Intermediate Clinical Fellow</i> , Non-Stipendiary Research fellow in Medical Sciences                               |
| I Stefanovici BSc, MSc, PhD (Toronto)                           | Microsoft Research fellow  |
| Professor D Abrahams BSc, ACGI, PhD, DIC (Imperial)             | <i>N M Rothschild and Sons Professor of Mathematical Sciences and Director of the Isaac Newton Institute for Mathematical Sciences</i> |

The above lists Fellows of the College (in order of seniority and election to Fellowship) who are members of the Governing Body (see section 'College Governance'). During the year some Fellows left the fellowship, the dates of their leaving the fellowship are indicated after their name.

On appointment all Fellows are given copies of the Statutes and Ordinances of the College

#### Senior and Principal Officers

|                       |                                     |
|-----------------------|-------------------------------------|
| Head of House/Master: | Mr S Laing MA MPhil                 |
| Senior Tutor:         | Dr M Frasca-Spada Laurea (Rome) PhD |
| Bursar:               | Mr T Harvey-Samuel MA               |



## Contact Information - Principal Advisors

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### Actuaries

Cartwright Group Ltd  
Suite 7, Second Floor  
The Hub, IQ Farnborough  
Hants GU14 7JP

### Auditors

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

### Solicitors

Ashton KCJ  
Chequers House  
77-81 Newmarket Road  
Cambridge CB5 8EU

Mills & Reeve LLP  
Francis House  
112 Hills Road  
Cambridge CB2 1PH

### Bankers

Barclays Bank plc (Corporate Banking)  
PO Box 885, Mortlock House  
Histon, Cambridge CB4 9DE

### Property Managers and Valuers

Bidwells LLP  
Trumpington Street  
Cambridge CB2 2LD

### Investment Advisors

Cambridge Associates Ltd  
80 Victoria Street, Cardinal Place  
London SW1E 5JL

### Investment Advisors/Managers

BlueBay Asset Management plc  
77 Grosvenor Square  
London W1K 3JR

Cambridge University Endowment Fund  
Treasury & Investments, Finance Division  
Greenwich House, Madingley Rise  
Madingley Road, Cambridge CB3 0TX

Cantab Capital Partners  
City House, 126-130 Hills Road  
Cambridge CB2 1RE

Heronbridge Investment Management LLP  
1 Queen Street  
Bath BA1 1HE

Martin Currie Investment Management Ltd  
Ingham and Wilkinson Building  
129 Front Street  
Hamilton HM12  
Bermuda

Miura Global Management LLC  
101 Park Avenue  
New York NY10178

OrbiMed Advisors LLC  
601 Lexington Avenue, 54<sup>th</sup> Floor  
New York, NY10022

Baillie Gifford & Co  
Carlton Square, 1 Greenside Row  
Edinburgh EH1 3AN

The Charities Property Fund  
c/o Cordea Savills LLP  
33 Margaret Street  
London W1G 0JD

Waverton Investment Management Ltd  
21 St James Square  
London SW1Y 4HB



## Status

Founded in 1352, the College of Corpus Christi and the Blessed Virgin Mary in the University of Cambridge is the sixth oldest of the thirty-one colleges of Cambridge University. It is an autonomous, self-governing community of Fellows and scholars. The community consists of the Master, 59 active Fellows (42 men and 17 women) and 511 junior members, of whom 270 are undergraduates (157 men and 113 women) and 242 are postgraduates (157 men and 85 women). Postgraduate students include those undertaking both full and part-time study. In addition, 103 full time equivalent members of staff support the College in achieving and upholding its aims and objectives. The College is a registered charity and is subject to regulation by the Charity Commission for England and Wales. The College is a charity within the meaning of the Taxes Act 1988, s506(1).

## Aims and Objectives of the College

The College is an institution of higher education. It continues to promote its statutory charitable objectives “to maintain and support a College within the University of Cambridge for the advancement of education, research, learning and religion”. The College remains an independent foundation while, at the same time, forming part of an internationally renowned collegiate university. The College endorses the University’s mission and core values and views the partnership between University and Colleges as central to Cambridge’s future development. The College plays an active role in University bodies and in formulating University policy.

The College has the following long term aims and objectives:

- A dedication and commitment to the pursuit of the highest standards and quality in teaching and research at undergraduate and postgraduate levels within a stimulating and supportive environment. It maintains the emphasis on the individual in academic and pastoral provision.
- To promote and foster excellence in academic research of the highest quality across a wide variety of disciplines.
- To support a community of Fellows, students and staff allowing the benefits of a large, internationally renowned university to be realised within a small-scale and close knit community.
- To encourage and nurture a community of active alumni contributing to the life and future of the College.
- To manage, enhance and develop its endowments and benefactions, historic buildings and grounds for the benefit of current and future generations.

In pursuit of its objectives, the College admits (as junior members) undergraduates and postgraduate students matriculated in the University of Cambridge. It provides financial and other support to those members that require it and supports teaching and research in the University. In order to support the funding of its activities, the College maintains and manages an endowment of assets including properties. Besides educational, financial and tutorial support, the College supplies accommodation, catering and other services to its members and others.

The College has regard to the Charity Commission’s guidance on public benefit and, inter alia, provides a number of free lectures, concerts and exhibitions for the benefit of the community both nationally and internationally. The College places particular emphasis on sharing its facilities with the local community, the College sports grounds are used by cricket and soccer clubs within the city and the College grounds at the heart of the city are open to the public for most of the year.



## Review of activity

262 undergraduates sat classed University examinations in 2017; 90% obtained grades in the First Class or upper division of the Second Class (or in the undivided Second Class). 9 undergraduates were awarded University prizes. 50 postgraduate students successfully completed an MPhil or other one year graduate course, 4 completed clinical studies and 26 satisfied the requirements for a PhD.

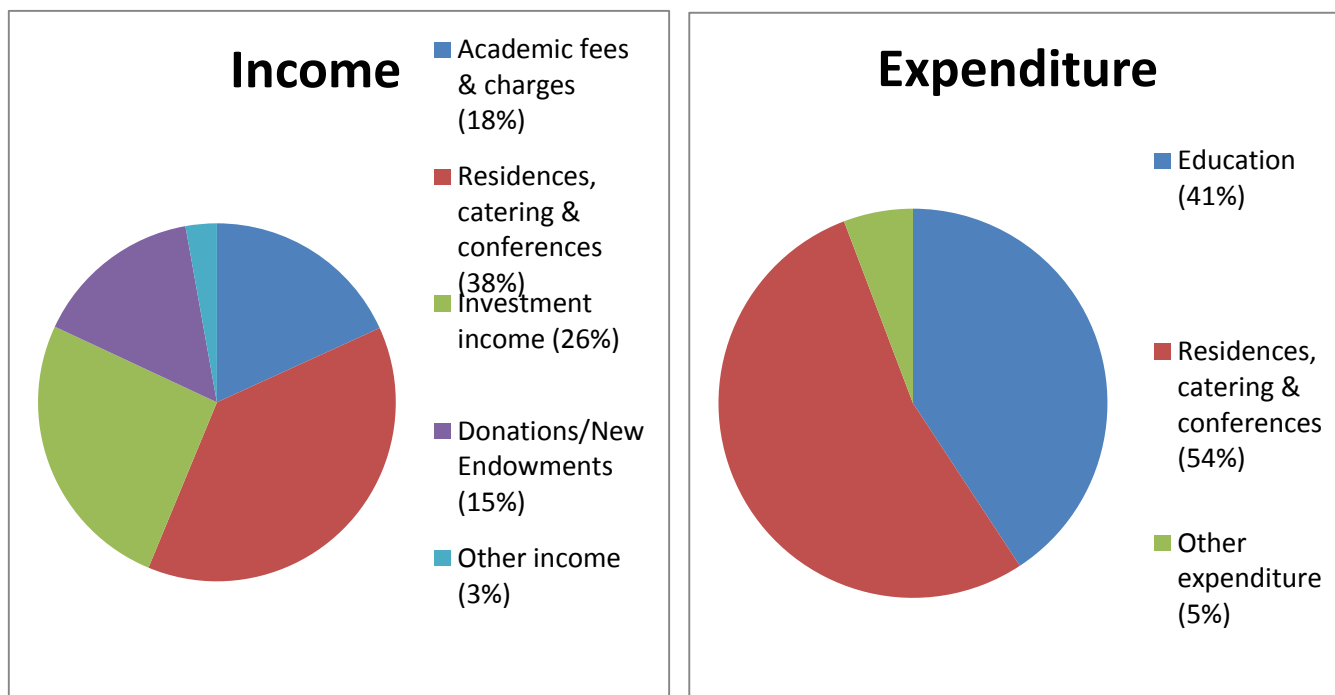
60 undergraduates received means tested awards totalling £177k under the centrally administered Cambridge Bursary Scheme whose goal is to ensure that no UK or EU student should be deterred from applying to Cambridge due to financial considerations. A further £30k was disbursed by College Tutors in hardship funds; scholarships and prizes worth £15k were awarded by the Governing Body to reward excellence and achievement; £38k in grants were awarded for travel and vacation study. The Graduate Tutors made grants to postgraduates totalling £108k for fees, research and maintenance. Research Associateships were granted to 25 post-doctoral researchers.

Research Fellowships were awarded in contemporary moral philosophy (the Gaylord and Dorothy Donnelley Fellowship), music and Anglo Saxon. A Teaching and research Fellowship was awarded in Economics (the William Cook Fellowship).

The College continues to place significant emphasis on its wide ranging access and outreach effort. Through an intensive programme of 134 events including Open Days, Masterclasses, Summer Schools, visits to schools, school visits to Corpus and Higher Education fairs a total of over 6,000 pupils had interaction with the College and its Fellowship in 2016-17. This level of activity was reflected in the December 2016 admissions round with the College receiving 442 applications for undergraduate admission, the second highest number of applicants in its history. The College is very grateful to those alumni who have generously supported this effort.

## Financial Review – overview of the year

The College recorded a Surplus before other gains and losses of £1,004k in the year to 30 June 2017 against an equivalent surplus of £824k in the prior year. At the Unrestricted level the College recorded a deficit of £80k versus a surplus of £734k in the year to June 2016. The difference principally arises from a very different balance between restricted and unrestricted donations in the two years. The principal areas of income and expenditure and their respective proportions are illustrated below:



**College Funding**

Corpus is funded from several sources including fees, accommodation and catering revenues from the student body, donations, investment and conference income. The College also has borrowings of £10m against net assets as at 30 June 2017 of £227.4m. The College’s operating income (i.e. income from academic fees and charges, conferences and catering) does not cover the College’s expenditure. The College is therefore reliant on income from donations and its endowment as well as its conference business to ensure its continued financial stability. During the year the College took out a new loan of £5m with a maturity of 35 years and an all in annual interest rate of 2.93%. This loan will provide a significant proportion of the funding for the “Spine” project relating to the Old House kitchens, servery, dining hall and C&D staircases. It remains the College’s intention to run an extremely conservative balance sheet, as witnessed by a year-end ratio of debt/net assets of 4.4%.

**Academic Fees and Charges**

Academic fees consist of the College fee and grants to support teaching and research. The sources of funding are tuition fees payable by or on behalf of undergraduates and postgraduates. Fee income from these sources grew by 7.4% in the year under review to £2.1m.

**Conferences and catering**

The College’s conference and catering business enjoyed another exceptionally strong year. Revenue grew by 5% to £1.2m. During the year the Conference team produced a 5 year strategy document which set objectives for the growth of the external business after completion of the Old House Spine Project. While there will inevitably be adverse economic consequences to this business arising from the significant construction work rebuilding the College kitchens during calendar year 2018, the opportunities provided by our improved facilities and catering provision thereafter are substantial. A number of conference and summer school clients are showing significant growth in the business they allocate to Corpus and have entered into new medium term commitments with the College.





