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The Head, Fellows and Scholars of Selwyn College is a corporate body comprising the Master, Fellows and Scholars, founded in 1882. In August 2010, the College became a registered charity with the Charities Commission, with its registered office at Grange Road, Cambridge CB3 9DQ.

**Members of the Governing Body serving during the year**

Mr Roger Mosey  
Professor Patrick J N Baert  
Dr Ronita Bardhan  
Dr Daniel A Beauregard  
Dr John R Benson  
Dr Christopher Briggs  
Dr Uradyn E Bulag  
Professor Nicholas J Butterfield  
Dr Jack O Button  
Dr Bryan Cameron  
Professor R Stewart Cant  
Dr Filipe Carreira da Silva  
Professor Daping Chu  
Professor William J Clegg  
Dr Philip J Coggan  
Professor John S Dennis  
Dr Lynn V Dicks  
Mr Nicholas J A Downer  
Professor Katharine J Ellis  
Dr Stuart M Eves  
Dr Anita C Faul  
Professor Leonardo Felli  
Dr Elena Y Filimonova  
Mrs Sarah Fraser Butlin  
Dr Jessica Gardner  
Dr Fabian Grabenhorst  
Dr Marta Halina  
Dr Emily Hancox  
Dr Joerg Haustein  
Dr Alan D Howard  
Dr Gavin E Jarvis  
Dr James H Keeler  
Mr Myun Gun Kim  
Mr Oleg Kitov  
Dr Shaun T Larcom  
Dr Robert Lee  
Ms Anna H Lippert  
Ms Sarah E A MacDonald  
Dr Katarzyna Macieszczak  
Mr James M R Matheson  
Dr Kirsty McDougall  
Professor Ian A McFarland  
Dr Sarah Meer  
Dr James Moultrie  
Mr Michael G Nicholson  
Dr Nikolaos Nikiforakis  
Dr Mathias Nowak  
Dr Diarmuid R O’Donnell  
Dr Janet A O’Sullivan  
Dr Helena C Phillips-Robins  
Mr Martin Pierce  
Dr Amer A Rana  
Dr Charlotte Reinbold  
Dr Stewart O Sage  
Dr Michael J Sewell  
Revd Canon Hugh D Shilson-Thomas  
Dr David L Smith  
Dr Thomas D Smith  
Dr Charlotte Summers  
Dr Rupert J E Thompson  
Dr Paul D Upton  
Dr Chander K Velu  
Dr Deepak Venkateshvaran  
Dr Dacia Viejo Rose  
Dr Heather M Webb  
Dr Lauren Wilcox  
Dr David W E Willis  
Dr Charlotte Woodford  
Dr Yu Ye  
Dr Victoria Young  
Dr Yvonne Zivkovic

**JUNIOR MEMBERS**

Oliver Schönle (JCR President)  
Boris Fonarkov (JCR Treasurer)  
Maxime Burgonse (MCR President)  
Piergiacomo Cacciamani (MCR Treasurer)
Reference and Administration

Senior Officers:
- Head of House: Mr Roger Mosey
- Vice Master: Dr Janet O’Sullivan
- Bursar: Mr Martin Pierce
- Senior Tutor: Dr Michael J Sewell

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

Bankers: Barclays Bank PLC
P O Box 885
Mortlock House
Station Road
Histon
Cambridge
CB24 9DE

Investment Managers: J M Finn & Co
4 Coleman Street
London
EC2R 5TA

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

Taylor Vinters
Merlin Place
Cambridge
CB4 0DP
Operating and Financial Review for the Year ended 30 June 2020

1. Introduction

Selwyn College (the “College”) is pleased to present its operating and financial review, together with the financial statements for the year ended 30 June 2020.

The College would first of all like to take the opportunity to record its appreciation of the work of Nick Downer, the previous Bursar, who retired during this financial year in November 2019, after 17 years of service to the College.

Covid-19

Of course, the outbreak of the Covid-19 pandemic has been the defining feature of the year under review. The College was required to close as far as possible at the end of March and request that students who could should return home. Students did not return during the Easter term and Fellows had to teach online. Many staff worked, where they could, substantially from home. The College did however have a number of resident students who could not return home or had no alternative place to live and study and for whom the College maintained basic residential and catering services within government restrictions and guidelines. This in turn required a number of operational staff to continue working on site through the spring and early summer.

The College benefited from intercollegiate and University collaboration in working out how to close down services safely and then understand how to complete the much more substantial challenge of planning to reopen the colleges and University on a ‘Covid-secure’ basis for the new academic year. This formed the basis for the College’s own recovery and reopening plan, overseen throughout by the College Council, which was substantially in place by July 2020. It is a testament to the ingenuity, dedication and resilience of the College’s management and staff that the College was able to reopen to undergraduate and postgraduate students in October.

The financial impact of the pandemic will be apparent in many aspects of the 2019-20 accounts, and is referenced where particularly significant.

2. Aims and Objectives of the College

Founded in 1882 as a place of religion, education, learning and research in memory of George Augustus Selwyn, Bishop successively of New Zealand and of Lichfield, the College is an autonomous, self-governing community of scholars and one of 31 Colleges within the University of Cambridge. The community consists of the Master, 66 fellows and 645 junior members, of whom 377 are undergraduates and 268 are graduate students.

Teaching

The College provides, in conjunction with the University of Cambridge, an education for undergraduate and graduate students which is recognised as being of the highest international standard. The University came seventh overall in the QS World University Rankings for 2019 and remains one of the top three ranked universities outside the United States. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides teaching facilities and individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial and graduate mentoring systems. It
also provides social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

**Research**

The College advances research through the provision of Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post. In addition, it supports research work pursued by its other Fellows through the promotion of interaction across disciplines, the provision of facilities and grants for national and international conferences, research trips and research materials. It encourages visits from outstanding academics from abroad and the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

**Academic excellence**

The College received a record number of undergraduate applications (769) in 2019-20. The size of the field reflects the effort that the College has made in Widening Participation and Admissions activities in recent years. Whilst EU applications have, predictably, fallen, the growth in non-EU overseas applications remains healthy. Nearly 80% of the UK applicants were from maintained sector schools, a figure reflected in the 78% of the new intake.

Postgraduate admissions are also in a very healthy state. The investment in Postgraduate Studentships is paying off handsomely and we are delighted that the number of matched funded MPhil and doctoral studentships is helping us to become more competitive in attracting the very best applicants to Selwyn as well as retaining high flyers.

Academic performance remains strong, though the disruptions to the examinations in the summer of 2020 caused by the pandemic have not permitted the usual benchmarking exercise against University averages.

The College remains committed to academic excellence and anticipates further investment in teaching and student facilities in the coming years, notably in the £12.6m new Bartlam Library and Quarry Whitehouse Auditorium, on which work was well progressed by June 2020, despite some Covid-19 related delays. Completion is expected during the first half of 2021. Non-academic activities nonetheless remain important too and details of the College’s many sporting, musical and cultural successes are recorded in the College Calendar, the latest edition of which can be viewed at [https://www.selwynalumni.com/publications](https://www.selwynalumni.com/publications).

**Access and Widening Participation**

The College aims to attract the best applicants from the widest range of schools and colleges. The colleges and the University engage in substantial outreach activities to encourage all academically qualified students to apply for admission to Cambridge, whatever their backgrounds or financial circumstances. The University has been committed under an Access and Participation Plan with the Office for Students (“OfS”) to increasing the proportion of UK resident students admitted from UK state sector schools and colleges to 64% by 2020, the proportion of UK resident students from the Participation Of Local Area (“POLAR”) classification quintiles 1 and 2 to 12.7% and UK resident students from regional Indices of Multiple Deprivation (“IMD”) to 17.2%.

Selwyn has met or exceeded each of these targets, with 78% of students accepted for entry in October 2020 from the maintained sector, a POLAR quintile 1+2 figure of 13.3% and an
IMD figure of 21.4%. Whilst the targets have been met, Selwyn’s figures would have been stronger still based on the original number of incoming undergraduates following the initial A level results. However, the late change to government policy on A Level results in August resulted in a 10% rise in undergraduate numbers which also had the consequence of reducing these widening participation scores.

The College participates enthusiastically in widening participation and aspiration-raising programmes in conjunction with the University. It also employs its own full-time Schools Liaison Officer to reinforce these outreach efforts. Since 2000, by agreement with the University and the other colleges, Selwyn has targeted non-selective state-maintained 11-16 and 11-18 schools, Further Education and Sixth Form Colleges in West Yorkshire and East Berkshire. Over the year, the College spent £241k on access events, exactly the same as in 2018-19. This was not intentional – the College would have increased its expenditure in this area but for the impact of the Covid pandemic.

**Financial and other support**

Once admitted, students have access to several sources of financial aid. In 2019-20, a total of £305k (2018-19 £276k) was received by Selwyn students through the Cambridge Bursary Scheme, which is operated collectively with the University and other colleges. Under this Scheme, students whose household income is below £25,000 receive a maximum grant of £3,500 per year in addition to any government loans. Those with incomes of up to £42,620 receive amounts that taper to £300. The College also participates in a pilot top-up bursary scheme, alongside several other colleges, which is designed to provide further support to students from lower household incomes but also those from incomes up to circa £62k. Around a quarter of all Selwyn undergraduates received some form of Bursary support over the year. In addition, the College paid out £218k (2018-19 £282k) in awards and scholarships (to support the purchase of books and equipment, attendance at conferences, and travel), studentships, and College-funded bursaries in cases of financial hardship. The reduction on 2018-19 relates principally to the impact of Covid, e.g. a reduction of over £50k in travel grants.

Covid-19 brought new challenges for both the Tutorial and Direction of Studies activities that the College provides. Colleagues in the Tutorial Office and the Fellowship alike rose to these challenges to ensure that our students remained well supported. Students continued to receive mental health support through the Dawson Fund, and we were grateful to a number of donors who provided generous gifts specifically to help with equipment costs for remote study or other Covid-related hardship.

The College’s good fortune in having received a significant gift that allowed us greatly to increase the presence of the Nurse year-round has also been a very significant benefit in the context of the pandemic.

**3. Governance of the College**

The College is a corporation established by Royal Charter of 13 September 1882. The arrangements for governance of the College are set out in its statutes. The Master is Head of House, has statutory powers of governance and presides over the Governing Body. The Senior Tutor has overall responsibility for the admission, education and welfare of undergraduates and graduates and the Bursar has overall responsibility for the finances, estate and administration of the College. The members of the Governing Body serving during the year to 30 June 2020 are shown at the beginning of this report. With the exception of the junior
members, Governing Body members serve until the earlier of retirement or the end of the academic year in which they reach 67 years of age.

