

## NOTES TO THE ACCOUNTS

	2009 £m	2008 £m
<b>1 Funding body grants</b>		
<b>Higher Education Funding Council for England (HEFCE)</b>		
Recurrent grant	175.1	172.0
Specific grants	12.2	12.4
Deferred capital grant released in year (note 23)		
Equipment	5.3	5.9
Buildings	9.7	8.7
<b>HEFCE total</b>	<b>202.3</b>	199.0
<b>Training and Development Agency for Schools</b>		
Recurrent grant	2.9	3.2
	<b>205.2</b>	202.2
<b>2 Tuition fees and education contracts</b>		<i>Restated</i>
Full-time home / EU students	41.6	34.8
Full-time overseas (non-EU) students	38.4	36.2
Part-time course fees	7.0	5.6
Research Training Support Grants	4.8	4.3
	<b>91.8</b>	80.9
<p>Research Training Support Grants include £4.2m (2008: £3.6m) in respect of certain postgraduate grants funded by research councils, which were previously included in research income. Comparative figures have been restated.</p>		
<b>3 Income: research grants and contracts</b>		<i>Restated</i>
Research councils	112.5	101.8
UK based charities	72.1	68.6
Other bodies	75.6	62.2
	<b>260.2</b>	232.6
<p>Total research grants and contracts income excludes £5.7m (2008: £9.8m) deferred capital grants receivable in the year but includes £7.8m (2008: £8.3m) released from deferred capital grants to match the depreciation charge on the related equipment – see note 23.</p> <p>In previous years research grants and contracts income included the total funding in relation to certain postgraduate grants received from research councils. The total for 2008 was £10.5m. These are now included as Research Training Support Grants in tuition fees and education contracts (note 2), excluding funding passed on to students as stipends or bursaries. Comparative figures have been restated.</p>		
<b>4 Examination and assessment services</b>		
Examination fees	224.2	203.0
Other examination and assessment services	12.3	12.8
	<b>236.5</b>	215.8
<b>5 Publishing and printing services</b>		
Publishing services	198.6	158.8
Printing services	8.5	15.3
	<b>207.1</b>	174.1
<b>6 Other income</b>		
Other services rendered	26.4	25.3
Health and hospital authorities	16.0	11.0
Residences, catering and conferences	8.5	7.6
Arts & Humanities Research Council museum grant	1.8	1.7
University companies	15.4	16.8
Released from deferred capital grants (note 23)	7.8	8.8
Unrestricted donations	13.1	11.0
Rental income	6.1	5.8
Sundry income	16.3	14.6
	<b>111.4</b>	102.6

**NOTES TO THE ACCOUNTS (continued)**

	<b>2009</b>	2008
	<b>£m</b>	£m
<b>7 Endowment and investment income</b>		<i>Restated</i>
Income from expendable endowment asset investments	<b>9.6</b>	10.5
Income from permanent endowment asset investments	<b>24.0</b>	21.9
Income from fixed asset investments	<b>15.5</b>	13.9
Other investment income	<b>4.4</b>	12.6
	<b>53.5</b>	58.9
Less Cambridge University Endowment Fund distributions funded out of long-term capital growth.	<b>(25.8)</b>	(4.5)
	<b>27.7</b>	54.4

The University operates a unitised fund, the Cambridge University Endowment Fund (CUEF), for long-term investment in respect of individual restricted endowments and other balances, and by other group undertakings. The CUEF is managed on a total return basis and invests in asset classes some of which generate little or no income. Distributions are made to unit-holding funds according to a formula which has regard to the total return reasonably to be expected in the long term, in proportion to the number of units held. Investing funds receive distributions as income. In the year ended 31 July 2009, distributions by the CUEF exceeded income received in the year by the CUEF from its underlying investments by 25.8m (2008: £4.5m), the balance of the distributions being funded by drawing on long-term capital growth.

In the 2008 financial statements the funding of distributions out of long-term capital growth was included in the decrease in market value of investments. Comparative figures have been restated on the same basis as those for the year ended 31 July 2009.

<b>8 Staff costs</b>	<b>2009</b>	2008
	<b>£m</b>	£m
Wages and salaries	<b>417.3</b>	383.0
Social security costs	<b>36.0</b>	33.2
Pension costs (note 30)	<b>58.9</b>	51.2
	<b>512.2</b>	467.4
Exceptional item: post-retirement benefits attributable to past service (note 22)	–	14.2
	<b>512.2</b>	481.6
<b>Emoluments of the Vice-Chancellor</b>	<b>2009</b>	2008
	<b>£000</b>	£000
Emoluments excluding employer's pension contributions	<b>246</b>	227
Employer's pension contributions	–	–
	<b>246</b>	227

**Remuneration of higher paid staff, excluding employer's pension contributions (except to the extent these result from sacrifice of an element of pay:**

The numbers in each band have been analysed by segment (see note 11)

	<b>Education and research</b>		<b>Assessment and Press</b>	<b>2009</b>	2008
	<b>Clinical</b>	<b>Non-Clinical</b>	<b>and Press</b>	<b>Total</b>	Total
£100,001–£110,000	<b>16</b>	<b>31</b>	<b>11</b>	<b>58</b>	46
£110,001–£120,000	<b>4</b>	<b>24</b>	<b>6</b>	<b>34</b>	28
£120,001–£130,000	<b>4</b>	<b>10</b>	<b>3</b>	<b>17</b>	16
£130,001–£140,000	<b>8</b>	<b>5</b>	<b>6</b>	<b>19</b>	13
£140,001–£150,000	<b>11</b>	<b>3</b>	<b>4</b>	<b>18</b>	14
£150,001–£160,000	<b>13</b>	<b>3</b>	<b>2</b>	<b>18</b>	18
£160,001–£170,000	<b>5</b>	<b>4</b>	<b>2</b>	<b>11</b>	6
£170,001–£180,000	<b>4</b>	<b>1</b>	–	<b>5</b>	5
£180,001–£190,000	<b>3</b>	<b>1</b>	<b>1</b>	<b>5</b>	5
£190,001–£200,000	<b>7</b>	–	<b>1</b>	<b>8</b>	6
£200,001–£210,000	<b>2</b>	–	–	<b>2</b>	2
£210,001–£220,000	<b>1</b>	–	–	<b>1</b>	–
£220,001–£230,000	<b>1</b>	–	–	<b>1</b>	2
£230,001–£240,000	–	–	<b>1</b>	<b>1</b>	–
£240,001–£250,000	–	<b>1</b>	–	<b>1</b>	–
£250,001–£260,000	–	–	<b>1</b>	<b>1</b>	–
£260,001–£270,000	–	–	–	–	1
£300,001–£310,000	–	–	<b>1</b>	<b>1</b>	–

The above statistics include additional payments to employees of the University on behalf of NHS bodies.

