



WOLFSON COLLEGE CAMBRIDGE

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

Registered Charity No. 1138143



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## INTRODUCTION

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

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

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

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

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

## SUMMARY FINANCIAL RESULTS

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

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

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

Net assets were £78.45m.

## WOLFSON AND COVID-19 – 2021-22

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

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

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



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

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

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

## PROFESSIONAL ADVISERS

### Auditor

Peters Elworthy & Moore  
Salisbury House  
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Cambridge CB1 2LA

### Bankers

Lloyds Bank plc  
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Chivers Way, Histon  
Cambridge CB24 9ZR

Wolfson College  
Barton Road  
Cambridge CB3 9BB

Website: [www.wolfson.cam.ac.uk](http://www.wolfson.cam.ac.uk)

Charity Registration No. 1138143



## CHARITY TRUSTEES

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

### Five College Officers *ex officio*

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

### Ten Fellows elected by the Governing Body

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

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

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

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

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

The College's corporate governance arrangements are set out on page 14.



## OBJECTS

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

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

## PUBLIC BENEFIT

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

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

The College advances research through:

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

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

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

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

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

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



## **PUBLIC BENEFIT (continued)**

The College has approximately 300 part-time postgraduate students and its encouragement of part-time students allows individuals to benefit from a Cambridge education who might not otherwise have access.

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

The College receives the following income in respect of students:

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

In order to assist undergraduates of limited financial means, the College provides bursary support through a scheme operated in common with the University and other Colleges. For the academic year 2021-22, awards totalling £379.5k were made to 80 Wolfson undergraduates (£393.2k to 81 undergraduates in 2020-21): 40 were awarded the maximum independent student bursary of £5,600; and a further 40 were awarded an average of £3,887. The net cost to the College for participation in this scheme was £52.2k after contributions by the University and other Colleges of £327.3k. The scheme is widely advertised on the University website, on College websites and in the Admissions Prospectus. Enhanced Bursaries totalling £41.9k in 2021-22, funded by a donation from Santander Universities UK and a grant from Trinity College, were also awarded to undergraduates needing additional support.

To support the costs of both undergraduate and postgraduate students, the College provides various scholarships and bursaries, to help fund fees and living costs. The total awarded in 2021-22 was £523.5k to 159 students (£573.6k to 158 students in 2020-21). Within this amount, £42.2k was awarded to 7 students in receipt of Vice-Chancellor's Awards which when combined with funding from the Cambridge Trust provided a total benefit of £103.0k. The Vice-Chancellor's Awards scheme exists to support UK PhD students across the University. In addition to awards made to named students by a College, all Colleges are required to contribute to the Vice-Chancellor's Awards scheme irrespective of their participation in the scheme, and the amount required to be paid by the College in 2021-22 was £71.1k (£74.0k in 2020-21).

The College supports students through a grant scheme to assist with travel and attendance at conferences. The total awarded in 2021-22 was £32.9k to 77 students, a significant increase from the total of £9.9k to 41 students in 2020-21 when there were reduced travel opportunities as a result of the pandemic.

In addition to its other programmes, the College operates a scheme for students in financial hardship. The total awarded in 2021-22 was £17.2k to 36 students (£27.2k to 63 students in 2020-21).

The College awards prizes to its students for academic distinction. The total awarded in prizes in 2021-22 was £29.1k to 97 students (£25.7k to 81 students in 2020-21).

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

In order to fulfil its charitable purposes of advancing education, learning and research, the College employs a number of its Fellows in the following roles: College Teaching Officers, Supervisors, Directors of Studies, Tutors and senior administrative officers such as Bursar, Senior Tutor and Development Director. Several of these serve as charity trustees through being members of the College Council. The employment of the President and Fellows is undertaken with the intention of furthering the College's aims and their employment directly contributes to the fulfilment of those aims. The private benefit accruing to the President and Fellows through salaries, stipends and employment-related benefits is objectively reasonable, measured against academic stipends generally; moreover annual pay increases normally follow national settlements applying to the university sector. Without the employment of Fellows, the College could not fulfil its charitable aims as a College in the University of Cambridge. All salaries are reviewed annually by the Personnel Committee.