The Governing Body, which meets three times a year, delegates day-to-day responsibility for the running of the College to the College Council and its Committees. Representatives of the undergraduate and postgraduate student bodies are members of the Governing Body and Council, and most of the Committees. External members attend meetings of the Investment Committee and the Remuneration Committee. Members of the Governing Body are required to act with integrity, in the College’s interests without regard to their own private interests, and to manage the affairs of the College prudently, balancing long-term and short-term considerations. The College has a policy for managing conflicts of interest, maintaining a register of interests and seeking declarations of potential conflict at the start of any meeting.

**Charitable Status**

Acting on the powers in the Charities Act 2006, the Secretary of State removed the exempt status of the Colleges of Oxford and Cambridge on 1 June 2010. The College was then registered with the Charity Commission on 12 August 2010 (Registered Number: 1137517). The Governing Body is the trustee body for the charity and all members of the Governing Body are trustees. In line with Charity Commission recommended best practice, the College has appointed a majority of independent members to its Remuneration Committee and has appointed a special committee of disinterested persons to advise it on any matters relating to changes in the Universities Superannuation Scheme.

**Financial Reporting**

The Governing Body has responsibility for ensuring that there is an effective system of internal controls and that financial records are accurately maintained. It is also responsible for safeguarding the assets of the College and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The College is required by statute to present audited financial statements for each financial year. The Cambridge colleges are classed as a special case for purposes of accounting and continue to publish accounts in the form stipulated by Statute G III 2(i) of the University, *The Recommended Cambridge Colleges Accounts* ("RCCA"), which is based on Financial Reporting Standards and is compliant with the *Statement of Recommended Practice: Accounting for Further and Higher Education*. The Intercollegiate Committee for College Accounts advises on interpretation. The College is a charity within the meaning of the Taxes Act 1988, s 506 (1).

**Relationship with the University**

The College is a legally autonomous body; however, it exists within the federal structure of the University. Matters of concern to all colleges and the University are discussed and acted on through a system of University-wide committees, such as the Colleges’ Committee, of which all Heads of House are members, the Senior Tutors’ Committee, which is chaired by the Vice Chancellor, and the Bursars’ Committee. Representatives of the Senior Tutors and Bursars sit on each other’s committees and on the Colleges Committee. These committees work through the building of consensus as their decisions are not constitutionally binding. The Cambridge colleges have established an Office for Intercollegiate Services to support the activities of the principal intercollegiate committees.
4. Income and Expenditure

Summary
The College’s income and expenditure, as set out in the Statement of Comprehensive Income, falls into three broad categories:

- Wholly unrestricted income and expenditure.
- Income and expenditure which are restricted to certain purposes, specified by the provider of the original capital.
- Income and expenditure related to the endowment, where only the income arising from the principal sum will be expendable, not the principal itself.

This section focuses principally on the unrestricted category, which makes up the majority of the College’s income and expenditure.

In 2019-20, the unrestricted operating income and expenditure for the year resulted in an overall deficit of £1.67m (compared with a deficit of £0.49m in 2018-19) – a deterioration of £1.18m.

The principal drivers of the deterioration were adverse movements in:

- Accommodation, Catering & Conferences: down £1.1m (due to Covid)
- Unrestricted Donations: down £1.1m (although this is largely due to a very generous legacy in 2018-19)

These adverse movements were partially offset by the receipt of £0.3m under the Government’s Job Retention Scheme (unexpected income due to Covid).

Also in the result for 2019/20 £0.6m less is charged for the cost of pensions under FRS102 than was charged in 2018/19. However this still represents a further £1m increase in the pension liability.

The underlying picture remains clouded by large year-on-year variations in non-cash items, and it is perhaps more instructive to focus on the underlying operational condition of the College. The table below reconciles the statutory figure to the underlying result, where the College recorded an underlying deficit of £1.8m, a deterioration of just under £1m in comparison with 2018-19. However, it is difficult to draw too many conclusions from this due to the exceptional impact of Covid-19.

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<th>2019-20</th>
<th>2018-19</th>
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<tr>
<td>Total Comprehensive Unrestricted Income</td>
<td>(1,670)</td>
<td>(490)</td>
</tr>
<tr>
<td>Actuarial loss/(gain) in respect of pension schemes</td>
<td>973</td>
<td>1,029</td>
</tr>
<tr>
<td>FRS102 Pension Cost Adjustments</td>
<td>28</td>
<td>527</td>
</tr>
<tr>
<td>Postgraduate Studentships Committed less paid</td>
<td>(67)</td>
<td>(43)</td>
</tr>
<tr>
<td>(Increase)/decrease in market value of investments</td>
<td>(251)</td>
<td>(250)</td>
</tr>
<tr>
<td>Unrestricted Donations Income</td>
<td>(448)</td>
<td>(1,586)</td>
</tr>
<tr>
<td>Job Retention Scheme</td>
<td>(339)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Underlying Deficit</strong></td>
<td><strong>(1,774)</strong></td>
<td><strong>(813)</strong></td>
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Income
The College’s activities are funded from academic fees and charges (including tuition fees), charges for student residences and catering, and income from conferences, investments and from donations and bequests. Total unrestricted income in 2019-20 amounted to £8.41m, a reduction of 15% of the 2018-19 figure of £9.86m. As set out earlier, this reduction was
largely driven by one-off factors relating to the pandemic and comparison against a year in which a particularly large bequest was received.

**Academic Fees and Charges**
Income from fees and charges rose by 5% to £2.9m, driven by higher receipts from international students and graduates. Related expenditure on education rose by 4% to £4.2m, leaving the education deficit stable this year at £1.3m.

Tuition Fees for Home and EU undergraduates were charged at the maximum permitted rate of £9,250 for students matriculating in 2019-20. Approval for this level of fee was conditional on the signing of the OfS agreement outlined above. Tuition fees for new students are paid either by the students themselves or on behalf of the students through the Student Loans Company. The colleges collect these fees and, under a negotiated fee agreement, pass half over to the University. Both the colleges and the University pay from the fee equal shares towards the Cambridge Bursary Scheme.

In 2019-20, fees from home and EU undergraduates amounted to £1.65m, almost unchanged vs. £1.63m the previous year. A further £0.46m was received from privately funded undergraduates, up 20% on £0.38m in 2018-19, and £0.65m from postgraduate students, up 10% from £0.59m in 2018-19. The colleges’ share of the tuition fees is substantially below the actual cost of education, which was estimated by the Cambridge colleges in 2018 as £10,988 per annum for an undergraduate (with a further £10,300 of University expenditure for a total cost of education over £21,000) and £6,022 for a postgraduate. Whilst the private undergraduate fee is unregulated and set at a more realistic £9,702 in 2019-20, there remains a substantial shortfall, as evidenced by the deficit on the education account described below.

Looking ahead, from the academic year 2021-22, EU students will no longer qualify as ‘Home’ students for tuition fees and will need to pay the private undergraduate fees. It remains to be seen what financial impact this has from a potential mix of lower numbers but higher fees per student.

**Student Accommodation and Catering**
Rent and catering for members of the College would usually be the largest source of income, but in 2019-20, both were significantly impacted by the Covid-19 pandemic as the overwhelming majority of students left Cambridge in March and did not return for the Easter term, causing both rent and catering income to be substantially lost for the final three months of the financial year.

When in residence, nearly all undergraduate members live in College accommodation as do a significant number of postgraduate students. The majority of the College’s 499 rooms are located on or adjacent to the main site on Grange Road and, following the £13.2m refurbishment of Cripps Court in 2012-14, two-thirds now have ensuite facilities. The College provides a wide range of student accommodation with varying charges depending on the facilities provided. A typical room rent in 2019-20 was around £128 per week for a standard room (2019 £125) and £160 for an ensuite room (2019 £157). This is substantially below the levels charged by private landlords in Cambridge and barely covers the economic cost to the College of providing the room. However, the College acknowledges that welfare considerations must play a part in rent discussions and in recent years rent increases have been kept as low as possible and in line with inflation.

As a result of the pandemic, nearly all Easter term rents were waived which led to overall accommodation income falling 27% to £1.9m in 2019-20, compared with £2.58m in 2018-19.
The College also offers a variety of catering services to members: snacks, brunches, cafeteria self-service meals and formal hall dinners. The College is recognised for the high quality of its offering and continues to hold a 5-star environmental health rating, the highest awarded by Cambridge City Council. Until the pandemic struck, the College was enjoying increased revenues from its recently refurbished servery and enhanced dining experience and from its new café-bar, which opened in May 2019. As a result of the pandemic however, income for the year fell 19% to £0.71m in 2019-20, compared with £0.88m in 2018-19.

Conferences
The College has a long-term strategy of building its conference income to help offset losses on the education account, whilst at the same time ensuring that it does not become over-dependent on a potentially volatile source of income. The majority of this income is seen in the summer vacation period, and Selwyn’s conference business in the summer of 2019 was particularly strong. As a result, income increased for the year by 4% to £1.28m (2018-19 £1.23m), representing 15% of total unrestricted income, despite pandemic-related lost business in the Easter vacation and term in 2020. The College seeks to cover the out-of-term portion of the year-round costs of the estate and the staff and continues to work closely with many University departments, notably the Institute of Continuing Education and its Summer Schools on the adjacent Sidgwick Site. Nevertheless, inevitably there was almost no conference business in the summer of 2020, the financial impact of which will be seen in the 2020-21 accounts in due course.

Investment Income
Although the College’s endowment remains modest when compared to other Cambridge colleges, income from investments is a vital source of revenue, amounting to £1.64m in 2019-20, almost unchanged on the previous year’s £1.65m. The College endeavours to manage its investments to ensure that it can continue to meet its charitable objectives in perpetuity. The portfolio continues to be managed by the College’s Investment Committee, which includes external members and the College’s stockbroker. The College’s defensive risk positioning served it well during a particularly volatile period in the markets from February to June 2020 following the outbreak of the pandemic, but it is expected that investment income from dividends and fixed interest securities will fall overall as a result of the pandemic.

The College has also continued to lower the investment risk by gradually increasing exposure to a variety of managed funds and reducing the proportion invested directly in equities. It has also invested £4m in the Cambridge University Endowment Fund (“CUEF”). This is also likely to result in reduced investment income over time in favour of capital growth, as a result of which the College has taken the decision to move to a ‘total return’ approach to taking an income from its portfolio, with a view to making this change from the start of the 2021-22 financial year. This will involve the development of a spending policy, whereby a certain percentage of the annual growth in income and capital is taken out of the portfolio. The amount is typically derived from an agreed formula that should allow smoothing over the years to protect income in the event of market turbulence.