## **Donations, legacies and Benefactions**

The College relies extensively on donations, legacies and benefactions to grow the capital value of its endowment and also to fund capital projects and educational activities (Fellowships, Bursaries and Access/Outreach programmes). In the year 2016-17 the College received £1.7m in aggregate donations and legacies (versus £1.2m in the prior year) including an extremely generous donation from our late and sorely missed colleague, Christopher Colclough, who passed away in July 2017, and his wife Sarah. The College is profoundly grateful to all its donors for their extraordinary support. All donations (including the recovery of Gift Aid where applicable) are now reported in the Consolidated Statement of Comprehensive Income and Expenditure (SOCIE).

## **Endowment and Investment Performance**

The capital value of the College's Endowment grew during the year under review by 7.8% from £97.4m to £104.9m. The return on investment for the year (i.e. total return less new donations) was 9.9%. This compares to our benchmark composite (compiled in association with Cambridge Associates) which returned 13.6%, the FTSE All share which returned 18.1% and the ARC Balanced Asset Charity index which returned 10.6%. To explain this relative underperformance, the College's diversified securities portfolio delivered a total return of 14.4% which was pleasing given that the portfolio was quite conservatively positioned. However UK property delivered a very sluggish performance with confidence severely impacted by uncertainty over Brexit, thus the total return on our directly held property portfolio was 2.75%. Nonetheless it is the long term that matters, the total return on the property portfolio for the five years prior to 2016/17 was nearly 60% so a period of modest returns was to be expected. Within the securities portfolio particularly strong performances came from Heronbridge in UK equities, Martin Currie in Asian equities and the University Endowment. Towards the end of the year we made new investments in global and UK equity funds, (Longview Partners and Majedie respectively) switching from existing equity holdings with Waverton. We also made a modest investment in a Japanese equity fund (Baillie Gifford) during the year which has given excellent returns thus far.

The College's Investment Committee (comprising seven internal and five external members) meets termly and monitors performance, asset allocation, risk and liquidity throughout the year.

The College has a minimum target of maintaining the real value of the Endowment while drawing down a sufficient amount to support its activity. It is exceptionally important for the College to continue to grow its resources so it can continue to provide education at the highest level, support research and maintain and improve its facilities. The College Spending Rule stipulates an annual drawdown rate of 3.75% based on the average endowment value for the preceding 20 quarters

## **Capital Expenditure and Building works**

We have been extremely busy this year planning the renovation of the kitchens, medieval hall and C&D staircases in Old House as foreshadowed in last year's report. This project (dubbed the Spine Project since it covers the entire central range of buildings in Old House, bridging Old and New Courts) received planning permission during the year which allowed some work to commence in the summer just past. Overall the project involves:

- The necessary replacement of the ground floor kitchens after over 35 years of use
- The restoration of the medieval hall (with its original vaulted ceiling and corbels) via the creation of an upper level refectory
- Consequent improved access from the refectory to the Parker suite of rooms which will be refurbished
- Improving the interrelation of the Oriel Window to Old Court and the kitchens



- The restoration of Wilkins' stair/hall (the most heavily used area of College) in line with the architect's original intentions
- The restoration of the dining hall ceiling which is in poor condition
- The creation of tutorial, graduate and student social spaces on the ground floor of D staircase which have been previously under used. This part of the project was completed satisfactorily over the summer of 2017. The College's own maintenance team did much of the work and the resulting savings have increased the available contingency for the rest of the project.

We will be installing a temporary kitchen for all of 2018 and have also installed a new electricity sub-station for the College to support induction cooking in the kitchens and eliminate our use of gas in the catering function. Needless to say this is an expensive and delicate undertaking which imposes significant disruption on the College community during construction. However it will transform the central range within Old House, both modernising where needed (kitchens) and restoring our beautiful and historic fabric in a sensitive and useful manner. We will be financing the project via a combination of donations and long term debt described under "College Funding" above.

The conversion of Oliver Rackham's house into two Fellows' flats was completed during the year and the flats are now occupied. The severe distortions in the Cambridge property market arising from inadequate supply and massive demand make provision of affordable housing for early career fellows a very important aspect of the College's ability to attract the best young academics.

The College also continued to upgrade its flats in Maitland House as they fall vacant. The College maintenance team have now completed five such renovations in the last three years which has enabled significantly higher rents to be achieved in this delightful property.

Subsequent to financial year end a full refurbishment of Bene't Hostel was completed over the long vacation of 2017. This continues the College's rolling student room refurbishment programme and was executed to time and budget.

The College's website is a critically important area of infrastructure that benefited from an overhaul in the year under review. This project, spearheaded admirably by Prof. Warren, Dr. Sutherland and Ian Yates, Head of Information Services and Technology ( with a strong contribution from Elisabeth Abusleme in Development), has produced a far more attractive platform which is better adapted to video content and mobile technology. We hope alumni, applicants and students appreciate its improved functionality and layout. Initial usage data is favourable.

The College's operational properties are recorded within the tangible assets of the balance sheet. The maintenance of these beautiful buildings (most of which are Grade I or II listed) imposes a significant burden on the College's finances. An appropriate level of expenditure on the College's operational buildings is deemed to be 1.5% pa of the insurance replacement value. While this has broadly been maintained for the last four years, the College is still compensating for a significant period of under investment in the estate in the two prior decades.

### **Future Capital projects**

Our energies will be very much focused on the Old House Spine project described above until January 2019. However we intend to continue our room refurbishment programme and are closely examining whether we can also refit Beldam in the summer of 2018.



## **Staff Costs, Employment policy, Pensions and Equal Opportunities**

Employment costs comprised 40% of total costs in the year under review and are the College's largest category of overhead. While we continue to manage expenses tightly, the year in question has seen inflationary pressure arising from sterling's weakness feeding through to our costs, as well as the higher level of inflation being reflected in wages. . The Remuneration and Benefits Committee (which has a majority of external members) is tasked with ensuring good governance and compliance with Charity Commission guidelines.

The College makes pension fund contributions on behalf of its employees to five schemes: three defined benefit schemes, the Cambridge Colleges Federated Pension Scheme (CCFPS), the Universities Superannuation Scheme (USS) and the Church of England Funded Pension Scheme (CEFPS) and two defined contribution schemes (Aviva and NEST). The College's share of the CCFPS deficit was £402k vs £454k in the prior year. The College now presents its theoretical share of the USS deficit in the balance sheet as a liability. At 30 June 2017 this was £379k vs £388k in the prior year although this number fails to account for the "last man standing" nature of that scheme. The College's share of the CEFPS deficit at 30 June 2017 was £23k vs £28k in the prior year. An explanation of pension related matters is contained in the Notes to the Accounts. The College has adopted the Living Wage, is committed to the principle and practice of equal opportunities and aims to be an equal opportunities employer. The College employed 4 Apprentices at 30 June 2017.

## **Reserves Policy**

The College's unrestricted funds and reserves amount to £189.3m and are represented in the balance sheet by the College's operational buildings, which are used for teaching and residential purposes and part of the College's investment assets. The restricted funds amount to £33.3m, represented by part of the investment portfolio.

## **Environmental Policy**

The College aims to manage its activities, buildings and estates to promote environmental sustainability, conserve natural resources and prevent environmental pollution and to bring about a continual improvement in its environmental performance. The College's efforts in respect of sustainable energy consumption were recognised by a platinum award in the 2016/17 Green Impact awards, organised by the Environment and Energy department of the University (Corpus was one of only two Colleges to receive such an award). Further, the Conservation team which is based in the College and works for the Cambridge Conservation Consortium received a Bronze award and our Catering team received a "Community Action Award" in respect of their "Feathery Feast" held during the year. The College (with valuable input from the Green Committee) is committed to reducing its carbon emissions, water consumption and waste footprint. The move to electric induction cooking in the new kitchens at Leckhampton and the planned redevelopment in Old House is further evidence of this commitment.

## **Risk Management and Assessment**

The major risks to which the College is exposed are reviewed regularly by College Committees and these are reported to the Governing Body. Systems are in place and reviewed regularly in order to mitigate all identified risks. Relevant Committees and individuals in College are charged with responsibility for evaluating risks within their areas of responsibility and advising the Governing Body on the probability of occurrence, nature and likely severity of impact, together with the steps taken in mitigation. The College is faced with numerous risks (extending from owning and operating historic operational buildings, IT, legislation and regulation, academic and pastoral care, investment performance and financial management), not all of which can be mitigated through insurance. The College Health and Safety Policy Statement is reviewed regularly, endorsed by the Governing Body and is displayed in College. The College has a Risk Register which is reviewed annually by the Executive Body.



## Financial Outlook and Plans for the Future

The external environment continues to be full of uncertainties. Outcomes deriving from Brexit are as yet unknown and will impact our Students, Fellows and Staff as well as access to research funding, cost inflation and investment volatility. There is also a political debate raging over the cost and funding of Higher Education, the outcome of which is clearly going to impact the College's financial position. Further, there is a valuation exercise presently underway at USS which is likely to produce difficult outcomes for all stakeholders. While we can give input and make representations in all of these situations, their final outcome is outside our control; nevertheless we must incorporate a spectrum of possible outcomes into our planning.

Within the College we are going to concentrate extremely hard on a disciplined execution of the Old House Spine Project and the maintenance of good provision to the community despite the inevitable disruption. It is also critical that our stewardship continues to provide the wherewithal for the fulfilment of our academic mission, and that we maximize the long term intellectual, financial and pastoral support that Corpus can provide to the members of its community in order that they can contribute to and excel within society.



## Public Benefit Statement

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### Public Benefit Statement

In the founding charter and the College Statutes and Ordinances and as reconfirmed in a Governing Body resolution in 2010, the College's charitable purposes are clearly articulated. These are the advancement of education, research, learning and religion for the public benefit by the provision, support and maintenance of the College in the University of Cambridge. The Governing Body is satisfied that the activities as described in these Reports and Accounts meet the public benefit requirements of a registered charity. The full public benefit statement has been lodged with the Charities Commission but can be summarised as follows:-

#### *Education*

The provision (with other Colleges of Cambridge and the University of Cambridge) of an education for undergraduate and graduate students that is recognised internationally as being of the very highest standard. Education and teaching is provided in small groups which allows for strong pastoral, administrative and academic support through the tutorial and postgraduate mentoring systems. The College provides a residential community with social, cultural, musical, recreational and sporting facilities available to all students. These facilities allow them the opportunity to realise their full academic and personal potential whilst studying at the College. Accommodation and catering is provided at reasonable rates. The College provides bursaries and studentships when needed to both undergraduate and postgraduate members of limited means. The general public are also able to attend various educational activities in the College.

#### *Research*

The College supports research in a number of ways. It provides Research Fellowships to outstanding academics at an early stage of their careers, this enables them to develop and focus on their research in this formative period before undertaking a full academic post. It supports research work pursued by its Fellows through promoting interaction across disciplines, providing facilities and grants for national and international conferences, research trips and research materials. It encourages the publication of research by members of the College through papers, journals or other suitable means. Visiting Fellowships are available to encourage overseas academics to take a period of research leave from their institutions and work in Cambridge.

#### *Learning*

The College maintains the Taylor Library, an extensive up to date library (including special collections) for all members where publications and journals can be accessed with a catalogue integrated into that of the University. It provides a valuable resource for students and Fellows of the College, alumni, members of other Colleges and the University of Cambridge, external scholars and researchers. The Parker Library, an important manuscript library of international significance, is open to scholars and researchers from Cambridge and globally. Frequent guided tours, public viewings and exhibitions are held in conjunction with the sub-librarians and the Cambridge Tourist Office.

The Fitzwilliam Museum exhibits the College's Lewis Collection which is on long term loan. Revd. Samuel Savage Lewis (1836-1891) left to the College a large collection of classical coins and other objects.

#### *Religion*

The College Chapel is regularly open to visitors of all faiths or none; there is no geographical, age or religious restriction for those attending the Chapel in the College. The chapel is maintained and supported by the College as a place of religious worship. The Dean of Chapel holds regular services in which the College choir participates; these services are open to the public and visitors. The College supports, through the Dean of Chapel and others, the emotional, mental and spiritual well-being of all members of the College Community. The College offers choral and organ scholarships and

## Corpus Christi College, Cambridge



instrumental awards. The College maintains its historic connections and links with other churches and parishes through its involvement as Patron of several parishes. The College has established links with local cultural foundations and seeks to develop them further.

