

Section B: Summary of consolidation and segmental analysis

The following analysis presents a summary of the elements of the University group as they contribute to the consolidated financial statements.

The columns shown below are:

Academic	This equates to the part of the University covered in section A. It includes the academic departments and services but excludes Cambridge Assessment, Cambridge University Press and the Cambridge Trusts.
Assessment	This consists of the Local Examinations Syndicate and subsidiary undertakings, collectively known as Cambridge Assessment.
Press	This consists of the Cambridge University Press Syndicate and subsidiary undertakings.
Trusts	This consists principally of the Gates Cambridge Trust and the Cambridge Commonwealth, European and International Trust.
CPS	This column deals with the adjustments required to account for the pension liability in relation to the Cambridge University Assistants Contributory Pension Scheme, which affects both "Academic" and "Assessment".
Elimination	This column deals with the elimination of internal transactions. It includes the reclassification of balances on funds contributed by "Assessment" and "Press" to Academic". These are shown in "Academic" as specific endowments and as deferred capital grants, but in the combined group are included as reserves.
Total	This is the total of the other six columns and is presented in the audited financial statements for the University group.

Subsidiary undertakings included in the respective columns:

Academic	Cambridge Enterprise Limited Cambridge Investment Limited Cambridge Investment Management Limited Cambridge Institute for Sustainability Leadership (Australia) Cambridge Institute for Sustainability Leadership (South Africa) Cambridge University Technical Services Limited Cambridge Centre for Advanced Research in Energy Efficiency in Singapore The Dennis S Avery and Sally Tsui Wong-Avery Endowment Trust Fitzwilliam Museum (Enterprises) Limited IfM Education and Consultancy Services Limited JBS Executive Education Limited Lynxvale Limited University of Cambridge Dental Practice Limited UTS Cambridge
Trusts	Gates Cambridge Trust Cambridge Commonwealth, European and International Trust Malaysian Commonwealth Studies Centre in Cambridge
Assessment	Cambridge Assessment Overseas Limited Cambridge Assessment Singapore Cambridge Avaliacao Representacao e Promocao Ltda Cambridge Assessment Inc Cambridge English (Aus) Cambridge Boxhill Language Pty Limited Fundacion UCLES Oxford and Cambridge International Assessment Services Limited Oxford Cambridge and RSA Examinations Cambridge ClassServer LLP
Press	Academic Journal Publishing Pty Limited Australian Academic Press Pty Group Limited Cambridge Kazakhstan Limited Cambridge Knowledge (China) Limited Cambridge University Press (Greece) EPE Cambridge University Press (Holdings) Limited Cambridge University Press India (Private) Limited Cambridge University Press Satış ve Dağıtım Ticaret Limited Şirketi Cambridge University Press South Africa (Proprietary) Limited Cambridge Hitachi-Solutions Education Limited Editorial Edicambridge Cia Ltda Digital Services Cambridge Limited ELT Trading Limited HOTmaths Pty Limited United Publishers Services Limited Cambridge ClassServer LLP

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT for the year ended 31 July 2015

