

Murray Edwards College

Annual Report and Financial Statements

2021–22





Administrative details

Address

Murray Edwards College,
New Hall, Huntingdon Road,
Cambridge, CB3 0DF

Charity registration number

1137530

Senior officers

President	Ms Dorothy Byrne (from 1 September 2021)
	Dame Barbara Stocking DBE (to 31 August 2021)
Vice-President	Dr Rachel Polonsky
Bursar	Mr Robert Hopwood
Senior Tutor	Dr Michele Gemelos

Senior management

Dame Barbara Stocking concluded her term as President on 31 August 2021. Ms Dorothy Byrne was elected President of the College and took up office on 1 September 2021.

Principal advisors

Auditors (external)	Critchleys Audit LLP Beaver House, 23–28 Hythe Bridge Street, Oxford, OX1 2EP
Bankers	Barclays Bank PLC Abacus House, Castle Park, Castle Hill, Cambridge, CB3 0AN
Investment Managers	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET
	Cambridge University Endowment Fund 30 Station Road, Cambridge, CB1 2RE
Legal Advisers	Mills & Reeve LLP Botanic House, 100 Hills Road, Cambridge, CB2 1PH
	Taylor Vinters LLP Merlin Place, Milton Road, Cambridge, CB4 0DP

Trustees of the charity Council members

President Ms Dorothy Byrne
(from 1 September 2021)

Vice-President Dr Rachel Polonsky

Bursar Mr Robert Hopwood

Senior Tutor Dr Michele Gemelos

Dr D Alexopoulou (appointed 1 October 2022)

Dr P Filippucci

Dr L Hamlett (appointed 1 October 2022)

Professor M Herzog
(appointed 1 October 2022)

Dr R Leow (re-appointed 1 October 2021)

Professor S Morris (appointed 1 October 2022)

Dr M Moussa (appointed 1 October 2022)

Dr S Turenne (appointed 1 October 2022)

Dr J Turner (appointed 1 October 2022)

Ms R Cline (appointed 9 May 2022)

Other trustees during the financial year were:

Dr J Bavidge (retired 30 September 2022)

Ms F Duffy (retired 8 July 2022)

Dr S Haines (retired 15 July 2022)

Ms D Ilkye (retired 30 July 2022)

Dr C Lee (retired 30 September 2022)

Dr R Less (retired 30 September 2022)

Dr G Maguire (retired 30 September 2021)

Dr E Pesaran (retired 30 September 2022)

Dr K Peters (retired 30 September 2021)

Dr A Piotrowski (retired 30 September 2022)

Ms M Sachdeva-Mason (retired 8 May 2022)

Dame Barbara Stocking DBE
(retired 31 August 2021)

As of 30 June 2022, the College comprised the President, 63 Governing Body Fellows, 31 Bye-Fellows, 372 undergraduate students and 37 clinical medical and veterinary students in respect of whom undergraduate fees were received, 223 registered postgraduate students and 91 full time equivalent permanent professional services staff.

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Year in Review



President's Introduction

This has been an outstanding year in the history of the College.

We emerged from Covid restrictions and the normal lives of our students, Fellows and Professional Staff resumed successfully. As the Bursar reports, the College also survived Covid's economic disruption in a financially robust condition. At the same time, we received £1.6million in donations, a much higher amount than has been the norm in recent years. We go forward confidently as an institution.

This was my first year as President and it has been a busy and constructive time. A review of the delivery of our core purposes – the academic performance and personal wellbeing of our students – has resulted in a number of significant innovations. We have employed the first Head of Access and Student Recruitment of any Cambridge College and created the new full-time post of Director of Student Development to implement an enhanced Gateway programme offering unrivalled academic and personal support. A major donation has enabled us to develop a new Wellbeing Service which will not only help students with problems but offer all students a positive programme to boost wellbeing and resilience.

We are proud to be one of the Colleges which has accepted students for the new free and fully-funded Foundation Year Programme which offers a stepping stone to Cambridge undergraduate study for those who have experienced educational disadvantage. We are very pleased to report that we have just admitted the highest percentage of students from geographical areas of multiple deprivations in the history of the College – 26.9%. And despite the difficulties of studying and sitting

exams during the pandemic, 89% of our students gained good final degrees, classed as First or a 2.1.

We have also improved our buildings, opening a new three-storey café with a roof terrace overlooking the iconic Fountain Court, which is already popular with students, but which will also help attract hospitality and conference business. We received very favourable publicity when we re-launched our famous art collection, the biggest collection of women's art in Europe, at the London Art Fair, where we were Partner Museum. We are now appropriately named The Women's Art Collection and we have seen visitor numbers rise as a result.

As we look forward to the future, we have restated our key purposes to guide us. An outline new College Strategy has been agreed by Governing Body and detailed written strategies are now underway.

We thank our students, fellows and professional teams for all their hard work during the year and our alumnae, donors and other supporters for all they have done for us ☆



Dorothy Byrne
President

From the Bursar

As this report shows, our College is more active, more outward-looking and more determined than ever before to deliver the benefits of a first-class Cambridge University education to brilliant young women, wherever they come from.

The President has remarked upon a number of exciting, necessary and innovative initiatives the College is undertaking, including raising awareness of Murray Edwards, its work and what it stands for to help underpin all that we do and invest in.

Above all, people are what matter. People, talent and resources form a crucial part of supporting the delivery of our mission and we are taking a closer, fresher look at how we do business, and what we do and do not invest in.

We are investing heavily in professional expertise and experience, and reviewing our ways of working. This will mean a significant drive on income generation, be it from philanthropic or other, external sources. The success of these teams is crucial if we are to secure the resources we need to deliver the significant benefits we know our community and the wider public need and deserve.

We are investing in and transforming our facilities, which have grown significantly in size recently. The College now controls the whole of its main site and with the commissioning of Paula Browne House, this was the first full year we were able to benefit from additional en-suite accommodation and conference facilities, together with a modern 150-seat lecture theatre, teaching spaces and well-appointed administrative offices. We began a capital project to transform our student bar into our Art Café, which will display significant pieces from our unique Women's Art Collection, the largest in Europe. We prepared to welcome Foundation year students, adding more accommodation in Orchard Court, part of the rich history of the College and the

estate once lived in by Emma Wedgwood, wife of Charles Darwin and subsequent members of the Darwin family. We were also pleased to welcome a record number of postgraduates.

Delivering our mission also means careful and occasionally bold stewardship of our finances. The College took some difficult decisions to weather the pandemic and our finances have proven resilient through an immensely tough time as a result. Our operations have been agile – necessarily so, given the significant financial and operating headwinds. Our income has held up too. Academic fees as well as good performance on investment income have helped offset the difficulty of restoring conference income to pre-pandemic levels. And once again, our spend has been carefully controlled.

The College is no longer substantially levered in debt terms and its financial position remains sound. On the metric of Endowment per student, the College takes its full and proper place among Colleges in Cambridge. While there is, of course, more to do and investment values fell at the year end, we have seen solid growth and strengthening of our capital over the last five years.

The College is mobilising its human, physical and financial capital to greater effect. This report is a tribute to all those who are making it happen, to our brilliant students, past and present, to our professional services teams, to our distinguished Fellows, and to our many friends who give so generously ☆



Rob Hopwood
Bursar

Strategic Vision

Murray Edwards College is a unique higher education institution for women and this year the Governing Body has restated our vision and purpose in three simple sentences:

- We exist proudly as a women's college which empowers students to be confident, successful and happy human beings.
- We offer outstanding young women from all backgrounds an academically excellent Cambridge University education in a stimulating and supportive environment.
- We actively seek students from diverse backgrounds, particularly those from underrepresented groups.

Over the course of this year, we are rolling out challenging strategic five-year plans for every function of the College based on priorities the Governing Body has set down.

At the core of what we do is the brilliant education we offer. We describe later in this document some of our strategies for ensuring that we maintain and raise the academic performance of our students. At the same time, we are committed to helping Cambridge University in its strategic goal of widening participation to include underrepresented and disadvantaged groups. We have created a new college structure to enable us to reach out more effectively to school students from these groups and to support them on entry. You will read about these new structures here. This outreach work will not necessarily bring swift results; successful outreach work requires sustained and systematic work in schools over years. We have transformed our communications strategy to put increased recruitment of school students from underrepresented and disadvantaged groups at its heart.

Our students tell us that Murray Edwards is a supportive and welcoming environment which truly is a 'home' for them. Unlike some other colleges where students are not permitted even to walk on the grass, our grounds are our students' 'back garden' where they can lie on the grass, pick the flowers and grow their own vegetables. They live in an iconic Grade II* Listed building, surrounded by the beautiful works of the Women's Art Collection. But we cannot ignore the extraordinary pressures young women face today. A series of recent studies has revealed the huge increase in the percentage of anxiety, depression, and other mental health problems among young women of student age. We give just one shocking statistic later. Therefore, in our new strategy, and thanks to a generous £1 million donation from philanthropists Christina and Peter Dawson, we have prioritised mental health, bringing in a significantly enhanced new wellbeing service for all students. We are developing a new strategy we are calling 'College Life' which examines all aspects of what we do to ensure that the health and happiness of our students guides each function and activity, including catering, gardens, sports activities, library provision, the physical environment and many others.

We are committed to thinking about the future as well as the present. We have established the College's first Net Zero Committee which is examining the environmental sustainability of every element of the way we live, including facing the huge issues raised by being housed in a 1960s building, designed when energy efficiency was not the first priority. Under our new strategy, we are creating a programme of environmental education so that every



student leaving us has the knowledge to become a champion of environmental sustainability in whatever field she enters.

Underpinning our aims is a new strategy for income generation. We have carried out a restructure of our hospitality and conference function and are reviewing the structure of our fundraising team. As we look ahead to a new fundraising campaign, we are ensuring clarity in our priorities for funds.

To achieve all this, we rely on our hard-working professional services teams. We are working with them on improved consultation and communication and rolling out diversity training for all staff as part of our policies on mutual respect.

A review of our governance structures is underway as part of our strategic emphasis on ensuring that every aspect of what we do is directed towards achieving our charitable purposes ☆

Widening Participation

Murray Edwards College was founded to give an underrepresented group of school students the opportunity of a Cambridge University education. That was nearly 70 years ago and the underrepresented group was women.