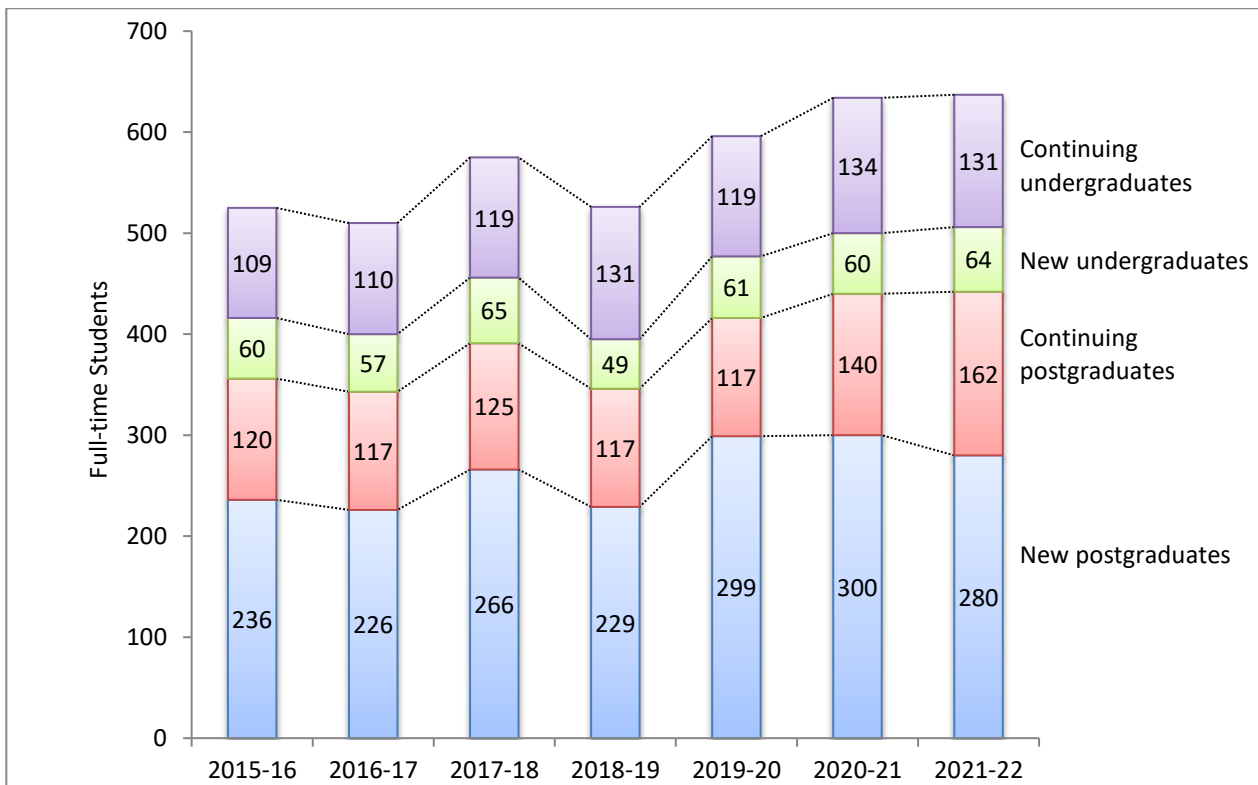


**OPERATING AND FINANCIAL REVIEW**

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**1 Student Numbers**

The College admits full-time and part-time postgraduate students studying for PhDs and Masters courses and full-time mature undergraduate students aged 21 and over. Total student numbers (including part-time postgraduates and postgraduates writing up or under examination) of 1,160 as at 1 December 2021 did not change significantly from the previous year (1,033). The College accepts both postgraduates who have selected the College as part of their application and postgraduates who are allocated to the College through an intercollegiate allocation process, designed to even out the distribution of applications across the Cambridge colleges. The following chart shows the figures for full-time students over the past seven years as at 1 December in each year:



The total full-time student body of 637 was split approximately one-third undergraduates and two-thirds postgraduates. The full-time postgraduates body of 442 was split evenly between Masters (223) and PhD / integrated Doctorate students (219). The College’s 311 part-time postgraduates also continued to play an important part in the College’s mix of students.





## OPERATING AND FINANCIAL REVIEW (continued)

### 2 Income and Expenditure

The Statement of Comprehensive Income and Expenditure (SOCIE) shows total income for the year of £11.01m (2020-21: £9.16m)

Increased student fees contributed to academic income of £4.21m, which was higher than in the previous year (£3.72m). Of this total, £3.79m is made up of fees paid by or on behalf of students, as set out in detail in note 1. Within academic income are included the contributions from the University and other Colleges for Cambridge Bursaries: £327k is included as income from this source, with a corresponding figure in expenditure of £379k, i.e. there was a net cost to the College of £52k.

Accommodation and catering income, at £3.54m, was significantly higher than the previous year (£2.21m) as a result of the reduced impact of the COVID-19 pandemic. The College has 409 units of student accommodation, mainly for single occupation, accommodating up to 429 in total. In addition there are five family flats. The remaining 38 units of accommodation are for visiting academics, part-time students, and other short-stay visitors. College accommodation is normally full but, during the academic year 2021-22, some full-time students were unable to travel to and/or remain in Cambridge due to the pandemic and most courses for part-time students were conducted online, resulting in reduced levels of occupancy compared to pre-pandemic levels.

There was an increase in endowment and investment income (from £1.54m to £1.67m), as a result of the purchase of additional units in the Cambridge University Endowment Fund at the end of last year and the performance of the Fund.

Donations are classified as one of the following: unrestricted or restricted donations for spending in the current year; new permanent endowments, for spending over the longer term; or capital grants, to support building or refurbishment projects. Total donation, endowment and grant income as shown in the SOCIE was £1.59m, compared to the previous year's figure of £1.41m. Donations include a grant from the Colleges Fund of £707k in 2021-22 (£785k in 2020-21). This grant is usually added to endowment, however this year, as last year, because of the financial impact of the COVID-19 pandemic, the Colleges Fund Committee agreed that recipients of the grant might use it for operational purposes. The grant is therefore included in unrestricted income.

Total expenditure within the SOCIE was £10.19m, including depreciation of £1.15m (which represents 11.3% of expenditure). The proportion of total expenditure (excluding depreciation) spent on staff costs was 53.3% (£4.82m), however this includes a large cost resulting from an increase in the USS deficit provision of £502k (2020-21 credit resulting from a decrease in the provision of £100k). The liability is based on the College's obligation over a number of years to contribute to the USS deficit recovery plan. The cost of the three pension schemes on offer to staff (USS, CCFPS, NOW), excluding the USS deficit provision change, was £506k, representing 11.7% of staff costs before the USS provision change.

### 3 Capital Additions

A number of capital transactions relating to the College's estate and equipment, costing £0.28m (2020-21: £0.58m) are shown in note 10. Most expenditure on the estate related to essential work only which was required to remain compliant with health and safety regulations. The annual cycle of refurbishment of accommodation was put on hold, due to reduced levels of income. The College is however prioritising plans to invest in its estate and has planned the refurbishment of a student accommodation block for the summer of 2022. It has also worked with architects and quantity surveyors to identify strategic options for refurbishment, decarbonisation, and new buildings. The resulting estate "masterplan" will inform fundraising initiatives and financial planning for the short and longer term future of the estate.

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

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

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

In the year to June 2022 the College invested a further £500k in the CUEF, made up of £22k of new endowment funds, £178k of existing endowment funds previously invested with Cazenove Capital Management, and £300k fixed asset investments funded by current and prior year Colleges Fund Grants and donations.

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

<b>Wolfson College investments in the CUEF</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
Unit value	£67.45	£69.96
Number of units (endowment)	477,407	474,445
Number of units (fixed asset investments)	239,338	234,888
<b>Total number of units</b>	<b>716,745</b>	<b>709,333</b>
Value of units (endowment)	£32.20m	£33.19m
Value of units (fixed asset investments)	£16.14m	£16.43m
<b>Total value of units</b>	<b>£48.34m</b>	<b>£49.62m</b>

The College received distributions totalling £1.66m (£1.11m from the endowment units and £0.55m from the fixed asset investment units), giving a distribution yield of 3.35% on the opening capital value.

The unaudited CUEF total fund value was £3.82 billion at 30 June 2022 and the estimated asset allocation of the was as follows:

<b>CUEF asset classes</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>%</b>	<b>%</b>
Public equity	42	43
Private equity	24	20
Absolute return	17	11
Credit	3	3
Real assets	10	10
Fixed interest/cash	4	13

In addition to its investment in the CUEF, the College still holds endowment funds in two private equity funds with Cazenove Capital Management which were valued at £477k as at 30 June 2022 (2021: £484k). The College's strategy is, as and when exit opportunities arise in those private equity funds, to invest the proceeds in the CUEF. The College supports the CUEF's aims to divest from all direct and indirect investments in fossil fuels by 2030.

