

## ANNEX

### **Amendment to Recommendation II in the Report of the Council on amendments to Statute G, III and G, VI**

The Council propose an amendment to Recommendation II so that it reads as follows:

II. That, subject to the approval of Recommendation I, regulations to govern the presentation of College accounts be approved, with effect from the date on which the amendments to the Statutes are approved, as follows:

#### COLLEGE ACCOUNTS

1. The accounts prepared annually by each College and the report of its Auditors submitted under the provision of Statute G, III shall conform to the Recommended Cambridge College Accounts set out in the Schedule below, provided that a College which has not given notice under Statute T, 54 that it will use the Recommended Cambridge College Accounts shall prepare its accounts in the form that was required by Statute G, III on 1 October 2002.

2. The form of the Recommended Cambridge College Accounts shall be determined from time to time by the University on the recommendation of the Finance Committee, made after considering the advice of the Inter-Collegiate Committee on College Accounts.

#### *SCHEDULE*

##### RECOMMENDED CAMBRIDGE COLLEGE ACCOUNTS (RCCA)

###### A. BURSAR'S REPORT

*(alternatively Annual Review or Report of the Governing Body)*

*This report is equivalent to the trustees' report in the accounts of a charity. It is good practice to include it, but is not explicitly required by accounting standards. Colleges may therefore choose to omit it.*

*The common topics that might be covered include:*

- The scope of the financial statements, e.g. the extent of consolidation and the names and trades of the most significant subsidiary undertakings (if appropriate)
- In conjunction with the financial highlights, a review of operations and finances, commenting on major sources of income and expenditure and the surplus or deficit for the year, together with reasons for major fluctuations and links to the volume indicators that are relevant
- Investment performance (if appropriate)
- Cash flow, commenting on significant aspects
- Fixed assets and/or capital projects, commenting on significant movements that have taken place or that are in progress

- Treasury management, commenting on the financing and liquidity of the College and the management of its exposure to financial risk
- Creditors payment policy
- Future developments (including details of planned maintenance)
- Disability statement (if desired)
- Risk assessment

#### B. RESPONSIBILITIES OF THE GOVERNING BODY

*The statement shown here is for illustrative purposes only. Each College will need to consider what statement should be made in the light of its own Statutes, etc.*

In accordance with the College's Statutes, the Governing Body is responsible for the administration and management of the College's affairs.

It is responsible for ensuring that there is an effective system of internal control and that accounting records are properly kept. It is required to present audited financial statements for each financial year, prepared in accordance with the Statutes of the University.

In causing the financial statements to be prepared, the Governing Body has ensured that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

The Governing Body is satisfied that the College has adequate resources to continue in operation for the foreseeable future. The financial statements are accordingly prepared on a going concern basis.

The Governing Body has taken reasonable steps to ensure that there are appropriate financial and management controls in place to safeguard the assets of the College and prevent and detect fraud.

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

#### C. AUDITORS' REPORT TO THE GOVERNING BODY OF CAMBRIDGE COLLEGE

*The exact form of the auditors' report will depend on the eventual statutory position. The following headings are included for illustrative purposes.*

- 1. Respective Responsibilities of the College's Governing Body**
- 2. Basis of Opinion**
- 3. Opinion**

*Name and address of firm*

Chartered Accountants  
and Registered Auditors

*Date*

#### D. STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

*The statements of policy set out below may be varied as applicable or omitted where not applicable. Square brackets indicate alternative or optional policies.*

##### **Basis of preparation**

The accounts have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge and applicable Accounting Standards.

##### **Basis of accounting**

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

**[Basis of consolidation]**

[The consolidated financial statements consolidate the financial statements of the College and its subsidiary undertaking(s) for the year ended [30 June ...] [other date]. [The results of subsidiary undertakings acquired or disposed of during the period are included in the consolidated income and expenditure account from the date of acquisition or up to the date of disposal.] [The activities of student societies have not been consolidated.]]

**Recognition of income**

Income from the investment of restricted funds is included in the Income and Expenditure Account to the extent of the expenditure incurred during the year, together with any related contributions to overhead costs. All income from short-term deposits and the investment of unrestricted funds is credited to the Income and Expenditure Account on a receivable basis. [Income from research grants, contracts, and other services rendered is included to the extent of the completion of the contract or service concerned.] [Unrestricted donations and benefactions are [credited to a capital account on receipt. Unrestricted funds received [as a result of the College's annual telephone campaign] [under £xxx] are transferred to income in the year of receipt.] [designated as capital or as income in the year of receipt by Council following its annual strategic review.]]