### **The College within the community**

The College makes a particular point of sharing and extending the use of its facilities with the local community and local organisations. The College sports ground and boathouse are used by rounders, cricket, soccer and rowing clubs and schools in the city. The College grounds in the heart of the city are open to the public for most of the year. The College hosts local events and functions throughout the year and supports the Corpus Playroom (a small theatre space) whose daily operations are run by the ADC Theatre.



## Corporate Governance

1. The following statement is provided by the Governing Body to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.
2. The College is a registered charity (registered number 1137453) and subject to regulation by the Charity Commission for England and Wales. The members of the Governing Body are the charity trustees and are responsible for ensuring compliance with charity law.

The Master and Fellows constitute the Governing Body of the College, to whose meetings are invited Junior Member representatives (for open business). The Fellows of the Governing Body are the Trustees of the charity and responsible for ensuring compliance with charity law. The Governing Body is constituted and regulated in accordance with the College Statutes and Ordinances which together also govern the activities of the College. The Governing Body is responsible for the strategic direction of the College, for its on-going administration, and for the management of its finances and assets. Meetings are held seven times a year under the chairmanship of the Master. The Governing Body acknowledges its responsibility to act with prudence and care to ensure the College complies with relevant laws and regulations. The Governing Body elects all Fellows of the College. There is a Register of Interest for all Trustees, which is updated annually. Declarations of interest are made at the start of each meeting. The Executive Body supports the Governing Body.

The Executive Body consists of 8 elected members and no more than 4 ex-officio members. It is responsible for the control and management of the College's affairs as delegated by the Governing Body. There are also a range of committees including: Audit, Development, Estates and Finance, Fellowship, Investment, Buildings, Remunerations and Benefits and Staff.

The Master as Head of House has statutory powers of governance and is also Chairman of the Governing Body. The Bursar is accountable to the Governing Body and has overall responsibility for the finances, operations and general administration of the College. The Senior Tutor, also accountable to the Governing Body, has overall responsibility for admissions, education and welfare of undergraduate students. The Tutor for Advanced Students has particular responsibility for graduate students. The Warden of Leckhampton has responsibility for Leckhampton, the College's graduate centre in West Cambridge.

3. It is the duty of the Audit Committee to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the Governing Body on the appointment of external auditors; to consider reports submitted by the auditors; to monitor the implementation of recommendations made by the auditors; to make an annual report to the Governing Body.
4. The Members of the Governing Body are set out on page 1.



## **Responsibilities of the Governing Body**

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis and be satisfied the College has adequate resources to continue in operation for the foreseeable future.

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

The Governing Body is responsible for the maintenance and integrity of the corporate and financial information included on the College's website ([www.corpus.cam.ac.uk](http://www.corpus.cam.ac.uk)). Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Statement of Internal Control**

1. The Governing Body 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 Governing Body is responsible, in accordance with the College's Statutes.
2. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.
3. The systems of internal control are 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. These processes were in place for the full financial year and up to the date of approval of these financial statements.
4. The Governing Body is responsible for reviewing the effectiveness of the system of internal control.
5. The Governing Body's review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Bursar, and College officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.





## Independent Auditors' Report to the Trustees/Governing Body of Corpus Christi College

### Opinion

We have audited the financial statements of Corpus Christi College (the 'College') for the year ended 30 June 2017 which comprise the consolidated statement of comprehensive income and expenditure, the statement of changes in reserves, the consolidated balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the College's affairs as at 30<sup>th</sup> June 2017 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;
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes of the University of Cambridge; and
- the contribution due from the College to the University has been correctly 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.

### 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 College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Governing Body's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governing Body have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the College's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



## Other information

The other information comprises the information included in the Report of the Governing Body other than the financial statements and our auditor's report thereon. The Governing Body are responsible for the other information. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

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

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:

- The information given in the financial statements is inconsistent in any material respect with the Report of the Governing Body; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of the Governing Body

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

In preparing the financial statements, the Governing Body is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governing Body either intends to liquidate 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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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.



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

**Use of our report**

This report is made solely to the Governing Body, as a body, in accordance with College's statutes, the Statutes of the University of Cambridge and the Charities Act 2011. Our work has been undertaken so that we might state to the Governing Body those matters we are required to state to them in an 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 Governing Body, for our audit work, for this report, or for the opinions we have formed.

**PETERS ELWORTHY & MOORE**

Chartered Accountants and Statutory Auditors

Salisbury House  
Station Road  
Cambridge  
CB1 2LA

Date:

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



## 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 and applicable United Kingdom Accounting Standards. In addition, the financial statements comply with the Statement of Recommended Practice "Accounting for Further and Higher Education Institutions" (the SORP).

The Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate that the College is satisfying its obligations that all fee income is spent for educational purposes. The analysis required by the SORP is set out in notes to the accounts.

### Basis of accounting

The financial statements have been prepared under the historical cost convention, modified in respect of the treatment of investments and certain operational properties which is included at valuation.

### Basis of consolidation

The consolidated financial statements include the College and its subsidiary undertakings; Corpus Developments Ltd (dormant) and Corpus Conferences Ltd. Details of the subsidiary undertakings included are set out in the notes to the accounts. Intra-group balances are eliminated on consolidation.

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

### Recognition of income

#### *Academic fees*

Academic fees are recognised in the period to which they relate and include all fees chargeable to students or their sponsors. The costs of any fees waived or written off by the College are included as expenditure.

#### *Research and Grant income*

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

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

#### *Donations, benefactions and endowments*

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

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.

All donations are recorded within the Consolidated Statement of Comprehensive Income and Expenditure when the College is in receipt of or entitled to the income.

*Investment income and change in value of investment assets*

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

*Total return*

The College invests its endowment investment portfolio and allocates a proportion of the related earnings and capital appreciation to the income and expenditure account in accordance with the total return investment concept. The allocation to income is determined by a spending rule, currently 3.75% (prior to 30 June 2015 it was 4%), which is designed to stabilize annual spending levels from the endowment. The income transferred to the income and expenditure account on this total return basis is calculated using a formula that uses the weighted average quarterly value of the College's investment portfolio over a five year period up to the commencement of the current accounting year. Total Return was adopted as a methodology and first reported in the financial statements ended June 2011.

*Other income*

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

*Gifts in kind*

Properties, investments, and other fixed assets donated without restrictions to the College are included as donation income at market value at the time of receipt, if restricted they are recorded as restricted income and the relevant restriction applied.

*Cambridge Bursary Scheme*

The Cambridge Bursary Scheme (CBS) administration has changed for 2016/17.

- SLC (Student Loans Company) assesses the students for CBS eligibility.
- SLC pays the student direct for the CBS payment and then takes the funds from the College by direct debit.
- At the end of the term, Cambridge University provides the College with a list of student's and how much their and the College's contribution is.

The College has shown the gross payment made to eligible students and a contribution from the University as Income under "Academic Fees and Charges", although strictly speaking this was not a College transaction for this year.

The net payment of £45k is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

|                     |       |
|---------------------|-------|
| Income (see note 1) | £86k  |
| Expenditure         | £131k |



## Foreign currency translation

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

## Fixed assets

### *Operational Freehold Land and buildings*

Land and Buildings held for operational purposes are stated at depreciated replacement cost as at 30 June 2003 with subsequent additions at cost. The valuation in June 2003 was carried out by Bidwells LLP, Chartered Surveyors.

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.

Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred to 30 June. They are not depreciated until they are brought into use.

Finance costs, which are directly attributable to the construction of buildings are not capitalised as part of the cost of those assets.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings (including the cost of major renewals) are depreciated on a straight line basis over their expected useful economic life of 100 years.

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

### *Maintenance and Renewal of Premises*

The college has a maintenance plan, which is reviewed on an annual basis. The cost of any routine maintenance costing less than £10,000 is charged to the Income and Expenditure account as it is incurred. The cost of major refurbishment and maintenance costing more than £10,000 is capitalised and depreciated over the useful economic life of the asset concerned.

The college may also set aside sums to meet future maintenance costs, these being disclosed within general reserves

### *Furniture, fittings, computer and general equipment*

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

|                                      |                          |
|--------------------------------------|--------------------------|
| Furniture and fittings               | 10 years (10% per annum) |
| Motor vehicles and general equipment | 5 years (20% per annum)  |
| Computer equipment                   | 3 years (33% per annum)  |



### *Leased assets*

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

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

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

### *Heritage assets*

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

### **Investments**

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

### **Stocks**

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

### **Provisions**

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

### **Contingent liabilities and assets**

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

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

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



## **Taxation**

The College is a registered charity (number 1137453) and also a charity within the meaning of Section 506 (1) of the Taxes Act 1988. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Section 505 of the Taxes Act 1988 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. The College is a partially exempt organisation for VAT purposes. With the approval of H M Revenue and Customs, it has adopted a methodology that enables it to recover part of the VAT on its expenses. Though recovered VAT exceeds the VAT previously recoverable under the former CVCP guidelines, input tax on purchases is, nevertheless, largely irrecoverable.

## **Contribution under Statute G, II**

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

## **Pension costs**

The College contributes to a number of defined benefit schemes. The College participates in the Universities Superannuation Scheme (USS Ltd) and the Church of England Funded Pension Scheme.

The College also contributes to the Cambridge Colleges' Federated Pension Scheme (CCFPS), another defined benefit scheme. The assets of the scheme are measured at fair value, and the liabilities are measured on an actuarial basis using the projected unit method and discounted at an appropriate rate of return. The College's share of the surplus or deficit of the scheme is recognised as an asset or liability on the balance sheet. The current service costs, being the actuarially determined present value of the pension value of the pension benefits earned by employees in the current period, are included within staff costs. Investment income includes the net of the expected return on assets, being the actuarial forecast of total return on the assets of the scheme, and the interest cost being the notional interest cost arising from unwinding the discount on the scheme liabilities.

Full notes are given for these schemes.

The College contributes to Aviva and NEST defined contribution schemes in order to meet its regulatory requirement under automatic enrolment. The staging date notified by the Pensions Regulator for Corpus was April 2014.

## **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 Policy**

The College's 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.





Consolidated Statement of Comprehensive Income and Expenditure  
Year ended 30 June 2017

|  | Note | Unrestricted<br>£000 | Restricted<br>£000 | Endowment<br>£000 | 2017<br>Total<br>£000 |
|--|------|----------------------|--------------------|-------------------|-----------------------|
| <b>Income</b>  |      |                      |                    |                   |                       |
| Academic fees and charges                              | 1    | 1,965                | 86                 |                   | 2,051                 |
| Residences, catering and conferences                   | 2    | 4,365                |                    |                   | 4,365                 |
| Investment income                                      |      |                      |                    | 2,898             | 2,898                 |
| Endowment return transferred                           | 3    | 2,429                | 855                | (3,284)           |                       |
| Other income   |      | 224                  | 21                 |                   | 245                   |
| <b>Total income before donations and endowments</b>    |      | <b>8,983</b>         | <b>962</b>         | <b>(386)</b>      | <b>9,559</b>          |
| Donations  |      | 379                  |                    |                   | 379                   |
| New endowments   |      |                      | 23                 | 1,316             | 1,339                 |
| Other capital grants for assets                        |      |                      |                    |                   |                       |
| <b>Total income</b>                                    |      | <b>9,362</b>         | <b>985</b>         | <b>930</b>        | <b>11,277</b>         |
| <b>Expenditure</b>                                     |      |                      |                    |                   |                       |
| Education  | 4    | 3,526                | 659                |                   | 4,185                 |
| Residences, catering and conferences                   | 5    | 5,495                |                    |                   | 5,495                 |
| Investment management costs                            |      | (172)                |                    | 172               |                       |
| Other expenditure                                      |      | 532                  |                    |                   | 532                   |
| Contribution under Statute G,II                        |      | 61                   |                    |                   | 61                    |
| <b>Total expenditure</b>                               | 6    | <b>9,442</b>         | <b>659</b>         | <b>172</b>        | <b>10,273</b>         |
| <b>Surplus/(deficit) before other gains and losses</b> |      | <b>(80)</b>          | <b>326</b>         | <b>758</b>        | <b>1,004</b>          |
| Gain/(loss) on disposal of fixed assets                | 8    |                      |                    |                   |                       |
| Gain/(loss) on investments                             | 9    | 1,035                | 289                | 5,303             | 6,627                 |
| <b>Surplus/(deficit) for the year</b>                  |      | <b>955</b>           | <b>615</b>         | <b>6,061</b>      | <b>7,631</b>          |
| <b>Other comprehensive income</b>                      |      |                      |                    |                   |                       |
| Unrealised surplus on revaluation of fixed assets      |      |                      |                    |                   |                       |
| Actuarial gain/(loss) in respect of pension schemes    | 16   | 72                   |                    |                   | 72                    |
| Unrealised gain/(loss) on foreign currency             |      | 23                   |                    |                   | 23                    |
| <b>Total comprehensive income for the year</b>         |      | <b>1,050</b>         | <b>615</b>         | <b>6,061</b>      | <b>7,726</b>          |