**5 Reserves**

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

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

Total reserves at 30 June 2022 were £78.45m, of which £44.78m were classed as ‘unrestricted reserves’. However, as these reserves are mainly represented by the College’s operational estate and therefore not available as funds to be spent, a more practical reserves policy has been implemented. The aim is to have realisable unrestricted reserves, being equivalent to fixed asset investments (excluding the investment cost relating to the £10m private placement) plus net current assets, in the range of 25% to 50% of annual expenditure as shown on the Statement of Consolidated Income and Expenditure, for use in the case of unexpected financial downturns or to pursue new opportunities. The figure for realisable unrestricted reserves at 30 June 2022 was £10.56m, above the specified range of £2.55-5.09m, but considered beneficial in the current circumstances to help fund future ‘masterplan’ capital expenditure requirements.

**6 Fundraising and Alumni Relations**

Fundraising is a major part of the role of the Development & Alumni Relations Office, which was established in 2008. The College is registered with the Fundraising Regulator and does not use third-party professional fundraisers. Fundraising is geared towards: the annual fund, for spending in the current year; the endowment, for spending over the longer term; or capital grants, to support building or refurbishment projects. As set out above, the endowment creates a stream of income also for spending in the current year. Total donations were as follows:

	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>£’000</b>	<b>£’000</b>
Colleges Fund grant	707	785
Donations above £50k	463	50
Donations up to £50k	180	206
Bequests from individuals’ estates	40	171
The Alborada Trust	160	160
Santander Universities UK	29	29
Cambridge University Press	12	12
<b>Total Donations</b>	<b>1,591</b>	<b>1,413</b>

Donations, whether made to the annual fund, to the endowment, or as capital grants, make a significant difference to what the College can achieve, especially in student support. Membership of the Morrison Society is given to those who have made a pledge to the College in their Will and enables the College to recognise and thank such supporters in their lifetime. At 30 June 2022 there were 105 members of the Morrison Society.

In terms of alumni relations and communications, the Development & Alumni Relations Office has continued to build relationships with the wider membership of Wolfson. The College maintains contact details for over 12,000 alumni, of whom more than half live outside the UK in over 150 different countries. An e-bulletin (Ring True) is emailed to over 10,000 members six times a year, who also receive the Wolfson Review magazine annually. More regular newsletters are sent to specific interest groups such as the Friends of the Boat Club and the Interdisciplinary Research Hubs which help to keep the community engaged. The first major in-person event post COVID, was the annual reunion weekend for alumni held in September 2021. During COVID, a regular programme of on-line events reached audiences across the world. Last year, we retained several on-line events to keep this community engaged. A review of operations saw the Development & Alumni Relations Office split into two teams – the Development Office for fundraising and the Networks Office for alumni relations and to develop initiatives such as the College’s Interdisciplinary Research Hubs. This came into effect at the end of June.



## OPERATING AND FINANCIAL REVIEW (continued)

### 7 Principal Risks and Uncertainties

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

The principal risks and uncertainties facing the College are:

**Inflation:** The Consumer Prices Index rose by 9.4% in the 12 months to June 2022 and continues to rise. As inflation rises, the College's income becomes increasingly stretched. The value of the undergraduate fee for UK students, which has been capped by the Government until 2025, has significantly reduced. As the College prepares to raise funds for the first phase of its estate masterplan, continued high inflation rates could considerably constrain the level of investment it can afford to make in its estate. Wage inflation could also affect the College's ability to maintain optimal staffing levels as Colleges compete in the post-pandemic market for operational and other staff. It also remains to be seen how significant cost of living rises could affect student applications and current students; the College will likely need to increase its investment in student support at the same time as it faces demands in many other areas of business. As a member of the Cambridge Colleges' energy purchasing consortium, the College has the benefit of fixed electricity and gas prices until March 2023 but if energy demands exceed the projected consumption levels, expenditure will increase significantly.

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

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

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



## OPERATING AND FINANCIAL REVIEW (continued)

### 7 Principal Risks and Uncertainties (continued)

**Staff pension costs:** The College has a number of staff in two defined benefit schemes – USS and CCFPS – both of which are in deficit (see Note 21). As at 30 June 2022 there were 37 staff members in USS (whose salaries represented 26% of the June 2022 payroll) and 14 members in CCFPS (representing 10% of the June 2022 payroll). The College is making deficit reduction contributions to both schemes. The College closed CCFPS to new entrants in 2008, which has helped markedly to reduce the exposure to uncertainties associated with the scheme. In the case of USS, the number of new entrants has slowed down considerably since the introduction of a defined contribution scheme for non-academic staff, which helps to manage the risk of the College’s liabilities increasing.

### 8 Future Plans

Whilst responding to the pandemic has taken up a significant amount of time and resource, the College is also looking to the future. The College has invested in a strategic masterplan for its estate, which offers options to refurbish existing buildings and develop a variety of sustainable new buildings, as funding permits over the short and longer term: <https://www.wolfson.cam.ac.uk/masterplan>. The College has restructured its Alumni and Development Office to focus resources on a capital campaign in order to raise the necessary funds. Feasibility studies for a potential first phase of the masterplan are currently underway to assist the College to assess its priorities and their affordability. Environmental engineers have also been appointed to produce a decarbonisation plan which will identify the most effective mitigations. Whilst embarking on this work in the current economic climate is challenging, the College is confident that, with extremely prudent financial management and a detailed understanding of the risks involved, it will be able to progress and prepare for future generations of Wolfson members.



## CORPORATE GOVERNANCE

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

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

The College's Trustees during the year ended 30 June 2022 are set out on page 5.

## STATEMENT OF INTERNAL CONTROL

- 1 The Trustees are responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College's Statutes.
- 2 The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.
- 3 The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process was in place for the year ended 30 June 2022 and up to the date of approval of the financial statements.
- 4 The Trustees are responsible for reviewing the effectiveness of the system of internal control.
- 5 The Trustees' review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Bursar, and the College officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external Auditor in their management letter and other reports.



## RESPONSIBILITIES OF THE GOVERNING BODY

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

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

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

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

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

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

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and College's affairs as at 30 June 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes of the University of Cambridge.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

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

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

We have nothing to report in this regard.





## INDEPENDENT AUDITOR'S REPORT (continued)

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

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

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

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

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

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

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

### Responsibilities of the Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 15, the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Body determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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



## INDEPENDENT AUDITOR'S REPORT (continued)

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

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

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

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

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

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

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

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

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

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

### Use of our report

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

### PETERS ELWORTHY & MOORE

Chartered Accountants and Statutory Auditors

Salisbury House  
Station Road  
Cambridge CB1 2LA

Date:

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



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## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

### Basis of preparation

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

The Consolidated Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate that all fee income is spent for educational purposes. The analysis required by the SORP is set out in note 8.

