

APPENDIX F: CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2000

Statement of Responsibilities

The Chief Executive, through responsibility delegated by the Syndics (who are kept fully informed by the Chief Executive of the financial affairs of the Syndicate and Group) is required to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Syndicate and Group and of the surplus or deficit for that period. In preparing those financial statements the Chief Executive should:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable accounting conventions have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue to operate.

The Chief Executive has assumed responsibility for maintaining proper accounting records. He has also assumed responsibility for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Auditors, KPMG, to the Examinations Syndicate

We have audited the financial statements on pages 41 to 51, which have been prepared on the basis of the accounting policies set out on page 44.

Respective responsibilities of the Chief Executive and the auditors

The Chief Executive is responsible for preparing, as described above, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board, and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with applicable laws and accounting standards. We also report to you if, in our opinion, the Syndicate has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law is not disclosed.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's circumstances, consistently applied, and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Syndicate and of the Group as at 30 September 2000 and of the Group's income and expenditure for the year then ended.

KPMG
Chartered Accountants
Registered Auditors
37 Hills Road
Cambridge

22 December 2000

Consolidated Statement of Financial Activities for the Year ended 30 September 2000

	<i>Note</i>	<i>2000</i> <i>£m</i>	<i>1999</i> <i>£m</i>
Incoming Resources			
Examination fees	2	96.55	88.94
Other educational and assessment services		8.55	14.80
Investment income		4.50	3.81
Income from associated undertakings		0.01	–
Total Incoming Resources		<u>109.61</u>	<u>107.55</u>
Resources Expended			
Direct charitable expenditure:		<u>82.36</u>	<u>87.07</u>
Other expenditure:			
Management and administration costs		18.03	19.46
Marketing		1.65	1.32
Staff restructuring costs		0.81	0.19
Transfers to other University funds		3.77	3.80
		<u>24.26</u>	<u>24.77</u>
Total Resources Expended		<u>106.62</u>	<u>111.84</u>
Net Incoming/(Outgoing) Resources	4	2.99	(4.29)
Realized gain on Disposals		0.53	0.75
Unrealized gain on Investments		6.21	9.91
Funds held by West Midlands Examinations Board		–	1.37
Funds held by OCIAS		–	0.04
Net Movement in Funds		9.73	7.78
Fund Balance Brought Forward		<u>123.63</u>	<u>115.85</u>
Fund Balance Carried Forward		<u>133.36</u>	<u>123.63</u>

The net increase in funds for the period in UCLES was £9.21m. There is no difference between the Net Incoming Resources stated above and its historical cost equivalent.

The Group has no recognized gains or losses other than those included in the Consolidated Statement of Financial Activities. Therefore no separate statement of recognized gains and losses has been presented.

The fund balance carried forward of £133.36m includes £5.24m of restricted funds. The movements on the restricted funds are explained in note 11.

Balance Sheet as at 30 September 2000

	<i>Note</i>	<i>Group</i>		<i>UCLES</i>	
		<i>2000</i>	<i>1999</i>	<i>2000</i>	<i>1999</i>
		<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Fixed Assets					
Intangible fixed assets	5	4.40	5.01	–	–
Tangible fixed assets	6	27.18	28.92	16.27	17.72
Investments	7	82.01	78.99	94.71	92.11
		<u>113.59</u>	<u>112.92</u>	<u>110.98</u>	<u>109.83</u>
Current Assets					
Stock		0.88	0.89	0.38	0.36
Debtors	8	18.52	17.53	27.31	27.44
Short term deposits		17.12	12.11	0.62	–
Cash at bank and in hand		9.76	6.17	1.97	1.44
		<u>46.28</u>	<u>36.70</u>	<u>30.28</u>	<u>29.24</u>
Creditors: Amounts Falling Due within one year	9	<u>(25.75)</u>	<u>(24.43)</u>	<u>(21.00)</u>	<u>(27.17)</u>
Net Current Assets		<u>20.53</u>	<u>12.27</u>	<u>9.28</u>	<u>2.07</u>
Total Assets Less Current Liabilities		134.12	125.19	120.26	111.90
Provisions for liabilities and charges	10	<u>(0.76)</u>	<u>(1.56)</u>	<u>(0.71)</u>	<u>(1.56)</u>
Net Assets		<u>133.36</u>	<u>123.63</u>	<u>119.55</u>	<u>110.34</u>
Represented by:					
General Reserve	11	125.34	115.61	111.53	102.32
Restricted Funds	11	5.24	5.19	5.24	5.19
Designated Funds	11	2.78	2.83	2.78	2.83
		<u>133.36</u>	<u>123.63</u>	<u>119.55</u>	<u>110.34</u>