Donations and bequests
The generosity of the College’s alumni and supporters continues to play an important role in securing the scope, scale and quality of what the College is, and will be, able to offer, exemplified in the funding of the new Bartlam Library and Quarry Whitehouse Auditorium entirely through donations. As well as capital projects such as this, the College is also grateful for donations received for student support, which allows both direct financial grants to students and also indirect support such as the Dawson fund for mental health mentioned previously.
In 2019-20, total expendable donations (excluding those for the new building and new endowments) returned to a more normal level of £0.65m, following a large and extremely generous bequest in the previous year which generated the much higher figure of £1.65m. In addition, the College received £0.59m in new endowments; last year it also received £0.59m. It also received £1.85m (last year £2.39m) of donations in support of capital projects, principally for the new Bartlam Library and Quarry Whitehouse Auditorium building.

Fundraising
The College is registered with the Fundraising Regulator. All fundraising activity meets or exceeds current standards and is accountable to the College Council. The Council reviews its donations policy every three years and renewed it during 2019-20. The College does not use third parties to assist in its fundraising, while students who participate in fundraising activity for the College receive formal training beforehand. The College received no complaints concerning fundraising complaints in 2019-20.

Job Retention Scheme grant
For a lengthy period in the spring of 2020 following the outbreak of the pandemic, the College’s operations were reduced to a bare minimum, as a result of which a significant proportion of the College’s non-academic staff were placed on ‘furlough leave’ under the government’s Job Retention Scheme. In the period to 30 June 2020, this resulted in a grant of £0.34m.

Expenditure
The College’s expenditure relates almost entirely to the costs of providing educational, accommodation and catering services for its residents and those relating to the conference business. In 2019-20, total unrestricted expenditure amounted to £9.34m, which is a 1.5% reduction compared with £9.48m in 2018-19.

Education
Costs relating to education increased by 4% in 2019-20 to £4.18m, from £4.03m in 2018-19. However, as a result of income relating to education increasing by almost exactly the same amount, the education deficit was unchanged in 2019-20 at £1.3m. Teaching costs increased by £0.1m (4%) from £2.21m to £2.30m; Admissions costs increased by £33k (13%) due to record levels of applications to Selwyn; and the cost of the Cambridge Bursaries Scheme increased by £29k (11%).

Student Accommodation, Catering and Conferences
Whilst income from student rents reduced significantly due to the Covid pandemic, the costs of maintaining student accommodation did not change materially at £2.70m (£2.64m in 2018-19). Catering costs increased by 10%, however this was due in part to additional staff required to service high volumes of dining in the Michaelmas and Lent terms and the new extended hours of the café-bar. In the Easter term, while staff costs continued to accrue, the majority of staff were ‘furloughed’ under the Job Retention Scheme and had their salaries funded by it.

Staff Costs and Pensions (covering Education, Accommodation, Catering and Conferences)
Staff costs amounted to £4.97m in total (including national insurance and pension costs). Whilst this represented an increase of 11% on 2018-19, this reduces to 8% after stripping out a £154k FRS 102 pension cost adjustment. This is accounted for principally by increased investment in College Teaching Officers and Research Fellows, plus the additional Catering staff referred to in the section above. During 2019-20, the College employed an average of 61 Fellows and 103 full-time equivalent staff, compared with 59 Fellows and 101 full-time equivalent staff the previous year.
Under FRS102 the College is required to disclose all its pension liabilities on the balance sheet. As set out in Note 16, the total liability has increased by £1.0m to £7.20m, of which £1.27m arises from an actuarial adjustment of the liability in respect of members of the Cambridge Colleges Federated Pension Scheme (CCFPS), offset by a £0.27m improvement in the provision related to the Universities Superannuation Scheme (USS).

**Colleges Fund**
The Colleges Fund, which is funded through an intercollegiate taxation system, makes grants to colleges with insufficient endowments. Grants made to Selwyn between 1998 and 2016 exceeded £3.1m. However, the College has now made sufficient financial progress that it longer qualifies for such assistance and has begun making modest contributions to the Fund. This amounted to £9k in 2019-20 (£5k in 2018-19). Notwithstanding such progress, the cost of the world-class teaching that the College provides, together with the need to maintain and improve its facilities on an ongoing basis requires a more substantial endowment.

**Going Concern**
The College is obliged to consider whether it is in a position to operate for at least 12 months following the signing of its accounts, in order to establish that it can be audited on a going concern basis. In common with other Cambridge University Colleges, following the outbreak of the Covid pandemic Selwyn participated in detailed financial modelling based on a number of scenarios and assumptions to understand the range of impacts on its future finances. Selwyn has adopted a cautious approach to its finances over many years and has increased its reserves over time (see separate section below), which leaves it able to withstand the short term impact of the pandemic. The auditors have commented separately on the College’s going concern status.

**5. Balance Sheet**

**Summary**
The total net assets of the College increased in 2019-20 by £3.8m to £125.4m (2018-19 £121.6m), notwithstanding an increase in pension provisions of £1.0m. The balance sheet is made up principally of £63.4m in fixed assets and £69.0m in investments as at 30 June 2020.

**Unrestricted and restricted assets**
Although £69.2m of assets are unrestricted, in practice the majority of these – £63.4m – are represented by illiquid fixed assets. £58.8m of this is in land and buildings, which at Selwyn are used to house students rather than as investments, and so would have a significant operational impact on the College if sold. This means that the wholly unrestricted part of the investment portfolio amounted to £5.6m at 30 June 2020 and total free reserves were £5.8m (including £0.2m net current assets).

The other £56.2m of assets are restricted in their use. This is made up of:

- £27.5m of endowment assets, where only the income generated by the assets may be spent and where the use of the income is also restricted to certain purposes.
- £23.7m of endowment assets, where again only the income generated by the assets may be spent, but where the use of such income is unrestricted.
- £5.0m of assets where the principal may be spent, but where the use is restricted to certain purposes.
These assets are all held as part of the investment portfolio (see below), rather than by way of fixed or other assets. However, being restricted assets, although they are liquid they cannot be freely sold or spent or both.

The College therefore has limited reserves that are completely free. However, given that at the balance sheet date, the College had only £0.1m of debt, borrowing against the assets of the College (including the restricted assets – see below) could be entertained without involving excessive gearing.

**Investments**
The College’s investment portfolio amounted to £69.0m at 30 June 2020, compared to £67.6m the previous year, an increase of £1.4m. Furthermore, after stripping out the cash held for funding the new library and auditorium, the underlying increase is higher at £2.2m. This is a good performance given the pandemic-driven market volatility from February 2020 onwards. The total return on the portfolio (excluding CUEF investments) amounted to 7.4% over the 12 months to 30 June 2020. This represented an outperformance relative to the ARC Charities Steady Growth Index (which returned -0.9%), which is the portfolio’s principal benchmark. The College's total return for the last three years has been 5.7% annualised, compared with 2.9% annualised for the ARC Charities Steady Growth Index.

During the next financial year, some of the cash currently held as part of the investment portfolio will be spent on the new Bartlam library and Quarry Whitehouse auditorium, at which point it will be converted into additional fixed assets on the balance sheet.

**Investment and Reserves policies**
The College’s investments are overseen and directed by the Investment Committee, which benefits from the expertise of three independent members drawn from the investment industry. The College’s investment strategy has focused on a cautious approach which delivers steady growth in the value of investments over time and is well diversified in terms of holdings, sectors and geography. Recently this has been underpinned by a move away from individual securities towards investment in funds to manage risk, including a holding in CUEF, the University-managed fund. The ability of the portfolio to withstand short term shocks but continue to grow over the long-term, in line with this strategy, has been evidenced through the Covid crisis to date, as it was in the global financial crisis of 2008-09.
The College has also taken an active approach to ethical investments, having divested previously all fossil fuel and armaments stocks and in this financial year divested all funds with >5% fossil fuel holdings, a policy we expect to tighten further in line with, or ahead of, the recently announced university divestment policy. The College also plans to move to a total return approach from July 2021 in order to smooth volatility in investment income. The College’s investment policy is due for periodic review in early 2021.

The College has continued to monitor and manage its reserves closely through the Covid pandemic, including an analysis of various scenarios to stress test the College’s reserves. In the short term, financial results such as this one and that expected for 2020-21 can be managed comfortably within the College’s available free reserves, and as mentioned above, borrowing against the less liquid reserves could also be entertained. During the course of the 2020-21 financial year, the Governing Body will review and update its reserves policy in the light of Covid.

**Buildings and Estates**
Maintaining its listed and historic buildings is one of the College's major costs, with an annual depreciation charge of £1.96m set aside to cover their upkeep and replacement. In the year under review, capital expenditure on buildings amounted to £5.38m, of which substantially all was spent on the new Library and Auditorium, with a further investment of £0.64m in fixtures, fittings and equipment. The building is expected to be completed, notwithstanding Covid-related delays, by the end of the 2020-21 financial year.

### 6. Cash Flow

The College continues to focus on its cash flow. In the interests of simplicity, one measure of the progress of recent years is to take the underlying deficit and add back the annual depreciation charge, as follows:

<table>
<thead>
<tr>
<th></th>
<th>2019-20 £000</th>
<th>2018-19 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying Deficit</td>
<td>(1,774)</td>
<td>(813)</td>
</tr>
<tr>
<td>Depreciation Charge</td>
<td>1,958</td>
<td>1,894</td>
</tr>
<tr>
<td>Cash Flow</td>
<td>184</td>
<td>1,081</td>
</tr>
<tr>
<td>Change</td>
<td>-83%</td>
<td>-23%</td>
</tr>
</tbody>
</table>

Cash generation has declined in recent years, although the 2019-20 figure needs to be viewed in the context of impacts relating to the Covid pandemic, which will continue into the 2020-21 financial year and potentially beyond. Cost control remains a priority, with a robust annual budgeting process and subsequent tracking through the year in place. Maintaining positive cash flow over the long term remains a key objective.

### 7. Risks and uncertainties

The College maintains a risk register, which is sub-divided into red, amber, yellow and green risks according to a matrix of probability and impact. The headline risks (red and amber) are reviewed at each meeting of the College Council and include both actions and timescales required for mitigation, with the yellow risks reviewed termly. The full risk register is reviewed annually by the Governing Body. At the time of writing, key risks identified include pandemic risk (the only red risk, having crystallised into an issue), Brexit, Pensions deficits, IT and
physical security, material adverse changes in the educational fee regime, and the risks inherent in a failure to adopt a sustainable approach across the College’s operations and estates.