**NOTES TO THE ACCOUNTS (continued)****9 Analysis of expenditure by activity**

	Staff costs £m	Other operating expenses £m	Depreciation £m	Interest payable £m	2009 Total £m	2008 Restated £m
Academic departments	181.1	32.4	9.0	–	222.5	206.5
Academic services	21.3	10.6	0.9	–	32.8	29.4
Payments to Colleges (see note 33)	–	37.7	–	–	37.7	36.0
Research grants and contracts	116.0	91.7	7.7	–	215.4	194.0
Other activities:						
Examinations and assessment services	61.0	134.3	7.9	–	203.2	186.0
Publishing and printing services	62.4	139.5	4.0	0.6	206.5	187.6
Other services rendered	9.5	16.6	0.1	–	26.2	23.2
University companies	4.4	15.2	0.1	–	19.7	15.9
Residences, catering and conferences	3.2	8.6	0.1	–	11.9	10.4
Other activities total	140.5	314.2	12.2	0.6	467.5	423.1
Administration and central services:						
Administration	31.4	10.5	2.1	–	44.0	39.5
General educational	3.6	35.0	0.1	–	38.7	33.8
Staff and student facilities	3.4	0.7	–	–	4.1	3.5
Development Office	2.5	3.1	–	–	5.6	5.8
Other	0.6	3.0	–	–	3.6	2.4
Administration and central services total	41.5	52.3	2.2	–	96.0	85.0
Premises	11.8	42.0	29.7	–	83.5	74.2
<b>Total per income and expenditure account</b>	<b>512.2</b>	<b>580.9</b>	<b>61.7</b>	<b>0.6</b>	<b>1,155.4</b>	<b>1,048.2</b>

In previous years research grants and contracts expenditure included the total payments in relation to certain postgraduate grants received from research councils. These are now included as academic department expenditure, excluding the element of funding passed on to students as stipends or bursaries. Comparative figures have been restated: the total previously included in research and contracts expenditure 2008 was £10.5m, of which £3.6m is now included in academic departments expenditure.

The depreciation charge has been funded by:

Deferred capital grants (note 23)	30.6
Revaluation reserve (note 25)	6.2
General income	24.9
	<u>61.7</u>

**Auditors' remuneration**

Other operating expenses include:

	2009 £000	2008 £000
Audit fees payable to the University's external auditors	246	225
Other fees payable to the University's external auditors	179	174
Audit fees payable to other firms	228	354

These amounts include related irrecoverable VAT.

**10 (Deficit) / surplus on continuing operations**

	2009 £m	2008 £m <i>Restated</i>
The (deficit) / surplus on continuing operations after donations of heritage assets for the year is made up as follows:		
University's (deficit) / surplus for the year	(2.4)	5.7
Surplus generated by subsidiary undertakings and transferred to the University under gift aid	1.2	2.7
(Deficit) / surplus dealt with in the accounts of the University	(1.2)	8.4
Group level adjustments re defined benefit schemes	(5.7)	0.8
(Deficit) / surplus retained in subsidiary undertakings	(7.9)	13.8
	<u>(14.8)</u>	<u>23.0</u>

**NOTES TO THE ACCOUNTS (continued)****11 Segmental reporting**

The group consisting of the University and its subsidiary undertakings has three principal classes of activity:

**Education and research**

**Assessment** Examination and assessment services, carried out by the University of Cambridge Local Examinations Syndicate and subsidiary undertakings, collectively known as Cambridge Assessment.

**Press** Publishing and printing services, carried out by the Cambridge University Press Syndicate and subsidiary undertakings

Income, result for the year and net assets at the year end are attributable to the three segments as follows:

	Segment total income £m	Inter- segment income £m	Income from third parties £m	(Deficit) / surplus £m	Net assets £m
<b>Year ended 31 July 2009</b>					
Education and research	720.2	24.5	695.7	(24.2)	2,128.5
Assessment	242.1	–	242.1	14.4	200.5
Press	209.2	2.1	207.1	0.6	35.2
	<b>1,171.5</b>	<b>26.6</b>	<b>1,144.9</b>	<b>(9.2)</b>	<b>2,364.2</b>
Unallocated re Contributory Pension Scheme	(5.0)	–	(5.0)	(5.6)	(183.0)
Group	<b>1,166.5</b>	<b>26.6</b>	<b>1,139.9</b>	<b>(14.8)</b>	<b>2,181.2</b>
<b>Year ended 31 July 2008</b>					
Education and research	674.4	11.0	663.4	9.2	2,183.4
Assessment	221.5	–	221.5	24.6	190.5
Press	186.4	10.5	175.9	(11.6)	61.5
	1,082.3	21.5	1,060.8	22.2	2,435.4
Unallocated re Contributory Pension Scheme	1.8	–	1.8	0.8	(114.7)
Group	1,084.1	21.5	1,062.6	23.0	2,320.7
<b>12 Intangible fixed assets: goodwill and others</b>					
	<b>Group 2009 £m</b>	Group 2008 £m	<b>University 2009 £m</b>	University 2008 £m	
Opening balance	3.8	5.7	3.5	5.0	
Additions / (disposals) in the year	1.2	–	1.2	–	
Amortisation charge for the year	(1.8)	(1.8)	(1.5)	(1.5)	
Currency adjustments	0.3	(0.1)	–	–	
Closing balance	<b>3.5</b>	3.8	<b>3.2</b>	3.5	

**NOTES TO THE ACCOUNTS (continued)**

<b>13 Tangible fixed assets</b>	<b>Land and buildings</b>	<b>Assets in construction</b>	<b>Equipment</b>	<b>Heritage assets</b>	<b>2009 Total</b>	<b>2008 Total</b>
<i>Group</i>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Cost or valuation</b>						
At 1 August	1,065.6	54.6	220.6	30.3	1,371.1	1,271.6
Additions at cost	5.6	52.7	25.6	0.7	84.6	119.1
Transfers	36.4	(38.3)	1.9	–	–	–
Disposals	(3.2)	–	(8.9)	–	(12.1)	(20.2)
Currency adjustments	4.3	–	1.6	–	5.9	0.6
<b>At 31 July</b>	<b>1,108.7</b>	<b>69.0</b>	<b>240.8</b>	<b>31.0</b>	<b>1,449.5</b>	<b>1,371.1</b>
<b>Depreciation</b>						
At 1 August	184.9	–	145.3	–	330.2	288.7
Charge for the year	32.6	–	29.1	–	61.7	59.7
Elimination on disposals	(0.1)	–	(6.9)	–	(7.0)	(18.9)
Currency adjustments	0.5	–	1.0	–	1.5	0.7
<b>At 31 July</b>	<b>217.9</b>	<b>–</b>	<b>168.5</b>	<b>–</b>	<b>386.4</b>	<b>330.2</b>
<b>Net book value</b>						
At 31 July	890.8	69.0	72.3	31.0	1,063.1	1,040.9
At 1 August	880.7	54.6	75.3	30.3	1,040.9	982.9
<b>University</b>						
<b>Cost or valuation</b>						
At 1 August	1,058.1	53.9	202.3	30.3	1,344.6	1,258.8
Additions at cost	5.4	55.9	23.1	0.7	85.1	116.0
Transfers	39.9	(40.9)	1.0	–	–	–
Disposals	(3.2)	–	(4.9)	–	(8.1)	(30.7)
Currency adjustments	4.3	–	1.2	–	5.5	0.5
<b>At 31 July</b>	<b>1,104.5</b>	<b>68.9</b>	<b>222.7</b>	<b>31.0</b>	<b>1,427.1</b>	<b>1,344.6</b>
<b>Depreciation</b>						
At 1 August	180.3	–	132.4	–	312.7	280.4
Charge for the year	34.9	–	27.0	–	61.9	58.1
Elimination on disposals	(0.1)	–	(3.3)	–	(3.4)	(26.0)
Currency adjustments	0.5	–	0.7	–	1.2	0.2
<b>At 31 July</b>	<b>215.6</b>	<b>–</b>	<b>156.8</b>	<b>–</b>	<b>372.4</b>	<b>312.7</b>
<b>Net book value</b>						
At 31 July	888.9	68.9	65.9	31.0	1,054.7	1,031.9
At 1 August	877.8	53.9	69.9	30.3	1,031.9	978.4

