

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Governing Body
Year ended 30 June 2022

Visitor: Chancellor of the High Court, Sir Julian Flaux

MEMBERS OF THE GOVERNING BODY

President: Professor Alan Short*

Fellows under Titles A, B, C and D (in order of Election)

Professor Charles Smith	1993	Dr Ems Lord*	2018
Professor Maria Spillantini	1994	Dr Li Su	2018
Dr Robert Carlyon	1996	Professor George van Kooten	2018
Professor Andrew Blake	2000	Professor Hugh Markus	2018
Professor Alan Short*	2002	Dr Bipasha Chakraborty	2019
Dr Anthony Street	2002	Dr Christopher Jenkins	2019
Dr Ian Farnan*	2002	Dr Adrian Mihai	2019
Dr Lori Passmore	2005	Dr Juan Rodriguez-Molina	2019
Dr Elizabeth Rowe	2009	Dr Boyang Shen	2019
Professor Sohini Kar-Narayan*	2009	Dr Gianluca Amadei	2020
Dr Wai Yi Feng	2010	Dr Hannah Gaffney	2020
Professor Hasok Chang	2011	Dr Qiaojin Lin	2020
Professor Richard McMahan	2013	Dr Brynja Thorgeirsdottir	2020
Dr Karen Ersche	2013	Dr Tianren Yang	2020
Ms Helen Pennant*	2013	Dr Holly Hedgeland*	2021
Dr Annamaria Motrescu-Mayes	2013	Professor Stuart Dalziel*	2021
Dr Lucia Tantardini	2013	Dr Madeline Lancaster	2021
Dr Khaled Soufani	2016	Dr Jingyi Zhao	2021
Sir Mene Pangalos	2016	Dr Anthony Harris	2021
Professor Emilio Artacho	2017	Dr Gustav Zamore*	2021
Dr Tobias Baldauf	2017	Dr Jun Sung Park	2021
Dr Nicole Cuunjieng	2017	Dr Kelly Fagan Robinson	2021
Dr Pietro Lio*	2017	Dr Mike Nelson	2021
Mr Ian Strachan*	2017	Dr Rachel Sippy	2021
Professor Stephen Toope	2017	Dr Ryan Nehring	2021
Professor Manohar Bance	2018	Dr William McMahan	2021

President of GSB*

Vice-President of GSB*

*Members who are also members of Council

Senior Officers of Clare Hall as at 30 June 2022

President	Professor Alan Short
Vice- President	Helen Pennant
Senior Tutor	Dr Holly Hedgeland
Bursar	Mr Ian Strachan

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Professional Advisers

Auditors

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Bankers

Barclays Bank plc
St Andrews Street
Cambridge
CB2 3AA

Investment Fund Managers

The Charities Property Fund
Savills Investment Management LLP
33 Margaret Street
London
W1G 0JD

Cambridge University Endowment Fund
University of Cambridge Investment Office
The Old Schools
Trinity Lane
Cambridge
CB2 1TN

Solicitors

Ashton KCJ
Chequers House
77 – 81 Newmarket Road
Cambridge
CB5 8EU

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Report of the Governing Body, Year ended 30 June 2022

The Members of the Governing Body present the audited financial statements for the year ended 30 June 2022.

Founded in 1966 as a centre for advanced study, Clare Hall is a graduate college of the University of Cambridge. It was incorporated by Royal Charter on 22 October 1984 and is an autonomous, self-governing community of scholars. In accordance with its Statutes, the control of the College as a place of education, learning and research is vested in the Governing Body, which is responsible for administering the College's estates and property. The Council members are nominated by the Governing Body and manage all operational matters. The Finance Committee consists of the President, the Vice President, the Bursar and four other members of the Governing Body, elected by the Governing Body. The Finance Committee exercises the authority delegated to it by the Governing Body to manage, in accordance with general policies laid down from time to time by the Governing Body, the land, property and investments of the College and its financial affairs in general and to direct the Bursar in the performance of their financial duties.

Scope of the financial statements

The financial statements cover the activities of the College during the year ended 30 June 2022 and the net assets as at that date. The College has no subsidiaries.

As a registered charity, the College is regulated by the Charity Commission, CC No. 1137491.

These accounts are presented in the format of the Recommended Cambridge College Accounts (RCCA), which comply with the Further and Higher Education SORP (Statement of Recommended Practice: Accounting for Further and Higher Education, adopted for accounting periods beginning after 1 January 2015).