| Unrestricted<br>£000 | Restricted<br>£000 | Endowment<br>£000 | 2016<br>Total<br>£000 |
|----------------------|--------------------|-------------------|-----------------------|
| 1,731                | 179                |                   | 1,910                 |
| 4,217                |                    |                   | 4,217                 |
|                      |                    | 2,829             | 2,829                 |
| 2,293                | 771                | (3,064)           |                       |
| 306                  | 9                  |                   | 315                   |
| <b>8,547</b>         | <b>959</b>         | <b>(235)</b>      | <b>9,271</b>          |
| 886                  |                    |                   | 886                   |
|                      | 101                | 213               | 314                   |
| <b>9,433</b>         | <b>1,060</b>       | <b>(22)</b>       | <b>10,471</b>         |
| 3,170                | 790                |                   | 3,960                 |
| 5,233                |                    |                   | 5,233                 |
| (158)                |                    | 158               |                       |
| 393                  |                    |                   | 393                   |
| 61                   |                    |                   | 61                    |
| <b>8,699</b>         | <b>790</b>         | <b>158</b>        | <b>9,647</b>          |
| <b>734</b>           | <b>270</b>         | <b>(180)</b>      | <b>824</b>            |
| 104                  | 2                  | 2,287             | 2,393                 |
| <b>838</b>           | <b>272</b>         | <b>2,107</b>      | <b>3,217</b>          |
| 394                  |                    |                   | 394                   |
| 106                  |                    |                   | 106                   |
| <b>1,338</b>         | <b>272</b>         | <b>2,107</b>      | <b>3,717</b>          |



**Statement of Changes in Reserves**  
**Year ended 30 June 2017**

|  | Income and expenditure reserve |              |               | Revaluation | Total          |
|--|--------------------------------|--------------|---------------|-------------|----------------|
|  | Unrestricted                   | Restricted   | Endowment     | reserve     |                |
|  | £000                           | £000         | £000          | £000        |                |
| <b>Balance at 1 July 2016</b>                                    | <b>130,728</b>                 | <b>4,134</b> | <b>84,832</b> |             | <b>219,694</b> |
| Prior Year Adjustment: deferred capital opening balance          |                                |              |               |             |                |
| Surplus/(Deficit) from income and expenditure statement          | 955                            | 616          | 6,061         |             | <b>7,632</b>   |
| Other comprehensive income                                       | 72                             |              |               |             | <b>72</b>      |
| Release of restricted capital funds spent in the year            |                                |              |               |             |                |
| Transfers between revaluation and income and expenditure reserve |                                | -6           | 6             |             |                |
|  |                                |              |               |             |                |
| <b>Balance at 30 June 2017</b>                                   | <b>131,755</b>                 | <b>4,744</b> | <b>90,899</b> |             | <b>227,398</b> |
|  |                                | (note 18)    | (note 17)     |             |                |

|  | Income and expenditure reserve |              |               | Revaluation | Total          |
|--|--------------------------------|--------------|---------------|-------------|----------------|
|  | Unrestricted                   | Restricted   | Endowment     | reserve     |                |
|  | £000                           | £000         | £000          | £000        |                |
| <b>Balance at 1 July 2015</b>                                    | <b>129,390</b>                 | <b>3,862</b> | <b>82,725</b> |             | <b>215,977</b> |
| Prior Year Adjustment deferred capital opening balance           |                                |              |               |             |                |
| Surplus/(Deficit) from income and expenditure statement          | 838                            | 272          | 2,107         |             | <b>3,217</b>   |
| Other comprehensive income                                       | 500                            |              |               |             | <b>500</b>     |
| Release of restricted capital funds spent in the year            |                                |              |               |             |                |
| Transfers between revaluation and income and expenditure reserve |                                |              |               |             |                |
|  |                                |              |               |             |                |
| <b>Balance at 30 June 2016</b>                                   | <b>130,728</b>                 | <b>4,134</b> | <b>84,832</b> |             | <b>219,694</b> |
|  |                                | (note 18)    | (note 17)     |             |                |

The notes on pages 27 to 45 form part of these accounts



## Consolidated and College Balance Sheets as at 30 June 2017

|  |      | 2017           | 2017           | 2016           | 2016           |
|--|------|----------------|----------------|----------------|----------------|
|  | Note | Consolidated   | College        | Consolidated   | College        |
|  |      | £000           | £000           | £000           | £000           |
| <b>Non-current Assets</b>                                      |      |                |                |                |                |
| Fixed assets   | 8    | 118,147        | 118,147        | 119,104        | 119,104        |
| Heritage assets  | 8    |                |                |                |                |
| Investments  | 9    | 104,911        | 104,911        | 97,363         | 97,363         |
| <b>Current assets</b>  |      |                |                |                |                |
| Stocks   | 10   | 190            | 190            | 185            | 185            |
| Trade and other receivables                                    | 11   | 1,202          | 1,391          | 1,351          | 1,333          |
| Cash and cash equivalents                                      | 12   | 16,121         | 15,849         | 10,311         | 10,197         |
| <b>Creditors: amounts falling due within one year</b>          | 13   | (2,317)        | (2,289)        | (2,690)        | (2,583)        |
| <b>Net current assets</b>                                      |      | 15,196         | 15,141         | 9,157          | 9,132          |
| <b>Total Assets less current liabilities</b>                   |      | 238,254        | 238,199        | 225,624        | 225,599        |
| <b>Creditors: amounts falling due after more than one year</b> | 14   | (10,000)       | (10,000)       | (5,000)        | (5,000)        |
| <b>Provisions</b>  |      |                |                |                |                |
| Pension provisions   | 16   | (803)          | (803)          | (870)          | (870)          |
| Other provisions   | 15   | (53)           | (53)           | (60)           | (60)           |
| <b>Total net assets</b>  |      | <b>227,398</b> | <b>227,343</b> | <b>219,694</b> | <b>219,669</b> |
| <b>Restricted reserves</b>                                     |      |                |                |                |                |
| Income and expenditure reserve – endowment reserve             | 17   | 90,899         | 90,899         | 84,832         | 84,832         |
| Income and expenditure reserve – restricted reserve            | 18   | 4,744          | 4,744          | 4,134          | 4,134          |
| <b>Unrestricted Reserves</b>                                   |      |                |                |                |                |
| Income and expenditure reserve – unrestricted                  |      | 131,755        | 131,700        | 130,728        | 130,728        |
| <b>Total Reserves</b>  |      | <b>227,398</b> | <b>227,343</b> | <b>219,694</b> | <b>219,669</b> |

The financial statements were approved by the Governing Body on 27 November 2017 and signed on its behalf by:

The notes on pages 27 to 45 form part of these accounts



**Consolidated Cash Flow Statement  
For the year ended 30 June 2017**

|   |             | <b>2017</b> | <b>2016</b> |
|---|-------------|-------------|-------------|
|   | <b>Note</b> | <b>£000</b> | <b>£000</b> |
| <b>Net cash inflow from operating activities</b>                    | 20          | 375         | 618         |
| <b>Cash flows from investing activities</b>                         | 21          | (987)       | 6,315       |
| <b>Cash flows from financing activities</b>                         | 22          | 4,210       | (235)       |
| <b>Increase/(decrease) in cash and cash equivalents in the year</b> |             | 3,598       | 6,698       |
| Cash and cash equivalents at beginning of the year                  |             | 17,543      | 10,848      |
| Cash and cash equivalents at end of the year                        |             | 21,141      | 17,543      |

The notes on pages 27 to 45 form part of these accounts



**Notes to the Accounts**  
**For the year ended 30 June 2017**

| <b>1</b> | <b>Academic fees and charges</b>                          | <b>2017</b>  | <b>2016</b>  |
|----------|---|--------------|--------------|
|          |   | <b>£000</b>  | <b>£000</b>  |
|          | Colleges fees:  |              |              |
|          | Fee income received at the Regulated Undergraduate rate   | 1,064        | 930          |
|          | Fee income received at the Unregulated Undergraduate rate | 267          | 209          |
|          | Fee income received at the Graduate rate                  | 625          | 583          |
|          | Other income  | 9            | 9            |
|          | Cambridge Bursary Scheme (restricted)                     | 86           | 179          |
|          | <b>Total</b>  | <b>2,051</b> | <b>1,910</b> |

| <b>2</b> | <b>Income from residences, catering and conferences</b> | <b>2017</b>  | <b>2016</b>  |
|----------|---|--------------|--------------|
|          |   | <b>£000</b>  | <b>£000</b>  |
|          | Accommodation   |              |              |
|          | College members   | 2,173        | 2,126        |
|          | Conferences   | 805          | 724          |
|          | Catering  |              |              |
|          | College members   | 957          | 915          |
|          | Conferences   | 430          | 452          |
|          | <b>Total</b>  | <b>4,365</b> | <b>4,217</b> |

| <b>3</b>  | <b>Endowment return and investment income</b>  | <b>2017</b>  | <b>2016</b>  |
|-----------|--|--------------|--------------|
|           |  | <b>£000</b>  | <b>£000</b>  |
| <b>3a</b> | <b>Analysis</b>  |              |              |
|           | Total return contribution (see note 3b)  |              |              |
|           | Income from:   |              |              |
|           | Land and buildings   | 1,771        | 1,759        |
|           | Securities   | 1,458        | 1,261        |
|           | Fixed interest securities  |              |              |
|           | Income from short-term investments   |              |              |
|           | Other interest receivable  | 55           | 44           |
|           | <b>Total</b>   | <b>3,284</b> | <b>3,064</b> |
| <b>3b</b> | <b>Summary of total return</b>   |              |              |
|           | Income from:   |              |              |
|           | Land and buildings   | (386)        | (236)        |
|           | Securities and cash  | 3,284        | 3,064        |
|           | Gains/(losses) on endowment assets:  |              |              |
|           | Land and buildings   | 165          | 703          |
|           | Securities and cash  | 6,462        | 1,691        |
|           | Investment management costs (see note 3c)  | (172)        | (158)        |
|           | <b>Total return for year</b>   | <b>9,353</b> | <b>5,064</b> |
|           | Total return transferred to income and expenditure reserve (see note 3a)   | (3,284)      | (3,064)      |
|           | <b>Unapplied total return for year included within Statement of Comprehensive Income and Expenditure (see note 19)</b> | <b>6,069</b> | <b>2,000</b> |