Income	Academic £m	Assessment £m	Press £m	Trusts £m	CPS £m	Elimination £m	Total £m
Funding body grants	170.0	–	–	–	–	–	170.0
Academic fees and support grants	226.1	–	–	–	–	–	226.1
Research grants and contracts	396.9	–	–	–	–	–	396.9
Exceptional income: RDEC claims	53.7	–	–	–	–	–	53.7
Examination and assessment services	–	367.0	–	–	–	–	367.0
Publishing services	–	–	265.5	–	–	–	265.5
Other income	145.8	1.4	29.7	8.6	–	(51.7)	133.8
Endowment and investment income	71.5	7.6	1.7	12.5	1.1	(69.1)	25.3
Total income	1,064.0	376.0	296.9	21.1	1.1	(120.8)	1,638.3
Expenditure							
Staff costs	517.8	102.5	95.4	1.2	(6.6)	–	710.3
Other operating expenses	410.5	215.1	169.8	28.4	–	(26.2)	797.6
Depreciation	66.9	18.7	6.3	0.1	–	–	92.0
Interest payable	13.2	–	0.1	–	–	–	13.3
Total expenditure	1,008.4	336.3	271.6	29.7	(6.6)	(26.2)	1,613.2
Surplus / (deficit) on continuing operations	55.6	39.7	25.3	(8.6)	7.7	(94.6)	25.1
Taxation	(11.7)	(0.2)	(0.3)	–	–	–	(12.2)
Minority interests in results of subsidiary undertakings	–	(0.3)	–	–	–	–	(0.3)
Surplus / (deficit) after minority interest	43.9	39.2	25.0	(8.6)	7.7	(94.6)	12.6
Transfer from specific endowments	2.7	–	–	7.8	–	37.7	48.2
Surplus for the year retained within general reserves	46.6	39.2	25.0	(0.8)	7.7	(56.9)	60.8
Expenditure by activity							
Academic departments	294.9	–	–	–	–	–	294.9
Academic services	42.4	–	–	–	–	–	42.4
Payments to colleges	45.3	–	–	–	–	–	45.3
Research grants and contracts	342.0	–	–	–	–	–	342.0
Other activities total	58.6	336.3	271.6	–	–	(18.9)	647.6
Administration and central services total	110.4	–	–	29.7	–	(7.3)	132.8
Premises	101.6	–	–	–	–	–	101.6
Interest payable on bond liabilities	13.2	–	–	–	–	–	13.2
Pension cost adjustments for CPS (see note 29)	–	–	–	–	(6.6)	–	(6.6)
Total expenditure	1,008.4	336.3	271.6	29.7	(6.6)	(26.2)	1,613.2
Segmental reporting: external income							
Education and research	1,064.0	–	–	21.1	–	(89.3)	995.8
Assessment	–	376.0	–	–	–	(6.2)	369.8
Press	–	–	296.9	–	–	(25.3)	271.6
Unallocated re Contributory Pension Scheme	–	–	–	–	1.1	–	1.1
Total	1,064.0	376.0	296.9	21.1	1.1	(120.8)	1,638.3
Segmental reporting: surplus / (deficit) before minority interest							
Education and research	43.9	–	–	(8.6)	–	(63.1)	(27.8)
Assessment	–	39.5	–	–	–	(6.2)	33.3
Press	–	–	25.0	–	–	(25.3)	(0.3)
Unallocated re Contributory Pension Scheme	–	–	–	–	7.7	–	7.7
Total	43.9	39.5	25.0	(8.6)	7.7	(94.6)	12.9

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Academic £m	Assessment £m	Press £m	Trusts £m	CPS £m	Elimination £m	Total £m
Surplus after tax and minority interest	43.9	39.2	25.0	(8.6)	7.7	(94.6)	12.6
Valuation gains on investments							
Endowments	115.3	0.5	–	22.5	–	34.7	173.0
Reserves	85.8	21.5	0.8	13.7	–	34.4	156.2
New endowment capital	20.5	–	–	7.0	–	–	27.5
Loss arising on foreign currency translation	–	(0.1)	(3.4)	–	–	–	(3.5)
Actuarial loss	–	–	(14.0)	–	(19.7)	–	(33.7)
Total recognised gains / (losses) relating to the year	265.5	61.1	8.4	34.6	(12.0)	(25.5)	332.1
Total gains / (losses) since the last annual report	265.5	61.1	8.4	34.6	(12.0)	(25.5)	332.1
Reconciliation							
Opening reserves and endowments	2,203.6	399.9	30.0	345.4	(338.5)	12.6	2,653.0
Total gains / (losses) since the last annual report	265.5	61.1	8.4	34.6	(12.0)	(25.5)	332.1
Closing reserves and endowments (excluding minority interests)	2,469.1	461.0	38.4	380.0	(350.5)	(12.9)	2,985.1

SUMMARY OF ELIMINATIONS

Income and expenditure	Income £m	Expenditure £m	Surplus £m
Transfer from Assessment to Chest	(16.8)	(16.8)	–
Gain on sale of assets from Press to Assessment	(25.1)	–	(25.1)
CUEF distribution from capital	(69.1)	–	(69.1)
Chest funding for Trusts	(7.3)	(7.3)	–
Deferred grant release on Press- / Assessment-funded buildings	(0.4)	–	(0.4)
Services provided by an academic department to Assessment	(1.9)	(1.9)	–
Transfer from Press to Chest	(0.2)	(0.2)	–
	(120.8)	(26.2)	(94.6)