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

### Basis of accounting

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

### Basis of consolidation

The consolidated financial statements include the College and its active subsidiary undertaking, Wolfson College Cambridge Enterprises Limited. The financial statements of the College's two other subsidiary companies, Lee Library Limited and Wolfson College Development Limited, have not been consolidated because they are dormant. Details of the subsidiary undertakings are set out in note 22. The activities of student societies have not been consolidated, because they are separate bodies which are not within the financial control of the College.

### Recognition of income

#### Academic fees

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

#### Grant income

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

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

#### Donations and endowments

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

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

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

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

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

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

**Other income**

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

**Cambridge Bursary Scheme**

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

The net payment of £52k is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£327k
Expenditure (see note 5)	£379k

**Foreign currency translation**

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

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

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

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

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

**Equipment**

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

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

**Leased assets**

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

**Investments**

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



## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

### Stocks

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

### Provisions

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

### Contingent assets and liabilities

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

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

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

### Financial instruments

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

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

#### Financial assets

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

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

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

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



## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

### Financial instruments (continued)

#### Financial liabilities

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

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

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

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

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

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

#### Taxation

The College is a registered charity (number 1138143) and also a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the College is exempt from taxation in respect to income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

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

#### Contribution under Statute G, II

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

#### Pension costs

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

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

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

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

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

**Employment benefits**

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

**Reserves**

Reserves are allocated between restricted and unrestricted reserves. Endowment reserves include balances which, in respect of endowment to the College, are held as permanent funds, which the College must hold in perpetuity. Restricted reserves include balances in respect of which the donor has designated a specific purpose and therefore the College is restricted in the use of these funds.

**Going concern**

The Trustees consider that the Group will have sufficient resources to meet its liabilities as they fall due for the foreseeable future and therefore have continued to adopt the going concern basis in preparing the financial statements.





## CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

### Income recognition

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

### Useful lives of fixed assets

Property and equipment represent a significant proportion of the College's total assets. The estimated useful lives can therefore have a significant impact on the depreciation charged and the College's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets, professional advice and anticipation of future events. Details of the carrying values of fixed assets are shown in note 10.

### Recoverability of debtors

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

### Retirement benefit obligations

The costs of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 21.

### Universities Superannuation Scheme (USS)

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

As the College is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2038. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in notes 16 and 21.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE**

For the year ended 30 June

	Note	2022				2021			
		Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
<b>Income</b>									
Academic fees and charges	1	3,880	327	-	4,207	3,378	342	-	3,720
Accommodation, catering and conferences	2	3,539	-	-	3,539	2,214	-	-	2,214
Investment income	3	1,421	249	-	1,670	1,309	235	-	1,544
Other income	4	-	-	-	-	268	-	-	268
<b>Total income before donations and endowments</b>		<b>8,840</b>	<b>576</b>	<b>-</b>	<b>9,416</b>	<b>7,169</b>	<b>577</b>	<b>-</b>	<b>7,746</b>
Donations		132	729	-	861	276	323	-	599
New endowments		-	-	20	20	-	-	27	27
Capital grant from Colleges Fund		707	-	-	707	785	-	-	785
Other capital grants for assets		-	3	-	3	-	2	-	2
<b>Total income</b>		<b>9,679</b>	<b>1,308</b>	<b>20</b>	<b>11,007</b>	<b>8,230</b>	<b>902</b>	<b>27</b>	<b>9,159</b>
<b>Expenditure</b>									
Education	5	3,728	937	-	4,665	3,576	912	-	4,488
Accommodation, catering and conferences	6	4,435	-	-	4,435	3,923	-	-	3,923
Other expenditure	7	1,088	-	-	1,088	512	9	-	521
<b>Total expenditure</b>	8	<b>9,251</b>	<b>937</b>	<b>-</b>	<b>10,188</b>	<b>8,011</b>	<b>921</b>	<b>-</b>	<b>8,932</b>
<b>Surplus / (deficit) before other gains and losses</b>		<b>428</b>	<b>371</b>	<b>20</b>	<b>819</b>	<b>219</b>	<b>(19)</b>	<b>27</b>	<b>227</b>
Gain / (loss) on investments	11	(589)	(69)	(951)	(1,609)	2,745	434	5,507	8,686
<b>Surplus / (deficit) for the year</b>		<b>(161)</b>	<b>302</b>	<b>(931)</b>	<b>(790)</b>	<b>2,964</b>	<b>415</b>	<b>5,534</b>	<b>8,913</b>
<b>Other comprehensive income</b>									
Actuarial gain/(loss) in respect of pension schemes	16	999	-	-	999	253	-	-	253
<b>Total comprehensive income for the year</b>		<b>838</b>	<b>302</b>	<b>(931)</b>	<b>209</b>	<b>3,217</b>	<b>415</b>	<b>5,534</b>	<b>9,166</b>

**CONSOLIDATED STATEMENT OF CHANGES IN RESERVES**

For the year ended 30 June

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
<b>Balance at 1 July 2020</b>	<b>40,558</b>	<b>2,842</b>	<b>25,680</b>	<b>69,080</b>
Surplus for the year	2,964	415	5,534	8,913
Other comprehensive income	253	-	-	253
Release of restricted capital funds spent in the year	168	(168)	-	-
<b>Balance at 30 June 2021</b>	<b>43,943</b>	<b>3,089</b>	<b>31,214</b>	<b>78,246</b>
Deficit for the year	(161)	302	(931)	(790)
Other comprehensive income	999	-	-	999
Release of restricted capital funds spent in the year	3	(3)	-	-
<b>Balance at 30 June 2022</b>	<b>44,784</b>	<b>3,388</b>	<b>30,283</b>	<b>78,455</b>