Back in 1954, there were only two colleges which admitted women to Cambridge. When Murray Edwards was established, it not only offered more women the chance of a great education, but it also reached out to groups who would not normally have been in a position to apply. Back then, most applicants to Cambridge or Oxford stayed on at school for a third year and were given special tuition to prepare them for an elitist entry system with a special exam. It was impossible for most girls at state schools to do this so our College set a very different sort of test. Our prospective students were asked to write essays such as ‘What is water?’ which were designed to test whether they were interesting and innovative thinkers, thus giving opportunities to more than the fortunate few who could afford to stay on at school for a third year.

Today, the elitist Cambridge entrance exam has been scrapped. Women comprise 52% of the university’s undergraduates – although there is still evidence that girls and women benefit from some of their education being in a single sex environment such as ours. However, there are many other underrepresented groups at Cambridge. 93% of UK pupils go to state schools but the proportion of state school pupils at Cambridge is significantly below that. Particular groups are underrepresented, especially those from disadvantaged backgrounds and some cultural and ethnic minority groups. The principles

which were there at our foundation guide us still and we want to do our best to encourage students with the aptitude and abilities to apply. This year, 74% of our freshers came from state schools and a record 26.9% came from geographical areas of multiple deprivations. We don’t yet have the figures for the percentage of freshers who are women of colour but last year it was a quarter of our UK students.

To reach out more effectively to schools, we have become the first Cambridge College to employ a full-time Head of Access and Student Recruitment. Matt Diston has years of professional experience in outreach to school students, including nine years at the University of Cambridge’s Admissions office working mainly in Widening Participation, before moving into the third sector and delivering access and social mobility programmes across the country. Matt is working on a transformational plan for our work, as well as growing our Access and Student Recruitment team and capabilities. This includes a new full-time Digital Communications Officer, to enable us to reach and better support more school students through social media and a new College website. We are establishing a new Student Ambassador Scheme that links with Gateway, and thanks to donations from alumnae we are running some innovative programmes, such as special workshops in North London led by both Fellows and some of our own students. We are also examining new potential partnerships. This is an exciting area of our activities and our own students from underrepresented groups are helping us ☆



Supporting Academic Excellence

Our College results are very good – 89% of our students were awarded either a First or 2.1 in their finals this year and their achievements came after two years of Covid disruption. They were proud and so were we.

As part of our new strategy, we have set up an Academic Performance Data Working Group to ensure we are using the correct metrics to review and analyse academic performance and make any appropriate interventions. Central to this work is devising tools to assess what in secondary education is known as ‘value added’; we want to be able to analyse in a statistically valid way the progress of students from entry through to their final results. There is no Cambridge-wide set of metrics to assess this. This is innovative work which we hope will be of benefit beyond our own College.

As a College, we have set as a priority reaching out to students from historically underrepresented ethnic minorities and disadvantaged backgrounds. In all, 74% of our UK freshers this year came from state schools and 26.9% of our UK freshers came from geographical areas of multiple deprivations. We don’t yet have statistics for ethnicity for this year, but last year, around a quarter of our students were members of ethnic minority groups. There is evidence, both in terms of qualitative research and from direct reports from students and academics that students from underserved groups benefit from extra support as they can struggle, particularly in the first year, when it comes to engagement with supervision teaching. The personalised nature of supervisions

is a major factor in students’ decisions to apply to Cambridge, but to get the most out of this dynamic mode of teaching and learning, students need the confidence to engage in independent research and to adapt to new writing styles – the type of training that is provided in some of the nation’s more prestigious secondary schools.

For this reason, we have extended the innovative Gateway Programme which offers all our students academic and research skill workshops, personal development sessions and advice in professional and careers development. All our students benefit from the Gateway Programme, which is run by Dr Gavin Stevenson, himself from non-traditional background but who went on to excel at Cambridge, gaining a First and going on to do a PhD here. We are also working with the charity The Bridging Project which has matched up a number of our eligible students with coaches who will offer individualised feedback on their approaches to their studies throughout their first year. We have exciting plans to increase this work, co-operating with partner organisations in innovative programmes. We are assessing all this work to ascertain effectiveness ☆



Dr Michele Gemelos
Senior Tutor

Wellbeing

At universities across the UK, there has been a significant increase in student demand for help with mental health problems, including anxiety and depression. Cambridge University has carried out a major review which has resulted in an enhanced provision in mental health services. Here at Murray Edwards, we are especially aware of the issues facing young women. A major recent study published in the British Journal of Psychiatry reported that between 2008 and 2018 there was a nearly four-fold increase in generalised anxiety disorder among women aged 18–24 – the figure rose to 30%. It's disturbing to realise that such problems are being reported in almost a third of young women, especially when one notes that this was before the added stress of Covid. We are also aware of the specific challenges that a Cambridge University education can present in terms of workload and time management.

So, we are delighted to say that, thanks to a very generous £1 million donation from the philanthropists Christina and Peter Dawson, we are developing a major new wellbeing service at the College. The service will be led by Dr Susan Imrie



Dr Susan Imrie, the newly appointed Head of Wellbeing will work with the wider welfare team that includes our college nurse and counsellor and College tutors to ensure students with problems are directed towards the appropriate help.

in the newly created post of Head of Wellbeing. Dr Imrie is a developmental psychologist who was most recently Lecturer in Psychology at University College London. In 2017, she completed a PhD in Psychology at the University of Cambridge Centre for Family Research. She then served as University Lecturer in Psychology, Amy Whiteley Research Fellow at Newnham and a Wellcome Trust Postdoctoral Research Associate at the Centre, where she remains a Visiting Researcher. She also has practical experience in the field. She will work with the wider welfare team that includes our college nurse and counsellor and College tutors to ensure students with problems are directed towards the appropriate help.

But the new Wellbeing Service is for all students. Dr Imrie will co-ordinate a positive programme of workshops on topics such as sleep hygiene, eating well, developing resilience and managing pressure to help equip students with the tools to deal with the pressures of university life and young adulthood. Wellbeing will be placed at the heart of all aspects of college life, with wellbeing activities in the gardens, greater emphasis on the contribution to mental health of sport and physical activities and a relaxing new café in the heart of the building.

The excellence of our new wellbeing provision will enable us to be a centre for innovative thinking about solutions. We are therefore establishing The Murray Edwards Policy Centre for the Wellbeing of Young Women and Girls. We will bring together leading academics from Cambridge and beyond, as well as policymakers, practitioners and others to debate and discuss the latest ideas for tackling the problems ☆

The Women's Art Collection

Exactly thirty years ago, the then College President Valerie Pearl had a brilliant idea. She wrote to nearly fifty leading women artists and asked them if they would consider donating a work to the collection to inspire our students. It was an inspired idea and artists responded enthusiastically. Among those to give a work, and sometimes more than one, were Maggi Hambling, Dame Paula Rego, Eileen Cooper, Gillian Ayres, Lubaina Himid, Dame Elisabeth Frink and Dame Barbara Hepworth. Thus was the Women's Art Collection born. Today we hold over 600 works. It is now the largest collection of art by women in Europe, and the second largest in the world.

Most art collections were begun by one man and reflect that man's tastes

and interests. What is great about our collection is that it reflects the ideas and perspectives of hundreds of women. Many artists have depicted themselves or another woman, always portraying a different idea. Each artist has defined for herself what a woman is. This fits completely with the ethos of our College where we encourage each student to define for herself what she wants to be.

The art is not shown in a gallery but all over the College. As students move around, the images are everywhere; even as they move in and out of kitchens or make their way up the stairs in their halls of residence, they see original art all about them. The whole College is a living art gallery, a unique concept. We were excited this term to open The Art Café in the heart of the College. Both our own community and, as we welcome





❶ Tiffanie Delune's *No More Battlefields, Only Flowers* (2021), mixed Media On Paper

❷ Mayfield Primary School, Cambridge: Student creation after their visit to the College

❸ Anya Paintsil's *Blodeuwedd* (2022), acrylic, wool, alpaca and mohair, synthetic and human hair on hessian



all to visit the collection, members of the public can now enjoy a coffee and pastry as they sit looking over Fountain Court. Now that Covid restrictions have eased, we have been delighted to welcome local school children too.

This year has seen the collection transition to a new phase. First, we were the Partner Museum at the London Art Fair. To coincide with this great honour, we carried out a survey of how much art by women is held in the major public galleries of the UK. Of course, in our collection, art by women makes up 100% of the works. In the National Gallery it is just 1%. That figure shocked people and our findings gained major national publicity. We even offered to lend the National Gallery some works. We found that on average just 7% of works in major public galleries were by women.

However, we also admit we have issues of our own. Around a quarter of our

students are women of colour but at the start of this year we realised only about 5% of works were by women of colour. We have made changing that balance a major priority but, as we don't have an acquisitions budget, this is no easy task. We are therefore particularly grateful to those who have donated works. Ron Dennis kindly gave us one of the works most admired at the London Art Fair *No More Battlefields, Only Flowers* by Tiffanie Delune (2021). The work is an arresting image of Tiffanie's father who was born to a Congolese child raped at the age of twelve by a Belgian colonialist. His beginnings were tragic but Tiffanie's work is positive, portraying how he came to find happiness in his life. Over time, and with the generous help of supporters, we hope that the collection will become truly representative of our student population and properly reflect the original intention that it should inspire all students ☆

Financial Review



The College: Foundation, Charter and Statutes

The College was founded on 11 March 1954 as an unincorporated association to promote a foundation for women in the University of Cambridge. It was incorporated as New Hall, Cambridge, a company limited by guarantee, on 20 April 1954. On 3 November 1965, the University granted recognition to New Hall as an approved foundation within the University. A Royal charter of incorporation in the name of ‘The President and Fellows of New Hall in the University of Cambridge’ was granted on 28 June 1972. College Statutes provide for the constitution and government of the College including the membership and responsibilities of the Governing Body and the College Council.

In June 2008, the College announced a donation of £30m from Ros Smith (New Hall 1981) and Steve Edwards. The donation was made with the purpose of permanently endowing the College to enable it to pursue its objects of learning, education and research as an independent institution within the University of Cambridge. The income from this transformational endowment also enhanced specific areas including widening access and participation, supporting early career stage academics, improving conditions for College teaching officers, employing a full-time schools’ liaison officer and initiating the Gateway Programme of study skills and professional development for students.

On 14 June 2011, a Supplemental Charter was granted by HM the Queen, changing of the name to ‘The President and Fellows of Murray Edwards College, founded as New Hall, in the University of Cambridge’. The name honours in perpetuity both the first President, Dame Rosemary Murray, and the Edwards family.

The College’s Statutes were amended to reflect more modern business practices and to allow more flexibility in conducting College business. The amended Statutes were approved by Her Majesty the Queen Elizabeth II in Council at Windsor Castle on 16 February 2022.