**Notes to the Accounts**  
For the year ended 30 June 2017

| <b>3c</b> | <b>Investment management costs</b> | <b>2017</b> | <b>2016</b> |
|-----------|------------------------------------|-------------|-------------|
|           |                                    | <b>£000</b> | <b>£000</b> |
|           | Land and buildings                 |             |             |
|           | Securities                         | 172         | 158         |
|           | Other investments                  |             |             |
|           | Cash                               |             |             |
|           | <b>Total</b>                       | <b>172</b>  | <b>158</b>  |

| <b>4</b> | <b>Education expenditure</b> | <b>2017</b>  | <b>2016</b>  |
|----------|------------------------------|--------------|--------------|
|          |                              | <b>£000</b>  | <b>£000</b>  |
|          | Teaching                     | 1,309        | 1,378        |
|          | Tutorial                     | 649          | 654          |
|          | Admissions                   | 445          | 298          |
|          | Research                     | 395          | 373          |
|          | Scholarships and awards      | 443          | 463          |
|          | Other educational facilities | 944          | 794          |
|          | <b>Total</b>                 | <b>4,185</b> | <b>3,960</b> |

| <b>5</b> | <b>Residences, catering and conferences expenditure</b> | <b>2017</b>  | <b>2016</b>  |
|----------|---|--------------|--------------|
|          |   | <b>£000</b>  | <b>£000</b>  |
|          | Accommodation College members                           | 3,192        | 3,139        |
|          | Conferences   | 788          | 713          |
|          | Catering College members                                | 1,166        | 1,039        |
|          | Conferences   | 349          | 342          |
|          | <b>Total</b>  | <b>5,495</b> | <b>5,233</b> |

| <b>6a</b> | <b>Analysis of 2016/2017 expenditure by activity</b>   | <b>Staff costs (note 7)</b> | <b>Other operating expenses</b> | <b>Depreciation</b> | <b>Total</b>  |
|-----------|--|-----------------------------|---------------------------------|---------------------|---------------|
|           |  | <b>£000</b>                 | <b>£000</b>                     | <b>£000</b>         | <b>£000</b>   |
|           | Education (note 4)   | 2,065                       | 1,718                           | 402                 | 4,185         |
|           | Residences, catering and conferences   | 1,888                       | 2,298                           | 1,309               | 5,495         |
|           | Other  | 200                         | 393                             |                     | 593           |
|           | <b>Totals</b>  | <b>4,153</b>                | <b>4,409</b>                    | <b>1,711</b>        | <b>10,273</b> |
|           | Expenditure includes fundraising costs of £258,095. This expenditure includes the costs of alumni relations. |                             |                                 |                     |               |



Notes to the Accounts  
For the year ended 30 June 2017

| <b>6b Analysis of 2015/2016 expenditure by activity</b>  |                                      |                                 |                                 |                     |              |
|--|--------------------------------------|---------------------------------|---------------------------------|---------------------|--------------|
|  |                                      | <b>Staff costs<br/>(note 7)</b> | <b>Other operating expenses</b> | <b>Depreciation</b> | <b>Total</b> |
|  |                                      | <b>£000</b>                     | <b>£000</b>                     | <b>£000</b>         | <b>£000</b>  |
|  | Education (note 4)                   | 1,956                           | 1,603                           | 401                 | 3,960        |
|  | Residences, catering and conferences | 1,811                           | 2,116                           | 1,306               | 5,233        |
|  | Other                                | 183                             | 271                             |                     | 454          |
|  | <b>Totals</b>                        | <b>3,950</b>                    | <b>3,990</b>                    | <b>1,707</b>        | <b>9,647</b> |
| Expenditure includes fundraising costs of £244,744. This expenditure includes the costs of alumni relations. |                                      |                                 |                                 |                     |              |

| <b>6c Auditors' remuneration</b>                      |  | <b>2017</b> | <b>2016</b> |
|---|--|-------------|-------------|
|   |  | <b>£000</b> | <b>£000</b> |
| Other operating expenses include:                     |  |             |             |
| Audit fees payable to the College's external auditors |  | 24          | 19          |
| Other fees payable to the College's external auditors |  | 19          | 5           |
| <b>Total</b>  |  | <b>43</b>   | <b>24</b>   |

| <b>7 Staff costs</b>                                  |                                      |                       |                     |                   |                   |              |
|---|--------------------------------------|-----------------------|---------------------|-------------------|-------------------|--------------|
|   | <b>College Fellows</b>               | <b>Other academic</b> | <b>Non-academic</b> | <b>2017 Total</b> | <b>2016 Total</b> |              |
|   | <b>£000</b>                          | <b>£000</b>           | <b>£000</b>         | <b>£000</b>       | <b>£000</b>       |              |
| <b>Staff costs:</b>                                   |                                      |                       |                     |                   |                   |              |
|   | Emoluments                           | 1,050                 |                     | 2,565             | 3,615             | 3,459        |
|   | Social security costs                | 76                    |                     | 196               | 272               | 234          |
|   | Other pension costs                  | 123                   |                     | 143               | 266               | 257          |
|   |                                      | <b>1,249</b>          |                     | <b>2,904</b>      | <b>4,153</b>      | <b>3,950</b> |
| <b>Average staff numbers (full-time equivalents):</b> |                                      |                       |                     |                   |                   |              |
|   | Academic (numbers in Governing Body) | 57                    |                     |                   | 57                | 47           |
|   | Non-academic (full time equiv.)      | 3                     |                     | 103               | 106               | 100          |
|   | <b>Total</b>                         | <b>60</b>             |                     | <b>103</b>        | <b>163</b>        | <b>147</b>   |

The Governing Body at the year-end comprises 52 Fellows, of which 27 declared above are stipendiary.

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

|                     | <b>2017 Total</b> | <b>2016 Total</b> |
|---------------------|-------------------|-------------------|
|                     | <b>£000</b>       | <b>£000</b>       |
| £100,001 - £110,000 | 0                 | 0                 |

No officer or employee of the College, including the Head of House, received emoluments of over £100,000.

**Key management personnel**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College. This includes aggregated emoluments paid to key management personnel. Aggregated emoluments consist of salary and taxable benefits but exclude any employer's pension contribution.

|                                 | <b>2017 Total</b> | <b>2016 Total</b> |
|---------------------------------|-------------------|-------------------|
|                                 | <b>£000</b>       | <b>£000</b>       |
| <b>Key management personnel</b> | <b>0</b>          | <b>0</b>          |



**Notes to the Accounts**  
**For the year ended 30 June 2017**

During the year, emoluments paid to Trustees in their capacity as College Officers were:

|                      | <b>2017<br/>Total<br/>£</b> | <b>2016<br/>Total<br/>£</b> |
|----------------------|-----------------------------|-----------------------------|
| Aggregate Emoluments | 488,934                     | 501,221                     |

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

| <b>8</b> | <b>Fixed assets</b>  |  |  |                           |                                |                                |
|----------|--|--|--|---------------------------|--------------------------------|--------------------------------|
|          | <b>Consolidated</b>  | <b>Land and<br/>buildings<br/>£000</b> | <b>Assets in<br/>construction<br/>£000</b> | <b>Equipment<br/>£000</b> | <b>2017<br/>Total<br/>£000</b> | <b>2016<br/>Total<br/>£000</b> |
|          | <b>Cost or valuation</b>   |  |  |                           |                                |                                |
|          | At beginning of year   | 135,832                                |  | 3,495                     | 139,327                        | 136,857                        |
|          | Additions  | 296                                    | 457  |                           | 753                            | 2,469                          |
|          | Transfers  |  |  |                           |                                |                                |
|          | Disposals  |  |  |                           |                                |                                |
|          | At end of year   | <b>136,128</b>                         | <b>457</b>                                 | <b>3,495</b>              | <b>140,080</b>                 | <b>139,326</b>                 |
|          | <b>Depreciation</b>  |  |  |                           |                                |                                |
|          | At beginning of year   | 17,224                                 |  | 2,998                     | 20,222                         | 18,514                         |
|          | Charge for the year  | 1,362                                  |  | 349                       | 1,711                          | 1,708                          |
|          | Eliminated on disposals  |  |  |                           |                                |                                |
|          | Written back on revaluation  |  |  |                           |                                |                                |
|          | At end of year   | <b>18,586</b>                          |  | <b>3,347</b>              | <b>21,933</b>                  | <b>20,222</b>                  |
|          | <b>Net book value</b>  |  |  |                           |                                |                                |
|          | At end of year   | 117,542                                | 457  | 148                       | 118,147                        | 119,104                        |
|          | At beginning of year   | 118,607                                |  | 497                       | 119,104                        | 118,343                        |
|          | <b>College</b>   |  |  |                           |                                |                                |
|          | <b>Cost or valuation</b>   |  |  |                           |                                |                                |
|          | At beginning of year   | 135,832                                |  | 3,495                     | 139,327                        | 136,857                        |
|          | Additions  | 296                                    | 457  |                           | 753                            | 2,469                          |
|          | Transfers  |  |  |                           |                                |                                |
|          | Disposals  |  |  |                           |                                |                                |
|          | At end of year   | <b>136,128</b>                         | <b>457</b>                                 | <b>3,495</b>              | <b>140,080</b>                 | <b>139,326</b>                 |
|          | <b>Depreciation</b>  |  |  |                           |                                |                                |
|          | At beginning of year   | 17,224                                 |  | 2,998                     | 20,222                         | 18,514                         |
|          | Charge for the year  | 1,362                                  |  | 349                       | 1,711                          | 1,708                          |
|          | Eliminated on disposals  |  |  |                           |                                |                                |
|          | Written back on revaluation  |  |  |                           |                                |                                |
|          | At end of year   | <b>18,586</b>                          |  | <b>3,347</b>              | <b>21,933</b>                  | <b>20,222</b>                  |
|          | <b>Net book value</b>  |  |  |                           |                                |                                |
|          | At end of year   | 117,542                                | 457  | 148                       | 118,147                        | 119,104                        |
|          | At beginning of year   | 118,607                                |  | 497                       | 119,104                        | 118,343                        |
|          | The insured value of freehold land and buildings as at 30 June 2017 was £183,797,145 (2016: £179,241,616). |  |  |                           |                                |                                |





**Notes to the Accounts**  
For the year ended 30 June 2017

|          |   |
|----------|---|
| <b>8</b> | <b>Fixed assets (continued)</b>   |
|          |   |
|          | <b>Heritage assets</b>  |
|          | The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance. Most of these are housed within the main College building and archive library, those items not on general display can be accessed by the wider public by prior arrangement. On occasion, objects may be loaned to other institutions for public display.                                  |
|          | The objects within College care are preserved, conserved and managed in accordance with recognised national standards. The College acquires heritage assets principally through donation. Depending on restrictions and subject to the approval of the Trustees, the College may dispose of objects held.   |
|          | As stated in the statement of principal accounting policies, heritage assets acquired since 1999 have been capitalised. However, the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of cost or valuation are not available for these on a cost-benefit basis, they have not been capitalised. As a result the total included in the balance sheet is partial. |
|          |   |

|          |  |                     |                |                     |                |
|----------|--|---------------------|----------------|---------------------|----------------|
| <b>9</b> | <b>Investments</b>   |                     |                |                     |                |
|          |  | <b>Consolidated</b> | <b>College</b> | <b>Consolidated</b> | <b>College</b> |
|          |  | <b>2017</b>         | <b>2017</b>    | <b>2016</b>         | <b>2016</b>    |
|          |  | <b>£000</b>         | <b>£000</b>    | <b>£000</b>         | <b>£000</b>    |
|          | <b>Balance at beginning of year</b>                        | <b>97,363</b>       | <b>97,363</b>  | <b>94,756</b>       | <b>94,756</b>  |
|          | Additions  | 17,301              | 17,301         | 2,378               | 2,378          |
|          | Disposals  | (14,330)            | (14,330)       | (8,334)             | (8,334)        |
|          | Gain/(loss)  | 6,627               | 6,627          | 2,393               | 2,393          |
|          | Increase/(decrease) in cash balances held at fund managers | (2,050)             | (2,050)        | 6,170               | 6,170          |
|          |  |                     |                |                     |                |
|          | <b>Balance at end of year</b>                              | <b>104,911</b>      | <b>104,911</b> | <b>97,363</b>       | <b>97,363</b>  |
|          | Represented by:  |                     |                |                     |                |
|          | Property   | 46,524              | 46,524         | 45,814              | 45,814         |
|          | Securities   | 53,367              | 53,367         | 44,479              | 44,479         |
|          | Investments in subsidiary undertakings                     |                     |                |                     |                |
|          | Cash in hand and at investment managers                    | 5,020               | 5,020          | 7,070               | 7,070          |
|          |  |                     |                |                     |                |
|          | <b>Totals</b>  | <b>104,911</b>      | <b>104,911</b> | <b>97,363</b>       | <b>97,363</b>  |

|           |                                    |                     |                |                     |                |
|-----------|------------------------------------|---------------------|----------------|---------------------|----------------|
| <b>10</b> | <b>Stocks and work in progress</b> |                     |                |                     |                |
|           |                                    | <b>Consolidated</b> | <b>College</b> | <b>Consolidated</b> | <b>College</b> |
|           |                                    | <b>2017</b>         | <b>2017</b>    | <b>2016</b>         | <b>2016</b>    |
|           |                                    | <b>£000</b>         | <b>£000</b>    | <b>£000</b>         | <b>£000</b>    |
|           | Goods for resale: catering         | 17                  | 17             | 18                  | 18             |
|           | Wine Cellar                        | 173                 | 173            | 167                 | 167            |
|           | Other stocks                       |                     |                |                     |                |
|           |                                    |                     |                |                     |                |
|           | <b>Total</b>                       | <b>190</b>          | <b>190</b>     | <b>185</b>          | <b>185</b>     |