Objects

The objects of the College are set out in its Royal Charter, effective from 1 January 1984. The College aims:

- To remain an independent graduate college within the University of Cambridge, dedicated to advanced study;
- To bring together research scholars of different nationalities and academic disciplines and to promote academic research of the highest quality by Fellows and postgraduate students;
- To integrate fully into the fabric of academic life senior visitors who come to Cambridge on study leave together with their spouses and partners;
- To encourage interdisciplinary links between scholars from all over the world;
- To achieve excellence in education at postgraduate level; and
- To maintain and enhance the endowments and benefactions, buildings and grounds of the College for the benefit of future generations.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Report of the Governing Body, Year ended 30 June 2022

Public Benefit

In carrying out the governance of the College, the Governing Body has paid due regard to the published guidance from the Charity Commission on public benefit and requirements under the Charities Act 2011.

The College provides, in conjunction with the University of Cambridge, an education which is recognised internationally as being of the highest standard for some 200 fee paying graduate students. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In the financial year under consideration, the College members graduating achieved 20 PhDs and 52 Masters-level degrees (2020-21: 19 and 30 respectively), which included a number of students who had completed their courses, but had deferred graduating because of Covid restrictions.

In particular, the College provides:

- teaching facilities and pastoral, administrative and academic support for all students through its tutorial and mentoring systems; and
- social, cultural, musical, recreational and sporting facilities which enable each of its students to realise their academic and personal potential to the full whilst studying at the College.

The College advances research through:

- providing 26 Research Fellowships to outstanding young academics in the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- supporting the research work of its other Fellows by promoting interaction across disciplines and providing facilities for seminars; and
- fostering academic networking by encouraging visits from outstanding academics from abroad as Visiting Fellows and Visiting Scholars.

The resident members of the College, both students and Fellows, are the primary beneficiaries and are directly engaged in education, learning or research. More widely, beneficiaries also include: students and academic staff from other colleges in Cambridge and the University of Cambridge, visiting academics from other higher education institutions and visiting alumni of the College who have an opportunity to attend educational events at the College and to use its academic facilities. The College maintains a Library, which provides a valuable resource for students and Fellows of the College. The general public is also able to attend various educational activities in the College such as lectures, seminars, concerts and art exhibitions.

The College admits students who have the highest potential for benefiting from the education provided by the College and the University, regardless of their financial, social, religious or ethnic background:

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects but students of the College are predominantly aged 21 years and above; and
- there are no religious restrictions in the College's objects and members of the College have a wide variety of faith traditions or none.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Report of the Governing Body, Year ended 30 June 2022

The focus of the College is strongly academic and students are required to satisfy high academic entry requirements. To support the costs of graduate students, the College provides various scholarships and bursaries, to help fund fees and living costs. The total awarded in 2021-22 was £105,161 (2020-21 £153,262). The College also supports students through a grant scheme to assist with attendance at conferences and travel grants. The total awarded in 2021-22 was £10,400 (2020-21 £5,900). In addition to other programmes, the College operates schemes for students in financial hardship, for relief from mental health and a single parent fund. The total awarded in 2021-22 was £34,462 (2020-21 £32,403). To raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to Clare Hall, the College provides guidance and information for prospective applicants on the College website and through staff in its Tutorial Office.

In order to fulfil its charitable purposes of advancing education, learning and research, the College employs a number of Fellows as Tutors and senior administrative officers. All serve as members of the College Governing Body. The employment of the President and Fellows is undertaken with the intention of furthering the College's aims and their employment directly contributes to the fulfilment of those aims. The private benefit accruing to the President and Fellows through salaries, stipends and employment-related benefits is objectively reasonable, measured against academic stipends generally; moreover annual pay increases normally follow national settlements applying to the university sector. Without the employment of Fellows, the College could not fulfil its charitable aims as a college in the University of Cambridge.

Funding

The College funds its activities through academic fees, by charging for student and Visiting Fellows' accommodation and catering services, from investment income, and through individual and corporate donations and bequests. The College does not use an external fundraiser.

Achievements and Performance

The College's goal is to promote an international community of Cambridge academics, post-graduate students and visiting scholars to make Clare Hall an outstanding College for Advanced Study at the University of Cambridge.

The six key performance objectives set by the Governing Body are as follows:

- (i) To raise funds for the endowment, for future major projects and for student support;*
- (ii) To attract Official and Professorial Fellows of the highest quality appointed to university posts;*
- (iii) To attract Visiting Fellows of international standing;*
- (iv) To ensure that students enjoy the Clare Hall experience;*
- (v) To ensure that the College operates efficiently and effectively; and,*
- (vi) To progress with the refurbishment of communal spaces.*

During the previous year, ended 30 June 2021, the impact of the Covid-19 pandemic severely restricted the ability of the College to make progress on the above objectives. However the College emerged from the lockdowns having been comparatively financially resilient, with less exposure to loss of income from accommodation, or from conferences and events, and with two significant elements of our income – student fees and endowment / investment income – relatively fixed.