Public benefit

The Trustees have regard to the Charity Commission’s guidance on public benefit when exercising powers and duties to which the guidance is relevant. The Trustees are assisted in this duty by receiving specific briefings and training on the relevant guidance.

The College aims to provide excellence in the education of outstanding women from all backgrounds. It provides opportunities for these young women to develop the skills and confidence to lead the way in the world, to be independent-minded, and to take on the challenges they will meet in life and achieve their ambitions. This is done through core teaching and through the Gateway Programme for personal development, which is available to both postgraduate and undergraduate students. The College aims to provide both a vibrant intellectual environment for Fellows, students and staff. It also aims to be an open and friendly community, maintaining many of the traditions of a Cambridge College while being at the forefront of innovation. The focus is on meeting the needs of women from all backgrounds within the wider co-educational environment of Cambridge University.

Review of Learning, Education and Research

For the academic year 2021–22, of the 107 undergraduate and integrated masters students who received classed results for their last year of their course, 31.8% obtained Class I and 88.8% obtained Good Honours (Class I and Class 2.1 combined).

The data available for 2019–2020 and 2020–2021 (classed results and unclassified assessments across year groups) are set within the context of pandemic mitigations and of the University’s commitment to diversifying assessments with a view to closing awarding gaps. This complicates meaningful comparison of 2019–20, 2020–21 and 2021–22

data in terms of progression. However, as a College we reviewed how we were gathering feedback from Directors of Studies and Directors of Undergraduate Education at the Faculty/Departmental level regarding student experience of diversified formats and modes, as well as how we as a College were collecting and analysing data on student academic performance. This led to the establishment of the Academic Performance Data Working Group at the May 2022 Governing Body; it had its initial meeting in July 2022. The Working Group advises on the data required for our College to assess effectively how well we support students to achieve their academic potential.

The College is committed to working to eliminate the awarding gap experienced by certain cohorts of students (where some groups of students are more likely than others to be awarded a First Class degree), recognising too that this work is part of efforts across departments, Faculties and the University as a whole. The Senior Tutor continues to support Directors of Studies and other teaching staff in collecting and analysing context specific qualitative data to help us understand student progression and performance, as well as quality of teaching and effectiveness of academic and personal support (e.g. via the Gateway Programme).

In 2022–2023, the University plans to conduct an external review of mitigation and University allowances; it will also be necessary to continue to monitor what is happening with overall degree classification.

In terms of postgraduate study, 20 PhDs were completed and awarded in 2021–22. In total, 58 students passed their Masters (MPhil, LLM, ADL and PGCE), nine of these with distinction, one (LLM) with a first.

Widening participation and other initiatives such as well-being are discussed earlier in this report.

Philanthropic Support

The College Development Office aims to raise donations from benefactors, including alumnae, trusts and foundations. Philanthropic support for

the College helps underpin the delivery of many of the College's objectives and priorities. The College is profoundly grateful to all its donors for their support.

The College fundraises to support projects identified as priorities by the Council. Fundraising techniques include direct mail, telephone fundraising (using live calls by students at the College), the promotion of legacy giving, and face-to-face fundraising (by private meeting with potential major donors). The College does not use external professional fundraisers or commercial participants.

All donations (including the recovery of Gift Aid where applicable) are reported in the Consolidated Statement of Comprehensive Income and Expenditure. The College conforms to all recognised applicable fundraising standards, and it is registered with the Fundraising Regulator (reg no. ID: 001043). The College has received no complaints about fundraising in the year reported.

The College undertook a significant and wide-ranging review of its fundraising strategy, operations and performance during the year and is currently implementing the recommendations from it.

Financial Review

Summary

The College incurred an operating deficit of £314k during the year, but performed well against a prudent budget where a £1m deficit was anticipated. The global pandemic once again limited opportunities for summer conference business, but higher than anticipated academic fee and investment income meant the deficit was much reduced and cash flow was positive. The College also benefited from a generous and significant £1.1m philanthropic donation to fund enhanced well-being activities over the next ten years.

The year saw a return to three full residential terms, and with them a fuller year's expenditure. Staffing costs increased as a result with furlough receipts concluding early in the academic year.

While increased investment income was welcome, capital returns did not fare as well. Overall total return was negative at -2.2%, following

difficult market and geo-political conditions, with a significant dip in values arising at the end of the financial year. However, it is important to take a longer-term perspective of investment performance and we have seen several years of significant gains with last year's alone being 18%.

The £2.7m dip in the value of our investments meant that the College's overall net worth decreased from £119.5m to £116.7m at the end of the year, with £78.6m invested. While the College's financial net worth fell, the College's financial position remains stable.

Given the much reduced deficit and positive cash flow, the College took the opportunity to reduce its borrowing to £11.4m with a higher than usual loan repayment during the year. Usually the College sets aside operating cash flow for debt repayment of £300k, but following deferral of such a repayment last year, the College made a £450k repayment this. Interest on £11.4m outstanding debt, £10.5m of which incurs fixed rates (of c.5%), amounts to more than £0.5m each year. Loans as a percentage of total net assets are now considerably reduced at just below 10% and the College is not substantially levered in debt terms.

In sum, the College has weathered the pandemic well and its operating performance has been satisfactory given the significant financial and operating headwinds. The College's endowment has not suffered permanent damage, yet financial uncertainty and challenges clearly remain. The College projects cash flows, five-year budgets and balance sheets, together with scenario stress tests, to help prepare for uncertainties. Our free reserves provide a good buffer and remain in good stead.

Income and expenditure

The College's income derives principally from academic fees and charges, charges to students for accommodation and catering, charges for conferences and events and donations, all supported by investment returns from its endowments, as illustrated in Figure 1.

Of the University regulated undergraduate tuition fee, half is retained by Colleges. The regulated fee increased from £9,000 to £9,250 for undergraduate students matriculating in 2017 and has remained at this level. An increased number of Postgraduate students largely accounted for the increased fee income.

Accommodation and catering charges to members increased by 57% (2020–21: -4.1%) following the resumption of three, full residential terms. In order to meet the full costs of accommodation, the College draws upon its endowment and other income. This helps the College set rents at a level that makes them more affordable for students and rents for student accommodation represent good value within the wider market.

The College uses its facilities for commercial events and conferences when not required for its academic needs, precedence being given to College events. This activity normally makes an important contribution to the College's income and free cash flow. While the pandemic meant that this contribution was still severely affected during the year in question, business is now returning.

The endowment performance is commented upon separately in the section 'Endowment and investment performance' below.

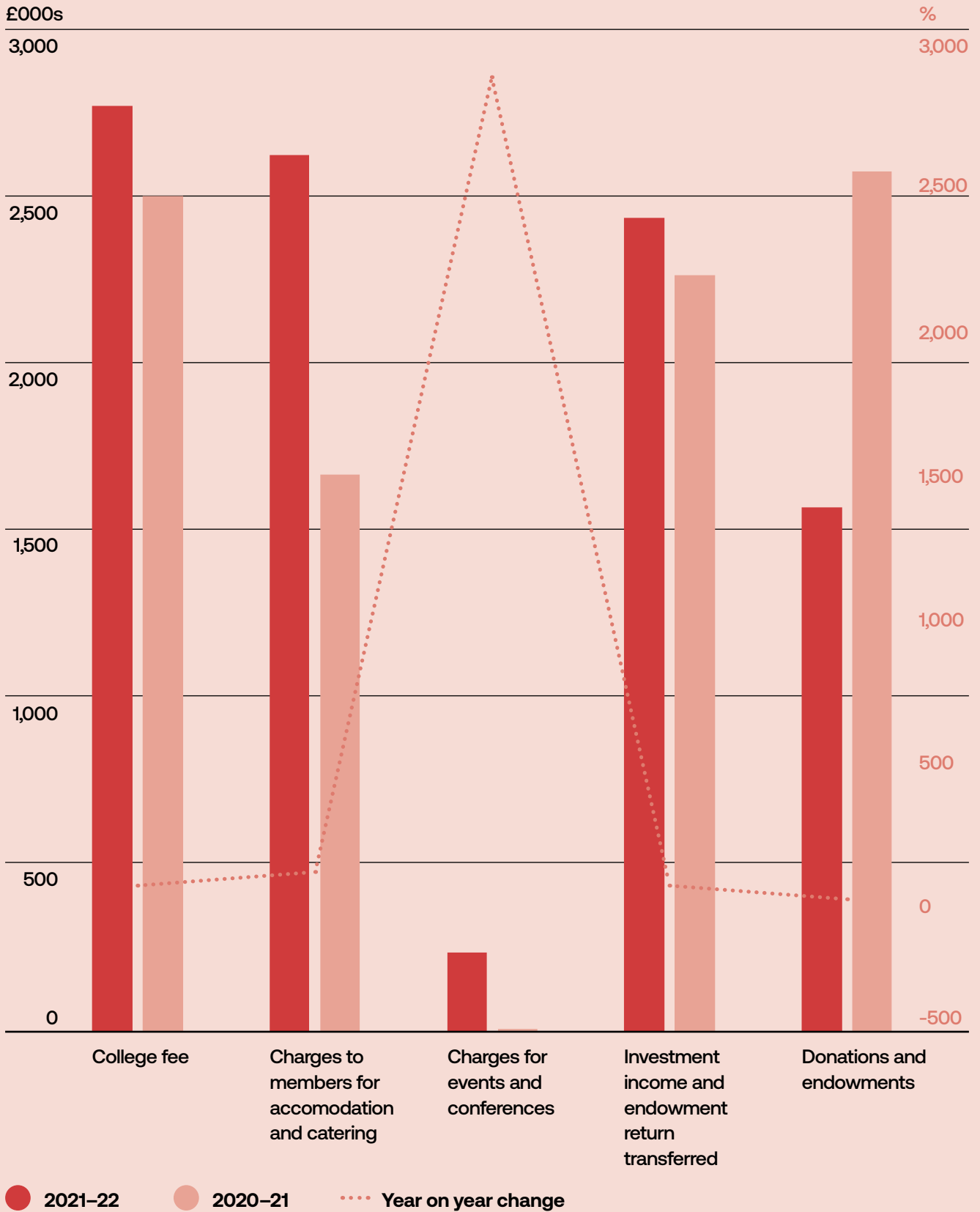
Staffing costs represent the biggest operating cost of the College. Core staffing costs increased following the return to three full residential terms and a small increase to established posts. There was a £0.9m pension cost adjustment revaluing future pension deficit contributions. Job retention scheme receipts concluded during the year. Excluding the £0.9 adjustment, staff costs increased from £4.6m to £5.0m, an increase of 8.7%. Average numbers of staff employed during the year increased by 5 to 155.