Land and buildings includes land totalling £71.8m (2008: £75.1m) which is not depreciated.

The net book value of land and buildings at the year end on a historical cost basis would be: Group £745.6m (2008: £729.3m); University £743.7m (2008: £726.4m). All other tangible fixed assets are stated at cost less accumulated depreciation.

The cost to the group of freehold buildings and assets in construction consists of the cost incurred by the University less the surplus recorded in the accounts of Lynxvale Limited, a subsidiary undertaking, and eliminated on consolidation.

**Heritage assets**

The University holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance. Most of these are housed in the University's nationally accredited museums and collections and in its libraries, providing a valuable research and educational resource locally, nationally and internationally as well as an unrivalled opportunity to present the University's work to a wide audience. Other collections are held in academic departments or are on display as public art. Major collections include those held by the University Library, a legal deposit, the Botanic Garden and the Fitzwilliam Museum.

In respect of its major collections, the University's practice, in accordance with the national accreditation standards, is: to preserve, conserve and manage the objects in its care; to augment the collections where appropriate and within the resources available; to enable and encourage access to and use of the collections for teaching and research; and to enable wide access to and engagement with the collections by members of the public.

**NOTES TO THE ACCOUNTS (continued)****13 Tangible fixed assets (continued)****Heritage assets (continued)**

As stated in the statement of principal accounting policies, heritage assets acquired since 1 August 1999 have been capitalised. The majority of assets held in the University's collections were acquired before 1 August 1999; because reliable estimates of cost or valuation are not available for these on a cost-benefit basis they have not been capitalised. As a result the total included in the balance sheet is partial.

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

	<b>2009</b>	2008	2007	2006	2005
	<b>£m</b>	£m	£m	£m	£m
Acquisitions purchased with specific donations	–	0.4	1.0	0.8	2.8
Acquisitions purchased with University funds	–	0.3	0.3	0.3	0.1
Total cost of acquisitions purchased	–	0.7	1.3	1.1	2.9
Value of acquisitions by donation	<b>0.7</b>	8.3	2.6	2.1	0.7
Total acquisitions capitalised	<b>0.7</b>	9.0	3.9	3.2	3.6

**14 Fixed asset investments**

	<b>Group</b>	Group	<b>University</b>	University
	<b>2009</b>	2008	<b>2009</b>	2008
	<b>£m</b>	£m	<b>£m</b>	£m
Opening balance	<b>369.5</b>	408.0	<b>283.8</b>	311.1
Net additions in the year	<b>122.1</b>	7.3	<b>75.5</b>	5.2
Distributions (see note 7)	<b>(25.8)</b>	(4.5)	<b>(23.6)</b>	(4.2)
(Decrease) / increase in market value of investments	<b>(15.7)</b>	(41.3)	<b>(4.0)</b>	(28.3)
Closing balance	<b>450.1</b>	369.5	<b>331.7</b>	283.8
Represented by:				
Property	<b>61.1</b>	68.3	<b>55.3</b>	61.8
Securities	<b>316.6</b>	210.7	<b>215.2</b>	136.3
Money market investments	<b>53.2</b>	79.9	<b>50.6</b>	66.0
Investments in subsidiary undertakings	–	–	<b>1.2</b>	17.2
Investment in spin-out companies (see note 31)	<b>7.3</b>	10.3	<b>1.9</b>	2.2
Cash in hand and at investment managers	<b>10.6</b>	–	<b>7.4</b>	–
Investments in joint ventures	<b>1.3</b>	0.1	<b>0.1</b>	0.1
Other	–	0.2	–	0.2
	<b>450.1</b>	369.5	<b>331.7</b>	283.8

The analysis of movements in fixed asset investments for the year ended 31 July 2008 has been restated on the same basis as that for the current year (see note 7).

**15 Endowment assets**

Long-term Investments				
Property	<b>55.7</b>	84.4	<b>42.6</b>	68.2
Securities	<b>587.6</b>	549.2	<b>456.0</b>	399.6
Money market investments	<b>141.6</b>	216.2	<b>132.2</b>	210.0
Loan to subsidiary undertaking	–	–	<b>2.5</b>	2.5
Cash in hand and at investment managers	<b>15.2</b>	4.9	<b>15.0</b>	1.0
	<b>800.1</b>	854.7	<b>648.3</b>	681.3
Investment in spin-out companies (see note 31)	<b>2.0</b>	2.3	<b>0.1</b>	–
Short-term deposits	–	–	–	–
Bank balances	<b>1.7</b>	–	–	–
	<b>803.8</b>	857.0	<b>648.4</b>	681.3

Included in the Group's endowment assets is £147.8m (2008: £165.9m) relating to the Gates Cambridge Trust. The use of these assets is restricted to supporting the University by enabling persons from any part of the world outside the United Kingdom to benefit from education in the University by the provision of scholarships and grants and otherwise. The assets of the Gates Cambridge Trust are therefore not available for the general purposes of the University.