**Pension schemes**

The College participates in the Universities Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Earnings-Related Pension Scheme. The fund is valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustee on the advice of the actuary. In the intervening years, the actuary reviews the progress of the scheme. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the institution benefits from the employees' services.

[A similar note of accounting policy is required in respect of any other scheme in which the College participates, e.g. CCFPS.]

**Tangible fixed assets***a. Land and buildings*

Land and buildings are stated at [cost] [or] [valuation]. Where buildings have been revalued, they are valued on the basis of their depreciated replacement cost. [The valuation on [date] was carried out by [name of firm, Chartered Surveyors.] Freehold buildings are depreciated on a straight line basis over their expected useful economic life of x years. Freehold land is not depreciated. [Leasehold land and buildings are amortised over 50 years, or, if shorter, the period of the lease.]

Where land and buildings are acquired with the aid of specific bequests or donations they are capitalized and depreciated as above. [The related benefactions are credited to a deferred capital account and are released to the Income and Expenditure Account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.] [The related benefactions are credited to permanent capital.]

Finance costs which are directly attributable to the construction of buildings are [not] capitalized as part of the cost of those assets.

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

Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred to [30 June] [31 July] [other date]. They are not depreciated until they are brought into use.

*b. Maintenance of premises*

[The College has a [five year] [other period] rolling maintenance plan which is reviewed on an annual basis.] The cost of routine maintenance is [charged to the Income and Expenditure account as it is incurred] [capitalized and depreciated over the expected useful economic life of the asset concerned]. [The College also sets aside sums on a regular basis to meet major maintenance costs which occur on an irregular basis. These are disclosed as designated funds.]

*c. Furniture, fittings, and equipment*

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

Furniture and fittings	[10%] per annum
Motor vehicles and general equipment	[20%] per annum
Computer equipment	[25%] per annum].

[Where equipment is acquired with the aid of specific bequests or donations it is capitalized and depreciated as above. [The related benefactions are credited to a deferred capital account and are released to the Income and Expenditure Account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.] [The related benefactions are credited to permanent capital.]]

*d. Rare books, silver, works of art, and other assets not related to education*

Rare books, silver, works of art, and other assets not related to education are valued at [cost] [market value] [insured value]. [Assets deemed to be inalienable are not included in the balance sheet.]

[Where rare books, silver, works of art, and other assets not related to education are acquired with the aid of specific bequests or donations they are capitalized as above. The related benefactions are credited to [expendable capital] [permanent capital.]

#### *e. Leased assets*

Fixed assets held under finance leases and the related lease obligations are recorded in the Balance Sheet at the fair value of the leased assets at the inception of the lease. The excesses of lease payments over recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligations. Rental costs under operating leases are charged to expenditure in equal amounts over the periods of the leases.

#### **Investments**

Investments are included in the balance sheet at market value. Investments that are not listed on a recognized stock exchange are carried at historical cost less any provision for impairment in their value.

#### **Stocks**

Stocks are valued at the lower of cost and net realizable value.

#### **Provisions**

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

#### **Foreign currencies**

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

#### **Taxation**

The College is an exempt charity within the meaning of Schedule 2 of the Charities Act 1993 and is a charity within the meaning of Section 506 (1) of the Taxes Act 1988. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

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

#### **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.

### E. [CONSOLIDATED] INCOME AND EXPENDITURE ACCOUNT

		<i>Year to 30 June</i>	<i>Previous year to 30 June</i>
		£	£
	<i>Note</i>	<i>Total</i>	<i>Total</i>
<b>INCOME</b>			
Academic fees and charges	1	x	x
Residences, catering, and conferences	2	x	x
Endowment income	3	x	x
[Income Grant from Colleges Fund		x	x]
[Other income	[n]	x	x]
		-----	-----
Total income		x	x
<b>EXPENDITURE</b>			
Education	4	x	x
Residences, catering, and conferences	5	x	x
[Other expenditure	[n]	x	x]
		-----	-----
Total expenditure		x	x
Operating surplus/(deficit)		x	x
[Contribution under Statute G, II	6	x	x]
		-----	-----
<b>Net surplus/(deficit)</b>		£x	£x
		=====	=====
Transfers to/(from) designated funds	13	£x	£x
		=====	=====

