

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.
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 capital contributions, but in the combined group are included as reserves.
Total	This is the total of the other five columns and is presented in the audited financial statements for the University group.

Subsidiary undertakings included in the respective columns:

Academic	<ul style="list-style-type: none"> Cambridge Enterprise Limited Cambridge Investment Limited Cambridge Investment Management Limited Cambridge Sustainability Limited Cambridge Institute for Sustainability Leadership (Australia) Cambridge Institute for Sustainability Leadership (South Africa) NPC Cambridge Institute for Sustainability Leadership (Belgium) Cambridge University Technical Services Limited Cambridge Centre for Advanced Research in Education in Singapore Limited 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 Portal Estate Management Core Sustainable Heat Management Limited Lodge Property Services Ltd Storeys Field Community Trust
Trusts	<ul style="list-style-type: none"> Gates Cambridge Trust Cambridge Commonwealth, European and International Trust Malaysian Commonwealth Studies Centre in Cambridge
Assessment	<ul style="list-style-type: none"> Cambridge Assessment Overseas Limited Cambridge Assessment Singapore Cambridge Avaliacao Representacao e Promocao Ltda Cambridge Consulting (Beijing) Co. Ltd Cambridge Assessment Inc Cambridge English (Aus) Cambridge Boxhill Language Pty Limited Cambridge Michigan Language Assessment LLC (USA) Cambridge Assessment India Private Limited Cambridge Assessment Pakistan Private Limited Fundacion UCLES Oxford and Cambridge International Assessment Services Limited The West Midlands Examinations Board Oxford Cambridge and RSA Examinations Cambridge ClassServer LLP English Language iTutoring Limited
Press	<ul style="list-style-type: none"> Academic Journal Publishing Pty Limited Australian Academic Press Pty Limited Cambridge Daigaku Shuppan KK Cambridge Knowledge (China) Limited Cambridge University Press (Greece) MEPE Cambridge University Press (Holdings) Limited Cambridge University Press India Private Limited Cambridge University Press Nigeria Limited Cambridge University Press Operations Limited Cambridge University Press Satış ve Dağıtım Ticaret Limited Şirketi Cambridge University Press Turkey Satış Destek Limited Sirketi Cambridge University Press South Africa Proprietary Limited Cambridge Learning Limited Editorial Edicambridge Cia Ltda Digital Services Cambridge Limited ELT Trading SA de CV HOTmaths Pty Limited United Publishers Services Limited Oncoweb Limited Cambridge-Obeikan Company Limited English Language iTutoring Limited Cambridge ClassServer LLP

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2017**

	Academic £m	Assessment £m	Press £m	Trusts £m	Elimination £m	Total £m
Income						
Tuition fees and education contracts	276.4	–	–	–	–	276.4
Funding body grants	178.0	–	–	–	–	178.0
Research grants and contracts	466.0	–	–	–	–	466.0
Examination and assessment services	–	411.7	–	–	–	411.7
Publishing services	–	–	310.6	–	–	310.6
Donations and endowments	70.5	–	–	19.2	(10.6)	79.1
Other income	149.0	1.0	7.0	–	(26.8)	130.2
Investment income	72.9	7.7	1.3	14.0	(78.0)	17.9
Total income	1,212.8	420.4	318.9	33.2	(115.4)	1,869.9
Expenditure						
Staff costs	575.5	118.8	103.4	1.1	–	798.8
Other operating expenses	* 453.2	239.4	198.4	32.5	(37.1)	886.4
Depreciation	* 78.7	7.0	* 4.2	0.1	(0.1)	89.9
Interest and other finance costs	27.1	0.6	3.7	–	–	31.4
Total expenditure	1,134.5	365.8	309.7	33.7	(37.2)	1,806.5
Surplus before other gains and losses	78.3	54.6	9.2	(0.5)	(78.2)	63.4
Gain on investments	253.7	26.5	1.8	47.1	78.0	407.1
Surplus before tax	332.0	81.1	11.0	46.6	(0.2)	470.5
Taxation	–	(0.2)	(3.9)	–	–	(4.1)
Surplus for the year	332.0	80.9	7.1	46.6	(0.2)	466.4
Actuarial gain/(loss)	(1.0)	–	27.3	–	–	26.3
Gain/(loss) arising on foreign currency translation	0.2	0.3	(0.4)	–	–	0.1
Acquisition of non-controlling interest	–	–	(0.5)	–	–	(0.5)
Total comprehensive income for the year	331.2	81.2	33.5	46.6	(0.2)	492.3
Represented by:						
Endowment comprehensive income for the year	183.7	0.6	–	28.3	(3.9)	208.7
Restricted comprehensive income for the year	49.1	–	–	0.4	–	49.5
Unrestricted comprehensive income for the year	98.4	80.6	* 33.5	17.9	3.7	234.1
	331.2	81.2	* 33.5	46.6	(0.2)	492.3

Note:

Figures marked * on this page and the next reflect adjustments where group accounting policies differ from those adopted by the individual segments:

- Software assets are included in fixed assets in the Academic University accounts, but in intangible assets in the group financial statements. Amortisation of intangible assets is included in other operating expenses.
- The UK operational properties of the Press are carried in the group financial statements on the same basis as those of the Academic University and Cambridge Assessment reflecting the 1 August 2014 valuation. An uplift has therefore been applied to the book values in the Press' own accounts, which has affected the depreciation charge.