**NOTES TO THE ACCOUNTS (continued)**

<b>16 Stocks and work in progress</b>	<b>Group 2009 £m</b>	<b>Group 2008 £m</b>	<b>University 2009 £m</b>	<b>University 2008 £m</b>
Goods for resale	<b>38.6</b>	37.3	<b>28.4</b>	30.6
Work in progress	<b>8.9</b>	8.0	<b>7.7</b>	6.4
Other stocks	<b>0.3</b>	0.4	–	–
	<b>47.8</b>	45.7	<b>36.1</b>	37.0
<b>17 Debtors</b>				
Research grants recoverable	<b>56.0</b>	62.3	<b>56.0</b>	62.3
Amounts due from subsidiary undertakings	–	–	<b>43.6</b>	32.2
Debtors re examination and assessment services	<b>53.0</b>	48.4	<b>44.7</b>	38.4
Debtors re publishing and printing	<b>57.6</b>	49.7	<b>42.1</b>	39.7
Other debtors	<b>40.3</b>	35.1	<b>30.2</b>	27.1
	<b>206.9</b>	195.5	<b>216.6</b>	199.7
<b>18 Current asset investments</b>				
Property	<b>0.1</b>	0.3	<b>7.2</b>	7.0
Securities	<b>1.2</b>	1.5	<b>75.5</b>	39.5
Money market investments	<b>158.4</b>	208.0	<b>186.0</b>	228.2
Short-term deposits	<b>17.4</b>	17.2	<b>11.7</b>	17.2
	<b>177.1</b>	227.0	<b>280.4</b>	291.9
Representing:				
University	<b>173.5</b>	222.2	<b>124.6</b>	150.3
Held on behalf of subsidiary undertakings, related parties and other associated bodies (see note 19)	<b>3.6</b>	4.8	<b>155.8</b>	141.6
	<b>177.1</b>	227.0	<b>280.4</b>	291.9
Current asset investments include investments held on behalf of subsidiary undertakings, related parties and other associated bodies. The book value of these investments is included in creditors due within one year.				
<b>19 Creditors: amounts falling due within one year</b>				
Bank overdraft	<b>3.0</b>	3.3	<b>1.6</b>	1.9
Research grants received in advance	<b>77.0</b>	84.7	<b>77.0</b>	84.7
Amounts due to subsidiary undertakings	–	–	<b>5.5</b>	22.6
Creditors re examination and assessment services	<b>57.1</b>	37.4	<b>36.3</b>	19.4
Creditors re publishing and printing	<b>47.2</b>	46.3	<b>36.6</b>	36.5
Other creditors	<b>128.5</b>	108.1	<b>106.3</b>	74.7
Investments held on behalf of subsidiary undertakings, related parties and other associated bodies (see note 18)	<b>3.6</b>	4.8	<b>155.8</b>	141.6
	<b>316.4</b>	284.6	<b>419.1</b>	381.4
<b>20 Creditors: amounts falling due after more than one year</b>				
Amounts due to subsidiary undertakings	–	–	<b>0.1</b>	10.6
Bank loans	<b>6.2</b>	5.1	<b>6.2</b>	5.1
Loan from minority interest	<b>1.0</b>	2.7	–	–
	<b>7.2</b>	7.8	<b>6.3</b>	15.7

**NOTES TO THE ACCOUNTS (continued)****21 Pension liabilities**

The pension liabilities have been measured in accordance with the requirements of FRS 17 and relate to the defined benefit schemes disclosed in note 30.

	<b>Group 2009 £m</b>	Group 2008 £m	<b>University 2009 £m</b>	University 2008 £m
Opening balance	<b>158.0</b>	79.3	<b>43.3</b>	19.4
Movement in year:				
Current service cost including life assurance	<b>17.5</b>	18.4	<b>0.6</b>	3.9
Contributions	<b>(20.8)</b>	(20.7)	<b>(4.6)</b>	(5.1)
Other finance (income) / cost	<b>7.9</b>	(1.8)	<b>2.9</b>	(0.1)
Currency adjustments	<b>0.7</b>	–	<b>0.7</b>	–
Actuarial loss / (gain) recognised in statement of total recognised gains and losses	<b>94.7</b>	82.8	<b>31.5</b>	25.2
Closing balance	<b>258.0</b>	158.0	<b>74.4</b>	43.3

**22 Other retirement benefits liability****Group and University**

The liability has been measured in accordance with the requirements of FRS 17 and relates to unfunded post-retirement medical and insurance schemes.

	<b>2009 £m</b>	2008 £m
Opening balance	<b>14.8</b>	–
Liability at 31 July 2007 (see note 8)	–	14.2
Movement attributable to the year:		
Benefits paid less current service cost	<b>(0.2)</b>	0.5
Gain on curtailment	<b>(2.6)</b>	–
Contributions	<b>(0.2)</b>	(0.2)
Other finance cost	<b>0.9</b>	0.8
Currency adjustments	<b>2.2</b>	–
Actuarial gain recognised in statement of total recognised gains and losses	<b>(0.2)</b>	(0.5)
Closing balance	<b>14.7</b>	14.8

**23 Deferred capital grants****Group and University**

	<b>Funding Council £m</b>	<b>Research Grants £m</b>	<b>Other Grants £m</b>	<b>2009 Total £m</b>	2008 £m
Balance 1 August					
Buildings	<b>165.1</b>	–	<b>293.5</b>	<b>458.6</b>	422.8
Equipment	<b>13.8</b>	<b>16.8</b>	<b>1.2</b>	<b>31.8</b>	29.7
	<b>178.9</b>	<b>16.8</b>	<b>294.7</b>	<b>490.4</b>	452.5
Grants received					
Buildings	<b>12.3</b>	–	<b>27.9</b>	<b>40.2</b>	51.9
Equipment	<b>0.4</b>	<b>5.7</b>	<b>0.3</b>	<b>6.4</b>	18.3
	<b>12.7</b>	<b>5.7</b>	<b>28.2</b>	<b>46.6</b>	70.2
Released to income and expenditure					
Buildings – for depreciation	<b>(9.7)</b>	–	<b>(7.1)</b>	<b>(16.8)</b>	(16.1)
Equipment – for depreciation	<b>(5.3)</b>	<b>(7.8)</b>	<b>(0.7)</b>	<b>(13.8)</b>	(15.6)
Equipment – on disposals	<b>(0.3)</b>	<b>(0.6)</b>	–	<b>(0.9)</b>	(0.6)
	<b>(15.3)</b>	<b>(8.4)</b>	<b>(7.8)</b>	<b>(31.5)</b>	(32.3)
Balance 31 July					
Buildings	<b>167.7</b>	–	<b>314.3</b>	<b>482.0</b>	458.6
Equipment	<b>8.6</b>	<b>14.1</b>	<b>0.8</b>	<b>23.5</b>	31.8
	<b>176.3</b>	<b>14.1</b>	<b>315.1</b>	<b>505.5</b>	490.4