## F. [CONSOLIDATED] STATEMENT OF TOTAL RECOGNIZED GAINS AND LOSSES

	Note	Year to 30 June				Previous year to 30 June	
		Restricted funds		Unrestricted funds		Total £	Total £
		Non-Collegiate purposes £	Collegiate purposes £	Designated funds £	Undesignated funds £		
Balance brought forward		x	x	x	x	x	x
Unrealized surplus on revaluation of fixed assets	8	x	x	x	x	x	x
Appreciation/depreciation of investment assets	8	x	x	x	x	x	x
Retained surplus/(deficit) for the year		x	x	x	x	x	x
Unspent trust or other restricted fund income retained by funds		x	x	—	—	x	x
Benefactions and donations [Capital Grants received from Colleges Fund]	13	x	x	x	x	x	x
		x	x	x	x	x	x]
Total recognized gains/(losses) for the year		x	x	x	x	x	x
Balance carried forward		£x	£x	£x	£x	£x	£x

## G. [CONSOLIDATED] BALANCE SHEET

*N.B. Items in square brackets may be shown in the notes to the financial statements instead of on the face of the primary statement as presented here. Where subsidiary undertakings are consolidated, the financial information included in the primary statements and notes should be presented both for the College and the Group.*

	Note	As at 30 June £	As at 30 June previous year £
<b>FIXED ASSETS</b>	8		
Tangible assets			
[Freehold land and buildings]		x	x
Long leasehold land and buildings		x	x
Equipment		x	x]
		x	x
Investments			
[Freehold land and buildings]		x	x
Long leasehold land and buildings		x	x
Fixed interest stocks		x	x
Equities		x	x
Cash		x	x]
		x	x
		x	x
<b>CURRENT ASSETS</b>			
Stocks		x	x
Debtors		x	x
Cash	9	x	x
		x	x
Creditors: amounts falling due within one year	10	x	x
		x	x
<b>Net current assets/(liabilities)</b>		x	x
<b>Total assets less current liabilities</b>		x	x
Creditors: amounts falling due after more than one year	11	x	x
Provisions for liabilities and charges	12	x	x
<b>NET ASSETS</b>		£x	£x

<b>Capital and reserves</b>	13	Income/ expendable capital funds	Permanent capital funds		
		£	£	£	£
Restricted funds held for collegiate purposes*		x	x	x	x
Restricted funds held for non-collegiate purposes*		x	x	x	x
Unrestricted funds		x	x	x	x
<b>TOTAL</b>		£x	£x	£x	£x

\* as defined by University Statute G, II

#### H. [CONSOLIDATED] CASH FLOW STATEMENT

*N.B. Items in square brackets may be shown in the notes to the financial statements instead of on the face of the primary statement as presented here.*

	Note	Year to 30 June £	Previous year to 30 June £
<b>A. OPERATING ACTIVITIES</b>			
[Operating surplus/(deficit)]		x	x
Depreciation	8	x	x
Profit on sale of investment assets	8	x	x
Interest payable		x	x
(Increase)/decrease in stocks		x	x
(Increase)/decrease in debtors		x	x
Increase/(decrease) in creditors	10	x	x]
Net cash inflow/(outflow) from operating activities		x	x
<b>B. RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
[Retained endowment income]	13	x	x
Interest received		x	x
Interest paid		x	x
Net cash inflow/(outflow) from returns on investment and servicing of finance		x	x]
<b>[C. CONTRIBUTION TO COLLEGES FUND]</b>			
	6	x	x]
<b>D. CAPITAL TRANSACTIONS</b>			
[Receipts from sales of investment assets]	8	x	x
Donations and benefactions	13	x	x
[Capital Grant received from Colleges Fund]		x	x]
Total capital receipts		x	x
Payments to acquire tangible fixed assets	8	x	x
Payments to acquire investment assets	8	x	x
Capital funds expenditure	13	x	x
Total capital expenditure		x	x]
Net cash inflow/(outflow) from capital transactions		x	x
Net cash inflow/(outflow) before financing		x	x

