Colleges

1. The Colleges in the University are:
Peterhouse, Clare College, Pembroke College, Gonville and Caius College, Trinity Hall, Corpus Christi College, King’s College, Queens’ College, St Catharine’s College, Jesus College, Christ’s College, St John’s College, Magdalene College, Trinity College, Emmanuel College, Sidney Sussex College, Downing College, Girton College, Newnham College, Selwyn College, Fitzwilliam College, Churchill College, Murray Edwards College, Darwin College, Wolfson College, Clare Hall, Robinson College, Lucy Cavendish College, St Edmund’s College, Hughes Hall, and Homerton College.

Approved Foundations

2. The University shall have power to recognize by Grace as an Approved Foundation any institution which is maintained within the Precincts of the University for the advancement of education, learning, and research and which
   (a) is incorporated or subsists under a trust instrument;
   (b) has provision in its charter, articles of association, memorandum of association, or trust instrument, as the case may be, for its government through a Committee of Management, Board of Trustees, Council, or similar body;
   (c) if it proposes to admit students or does admit students, has suitable provision for their education and discipline.

3. Further conditions under which an institution may receive and continue to enjoy recognition as an Approved Foundation shall be determined by Ordinance from time to time; provided that:
   (a) no Approved Foundation shall without its consent become subject to any conditions other than those under which recognition was first granted to it and
   (b) no Approved Foundation shall alter any provision in its charter, articles of association, memorandum of association, or trust instrument, as the case may be, unless it has given to the Council notice of the proposed alteration and either the University has granted its consent or the Council has announced that the proposed alteration does not affect the University or prejudice the interests of the University.

4. Any provision in any Statute or Ordinance affecting Colleges (unless excluded by Special Ordinance) applies to Approved Foundations.

5. The Council may refer any cause of concern or complaint relating to an Approved Foundation to the governing body of the Approved Foundation. If (in the opinion of the Council) the governing body of the Foundation refuses to take or fails to take within reasonable time such measures as the Council requires, the Council shall refer the matter to the Chancellor. A court composed of the Chancellor, or a deputy appointed by the Chancellor, and two assessors appointed by the Chancellor, shall then inquire into the matter may by the unanimous votes of all its members declare that recognition as an Approved Foundation is withdrawn from the institution concerned permanently or for a period.

Approved Societies

6. The University shall have power to recognize by Grace as an Approved Society any society which is maintained within the Precincts of the University for the advancement of education, learning, and research.

7. The conditions under which a society may receive, and continue to enjoy, recognition as an Approved Society shall be determined from time to time by Special Ordinance, provided that:
   (a) no society which proposes to admit or does admit students shall receive or continue to enjoy such recognition unless it makes suitable provision for their education and discipline and
   (b) no Approved Society shall alter any provision in its charter, articles of association, memorandum of association, trust instrument, scheme of government, or any other instrument prescribing the form of constitution of the society, unless it has given to the Council notice of the proposed alteration and either the
University has approved it by Grace or the Council have announced that the proposed alteration does not affect the University or prejudice the interests of the University.

8. Any provision of Statutes or Ordinance concerning Fellowship of a College, some office in a College, membership of a College, matriculation, residence, admission to and presentation for degrees, discipline, teaching or instruction on behalf of a College, and the obligations of Colleges in respect of Fellowships, shall be applicable as if the term ‘College’ included any Approved Society. Further such application may be made by Special Ordinance.

CHAPTER II

COLLEGE CONTRIBUTIONS AND THE COLLEGES FUND

1. Every College in the University shall make a yearly contribution, which shall be applied to the purposes hereinafter prescribed.

2. The following items shall constitute the assets of a College:
   (a) all property, real and personal of whatsoever nature, held by the College, or held in trust for the College;
   (b) all property held by the College or by or with any other trustee or trustees on trusts any of the purposes of which concerns the College;
   (c) all property held by a subsidiary of the College;
   (d) any business of the College, as defined in Section 4; and
   (e) (considered as assets of negative value) all liabilities of the College or of a subsidiary of the College,

   but the assets and liabilities relating to any occupational pension scheme registered for income tax purposes shall not be included in the assets of the College.

3. (a) The following assets of a College shall constitute its operational assets:
   (i) all interests in land within the precincts of the University held mainly for Collegiate purposes by the College;
   (ii) all tangible personal property held mainly for Collegiate purposes within that land; and
   (iii) any asset approved as an operational asset by the Finance Committee, having regard to the use of the asset for Collegiate purposes.

   (b) With the approval of the Finance Committee,
   (i) a vacancy or temporary use of an asset shall be disregarded; and
   (ii) a College may declare an asset to be non-operational.