**NOTES TO THE ACCOUNTS (continued)****24 Endowments**

<i>Group</i>	<b>Expendable £m</b>	<b>Permanent £m</b>	<b>2009 Total £m</b>	<b>2008 Total £m</b>
Balance 1 August	303.4	553.6	857.0	927.5
New endowments received	32.5	14.0	46.5	36.2
Income receivable from endowment asset investments	9.6	24.0	33.6	32.3
Expenditure	(32.4)	(20.2)	(52.6)	(46.1)
Net transfer (to) / from income and expenditure account	(22.8)	3.8	(19.0)	(13.8)
(Decrease) / increase in market value of investments	(26.8)	(53.9)	(80.7)	(92.9)
Balance 31 July	286.3	517.5	803.8	857.0
Capital	278.9	456.9	735.8	786.8
Unspent income	7.4	60.6	68.0	70.2
Balance 31 July	286.3	517.5	803.8	857.0
<b>Representing:</b>				
	<b>Expendable £m</b>	<b>Permanent £m</b>	<b>2009 Total £m</b>	<b>2008 Total £m</b>
Trust and Special Funds:				
Professorships, Readerships and Lectureships	26.9	250.8	277.7	297.4
Scholarships and bursaries	15.2	67.8	83.0	74.0
Other	57.9	191.5	249.4	266.5
Specific donations	33.2	–	33.2	28.3
Examination Board restricted funds	3.9	–	3.9	7.6
Gates Cambridge Trust	147.8	–	147.8	165.9
Other subsidiary undertakings	1.5	–	1.5	9.9
General endowments	–	7.3	7.3	7.5
Group total	286.4	517.4	803.8	857.1
<b>University</b>				
	<b>Expendable £m</b>	<b>Permanent £m</b>	<b>2009 Total £m</b>	<b>2008 Total £m</b>
Balance 1 August	128.1	553.2	681.3	736.4
New endowments received	28.5	14.0	42.5	32.3
Income receivable from endowment asset investments	5.1	23.9	29.0	26.7
Expenditure	(21.3)	(20.0)	(41.3)	(35.6)
Net transfer (to) / from income and expenditure account	(16.2)	3.9	(12.3)	(8.9)
(Decrease) / increase in market value of investments	(9.6)	(53.5)	(63.1)	(78.5)
Balance 31 July	130.8	517.6	648.4	681.3
Capital	123.5	456.9	580.4	612.4
Unspent income	7.3	60.7	68.0	68.9
Balance 31 July	130.8	517.6	648.4	681.3

**NOTES TO THE ACCOUNTS (continued)****25 Reserves**

<i>Group</i>	General reserves £m	Operational property revaluation reserve £m	Fixed asset investment revaluation reserve £m	2009 Total £m	2008 Total £m
Balance 1 August	756.7	151.4	65.2	973.3	<i>Restated</i> 1,058.2
Surplus retained for the year	4.0	–	–	4.0	36.8
Actuarial (loss) / gain	(94.5)	–	–	(94.5)	(82.3)
Transfer in respect of depreciation on revalued operational properties	6.2	(6.2)	–	–	–
Transfer in respect of disposals of fixed asset investments	16.6	–	(16.6)	–	–
Gain / (loss) arising on foreign currency translation	3.6	–	–	3.6	2.0
(Decrease) / increase in market value of investments	–	–	(15.7)	(15.7)	(41.4)
<b>Balance 31 July</b>	<b>692.6</b>	<b>145.2</b>	<b>32.9</b>	<b>870.7</b>	973.3
Reserves are reduced by the net liabilities in respect of retirement benefits					
Reserves before net liabilities in respect of retirement benefits	965.3	145.2	32.9	1,143.4	1,131.3
Effect of net pension liability (see note 21)	(258.0)	–	–	(258.0)	(158.0)
Effect of liability for other retirement benefits (see note 22)	(14.7)	–	–	(14.7)	–
<b>Reserves balance at 31 July</b>	<b>692.6</b>	<b>145.2</b>	<b>32.9</b>	<b>870.7</b>	973.3

**University**

	General reserves £m	Operational property revaluation reserve £m	Fixed asset investment revaluation reserve £m	2009 Total £m	2008 Total £m
Balance 1 August	744.7	151.4	36.9	933.0	<i>Restated</i> 967.1
Surplus retained for the year	11.1	–	–	11.1	17.3
Actuarial (loss) / gain	(31.3)	–	–	(31.3)	(24.7)
Transfer in respect of depreciation on revalued operational properties	6.2	(6.2)	–	–	–
Transfer in respect of disposals of fixed asset investments	14.4	–	(14.4)	–	–
Gain / (loss) arising on foreign currency translation	1.0	–	–	1.0	1.6
(Decrease) / increase in market value of investments	–	–	(4.0)	(4.0)	(28.3)
<b>Balance 31 July</b>	<b>746.1</b>	<b>145.2</b>	<b>18.5</b>	<b>909.8</b>	933.0

The analysis of movements in reserves for the year ended 31 July 2008 has been restated on the same basis as that for the current year (see note 7).

<b>26 Reconciliation of consolidated operating (deficit) / surplus to net cash inflow / (outflow) from operating activities</b>	2009 £m	2008 £m
(Deficit) / surplus on continuing operations before donations of heritage assets	(15.5)	<i>Restated</i> 14.4
Depreciation of fixed tangible assets	61.7	59.7
Amortisation of goodwill	1.8	1.8
Surplus on disposal of tangible fixed assets	(0.6)	–
Deferred capital grants released to income	(30.6)	(31.7)
Investment income	(27.7)	(54.4)
Interest payable	0.6	0.5
Pension cost less contributions payable (see note 21)	(3.3)	(2.3)
Other retirement benefits – cost less contributions payable (see note 22)	(2.1)	15.3
Currency adjustments	1.8	2.3
	<b>(13.9)</b>	5.6
Decrease / (increase) in stock	(2.1)	1.7
(Increase) / decrease in debtors	(11.4)	(17.3)
Increase in creditors	41.9	7.4
<b>Net cash (outflow) / inflow from operating activities</b>	<b>14.5</b>	(2.6)

**NOTES TO THE ACCOUNTS (continued)**

<b>27 Cash flows</b>	<b>2009</b>	2008
	<b>£m</b>	£m
		<i>Restated</i>
<b>Returns on investments and servicing of finance</b>		
Endowment and investment income received	<b>35.6</b>	52.6
Interest paid	<b>(0.6)</b>	(0.5)
Net cash inflow from returns on investments and servicing of finance	<b>35.0</b>	52.1
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	<b>(92.3)</b>	(116.1)
Acquisition of goodwill and other intangible fixed assets	<b>(1.2)</b>	–
Donations for buildings and other deferred capital grants received	<b>46.6</b>	70.2
Proceeds of disposal of tangible fixed assets	<b>4.7</b>	0.6
Net purchase of long-term investments (excluding investments held on behalf of others)	<b>(73.1)</b>	(11.2)
New endowments received	<b>46.5</b>	36.2
Net cash outflow from capital expenditure and financial investment	<b>(68.8)</b>	(20.3)
<b>Financing</b>		
Issue of share capital to minority interest	<b>1.0</b>	–
Bank loan acquired	–	4.8
Repayment of long-term loan	<b>(0.8)</b>	–
Net cash inflow / (outflow) from financing	<b>0.2</b>	4.8

**28 Analysis of the balances of cash and bank overdraft**

	<b>Group</b>	Group	<b>University</b>	University
	<b>2009</b>	2008	<b>2009</b>	2008
	<b>£m</b>	£m	<b>£m</b>	£m
Bank overdrafts	<b>(3.0)</b>	(3.3)	<b>(1.6)</b>	(1.9)
Bank balances held directly by trust funds	<b>1.7</b>	–	–	–
Cash at bank and in hand	<b>25.2</b>	46.5	<b>7.1</b>	30.8
	<b>23.9</b>	43.2	<b>5.5</b>	28.9
Add short term deposits:				
Endowment asset investments	–	–	–	–
Current asset investments (excluding those held on behalf of related parties and other associated bodies)	<b>17.4</b>	17.2	<b>11.7</b>	17.2
Net funds	<b>41.3</b>	60.4	<b>17.2</b>	46.1

<b>29 Capital commitments</b>	<b>2009</b>	2008
	<b>£m</b>	£m
Commitments contracted at 31 July	<b>106.5</b>	138.6
Authorised but not contracted at 31 July	<b>10.6</b>	–

Of the capital expenditure committed at 31 July 2009, approximately 81% (2008: 86%) will be funded by specific grants and donations.