**Notes to the Accounts**  
**For the year ended 30 June 2017**

| <b>11 Trade and other receivables</b> |  |                     |                |                     |                |
|---------------------------------------|--|---------------------|----------------|---------------------|----------------|
|                                       |  | <b>Consolidated</b> | <b>College</b> | <b>Consolidated</b> | <b>College</b> |
|                                       |  | <b>2017</b>         | <b>2017</b>    | <b>2016</b>         | <b>2016</b>    |
|                                       |  | <b>£000</b>         | <b>£000</b>    | <b>£000</b>         | <b>£000</b>    |
|                                       | Members of the College                   | 139                 | 137            | 151                 | 147            |
|                                       | Amounts due from subsidiary undertakings |                     |                |                     |                |
|                                       | Other receivables                        | 546                 | 750            | 593                 | 580            |
|                                       | Prepayments and accrued income           | 517                 | 504            | 607                 | 606            |
|                                       |  |                     |                |                     |                |
|                                       | <b>Total</b>                             | <b>1,202</b>        | <b>1,391</b>   | <b>1,351</b>        | <b>1,333</b>   |

| <b>12 Cash and cash equivalents</b> |                                     |                     |                |                     |                |
|-------------------------------------|-------------------------------------|---------------------|----------------|---------------------|----------------|
|                                     |                                     | <b>Consolidated</b> | <b>College</b> | <b>Consolidated</b> | <b>College</b> |
|                                     |                                     | <b>2017</b>         | <b>2017</b>    | <b>2016</b>         | <b>2016</b>    |
|                                     |                                     | <b>£000</b>         | <b>£000</b>    | <b>£000</b>         | <b>£000</b>    |
|                                     | Short-term money market investments | 13,588              | 13,588         | 13,590              | 13,590         |
|                                     | Bank deposits                       |                     |                | 163                 | 163            |
|                                     | Current accounts                    | 2,532               | 2260           | (3,443)             | (3,557)        |
|                                     | Cash in hand                        | 1                   | 1              | 1                   | 1              |
|                                     |                                     |                     |                |                     |                |
|                                     | <b>Total</b>                        | <b>16,121</b>       | <b>15,849</b>  | <b>10,311</b>       | <b>10,197</b>  |

| <b>13 Creditors: amounts falling due within one year</b> |  |                     |                |                     |                |
|--|--|---------------------|----------------|---------------------|----------------|
|  |  | <b>Consolidated</b> | <b>College</b> | <b>Consolidated</b> | <b>College</b> |
|  |  | <b>2017</b>         | <b>2017</b>    | <b>2016</b>         | <b>2016</b>    |
|  |  | <b>£000</b>         | <b>£000</b>    | <b>£000</b>         | <b>£000</b>    |
|  | Bank overdraft                         |                     |                |                     |                |
|  | Trade creditors                        | 682                 | 679            | 509                 | 442            |
|  | Members of the College                 | 135                 | 135            | 114                 | 114            |
|  | Amounts due to subsidiary undertakings |                     | 3              |                     | 1              |
|  | University fees                        | 86                  | 86             | 144                 | 144            |
|  | Contribution to Colleges Fund          | 61                  | 61             | 61                  | 61             |
|  | Other creditors                        | 669                 | 644            | 702                 | 662            |
|  | Bank loans                             |                     |                | 500                 | 500            |
|  | Accruals and deferred income           | 684                 | 681            | 660                 | 659            |
|  |  |                     |                |                     |                |
|  | <b>Total</b>                           | <b>2,317</b>        | <b>2,289</b>   | <b>2,690</b>        | <b>2,583</b>   |

| <b>14 Creditors: amounts falling due after more than one year</b> |              |                     |                |                     |                |
|---|--------------|---------------------|----------------|---------------------|----------------|
|   |              | <b>Consolidated</b> | <b>College</b> | <b>Consolidated</b> | <b>College</b> |
|   |              | <b>2017</b>         | <b>2017</b>    | <b>2016</b>         | <b>2016</b>    |
|   |              | <b>£000</b>         | <b>£000</b>    | <b>£000</b>         | <b>£000</b>    |
|   | Other loans  | 10,000              | 10,000         | 5,000               | 5,000          |
|   | Bank loan    |                     |                |                     |                |
|   |              |                     |                |                     |                |
|   | <b>Total</b> | <b>10,000</b>       | <b>10,000</b>  | <b>5,000</b>        | <b>5,000</b>   |

A bank loan (500k) was advanced to the College on 15 February 2012 and was repaid in full on 15 February 2017.

During 2013-14, the College borrowed from institutional investors, collectively with other Colleges, the College's share being £5 million. The loans are unsecured and repayable during the period 2043-2053 and are at fixed interest rates of c4.4%.

During 2016-17 the College borrowed from institutional investors, with another College, the College's share being £5 million. The loan is unsecured and repayable during 2052 and is at a fixed interest rate of c2.93%.

The College has agreed a financial covenant of ratio of Borrowings to Net Assets, and has been in compliance with the covenant at all times since incurring these debts.



Notes to the Accounts  
For the year ended 30 June 2017

| 15 | Provisions                     | Consolidated | College   | Consolidated | College   |
|----|--------------------------------|--------------|-----------|--------------|-----------|
|    |                                | 2017         | 2017      | 2016         | 2016      |
|    |                                | £000         | £000      | £000         | £000      |
|    | Balance at beginning of year   | 60           | 60        | 45           | 45        |
|    | Charge to comprehensive income | (5)          | (5)       | 19           | 19        |
|    | Utilised in year               | (2)          | (2)       | (4)          | (4)       |
|    | <b>Balance at end of year</b>  | <b>53</b>    | <b>53</b> | <b>60</b>    | <b>60</b> |

| 16a | Pension provisions – Cambridge Colleges Federated Pension Scheme (CCFPS)              | Consolidated | College      | Consolidated | College      |
|-----|---|--------------|--------------|--------------|--------------|
|     |   | 2017         | 2017         | 2016         | 2016         |
|     |   | £000         | £000         | £000         | £00          |
|     | <b>Balance at beginning of year</b>   | <b>(454)</b> | <b>(454)</b> | <b>(810)</b> | <b>(810)</b> |
|     | Movement in year:   |              |              |              |              |
|     | Current service cost including life assurance   | (36)         | (36)         | (54)         | (54)         |
|     | Contributions   | 17           | 17           | 16           | 16           |
|     | Other finance (income)/cost   |              |              |              |              |
|     | Actuarial loss/(gain) recognised in Statement of Comprehensive Income and Expenditure | 72           | 72           | 394          | 394          |
|     | <b>Balance at end of year</b>   | <b>(401)</b> | <b>(401)</b> | <b>(454)</b> | <b>(454)</b> |

| 16b | Pension provisions – Universities Superannuation Scheme (USS)                         | Consolidated | College      | Consolidated | College      |
|-----|---|--------------|--------------|--------------|--------------|
|     |   | 2017         | 2017         | 2016         | 2016         |
|     |   | £000         | £000         | £000         | £00          |
|     | <b>Balance at beginning of year</b>   | <b>(388)</b> | <b>(388)</b> | <b>(394)</b> | <b>(394)</b> |
|     | Movement in year:   |              |              |              |              |
|     | Current service cost including life assurance   |              |              |              |              |
|     | Contributions   | 21           | 21           | 18           | 18           |
|     | Other finance (income)/cost   | (12)         | (12)         | (12)         | (12)         |
|     | Actuarial loss/(gain) recognised in Statement of Comprehensive Income and Expenditure |              |              |              |              |
|     | <b>Balance at end of year</b>   | <b>(379)</b> | <b>(379)</b> | <b>(388)</b> | <b>(388)</b> |

| 16c | Pension provisions – Church of England Funded Pension Scheme                          | Consolidated | College     | Consolidated | College     |
|-----|---|--------------|-------------|--------------|-------------|
|     |   | 2017         | 2017        | 2016         | 2016        |
|     |   | £000         | £000        | £000         | £00         |
|     | <b>Balance at beginning of year</b>   | <b>(28)</b>  | <b>(28)</b> | <b>(31)</b>  | <b>(31)</b> |
|     | Movement in year:   |              |             |              |             |
|     | Current service cost including life assurance   |              |             |              |             |
|     | Contributions   | 5            | 5           | 3            | 3           |
|     | Other finance (income)/cost   |              |             |              |             |
|     | Actuarial loss/(gain) recognised in Statement of Comprehensive Income and Expenditure |              |             |              |             |
|     | <b>Balance at end of year</b>   | <b>(23)</b>  | <b>(23)</b> | <b>(28)</b>  | <b>(28)</b> |



**Notes to the Accounts**  
**For the year ended 30 June 2017**

| <b>17</b>   | <b>Endowment funds</b>                                       |  |                   |                   |
|---|--|--|-------------------|-------------------|
|   | Restricted net assets relating to endowments are as follows: |  |                   |                   |
| <b>Consolidated</b>                                   | <b>Restricted permanent endowments</b>                       | <b>Unrestricted permanent endowments</b> | <b>2017 Total</b> | <b>2016 Total</b> |
|   | <b>£000</b>  | <b>£000</b>                              | <b>£000</b>       | <b>£000</b>       |
| <b>Balance at beginning of year</b>                   |  |  |                   |                   |
| Capital   | 27,280   | 57,552                                   | 84,832            | 82,722            |
| New donations and endowments                          | 1,316  |  | 1,316             | 213               |
| Investment Income: Total return recognised in the I&E | (116)  | (263)                                    | (379)             | (232)             |
| Expenditure: Investment Management costs              |  | (172)                                    | (172)             | (158)             |
| Increase/(decrease) in market value of investments    | 3,149  | 2,153                                    | 5,302             | 2,287             |
| <b>Balance at end of year</b>                         | <b>31,629</b>  | <b>59,270</b>                            | <b>90,899</b>     | <b>84,832</b>     |
| <b>Analysis by type of purpose</b>                    |  |  |                   |                   |
| Fellowship Funds                                      | 15,938   |  | 15,938            | 14,286            |
| Scholarship Funds                                     | 5,547  |  | 5,547             | 4,979             |
| Prize Funds   | 1,240  |  | 1,240             | 1,113             |
| Hardship Funds  | 3,432  |  | 3,432             | 3,081             |
| Bursary Funds   | 2,487  |  | 2,487             | 1,152             |
| Travel Grant Funds                                    | 1,005  |  | 1,005             | 892               |
| Other Funds   | 1,980  |  | 1,980             | 1,777             |
| General endowments                                    |  | 59,270                                   | 59,270            | 57,552            |
| <b>Total</b>  | <b>31,629</b>  | <b>59,270</b>                            | <b>90,899</b>     | <b>84,832</b>     |
| <b>Analysis by asset</b>                              |  |  |                   |                   |
| Property  |  | 45,810                                   | 45,810            | 45,704            |
| Investments   | 31,629   | 13,460                                   | 45,089            | 39,128            |
| Cash  |  |  |                   |                   |