Property and premises spend continued to be constrained. The College looks to maintain a five-year maintenance plan to ensure timely refurbishment of key elements of plant to control operational risk, the maintenance of buildings to a standard which is intended to prevent more costly remedial works and refurbishment to the extent that the budget can support it.

Endowment and investment performance

The College's Finance Committee formulates general investment policy on the advice of its Investment Sub-Committee. The College instructs fund managers to manage financial investments. Its principal fund managers during the year were CCLA Investment Management Limited and the Cambridge University Endowment Fund (CUEF). Cambridge Associates manages venture capital

Figure 1: Income (in £000s)





and private equity investments. The College directly manages a number of small, maturing private equity investments and a literary estate.

The objectives under the College investment policy are: for long-term funds

- 1 to generate returns at least in line with inflation plus a return sufficient to support the ongoing activities of the College and
- 2 to preserve the long-term value of the endowment;

and for short-term funds, to preserve capital value with minimum risk.

Assets are invested widely, generally by discretionary investment managers in pursuit of these objectives. Investment managers' ethical and responsible investment policies are reviewed and the College excludes direct investments which materially conflict with its purposes. The College's principal investment manager, CCLA, has achieved an assessment of A or A+ in nearly all categories under UNEP's Principles for Responsible Investment.

The investments are set out in the notes to the accounts. They represent the College's endowment assets, part of its corporate capital and general reserves.

The College's investments comprise three principal categories: the Segregated Fund and Amalgamated Funds invested principally in units in a common investment fund, limited partnership interests in two venture capital and private equity funds of funds; and the literary estate of Roma Gill, a former Fellow, bequeathed to the College.

The Segregated Fund is managed on a total return basis and subject to an annual spending rule of 3.5% (prior to 2014–15: 4%). The quoted investments section, managed by CCLA, returned -2.4% (2020–21: 17.2%), net of fees. An endowment within the Segregated Fund managed by CUEF returned -0.3% (2020–21: 24.1%) net of fees.

The Amalgamated Fund, managed principally by CCLA, is managed on an income and capital basis and returned a total of -2.5% (2020–21: 17.5%), net of fees.

The literary estate of Roma Gill yielded royalty receipts in the year of 115k (2020–21: £96k) principally from her editions of the plays of Shakespeare, published by OUP.

Assets in the endowment returned a weighted average of approximately -2.2% during the year (2020–21: 18.0%). By comparison, a broad-based benchmark portfolio of global equities (75%), UK property (5%), UK gilts (15%) and cash (5%) might have returned -2.92% before fees (2020–21: 16.5%).

Total capital expenditure, excluding heritage assets, during the year was £0.2m (2019–20: £2.4m), primarily upgrades and refurbishments to Paula Browne House.

Balance sheet

Consolidated net assets stood at £116.7m at 30 June 2022, down from £119.5m at 1 July 2021 following a significant dip in June 2022. £60.8m of total reserves are unrestricted. Investment assets now stand at £78.6m, with tangible fixed assets at £50.9m.

Defined pension scheme liabilities increased to £1.6m. Debt as a proportion of the College's net assets fell below 10%.

Reserves

The College intends to continue to pursue its objects in perpetuity. Its activities require financial support from funds, which include the College's corporate capital, its endowments, and its restricted and unrestricted reserves. These funds are necessary to continue to underpin the significant public benefit provided by the College in pursuance of its objects in the areas of learning, education and research.

Free reserves are those reserves which are freely available to spend on any of the College's objects and as such exclude unexpendable reserves, reserves applied to tangible fixed assets and reserves designated for or restricted to a certain purpose or purposes. (See table on next page).

The College considers a suitable minimum level of free reserve to be an amount broadly equivalent to six months' essential operational spend, currently £5m. Such reserves will provide support should the College face an unforeseen downturn or significant event which has an adverse financial impact.

The College intends to increase its contribution to public life and benefit and intends to grow its reserves as it seeks opportunities to do so. The College has not therefore determined a maximum level of free reserves.

The policy and compliance with this policy is reviewed annually and particularly in the event of material change, upwards or downwards, in the level of free reserves. The College has complied with the policy in all material respects during the financial year 2021–22.

A statement of Reserves and net asset funds as at 30 June 2022 is shown below:

If free reserves are taken to be total unrestricted net assets less unrestricted intangible and tangible assets, free reserves come to £9m.

£k							
	Tangible assets	Tangible assets (inc heritage assets)	Investments	Net current assets	Long term liabilities	Pension liabilities	Total
Endowment	–	897	53,344	–	–	–	54,241
Restricted	–	–	2,575	–	–	–	2,575
Unrestricted	770	50,132	22,690	360	(11,400)	(2,620)	59,932
Total	770	51,029	78,609	360	(11,400)	(2,620)	116,748

Cash flow

Cash flow from operating, investing and financing activities generated £2,443k (2020–21: £54k). The College normally sets aside £300k annually for repayment of bank debt, but, following the deferral of one such repayment last year, increased it to £450k this.

remote working and also to assist with the mobility and hybrid working strategy.

There was considerable flux in staffing where the College reviewed and re-ordered its capacity and capabilities to align more with its future objectives and current needs. This was particularly the case in domestic services and areas involving income generation, such as conferencing and events and fundraising.

Operations Review

People, learning and development

With over 60 Fellows and 120 staff, the College continues to prioritise sound people leadership, management and engagement.

A full staff survey was carried out and actions identified to increase staff engagement and communications. Further training on equality, diversity and inclusion was also identified as a priority. Further support is envisaged in areas of creativity and change management.

GDPR training was also given to staff as part of the College’s ongoing GDPR compliance work. Training was again offered to all staff to enhance technological skills, given the increase in online,

Technology innovation

Once again, technological change has been a significant feature of the year. Mobility, service delivery, business continuity, and data security continued to provide a focus for the team and the College more widely. Mobile (and accessible) working projects were again carried out across the College and underpin the College’s ability to work in a new, agile, more efficient and genuinely collaborative way. IT operations proved resilient during the year.

Communications

The College’s communications function has been reviewed during the year. A significant focus of the College’s external communication will concentrate on student recruitment. Professional communications expertise to reach external audiences and media has also been engaged by the College. The College

has begun a project to replace its website and internal digital communications.

Estate and facilities

The original College buildings date from the 1960s and have required substantial refurbishment and renovation, particularly the Dome, Library and Orchard Court. In addition Buckingham House was rebuilt to provide a conference and residential facility, now supplemented by Paula Browne House. Canning & Eliza Fok House was built to provide 40 rooms for graduate accommodation. The works were funded partly from £13.5m bank loans drawn from 1999 to 2008. The College buildings also include Victorian and Edwardian buildings in addition to the main buildings on the New Hall site from 1965, the substantial additions of Pearl House (1994), Buckingham House (2001) and Canning & Eliza Fok House (2008).

Environmental sustainability of the College's activities, investments and buildings provided a focus for the newly established Net Zero committee. Professional advice was sought on how to reduce the College's carbon footprint and a number of significant actions ensued. A long-term buildings strategy is being devised and it is clear that this will require significant resource to implement. There is also a considerable tension between conservation aspects of our listed buildings and the ability to reduce our carbon footprint, but innovative ways of addressing this issue are being considered.

This was the first complete financial year that the College had full control over the whole estate on its main site, following the acquisition of Paula Browne House in May 2021. The building was integrated more closely into College life with various refurbishments and upgrades, including improved security and wi-fi systems.

Principal Risks and Uncertainties

The College reviews risks at a corporate level and an operational level. Principal corporate risks include:

- Academic risks including the calibre of students seeking admission to the College and ensuring that College Fellowship is attractive to academics

- Providing buildings and accommodation which are of suitable quality for, and meet the needs of, students and Fellows
- Reputational risk as the College builds a higher profile especially on the subject of women's education, employment and well-being
- Maintaining the reputation of the College and ensuring that it provides an excellent academic and student experience
- Funding risks and securing sufficient resources to deliver the College's priorities

Operational risks are assessed and reviewed at a departmental level and appropriate procedures put in place to monitor and control them. The College maintains a critical incident plan and tests it with simulated incidents.

Plans for the Future

The College has conducted wide consultation redefining certain short- and long-term objectives in key areas. These include a significant push on income generation to support delivery of its purpose and mission as described earlier. The College is renewing and refreshing its focus on Academic performance, Student Well-being, Widening participation, Student Access and Recruitment and the significant benefit the College provides to the public. Building a stimulating environment and culture in which all thrive, including building the resources to do so, remains a priority.

In financial terms, while the College continues to be undercapitalised in an uncertain political and economic environment, it continues to make good progress on this front. Like many in the Higher Education sector, the College continues to face significant challenges, but will endeavour to continue to improve its financial position through scrutiny of costs and the pursuit of new sources of income, consistent with its charitable objects. Specifically, it will continue careful stewardship of its endowment. The College will continue to raise benefactions to increase its endowments generally to ensure the College can exist in perpetuity, with the income from its endowments supporting the cost of educating students, currently not fully covered by the College's other sources of academic income.



Corporate Governance

Statement of Corporate Governance

The following statement is provided by the Council as the College Trustees to enable readers of the financial statements to gain a better understanding of the arrangements in the College for the management of its resources and for audit.

The College is a registered charity (registered number 1137530) and subject to regulation by the Charity Commission for England and Wales. The members of the Council are the charity trustees and are responsible for ensuring compliance with charity law.

The Governing Body has the ultimate authority in the governance of the College, which it exercises in accordance with and subject to the College Statutes. The Governing Body comprises the President and all Fellows other than Emeritus, Honorary and Bye Fellows, and meets at least once in each Term. Statutes specify that one meeting of the Governing Body in each academic year shall be the Audit Meeting.

Subject to ultimate authority being vested by statute in the Governing Body, the College Council is the principal executive body of the College, responsible for administering the affairs of the College and managing its property and income. Under the Statutes of the College, the College Council consists of the President, Vice-President, Bursar and Senior Tutor (all ex officio), nine members of the Governing Body (elected by the Governing Body) and the Presidents of the undergraduate and postgraduate student unions. These Council members are the College Trustees for the purposes of charity law. An observer drawn from the membership of the relevant student union may attend in the absence of the President of that union. Two staff observers are also in attendance at Council meetings.