**CONSOLIDATED AND COLLEGE BALANCE SHEETS**

As at 30 June		2022 Group £'000	2022 College £'000	2021 Group £'000	2021 College £'000
	Note				
<b>Non-current assets</b>					
Fixed assets	10	38,441	38,441	39,315	39,315
Investments	11	48,824	48,824	50,111	50,111
Total non-current assets		<b>87,265</b>	<b>87,265</b>	<b>89,426</b>	<b>89,426</b>
<b>Current assets</b>					
Stocks		55	55	57	57
Trade and other receivables	12	988	1,012	890	890
Cash and cash equivalents	13	4,441	4,406	2,731	2,731
Total current assets		<b>5,484</b>	<b>5,473</b>	<b>3,678</b>	<b>3,678</b>
<b>Creditors: amounts falling due within one year</b>	14	(1,067)	(1,056)	(1,187)	(1,187)
<b>Net current assets</b>		<b>4,417</b>	<b>4,417</b>	<b>2,491</b>	<b>2,491</b>
<b>Total assets less current liabilities</b>		<b>91,682</b>	<b>91,682</b>	<b>91,917</b>	<b>91,917</b>
<b>Creditors: amounts falling due after more than one year</b>	15	(11,120)	(11,120)	(11,117)	(11,117)
<b>Provisions</b>					
Pension provisions	16	(2,107)	(2,107)	(2,554)	(2,554)
<b>Total net assets</b>		<b>78,455</b>	<b>78,455</b>	<b>78,246</b>	<b>78,246</b>
<b>Represented by:</b>					
<b>Restricted reserves</b>					
Income and expenditure reserve - endowment	17	30,283	30,283	31,214	31,214
Income and expenditure reserve - restricted	18	3,388	3,388	3,089	3,089
<b>Unrestricted reserves</b>					
Income and expenditure reserve - unrestricted		44,784	44,784	43,943	43,943
<b>Total reserves</b>		<b>78,455</b>	<b>78,455</b>	<b>78,246</b>	<b>78,246</b>

The financial statements were approved by the Governing Body on 9 November 2022 and signed on its behalf by:

Joanna Cheffins  
Bursar

**CONSOLIDATED CASH FLOW STATEMENT**

For the year ended 30 June

	Note	2022 £'000	2021 £'000
<b>Cash flow from operating activities:</b>			
Surplus for the year		(790)	8,913
<i>Adjustment for non-cash items:</i>			
- depreciation	10	1,149	1,224
- pension costs less contributions payable		47	74
- amortisation of placement arrangement fees		3	2
- (gain) / loss on investments	11	1,609	(8,686)
- (increase) in stocks		2	6
- (increase) / decrease in trade and other receivables		(98)	(194)
- (decrease) in creditors		(120)	345
- increase / (decrease) in provisions		505	(97)
<i>Adjustment for investing or financing activities:</i>			
- investment income	3	(1,670)	(1,544)
- new endowments	17	(20)	(27)
- capital grants for assets	18	(3)	(2)
- interest payable	7	328	328
<b>Net cash inflow from operating activities</b>		<b>942</b>	<b>342</b>
<b>Cash flows from investing activities:</b>			
Investment income	3	1,670	1,544
New endowments	17	20	27
Endowment funds invested	11	(22)	(35)
Payments made to acquire non-current asset investments	11	(300)	(1,085)
Capital grants for assets	18	3	2
Payments made to acquire fixed assets	10	(275)	(582)
		<b>1,096</b>	<b>(129)</b>
<b>Cash flows from financing activities:</b>			
Interest paid	7	(328)	(328)
		<b>(328)</b>	<b>(328)</b>
<b>Increase / (decrease) in cash and cash equivalents in the year</b>		<b>1,710</b>	<b>(115)</b>
Cash and cash equivalents at beginning of the year	13	2,731	2,846
Cash and cash equivalents at end of the year	13	4,441	2,731

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

<b>1 Academic fees and charges</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Fee income</b>		
Fee income received at the regulated undergraduate rate (a)	565	572
Fee income received at the unregulated undergraduate rate (b)	709	561
Fee income received at the postgraduate rate (c)	2,484	2,162
	<b>3,758</b>	<b>3,295</b>
<b>Other income</b>		
Research Fellow support	56	76
Cambridge Bursaries	327	342
Teaching and other income	25	7
College courses	41	-
<b>Total</b>	<b>4,207</b>	<b>3,720</b>
<p>(a) This rate is received for UK students who are eligible for Student Loans Company loans. Such students are sometimes referred to as 'publicly funded'. The total rate is set by the University up to a limit set by the Government, and the College receives a 50% share.</p> <p>(b) This rate is paid by Overseas students and those UK students not eligible for Student Loans Company loans. Such students are sometimes referred to as 'privately funded'. This rate is set by the College.</p> <p>(c) This rate is a fixed proportion of the course fees set by the University.</p>		
<b>2 Accommodation, catering and conferences income</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Accommodation</b>		
College members	2,872	1,934
Conferences	117	19
<b>Catering</b>		
College members	462	254
Conferences	88	7
<b>Total</b>	<b>3,539</b>	<b>2,214</b>
<b>3 Investment income</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Income from:</b>		
Unquoted securities - unit trust *		
- endowment assets	1,108	1,052
- fixed asset investments	549	488
Cash	13	4
<b>Total</b>	<b>1,670</b>	<b>1,544</b>

\* invested in Cambridge University Endowment Fund units

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

<b>4</b>	<b>Other income</b>	<b>2022</b>	<b>2021</b>
		<b>£'000</b>	<b>£'000</b>
	Coronavirus Job Retention Scheme grant	-	268
	<b>Total</b>	<b>-</b>	<b>268</b>
<b>5</b>	<b>Education expenditure</b>	<b>2022</b>	<b>2021</b>
		<b>£'000</b>	<b>£'000</b>
	Teaching	1,124	1,123
	Tutorial	950	867
	Admissions	319	307
	Research	411	391
	Scholarships and awards	674	710
	Cambridge Bursaries	379	393
	Other educational facilities	801	696
	College courses	7	1
	<b>Total</b>	<b>4,665</b>	<b>4,488</b>
<b>6</b>	<b>Accommodation, catering and conferences expenditure</b>	<b>2022</b>	<b>2021</b>
		<b>£'000</b>	<b>£'000</b>
	<b>Accommodation</b>		
	College members	2,905	2,804
	Conferences	83	18
	<b>Catering</b>		
	College members	1,361	1,084
	Conferences	86	17
	<b>Total</b>	<b>4,435</b>	<b>3,923</b>
<b>7</b>	<b>Other expenditure</b>	<b>2022</b>	<b>2021</b>
		<b>£'000</b>	<b>£'000</b>
	Alumni relations	216	256
	Loan interest	328	328
	Pension schemes' finance charges (see note 16)	42	37
	Change in USS deficit provision	502	(100)
	<b>Total</b>	<b>1,088</b>	<b>521</b>

Expenditure on all activities in notes 5, 6 and 7 includes both direct costs and an allocation of overheads.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

**8a Analysis of expenditure by activity**

		<b>Staff costs (note 9) 2022 £'000</b>	<b>Other operating expenses 2022 £'000</b>	<b>Depreciation 2022 £'000</b>	<b>Total 2022 £'000</b>
	<b>Note</b>				
Education	5	2,035	2,264	366	4,665
Accommodation, catering and conferences	6	2,149	1,507	779	4,435
Other	7	633	451	4	1,088
		<b>4,817</b>	<b>4,222</b>	<b>1,149</b>	<b>10,188</b>

Expenditure includes fundraising costs of £216k in addition to the costs of alumni relations which are disclosed in note 7.