Approved by Syndics on 21 December 2000 and signed on their behalf by:

Prof. P. GODDARD, *Chairman of the Local Examinations Syndicate*

Dr M. P. HALSTEAD, *Chief Executive of the Local Examinations Syndicate*

Consolidated Cashflow Statement for the Year ended 30 September 2000

		<i>2000</i>		<i>1999</i>	
	<i>Note</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Net cash inflow/(outflow) from operating activities	12		6.25		(4.75)
Capital Expenditure and Financial Investment					
Payments to acquire tangible fixed assets		(1.13)		(5.78)	
Receipts from sales of tangible fixed assets		0.67		0.77	
Proceeds from sale of fixed asset investments		3.63		7.54	
Payments to acquire fixed asset investments		(0.57)		(3.93)	
			2.60		(1.40)
Acquisitions and Disposals					
Receipts from disposal of interest in associated undertakings		–		0.44	
			–		0.44
Cash inflow/(outflow) before use of liquid resources and financing			8.85		(5.71)
Management of liquid resources					
Net movement on money market deposits			(5.01)		3.59
Financing					
Repayment of loan			–		(2.21)
Increase/(Decrease) in cash in the period			3.84		(4.33)

*Notes to the Financial Statements for the Year ended 30 September 2000***1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Charities, applicable Accounting Standards in the United Kingdom and under the historical cost basis.

Basis of consolidation

The Group accounts incorporate the results of UCLES and its subsidiary and associated companies; associates have been accounted for in accordance with the equity method.

The accounting periods of associated undertakings are not coterminous with that of the parent undertaking but the effect is not material.

In the individual accounts of UCLES, the investments in the subsidiary companies are stated at cost less any permanent diminution in value.

Goodwill

Goodwill relating to investments made by the Group is amortized over ten years on a straight line basis, being its estimated useful economic life. Where there is a permanent diminution in the carrying value of goodwill, the loss is included in the results of the period.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward exchange contract. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the Statement of Financial Activities.

Results of overseas associates are translated into sterling at the average rate for the period. Gains or losses arising on the translation of the net assets of overseas associates less exchange differences arising on related foreign currency borrowings are taken to reserves.

Leases

Assets acquired under finance leases are included in tangible fixed assets and depreciated over the estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included in creditors.

All other leases are accounted for as 'operating leases' and the rental charges are charged to the Statement of Financial Activities on a straight line basis over the life of the lease.

Pensions

The four principal pension schemes for the Group's staff are funded defined benefit schemes. The Funds are valued every three years by professionally qualified independent actuaries, the rates of contribution payable being determined by the trustees on the advice of the actuaries. Pension costs are accounted for on the basis of charging the cost of providing pensions over the employees' service lives.

Depreciation

Depreciation is charged to write off the cost of fixed assets over their estimated useful lives:

Land and Buildings	2% per annum on a straight line basis;
Plant and Equipment, Furniture and Fittings	15–33% per annum on a straight line basis.

Research and development expenditure

Expenditure on research and development is written off in the year in which it is incurred.

Stocks

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

Taxation

UCLES is a constituent part of the University of Cambridge, which is an exempt charity. UCLES therefore claims exemption from Corporation Tax under the provisions of section 505 of the Income and Corporation Taxes Act 1988.