   (c) For the purpose of this section,
   (i) a purpose is to be treated as beneficial notwithstanding that the beneficiary may make payment or give any other consideration for the benefit received;
   (ii) any matter ancillary to a Collegiate purpose shall be treated as included within that purpose; and
   (iii) where different parts of an asset are held for different purposes, those parts shall be treated as separate assets; and
   (iv) subject to the approval of the Finance Committee, a right held by a College to repayment of a loan made by it in connection with an interest in land may be treated as an interest in land within the scope of Subsection 3(a)(i); and
   (v) for the purpose of Subsection 3(a)(ii), the term ‘Collegiate purposes’ shall include purposes associated with a business of the College.

4. A business of a College shall mean any activity that involves the use of the operational assets of the College conducted or permitted by the College or by a subsidiary of the College with a view to deriving income other than from the College or its members, whether or not that activity falls within the charitable purposes of the College.

5. The assessable assets of a College shall comprise all of its assets except
   (a) its operational assets; and
   (b) assets held by the College or by or with any other trustee or trustees on trusts approved by the Finance Committee as being exclusively for non-Collegiate purposes.

6. The assessable amount of a College, in respect of any year, shall be the value of its assessable assets on the valuation date. The valuation date shall be the last day of the accounting period for the
preceding year. A change in the accounting period for a College shall require the approval of the Finance Committee.

7. In the case of a trust partly for Collegiate and partly for non-Collegiate purposes, the value of the assets of the trust in respect of any year shall be taken to be the value at the valuation date of the whole assets of the trust multiplied by the Collegiate distribution for the accounting period for that year divided by the income for that accounting period. For the purpose of this section, in relation to a trust,

(a) the Collegiate distribution for an accounting period means the amount applied from the trust during that period for Collegiate purposes or transferred from the trust to the College during that period, not including any amount approved as a capital distribution by the Finance Committee for the purpose of this section; and

(b) the income for an accounting period shall not include any additions to the trust during that period, and shall not include any gain of a capital nature during that period except to the extent that the computation of income of the trust is in accordance with a rule approved by the Finance Committee for the purpose of this section.

8. The value of a business of a College in respect of any year shall be derived from a notional operating surplus equal to the turnover of the business during the accounting period for that year multiplied by a defined percentage, which notional operating surplus is then capitalized for a yield of four per cent (or such other figure as may be determined by Ordinance). For the purpose of this section,

(a) turnover shall mean total revenue after deduction of Value Added Tax (or any similar deduction approved by the Finance Committee) and before any other deduction therefrom, but shall not include any revenue derived from the College or its members;

(b) the defined percentage shall be determined according to the nature of the business concerned and shall be such figure as the Finance Committee consider to be an appropriate estimate of the profit normally to be expected from a business of that nature, where profit means the turnover less the costs of the operation of the business, not including any costs relating to the operational assets of the College; and

(c) where a business involves the use of both operational assets and other assets of the College, an apportionment shall be made, by a method approved by the Finance Committee, to determine its value in relation to the use of operational assets only.

9. The Finance Committee shall make, and may vary from time to time, rules for the purposes of this chapter. Without prejudice to the generality of the foregoing, such rules may include provision for

(o) the valuation of assessable assets that are in use in part only as operational assets;

(b) the valuation of assets that are owned jointly by the College and some other person or persons;

(c) the submission of information and evidence by Colleges in connection with any matters concerning this chapter;

(d) the disregard of businesses of a specified nature and the reduction (whether for business of a specified nature, or in relation to income, or otherwise) of the profit percentage defined under Section 8;

(e) the set off of assets and liabilities between the College and a subsidiary of the College;

(f) the variation of the valuation date for certain classes of assets; and

(g) the certification of the value of assessable assets.

Such rules shall include provision for the disregard of a business established as a school for the supply of Choristers to the College.

10. The Finance Committee may obtain professional advice in connection with any matter concerning this chapter. The cost of such advice shall be paid from the Colleges Fund.

11. The Finance Committee may give written notice to a College of its intention to review the contribution payable by the College in respect of any year. Such notice shall specify the year in respect of which it is given, and shall be given not later than the end of the accounting year sixth after the accounting year for the year in respect of which it is given. But later notice may be given where the intention of the Finance Committee is based on facts of which it was previously unaware and could not reasonably have been aware. Any such later notice shall specify the facts on which it is based and shall be given not later than three months after the Finance Committee first became aware of those facts. No notice shall be given later than the end of the accounting year twelfth after the accounting year for the year in respect of which it is given. A notice given under this section may require the submission of such information and evidence as is specified in the notice in connection with any matter
concerning this chapter. A notice shall state a time by which any information and evidence specified in it, and any representations in relation to it, shall be received from the College.