		<b>Staff costs (note 9) 2021 £'000</b>	<b>Other operating expenses 2021 £'000</b>	<b>Depreciation 2021 £'000</b>	<b>Total 2021 £'000</b>
Education	5	2,042	2,011	435	4,488
Accommodation, catering and conferences	6	1,997	1,141	785	3,923
Other	7	96	421	4	521
		<b>4,135</b>	<b>3,573</b>	<b>1,224</b>	<b>8,932</b>

Expenditure includes fundraising costs of £256k in addition to the costs of alumni relations which are disclosed in note 7.

**8b Auditor's remuneration**

	<b>2022 £'000</b>	<b>2021 £'000</b>
<b>Other operating expenses include:</b>		
Audit fees payable to the Group's external auditor (including VAT)	<b>24</b>	<b>18</b>
Other fees payable to the Group's external auditor (including VAT)	<b>1</b>	<b>3</b>



**NOTES TO THE ACCOUNTS**

For the year ended 30 June

9 Staff costs	Fellows	Other	Total	Total
	£'000	Staff £'000	2022 £'000	2021 £'000
Salaries	726	2,786	3,512	3,442
National Insurance	68	229	297	277
Pension costs	90	416	506	516
Change in USS deficit provision	195	307	502	(100)
	<b>1,079</b>	<b>3,738</b>	<b>4,817</b>	<b>4,135</b>

**Average staff numbers (full-time equivalents):**

Academic	10	1	11	12
Non-academic	2	98	100	98
	<b>12</b>	<b>99</b>	<b>111</b>	<b>110</b>

There were 112 Fellows (excluding the President) in the Governing Body as at 1 December 2021, 40 of whom were stipendiary, representing 12 full-time equivalent College Fellows included above.

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

	2022 Number	2021 Number
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
£120,001 - £130,000	-	-
£130,001 - £140,000	-	-
£140,001 - £150,000	1	-

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

**Key management personnel and Trustees**

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

The aggregated remuneration (salary, employer's national insurance contributions, employer's pension contributions, plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements) paid to key management personnel was:

	2022 £'000	2021 £'000
College Officers <i>ex officio</i>	459	395
Fellows elected by the Governing Body	38	35
	<b>497</b>	<b>430</b>

The Trustees received no remuneration in their capacity as Trustees.

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

**10 Tangible fixed assets**  
Group and College

	Freehold land £'000	Freehold buildings £'000	Equipment £'000	Total 2022 £'000	Total 2021 £'000
<b>Cost or valuation</b>					
At beginning of year	22,000	28,720	5,321	56,041	55,573
Additions at cost	-	-	275	275	582
Disposals	-	-	(268)	(268)	(114)
<b>At end of year</b>	<b>22,000</b>	<b>28,720</b>	<b>5,328</b>	<b>56,048</b>	<b>56,041</b>
<b>Depreciation</b>					
At beginning of year	-	12,992	3,734	16,726	15,616
Charge for the year	-	729	420	1,149	1,224
Disposals	-	-	(268)	(268)	(114)
<b>At end of year</b>	<b>-</b>	<b>13,721</b>	<b>3,886</b>	<b>17,607</b>	<b>16,726</b>
<b>Net book value</b>					
As at 30 June 2022	<b>22,000</b>	<b>14,999</b>	<b>1,442</b>	<b>38,441</b>	
As at 30 June 2021	22,000	15,728	1,587	39,315	

The declared value of freehold buildings for insurance purposes as at 30 June 2022 was £61,906,056 (2021: £56,635,528).

**Capital commitments**

	Group and College	
	2022 £'000	2021 £'000
Capital expenditure contracted but not provided for	416	-

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

11	Non-current investments	Group and College			
		2022 £'000	2021 £'000		
	Balance at beginning of year	50,111	40,305		
	Additions	322	1,120		
	Gain / (loss)	(1,609)	8,686		
	<b>Balance at end of year</b>	<b>48,824</b>	<b>50,111</b>		
	Represented by:				
	Unquoted securities - unit trust	48,347	49,627		
	Unquoted securities - equities	477	484		
	<b>Total</b>	<b>48,824</b>	<b>50,111</b>		
	Analysis by asset:				
	Endowments - permanent	30,277	31,212		
	Endowments - expendable	2,403	2,466		
	Fixed asset investments	16,144	16,433		
	<b>Total</b>	<b>48,824</b>	<b>50,111</b>		
12	Trade and other receivables	Group	College	Group	College
		2022 £'000	2022 £'000	2021 £'000	2021 £'000
	Members of the College	192	192	193	193
	Amounts due from subsidiary undertakings	1	28	1	1
	Other receivables	88	85	53	53
	Prepayments and accrued income	707	707	643	643
	<b>Total</b>	<b>988</b>	<b>1,012</b>	<b>890</b>	<b>890</b>
13	Cash and cash equivalents	Group	College	Group	College
		2022 £'000	2022 £'000	2021 £'000	2021 £'000
	Short-term money market investments	2,100	2,100	200	200
	Bank deposits	2,295	2,295	2,523	2,523
	Bank current accounts	46	11	8	8
	Cash in hand	-	-	-	-
	<b>Total cash and cash equivalents</b>	<b>4,441</b>	<b>4,406</b>	<b>2,731</b>	<b>2,731</b>
	Analysis by asset:				
	Endowments – permanent capital	6	6	2	2
	Endowments – restricted	144	144	108	108
	Other cash and cash equivalents	4,291	4,256	2,621	2,621
	<b>Total</b>	<b>4,441</b>	<b>4,406</b>	<b>2,731</b>	<b>2,731</b>

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

14 Creditors: amounts falling due within one year	Group	College	Group	College
	2022	2022	2021	2021
	£'000	£'000	£'000	£'000
Trade creditors	446	446	428	428
Members of the College	272	272	267	267
University fees	39	39	165	165
Other creditors (PAYE, NI, VAT)	112	108	76	76
Accruals and deferred income	198	191	251	251
<b>Total</b>	<b>1,067</b>	<b>1,056</b>	<b>1,187</b>	<b>1,187</b>

15 Creditors: amounts falling due after more than one year	Group and College	
	2022	2021
	£'000	£'000
Bank loan	1,200	1,200
Private placement	10,000	10,000
Private placement arrangement fees	(80)	(83)
<b>Total</b>	<b>11,120</b>	<b>11,117</b>