2. INCOMING RESOURCES

Examination fees income represents income from recognizing and certificating educational achievement.

3. STAFF COSTS

The average number of persons employed by the Group during the year was 1,490 (1999: 1,509). These were engaged directly on the Group's management, support, and administration functions.

Staff costs for the above persons comprise:	<i>2000 Group</i> <i>£m</i>	<i>1999 Group</i> <i>£m</i>
Salaries and wages	27.75	27.55
Social Security costs	2.10	2.11
Other pension costs (note 13)	1.69	2.04
	<u>31.54</u>	<u>31.70</u>

The 1999 figures have been restated to include the costs of temporary staff not previously reported.

Staff emoluments over £40,000:	<i>2000 Group</i> <i>No. staff</i>	<i>1999 Group</i> <i>No. staff</i>
£40,001 – £50,000	54	43
£50,001 – £60,000	12	11
£60,001 – £70,000	7	4
£70,001 – £80,000	3	–
£80,001 – £90,000	–	1
£90,001 – £100,000	1	2
£100,01 – £110,000	1	1

4. NET INCOMING RESOURCES

Net Incoming Resources is stated after charging:

	<i>2000 Group</i> <i>£m</i>	<i>1999 Group</i> <i>£m</i>
Auditors' remuneration – audit fee	0.08	0.08
– other services	0.33	0.40
Depreciation	2.44	2.72
Amortization of goodwill	0.61	0.61
Operating leases – Land and buildings	0.42	0.63
– Plant, machinery and equipment	0.40	0.50

5. INTANGIBLE FIXED ASSETS

	<i>Group</i> <i>£m</i>	<i>UCLES</i> <i>£m</i>
GOODWILL		
COST		
At 1 October 1999	6.08	–
	<u>6.08</u>	<u>–</u>
At 30 September 2000	6.08	–
	<u>6.08</u>	<u>–</u>
AMORTIZATION		
At 1 October 1999	1.07	–
Charge for period	0.61	–
	<u>1.68</u>	<u>–</u>
At 30 September 2000	1.68	–
	<u>1.68</u>	<u>–</u>
NET BOOK VALUE		
At 30 September 2000	4.40	–
	<u>4.40</u>	<u>–</u>
At 1 October 1999	5.01	–
	<u>5.01</u>	<u>–</u>

6. TANGIBLE FIXED ASSETS**GROUP**

	<i>Land and Buildings</i>			<i>Plant and Equipment, Furniture and Fittings</i>	<i>Total</i>
	<i>Freehold</i>	<i>Long Leasehold</i>	<i>Short Leasehold</i>		
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
COST					
At 1 October 1999	22.61	4.71	0.43	19.00	46.75
Additions	0.34	0.01	–	0.62	0.97
Disposals	–	–	(0.13)	(1.64)	(1.77)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2000	22.95	4.72	0.30	17.98	45.95
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION					
At 1 October 1999	1.71	0.89	0.08	15.15	17.83
Disposals	–	–	(0.02)	(1.48)	(1.50)
Charge for year	0.55	0.09	0.04	1.76	2.44
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2000	2.26	0.98	0.10	15.43	18.77
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
At 30 September 2000	20.69	3.74	0.20	2.55	27.18
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 1 October 1999	20.90	3.82	0.35	3.85	28.92
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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	<i>Land and Buildings</i>			<i>Plant and Equipment, Furniture and Fittings</i>	<i>Total</i>
	<i>Freehold</i>	<i>Long Leasehold</i>	<i>Short Leasehold</i>		
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
COST					
At 1 October 1999	16.17	–	0.43	14.72	31.32
Additions	0.11	–	–	0.35	0.46
Disposals	–	–	(0.13)	(0.89)	(1.02)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2000	16.28	–	0.30	14.18	30.76
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION					
At 1 October 1999	1.56	–	0.08	11.96	13.60
Disposals	–	–	(0.02)	(0.81)	(0.83)
Charge for year	0.41	–	0.04	1.27	1.72
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2000	1.97	–	0.10	12.42	14.49
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
At 30 September 2000	14.31	–	0.20	1.76	16.27
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 1 October 1999	14.61	–	0.35	2.76	17.72
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