12. After considering the information, evidence, and representations received from the College within the time stated in the notice (or within any extension of time allowed), the Finance Committee shall conduct its review and shall determine the contribution due from the College in respect of the year concerned. Such determination shall be binding and effectual for the purposes of this chapter, but may be varied by the Finance Committee after further review made on the application of the College. After conducting a review, the Finance Committee may require payment by the College to the Colleges Fund of all or any part of the costs incurred by the University in the review.

13. The Finance Committee may agree with a College the nature, valuation date or value of any of its assets. Such agreement may be unconditional or subject to such conditions as the Finance Committee may determine. Such agreement shall be terminable at will by the Finance Committee, provided that such termination shall not affect the contribution payable by a College in respect of any year the accounting period for which has then passed. An agreement may be made notwithstanding any conflict with rules made by the Finance Committee under this chapter.

14. In making rules under this chapter, and in agreeing with a College under Section 13 the nature, valuation date or value of any of its assets, the Finance Committee shall have regard to the desirability of achieving fair, reasonable, and administratively simple outcomes.

15. Any approval by the Finance Committee under this chapter may be given unconditionally or subject to such conditions as the Finance Committee may determine.

16. The contribution of a College shall be calculated in accordance with the provisions of the Schedule to this chapter.

17. Every College shall pay to the University on or before 31 December following the end of the accounting period for a year one-half of the contribution calculated for that year, and the remaining one-half on or before 30 June next following.

18. The contributions of the Colleges shall be paid into a Colleges Fund. Payments from the Colleges Fund shall be made in accordance with the provisions of this chapter and, in accordance with Ordinances enacted by the University, for grants to the Colleges. Such grants may include investment for the benefit of a College in an amalgamated fund constituted under Statute A II 6(b) subject to such restrictions as may be prescribed by Ordinance.

19. If in the opinion of the Finance Committee inequity or hardship owing to exceptional circumstances would be inflicted upon a College by the enforcement of the provisions of this chapter, the University shall have power to remit or defer payment of the whole or part of the contribution of the College in respect of any year.

20. If there is any dispute between the Finance Committee and a College concerning any matter in relation to this chapter, the question shall be decided by the Council. Any College affected by the decision of the Council may, within six months after notice of the decision, appeal to the Chancellor or, if the office of Chancellor is vacant, the High Steward, who may affirm, reverse, or vary the decision.

21. Where a College becomes aware of any error in the calculation of its contribution, it shall notify the Finance Committee, who shall determine what correction (if any) should be made.

22. Where a correction or other adjustment is made to the assessable amount of a College in respect of any past year, the Finance Committee shall notify all of the Colleges of the changes to be made in relation to that year. Each College shall account for such changes in the accounting period in which notification is given.

23. In the interpretation of this chapter:
   (a) holding, as regards property, means having (whether alone or with others) a legal or equitable interest in, possession of, or (where appropriate) occupation of the property, and held shall be interpreted accordingly;
   (b) the assets of a College shall have the meaning given by Section 2, and ownership by the College shall be interpreted accordingly;
   (c) Collegiate purposes shall include
      (i) any purpose beneficial to the Head, Fellows, officers or employees of the College (whether currently or formerly) as such;
      (ii) any purpose beneficial to resident members of the College as such;
(iii) any purpose directly conducive to operation of the College as a place of education, religion, learning, and research (or of any of those things); but shall not include
(iv) subject to the approval of the Finance Committee, any provision of benefits which are not granted by the College or by a subsidiary of the College; or
(v) any provision of benefits to persons not within the scope of (i) or (ii) above; and non-Collegiate purposes shall be construed accordingly;
(d) a subsidiary of a College shall include any company, trust or other corporate or unincorporated body which is owned or controlled by or on behalf of the College, and for this purpose ownership shall include entitlement, directly or indirectly, to the benefit of at least one-half of the property of the subsidiary and control shall include entitlement, directly or indirectly, to appoint, control or influence at least one-half of the persons having the general control and management of the administration of the subsidiary, but shall not include any company, trust or other body excluded from this definition with the approval of the Finance Committee;
(e) the accounting period for any year shall be the accounting period the last day of which falls in that year; and
(f) the Finance Committee shall mean the Finance Committee of the Council.

SCHEDULE TO STATUTE G II
The contributions of a College under Statute G II 16 shall be calculated according to the following rules:
Each year the total of the contributions of the Colleges shall equal the sum of the net payment for the year, as notified by the Finance Committee, from the Colleges Fund of the costs of the University under Statute G II 10 and 11 and £3,000,000 multiplied by the multiplier for that year.
The multiplier shall be equal to the ratio of the value of an index six months immediately preceding the valuation date to its value in July 2005, that index to be determined by the University reflecting general economic circumstances.
In each year the assessable amount of a College shall be divided into bands. The first band shall comprise the assessable amount of the College up to 1.25% of the sum of the assessable amounts of all the Colleges for that year. The second band shall comprise the assessable amount of the College between 1.25% of that sum and the average assessable amount of all the Colleges. The third band shall comprise the assessable amount of the College in excess of that average.
No contribution shall be payable on the first band. The rate of contribution payable on the third band shall be twice that payable on the second band.