**E. FINANCING**

[Long-term loans received	11	x	x
Long-term loans repaid	11	x	x
Net movement in long-term loans		x	x
Advances made to staff and members of College		x	x
Advances repaid by staff and members of College		x	x
Net movement in advances made to staff and members of College		x	x]
Net cash inflow/(outflow) from financing		x	x
<b>F. INCREASE/(DECREASE) IN CASH</b>		<b>£x</b>	<b>£x</b>
<b>Reconciliation of net cash flow to movement in net liquid assets</b>			
Increase in cash in the period	9	x	x
Cash inflow from new loans		x	x
Cash inflow from liquid resources		x	x
Change in net debt resulting from cash flows		x	x
Movement in net funds in the period		x	x
Net funds brought forward		x	x
<b>Net funds carried forward</b>		<b>£x</b>	<b>£x</b>

**I. NOTES TO THE ACCOUNTS**

<b>(1) ACADEMIC FEES AND CHARGES</b>		<i>Year to 30 June</i>	<i>Previous year</i>
		£	£
<b>COLLEGE FEES</b>			
Fee income paid on behalf of undergraduates eligible for student support (per capita fee £.....)		x	x
Other undergraduate fee income (per capita fee £.....)		x	x
Graduate fee income (per capita fee £.....)		x	x
Other		x	x
Total		£x	£x
<b>(2) INCOME FROM RESIDENCES, CATERING, AND CONFERENCES</b>		£	£
Accommodation	College members	x	x
	Conferences	x	x
Catering	College members	x	x
	Conferences	x	x
Total		£x	£x
<b>(3) ENDOWMENT INCOME</b>		<i>Year to 30 June</i>	<i>Previous year</i>
		Income from	Income from
	Income from	restricted funds for	unrestricted
	restricted funds for	non-collegiate	funds
	collegiate purposes*	purposes*	
	£	£	£
Transfers from endowment	x	x	x
Income from:			
Freehold land and buildings	x	x	x
Quoted securities – equities	x	x	x
Quoted securities – fixed int.	x	x	x
Cash	x	x	x
Donations and benefactions	x	x	x
Total	£x	£x	£x

\* as defined by University Statute G, II

<b>Liability to Contribution under Statute G, II:</b>	<i>Note</i>	<i>Year to 30 June</i>	<i>Previous year</i>
		£	£
Endowment income liable to Contribution	6	x	x
Endowment income not liable to Contribution		x	x
<b>Total</b>		<b>£x</b>	<b>£x</b>
<b>Investment Management Costs:</b>		£	£
Freehold land and buildings	8	x	x
Quoted securities – equities	8	x	x
Quoted securities – fixed interest	8	x	x
Cash	8	x	x
<b>Total</b>		<b>£x</b>	<b>£x</b>
<b>(4) EDUCATION EXPENDITURE</b>		£	£
Teaching		x	x
Tutorial		x	x
Admissions		x	x
Research		x	x
Scholarships and awards		x	x
Other educational facilities		x	x
<b>Total</b>		<b>£x</b>	<b>£x</b>
<b>(5) RESIDENCES, CATERING, AND CONFERENCES EXPENDITURE</b>		£	£
Accommodation	College members	x	x
	Conferences	x	x
Catering	College members	x	x
	Conferences	x	x
<b>Total</b>		<b>£x</b>	<b>£x</b>
<b>(6) CONTRIBUTION UNDER STATUTE G, II</b>		£	£
Endowment income as per Income and Expenditure Account	3	x	x
Fund income not brought into Income and Expenditure Account		x	x
		x	x
<i>Less: items not assessable to Contribution:</i>			
Donations and bequests	x		
Income of funds held for non-Collegiate purposes	x		
	<u>        </u>	x	x
Assessable income	21a	x	x
<i>Less: Deductible items</i>	21b	x	x
		x	x
Deductible items brought forward from previous year[s]		x	x
<b>Net assessable income</b>		<b>£x</b>	<b>£x</b>
<b>Assessment:</b>			
	£250,000 @ 3% (4%)	x	x
	£250,000 @ 9% (10%)	x	x
	£xx,xxx @ 18% (19%)	x	x
<b>Contribution payable</b>		<b>£x</b>	<b>£x</b>
<b>Excess of deductible items carried forward</b>		<b>£x</b>	<b>£x</b>