## NOTES TO THE ACCOUNTS (continued)

### 30 Pension schemes

The two principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS) and the Cambridge University Assistants' Contributory Pension Scheme (CPS). Cambridge University Press operates two defined benefit schemes for its UK staff, the Press Contributory Pension Fund (PCPF) and the Press Senior Staff Pension Scheme (PSSPS). Employees covered by the schemes are contracted out of the State Second Pension. The assets of the schemes are held in separate trustee-administered funds. The USS and the CPS are not closed, nor is the age profile of their active membership rising significantly. The PCPF and the PSSPS have been closed to new members.

The schemes are defined benefit schemes which are valued every three years using the projected unit method, by professionally qualified actuaries, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

#### USS

The University is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reliable basis and therefore, as required by FRS 17 (Retirement Benefits) accounts for the scheme as if it were a defined contribution scheme.

The latest actuarial valuation of the scheme was at 31 March 2008 and was the first valuation for this scheme to require the calculation of technical provisions in accordance with the Pensions Act 2004. The assumptions that have the most significant effect on the result of the valuation were as follows:

Investment returns per annum	<b>6.40%</b>
Salary scale increases per annum	<b>4.30%</b>
Pension increases per annum	<b>3.30%</b>
Mortality – equivalent life expectancy for members reaching retirement age of 65:	
Males	<b>88</b>
Females	<b>90</b>

At the valuation date, the value of the assets of the scheme was £28,842.6m and the value of the scheme's technical provisions was £28,135.3m. The assets were therefore sufficient to cover 103% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The contribution rate payable by the University in the year ended 31 July 2009 was 14% of pensionable salaries, and has increased to 16% with effect from 1 October 2009. Since 31 March 2008 global investment markets have continued to fall and at 31 March 2009 the actuary estimated that the funding level had fallen from 103% to 74%. This estimate was based on the funding level at 31 March 2008, as noted above, adjusted to reflect the scheme's actual investment performance over the year and changes in market conditions. The next formal triennial actuarial valuation is due as at 31 March 2011. The contribution rate will be reviewed as part of each valuation and may be reviewed more frequently.

#### Cambridge University Assistants' Contributory Pension Scheme (CPS)

The CPS was established under the authority of the Universities of Oxford and Cambridge Act 1923. It is a registered pension scheme for the purposes of Finance Act 2004. The active members of the scheme are employees of the University and its subsidiary undertakings.

#### Triennial valuation of the scheme

A full triennial valuation of the scheme was carried out by the actuary for the trustees of the scheme for funding purposes as at 31 July 2006. The results showed the actuarial value of the scheme's assets as £276.8m. These were insufficient to cover the scheme's past service liabilities of £285.0m and as a result the scheme had a deficit of £8.2m and was 97% funded. The joint contribution rate has been set at 25.7% of pensionable pay from 1 August 2005. The results of the actuarial valuation at 31 July 2009 are awaited.

## NOTES TO THE ACCOUNTS (continued)

### 30 Pension schemes (continued)

#### CPS: Pension costs under FRS 17

For accounting purposes the scheme's assets are measured at market value and liabilities are valued using the projected unit method and discounted using the gross redemption yield for corporate AA rated bonds. The valuation uses market-based assumptions and asset valuations, and represents a current valuation. It does not impact on the joint contribution rate set by the trustees of the scheme. The principal assumptions used by the actuary were:

Discount rate	<b>2009</b>	2008
	<b>6.00%</b>	6.40%
Expected rate of return on scheme assets at beginning of year		
Equities and hedge funds	<b>7.75%</b>	8.00%
Bonds (including cash)	<b>5.50%</b>	5.30%
Property	<b>6.75%</b>	7.00%
Rate of increase in salaries	<b>4.45%</b>	4.55%
Rate of increase in pensions in deferment	<b>3.70%</b>	3.80%
Rate of increase in pensions in payment	<b>3.70%</b>	3.80%
Age at retirement:		
Males – active	<b>63</b>	63
Males – deferred	<b>61</b>	61
Females – active	<b>61</b>	61
Females – deferred	<b>60</b>	60
Mortality – equivalent life expectancy for members reaching retirement age:		
Males	<b>85</b>	85
Females	<b>88</b>	88

The following results were measured in accordance with the requirements of FRS 17, based on the assumptions summarised above:

	Present value of defined benefit obligation		Fair value of scheme assets		Net liability recognised in the balance sheet	
	2009	2008	2009	2008	2009	2008
	£m	£m	£m	£m	£m	£m
Opening	<b>(405.4)</b>	(372.5)	<b>290.8</b>	314.0	<b>(114.6)</b>	(58.5)
Current service cost	<b>(16.7)</b>	(14.4)	–	–	<b>(16.7)</b>	(14.4)
Employer contributions	–	–	<b>16.1</b>	13.4	<b>16.1</b>	13.4
Expected return on scheme assets	–	–	<b>21.1</b>	23.5	<b>21.1</b>	23.5
Contributions by members	<b>(3.2)</b>	(4.2)	<b>3.2</b>	4.2	–	–
Interest cost	<b>(26.1)</b>	(21.7)	–	–	<b>(26.1)</b>	(21.7)
Actuarial (losses) / gains	<b>(21.3)</b>	(5.7)	<b>(41.2)</b>	(51.2)	<b>(62.5)</b>	(56.9)
Benefits and expenses paid	<b>14.1</b>	13.1	<b>(14.1)</b>	(13.1)	–	–
Closing defined benefit obligation	<b>(458.6)</b>	(405.4)	<b>275.9</b>	290.8	<b>(182.7)</b>	(114.6)

The amounts recognised in the income and expenditure account were as follows:

	<b>2009</b>	2008
	<b>£m</b>	£m
In staff costs: current service cost	<b>16.7</b>	14.4
In endowment and investment income:		
Expected return on pension scheme assets	<b>21.1</b>	23.5
Interest on pension scheme liabilities	<b>(26.1)</b>	(21.7)
	<b>(5.0)</b>	1.8

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

	<b>2009</b>	2008	2007	2006	2005
	<b>£m</b>	£m	£m	£m	£m
Defined benefit obligation	<b>(458.6)</b>	(405.5)	(372.5)	(374.6)	(331.8)
Plan assets	<b>275.9</b>	290.8	313.9	276.8	249.0
Deficit at the balance sheet date	<b>(182.7)</b>	(114.7)	(58.6)	(97.8)	(82.8)
Experience (losses) / gains for the year on plan liabilities	<b>(3.9)</b>	(1.3)	(4.1)	(7.2)	0.2
Experience (losses) / gains for the year on plan assets	<b>(41.2)</b>	(51.2)	14.9	5.8	22.2

The above results have been recognised in the consolidated balance sheet. The University is, however, unable to identify its own share of the underlying assets and liabilities in the scheme, as distinct from that attributable to subsidiary undertakings, on a reasonable and consistent basis. For the University itself, therefore, pension costs are accounted for as if the CPS were a defined contribution scheme, and the University's own balance sheet does not include a pension liability in respect of the CPS.