Clare Hall, Cambridge

Annual Report and Financial Statements for the year ending 30 June 2022

Report of the Governing Body, Year ended 30 June 2022

Our focus for the year under review was to increase our income from three areas:

- to maximise occupancy of our accommodation;
- to increase donations and benefactions, with new personnel in place in Alumni and Communication;
- to rebuild our small hospitality and events offering.

Income

It is very pleasing to report that occupancy of student accommodation was consistently above 90%, which, together with high levels of occupancy of our Visiting Fellow and guest rooms, resulted in an increase in rental income of 78% from the prior year. Catering operations continued to deliver exceptional quality meals, returning to full service in the Dining Hall. Overall, income from accommodation and catering recovered from £923,089 in 2020-21 to £1,780,199, an increase of over £857,000. Income from academic fees, and from investments, both showed increases on the prior year. The College records with gratitude the receipt of a grant from the Colleges Fund during the year totalling £59,000 (2020-21 £65,000), which, by exception, has been allowed to be applied to Unrestricted Funds. Total income has therefore increased from £3,131,491 in 2020-21 to £4,579,127 in 2021-22, an increase of 46%.

Expenditure

Clare Hall aims to be a lean, efficient operation, with limited scope for significant reductions in fixed costs. Following a period of necessarily tight control of discretionary expenditure, the recovery in income enabled an increase in spending to support the operations, particularly maintenance works on the estate. This increase in the level of operations contributed to an increase in total operating expenditure from £3,737,217 in 2020-21 to £4,354,932 in 2021-22, an increase of 17%.

The College has continued to provide the highest level of services and support to the students, Fellows, Visiting Fellows and College Members. This has included additional resources in the Tutorial team to support students' wellbeing. The College is continuing to maintain the quality of its IT infrastructure and capacity, and to improve cleaning, safety and security across the College site. The health and safety of all College members continues to be a priority.

Alumni relations, Communications and Marketing

The Alumni team has continued to build strong relations with the alumni base, and a new focus on communications and marketing has improved the profile of Clare Hall. The College has recently launched an exciting new website which, together with a focussed social media presence, will further enhance the profile of the College and its engagement with Life Members and supporters. Together, this has contributed to the generation of £778,425 in total donations and grants (2020-21 £219,586). In accordance with good practice for charities, the College is registered with the Fundraising Regulator.

Visiting Fellows

Throughout the year the College has continued to attract applications from top quality Visiting Fellows. These senior academics with established reputations are one of the most important constituents of the College. As anticipated, a number of Visiting Fellows who had deferred their visits during the pandemic joined this year. They, together with the current year's cohort, made a significant contribution, not just financially, but also through their engagement with College life.

In conclusion, the year was one of successful recovery from the loss of income of the Covid years, with increased operating activity, occupancy, catering and events.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Report of the Governing Body, Year ended 30 June 2022

Financial Review

Changes to the Financial Statements

The financial statements are presented in accordance with the Recommended Cambridge Colleges Accounts (RCCA). The statements comply with the FE/HE SORP and FRS102.

Statement of Comprehensive Income and Expenditure

The single Statement of Comprehensive Income and Expenditure ('the SOCIE') features three columns: Unrestricted, Restricted and Endowment Income, so that the various income and expenditure flows can be shown separately. All donations and investment gains are included as income in the SOCIE.

Unrestricted Income and Expenditure shows a net deficit of £183,509, compared to the 2020-21 net gain of £745,785. This significant reduction is the result, principally, of the unrestricted, unrealised gain on investments of in 2020-21 of £1,219,869. In 2021-22 there was a small unrealised investment loss of £159,124, which partially offset an improved operating performance. The unrestricted deficit in 2021-22 before the investment loss was £366,776, compared to a deficit of £724,540 in 2020-21.

Restricted Income includes all restricted transactions, including donations, grants towards research, and funding for Visiting Fellowship programmes, which are deemed to be restricted. There have been specific donations and grants during the year amounting to £469,606 (2020-21 £64,914), an increase of £404,692. This includes amounts received in respect of the Basque, Spalding and Osk. Huttunen Visiting Fellowships, and a grant from the John Templeton Foundation towards a research project.

Endowment Income of £1,128,231 (2020-21 £1,102,397) represents income from all invested endowment funds. Transferred to unrestricted funds is £626,362 (2020-21 £624,838) and transferred to restricted funds is £501,869 (2020-21 £477,559).

Maintenance of buildings A planned rolling maintenance programme seeks to ensure that the estate is maintained to the highest standard. Expenditure on routine repairs, maintenance, plumbing, electrical, and painting works carried out during the year amounted to £349,000 (2020-21 £209,000).