In particular, the situation regarding Brexit remains uncertain at this time, with the prospect of operational dislocation as a result of no deal being in place at the end of the transition period at the end of 2020 coming on top of the Covid-19 challenges. Longer term, whether or not a trade deal is put in place, there will be impacts on academic and support staff, as well as students. The collegiate university has historically attracted the best people, irrespective of nationality, and this has underpinned its world leading status. Any impediment to the free flow of people has the potential to damage the attractiveness of the University as a place of research or employment. The College celebrates the diversity of its staff and values their contribution enormously. The financial and political uncertainty surrounding Brexit could potentially damage key revenue streams such as investment and conference income. A shortage of labour in a tight market such as Cambridge could also lead to higher wage costs in order to attract and retain staff. If prolonged, all these factors could further undermine efforts to strengthen the finances over and above the already challenging headwinds resulting from dealing with the Covid-19 pandemic.

8. Outlook

In the immediate future, weathering the Covid-19 pandemic will continue to be the top priority. This is both an educational priority for the College, in terms of continuing to provide academic excellence and all the wider benefits of the College and University experience, and a financial priority. Over the next year or two, the focus will be on stabilisation followed by gradual recovery from the impact of the pandemic, as well as dealing with any fallout from Brexit.

However, the underlying financial issues faced by the College will also need addressing. Selwyn remains relatively underendowed (with an endowment of about one-third of the collegiate average) and thus more vulnerable to influences outside its control. Although it remains focussed on cost control and cash preservation, the College continues to incur losses in its core businesses of educating, feeding and housing young people. It also recognises that reducing costs will in itself not eliminate the deficit. Over the long-term, vulnerability to external events can only be reduced by continuing to develop an increased endowment, rather than cost cutting at the expense of the scope and quality of the College’s educational and other charitable objectives.

Despite all these challenges, expected and otherwise, Cambridge University remains a global academic and educational powerhouse and the collegiate system remains a source of strength within it. Selwyn has an enviable location within the City and University and benefits from a dedicated staff and a positive, supportive and collaborative culture. The College’s fiscally cautious approach over many years has stood it in good stead during the crisis to date and allows it to approach the undoubted – albeit also unknown – challenges ahead with an appropriate degree of confidence.

Martin Pierce, Bursar
24 November 2020
Statement of Corporate Governance

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.

The College is a registered charity (registered number 1137517) 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 Governing Body is advised in carrying out its duties by a number of Committees. Foremost amongst these is the College Council, which meets a minimum of eleven times per year and carries delegated authority from the Governing Body under the Statutes of the College. The majority of Committees report to the College Council, which in turn reports to the Governing Body.

The principal officers of the College, who are all Trustees and ex-officio members of the Council, are:

The Master: Mr Roger Mosey  
The Vice Master: Dr Janet A O’Sullivan  
The Bursar: Mr Martin D Pierce  
The Senior Tutor: Dr Michael J Sewell

It is the duty of the College Council 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; and to make an annual report to the Governing Body. Membership of the Council includes the principal officers of the College ex-officio, plus 8 further Trustees elected periodically by the Governing Body and 3 junior members of the College who are also Trustees and members of the Governing Body.

There are Registers of Interests of Members of the Governing Body and by extension Council and its Committees on which Trustees sit, and of the senior administrative officers. Declarations of interest are made systematically at each meeting of Governing Body, Council and Committees.

The Members of the Governing Body during the year ended 30 June 2020 are set out on page 3.
Statement of Internal Control

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.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.

The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. A review of major risks takes place at each meeting of Council and the Governing Body, and the complete risk register is reviewed in full annually. This process was in place for the year ended 30 June 2020 and up to the date of approval of the financial statements.

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

- The setting of detailed budgets with clearly defined levels of authority for expenditure;
- Regular scrutiny of detailed financial performance data, including comparison with budgets;
- Annual comparison and benchmarking of financial performance and key indices with the other colleges.

The Council reviews in detail and recommends approval to the Governing Body:
- The annual Budget in advance of the start of the financial year;
- Periodic in-year reviews of financial performance against budget;
- The year-end accounts and audit.

The Governing Body’s review of the effectiveness of the system of internal control is informed by the work of the Council and 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.
Statement of 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 unless it is inappropriate to presume that the College will continue in operation.

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

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

Any system of internal financial control, however, can only provide reasonable, not absolute, assurance against material misstatement or loss.
Opinion

We have audited the financial statements of Selwyn College (the ‘College’) for the year ended 30 June 2020, which comprise the Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the College’s affairs as at 30 June 2020 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 Auditors’ responsibilities for the audit of the financial statements section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 trustees’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees 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 trustees are responsible for the other information. The other information comprises the information included in the Operating and Financial Review other than the financial statements and our auditors’ report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 Operating and Financial Review is inconsistent in any material respect with the financial statements; 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 trustees

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

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

Auditors’ responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the College trustees, 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 College trustees those matters we are required to state to them in an auditors’ report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the College trustees as a body, for our audit work, for this report, or for the opinions we have formed.

PETERS ELWORTHY & MOORE
Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 10 December 2020

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

Basis of preparation

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

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

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

All items dealt with in arriving at the surplus for 2020 and 2019 relate to continuing operations.

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment assets and certain land and buildings.

Recognition of income

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

b. Restricted grant income
Grants received from non-government sources are recognised within the Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance related conditions have been met.

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

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

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

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

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

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

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

f. Cambridge Bursary Scheme
In 2019-20, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). As a consequence the College reimbursed the SLC for the full amount paid to their eligible students and the College subsequently received a contribution from the University of Cambridge towards this payment.

The net payment of £156k (2019: £123k) is shown within the Statement of Comprehensive Income and Expenditure as follows:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted income from Academic fees and charges (note 1)</td>
<td>149</td>
<td>153</td>
</tr>
<tr>
<td>Restricted expenditure on Education (note 4)</td>
<td>305</td>
<td>276</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£156</strong></td>
<td><strong>£123</strong></td>
</tr>
</tbody>
</table>

Fixed assets

a. Land and buildings
The operational buildings held by the College on 1 July 2002 have been brought into the accounts at depreciated replacement cost based on a valuation carried out by Davis Langdon LLP, Chartered Surveyors. Subsequent additions and improvements to the College’s buildings are accounted for at cost. Freehold buildings are depreciated on a straight-line basis over their expected useful economic life of 50 years. Freehold land is not depreciated. Leasehold buildings are amortised over 50 years, or, if shorter, the period of the lease.

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.
Buildings under construction are valued at cost, based on the value of architects’ certificates and other direct costs incurred to 30 June 2020. They are not depreciated until they are brought into use.

No value has been placed on the land occupied by the College’s operational buildings as at 1 July 2002; purchases of land after this date are to be capitalised.

b. Maintenance of premises
The College has a five-year rolling maintenance plan that is reviewed on an annual basis. The cost of routine maintenance is charged to the Statement of Income and Expenditure as it is incurred.

c. Furniture, fittings and equipment
Furniture, fittings and equipment costing less than £100 per individual item or group of related items are written off in the year of acquisition. All other assets are capitalised and depreciated over their expected useful lives as follows:

<table>
<thead>
<tr>
<th>Asset</th>
<th>Useful Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and fittings</td>
<td>15 years</td>
</tr>
<tr>
<td>Motor vehicles</td>
<td>10 years</td>
</tr>
<tr>
<td>General equipment</td>
<td>5-20 years</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>4 years</td>
</tr>
<tr>
<td>Library books</td>
<td>20 years</td>
</tr>
<tr>
<td>Musical instruments</td>
<td>50 years</td>
</tr>
</tbody>
</table>

No depreciation is charged in the year of acquisition.

d. Heritage assets
The College holds a collection of rare books which is not recognised in the Balance Sheet. This collection has arisen through donations and largely comprises works on theology. Few of the books are scarce or in first editions and the subject area is unfashionable. It would be difficult and expensive to replace the collection but equally the possibility of finding a specialist buyer could not be guaranteed, therefore to attribute any value to these books would be unrealistic.

The College employs a professional archivist whose responsibilities include the care and maintenance of the rare book collection. The exposure of the collection to heat and light is strictly controlled.

The College also holds a number of paintings and drawings but the majority of these are portraits of members and benefactors of the College. As such this collection pertains to the history of the College and has little external market value.

e. Leased assets
The College does not hold any fixed assets under finance leases.

Investments
Fixed asset investments are included in the balance sheet at fair value. Investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value.
Stocks

Stocks are valued 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 benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities and assets

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

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

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

Financial Instruments

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

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

Financial assets

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

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

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

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

**Financial Liabilities**

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

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

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

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at the reporting date. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

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

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

**Foreign currencies**

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

The College is a registered charity (number 1137517) and also a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

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

Contribution under Statute G,II

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

Pension costs

The College participates in the Universities Superannuation Scheme (USS). The assets of the Scheme are held in a separate trustee-administered fund. Because of the mutual nature of the Scheme, the assets are not attributed to individual institutions and a Scheme-wide contribution rate is set. The College is therefore exposed to actuarial risks associated with other institutions’ employees and is unable to identify its share of the underlying assets and liabilities of the Scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 “Employee benefits”, the College therefore accounts for the Scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to income and expenditure represents the contributions payable to the Scheme in respect of the accounting period. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the Scheme will fund the overall deficit, the College recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is included in income and expenditure.

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

The College also offers membership of NEST, a defined contribution pension scheme, to its non-academic employees and the pension charge represents the amounts payable by the College to the scheme in respect of the employees’ service during the year.
Employment benefits

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

Reserves

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

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

Critical Accounting Estimates and Judgements

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

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

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

Useful lives of property, plant and equipment – Property, plant and equipment represent a significant proportion of the College’s total assets. Therefore the estimated useful lives can have a significant impact on the depreciation charged and the College’s reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets, professional advice and anticipation of future events. Details of the carrying values of property, plant and equipment are shown in note 9.

Retirement benefit obligations – The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 20.
FRS102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control, typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in income and expenditure in accordance with section 28 of FRS 102. Management are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the accounts.