Balance sheet: assets and liabilities

	Fixed assets £m	Endowment assets £m	Current assets £m	Current liabilities £m	Net assets £m
Special Funds reclassified as reserves as contributed by:					
Press	16.7	(17.0)	0.3	–	–
Assessment (RCEAL)	11.8	(12.4)	0.6	–	–
Transfer from Assessment to Chest accrued at 31 July 2014	–	–	(16.8)	16.8	–
Transfer from Press to Chest accrued at 31 July 2014	–	–	(0.4)	0.4	–
Gain on sale of assets from Press to Assessment	(25.1)	–	–	–	(25.1)
Other inter-segment balances	–	–	(1.0)	1.0	–
Investments held on behalf of associated bodies:	–	–	–	–	–
University Endowment Fund	–	–	(574.2)	574.2	–
Deposit Fund	–	–	(82.8)	82.8	–
Assessment contribution to Data Centre construction costs	(4.5)	–	–	–	(4.5)
	(1.1)	(29.4)	(674.3)	675.2	(29.6)

Balance sheet: funds

	Deferred grants £m	Expendable endowments £m	Reserves £m	Total £m
Special Funds reclassified as reserves as contributed by:				
Press	–	(17.0)	17.0	–
Assessment (RCEAL)	–	(12.4)	12.4	–
Gain on sale of assets from Press to Assessment	–	–	(25.1)	(25.1)
Imbalance on transfer	–	–	–	–
Deferred grant on Press- / Assessment-funded buildings	(16.7)	–	12.2	(4.5)
	(16.7)	(29.4)	16.5	(29.6)

BALANCE SHEET AT 31 JULY 2015

	Academic £m	Assessment £m	Press £m	Trusts £m	CPS £m	Elimination £m	Total £m
Fixed assets							
Tangible assets	1,215.1	173.6	51.7	0.2	–	(29.6)	1,411.0
Intangible assets	–	0.6	2.8	–	–	–	3.4
Investments	943.8	196.8	16.4	138.9	–	28.5	1,324.4
	2,158.9	371.0	70.9	139.1	–	(1.1)	2,738.8
Endowment assets	1,239.5	5.4	–	239.8	–	(29.4)	1,455.3
Current assets							
Stocks and work in progress	1.8	–	53.1	–	–	–	54.9
Debtors	202.2	85.4	88.3	1.2	–	(18.2)	358.9
Investments							
University	181.3	74.4	–	0.8	–	0.9	257.4
Held on behalf of others	808.6	–	–	–	–	(657.0)	151.6
Cash at bank and in hand	16.7	18.5	28.9	2.9	–	–	67.0
	1,210.6	178.3	170.3	4.9	–	(674.3)	889.8
Creditors: amounts falling due within one year	(1,204.8)	(93.5)	(90.7)	(2.9)	–	675.2	(716.7)
Net current assets	5.8	84.8	79.6	2.0	–	0.9	173.1
Total assets less current liabilities	3,404.2	461.2	150.5	380.9	–	(29.6)	4,367.2
Creditors: amounts falling due after more than one year	(342.4)	–	(2.8)	(0.9)	–	–	(346.1)
Pension liabilities	–	–	(88.9)	–	(350.5)	–	(439.4)
Other post-retirement benefit liability	–	–	(19.8)	–	–	–	(19.8)
Total net assets	3,061.8	461.2	39.0	380.0	(350.5)	(29.6)	3,561.9
Represented by:							
Deferred capital grants	592.7	–	–	–	–	(16.7)	576.0
Endowments							
Expendable endowments	277.9	5.4	–	238.4	–	(29.4)	492.3
Permanent endowments	961.6	–	–	1.4	–	–	963.0
	1,239.5	5.4	–	239.8	–	(29.4)	1,455.3
Reserves							
General reserves	888.4	409.3	37.6	106.8	(350.5)	6.7	1,098.3
Operational property revaluation reserve	109.2	–	–	–	–	–	109.2
Fixed asset investment revaluation reserve	232.0	46.3	0.8	33.4	–	9.8	322.3
	1,229.6	455.6	38.4	140.2	(350.5)	16.5	1,529.8
Minority interest in subsidiary undertakings	–	0.2	0.6	–	–	–	0.8
Total	3,061.8	461.2	39.0	380.0	(350.5)	(29.6)	3,561.9
Segmental reporting: net assets							
Education and research	3,061.8	–	–	380.0	–	(4.5)	3,437.3
Assessment	–	461.2	–	–	–	–	461.2
Press	–	–	39.0	–	–	(25.1)	13.9
Unallocated re Contributory Pension Scheme	–	–	–	–	(350.5)	–	(350.5)
Total	3,061.8	461.2	39.0	380.0	(350.5)	(29.6)	3,561.9