7. FIXED ASSET INVESTMENTS**GROUP**

	<i>Investments at market value £m</i>	<i>Investments at cost £m</i>	<i>Investment Properties £m</i>	<i>Interest in Associated Undertakings £m</i>	<i>Total £m</i>
At 1 October 1999	77.56	0.01	1.32	0.10	78.99
Additions	0.25	–	0.18	0.01	0.44
Disposals	(3.63)	–	–	–	(3.63)
Increase in market value	6.21	–	–	–	6.21
At 30 September 2000	<u>80.39</u>	<u>0.01</u>	<u>1.50</u>	<u>0.11</u>	<u>82.01</u>

Investments at market value comprise Cambridge University Amalgamated Fund Units. The market value at 30 September 2000 is based on the estimated valuation as at that date provided by the University Finance Division. The interest in the associated undertaking is held by the RSA Examinations Board.

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	<i>Investments at market value £m</i>	<i>Investments at cost £m</i>	<i>Investment Properties £m</i>	<i>Loan to OCR £m</i>	<i>Investment in subsidiary undertakings £m</i>	<i>Total £m</i>
At 1 October 1999	75.73	0.01	1.32	15.00	0.05	92.11
Addition in year	–	–	0.18	–	–	0.18
Disposals	(3.63)	–	–	–	–	(3.63)
Increase in market value	6.05	–	–	–	–	6.05
At 30 September 2000	<u>78.15</u>	<u>0.01</u>	<u>1.50</u>	<u>15.00</u>	<u>0.05</u>	<u>94.71</u>

Investments at market value comprise Cambridge University Amalgamated Fund Units. The market value at 30 September 2000 is based on the estimated valuation as at that date provided by the University Finance Division.

The loan to OCR is unsecured and has no fixed repayment date. No interest has been charged in the year to 30 September 2000. The future interest rate on this loan has yet to be determined.

8. DEBTORS

	<i>Group</i>		<i>UCLES</i>	
	<i>2000 £m</i>	<i>1999 £m</i>	<i>2000 £m</i>	<i>1999 £m</i>
Fee debtors	11.41	9.66	8.16	6.79
Amounts owed by Group undertakings	–	–	14.48	15.84
Other debtors	1.37	2.54	1.02	1.34
Prepayments and accrued income	5.74	5.33	3.65	3.47
	<u>18.52</u>	<u>17.53</u>	<u>27.31</u>	<u>27.44</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<i>Group</i>		<i>UCLES</i>	
	<i>2000</i>	<i>1999</i>	<i>2000</i>	<i>1999</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Bank loans and overdrafts	0.67	0.92	0.81	9.16
Trade creditors	4.20	5.89	2.56	3.80
Amounts due to Group undertakings	–	–	0.93	0.94
Amounts due to associated undertakings	0.07	0.07	–	–
Other taxes and social security	3.64	4.29	0.98	1.02
Other creditors	1.24	1.40	1.12	1.05
Accruals and deferred income	15.93	11.86	14.60	11.20
	<u>25.75</u>	<u>24.43</u>	<u>21.00</u>	<u>27.17</u>

10. PROVISIONS FOR LIABILITIES AND CHARGES***GROUP***

	<i>Restructuring</i>		<i>Total</i>
	<i>Costs</i>	<i>Other</i>	
	<i>£m</i>	<i>£m</i>	<i>£m</i>
At 1 October 1999	1.18	0.38	1.56
Charges in the year	–	0.47	0.47
Utilized in the year	(1.05)	(0.09)	(1.14)
Transfer to reserves	(0.13)	–	(0.13)
At 30 September 2000	<u>–</u>	<u>0.76</u>	<u>0.76</u>

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	<i>Restructuring</i>		<i>Total</i>
	<i>Costs</i>	<i>Other</i>	
	<i>£m</i>	<i>£m</i>	<i>£m</i>
At 1 October 1999	1.18	0.38	1.56
Charges in the year	–	0.42	0.42
Utilized in the year	(1.05)	(0.09)	(1.14)
Transfer to reserves	(0.13)	–	(0.13)
At 30 September 2000	<u>–</u>	<u>0.71</u>	<u>0.71</u>

The provision for restructuring costs covered costs arising as a consequence of the reorganization of the UCLES Group which was taking place at 30 September 1999.