As the College is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2018 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2028. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management’s estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in note 20.
### Statement of Comprehensive Income and Expenditure

#### Year ended 30 June 2020

| Income                                                                 | Note | Unrestricted £000 | Restricted £000 | Endowment £000 | 2020 Total £000 | Unrestricted £000 | Restricted £000 | Endowment £000 | 2019 Total £000 |
|------------------------------------------------------------------------|------|-------------------|----------------|---------------|-----------------|-------------------|----------------|---------------|----------------|----------------|
| Academic fees and charges                                             | 1    | 2,757             | 149            |               | 2,906           | 2,604             | 153            |               | 2,757          |
| Accommodation, catering and conferences                               | 2    | 3,885             | -              |               | 3,885           | 4,693             | -              |               | 4,693          |
| Investment income                                                     | 3    | -                 | -              | 1,643         | 1,643           | -                 | -              | 1,650         | 1,650          |
| Endowment return transferred                                          | 3    | 978               | 665            | (1,643)       | -               | 974               | 676            | (1,650)       | -              |
| Job Retention Scheme Grant                                            |      | 339               | -              |               | 339             | -                 | -              |               |                |
| **Total income before donations and endowments**                     |      | 7,959             | 814            |               | 8,773           | 8,271             | 829            |               | 9,100          |
| Donations                                                             |      | 448               | 202            |               | 650             | 1,586             | 66             |               | 1,652          |
| New endowments                                                        |      | -                 | -              | 593           | 593             | -                 | -              | 590           | 590           |
| Other capital grants for assets                                       |      | -                 | 1,849          |               | 1,849           | -                 | 2,390          |               | 2,390          |
| **Total income**                                                      |      | 8,407             | 2,865          | 593           | 11,865          | 9,857             | 3,285          | 590           | 13,732         |
| **Expenditure**                                                       |      |                   |                |               |                 |                   |                |               |                |
| Education                                                             | 4    | 3,415             | 766            |               | 4,181           | 3,180             | 853            |               | 4,033          |
| Accommodation, catering and conferences                               | 5    | 6,055             | -              |               | 6,055           | 5,775             | -              |               | 5,775          |
| Other expenditure                                                     | 6    | (126)             | -              | (126)         | -               | 528               | -              |               | 528           |
| **Total expenditure**                                                 | 7    | 9,344             | 766            |               | 10,110          | 9,483             | 853            |               | 10,336         |
| **Surplus/(deficit) before other gains and losses**                   |      | (937)             | 2,099          | 593           | 1,755           | 374               | 2,432          | 590           | 3,396          |
| Loss on disposal of fixed assets                                      | 9    | -                 | (2)            |               | (2)             | (80)              | -              |               | (80)           |
| Gain/(loss) on investments                                            | 10   | 251               | 83             | 2,679         | 3,013           | 250               | 82             | 2,758         | 3,090          |
| **Surplus before contribution under Statute G, II**                   | 10   | (688)             | 2,182          | 3,272         | 4,766           | 544               | 2,514          | 3,348         | 6,406          |
| Contribution under Statute G, II                                      |      | (9)               | -              | (9)           | (9)             | (5)               | -              |               | (5)            |
| **Surplus/(deficit) after contribution under Statute G, II**          |      | (697)             | 2,182          | 3,272         | 4,757           | 539               | 2,514          | 3,348         | 6,401          |
| **Other comprehensive income**                                        |      |                   |                |               |                 |                   |                |               |                |
| Actuarial (loss)/gain in respect of pension schemes                   | 16   | (973)             | -              | (973)         | (973)           | (1,029)           | -              | (1,029)       | -              |
| **Total comprehensive income for the year**                           |      | £(1,670)          | £2,182         | £3,272        | £3,784          | £(490)            | £2,514         | £3,348        | £5,372         |

The notes on pages 35 to 52 form part of these accounts.
Statement of Changes in Reserves

Year ended 30 June 2020

<table>
<thead>
<tr>
<th></th>
<th>Income and expenditure reserve</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unrestricted  £000</td>
<td>Restricted £000</td>
<td>Endowment £000</td>
<td>Total £000</td>
</tr>
<tr>
<td>Balance at 1 July 2019</td>
<td>65,527</td>
<td>8,226</td>
<td>47,886</td>
<td>121,639</td>
</tr>
<tr>
<td>Surplus/(deficit) from income and expenditure statement</td>
<td>(697)</td>
<td>2,182</td>
<td>3,272</td>
<td>4,757</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>(973)</td>
<td>-</td>
<td>-</td>
<td>(973)</td>
</tr>
<tr>
<td>Release of restricted capital funds spent in the year</td>
<td>5,371</td>
<td>(5,371)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2020</strong></td>
<td><strong>£69,228</strong></td>
<td><strong>£5,037</strong></td>
<td><strong>£51,158</strong></td>
<td><strong>£125,423</strong></td>
</tr>
</tbody>
</table>

The notes on pages 35 to 52 form part of these accounts.
# Balance Sheet as at 30 June 2020

<table>
<thead>
<tr>
<th>Note</th>
<th>30 June 2020</th>
<th>30 June 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed assets</td>
<td>9</td>
<td>63,441</td>
</tr>
<tr>
<td>Investments</td>
<td>10</td>
<td>68,997</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td></td>
<td>132,438</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks</td>
<td>11</td>
<td>270</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>12</td>
<td>195</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>13</td>
<td>2,163</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>2,628</td>
</tr>
<tr>
<td>Creditors: amounts falling due within one year</td>
<td>14</td>
<td>(2,446)</td>
</tr>
<tr>
<td><strong>Net current assets/(liabilities)</strong></td>
<td></td>
<td>182</td>
</tr>
<tr>
<td><strong>Total assets less current liabilities</strong></td>
<td></td>
<td>132,620</td>
</tr>
<tr>
<td>Creditors: amounts falling due after more than one year</td>
<td>15</td>
<td>-</td>
</tr>
<tr>
<td>Provisions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension provisions</td>
<td>16</td>
<td>(7,197)</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>£</td>
<td>125,423</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>30 June 2020</th>
<th>30 June 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td><strong>Restricted reserves</strong></td>
<td></td>
</tr>
<tr>
<td>Income and expenditure reserve – endowment reserve</td>
<td>17</td>
</tr>
<tr>
<td>Income and expenditure reserve – restricted reserve</td>
<td>18</td>
</tr>
<tr>
<td><strong>Total restricted reserves</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Unrestricted reserves</strong></td>
<td></td>
</tr>
<tr>
<td>Income and expenditure reserve – unrestricted</td>
<td></td>
</tr>
<tr>
<td><strong>Total Reserves</strong></td>
<td>£</td>
</tr>
</tbody>
</table>

Approved by the Governing Body on 24 November 2020 and signed on their behalf by:

![Signature]

Martin Pierce  
Bursar

The notes on pages 35 to 52 form part of these accounts.
## Cash Flow Statement for the year ended 30 June 2020

<table>
<thead>
<tr>
<th>Note</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>£000</strong></td>
<td><strong>£000</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Reconciliation of surplus for the year to net cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>4,757</td>
<td>6,401</td>
</tr>
<tr>
<td><strong>Adjustment for non-cash items</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>9</td>
<td>1,958</td>
</tr>
<tr>
<td>Investment income</td>
<td>3</td>
<td>(1,643)</td>
</tr>
<tr>
<td>(Gain)/Loss on endowments and donations</td>
<td>18</td>
<td>(3,013)</td>
</tr>
<tr>
<td>(Increase)/Decrease in stocks</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td>(Increase)/Decrease in trade and other receivables</td>
<td>12</td>
<td>1,866</td>
</tr>
<tr>
<td>Increase/(Decrease) in creditors excluding loans</td>
<td>14</td>
<td>234</td>
</tr>
<tr>
<td>Pension costs less contributions payable</td>
<td>16</td>
<td>28</td>
</tr>
<tr>
<td><strong>Adjustment for investing or financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>3</td>
<td>1,643</td>
</tr>
<tr>
<td>Loss on sale of non-current assets</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td><strong>Net cash inflow from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>5,833</strong></td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of investment assets</td>
<td>9</td>
<td>1,613</td>
</tr>
<tr>
<td>Payments to acquire non-current assets</td>
<td>9</td>
<td>(6,018)</td>
</tr>
<tr>
<td><strong>Total cash inflow from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>(4,405)</strong></td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long term loans repaid</td>
<td>14/15</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash inflow from financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td><strong>(Decrease)/Increase in cash and cash equivalents in the year</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of the year</td>
<td>£</td>
<td>735</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at end of the year</strong></td>
<td>£</td>
<td><strong>2,163</strong></td>
</tr>
</tbody>
</table>

The notes on pages 35 to 52 form part of these accounts.
Notes to the Accounts for the year ended 30 June 2020

1 ACADEMIC FEES AND CHARGES

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>College fees:</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Fee income received at the Regulated Undergraduate rate</td>
<td>1,651</td>
<td>1,633</td>
</tr>
<tr>
<td>Fee income received at the Unregulated Undergraduate rate</td>
<td>455</td>
<td>395</td>
</tr>
<tr>
<td>Fee income received at the Graduate rate</td>
<td>651</td>
<td>576</td>
</tr>
<tr>
<td>From the University of Cambridge and Trinity College for Cambridge Bursaries</td>
<td>149</td>
<td>153</td>
</tr>
<tr>
<td>Total</td>
<td>£2,906</td>
<td>£2,757</td>
</tr>
</tbody>
</table>

2 INCOME FROM ACCOMMODATION, CATERING AND CONFERENCES

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>College members</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Conferences</td>
<td>1,889</td>
<td>2,582</td>
</tr>
<tr>
<td>Catering:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>College members</td>
<td>712</td>
<td>880</td>
</tr>
<tr>
<td>Conferences</td>
<td>539</td>
<td>517</td>
</tr>
<tr>
<td>Total</td>
<td>£3,885</td>
<td>£4,693</td>
</tr>
</tbody>
</table>

3 ENDOWMENT AND INVESTMENT INCOME

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from:</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Quoted securities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equities</td>
<td>1,389</td>
<td>1,380</td>
</tr>
<tr>
<td>Fixed interest</td>
<td>223</td>
<td>237</td>
</tr>
<tr>
<td>Cash</td>
<td>31</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>£1,643</td>
<td>£1,650</td>
</tr>
</tbody>
</table>

Investment Management fees paid to J. M. Finn & Co. were £113,465 (2019: £106,658) and are included in Other Operating Expenses (Note 7a).