**NOTES TO THE ACCOUNTS (continued)****30 Pension schemes (continued)****Cambridge University Press UK defined benefit schemes (PCPF and PSSPS)****Triennial valuation of the schemes**

Full triennial valuations of the schemes were carried out by the actuary for the trustees of the schemes for funding purposes as at 1 January 2007.

**Pension costs under FRS 17**

For accounting purposes the schemes' assets are measured at market value and liabilities are valued using the attained age method and discounted using the gross redemption yield for corporate AA rated bonds. The valuations use market-based assumptions and asset valuations, and represent current valuations. They do not impact on the joint contribution rates set by the trustees of the schemes. The actuary has updated the 2007 valuations to 31 July 2008 and 31 July 2009 for the purposes of the University's financial statements. The principal assumptions used by the actuary for both schemes were:

	<b>2009</b>	2008
Discount rate	<b>6.00%</b>	6.40%
Expected rate of return on scheme assets at beginning of year	<b>6.25%</b>	6.25%
Rate of increase in salaries – schemes are now on frozen current salary basis	<b>0.00%</b>	0.00%
Rate of increase in pensions in deferment	<b>3.70%</b>	3.80%
Rate of increase in pensions in payment	<b>3.70%</b>	3.80%
Age at retirement:		
SSPS – males – active	<b>59</b>	59
All others	<b>60</b>	60
Mortality – equivalent life expectancy for members reaching retirement age:		
Males	<b>84</b>	84
Females	<b>87</b>	87

The following results were measured in accordance with the requirements of FRS 17, based on the assumptions summarised above. The results for the two schemes have been amalgamated.

	<b>Present value of defined benefit obligation</b>		<b>Fair value of scheme assets</b>		<b>Net liability recognised in the balance sheet</b>	
	<b>2009</b>	2008	<b>2009</b>	2008	<b>2009</b>	2008
	<b>£m</b>	£m	<b>£m</b>	£m	<b>£m</b>	£m
Opening	<b>(192.3)</b>	(181.4)	<b>151.4</b>	163.1	<b>(40.9)</b>	(18.3)
Current service cost	<b>(2.2)</b>	(3.4)	–	–	<b>(2.2)</b>	(3.4)
Employer contributions	–	–	<b>3.7</b>	4.7	<b>3.7</b>	4.7
Expected return on scheme assets	–	–	<b>9.1</b>	10.3	<b>9.1</b>	10.3
Contributions by members	<b>(0.4)</b>	(0.7)	<b>0.4</b>	0.7	–	–
Interest cost	<b>(12.1)</b>	(10.4)	–	–	<b>(12.1)</b>	(10.4)
Actuarial (losses) / gains	<b>(8.6)</b>	(5.3)	<b>(17.8)</b>	(18.5)	<b>(26.4)</b>	(23.8)
Benefits and expenses paid	<b>7.0</b>	8.9	<b>(7.0)</b>	(8.9)	–	–
Closing defined benefit obligation	<b>(208.6)</b>	(192.3)	<b>139.8</b>	151.4	<b>(68.8)</b>	(40.9)

The amounts recognised in the income and expenditure account were as follows:

	<b>2009</b>	2008
	<b>£m</b>	£m
In staff costs: current service cost	<b>2.2</b>	3.4
In endowment and investment income:		
Expected return on pension scheme assets	<b>9.1</b>	10.3
Interest on pension scheme liabilities	<b>(12.1)</b>	(10.4)
	<b>(3.0)</b>	(0.1)

Amounts for the current and previous four years were as follows:	<b>2009</b>	2008	2007	2006	2005
	<b>£m</b>	£m	£m	£m	£m
Defined benefit obligation	<b>(208.6)</b>	(192.3)	(181.4)	(174.9)	(159.8)
Plan assets	<b>139.8</b>	151.4	163.1	149.1	131.6
Deficit at the balance sheet date	<b>(68.8)</b>	(40.9)	(18.3)	(25.8)	(28.2)
Experience losses for the year on plan liabilities	<b>(8.6)</b>	(5.3)	(3.8)	(0.4)	(2.0)
Experience (losses) / gains for the year on plan assets	<b>(17.8)</b>	(18.5)	5.2	8.3	15.1

## NOTES TO THE ACCOUNTS (continued)

### 30 Pension schemes (continued)

The University also has a smaller number of staff in other pension schemes, including the National Health Service Pension Scheme (NHSPS), the Cambridge University Press Defined Benefit Plan (CUPDBP, for US staff) and the RSA Examinations Board scheme (RSAEBS). Pension costs relating to CUPDBP and RSAEBS are accounted for in accordance with FRS 17 as applied to a defined benefit scheme and the related pension liability is included in the consolidated balance sheet (see note 21). Further disclosures are not given as the balances and movements are not material.

	2009	2008
	£m	£m
The total pension cost for the year (see note 8) was:		
USS: contributions	36.8	29.3
CPS: charged to income and expenditure account	16.0	14.4
PCPF: charged to income and expenditure account	1.7	2.6
PSSPS: charged to income and expenditure account	0.7	0.8
NHSPS: contributions	1.7	1.6
CUPDBP: charged to income and expenditure account	0.5	0.5
RSAEBS: charged to income and expenditure account	0.2	0.2
Contributions to other pension schemes	1.3	1.8
	58.9	51.2

### 31 Principal subsidiary and associated undertakings and other significant investments

The following undertakings were wholly-owned subsidiary undertakings throughout the year ended 31 July 2008. Except where stated, the accounting reference date is 31 July and the undertaking is a company registered in England and Wales.