Notes to the Accounts  
For the year ended 30 June 2017

| <b>17 Endowment funds</b>                                    |                                 |                                   |               |               |
|--|---------------------------------|-----------------------------------|---------------|---------------|
| Restricted net assets relating to endowments are as follows: |                                 |                                   |               |               |
| College  | Restricted permanent endowments | Unrestricted permanent endowments | 2017 Total    | 2016 Total    |
|  | £000                            | £000                              | £000          | £000          |
| <b>Balance at beginning of year</b>                          |                                 |                                   |               |               |
| Capital  | 27,280                          | 57,552                            | 84,832        | 82,722        |
| New donations and endowments                                 | 1,316                           |                                   | 1,316         | 213           |
| Investment Income: Total return recognised in the I&E        | (116)                           | (263)                             | (379)         | (232)         |
| Expenditure: Investment Management costs                     |                                 | (172)                             | (172)         | (158)         |
| Increase/(decrease) in market value of investments           | 3,149                           | 2,153                             | 5,302         | 2,287         |
| <b>Balance at end of year</b>                                | <b>31,629</b>                   | <b>59,270</b>                     | <b>90,899</b> | <b>84,832</b> |
| <b>Analysis by type of purpose</b>                           |                                 |                                   |               |               |
| Fellowship Funds   | 15,938                          |                                   | 15,938        | 14,286        |
| Scholarship Funds  | 5,547                           |                                   | 5,547         | 4,979         |
| Prize Funds  | 1,240                           |                                   | 1,240         | 1,113         |
| Hardship Funds   | 3,432                           |                                   | 3,432         | 3,081         |
| Bursary Funds  | 2,487                           |                                   | 2,487         | 1,152         |
| Travel Grant Funds   | 1,005                           |                                   | 1,005         | 892           |
| Other Funds  | 1,980                           |                                   | 1,980         | 1,777         |
| General endowments   |                                 | 59,270                            | 59,270        | 57,552        |
| <b>Total</b>   | <b>31,629</b>                   | <b>59,270</b>                     | <b>90,899</b> | <b>84,832</b> |
| <b>Analysis by asset</b>                                     |                                 |                                   |               |               |
| Property   |                                 | 45,810                            | 45,810        | 45,704        |
| Investments  | 31,629                          | 13,460                            | 45,089        | 39,128        |
| Cash   |                                 |                                   |               |               |



Notes to the Accounts  
For the year ended 30 June 2017

| <b>18 Restricted Reserves</b>  |  |   |   |                            |                            |
|--|--|---|---|----------------------------|----------------------------|
| Reserves with restrictions are as follows:                             |  |   |   |                            |                            |
| <b>Consolidated</b>  | <b>Capital grants unspent<br/>£000</b> | <b>Permanent unspent and other restricted income<br/>£000</b> | <b>Restricted expendable endowment<br/>£000</b> | <b>2017 Total<br/>£000</b> | <b>2016 Total<br/>£000</b> |
| <b>Balance at beginning of year</b>                                    |  |   |   |                            |                            |
| Capital  |  |   | 1,441   | 1,441                      | 1,025                      |
| Accumulated income   |  |   | 2,693   | 2,693                      | 2,840                      |
| New grants   |  |   |   |                            |                            |
| New donations  |  |   | 23  | 23                         | 280                        |
| Endowment return transferred   |  |   | 303   | 303                        | (10)                       |
| Other investment income  |  |   | (6)   | (6)                        | (3)                        |
| Increase/(decrease) in market value of investments                     |  |   | 290   | 290                        | 2                          |
| Expenditure  |  |   |   |                            |                            |
| Capital grants utilised  |  |   |   |                            |                            |
| <b>Balance at end of year</b>  |  |   |   |                            |                            |
| Capital  |  |   | 1,715   | 1,715                      | 1,441                      |
| Accumulated income   |  |   | 3,029   | 3,029                      | 2,693                      |
| <b>Analysis of other restricted funds/donations by type of purpose</b> |  |   |   |                            |                            |
| Fellowship Funds   |  |   | 1,050   | 1,050                      | 783                        |
| Scholarship Funds  |  |   | 688   | 688                        | 603                        |
| Prize Funds  |  |   | 178   | 178                        | 162                        |
| Hardship Funds   |  |   | 1,342   | 1,342                      | 1,204                      |
| Bursary Funds  |  |   | 398   | 398                        | 373                        |
| Travel Grant Funds   |  |   | 280   | 280                        | 279                        |
| Other Funds  |  |   | 808   | 808                        | 730                        |
| General  |  |   |   |                            |                            |



Notes to the Accounts  
For the year ended 30 June 2017

| <b>18 Restricted Reserves</b>  |                                |   |   |                    |                    |  |
|--|--------------------------------|---|---|--------------------|--------------------|--|
| Reserves with restrictions are as follows:                             |                                |   |   |                    |                    |  |
| College  | Capital grants unspent<br>£000 | Permanent unspent and other restricted income<br>£000 | Restricted expendable endowment<br>£000 | 2017 Total<br>£000 | 2016 Total<br>£000 |  |
| <b>Balance at beginning of year</b>                                    |                                |   |   |                    |                    |  |
| Capital  |                                |   | 1,441                                   | 1,441              | 1,025              |  |
| Accumulated income   |                                |   | 2,693                                   | 2,693              | 2,840              |  |
| New grants   |                                |   |   |                    |                    |  |
| New donations  |                                |   | 23                                      | 23                 | 280                |  |
| Endowment return transferred   |                                |   | 303                                     | 303                | (10)               |  |
| Other investment income  |                                |   | 290                                     | 290                | 2                  |  |
| Increase/(decrease) in market value of investments                     |                                |   | (6)                                     | (6)                | (3)                |  |
| Expenditure  |                                |   |   |                    |                    |  |
| Capital grants utilised  |                                |   |   |                    |                    |  |
| <b>Balance at end of year</b>  |                                |   |   |                    |                    |  |
| Capital  |                                |   | 1,715                                   | 1,715              | 1,441              |  |
| Accumulated income   |                                |   | 3,029                                   | 3,029              | 2,693              |  |
| <b>Analysis of other restricted funds/donations by type of purpose</b> |                                |   |   |                    |                    |  |
| Fellowship Funds   |                                |   | 1,050                                   | 1,050              | 783                |  |
| Scholarship Funds  |                                |   | 688                                     | 688                | 603                |  |
| Prize Funds  |                                |   | 178                                     | 178                | 162                |  |
| Hardship Funds   |                                |   | 1,342                                   | 1,342              | 1,204              |  |
| Bursary Funds  |                                |   | 398                                     | 398                | 373                |  |
| Travel Grant Funds   |                                |   | 280                                     | 280                | 279                |  |
| Other Funds  |                                |   | 808                                     | 808                | 730                |  |
| General  |                                |   |   |                    |                    |  |



**Notes to the Accounts**  
For the year ended 30 June 2017

| <b>19 Memorandum of Unapplied Total Return</b>  |  |               |               |
|---|--|---------------|---------------|
| Included within reserves the following amounts represent the Unapplied Total Return of the College: |  |               |               |
|   |  | <b>2017</b>   | <b>2016</b>   |
|   |  | <b>£000</b>   | <b>£000</b>   |
| Unapplied Total Return at beginning of year   |  | 65,554        | 63,554        |
| Unapplied Total Return for year (see note 3b)   |  | 6,069         | 2,000         |
| <b>Unapplied Total Return at end of year</b>  |  | <b>71,623</b> | <b>65,554</b> |

| <b>20 Reconciliation of consolidated surplus for the year to net cash inflow from operating activities</b> |  |             |             |
|--|--|-------------|-------------|
|  |  | <b>2017</b> | <b>2016</b> |
|  |  | <b>£000</b> | <b>£000</b> |
| Surplus/(deficit) for the year   |  | 7,631       | 3,217       |
| <b>Adjustment for non-cash items</b>   |  |             |             |
| Depreciation   |  | 1,711       | 1,708       |
| Investment income  |  | (2,898)     | (2,829)     |
| (Loss)/gain on endowments, donations and investment property   |  | (6,627)     | (2,393)     |
| Decrease/(increase) in stocks  |  | (5)         | (9)         |
| Decrease/(increase) in trade and other receivables   |  | 149         | 209         |
| Increase/(decrease) in creditors   |  | 127         | 329         |
| Increase/(decrease) in provisions  |  | (7)         | 15          |
| Pension costs less contributions payable   |  | 5           | 29          |
| Foreign Exchange movement  |  | (1)         | 107         |
| <b>Adjustment for investing or financing activities</b>  |  |             |             |
| Investment income  |  |             |             |
| Interest payable   |  | 290         | 235         |
| Profit on the sale of non-current assets   |  |             |             |
| <b>Net cash inflow from operating activities</b>   |  | <b>375</b>  | <b>618</b>  |

| <b>21 Cash flows from investing activities</b>    |  |              |              |
|---|--|--------------|--------------|
|   |  | <b>2017</b>  | <b>2016</b>  |
|   |  | <b>£000</b>  | <b>£000</b>  |
| Proceeds from sales of non-current fixed assets   |  |              |              |
| Non-current investment disposal                   |  | 14,546       | 8,118        |
| Investment income                                 |  | 2,898        | 2,829        |
| Endowment funds invested                          |  | (17,301)     | (2,378)      |
| Withdrawal of deposits                            |  | (161)        |              |
| Payments made to acquire non-current assets       |  | (969)        | (2,254)      |
| <b>Total cash flows from investing activities</b> |  | <b>(987)</b> | <b>6,315</b> |

| <b>22 Cash flows from financing activities</b>    |  |              |              |
|---|--|--------------|--------------|
|   |  | <b>2017</b>  | <b>2016</b>  |
|   |  | <b>£000</b>  | <b>£000</b>  |
| Interest paid                                     |  | (290)        | (235)        |
| Interest element of finance lease rental payment  |  |              |              |
| New unsecured loans                               |  | 5,000        |              |
| Repayments of amounts borrowed                    |  | (500)        |              |
| Capital element of finance lease rental payments  |  |              |              |
| <b>Total cash flows from financing activities</b> |  | <b>4,210</b> | <b>(235)</b> |





Notes to the Accounts  
For the year ended 30 June 2017

| <b>23 Analysis of cash and cash equivalents</b> |                          |                      |            |                |
|---|--------------------------|----------------------|------------|----------------|
|   |                          | At beginning of year | Cash flows | At end of year |
|   |                          | £000                 | £000       | £000           |
|   | Bank overdrafts          | -                    | -          | -              |
|   | Cash at bank and in hand | -                    | -          | -              |
|   | Net Funds                | -                    | -          | -              |

| <b>24 Capital commitments</b> |  |      |      |
|-------------------------------|--|------|------|
|                               |  | 2017 | 2016 |
|                               |  | £000 | £000 |
|                               | Capital commitments at 30 June 2016:                                   | -    | -    |
|                               | Authorised and contracted  | -    | -    |
|                               | Authorised but not yet contracted for                                  | -    | -    |
|                               | Commitments under finance leases entered into but not yet provided for | -    | --   |

| <b>25 Lease obligations</b>   |                   |      |      |
|---|-------------------|------|------|
| At 30 June 2016 the College had no annual commitments under non-cancellable operating leases. |                   |      |      |
|   |                   | 2017 | 2016 |
|   |                   | £000 | £000 |
|   | Lease obligations | -    | -    |



## Notes to the Accounts

### For the year ended 30 June 2017

#### 27 Pension schemes

The College participates in three defined benefit schemes: the University Superannuation Scheme (USS) Ltd, the Cambridge Colleges' Federated Scheme (CCFPS) and the Church of England Funded Pension Scheme (CEFPS).

#### University Superannuation Scheme (USS)

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

FRS 102 makes the distinction between a Group Plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The trustees are satisfied that the scheme provided by 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 financial statements.