Other provisions were made in respect of buildings work, property related claims, and legal fees.

11. FUNDS**GROUP**

	<i>At 1 Oct. 1999 £m</i>	<i>Financial Activities £m</i>	<i>Transfers £m</i>	<i>At 30 Sept. 2000 £m</i>
General Reserve	115.61	9.45	0.28	125.34
Restricted Funds:				
EMREB Fund	5.19	0.33	(0.28)	5.24
Designated Funds:				
China Fund	2.47	(0.08)	–	2.39
Benevolent and Scholarship Funds	0.36	0.03	–	0.39
	<u>2.83</u>	<u>(0.05)</u>	<u>–</u>	<u>2.78</u>
Total	<u>123.63</u>	<u>9.73</u>	<u>–</u>	<u>133.36</u>

UCLES

	<i>At 1 Oct. 1999 £m</i>	<i>Financial Activities £m</i>	<i>Transfers £m</i>	<i>At 30 Sept. 2000 £m</i>
General Reserve	102.32	8.93	0.28	111.53
Restricted Funds:				
EMREB Fund	5.19	0.33	(0.28)	5.24
Designated Funds:				
China Fund	2.47	(0.08)	–	2.39
Benevolent and Scholarship Funds	0.36	0.03	–	0.39
	<u>2.83</u>	<u>(0.05)</u>	<u>–</u>	<u>2.78</u>
Total	<u>110.34</u>	<u>9.21</u>	<u>–</u>	<u>119.55</u>

The designated funds are unrestricted as defined by the Statement of Recommended Practice, Accounting for Charities.

12. NOTES TO CONSOLIDATED CASHFLOW STATEMENT**(a) Reconciliation of changes in resources to net cash inflow/(outflow) from operating activities**

	<i>2000 £m</i>	<i>1999 £m</i>
Net incoming/(outgoing) resources	2.99	(4.29)
Depreciation of tangible fixed assets	2.44	2.72
Amortization of goodwill	0.61	0.61
Surplus on disposal of tangible fixed assets	(0.03)	(0.01)
Movements in provisions	(0.80)	(2.61)
Increase in creditors	1.88	0.21
Increase in debtors	(0.84)	(1.56)
Decrease in stock	0.01	0.18
Share of profit in associates	(0.01)	–
Net cash inflow/(outflow) from operating activities	<u>6.25</u>	<u>(4.75)</u>

12. NOTES TO CONSOLIDATED CASHFLOW STATEMENT (continued)**(b) Reconciliation of net cash flow to movement in net funds**

	<i>2000</i>	<i>1999</i>
	<i>£m</i>	<i>£m</i>
Increase/(decrease) in cash in the period	3.84	(4.33)
Cash (inflow)/outflow from (decrease)/increase in money market deposits	5.01	(3.59)
Cash outflow from repayment of loan	–	2.21
	<hr/>	<hr/>
Change in net funds resulting from cashflows	8.85	(5.71)
Net funds at 1 October 1999	17.28	22.99
	<hr/>	<hr/>
Net funds at 30 September 2000	26.13	17.28
	<hr/>	<hr/>

(c) Analysis of change in net funds

	<i>At</i>		<i>At</i>
	<i>1 Oct.</i>	<i>Cash</i>	<i>30 Sept.</i>
	<i>1999</i>	<i>flows</i>	<i>2000</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>
Cash at bank and in hand	6.17	3.59	9.76
Overdrafts	(0.92)	0.25	(0.67)
	<hr/>	<hr/>	<hr/>
	5.25	3.84	9.09
Debt due within one year	(0.08)	–	(0.08)
Money market deposits	12.11	5.01	17.12
	<hr/>	<hr/>	<hr/>
Total	17.28	8.85	26.13
	<hr/>	<hr/>	<hr/>

13. PENSION COSTS

The Group operates four defined benefit pension schemes. The assets of the schemes are held in separate trustee-administered funds. The pension costs are assessed using the projected unit method.