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

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

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

16 Pension provisions (see note 21)	CCFPS liability	USS deficit provision	Group and College	
			Total 2022	Total 2021
	£'000	£'000	£'000	£'000
<b>Balance at beginning of year</b>	2,164	390	2,554	2,830
<i>Movement in the year:</i>				
Current service cost	166	-	166	176
Administrative expenses	16	-	16	14
Contributions	(174)	-	(174)	(150)
Other allocation to staff costs	-	502	502	(100)
Other finance costs	38	4	42	37
Actuarial (gain) / loss	(999)	-	(999)	(253)
<b>Balance at end of year</b>	<b>1,211</b>	<b>896</b>	<b>2,107</b>	<b>2,554</b>

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

17 Permanent endowments	Unrestricted permanent £'000	Restricted permanent £'000	Group and College	
			Total 2022 £'000	Total 2021 £'000
<b>Balance at beginning of year</b>	26,124	5,090	31,214	25,680
New endowments	1	19	20	27
Transfers	-	-	-	-
Gain / (loss) on investments	(796)	(155)	(951)	5,507
<b>Balance at end of year</b>	<b>25,329</b>	<b>4,954</b>	<b>30,283</b>	<b>31,214</b>
<b>Analysis by purpose:</b>				
Fellowship Funds	-	173	173	180
Scholarship Funds	-	2,639	2,639	2,716
Prize Funds	-	118	118	120
Hardship Funds	-	1,204	1,204	1,231
Bursary Funds	-	120	120	125
Travel Grant Funds	-	60	60	61
Library Funds	-	427	427	439
Other Funds	-	213	213	218
General	25,329	-	25,329	26,124
<b>Total</b>	<b>25,329</b>	<b>4,954</b>	<b>30,283</b>	<b>31,214</b>
<b>Analysis by asset:</b>				
Investments	25,329	4,948	30,277	31,212
Cash	-	6	6	2
	<b>25,329</b>	<b>4,954</b>	<b>30,283</b>	<b>31,214</b>

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

**18 Restricted reserves****Group and College**

	Capital grants £'000	Restricted income £'000	Restricted permanent endowment income £'000	Expendable endowment £'000	Total 2022 £'000	Total 2021 £'000
<b>Balance at beginning of year</b>						
Capital	-	-	-	2,457	2,457	1,993
Accumulated income	-	515	77	40	632	849
	-	<b>515</b>	<b>77</b>	<b>2,497</b>	<b>3,089</b>	<b>2,842</b>
Academic income	-	327	-	-	327	342
Investment income	-	1	168	80	249	235
New donations	-	724	-	5	729	323
New grants	3	-	-	-	3	2
Expenditure	-	(725)	(154)	(58)	(937)	(921)
Capital grants utilised	(3)	-	-	-	(3)	(168)
Gain / (loss) on investments	-	(1)	-	(68)	(69)	434
<b>Balance at end of year</b>						
Capital	-	-	-	2,404	2,404	2,457
Accumulated income	-	841	91	52	984	632
	-	<b>841</b>	<b>91</b>	<b>2,456</b>	<b>3,388</b>	<b>3,089</b>
<b>Analysis by purpose:</b>						
Fellowship Funds	-	106	12	765	883	777
Scholarship Funds	-	554	26	1,162	1,742	1,529
Prize Funds	-	-	9	1	10	8
Hardship Funds	-	-	-	90	90	93
Bursary Funds	-	2	6	218	226	231
Travel Grant Funds	-	-	2	10	12	12
Library Funds	-	-	-	-	-	-
Other Funds	-	179	36	210	425	439
General	-	-	-	-	-	-
<b>Total</b>	-	<b>841</b>	<b>91</b>	<b>2,456</b>	<b>3,388</b>	<b>3,089</b>
<b>Analysis by asset:</b>						
Investments	-	18	-	2,403	2,421	2,485
Cash	-	823	91	53	967	604
	-	<b>841</b>	<b>91</b>	<b>2,456</b>	<b>3,388</b>	<b>3,089</b>

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

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

**19 Consolidated reconciliation and analysis of net debt**

	At 1 July 2021	Cash flows	Other non- cash changes	At 30 June 2022
	£'000	£'000	£'000	£'000
Cash and cash equivalents	2,731	1,710	-	4,441
Borrowings due after more than one year Unsecured loans	(11,117)	-	(3)	(11,120)
<b>Net total</b>	<b>(8,386)</b>	<b>1,710</b>	<b>(3)</b>	<b>(6,679)</b>

**20 Financial instruments**

	2022 £'000	2021 £'000
<b>Financial assets</b>		
<i>Financial assets at fair value through Statement of Comprehensive Income</i>		
Other investments	48,824	50,111
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Cash and cash equivalents	4,441	2,731
Other debtors	281	247
<b>Financial liabilities</b>		
<i>Financial liabilities measured at amortised cost</i>		
Loans	11,120	11,117
Trade creditors	446	428
Other creditors	423	508

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

**21 Pension schemes**

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

**21a Cambridge Colleges Federated Pension Scheme**

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

The principal actuarial assumptions at the balance sheet date were:

	2022 % p.a.	2021 % p.a.
Discount rate	3.80	1.80
Increase in salaries	3.25	3.10
Retail Prices Index (RPI) assumption	3.45*	3.40
Consumer Prices Index (CPI) assumption	2.75*	2.60
Pension increases in payment (RPI max 5.0% p.a.)	3.30*	3.30
Pension increases in payment (CPI max 2.5% p.a.)	2.05*	1.95

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

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

**21a Cambridge Colleges Federated Pension Scheme (continued)**

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI 2021 future improvement factors and a long term rate of future improvement of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements (2021: S3PA with CMI 2020 future improvement factors and a long term future improvement rate of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

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

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

	<b>Male</b>	<b>Female</b>
Active Members – Option 1 Benefits	64	64
Deferred Members – Option 1 Benefits	63	62

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

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

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Present value of plan liabilities	(6,112)	(8,115)
Market value of plan assets	4,901	5,951
<b>Net defined benefit liability</b>	<b>(1,211)</b>	<b>(2,164)</b>

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

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost	166	176
Administrative expenses	16	14
Interest on net defined benefit liability	38	34
<b>Total</b>	<b>220</b>	<b>224</b>

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

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Present value of plan liabilities at beginning of year	8,115	7,912
Current service cost	166	176
Employee contributions	10	10
Benefits paid	(389)	(193)
Interest on plan liabilities	144	115
Actuarial (gains) / losses	(1,934)	95
<b>Present value of plan liabilities at end of year</b>	<b>6,112</b>	<b>8,115</b>