Name	Notes	Principal activity
Cambridge Enterprise Limited		Consultancy and commercial exploitation of intellectual property
IFM Education and Consultancy Services Limited		Consultancy and commercial exploitation of intellectual property
Cambridge Programme for Sustainability Leadership (Australia)	a	Sustainability leadership programmes
Cambridge University Technical Services Limited		Consultancy and commercial exploitation of intellectual property
Challenge Fund Trading Company Limited		Providing funds to promote the transfer of research to business
Fitzwilliam Museum Enterprises Limited	b	Publication of fine art books and sale of museum merchandise
JBS Executive Education Limited		Corporate education services
Lynxvale Limited		Provision of construction and development services
The Cambridge Foundation	c	Fund raising
<b>Associated Trusts</b>	c	Provision of scholarships, grants and other of overseas students in the University support for the education
Cambridge Overseas Trust	}	
Cambridge Commonwealth Trust		
Gates Cambridge Trust		
Cambridge European Trust		
Malaysian Commonwealth Studies Centre in Cambridge		
<b>Cambridge Assessment subsidiary undertakings</b>		
Cambridge Assessment Overseas Limited		Overseas office services
Cambridge Examinations Inc	d	Examination services
Mill Wharf Limited		Training and consultancy
Oxford and Cambridge International Assessment Services Limited		Assessment services
Oxford Cambridge and RSA Examinations		Examination and assessment services
RSA Examinations Board		Assessment services
Sandonian Properties Limited		Property holding
The West Midlands Examinations Board		Examination services

## NOTES TO THE ACCOUNTS (continued)

### 31 Principal subsidiary and associated undertakings and other significant investments (continued)

<b>Cambridge University Press subsidiary undertakings</b>	e	
Cambridge Global Grid for Learning Limited		Electronic educational publishing
Cambridge Knowledge (China) Limited	f	Representative office
Cambridge Printing Services Limited		Printing services
Cambridge University Press (Greece) EPE	g	Representative office
Cambridge University Press (Holdings) Limited		Holding company
Cambridge University Press India Private Limited	h	Publishing and distribution
Cambridge University Press Japan KK	i	Representative office
Cambridge University Press South Africa (Proprietary) Limited	j	Publishing and distribution
Cambridge-Hitachisoft Educational Solutions PLC	k	Electronic educational publishing
ELT Trading SA DE CV	l	Representative office
United Publishers Services Limited	f	Distribution

- a Cambridge Programme for Sustainability Leadership (Australia) is incorporated in Australia and has an accounting reference date of 30 June for commercial reasons. The effect of this is not material to the consolidated accounts.
- b Fitzwilliam Museum Enterprises Limited has an accounting reference date of 31 January for commercial reasons. The effect of this is not material to the consolidated accounts.
- c The Cambridge Foundation and the Associated Trusts are exempt charities established by trust deeds.
- d Cambridge Examinations Inc is a United States non-stock non-profit corporation.
- e Cambridge University Press subsidiary undertakings have an accounting reference date of 30 April for commercial reasons.
- f Cambridge Knowledge (China) Limited and United Publishers Services Limited are incorporated in Hong Kong.
- g Cambridge University Press (Greece) EPE is incorporated in Greece.
- h Cambridge University Press India Private Limited is a 51% subsidiary incorporated in India.
- i Cambridge University Press Japan KK is incorporated in Japan.
- j Cambridge University Press South Africa (Proprietary) Limited is incorporated in South Africa.
- k The University holds 60% of the issued share capital in Cambridge-Hitachisoft Educational Solutions PLC.
- l ELT Trading SA DE CV is incorporated in Mexico.

The University has interests in a number of spin-out companies formed to exploit intellectual property rights or inventions. These are included at valuation in fixed asset investments (see note 14) and endowment assets (note 15). In some cases the University's interest amounts to 20% or more of the share capital, and these companies are listed below. As the University does not exercise a significant influence over these investments and they are not intended to be held for the long-term, they are not accounted for as associated undertakings. Other undertakings where the University's investment amounts to 20% or more are also listed below.

These are not accounted for as associated undertakings as the effect on the financial statements would not be material.

Name	% interest	Principal Activity
Ampika Limited	40	Commercial exploitation of intellectual property
Bluegnome Limited	21	Commercial exploitation of intellectual property
BSCR Limited	22	Commercial exploitation of intellectual property
Cambridge Flow Solutions Limited	20	Commercial exploitation of intellectual property
Cambridge in America	22	Fund raising
Cambridge Lab-on-Chip Limited	32	Commercial exploitation of intellectual property
Enval Limited	24	Commercial exploitation of intellectual property
Inotec AMD Limited	23	Commercial exploitation of intellectual property
Markready Limited	33	Research and development
Microbial Technics Limited	23	Commercial exploitation of intellectual property
The CRISP Consortium Limited	45	Commercial exploitation of intellectual property
Vivamer Limited	58	Commercial exploitation of intellectual property

### 32 Related party transactions

In accordance with FRS 8 the University is not required to disclose the transactions and balances between its group undertakings, which have been eliminated on consolidation.



## NOTES TO THE ACCOUNTS (continued)

### 33 Colleges

There are 30 Colleges and one Approved Society (the Colleges) each of which is an independent corporation with its own property and income. The individual audited accounts of the Colleges, in a form specified by the University, are published in the *Cambridge University Reporter*.

During the year payments were made by the University from HEFCE funding in respect of the College fees of publicly-funded undergraduates of £37.7m (2008: £36.0m). These payments are included as "Payments to Colleges" in note 9 above. The University also made payments in respect of the College fees of postgraduate students totalling £3.5m (2008: £3.3m). These payments are included in other operating expenses. Other operating expenses also include £3.2m (2008: £1.9m) in respect of payments to the Isaac Newton Trust, a charitable trust established by Trinity College, as contributions to a bursary scheme for students of the University.

The Cambridge Foundation distributed third party donations to the Colleges totalling £5.1m (2008: £5.3m). The payments are not included in the consolidated income and expenditure account.

During the year the University provided printing, network and other services to the Colleges for which the Colleges paid a total of £3.5m (2008: £5.0m), and the Colleges provided accommodation, catering and other services to the University for which the University paid a total of £6.5m (2008: £7.1m).

During the year the Colleges made donations to the University totalling £4.1m (2008: £2.5m) which were credited to specific endowments.

<b>Colleges Fund</b>	<b>2009</b>	2008
	<b>£000</b>	£000
Balance at 1 August	2	6
Contributions received from Colleges	3,513	3,428
Interest earned	8	48
Payments to Colleges	(3,500)	(3,480)
	<hr/>	<hr/>
Balance at 31 July included in creditors	23	2

The Colleges Fund is administered by the University on behalf of the Colleges, who make all contributions to and receive all allocations from the Fund. The transactions on the Colleges Fund are not included in the income and expenditure account.

### 34 DIUS / HEFCE Access funds

	<b>2009</b>	2008
	<b>£000</b>	£000
Access to Learning Fund allocation	143	311
Interest earned	3	7
	<hr/>	<hr/>
Disbursed to students	146	318
	(146)	(318)
	<hr/>	<hr/>
Balance unspent at 31 July	-	-

Access to Learning Fund grants are available for students: the University acts only as agent. The grants and related disbursements are therefore excluded from the income and expenditure account.

### 35 TDA grants for Black and Minority Ethnic Recruitment and Retention

	<b>2009</b>	2008
	<b>£000</b>	£000
TDA grants	17	6
Disbursed to students	(17)	(6)
	<hr/>	<hr/>
Balance unspent at 31 July	-	-