The President chairs Governing Body and Council; the Senior Tutor has overall responsibility for admissions, education, and welfare of postgraduate and undergraduate

students; the Bursar has overall responsibility for the finances, human resources, buildings, operations and administration of the College. The President and Vice-President are elected by the Governing Body. Officers, other than the President and Vice-President, are appointed, and may be removed, by Council. Council fulfils its responsibilities through a number of principal committees to which some powers are delegated and through which advice is sought. They include:

- Academic Policy (Sub-Committee: Admissions);
- Art;
- Domestic and Estates & Events (Sub-Committees: Gardens, Health and Safety);
- Fellowship Review Group;
- Finance (Sub-Committee: Investment);
- IT Strategy;
- Net Zero Committee;
- Personnel (Sub-Committee: Staff Council);
- Prevent Committee;
- Race Equality Group;
- Remuneration;
- Student Funding

The Fundraising Committee was disbanded and its business would, for the time being, be transferred into that of the Finance Committee.

The principal officers of the College are listed on the front cover flap.

An Audit Committee, appointed by Council, reports to the Governing Body. It is in the terms of the Audit Committee to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the Governing Body, in conjunction with the Finance Committee, on the appointment of external and internal auditors; to consider reports submitted by the auditors, both external and internal; to monitor the implementation of recommendations made by the auditors; and to report to the Governing Body. Membership of the Audit Committee consists of three Fellows other than the Bursar, one to be appointed by Council annually each for a term of three years, together with one external adviser. Serving members of the Finance Committee shall not be eligible for appointment.

The Audit Committee may examine the accounts, consult with the auditor, and is required to report to Council and to Governing Body at the Audit

Meeting on matters of general policy in relation to the accounts as it sees fit.

The College's remuneration committee continues to be an independent committee composed entirely of external members and attended by the President and the Bursar. Its remit covers remuneration arrangements for all Governing Body Fellows.

There are registers of interests of Trustees and of the senior administrative officers. Declarations of interest are made systematically at meetings.

The College's Trustees during the year ended 30 June 2022 are set out on front cover flap.

Scope of the financial statements

The consolidated financial statements cover the activities of the College and its two subsidiary companies; Murray Edwards Conferences Ltd (Registered number: 3777385) and Murray Edwards Developments Ltd (Registered number: 03721386). These undertake activities which, for legal or commercial reasons, are more appropriately carried out by limited companies.

Statement of internal controls

The Trustees are responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives whilst safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College's Statutes.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.

The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process was in place for the full financial year and up to the date of approval of the financial statements.

The Trustees are responsible for reviewing the effectiveness of the system of internal control.

The Trustees' review of the effectiveness of the system of internal control is informed by the work of the Finance and Audit Committees, Bursar and

College officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

Transactions between College and members of the Governing Body

Most Fellows hold office or employment with the College and receive remuneration for the services they provide. This ranges from full time employment to occasional teaching. Stipends, salaries and fees for these services are set by Council. The role of the Remuneration Committee, whose members are all independent, is to act as a body to review the level of remuneration and other direct and indirect benefits for the members of the Governing Body, including members of the Council of the College.

Financial management and control

The College operates a devolved budgeting system under which individual budget holders are responsible for managing income and expenditure within their own areas of operation, and for bringing forward budget proposals through an annual budgeting process. Fellows, members of staff and students are encouraged to participate in the process through their membership of the College's Committees. The Finance Committee is responsible for turning the proposals into a coherent and transparent budget proposal which is part of a sustainable financial plan. The budget is considered in detail to ensure that it is consistent with the College's strategic aims and objectives and then recommended to Council for approval.

Statement of Trustees' responsibilities

College Council, as Charitable Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The College's Statutes and the Statutes and Ordinances of the University of Cambridge require the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the group and parent college and of the incoming resources and application of resources of the group for the year. In preparing

those financial statements the Trustees are required to:

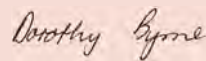
- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting statements have been followed, subject to any material departures disclosed and explained in the financial statements;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

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the College's transactions and disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Statutes of the University of Cambridge, the Charities Act 2011 and regulations made thereunder. They are also

responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the College's website (www.murrayedwards.cam.ac.uk). Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Approved by College Council on 7 November 2022



Dorothy Byrne
President



Robert Hopwood
Bursar





Independent Auditor's Report to the Members of the Council of Murray Edwards College

Opinion

We have audited the financial statements of Murray Edwards College (formerly New Hall College (the 'Charity')) for the year ended 30 June 2022 which comprise the Statement of Accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and charity's affairs as at 30 June 2022 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled

our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Members of the Governing Body's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Members of the Governing Body with respect to going concern are described in the relevant sections of this report.

Other information

The Members of the Governing Body are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement

of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the annual report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Members of the Governing Body

As explained more fully in the section on Corporate Governance, the Members of the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Members of the Governing Body are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Members of the Governing Body either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole

are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Members of the Governing Body and other management, and from our knowledge and experience of the client's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including Charities Act 2011, Office for Students and Cambridge University requirements, taxation legislation, data protection, employment and pensions, planning and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and, where relevant, inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of Members of Governing Body and other management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- if considered necessary, reviewing correspondence with relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Members of Governing Body and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise

from error as they may involve deliberate concealment or collusion.


A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities

This description forms part of our auditor's report.

Critchleys Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Use of our report

This report is made solely to the College's Governing Body, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Members of the Governing Body those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College's Governing Body as a body, for our audit work, for this report, or for the opinions we have formed.



Critchleys Audit LLP

Statutory Auditor

Beaver House
23–38 Hythe Bridge Street
Oxford
OX1 2EP

Date: 10 November 2022



Statement of Principal Accounting Policies

Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge and applicable United Kingdom Accounting Standards using the Recommended Cambridge College Accounts (RCCA) format and applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education Institutions issued in 2020.

The Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate that the College is satisfying its obligations that all fee income is spent for educational purposes. The analysis required by the SORP is set out in notes to the accounts.

The College is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified in respect of the treatment of investments and certain operational properties that are included at valuation.

Basis of consolidation

The consolidated financial statements include the College and its wholly owned subsidiary undertakings. Details of the subsidiary companies are included in the notes to the accounts. Intra-group balances are eliminated on consolidation.

The consolidated Financial Statements do not include the activities of student societies (as these are separate bodies in which the College has no financial interest and over whose policy decisions it has no control).

Recognition of income

Academic fees

Academic fees are recognised in the period to which they relate and include all fees chargeable to students or their sponsors. The costs of any fees waived or written off by the College are included as expenditure.

Research and Grant income

Grants received from non-government sources (including research grants from non-government sources) are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance related conditions have been met.

Income received in advance of performance related conditions is deferred on the balance sheet and released to the Consolidated Statement of Comprehensive Income and Expenditure in line with such conditions being met.

Donations and endowments

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is in receipt of or entitled to the income. Income is retained within restricted reserves until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

There are four main types of donations and endowments with restrictions:

- 1 **Restricted donations** – the donor has specified that the donation must be used for a particular objective.
- 2 **Unrestricted permanent endowments** – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the College.

- 3 Restricted expendable endowments** – the donor has specified a particular objective and the College can convert the donated sum into income.
- 4 Restricted permanent endowments** – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Donations with no restrictions are recorded within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

Endowment and investment income

Investment income and changes in value of investment assets are recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

Total return

The College also holds certain restricted and unrestricted permanent capital, derived from specific donations, in a Segregated Fund, the terms of which require that 3.5% per year of the three year average capital value, as at the end of January each year, is recognised as income in the Consolidated Statement of Comprehensive Income and Expenditure.

Other Income

Income is received from a range of activities including accommodation, catering, conferences and other services rendered. Income is recognised in the period in which the related goods or services are delivered.

Gifts in kind

Properties, investments, and other fixed assets donated without restrictions to the College are included as donation income at market value at the time of receipt, if restricted they are recorded as restricted income and the relevant restriction applied.

Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange prevailing at the date of the transactions. Monetary assets and

liabilities denominated in foreign currencies are translated into sterling at year-end rates or where there are forward foreign exchange contract, at contract rates. The resulting exchange differences are dealt with in the determination of the income and expenditure for the financial year.

Fixed assets

Operational Freehold Land and buildings

Operational land and buildings are stated at valuation. Buildings on the main College site, being specialised properties, were valued on the basis of their depreciated replacement cost as at 30 June 2015 by AECOM, property consultants. Certain off-campus land and buildings are valued on the basis of their existing use. The most recent valuation was carried out by Carter Jonas LLP, property consultants, as at 30 June 2015.

Land purchased prior to 1 July 2002 is not capitalised unless it is held for investment purposes. Land purchased since 1 July 2002 is capitalised in the balance sheet. Freehold land is not depreciated as it is considered to have an indefinite useful life.

Operational buildings are depreciated on a straight-line basis over their expected useful economic lives at the rate of 1.5% per year.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Buildings under construction are valued at cost, based on the value of the architects' certificates and other direct costs incurred to the balance sheet date and are depreciated at the rate of 1.5% per year when they are brought into use.

Maintenance and Renewal of premises

The cost of routine maintenance is charged to the Income and Expenditure account as it is incurred. The cost of major refurbishment and maintenance that restores value is capitalised and depreciated at the rate of 1.5% per year.

Furniture, fittings, computer and general equipment

Furniture, fittings, computer and general equipment costing less than £10,000 per individual item or group of related items is written off in the

year of acquisition, those with a cost of more than £10,000 are capitalised and depreciated at the rate of 10% per year. Project specific IT equipment costs over £10,000 are capitalised and depreciated at a rate of 20% per year.

Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of comprehensive income and expenditure in the year in which they fall due.

Heritage assets

Works of art, books and other valuable artefacts are capitalised and recognised in the balance sheet at the cost or value of the acquisition where such a cost or valuation is reasonably obtainable. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

The College has a large art collection, most of which has been donated to the College. The valuation of the collection is reviewed by the College's art curator who, with the assistance of the Art Advisory Committee, informs the Bursar of any valuation changes on an annual basis. The College includes all assets over £10,000 as valued and includes additions acquired between valuations at a fair value.

All heritage assets are maintained and conserved by College staff with access available by permission of the College. The assets held are properly insured if appropriate, with records kept by those responsible for care of the assets.

Investments

Fixed asset investments are included in the balance sheet at fair value, except for investments in subsidiary undertakings which are stated in the College's balance sheet at cost and eliminated on consolidation.

Stocks

Stocks are stated at the lower of cost and net realisable value after making provision for slow moving or obsolete items.

Provisions

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Financial instruments

The College has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement and disclosure of financial instruments. Financial assets and liabilities are recognised when the College becomes party to the contractual provision of the instrument and they are classified according to the substance of the contractual arrangements entered into.