**NOTES TO THE ACCOUNTS**

For the year ended 30 June

**21a Cambridge Colleges Federated Pension Scheme (continued)**

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

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Market value of plan assets at beginning of year	5,951	5,569
Contributions paid by the College	174	150
Employee contributions	10	10
Benefits paid	(389)	(193)
Administrative expenses paid	(19)	(20)
Interest on plan assets	105	80
Return on assets, less interest included in income and expenditure	(931)	355
<b>Market value of plan assets at end of year</b>	<b>4,901</b>	<b>5,951</b>
Actual return on plan assets	(826)	436

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

	<b>2022</b>	<b>2021</b>
Equities	52%	48%
Bonds & Cash	34%	42%
Property	14%	10%
<b>Total</b>	<b>100%</b>	<b>100%</b>

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

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

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Return on assets less interest included in comprehensive income	(931)	355
Expected less actual plan expenses	(4)	(6)
Experience gains and losses arising on plan liabilities	(353)	(218)
Changes in assumptions underlying the present value of plan liabilities	2,287	122
<b>Re-measurement of net defined benefit liability recognised in OCI</b>	<b>999</b>	<b>253</b>

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

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Net defined benefit liability at beginning of year	(2,164)	(2,343)
Recognised in expenditure	(220)	(224)
Contributions paid by the College	174	150
Re-measurement of net defined benefit liability recognised in OCI	999	253
<b>Net defined benefit liability at end of year</b>	<b>(1,211)</b>	<b>(2,164)</b>

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

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

**21a Cambridge Colleges Federated Pension Scheme (continued)**

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

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

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

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

**21b Universities Superannuation Scheme**

The total amount included in the consolidated statement of comprehensive income and expenditure, including changes in the deficit provision, is a charge of £711,426 (2021: charge of £119,106).

Deficit recovery contributions due within one year for the institutions are £60,212 (2021: £47,501)

The latest available complete actuarial valuation of the Retirement Income Builder (defined benefit) section of the Scheme is as at 31 March 2020 ('the valuation date'), which was carried out using the projected unit method.

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

The 2020 valuation was the sixth valuation for the Scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the Scheme was £66.5 billion and the value of the Scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles available on the USS website.

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

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

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

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

**21b Universities Superannuation Scheme (continued)**

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

	<b>2022</b>	<b>2021</b>
Males currently aged 65	23.9	24.6
Females currently aged 65	25.5	26.1
Males currently aged 45	25.9	26.6
Females currently aged 45	27.3	27.9

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

The provision figures have been produced using the following assumptions:

	<b>2022</b>	<b>2021</b>
Discount rate	3.31%	0.87%
Pensionable salary growth – year 1	5.00%	1.00%
Pensionable salary growth – year 2	4.00%	2.50%
Pensionable salary growth – years 3-17	2.50%	2.50%

**22 Subsidiary undertakings**

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

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

**23 Related party transactions**

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

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

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

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

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

**23 Related party transactions (continued)**

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

<b>From</b>	<b>To</b>	<b>2022 Number</b>	<b>2021 Number</b>
£0	£10,000	3	6
£10,001	£20,000	2	1
£20,001	£30,000	-	-
£30,001	£40,000	-	-
£40,001	£50,000	-	-
£50,001	£60,000	-	-
£60,001	£70,000	-	1
£70,001	£80,000	2	3
£80,001	£90,000	1	-
£90,001	£100,000	-	-
£100,001	£110,000	1	-
	<b>Total</b>	<b>9</b>	<b>11</b>

The total Trustee salaries were £386,300 for the year (2021 £335,432).

The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £110,830 for the year (2021: £94,324).

Details of subsidiary undertakings are disclosed in note 22. The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

**24 US Department of Education Financial Responsibility Supplemental Schedule**

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

The amounts presented within the schedules have been:

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

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

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

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

<b>Page</b>	<b>Primary statement / note and line item</b>		<b>2022 £'000</b>	<b>2021 £'000</b>
		<u>Expendable Net Assets</u>		
28	Balance Sheet – Unrestricted reserves	Net assets without donor restrictions	44,784	43,943
28	Balance Sheet – Restricted reserves	Net assets with donor restrictions	33,671	34,303
28	Balance Sheet – Restricted reserves	Net assets with donor restrictions restricted in perpetuity	(33,671)	(34,303)
28	Balance Sheet – Fixed assets	Property plant and equipment	(38,441)	(39,315)
28	Balance Sheet – Pension provisions	Post-employment and pension liabilities	2,107	2,554
28	Balance Sheet – Creditors falling due after one year	Long term debt for long term purposes	11,120	11,117
36	Note 15 – Private Placement	Long term debt not for purchase of property	(10,000)	(10,000)
			<b>9,570</b>	<b>8,299</b>
		<u>Total Expenses and Losses Without Donor Restrictions</u>		
26	Statement of Comprehensive Income and Expenditure – Unrestricted total expenditure	Total operating expenses	9,251	8,011
			<b>9,251</b>	<b>8,011</b>

**Equity Ratio**

<b>Page</b>	<b>Primary statement / note and line item</b>		<b>2022 £'000</b>	<b>2021 £'000</b>
		<u>Modified Net Assets</u>		
28	Balance Sheet – Unrestricted reserves	Net assets without donor restrictions	44,784	43,943
28	Balance Sheet – Restricted reserves	Net assets with donor restrictions	33,671	34,303
			<b>78,455</b>	<b>78,246</b>
		<u>Modified Assets</u>		
28	Balance Sheet – Non-current assets	Total non-current assets	87,265	89,426
28	Balance Sheet – Current assets	Total current assets	5,484	3,678
			<b>92,749</b>	<b>93,104</b>

**NOTES TO THE ACCOUNTS**

For the year ended 30 June

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

Page	Primary statement / note and line item		2022 £'000	2021 £'000
		<u>Change in Net Assets Without Donor Restrictions</u>		
27	Statement of Changes in Reserves – Unrestricted reserves	Surplus / (deficit) from income and expenditure statement	(161)	2,964
27	Statement of Changes in Reserves – Unrestricted reserves	Other comprehensive income	999	253
27	Statement of Changes in Reserves – Unrestricted reserves	Release of restricted capital funds spent in the year	3	168
			<b>841</b>	<b>3,385</b>
		<u>Total Revenue and Gains Without Donor Restrictions</u>		
26	Statement of Comprehensive Income and Expenditure Unrestricted total income	Total operating revenue	9,679	8,230
26	Statement of Comprehensive Income and Expenditure – Unrestricted investment income	Investment return appropriated for spending	(1,421)	(1,309)
27	Statement of Changes in Reserves – Unrestricted reserves	Release of restricted capital funds spent in the year	3	168
			<b>8,261</b>	<b>7,089</b>