The total cost charged to the profit and loss account is £232,174 (2016: £220,066).

The latest available full actuarial valuation of the scheme was at 31 March 2014 (the valuation date), which was carried out using the projected unit method. The valuation as at 31 March 2017 is underway.

Since the College cannot identify its share of scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole.

The 2014 valuation was the third valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £41.6 billion and the value of the scheme's technical provisions was £46.9 billion indicating a shortfall of £5.3 billion. The assets therefore were sufficient to cover 89% of the benefits which had accrued to members after allowing for expected future increases in earnings.

Defined benefit liability numbers for the scheme have been produced using the following assumptions:

|                           | 2017  |  | 2016 |
|---------------------------|-------|--|------|
| Discount rate             | 2.57% |  | 3.6% |
| Pensionable salary growth | n/a   |  | n/a  |
| Pension increases (CPI)   | 2.41% |  | 2.2% |



**Notes to the Accounts  
For the year ended 30 June 2017**

The main demographic assumption used relates to the mortality assumptions. Mortality in retirement is assumed to be in line with the Continuous Mortality Investigation's (CMI) S1NA tables as follows:

Male members' mortality 98% of S1NA ["light"] YoB tables – No age rating  
 Female members' mortality 99% of S1NA ["light"] YoB tables – rated down 1 year

Use of these mortality tables reasonably reflects the actual USS experience. To allow for further improvements in mortality rates the CMI 2014 projections with a 1.5% pa long term rate were also adopted. The current life expectancies on retirement at age 65 are:

|  | <b>2017</b> | <b>2016</b> |
|--|-------------|-------------|
| Males currently aged 65 (years)                          | 24.4        | 24.3        |
| Females currently aged 65 (years)                        | 26.6        | 26.5        |
| Males currently aged 45 (years)                          | 26.5        | 26.4        |
| Females currently aged 45 (years)                        | 29.0        | 28.8        |
|  | <b>2017</b> | <b>2016</b> |
| Scheme assets  | £60.0bn     | £49.8bn     |
| Total scheme liabilities                                 | £77.5bn     | £58.3bn     |
| FRS 102 total scheme deficit FRS 102 total funding level | 77%         | 85%         |

**Cambridge Colleges' Federated Pension Scheme**

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

The liabilities of the plan have been calculated for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Cambridge Colleges' Federated Pension Scheme, at 31 March 2017 but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

The principal actuarial assumptions at the balance sheet date (expressed as weighted averages) were as follows:

|  | <b>2017<br/>% p.a.</b> | <b>2016<br/>% p.a.</b> |
|--|------------------------|------------------------|
| Discount rate                                    | 2.6                    | 2.8                    |
| Increase in salaries                             | 2.85                   | 2.4                    |
| RPI assumption                                   | 3.35                   | 2.9                    |
| CPI assumption                                   | 2.35                   | 1.9                    |
| Pension increases in payment (RPI Max 5% p.a.)   | 3.25                   | 2.7                    |
| Pension Increases in payment (CPI Max 2.5% p.a.) | 1.85                   | 1.7                    |

The underlying mortality assumption is based upon the standard table known as S2PA on a year of birth usage with CMI\_2016 future improvement factors and a long-term rate of future improvement of 1.25% p.a. (2016: S2PA with CMI\_2015 future improvement factors and a long-term future improvement rate of 1% p.a.). This results in the following life expectancies:

- Male age 65 now has a life expectancy of 22.1 years (previously 21.9 years).
- Female age 65 now has a life expectancy of 23.9 years (previously 23.9 years).
- Male age 45 now and retiring in 20 years has a life expectancy of 23.5 years (previously 23.2 years).
- Female age 45 now and retiring in 20 years has a life expectancy of 25.4 years (previously 25.4 years).



**Notes to the Accounts  
For the year ended 30 June 2017**

The amounts recognised in the Balance Sheet as at 30 June 2017 (with comparative figures as at 30 June 2016) are as follows:

|  | <b>2017<br/>£</b> | <b>2016<br/>£</b> |
|--|-------------------|-------------------|
| Present value of plan liabilities            | (8,189,325)       | (7,529,779)       |
| Market value of plan assets                  | 7,787,626         | 7,076,225         |
| <b>Net defined benefit asset/(liability)</b> | <b>(401,699)</b>  | <b>(453,554)</b>  |

The amounts to be recognised in Profit and Loss for the year ending 30 June 2017 (with comparative figures for the year ending 30 June 2016) are as follows.

|   | <b>2017<br/>£</b> | <b>2016<br/>£</b> |
|---|-------------------|-------------------|
| Current service cost                              | 12,103            | 12,618            |
| Administrative expenses                           | 11,544            | 11,544            |
| Interest on net defined benefit (asset)/liability | 12,956            | 30,260            |
| (Gain)/loss on plan changes                       | 0                 | 0                 |
| Curtailement (gain)/loss                          | 0                 | 0                 |
| <b>Total</b>                                      | <b>36,603</b>     | <b>54,422</b>     |

Changes in the present value of the plan liabilities for the year ending 30 June 2017 (with comparative figures for the year ending 30 June 2016) are as follows:

|   | <b>2017<br/>£</b> | <b>2016<br/>£</b> |
|---|-------------------|-------------------|
| Present value of plan liabilities at beginning of period  | 7,529,779         | 7,060,046         |
| Current service cost                                      | 12,103            | 12,618            |
| Employee contributions                                    | 9,179             | 8,979             |
| Benefits paid   | (257,388)         | (269,288)         |
| Interest on plan liabilities                              | 207,552           | 256,689           |
| Actuarial (gains)/losses                                  | 688,100           | 460,735           |
| (Gain)/loss on plan changes                               |                   | 0                 |
| Curtailement (gain)/loss                                  |                   | 0                 |
| <b>Present value of plan liabilities at end of period</b> | <b>8,189,325</b>  | <b>7,529,779</b>  |

Changes in the fair value of the plan assets for the year ending 30 June 2017 (with comparative figures for the year ending 30 June 2016) are as follows:

|   | <b>2017<br/>£</b> | <b>2016<br/>£</b> |
|---|-------------------|-------------------|
| Market value of plan assets at beginning of period        | 7,076,225         | 6,250,498         |
| Contributions paid by the College                         | 16,489            | 16,590            |
| Employee contributions                                    | 9,179             | 8,979             |
| Benefits paid   | (257,388)         | (269,288)         |
| Administrative expenses paid                              | (17,275)          | (15,721)          |
| Interest on plan assets                                   | 194,596           | 226,429           |
| Return on assets, less interest included in Profit & Loss | 765,800           | 858,738           |
| <b>Market value of plan assets at end of period</b>       | <b>7,787,626</b>  | <b>7,076,225</b>  |

|                              |         |           |
|------------------------------|---------|-----------|
| Actual return on plan assets | 960,396 | 1,085,167 |
|------------------------------|---------|-----------|

The major categories of plan assets as a percentage of total plan assets for the year ending 30 June 2017 (with comparative figures for the year ending 30 June 2016) are as follows:

|              | <b>2017</b> | <b>2016</b> |
|--------------|-------------|-------------|
| Equities     | 67%         | 59%         |
| Bonds & Cash | 27%         | 35%         |
| Property     | 6%          | 6%          |
| <b>Total</b> | <b>100%</b> | <b>100%</b> |

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



## Notes to the Accounts For the year ended 30 June 2017

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2017 (with comparative figures for the year ending 30 June 2016) are as follows:

|   | 2017<br>£     | 2016<br>£      |
|---|---------------|----------------|
| Return on assets, less interest included in Profit and Loss             | 765,800       | 858,738        |
| Expected less actual plan expenses                                      | (5,731)       | (4,177)        |
| Experience gains and losses arising on plan liabilities                 | 114,373       | 117,693        |
| Changes in assumptions underlying the present value of plan liabilities | (802,473)     | (578,428)      |
| <b>Remeasurement of net defined benefit liability recognised in OCI</b> | <b>71,969</b> | <b>393,826</b> |

Movement in net defined benefit asset/ (liability) during the year ending 30 June 2017 (with comparative figures for the year ending 30 June 2016) are as follows:

|  | 2017<br>£        | 2016<br>£        |
|--|------------------|------------------|
| Surplus/(deficit) in plan at beginning of year                   | (453,554)        | (809,548)        |
| Recognised in Profit and Loss                                    | (36,603)         | (54,422)         |
| Contributions paid by the College                                | 16,489           | 16,590           |
| Remeasurement of net defined benefit liability recognised in OCI | 71,969           | 393,826          |
| <b>Net defined benefit asset/(liability) at end of year</b>      | <b>(401,699)</b> | <b>(453,554)</b> |

### Funding Policy

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

The last such valuation was as at 31 March 2014. This showed that the plan's assets were sufficient to cover the liabilities on the funding basis.

### Church of England Funded Pension Scheme (CEFPS)

Corpus Christi 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. This means it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SOCIE in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at 31 December 2015. The 2015 valuation revealed a deficit of £236m, based on assets of £1,308m and a funding target of £1,544m, assessed using the following assumptions and an investment strategy of:

- for investments backing liabilities for pensions in payment, an allocation to gilts of 33% from the valuation date until 31 December 2019 and thereafter increasing linearly to 70% by December 2030; and
- a 100% allocation to return-seeking assets for investments backing liabilities prior to retirement;
- Investment returns of 206% p.a. on gilts and 4.6% p.a. on return seeking assets;
- RPI inflation of 3.2% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.2% p.a.;
- Mortality in accordance with 80% of the S2NMA and S2NFA tables, with allowance for improvements in mortality rates in line with the CMI 2015 core projections, with a long term annual rate of improvement of 1.5%.



**Notes to the Accounts**  
**For the year ended 30 June 2017**

Following the 31 December 2015 valuation, a recovery plan was put in place until 31 December 2025 and the deficit repair contributions payable (as a percentage of pensionable stipends) are set out in the table below. Contributions since 2015 are shown for reference.

| % of pensionable stipends    | 1 January 2015 to<br>31 December<br>2017 | 1 January 2018 to<br>31 December<br>2025 |
|------------------------------|--|--|
| Deficit repair contributions | 14.1%                                    | 11.9%                                    |

As at December 2014 and December 2015, the deficit repair contributions payable under the recovery plan in force were 14.1% of pensionable stipends until December 2025.

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. The movement in the provision is set out in the table below.

|  | 2016          | 2015          |
|--|---------------|---------------|
| Balance sheet liability at 1 January                                   | 28,000        | 31,000        |
| Deficit contribution paid  | -3,000        | -3,000        |
| Interest cost (recognised in SOCIE)                                    | 1,000         | 1,000         |
| Remaining change to the balance sheet liability* (recognised in SOCIE) | -3,000        | -1,000        |
| <b>Balance sheet liability at 31 December</b>                          | <b>23,000</b> | <b>28,000</b> |

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

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

|                                       | December<br>2016 | December<br>2015 | December<br>2014 |
|---------------------------------------|------------------|------------------|------------------|
| Discount rate                         | 1.5% pa          | 2.5% pa          | 2.3% pa          |
| Price inflation                       | 3.1% pa          | 2.4% pa          | 2.7% pa          |
| Increase to total pensionable payroll | 1.6% pa          | 0.9% pa          | 1.2% pa          |

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

**28 Principal subsidiary and associated undertakings and other significant investments**

|                         | Country of Incorporation and<br>Operation | Cost |
|-------------------------|---|------|
| Corpus Developments Ltd | United Kingdom                            | 1    |
| Corpus Conferences Ltd  | United Kingdom                            | 1    |

Corpus Developments Ltd was incorporated on 4 November 2009. The principal activity of the company is student accommodation development. This company is included in these consolidated financial statements.  
Corpus Conferences Ltd was incorporated on 13 February 2015. The company commenced trading on 1 July 2015. The principal activity of the company is external non educational conference business.



**Notes to the Accounts**  
**For the year ended 30 June 2017**

**29 Contingent Liabilities**

The College participates in the Universities Superannuation Scheme (USS), with effect from 16 March 2007 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.

**30 Related Party Transactions**

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