Each scheme is valued every three years by professionally qualified independent actuaries, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

The assumptions and other data which have the most significant effect on the results of the valuation are as follows:

	<i>USS</i>	<i>CPS</i>	<i>RSAEB</i>	<i>WMPF</i>
	<i>Mar. 1999</i>	<i>Jul. 1997</i>	<i>Oct. 1999</i>	<i>Mar. 1998</i>
Latest actuarial valuations				
Investment returns per annum	8.5%	9.0%	8%	9%
Salary scale increases per annum	6.5%	7.0%	6%	6.5%
Pension increases per annum	5.0%	6.0%	3%	4.5%
Market value of assets at date of last valuation	£18,815m	£212m	£3.4m	£4,174m
Funding level	108%	139%	115%	94%

The total pension cost for the Group was £1.99m (1999: £2.85m).

14. OPERATING LEASES

At 30 September 2000 the Group had annual commitments under non-cancellable operating leases as follows:

	<i>Group</i>		<i>UCLES</i>	
	<i>2000</i>	<i>1999</i>	<i>2000</i>	<i>1999</i>
Amounts payable under operating leases which fall due in the next financial year:	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Land and Buildings, commitments expiring:				
In 1 year	–	0.08	–	0.03
Between 2 and 5 years	0.23	0.17	0.12	0.07
After 5 years	0.08	0.05	–	–
Plant, machinery and equipment, commitments expiring:				
In 1 year	0.02	0.19	–	0.16
Between 2 and 5 years	0.18	0.16	0.02	0.03
After 5 years	0.02	–	0.02	–
	<u>0.53</u>	<u>0.65</u>	<u>0.16</u>	<u>0.29</u>

15. RELATED PARTY TRANSACTIONS

The Group has taken advantage of the exemption in Financial Reporting Standard 8 not to disclose transactions or balances with entities which form part of the Group (or investees of the Group qualifying as related parties).

During the year the Group entered into transactions with Cambridge University Press (CUP), a fellow Syndicate of the University of Cambridge, as follows: purchase of printing services £0.40m; sale of equipment £0.16m; purchase of consultancy services £0.06m; receipt of royalties £0.14m.

At 30 September 2000 a balance of £0.13m was due from CUP.

16. SUBSIDIARIES AND ASSOCIATED COMPANIES**Associated undertakings:**

<i>Name of associated undertaking</i>	<i>Country of registration and operation</i>	<i>Class of share</i>	<i>Proportion held</i>	<i>Nature of business</i>
RSA Examinations Board (Middle East) LLC	Oman	Ordinary	49.00%	Examination services

The above Company has an accounting reference date of 31 December.

Subsidiary undertakings:

<i>Name of subsidiary undertaking</i>	<i>Country of registration and operation</i>	<i>Class of share</i>	<i>Proportion held</i>	<i>Nature of business</i>	<i>Note</i>
OCR	England	Member	100%	Examination and assessment services	1
RSA Examinations Board The West Midlands	England	Member	100%	Assessment services	1
Examinations Board	England	Member	100%	Examination services	2
Progress House Printers Ltd	England	Ordinary	100%	Printing	3
CUAPTS Limited	Hong Kong	Ordinary	100%	Assessment services	3
OCIAS Limited	England	Ordinary	100%	Assessment services	3

All of the subsidiary undertakings have been included in the consolidation.

Note

- 1 Companies Limited by Guarantee and Exempt Charities.
- 2 Company Limited by Guarantee and a Registered Charity.
- 3 Companies having Share Capital.

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Editorial

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