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Basic financial assets include trade and other receivables, cash and cash equivalents and investments in commercial paper (i.e., deposits and bonds). These assets are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method. Financial assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets carried at amortised cost the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate.

Other financial assets, including investments in equity instruments, which are not subsidiaries or joint ventures, are initially measured at fair value which is typically the transaction price. These assets are subsequently carried at fair value and

changes in fair value at the reporting date are recognised in the Statement of Comprehensive Income. Where the investment in equity instruments is not publicly traded and where the fair value cannot be reliably measured, the assets are measured at cost less impairment. Investments in property or other physical assets do not constitute a financial instrument and are not included.

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of ownership are transferred to another party.

Financial liabilities

Basic financial liabilities include trade and other payables, bank loans and intergroup loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities are de-recognised when the liability is discharged, cancelled, or expires.

Taxation

The College is a registered charity (number 1137530) and also a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

The College receives no similar exemption in respect of Value Added Tax (VAT) for which it operates as a VAT group with the wholly owned College subsidiaries. The College is a partially exempt organisation for VAT purposes. With the approval of H M Revenue and Customs, it has adopted a methodology that enables it to recover part of the VAT on its expenses.

Contribution under statute G, II

The College is liable to be assessed for Contribution under the provisions of Statute G, II of the University of Cambridge. This contribution is used to fund grants to Colleges from the Colleges Fund. The College may from time to time be eligible for such grants. The liability for the year is as advised to the College by the University based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

Pension schemes

The College participates in the following pension schemes:

- **Universities Superannuation Scheme (USS)** – The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by FRS 102 'Employee benefits', the College therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme in respect of the accounting period and the changes in the present value, calculated by reference to the yield on high quality corporate bonds, of contributions not expected to be settled wholly within 12 months of the reporting period in which the employee renders the related service. The scheme is closed to new non-academic



members of the College. Further information on the scheme is provided in the notes to the accounts.

- **Cambridge Colleges Federated Pension Scheme (CCFPS)** – a similar defined benefit scheme which is externally funded and contracted out of the (S2P). The scheme is closed to new members of the College. As CCFPS is a federated scheme and the College is able to identify its share of the underlying assets and liabilities, the College values the fund as required by FRS 102. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the amount calculated under FRS 102.
- **Aviva** – a defined contributions pension scheme set up for non-academic staff in 2010–11. The College contributes at 5% in addition to employee contributions of 2%. The scheme is administered by Aviva. Contributions are charged to the Income and Expenditure account in the period to which they relate.

Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

Reserves

Reserves are allocated between restricted and unrestricted reserves. Endowment reserves include balances which, in respect of endowment to the College, are held as permanent funds, which the College must hold to perpetuity.

Restricted reserves include balances in respect of which the donor has designated a specific purpose and therefore the College is restricted in the use of these funds.



Critical accounting estimates and judgements

The preparation of the College's accounts requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management consider the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities.

- **Income recognition** – Judgement is applied in determining the value and timing of certain income items to be recognised in the accounts. This includes determining when performance related conditions have been met and determining the appropriate recognition timing for donations, bequests and legacies. In general the later are recognised when at probate stage.
- **Useful lives of property, plant and equipment** – Property, plant and equipment represent a significant proportion of the College's total assets. Therefore the estimated useful lives can have a significant impact on the depreciation charged and the College's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets,

professional advice and anticipation of future events. Details of the carrying values of property, plant and equipment are shown in notes.

- **Recoverability of debtors** – If a provision is made in any year for doubtful debts it is based on the College's estimate of the expected recoverability of these debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due.
- **Retirement benefit obligations** – The cost of defined benefit pension plans [and other post-employment benefits] are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in the notes.

Management is satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the accounts.

The College is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is based on management's estimate of expected future salary inflation, changes in staff numbers and prevailing rate of discount. Further details are in the notes.

Financial Statements



Consolidated Statement of Comprehensive Income and Expenditure

					2022
	Note	Unrestricted £000	Restricted £000	Endowment £000	Total £000
INCOME					
Academic fees and charges	1	2,962	–	–	2,962
Accommodation, catering and conferences	2	2,857	–	–	2,857
Investment income	3	768	32	1,592	2,392
Endowment return transferred (Total Return)	3	1,583	35	(1,618)	–
Other income		35	–	–	35
Total income before donations and endowments		8,205	67	(26)	8,246
Donations		197	1,249	120	1,566
New endowments		–	–	3	3
Other receipts		–	–	–	–
Heritage assets		–	–	–	–
Total income		8,402	1,316	97	9,815
EXPENDITURE					
Education	4	3,908	382	439	4,729
Accommodation, catering and conferences	5	4,265	–	–	4,265
Investment management costs	3	70	4	146	220
Other expenditure		1,114	–	–	1,114
Total expenditure	6	9,357	386	585	10,328
Surplus/(deficit) before other gains and losses		(955)	930	(488)	(513)
Gain/(loss) on investments	9	(1,201)	(62)	(1,393)	(2,656)
Surplus/(deficit) for the year		(2,156)	868	(1,881)	(3,169)
Other comprehensive income		–	–	–	–
Actuarial gain/(loss) in respect of pension schemes	15	448	–	–	448
Total comprehensive income for the year		(1,708)	868	(1,881)	(2,721)

Financial Statements

					2021
	Note	Unrestricted £000	Restricted £000	Endowment £000	Total £000
INCOME					
Academic fees and charges	1	2,666	–	–	2,666
Accommodation, catering and conferences	2	1,678	–	–	1,678
Investment income	3	721	33	1,524	2,278
Endowment return transferred (Total Return)	3	1,430	27	(1,457)	–
Other income		419	–	–	419
Total income before donations and endowments		6,914	60	67	7,041
Donations		2,208	116	247	2,571
New endowments		–	–	3	3
Other receipts		–	–	–	–
Heritage assets		–	–	30	30
Total income		9,122	176	347	9,645
EXPENDITURE					2021
Education	4	3,405	358	309	4,072
Accommodation, catering and conferences	5	4,109	–	–	4,109
Investment management costs	3	60	4	133	197
Other expenditure		111	–	–	111
Total expenditure	6	7,685	362	442	8,489
Surplus/(deficit) before other gains and losses		1,437	(186)	(95)	1,156
Gain/(loss) on investments	9	3,166	160	7,777	11,103
Surplus/(deficit) for the year		4,603	(26)	7,682	12,259
Other comprehensive income		–	–	–	–
Actuarial gain/(loss) in respect of pension schemes	15	584	–	–	584
Total comprehensive income for the year		5,187	(26)	7,682	12,843

Statement of Changes in Reserves

	Income and expenditure reserve				Revaluation reserve £000	Total £000
	Unrestricted	Restricted	Endowment			
	£000	£000	£000			
BALANCE AT 1 JULY 2021	48,669	1,707	55,225	13,868	119,469	
Surplus/(Deficit) from income and expenditure statement	(2,156)	868	(1,881)	–	(3,169)	
Actuarial gain/(loss) in respect of pension schemes	448	–	–	–	448	
Transfers between funds	–	–	–	–	–	
BALANCE AT 30 JUNE 2022	46,961	2,575	53,344	13,868	116,748	

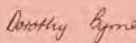
	Income and expenditure reserve				Revaluation reserve £000	Total £000
	Unrestricted	Restricted	Endowment			
	£000	£000	£000			
BALANCE AT 1 JULY 2020	43,482	1,854	47,422	13,868	106,626	
Surplus/(Deficit) from income and expenditure statement	4,603	(26)	7,682	–	12,259	
Actuarial gain/(loss) in respect of pension schemes	584	–	–	–	584	
Transfers between funds	–	(121)	121	–	–	
BALANCE AT 30 JUNE 2021	48,669	1,707	55,225	13,868	119,469	

Consolidated Balance Sheet

	Note	2022 £000	2021 £000
Non-current assets			
Intangible assets	8	770	770
Fixed assets	8	50,132	50,836
Heritage assets	8	897	897
Investments	9	78,609	81,488
Current assets			
Stocks	10	30	25
Trade and other receivables	11	482	580
Cash and cash equivalents	12	2,649	784
		3,161	1,389
Creditors: amounts falling due within one year	13	(2,801)	(1,882)
Net current assets		360	(493)
Total assets less current liabilities		130,768	133,498
Creditors: amounts falling due after more than one year	14	(11,400)	(11,850)
Provisions			
Pension provisions	15	(2,620)	(2,179)
Total net assets		116,748	119,469
Restricted reserves			
Income and expenditure reserve – endowment reserve	16	53,344	55,225
Income and expenditure reserve – restricted reserve	17	2,575	1,707
		55,919	56,932
Unrestricted reserves			
Income and expenditure reserve – unrestricted		46,961	48,669
Revaluation reserve		13,868	13,868
		60,829	62,537
Total reserves		116,748	119,469

Unrestricted reserves includes an amount of £28,063,583 (2021: £29,167,648) previously described as corporate capital.

These accounts were approved by the College Council on 7 November 2022 and are signed on their behalf by:


Dorothy Byrne
President


Robert Hopwood
Bursar

Consolidated Cash Flow Statement

		2022	2021
	Note	£000	£000
Net cash inflow/(outflow) from operating activities	19	413	365
Cash flows from investing activities	20	3,003	209
Cash flows from financing activities	21	(973)	(520)
Increase/(decrease) in cash and cash equivalents in the year		2,443	54
Cash and cash equivalents at beginning of the year		4,466	4,412
Cash and cash equivalents at end of the year	12	6,909	4,466
Cash flows		2,443	54



Notes to the Accounts

1 Academic fees and charges

	2022	2021
	£000	£000
College fees		
Fee income paid on behalf of undergraduates at the publicly-funded rate:		
Undergraduate fee income	1,545	1,537
Privately-funded undergraduate fee income	454	405
Erasmus students	19	9
Graduate fee income	758	550
Sub-total college fees	2,776	2,501
Other income*	186	165
Total	2,962	2,666

*Income in respect of the Cambridge Bursary Scheme is included in other income.