## (7a) ANALYSIS OF CURRENT YEAR'S EXPENDITURE BY ACTIVITY

	Staff costs (note 17)	Other operating expenses	Depreciation	Total
	£	£	£	£
Education (note 4)	x	x	x	x
Residences, catering, and conferences (note 5)	x	x	x	x
Other	x	x	x	x
	£x	£x	£x	£x

## (7b) ANALYSIS OF PREVIOUS YEAR'S EXPENDITURE BY ACTIVITY

	Staff costs (note 17)	Other operating expenses	Depreciation	Total
	£	£	£	£
Education (note 5)	x	x	x	x
Residences, catering, and conferences (note 5)	x	x	x	x
Other	x	x	x	x
	£x	£x	£x	£x

## (8) FIXED ASSETS

TANGIBLE FIXED ASSETS	Freehold land and buildings	Year to 30 June			Previous year	
		Furniture, fittings, and equipment	Rare books, works of art, etc.	Total	Total	Total
	£	£	£	£	£	£
<b>COST/VALUATION</b>						
As at 1 July previous year	x	x	x	x	x	x
Additions at cost	x	x	x	x	x	x
Disposals at cost/valuation	x	x	x	x	x	x
Revaluation during the year	x	x	x	x	x	x
Cost/valuation as at 30 June current year	x	x	x	x	x	x
<b>DEPRECIATION</b>						
As at 1 July previous year	x	x	x	x	x	x
Charge for the year	x	x	x	x	x	x
Eliminated on disposal	x	x	x	x	x	x
Provision for depreciation as at 30 June current year	x	x	x	x	x	x
Net book value as at 30 June current year	£x	£x	£x	£x	£x	£x

The insured value of freehold land and buildings as at 30 June current year was £xx,xxx,xxx.

[The net book value of tangible fixed assets includes an amount of £xxx,xxx (previous year: £yyy,yyy) in respect of assets held under finance leases. The depreciation charge on these assets for the year was £xx,xxx (previous year: £yy,yyy).]

## INVESTMENT ASSETS

	Year to 30 June	Previous year
	£	£
Balance at 1[July][August] previous year	x	x
Additions	x	x
Disposals	x	x
Appreciation/(depreciation) on disposals/revaluation	x	x
Increase/(decrease) in cash balances held at fund managers	x	x
Balance at [30 June][31 July] current year	£x	£x
Represented by:		
Freehold land and buildings	x	x
Quoted securities – equities	x	x
Quoted securities – fixed interest	x	x
Unquoted securities – equities	x	x
Cash held for reinvestment	x	x
Total	£x	£x

(9) <b>CASH</b>	£	£
Short-term money market investments	x	x
Bank deposits	x	x
Current accounts	x	x
Cash in hand	x	x
	£x	£x

(10) <b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	£	£
<i>Example</i>		
Students' prepayments	x	x
Other creditors	x	x
	£x	£x

(11) <b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	£	£
<i>Example</i>		
Bank loans	x	x
Obligations under finance leases	x	x
	£x	£x

(12) <b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	£	£
Balance b/f 1 July	x	x
Expenditure in the period	x	x
Transferred from Income and Expenditure Account	x	x
Balance c/f 30 June	x	x
	£x	£x]

(13) <b>CAPITAL AND RESERVES</b>				<i>Previous year</i>
	Note	<i>Year to 30 June</i>		
		Income/expendable capital funds	Permanent capital funds	Total
		£	£	£
<b>Restricted funds:</b>				
<u>Funds for collegiate purposes*</u>				
Trust funds		x	x	x
Donations and benefactions		x	x	x
Deferred capital funds		x	x	x
		x	x	x
<u>Funds for non-collegiate purposes</u>				
Trust funds		x	x	x
Donations and benefactions		x	x	x
Deferred capital funds		x	x	x
		x	x	x
<b>Unrestricted funds:</b>				
<u>Designated funds</u>				
Trust funds		x	x	x
Special funds		x	x	x
Donations and benefactions		x	x	x
		x	x	x



**(14) REVALUATION RESERVES**

[Corporate capital][revenue reserves] (note 13) includes revaluation reserves in respect of tangible fixed assets as follows:

	<i>Year to 30 June</i>	<i>Previous year</i>
	£	£
Balance b/f 1 July	x	x
Revaluations during year	x	x
[Other items charged/credited to revaluation reserve during year]	x	x
	<hr/>	<hr/>
Balance c/f 30 June	£x	£x
	<hr/> <hr/>	<hr/> <hr/>

**(15) POLICY ON MANAGEMENT OF RESERVES**

[Insert policy on management of reserves]

**(16a) CAPITAL COMMITMENTS**

	<i>Year to 30 June</i>	<i>Previous year</i>
	£	£
Commitments contracted for at 30 June	x	x
	<hr/>	<hr/>
Commitments under finance leases entered into but not yet provided for in the financial statements	x	x
	<hr/>	<hr/>

**[(16b) FINANCIAL COMMITMENTS**

At 30 June the College had annual commitments under non-cancellable operating leases as follows:

	<i>Year to 30 June</i>	<i>Previous year</i>
	£	£
Land and buildings		
Expiring within one year	x	x
Expiring between two and five years' time	x	x
Expiring in over five years	x	x
	<hr/>	<hr/>
	£x	£x
	<hr/> <hr/>	<hr/> <hr/>
Other		
Expiring within one year	x	x
Expiring between two and five years' time	x	x
Expiring in over five years	x	x
	<hr/>	<hr/>
	£x	£x]
	<hr/> <hr/>	<hr/> <hr/>

**(17) STAFF**

	<i>Year to 30 June</i>			<i>Previous year</i>	
	College Fellows	Other academic	Non-academic	Total	Total
	£	£	£	£	£
Staff costs:					
Emoluments	x	x	x	x	x
Social security costs	x	x	x	x	x
Other pension costs (see note 18)	x	x	x	x	x
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	£x	£x	£x	£x	£x
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Average staff nos. (full-time equiv.)					
Academic	x	x	x	x	x
Non-academic	x	x	x	x	x
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	x	x	x	x	x
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

	<i>Year to 30 June</i>	<i>Previous year</i>
£50,000 – £59,999	x	x
£60,000 – £69,999	x	x

(continuing in bands of £10,000 until the highest combined stipend and other taxable benefits is reached)\*

\* or (if relevant) No officer or employee of the College, including the Head of House, received emoluments of over £50,000.

**(18) PENSION SCHEMES**

The College participates in the Universities Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Earnings-Related Pension Scheme. The assets of the scheme are held in a separate trustee-administered fund. It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme and hence contributions to the scheme are accounted for as if it were a defined contribution scheme. The cost recognized within the surplus/deficit for the year in the income and expenditure account being equal to the contributions payable to the scheme for the year.

The latest actuarial valuation of the scheme was at 31 March 1999\*. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest) and the rates of increase in salary and pensions. In relation to the past service liabilities the financial assumptions were derived from market yields prevailing at the valuation date. It was assumed that the valuation rate of interest would be 4.5% per annum, salary increases would be 3.6% per annum, and pensions would increase by 2.6% per annum. In relation to the future service liabilities it was assumed that the valuation rate of interest would be 5.5% per annum, including an additional investment return assumption of 1% per annum, salary increases would be 3.5% per annum, and pensions would increase by 2.5% per annum. The valuation was carried out using the projected unit method.

At the valuation date, the market value of the assets of the scheme was £18,870 million (including an estimated £55 million in respect of outstanding bulk transfer payments due) and the value of the past service liabilities was £17,427 million leaving a surplus of assets of £1,443 million. The assets therefore were sufficient to cover 108% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The institution contribution rate required for future service benefits alone at the date of the valuation was 16.3% of salaries but it was agreed that the institution contribution rate will be maintained at 14% of salaries. To fund this reduction of 2.3% for the period of 11 years from the date of the valuation (the average outstanding working lifetime of the current members of the scheme) required the use of £561 million of the surplus. It was also agreed, following the valuation, that £201 million of the surplus would be used to fund certain benefit improvements. This left a past service surplus of £681m (including the Supplementary Section) to be carried forward.

Surpluses or deficits which arise at future valuations may impact on the institution's future contribution commitment. The next formal actuarial valuation is due as at 31 March 2002 when the above rates will be reviewed.

The total pension cost for the College was £..... (previous year: £.....). This is [net of][includes] £..... (previous year: £..... ) [prepaid][outstanding] contributions at the balance sheet date. The contribution rate payable by the College was 14% of pensionable salaries.