4 EDUCATION EXPENDITURE

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teaching</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Tutorial</td>
<td>2,301</td>
<td>2,208</td>
</tr>
<tr>
<td>Admissions</td>
<td>474</td>
<td>481</td>
</tr>
<tr>
<td>Access</td>
<td>283</td>
<td>250</td>
</tr>
<tr>
<td>Research</td>
<td>241</td>
<td>241</td>
</tr>
<tr>
<td>Scholarships and awards</td>
<td>155</td>
<td>119</td>
</tr>
<tr>
<td>Cambridge Bursaries</td>
<td>218</td>
<td>282</td>
</tr>
<tr>
<td>Other educational facilities</td>
<td>305</td>
<td>276</td>
</tr>
<tr>
<td>Total</td>
<td>204</td>
<td>176</td>
</tr>
<tr>
<td>Total</td>
<td>£4,181</td>
<td>£4,033</td>
</tr>
</tbody>
</table>
## Notes to the Accounts for the year ended 30 June 2020

### 5 Accommodation, Catering and Conference Expenditure

<table>
<thead>
<tr>
<th>Activity</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation - College members</td>
<td>£2,698</td>
<td>£2,643</td>
</tr>
<tr>
<td>- Conferences</td>
<td>£1,199</td>
<td>£1,175</td>
</tr>
<tr>
<td>Catering - College members</td>
<td>£1,494</td>
<td>£1,355</td>
</tr>
<tr>
<td>- Conferences</td>
<td>£664</td>
<td>£602</td>
</tr>
<tr>
<td>Total</td>
<td>£6,055</td>
<td>£5,775</td>
</tr>
</tbody>
</table>

### 6 Other Expenditure

<table>
<thead>
<tr>
<th>Activity</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net return on pension scheme assets less liabilities</td>
<td>(126)</td>
<td>528</td>
</tr>
<tr>
<td>Total</td>
<td>£(126)</td>
<td>£528</td>
</tr>
</tbody>
</table>

### 7a Analysis of 2019-20 Expenditure by Activity

<table>
<thead>
<tr>
<th>Activity</th>
<th>Staff costs (note 8)</th>
<th>Other Operating Expenses</th>
<th>Depreciation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education (note 4)</td>
<td>£1,934</td>
<td>£1,905</td>
<td>£342</td>
<td>£4,181</td>
</tr>
<tr>
<td>Accommodation, catering and conferences (note 5)</td>
<td>£3,037</td>
<td>£1,402</td>
<td>£1,616</td>
<td>£6,055</td>
</tr>
<tr>
<td>Other expenditure (note 6)</td>
<td>-</td>
<td>(126)</td>
<td>-</td>
<td>(126)</td>
</tr>
<tr>
<td>Total</td>
<td>£4,971</td>
<td>£3,181</td>
<td>£1,958</td>
<td>£10,110</td>
</tr>
</tbody>
</table>

Other Operating Expenses includes £287,221 as costs of fundraising (2019: £275,060) and £195,975 as costs of alumni relations (2019: £165,444).

### 7b Analysis of 2018-19 Expenditure by Activity

<table>
<thead>
<tr>
<th>Activity</th>
<th>Staff costs (note 8)</th>
<th>Other Operating Expenses</th>
<th>Depreciation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education (note 4)</td>
<td>£1,764</td>
<td>£1,936</td>
<td>£333</td>
<td>£4,033</td>
</tr>
<tr>
<td>Accommodation, catering and conferences (note 5)</td>
<td>£2,699</td>
<td>£1,515</td>
<td>£1,561</td>
<td>£5,775</td>
</tr>
<tr>
<td>Interest payments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other expenditure (note 6)</td>
<td>-</td>
<td>528</td>
<td>-</td>
<td>528</td>
</tr>
<tr>
<td>Total</td>
<td>£4,463</td>
<td>£3,979</td>
<td>£1,894</td>
<td>£10,336</td>
</tr>
</tbody>
</table>

### 7c Auditors’ Remuneration

<table>
<thead>
<tr>
<th>Activity</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other operating expenses include:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit fees payable to the College’s external auditors</td>
<td>£16</td>
<td>£16</td>
</tr>
<tr>
<td>Other fees payable to the College’s external auditors</td>
<td>£2</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>£18</td>
<td>£16</td>
</tr>
</tbody>
</table>
Notes to the Accounts for the year ended 30 June 2020

8 STAFF

<table>
<thead>
<tr>
<th></th>
<th>2020 Total</th>
<th>2019 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td></td>
<td>Academic</td>
<td>Non-</td>
</tr>
<tr>
<td></td>
<td>£000</td>
<td>academic</td>
</tr>
<tr>
<td>Salaries</td>
<td>864</td>
<td>2,955</td>
</tr>
<tr>
<td>National Insurance</td>
<td>69</td>
<td>211</td>
</tr>
<tr>
<td>Pension costs</td>
<td>149</td>
<td>723</td>
</tr>
<tr>
<td>(see note 22)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>£1,082</td>
<td>£3,889</td>
</tr>
<tr>
<td></td>
<td>£4,971</td>
<td>£4,463</td>
</tr>
</tbody>
</table>

Average staff numbers 2020

<table>
<thead>
<tr>
<th></th>
<th>2020 Total</th>
<th>2019 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of Fellows</td>
<td>Full-time equivalents</td>
</tr>
<tr>
<td></td>
<td>Academic</td>
<td>Non-academic</td>
</tr>
<tr>
<td>Fellows</td>
<td>58</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>58</td>
<td>103</td>
</tr>
</tbody>
</table>

Average staff numbers 2019

<table>
<thead>
<tr>
<th></th>
<th>2019 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of Fellows</td>
</tr>
<tr>
<td></td>
<td>Academic</td>
</tr>
<tr>
<td>Fellows</td>
<td>56</td>
</tr>
<tr>
<td>Total</td>
<td>56</td>
</tr>
</tbody>
</table>

At 30 June 2020 there were 67 Members of the Governing Body. During the year the average number receiving a stipend from the College was the 61 as shown above.

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

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
<th>2020 Total</th>
<th>2019 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>£100,001</td>
<td>£110,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>£110,001</td>
<td>£120,000</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

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

During the year, remuneration paid to Trustees in their capacity as College Officers was: £1,112,825 (70 Trustees) (2019: £1,002,746 (67 Trustees)). The trustees receive no remuneration in their role as trustees of the charity.
Notes to the Accounts for the year ended 30 June 2020

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

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregated remuneration:</td>
<td>£287</td>
<td>£274</td>
</tr>
</tbody>
</table>

9 FIXED ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Land and buildings</td>
<td>Equipment</td>
</tr>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Cost or valuation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At beginning of year</td>
<td>74,529</td>
<td>7,539</td>
</tr>
<tr>
<td>Additions at cost</td>
<td>5,379</td>
<td>639</td>
</tr>
<tr>
<td>Disposals at cost/valuation</td>
<td>-</td>
<td>(263)</td>
</tr>
<tr>
<td>At end of year</td>
<td>79,908</td>
<td>7,915</td>
</tr>
</tbody>
</table>

| Depreciation         |                 |                |
| At beginning of year | 19,629          | 3,056          | 22,685 |
| Charge for the year  | 1,459           | 499            | 1,958  |
| Eliminated on disposals | -        | (261)          | (261)  |
| At end of year       | 21,088          | 3,294          | 24,382 |

| Net book value       |                 |                |
| At end of year       | £58,820         | £4,621          | £63,441 |
| At beginning of year | £54,900         | £4,483          | £59,383 |

The insured value of freehold land and buildings as at 30 June 2020 was £107,775,121 (2019: £103,952,594).

10 INVESTMENTS

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Balance at beginning of year</td>
<td>67,597</td>
<td>62,134</td>
</tr>
<tr>
<td>Additions at cost</td>
<td>3,959</td>
<td>16,514</td>
</tr>
<tr>
<td>Disposals at opening market value</td>
<td>(5,012)</td>
<td>(9,142)</td>
</tr>
<tr>
<td>Appreciation on disposals/revaluation</td>
<td>3,239</td>
<td>3,210</td>
</tr>
<tr>
<td>Increase in cash balances held by fund managers</td>
<td>(786)</td>
<td>(5,119)</td>
</tr>
<tr>
<td>Balance at end of year</td>
<td>£68,997</td>
<td>£67,597</td>
</tr>
</tbody>
</table>

Represented by:
Quoted securities – equities | 52,810 | 50,603 |
Quoted securities – fixed interest | 10,542 | 10,564 |
Cash held for reinvestment | 5,645 | 6,430 |
| Total | £68,997 | £67,597 |

11 STOCKS

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Goods for resale</td>
<td>£270</td>
<td>£271</td>
</tr>
</tbody>
</table>
### Notes to the Accounts for the year ended 30 June 2020

#### 12 TRADE AND OTHER RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members of the College</td>
<td>£34,000</td>
<td>£132,000</td>
</tr>
<tr>
<td>Trade debtors</td>
<td>£12,000</td>
<td>£152,000</td>
</tr>
<tr>
<td>Taxation recoverable</td>
<td>£48,000</td>
<td>£223,000</td>
</tr>
<tr>
<td>Other receivables</td>
<td>£53,000</td>
<td>£1,468,000</td>
</tr>
<tr>
<td>Prepayments</td>
<td>£48,000</td>
<td>£86,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£195,000</strong></td>
<td><strong>£2,061,000</strong></td>
</tr>
</tbody>
</table>

#### 13 CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current accounts</td>
<td>£2,144,000</td>
<td>£708,000</td>
</tr>
<tr>
<td>Cash in hand</td>
<td>£19,000</td>
<td>£27,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£2,163,000</strong></td>
<td><strong>£735,000</strong></td>
</tr>
</tbody>
</table>

#### 14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors and accruals</td>
<td>£874,000</td>
<td>£574,000</td>
</tr>
<tr>
<td>PAYE and Social Security</td>
<td>£136,000</td>
<td>£135,000</td>
</tr>
<tr>
<td>VAT</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Students’ deposits</td>
<td>£90,000</td>
<td>£78,000</td>
</tr>
<tr>
<td>Interest-free loan repayable 1st September 2020</td>
<td>£100,000</td>
<td>-</td>
</tr>
<tr>
<td>Other creditors</td>
<td>£1,246,000</td>
<td>£1,325,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£2,446,000</strong></td>
<td><strong>£2,112,000</strong></td>
</tr>
</tbody>
</table>

#### 15 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest-free loan repayable 1st September 2020</td>
<td>-</td>
<td>£100,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-</td>
<td><strong>£100,000</strong></td>
</tr>
</tbody>
</table>

#### 16 PENSION PROVISIONS

<table>
<thead>
<tr>
<th></th>
<th>CCFPS 2020</th>
<th>USS 2020</th>
<th>CCFPS 2019</th>
<th>USS 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of year</td>
<td>£5,514,000</td>
<td>£682,000</td>
<td>£6,196,000</td>
<td>£4,640,000</td>
</tr>
<tr>
<td>Movement in year:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current service cost including life assurance</td>
<td>£859,000</td>
<td>£134,000</td>
<td>£993,000</td>
<td>£797,000</td>
</tr>
<tr>
<td>Contributions</td>
<td>(£690,000)</td>
<td>(£149,000)</td>
<td>(£839,000)</td>
<td>(£798,000)</td>
</tr>
<tr>
<td>Other finance cost/(gain)</td>
<td>£125,000</td>
<td>(£251,000)</td>
<td>(£126,000)</td>
<td>528,000</td>
</tr>
<tr>
<td>Actuarial loss/(gain)</td>
<td>£973,000</td>
<td>-</td>
<td>£973,000</td>
<td>1,029,000</td>
</tr>
<tr>
<td>Balance at end of year</td>
<td><strong>£6,781,000</strong></td>
<td><strong>£416,000</strong></td>
<td><strong>£7,197,000</strong></td>
<td><strong>£6,196,000</strong></td>
</tr>
</tbody>
</table>
Notes to the Accounts for the year ended 30 June 2020