2 Income from accommodation, catering and conferences 2022

	2022	2021
	£000	£000
Accommodation		
College members	2,169	1,442
Conferences	92	2
Catering		
College members	453	228
Conferences	143	6
Total	2,857	1,678

3 Endowment return and investment income

3a Analysis

	2022	2021
	£000	£000
Total return contribution (see note 3b)		
Income from:		
Quoted securities	173	167
Fixed interest securities	–	–
Common investment fund	645	623
Royalties	116	96
Return on Segregated Fund	1,452	1,391
Other interest receivable	6	1
Total	2,392	2,278

3b Summary of total return

	2022	2021
	£000	£000
Income from:		
Quoted and other securities and cash	2,276	2,182
Royalties	116	96
Gains/(losses) on endowment assets:		
Quoted and other securities and cash	(2,656)	11,103
Investment management costs (see note 3c)	(220)	(197)
Total return for year	(484)	13,184
Total return transferred to income and expenditure reserve (see note 3a)	(2,392)	(2,278)
Unapplied total return for year included within Statement of Comprehensive Income and Expenditure (see note 18)	(2,876)	10,906

3c Investment management costs

	2022	2021
	£000	£000
Securities	220	197
Total	220	197

4 Education expenditure

	2022	2021
	£000	£000
Teaching	2,581	2,197
Tutorial	861	746
Admissions	657	569
Research	136	134
Scholarships and awards	306	272
Other educational facilities	188	154
Total	4,729	4,072

5 Accommodation, catering and conference expenditure

	2022	2021
	£000	£000
Accommodation		
College members	3,241	3,136
Conferences	170	165
Catering		
College members	792	791
Conferences	62	17
Total	4,265	4,109

6

6a Analysis of 2021/22 expenditure* by activity

	Staff costs (note 7)	Other operating expenses	Depreciation	Total
	£000	£000	£000	£000
Education	2,797	1,775	157	4,729
Accommodation, catering and conferences	1,976	1,552	737	4,265
Investment management costs	–	220	–	220
Other	1,095	19	–	1,114
Total	5,868	3,566	894	10,328

*Expenditure includes fundraising costs of £329,094. This expenditure excludes the costs of alumnae relations.

6b Analysis of 2020/21 expenditure* by activity

	Staff costs (note 7)	Other operating expenses	Depreciation	Total
	£000	£000	£000	£000
Education	2,598	1,325	149	4,072
Accommodation, catering and conferences	1,884	1,523	702	4,109
Investment management costs	–	197	–	197
Other	102	9	–	111
Total	4,584	3,054	851	8,489

*Expenditure includes fundraising costs of £223,845. This expenditure excludes the costs of alumnae relations.

6c Auditor's remuneration

	2022	2021
	£000	£000
Other operating expenses include:		
Audit fees payable to the College's external auditors	22	22
Other fees payable to the College's external auditors	–	–
Internal auditor's fees	–	–
Total	22	22

7 Staff costs

	College Fellows	Staff	2022	2021
	£000	£000	£000	£000
Emoluments	1,393	2,572	3,965	3,709
Social security costs	157	206	363	344
Other pension costs	890	417	1,307	368
Other staff costs	82	151	233	163
Total	2,522	3,346	5,868	4,584

Job retention scheme receipts subsidising the cost of staffing are included under other income.

Financial Statements

Average staff numbers (full-time equivalents):

Academic	64	63
Staff	91	87
Total	155	150

At 30 June 2022, the Governing Body comprised the President and 63 Fellows, all of whom are declared stipendiary.

The number of officers and employees of the College, including Head of House, who received emoluments in the following ranges was:

£60,001–£70,000	2	1
£70,001–£80,000	1	2
£80,001–£90,000	2	–
Trustees aggregate emoluments	699	656

The Trustees received no emoluments in their capacity as Trustees of the charity.

Cost of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College.

Key management personnel consists of President, Vice President, Bursar, Senior Tutor and Director of Development.

	2022	2021
	£000	£000
Aggregate cost of key management personnel	442	378

8 Fixed assets

	Intangible assets	Land	Buildings	Furniture, fittings and equipment	Heritage assets	2022	2021
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation							
At beginning of year	770	–	55,169	1,824	897	58,660	56,206
Additions	–	–	–	190	–	190	2,426
Heritage assets capitalised	–	–	–	–	–	–	30
Disposals	–	–	–	–	–	–	(2)
At end of year	770	–	55,169	2,014	897	58,850	58,660
Depreciation							
At beginning of year	–	–	4,679	1,478	–	6,157	5,306
Charge for the year	–	–	827	67	–	894	851
At end of year	–	–	5,506	1,545	–	7,051	6,157
Net book value							
At beginning of year	770	–	50,490	346	897	52,503	50,900
At end of year	770	–	49,663	469	897	51,799	52,503

Intangible assets represent a literary copyright.

The insured value of freehold land and buildings as at 30 June 2022 was £105,991,496 (2021: £104,347,178).

The College's land and buildings were revalued at 30 June 2015.

Heritage assets

The College holds and conserves the New Hall Art Collection which has been built up over a number of years and which consists of mainly donated works.

The Art Collection is preserved, conserved and managed in accordance with recognised national standards and the collection on display is open to the public for viewing. Those items not on general display can be accessed by the wider public by prior arrangement. The works are normally donated on a permanent basis so will be included as endowment assets. The Collection was last professionally valued in 2012 by Bonhams. As stated in the Statement of Accounting Policies all works of art valued over £10,000 are included in the accounts. Heritage Assets capitalised in the year were nil (2021: £30,000).

	2022	2021	2020	2019	2018
	£000	£000	£000	£000	£000
Value of acquisitions by donation	–	30	19	–	–
Total acquisitions capitalised	–	30	19	–	–

9 Investments

	2022	2021
	£000	£000
Balance at beginning of year	81,488	69,968
Additions	2,535	155
Disposals	(3,336)	(512)
Gain/(loss) on investments	(2,656)	11,103
Increase/(decrease) in cash balances held at fund managers	578	774
Balance at end of year	78,609	81,488
Represented by:		
Property	100	100
Quoted securities – equities	–	–
Fixed interest securities	–	–
Common investment funds	71,397	75,173
Alternative investments	2,852	2,533
Cash in hand and at investment managers	4,260	3,682
Other investments	–	–
Balance at end of year	78,609	81,488

10 Stock

	2022	2021
	£000	£000
Goods for resale	30	25
Balance at end of year	30	25

11 Trade and other receivables

	2022	2021
	£000	£000
Members of the College	32	222
Trade debtors	85	24
Taxation	5	5
Other debtors	219	219
Prepayments and accrued income	141	110
Balance at end of year	482	580

12 Cash and equivalents

	2022	2021
	£000	£000
Bank deposits	–	–
Current accounts	2,648	783
Cash in hand	1	1
	2,649	784
Cash held as part of Investments	4,260	3,682
Balance at end of year	6,909	4,466

13 Creditors: amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	1,964	1,248
Members of the College	132	146
Taxation and social security	189	152
Accruals and deferred income	516	336
Balance at end of year	2,801	1,882

14 Creditors: amounts falling due after more than one year

	2022	2021
	£000	£000
Bank loans	11,400	11,850
Balance at end of year	11,400	11,850

The bank loans of £11.85m are repayable as follows: £1.35 million by March 2025, £1.5 million by March 2029 and £9 million by March 2048.

The loans are subject to the following fixed interest rate contracts:

Loan amount	Rate	Maturity
£1.5m	4.56%	2026
£9m	5.00%	2048

15 Pension provisions

	2022	2021
	£000	£000
Balance at beginning of year	2,179	2,831
Movement in year:		
Current service cost including life assurance	(952)	366
Contributions	895	(419)
Other finance (income)/cost	33	42
Other allocation to staff costs	913	(57)
USS provision for deficit recovery	–	–
Actuarial loss/(gain) recognised in Statement of Comprehensive Income and expenditure	(448)	(584)
Balance at end of year	2,620	2,179
Cambridge Colleges' Federated Pension Scheme	999	1,478
Universities Superannuation Scheme	1,621	701
Balance at end of year	2,620	2,179

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are set out below and further information is provided in note 25.

The adoption of the new deficit recovery plan following the 2018 actuarial valuation has given rise to a decrease in the deficit provision which has decreased from £746k to £701k. More details on the 2018 actuarial valuation are set out in note 25.

The major assumptions used to calculate the obligation are:

	2022	2021
Discount rate	3.31%	0.87%
Salary growth	3.18%*	2.70%

* 3.18% from 1.8.2022, 4% from 1.8.2023, 3% from 1.8.2024

16 Endowment funds

	Restricted permanent endowments	Unrestricted permanent endowments	2022	2021
	£000	£000	£000	£000
Balance at beginning of year	8,749	46,476	55,225	47,422
Restricted net assets relating to endowments are as follows:				
New donations and endowments	4	–	4	4
Other receipts	(7)	–	(7)	121
Heritage assets capitalised	–	–	–	30
Return on segregated fund	70	1,382	1,452	1,391
Drawdown	(78)	(1,540)	(1,618)	(1,472)
Income	260	2	262	398
Expenditure	(439)	–	(439)	(309)
Investment management costs	(21)	(125)	(146)	(134)
Increase/(decrease) in market value of investments	(316)	(1,073)	(1,389)	7,774
Transfers between funds	–	–	–	–
Balance at end of year	8,222	45,122	53,344	55,225
Analysis by type of purpose:				
Fellowship funds	4,612	1,244	5,856	6,120
Award funds	305	–	305	320
Hardship funds	614	–	614	785
Other student support travel grant funds	6	–	6	–
Graduate studentship funds	7	325	332	345
Research funds	1,781	–	1,781	1,898
Other funds	897	–	897	897
General endowments	–	43,553	43,553	44,860
	8,222	45,122	53,344	55,225
Analysis by asset:				
Property	15	85	100	100
Investments	8,169	44,829	52,998	54,700
Cash	38	208	246	425
	8,222	45,122	53,344	55,225

17 Restricted reserves

	Other restricted funds	2022	2021
	£000	£000	£000
Balance at beginning of year	1,707	1,707	1,854
Reserves with restrictions are as follows:			
Endowment return transferred	–	–	–
Other receipts	–	–	(123)
Income	1,316	1,316	176
Expenditure	(382)	(382)	(357)
Investment management costs	(4)	(4)	(3)
Increase/(decrease) in market value of investments	(62)	(62)	160
Transfers	–	–	–
Balance at end of year	2,575	2,575	1,707
Analysis of other restricted funds/donations by type of purpose:			
Fellowship funds	474	474	567
Award funds	406	406	435
Other student support	215	215	231
Travel grant funds	49	49	51
Graduate studentship funds	22	22	12
Other funds	1409	1,409	411
	2,575	2,575	1,707

18 Memorandum of unapplied total return

	2022	2021
	£000	£000
Included within reserves the following amounts represent the unapplied total return of the College:		
Unapplied total return at beginning of year	33,142	22,317
Unapplied total return for year (see note 3b)	(2,876)	10,906
Segregated income in excess of drawdown	(166)	(81)
Unapplied total return at end of year	30,100	33,142