Eliminations: income and expenditure

	Income £m	Expenditure £m	Investment gain £m
Transfer from Assessment to Academic University based on Assessment's results	(23.7)	(23.7)	–
Transfer from Press to Academic University based on Press's results	(3.1)	(3.1)	–
Grants and donations from Academic University to Cambridge Trust	(10.6)	(10.6)	–
University fee element of movement in accrued scholar payments	–	0.3	–
CUEF distribution from capital	(78.0)	–	78.0
Depreciation on asset included in Academic University and Assessment	–	(0.1)	–
	(115.4)	(37.2)	78.0

CONSOLIDATED BALANCE SHEET AS AT 31 JULY 2017

	Academic £m	Assessment £m	Press £m	Trusts £m	Elimination £m	Total £m
Non-current assets						
Intangible assets and goodwill	* 1.9	40.4	34.3	–	–	76.6
Fixed assets	* 2,141.8	295.4	* 68.0	0.1	(17.1)	2,488.2
Heritage assets	67.3	–	–	–	–	67.3
Investments	2,464.1	240.7	29.1	439.3	–	3,173.2
	4,675.1	576.5	131.4	439.4	(17.1)	5,805.3
Current assets						
Stocks and work in progress	1.7	–	47.9	–	–	49.6
Trade and other receivables	205.2	95.2	113.1	0.8	(34.4)	379.9
Investments	1,038.0	34.5	–	0.5	(728.2)	344.8
Cash and cash equivalents	214.1	27.9	34.0	9.7	(4.4)	281.3
	1,459.0	157.6	195.0	11.0	(767.0)	1,055.6
Creditors: amounts falling due within one year	(1,426.2)	(113.7)	(120.7)	(19.4)	784.0	(896.0)
Net current assets	32.8	43.9	74.3	(8.4)	17.0	159.6
Total assets less current liabilities	4,707.9	620.4	205.7	431.0	(0.1)	5,964.9
Creditors: amounts falling due after more than one year	(342.5)	(2.6)	(0.7)	(10.5)	–	(356.3)
Pension liabilities	(620.1)	(22.4)	(96.6)	–	–	(739.1)
Other retirement benefits liabilities	–	–	(22.4)	–	–	(22.4)
Total net assets	3,745.3	595.4	86.0	420.5	(0.1)	4,847.1
Restricted reserves						
Income and expenditure reserve - endowment	1,480.6	6.1	–	275.7	(34.5)	1,727.9
Income and expenditure reserve - restricted	84.6	–	–	0.9	–	85.5
Unrestricted reserves						
Income and expenditure reserve - unrestricted	2,180.1	589.3	* 86.0	143.9	34.4	3,033.7
Total reserves	3,745.3	595.4	* 86.0	420.5	(0.1)	4,847.1
Movement in net assets						
Net assets at 1 August 2016	3,414.1	514.2	52.5	373.9	0.1	4,354.8
Comprehensive income for the year ended 31 July 2017	331.2	81.2	33.5	46.6	(0.2)	492.3
Net assets at 31 July 2017 as above	3,745.3	595.4	86.0	420.5	(0.1)	4,847.1

Eliminations: balance sheet**Fixed assets**

Surplus recognised in Press on disposal of Edinburgh Building to Assessment	(12.8)
Part of Data Centre building included in Academic and Assessment	(4.3)
	(17.1)

Current assets

	Receivables	Investments	Cash equivalents	Total
Transfer from Assessment and Press to Academic based on their results	(26.8)	–	–	(26.8)
Other inter-segment balances	(7.6)	–	–	(7.6)
Investments held on behalf of associated bodies	–	(728.2)	(4.4)	(732.6)
	(34.4)	(728.2)	(4.4)	(767.0)

Current liabilities

As current assets above	767.0
University fee element of accrued scholar payments	17.0
	784.0

Endowment reserves

Special funds in Academic contributed by Press and Assessment	(34.5)
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Unrestricted reserves

Net assets eliminations as above	(0.1)
Special funds in Academic contributed by Press and Assessment	34.5
	34.4