*[\*The information contained in this note has been provided to all USS institutions by the Chief Accountant of the USS. It is expected that an update will be provided annually. A similar note is required in respect of any other scheme in which the College participates e.g. CCFPS.]*

**(19) POST-BALANCE SHEET EVENTS**

*Give details where relevant e.g. material donations or benefactions received after the balance sheet date.*

**(20) CONTINGENT LIABILITIES**

*Give details where relevant*

**(21) CONTRIBUTION ASSESSMENT**

**(21a) ASSESSABLE INCOME**

	£	Year to 30 June £	£	Previous year £
i. <u>External Revenue:</u>				
College Estates let at Rack Rent	x			
College Estates let on Building Leases	x			
Net income from Furnished Lettings	x			
One-third net proceeds from Timber	x			
Other income from Real Property	x			
Dividends and Interest Gross	x	x		
	-----			
<i>Less:</i>				
Rates	x			
Insurance of College Buildings	x			
Agency, Management charges	x			
Transfer to Estates Repairs and Improvements Fund	x			
Interest payments	x			
Sinking Fund payments under Statute G, II, 4(iv)	x			
Other deductions from External Revenue	x	x	x	x
	-----			

ii. Trust and Other Funds Subject to Contribution

[Specified Funds: listed]	x			
	x		x	
Summary of Trust and Other Funds			x	
Income from Bequests pending permanent use			x	
Amalgamated Trust Reserve Fund				
or Undistributed Amalgamated Trust Reserve		x	x	x
Income				
ASSESSABLE INCOME			x	x

iii. Trust and Other Funds Not Subject to Contribution

[Specified Funds: listed]	x			
	x		x	
Summary of Trust and Other Funds			x	x
				x

## (21b) DEDUCTIBLE ITEMS

Half sums paid to Scholars, Exhibitioners, and Research Students			x	
Prizes			x	
Half maintenance of Chapel expenditure			x	
Net expenditure on College Library			x	
College Teaching Officers			x	
College Research Fellows			x	
College Building Fund (under Statute G, II, 4(vii))			x	
Donations for University Purposes:				
Subscription to Appointments Board	x			
Childcare for students	x			
University Counselling Service	x			
Sports Injury Clinic	x			
Friends of Fitzwilliam Museum	x			
Kettle's Yard Appeal	x			
Friends of the University Library	x		x	
Other sums approved under Statute G, II, 4(xxiii)			x	x

## 21(c) BUILDING FUND UNDER STATUTE G, II, 4(vii)

	<i>Year to 30 June</i>	<i>Year to 30 June</i>	<i>Previous year</i>
	£	£	£
Balance at beginning of year			x
Transfer for current year approved under G, II, 4(vii)		x	
Interest			x
<i>less:</i>			
[Improvements to C Staircase			x]
Balance as at 30 June current year		x	x

## 21(d) ESTATES REPAIRS AND IMPROVEMENTS FUND

Balance at beginning of year			x	
Transfer for current year approved under G, II, 4(v)				
25% of: College Estate let at Rack Rent	x			
Assumed rent of unoccupied property	x			
	x	@ 25%		x
<i>Less:</i>				
Repairs and improvements on estates			x	
Balance as at 30 June current year			x	x

## (21e) INSURANCE FUND

Opening Balance			x	
Transfer from External Revenue (Terrorism insurance)	x			
Other transfer (specified)	x			
<i>Less:</i>				
Expenditure (specified)	x		x	
Closing Balance			x	x

## (21f) PENSION FUND

Opening Balance		x	
Income (specified)	x		
<i>Less:</i>			
Expenditure (specified)	x	x	
	<hr/>	<hr/>	
Closing Balance		x	x

(22) **RELATED PARTY TRANSACTIONS** – illustrative note

Owing to the nature of the College's operations and the composition of its Governing Body it is inevitable that transactions will take place with organizations in which a member of the Governing Body may have an interest. All transactions involving organizations in which a member of the Governing Body may have an interest are conducted at arm's length and in accordance with the College's normal procedures. [Transactions totalling £.... relating to ..... took place with ..... Limited, a company in which ..... has a majority interest. There were no amounts outstanding at the balance sheet date.]