19 Reconciliation of consolidated surplus for the year to net cash inflow from operating activities

	2022	2021
	£000	£000
Surplus/(deficit) for the year	(3,169)	12,259
Adjustment for non-cash items:		
Depreciation	894	851
Profit/(loss) on the sale of non-current assets	–	2
Loss/(gain) on endowments, donations and investment property	2,586	(11,103)
Investment management fees reinvested	88	76
Decrease/(increase) in stocks	(5)	5
Decrease/(increase) in trade and other receivables	98	(144)
Increase/(decrease) in creditors	919	351
Heritage assets capitalised	–	(30)
USS pension deficit	920	(45)
CCFPS additional actuarial gain	2	(3)
Pension costs less contributions payable	3	9
Segregated dividend income debtor	205	42
Decrease/(increase) in endowment drawdown retained in investments	(166)	(83)
Adjustment for investing or financing activities	(93)	(66)
Investment income	(2,392)	(2,278)
Interest payable	523	522
Net cash inflow from operating activities	413	365

20 Cash flows from investing or financing activities

	2022	2021
	£000	£000
Non-current investment (acquisition)/disposal	801	357
Investment income	2,392	2,278
Payments made to acquire non-current assets	(190)	(2,426)
Total cash flows from investing activities	3,003	209

21 Cash flows from financing activities

	2022	2021
	£000	£000
Interest paid	(523)	(522)
Profit on the sale of non-current assets	–	2
Repayments of amounts borrowed	(450)	–
Total cash flows from financing activities	(973)	(520)

22 Capital commitments

	2022	2021
	£000	£000
Capital commitments at 30 June 2022 are as follows:		
Authorised and contracted	–	145
Authorised but not yet contracted for	–	–

23 Lease obligations

	2022	2021
	£000	£000
At 30 June 2022 the College had commitments under non-cancellable operating leases with payment due as follows:		
Land and buildings:		
Due within one year	32	32
Due between two and five years	55	88
Other		
Due within one year	3	6
Due between two and five years	–	3

24 Consolidated reconciliation and analysis of net debt

	At 1 July 2021	Cash flows	At 30 June 2022
	£000	£000	£000
Cash and cash equivalents	–	–	–
Borrowings:			
Amounts falling due after more than one year	–	–	–
Bank Loans	11,850	(450)	11,400

25 Financial Instruments

	2022	2021
	£000	£000
Financial assets		
Listed equity investments	71,397	75,173
Other equity investments	2,852	2,533
Cash and cash equivalents	6,909	4,466
Other debtors	341	470
Total	81,499	82,642
Financial liabilities		
Loans	11,400	11,850
Trade creditors	1,964	1,248
Other creditors	321	298
Total	13,685	13,396

26 Pensions

The College operates a defined benefits plan for the College's employees of the Cambridge Colleges' Federated Pension Scheme.

The liabilities of the plan have been calculated, at 30 June 2022, for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Cambridge

Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

The principal actuarial assumptions at the balance sheet date were as follows:

	2022	2021
	% p.a.	% p.a.
Discount rate	2.70	1.80
Increase in salaries	3.70	3.10
RPI assumption	3.90	3.40
CPI assumption	3.20	2.60
Pension increases in payment (RPI max 5% p.a.)	3.70	3.30
Pension Increases in payment (CPI max 2.5% p.a.)	2.20	1.95

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI-2021 future improvement factors and a long-term rate of future improvement

of 1.25% p.a. (2021: S3PA with CMI-2020 future improvement factors and a long-term future improvement rate of 1.25% p.a.). This results in the following life expectancies:

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- Male age 65 now has a life expectancy of 21.9 years (previously 21.9 years).
- Male age 45 now and retiring in 20 years has a life expectancy of 23.2 years (previously 23.2 years).
- Female age 65 now has a life expectancy of 24.3 years (previously 24.3 years).
- Female age 45 now and retiring in 20 years has a life expectancy of 25.8 years (previously 25.7 years).

	Male	Female
Members are assumed to retire at their normal retirement age (65) apart from in the following indicated cases:		
Active members – option 1 benefits	64	64
Deferred members – option 1 benefits	63	62

Allowance has been made at retirement for non-retired members to commute part of their

pension for a lump sum on the basis of the current commutation factors in these calculations.

Employee benefit obligations

	2022	2021
	£000	£000
The amounts recognised in the Balance Sheet as at 30 June 2022 (with comparative figures as at 30 June 2021) are as follows:		
Present value of plan liabilities	(5,224)	(6,539)
Market value of plan assets	4,225	5,061
Net defined benefit/(liability)	(999)	(1,478)

The amounts to be recognised in Profit and Loss for the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

Current service cost	9	12
Administrative expenses	13	11
Interest on net defined benefit (asset)/liability	27	31
(Gain)/loss on plan changes	–	–
Curtailment (gain)/loss	–	–
Total	49	54

Changes in the present value of the plan liabilities for the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

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	2022	2021
	£000	£000
Present value of plan liabilities at beginning of period	6,539	6,919
Current service cost	9	12
Employee contributions	2	3
Benefits paid	(214)	(210)
Interest on plan liabilities	116	99
Actuarial (gains)/losses	(1,228)	(284)
(Gain)/loss on plan changes	–	–
Curtailment (gain)/loss	–	–
Present value of plan liabilities at end of period	5,224	6,539

Changes in the fair value of the plan assets for the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

Market value of plan assets at beginning of period	5,061	4,834
Contributions paid by the College	79	77
Employee contributions	2	3
Benefits paid	(214)	(210)
Administrative expenses	(15)	(16)
Interest on plan assets	89	69
Return on assets, less interest included in Income and Expenditure	(778)	304
Market value of plan assets at end of period	4,224	5,061
Actual return on plan assets	(689)	373

The major categories of plan assets for the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

Equities	52%	48%
Bonds & cash	34%	42%
Property	14%	10%
Total	100%	100%

The plan has no investments in property occupied by, assets used by or financial instruments issued by the College.

	2022	2021
	£000	£000
Analysis of the remeasurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:		
Return on assets, less interest included in Income and Expenditure account	(778)	304
Expected less actual plan expenses	(2)	(5)
Experience gains and losses arising on plan liabilities	(453)	164
Changes in assumptions underlying the present value of plan liabilities	1,681	121
Remeasurement of net defined benefit liability recognised in OCI	448	584

Movement in net defined benefit asset/(liability) during the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2021) are as follows:

Net defined benefit asset/(liability) at beginning of year	(1,478)	(2,085)
Recognised in income and expenditure	(48)	(54)
Contributions paid by the College	79	77
Remeasurement of net defined benefit liability recognised in OCI	448	584
Net defined benefit asset/(liability) at the end of the year	(999)	(1,478)

Funding policy

Actuarial valuations are carried out every three years on behalf of the Management Committee, acting as the Trustee of the Scheme, by a qualified independent actuary. The actuarial assumptions underlying the actuarial valuation are different to those adopted under FRS102.

The last such actuarial valuation was as at 31 March 2020. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall. These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 21 May 2021 and are as follows:

- Annual contributions of not less than £62,097 per annum payable for the period to 31 January 2028.

These payments are subject to review following the next funding valuation, due as at 31 March 2023.

University Superannuation Scheme

The institution participates in Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. The assets of the scheme are held in a separate trustee-administered fund.

Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 'Employee Benefits', the institution therefore accounts for the scheme as if it

were a wholly defined contribution scheme. As a result, the amount charged to the Consolidated Statement of Comprehensive Income represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the Consolidated Statement of Comprehensive Income.

Pension costs

The total cost charged to the Consolidated Statement of Comprehensive Income is (£974k) (2021: £342k).

Deficit recovery contributions due within one year for the institution are £106k (2021: £85k). The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is as at 31 March 2020

(‘the valuation date’), and was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme’s technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles).

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1%p.a. from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% p.a.
The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the Scheme’s experience	carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:
2020 valuation	
Mortality base table	101% of S2PMA ‘light’ for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	2022	2021
Males currently aged 65 (years)	23.9	24.7
Females currently aged 65 (years)	25.5	26.1
Males currently aged 45 (years)	25.9	26.7
Females currently aged 45 (years)	27.3	27.9

A new deficit recovery plan was put in place as part of the 2020 valuation which requires payment of 6.2% of salaries over the period 1 April 2022 until March 2024, at which point the rate will increase

to 6.3%. The 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions.

	2022	2021
Discount rate	3.31%	0.87%
Pensionable salary growth	3.0%	2.7%

27 Principal subsidiary and associated undertakings

The College owns 100% of the share capital of the following companies:

Company	Principal activities
Murray Edwards Conferences Limited	Conferencing and Catering
Murray Edwards Developments Limited	Dormant

Murray Edwards Conferences Ltd (Registered number 3777385) was incorporated on 26 May 1999. The company commenced trading on 1 July 1999. The principal activity of the company is external non educational conference business (primarily the provision of conference facilities, accommodation and catering as well as associated services).

Murray Edwards Developments Ltd (Registered number 03721386 was incorporated on 25 February 1999. The company commenced trading on 26 May 1999. The principal activity of the company is the development of grounds and building of Murray Edwards College.

Both subsidiaries operate and are incorporated in the United Kingdom having a share capital of £8.

28 Related party transactions

Owing to the nature of the College's operations and the composition of its Governing Body, it is inevitable that transactions will take place with organisations in which a member of the Governing Body has an interest. All transactions involving organisations in which a member of the Governing Body may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

The College maintains a register of interests for all College Council members and where any member of the College Council has a material interest in a College matter they are required to declare that fact.

During the year no fees or expenses were paid to Fellows in respect of their duties as Trustees. During the year total donations of £7,000 (2021, nil) were received from Trustees.

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Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for

any private catering. The Trustees remuneration is overseen by Council.

The salaries paid to Trustees in the year are summarised in the table below:

From	To	2022	2021
£0	£10,000	7	10
£10,001	£20,000	2	–
£20,001	£30,000	1	1
£30,001	£40,000	–	3
£40,001	£50,000	1	3
£50,001	£60,000	2	2
£60,001	£70,000	2	–
£70,001	£80,000	1	2
£80,001	£90,000	2	–
Total		18	21

The total Trustee salaries were £597,384 for the year (2021: £547,974) These amounts are amounts receivable in the year irrespective of whether they were received.

The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £176,003 for the year (2021: £168,966).

The College has a number of trading and dormant subsidiary undertakings which are consolidated into these accounts. All subsidiary undertakings are 100% owned by the College and are registered and operating in England and Wales.

The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.



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