CHAPTER III
ACCOUNTS
1. Every College shall close its accounts in each year on a day not earlier than 30 June and not later than 30 September, and shall have them audited by a qualified Auditor not being a member of the Governing Body.
2. There shall be an inter-Collegiate Committee on College Accounts composed of representatives of the several Colleges, to which each College shall be entitled to appoint one member.
It shall be the duty of the Committee
(a) to meet at least once a year;
(b) to consider the form of the Recommended Cambridge College Accounts, having regard to developments in accounting practice generally; and
(c) to make recommendations to the Finance Committee of the Council as it deems necessary for the amendment of the Recommended Cambridge College Accounts.
3. Except as provided by Section 6, every College shall when preparing its accounts:
(a) have regard to the Recommended Cambridge College Accounts as determined from time to time by the University on the recommendation of the Finance Committee of the Council, made after considering the advice of the Inter-Collegiate Committee on College Accounts; and
(b) give a true and fair view of the state of affairs of the College at the end of the financial year and of the income and expenditure of the College for the financial year.
4. Every College shall ensure:

(a) that the report of its Auditor includes an opinion that the accounts comply with Section 3 of this Statute and that the payment due under Statute G II has been calculated in accordance with the provisions therein; and

(b) that its accounts are submitted, together with the report of its Auditor, to the Registrary not later than 31 December next after their closing.

If an Auditor is unable to report that the accounts comply with Section 3 of this Statute and that the payment due under Statute G II has been calculated in accordance with the provisions therein, he or she shall state in writing the reasons for that, and the College shall send the statement to the Registrary.

5. Every College shall submit each year to the Registrary a return signed by its Auditor, in such form as shall be prescribed by the Finance Committee after consultation with the Inter-Collegiate Committee on College Accounts, showing the calculation of the payment due under Statute G II. The University shall publish annually the returns of the several Colleges and financial statements for the Colleges Fund.

6. The amendments of Statute G III and the repeal of Schedules D and E made by Grace 1 of 6 August 2003 shall have effect in respect of the accounts of each College for such year as the College shall specify by notice addressed to the Registrary and for each year thereafter; provided that a College which has not given such notice shall prepare its accounts in the form that was required by Statute G III on 1 October 2002, with such modifications relating to University contribution as may be approved by the Finance Committee. Such a College shall additionally submit to the Registrary a return signed by its Auditor, in such form as shall be prescribed by the Finance Committee, showing the calculation of the payment due under Statute G II.

CHAPTER IV

ACADEMIC OBLIGATIONS

Membership of a College

1. Save as may be determined by the Council in respect of a person or a class of persons, no College shall allow any person admitted for the purpose of study or research to remain a resident member of the College after the division of her or his first term of residence who is not either

(a) matriculated; or

(b) permitted by the Council, under such conditions (if any) as the Council may impose, to be matriculated in the latter half of that term, or in a later term; provided always that King’s College may as heretofore allow their Lay Clerks, Choristers, and Master over the Choristers to be members of the College although not matriculated or qualified to be matriculated.

2. The University may, in accordance with Statute E I 1 of the Statutes of Wolfson College, make Ordinances prescribing conditions subject to which the College may admit and present for degrees candidates for the degrees of Bachelor of Arts, Bachelor of Music, Bachelor of Education, and Bachelor of Theology for Ministry.

3. The University may, in accordance with Statute F I 1 of the Statutes of St Edmund’s College, make Ordinances prescribing conditions subject to which the College may admit and present for degrees candidates for the degrees of Bachelor of Arts, Bachelor of Music, and Bachelor of Theology for Ministry.

4. The University may, in accordance with Statute 39 of the Statutes of Lucy Cavendish College, make Ordinances prescribing conditions subject to which the College may admit and present for degrees candidates for the degrees of Bachelor of Arts, Bachelor of Music, Bachelor of Education, and Bachelor of Theology for Ministry.

5. The University may, in accordance with Statute IX 1 of the Statutes of Hughes Hall, make Ordinances prescribing conditions subject to which the College may admit and present for degrees candidates for the degrees of Bachelor of Arts, Bachelor of Music, Bachelor of Education, and Bachelor of Theology for Ministry.

Fellowships

6. Every College shall maintain Fellowships. Further provision may be made by Special Ordinance.

The words ‘first term of residence’ in this section shall, in their application to a woman, mean her first term of residence subsequent to 27 April 1948.