17 ENDOWMENT FUNDS

Restricted net assets relating to endowments are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Restricted permanent endowments</th>
<th>Unrestricted permanent endowments</th>
<th>2020 Total</th>
<th>2019 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at beginning of year:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>£25,667</td>
<td>£22,219</td>
<td>£47,886</td>
<td>£44,538</td>
</tr>
<tr>
<td>New donations and endowments</td>
<td>593</td>
<td>-</td>
<td>593</td>
<td>590</td>
</tr>
<tr>
<td>Increase/(decrease) in market value of investments</td>
<td>1,197</td>
<td>1,482</td>
<td>2,679</td>
<td>2,758</td>
</tr>
<tr>
<td><strong>Balance at end of year</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>£27,457</td>
<td>£23,701</td>
<td>£51,158</td>
<td>£47,886</td>
</tr>
</tbody>
</table>

Analysis by type of purpose:

<table>
<thead>
<tr>
<th>Type of Purpose</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fellowship Funds</td>
<td>10,486</td>
<td>9,984</td>
</tr>
<tr>
<td>Scholarship Funds</td>
<td>4,387</td>
<td>4,196</td>
</tr>
<tr>
<td>Prize Funds</td>
<td>445</td>
<td>426</td>
</tr>
<tr>
<td>Hardship Funds</td>
<td>8,583</td>
<td>7,664</td>
</tr>
<tr>
<td>Travel Grant Funds</td>
<td>624</td>
<td>597</td>
</tr>
<tr>
<td>Other Funds</td>
<td>2,932</td>
<td>2,801</td>
</tr>
<tr>
<td>General endowments</td>
<td>23,701</td>
<td>22,218</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>£51,158</td>
<td>£47,886</td>
</tr>
</tbody>
</table>

Analysis by asset:

<table>
<thead>
<tr>
<th>Asset</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments</td>
<td>51,158</td>
<td>47,886</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>£51,158</td>
<td>£47,886</td>
</tr>
</tbody>
</table>
Notes to the Accounts for the year ended 30 June 2020

18 RESTRICTED RESERVES

Reserves with restrictions are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Capital grants</th>
<th>Unspent restricted income</th>
<th>Restricted expendable endowment</th>
<th>2020 Total £000</th>
<th>2019 Total £000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Balance at beginning of year:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>5,789</td>
<td>-</td>
<td>54</td>
<td>5,843</td>
<td>4,490</td>
</tr>
<tr>
<td>Accumulated income</td>
<td>-</td>
<td>2,292</td>
<td>91</td>
<td>2,383</td>
<td>2,262</td>
</tr>
<tr>
<td>Total</td>
<td>5,789</td>
<td>2,292</td>
<td>145</td>
<td>8,226</td>
<td>6,752</td>
</tr>
</tbody>
</table>

From the University of Cambridge for Cambridge Bursaries

|                     |                          |                          |                                 |                 |                 |
| New grants          | 1,849                    | -                         | -                               | 1,849           | 2,390           |
| New donations       | -                         | 37                        | 165                             | 202             | 66              |
| Investment income   | -                         | 664                       | 1                               | 665             | 676             |
| Increase/(decrease) in market value of investments | -                         | 81                        | 2                               | 83              | 82              |

Capital grants utilised

|                     |                          |                          |                                 |                 |                 |
|                     | (5,371)                   | -                         | -                               | (5,371)         | (1,040)         |
| Expenditure         | (742)                     | (24)                      | (766)                           | (853)           |                 |
| Total               | (3,522)                   | 189                       | 144                             | (3,189)         | 1,474           |

Balance at end of year

|                     |                          |                          |                                 |                 |                 |
| Capital             | 2,267                     | -                         | 50                              | 2,317           | 5,843           |
| Accumulated income  | -                         | 2,481                     | 239                             | 2,720           | 2,383           |
| Total               | 2,267                     | 2,481                     | 289                             | 5,037           | 8,226           |

Analysis of other restricted funds/donations by type of purpose:

<table>
<thead>
<tr>
<th></th>
<th>£000</th>
<th>£000</th>
<th>£000</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fellowship Funds</td>
<td>955</td>
<td>115</td>
<td>1,070</td>
<td>1,027</td>
<td></td>
</tr>
<tr>
<td>Scholarship Funds</td>
<td>488</td>
<td>20</td>
<td>508</td>
<td>351</td>
<td></td>
</tr>
<tr>
<td>Prize Funds</td>
<td>115</td>
<td>13</td>
<td>128</td>
<td>109</td>
<td></td>
</tr>
<tr>
<td>Hardship Funds</td>
<td>674</td>
<td>69</td>
<td>743</td>
<td>706</td>
<td></td>
</tr>
<tr>
<td>Travel Grant Funds</td>
<td>107</td>
<td>31</td>
<td>138</td>
<td>103</td>
<td></td>
</tr>
<tr>
<td>Other Funds</td>
<td>2,267</td>
<td>142</td>
<td>41</td>
<td>2,450</td>
<td>5,930</td>
</tr>
<tr>
<td>Total</td>
<td>£2,267</td>
<td>£2,481</td>
<td>£289</td>
<td>£5,037</td>
<td>£8,226</td>
</tr>
</tbody>
</table>
# Notes to the Accounts for the year ended 30 June 2020

## 19 RECONCILIATION AND ANALYSIS OF NET DEBT

<table>
<thead>
<tr>
<th></th>
<th>At 1 July 2019</th>
<th>Cash Flows</th>
<th>Other non-cash changes</th>
<th>At 30 June 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and cash equivalents</strong></td>
<td>735</td>
<td>1,428</td>
<td>-</td>
<td>2,163</td>
</tr>
<tr>
<td><strong>Borrowings:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts falling due within one year</td>
<td>-</td>
<td>-</td>
<td>(100)</td>
<td>(100)</td>
</tr>
<tr>
<td>Unsecured loans</td>
<td>-</td>
<td>-</td>
<td>(100)</td>
<td>(100)</td>
</tr>
<tr>
<td><strong>Borrowings:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts falling after more than one year</td>
<td>(100)</td>
<td>100</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unsecured loans</td>
<td>(100)</td>
<td>-</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>£635</td>
<td>£1,428</td>
<td>-</td>
<td>£2,063</td>
</tr>
</tbody>
</table>
20 FINANCIAL INSTRUMENTS

<table>
<thead>
<tr>
<th>Financial assets at fair value through Statement of Comprehensive income</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listed equity investments</td>
<td>59,186</td>
<td>56,926</td>
</tr>
<tr>
<td>Financial assets that are equity instruments measured at cost less impairment</td>
<td>4,166</td>
<td>4,240</td>
</tr>
<tr>
<td>Financial assets that are debt instruments measured at amortised cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>7,808</td>
<td>7,165</td>
</tr>
<tr>
<td>Other debtors</td>
<td>125</td>
<td>1,958</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£71,285</strong></td>
<td><strong>£70,288</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial liabilities measured at amortised cost</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>508</td>
<td>136</td>
</tr>
<tr>
<td>Other creditors</td>
<td>1,221</td>
<td>1,183</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£1,829</strong></td>
<td><strong>£1,419</strong></td>
</tr>
</tbody>
</table>
## Notes to the Accounts for the year ended 30 June 2020

### 21 CAPITAL COMMITMENTS

<table>
<thead>
<tr>
<th>Commitments contracted for at 30 June:</th>
<th>2020 £000</th>
<th>2019 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£4,180</td>
<td>£9,441</td>
</tr>
</tbody>
</table>
Notes to the Accounts for the year ended 30 June 2020

22 PENSION SCHEMES
The College participates in the following pension schemes: the Universities Superannuation Scheme (USS) and the Cambridge Colleges Federated Pension Scheme (CCFPS). Eligible non-academic staff not wishing to join CCFPS are auto-enrolled into NEST. Contributions payable in respect of the year were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>USS</td>
<td>149</td>
<td>117</td>
</tr>
<tr>
<td>CCFPS</td>
<td>713</td>
<td>539</td>
</tr>
<tr>
<td>NEST</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>872</td>
<td>663</td>
</tr>
</tbody>
</table>

Universities Superannuation Scheme
The College participates in the Universities Superannuation Scheme. The assets of the Scheme are held in a separate trustee-administered fund. Because of the mutual nature of the Scheme, the assets are not attributed to individual institutions and a Scheme-wide contribution rate is set. The College is therefore exposed to actuarial risks associated with other institutions’ employees and is unable to identify its share of the underlying assets and liabilities of the Scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 “Employee benefits”, the College therefore accounts for the Scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to income and expenditure represents the contributions payable to the Scheme in respect of the accounting period. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the Scheme will fund the overall deficit, the College recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is included in income and expenditure.

The total cost charged to income and expenditure is £149k (2019: £117k) as shown in note 8. Deficit recovery contributions due within one year for the College are £19k (2019: £14k)

At the financial year end the latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme was at 31 March 2018 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete.

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 2018 valuation was the fifth 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 £63.7 billion and the value of the scheme’s technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.
Notes to the Accounts for the year ended 30 June 2020

22 PENSION SCHEMES

Universities Superannuation Scheme (continued)
The key financial assumptions used in the 2018 valuation are described below.

Discount rate:
Years 1-10: CPI + 0.14% reducing linearly to CPI -0.73%
Years 11-20: CPI + 2.25% reducing linearly to CPI +1.55% by year 21
Years 21+: CPI + 1.55%

Pension increases (CPI):
Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less1.3% p.a.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the Scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows. Mortality base table:

<table>
<thead>
<tr>
<th></th>
<th>2018 Valuation</th>
<th>2017 Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pre-retirement</td>
<td>Pre-retirement</td>
</tr>
<tr>
<td></td>
<td>71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.</td>
<td>71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.</td>
</tr>
<tr>
<td></td>
<td>Post-retirement</td>
<td>Post-retirement</td>
</tr>
<tr>
<td></td>
<td>97.6% of SAPS S1NMA “light” for males and 102.7% of RFV00 for females.</td>
<td>96.5% of SAPS S1NMA “light” for males and 101.3% of RFV00 for females.</td>
</tr>
<tr>
<td>Future improvements to mortality</td>
<td>CM_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.</td>
<td>CM_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.</td>
</tr>
</tbody>
</table>

The current life expectancies on retirement at age 65 are:

<table>
<thead>
<tr>
<th></th>
<th>2018 Valuation</th>
<th>2017 Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Males currently aged 65 (years)</td>
<td>24.4</td>
<td>24.6</td>
</tr>
<tr>
<td>Females currently aged 65 (years)</td>
<td>25.9</td>
<td>26.1</td>
</tr>
<tr>
<td>Males currently aged 45 (years)</td>
<td>26.3</td>
<td>26.6</td>
</tr>
<tr>
<td>Females currently aged 45 (years)</td>
<td>27.7</td>
<td>27.9</td>
</tr>
</tbody>
</table>
Notes to the Accounts for the year ended 30 June 2020

22 PENSION SCHEMES

Universities Superannuation Scheme (continued)

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2020 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate</td>
<td>0.73</td>
<td>1.58</td>
</tr>
<tr>
<td>Pensionable salary growth</td>
<td>2.7%</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

Cambridge Colleges Federated Pension Scheme

The College is also a member of a multi-employer defined benefit scheme: the Cambridge Colleges’ Federated Pension Scheme. A full valuation was undertaken as at 31 March 2017 and updated to 30 June 2020 by a qualified independent actuary.

The liabilities of the scheme have been calculated, at 30 June 2020, for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the Scheme benefit structure and membership since that date.

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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate</td>
<td>1.45</td>
<td>2.25</td>
</tr>
<tr>
<td>Salary inflation assumption</td>
<td>2.70</td>
<td>2.90</td>
</tr>
<tr>
<td>Retail Prices Index (RPI) assumption</td>
<td>3.10</td>
<td>3.40</td>
</tr>
<tr>
<td>Consumer Prices Index (CPI) assumption</td>
<td>2.20</td>
<td>2.40</td>
</tr>
<tr>
<td>Pension increases in payment (RPI Max 5% p.a.)</td>
<td>3.00</td>
<td>3.30</td>
</tr>
<tr>
<td>Pension increases (CPI Max 2.5% p.a.)</td>
<td>1.80</td>
<td>1.90</td>
</tr>
</tbody>
</table>
Notes to the Accounts for the year ended 30 June 2020

22 PENSION SCHEMES

Cambridge Colleges Federated Pension Scheme (continued)

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2019 future improvement factors and a long-term rate of future improvement of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements. (2019: S3PA with CMI_2018 future improvement factors and a long-term future improvement rate of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Males currently aged 65 now</td>
<td>21.9</td>
<td>21.8</td>
</tr>
<tr>
<td>Females currently aged 65 now</td>
<td>24.2</td>
<td>24.0</td>
</tr>
<tr>
<td>Males aged 45 now and retiring in 20 years</td>
<td>23.2</td>
<td>23.1</td>
</tr>
<tr>
<td>Females aged 45 now and retiring in 20 years</td>
<td>25.6</td>
<td>25.5</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active Members – Option 1 Benefits</td>
<td>65</td>
<td>63</td>
</tr>
<tr>
<td>Deferred Members – Option 1 Benefits</td>
<td>62</td>
<td>60</td>
</tr>
</tbody>
</table>

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

The amounts recognised in the Balance Sheet as at 30 June 2020 (with comparative figures as at 30 June 2019) are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of plan liabilities</td>
<td>(20,179)</td>
<td>(17,681)</td>
</tr>
<tr>
<td>Market value of plan assets</td>
<td>13,398</td>
<td>12,167</td>
</tr>
<tr>
<td><strong>Net defined benefit liability</strong></td>
<td><strong>£(6,781)</strong></td>
<td><strong>£(5,514)</strong></td>
</tr>
</tbody>
</table>

The amounts to be recognised in income and expenditure for the year ending 30 June 2020 (with comparative figures for the year ending 30 June 2019) are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current service cost</td>
<td>834</td>
<td>649</td>
</tr>
<tr>
<td>Administration expenses</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Interest on net defined benefit liability</td>
<td>125</td>
<td>119</td>
</tr>
<tr>
<td>Loss of plan changes</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£984</strong></td>
<td><strong>£815</strong></td>
</tr>
</tbody>
</table>
Notes to the Accounts for the year ended 30 June 2020

22 PENSION SCHEMES

Cambridge Colleges Federated Pension Scheme (continued)

Changes in the present value of the Scheme liabilities for the year ending 30 June 2020 (with comparative figures for the year ending 30 June 2019) are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of Scheme liabilities at beginning of period</td>
<td>17,681</td>
<td>14,822</td>
</tr>
<tr>
<td>Current service cost (including Employee contributions)</td>
<td>834</td>
<td>649</td>
</tr>
<tr>
<td>Employee contributions</td>
<td>33</td>
<td>17</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(395)</td>
<td>(29)*</td>
</tr>
<tr>
<td>Interest on Scheme liabilities</td>
<td>403</td>
<td>409</td>
</tr>
<tr>
<td>Actuarial losses/(gains)</td>
<td>1,623</td>
<td>1,791</td>
</tr>
<tr>
<td>Loss on plan changes</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td><strong>Present value of Scheme liabilities at end of period</strong></td>
<td><strong>£20,179</strong></td>
<td><strong>£17,681</strong></td>
</tr>
</tbody>
</table>

*net benefits paid after receipt of two large death in service lump sums

Changes in the fair value of the Scheme assets for the year ending 30 June 2020 (with comparative figures for the year ending 30 June 2019) are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market value of Scheme assets at beginning of period</td>
<td>12,167</td>
<td>10,470</td>
</tr>
<tr>
<td>Contributions paid by the College</td>
<td>691</td>
<td>681</td>
</tr>
<tr>
<td>Employee contributions</td>
<td>33</td>
<td>17</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(395)</td>
<td>(28)</td>
</tr>
<tr>
<td>Administration expenses</td>
<td>(59)</td>
<td>(35)</td>
</tr>
<tr>
<td>Interest on plan assets</td>
<td>278</td>
<td>290</td>
</tr>
<tr>
<td>Return on assets, less interest included in income and expenditure</td>
<td>663</td>
<td>772</td>
</tr>
<tr>
<td><strong>Market value of plan assets at end of period</strong></td>
<td><strong>£13,398</strong></td>
<td><strong>£12,167</strong></td>
</tr>
</tbody>
</table>

Actual return on plan assets | £941 | £1,063 |

The major categories of Scheme assets as a percentage of total Scheme assets at 30 June 2020 (with comparative figures at 30 June 2019) are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>49%</td>
<td>57%</td>
</tr>
<tr>
<td>Bonds and cash</td>
<td>41%</td>
<td>34%</td>
</tr>
<tr>
<td>Property</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

The Scheme 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 2020

22 PENSION SCHEMES

Cambridge Colleges Federated Pension Scheme (continued)

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2020 (with comparative figures for the year ending 30 June 2019) are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Return on assets, less interest included in Profit &amp; Loss</td>
<td>663</td>
<td>772</td>
</tr>
<tr>
<td>Expected less actual scheme expenses</td>
<td>(14)</td>
<td>(10)</td>
</tr>
<tr>
<td>Experience gains and losses arising on Scheme liabilities</td>
<td>242</td>
<td>95</td>
</tr>
<tr>
<td>Changes in assumptions underlying the present value of Scheme liabilities</td>
<td>(1,864)</td>
<td>(1,886)</td>
</tr>
<tr>
<td><strong>Re-measurement of net defined benefit liability</strong></td>
<td><strong>£(973)</strong></td>
<td><strong>£(1,029)</strong></td>
</tr>
</tbody>
</table>

**Notes:**

Movement in net defined benefit liability during the year ending 30 June 2020 (with comparative figures for the year ending 30 June 2019) are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Deficit in Scheme at beginning of year</td>
<td>(5,514)</td>
<td>(4,352)</td>
</tr>
<tr>
<td>Recognised in income and expenditure</td>
<td>(985)</td>
<td>(814)</td>
</tr>
<tr>
<td>Contributions paid by the College</td>
<td>691</td>
<td>681</td>
</tr>
<tr>
<td>Re-measurement of net defined benefit liability recognised in OCI</td>
<td>(973)</td>
<td>(1,029)</td>
</tr>
<tr>
<td><strong>Net defined benefit liability at end of year</strong></td>
<td><strong>£(6,781)</strong></td>
<td><strong>£(5,514)</strong></td>
</tr>
</tbody>
</table>

Funding Policy

Actuarial valuations are carried out every three years on behalf of the Management Committee, acting as the Trustee of the Scheme, by a qualified independent actuary. The actuarial assumptions underlying the actuarial valuation are different to those adopted under FRS102.
Notes to the Accounts for the year ended 30 June 2020

22   PENSION SCHEMES

Cambridge Colleges Federated Pension Scheme (continued)

The last such valuation was at 31 March 2017. This showed that the Scheme’s assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall. These deficit reduction contributions are incorporated into the Scheme’s Schedule of Contributions dated 28 June 2018 and are as follows:

- Annual contributions of not less than £99,277 per annum payable for the period 1 July 2018 to 31 March 2034.

These payments are subject to review following the next funding valuation, due as at 31 March 2020.

NEST

The College offers membership of NEST, a defined contribution pension scheme, to its non-academic employees not wishing to join the CCFPS. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the College amounting to £10,011 (2019: £6,854) of which £758 (2019: £875) was outstanding at the year end.

23   RELATED PARTY TRANSACTIONS

Owing to the nature of the College’s operations and the composition of the Governing Body, it is inevitable that transactions will take place with organisations in which a Governing Body member 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.

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

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

Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for any private catering. The Trustees remuneration is overseen by the Remuneration Committee.
Notes to the Accounts for the year ended 30 June 2020

23 RELATED PARTY TRANSACTIONS

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

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
<th>2020 Number</th>
<th>2019 Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>£0</td>
<td>£10,000</td>
<td>43</td>
<td>42</td>
</tr>
<tr>
<td>£10,001</td>
<td>£20,000</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>£20,001</td>
<td>£30,000</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>£30,001</td>
<td>£40,000</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>£40,001</td>
<td>£50,000</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>£50,001</td>
<td>£60,000</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>£60,001</td>
<td>£70,000</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>£70,001</td>
<td>£80,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>£80,001</td>
<td>£90,000</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>70</strong></td>
<td></td>
<td><strong>67</strong></td>
</tr>
</tbody>
</table>

The total Trustee salaries were £863,820 for the year (2019: £807,949)

The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £30,708 for the year (2019: £10,054)