Statement of Changes in Reserves

The Statement of Changes in Reserves shows total funds of £39.0m held by the College at 30 June 2022 comprising £11.2m in unrestricted funds, of which £2.4m (2021 £2.3m) is free reserves; £6.4m is attributable to restricted funds and £21.4 to the endowment. No material amounts have been designated or otherwise committed at the year end. There have been no material additions to the unrestricted endowment since 2007. The strategic objectives of the College include raising further unrestricted funds to strengthen reserves and to cover eventualities, such as future capital acquisitions, exceptional items, emergencies and general contingencies.

Balance Sheet

The operational fixed assets continue to be carried at historical cost or existing depreciated replacement cost values. Heritage assets are included using a reasonably ascertained (partial) valuation and the Balance Sheet includes the College's estimated shares of the Universities Superannuation Scheme pension deficit and of the Cambridge Colleges' Federated Pension Scheme pension deficit. No accrual has been made for holiday pay as this is deemed immaterial. Creditors include a payment of £60,244 (2020-21 £54,660) due to the University for Composition Fees and which has since been paid.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Report of the Governing Body, Year ended 30 June 2022

The Balance Sheet liabilities include provisions for pension scheme liabilities as follows:

- The deficit for the Cambridge Colleges' Federated Pension Scheme [CCFPS] of £373,515 has decreased from £693,512 last year.
- The deficit for the Universities Superannuation Scheme of £142,375 compares with a deficit of £102,582 last year.

Total net assets have, therefore, reduced by £189,428 over the previous year, arising from the surplus on the College's operating activities of £214,195, the actuarial gains on pension scheme liabilities of £349,949, offset by the loss on investments of £763,572.

Cash flow and Treasury Management

At the end of the financial year the College held a cash balance of £1,451,071 (2021 £1,188,843). This included an amount of £60,244 (2021 £54,660) due to the University in respect of the balance of fees for 2021-22.

At 30 June 2022, the College had outstanding loans of £3.4m from Barclays Bank plc. £1.9m of this was borrowed in 2018 on a five-year medium term facility to fund the acquisition of No. 4 Herschel Road, £1m was taken out in 2001 to help fund the acquisition and refurbishment of other properties in Herschel Road and the balance of £0.5m was borrowed in January 2009. The availability of short-term overdraft facilities has been negotiated with Barclays Bank for use if required.

The Endowment and Investment Performance

Since June 2010 the major part of the College's endowment has been invested in the Cambridge University Endowment Fund (CUEF).

The CUEF is effectively a unit trust, in which the College has purchased units, and from which it receives a monthly dividend. The total number of units held with CUEF at 30 June 2022 was 448,568 at £67.45 each, with a value of £30.3m (30 June 2021: 448,568 at £69.96 each, with a value of £31.4m). The distribution rate for the University's financial year to 31 July 2022 was 234.61 pence per unit. In order to meet its long term objective of increasing asset values, after paying distributions, by 1% more than inflation, the fund has an objective of achieving total returns of CPI plus 5% per annum. The fund has been reporting against this objective with effect from 1 July 2019. The proportion of the College's endowment funds invested in the CUEF represents 92.9% of the total endowment funds (2021 94.1%). The remaining 7.1% (2021 5.9%) continues to be held with the Charities Property Fund to add diversification to the asset allocation of investments.

The unaudited asset allocation of the CUEF as at 30 June 2022 is shown below.

<i>Asset Class</i>	<i>Allocation 2022 %</i>	<i>Allocation 2021 %</i>
Public equities	42	43
Real assets (including property)	10	10
Absolute return (including hedge funds)	17	11
Credit strategies	3	3
Fixed interest (including cash)	4	13
Private equity	24	20

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Report of the Governing Body, Year ended 30 June 2022

The day-to-day management of non-property assets is delegated to the Cambridge University Endowment Fund (CUEF). Performance is monitored against a customised benchmark made up of 50% FTSE All-Share Index, 25% MSCI AC World Index and 25% FTA UK Government All Stocks Index. The WM unconstrained ex property Charity Universe is used as an additional benchmark in order to compare the investment managers' performance with that of their peers.

Reserves policy

The College's reserves policy is to maintain sufficient free reserves to enable it to meet its short-term financial obligations. In the long-term, the College aims to continue to meet its charitable objectives in perpetuity and to seek to build up its reserves so as to support this aim.

The Governing Body has set a target for free reserves of six month's expenditure on charitable activities, currently approximately £2.2m. However, should the College experience cash-flow difficulties, the Governing Body would, initially, review and defer discretionary capital and maintenance expenditure currently included within the Estate Action Plan. Should significant benefactions not be received, then further cash shortfalls will have to be met by realisations from the endowment.

At 30 June 2022 the College had total funds of £39.0 (2021 £39.2m), comprising £11.2m in unrestricted funds, of which £2.4m is free reserves, after deduction of tangible fixed assets and heritage assets. Unrestricted funds have reduced slightly in the current year as a result of, principally, the deficit on operating activities and the reduction in the valuation of investments.

Free reserves' at the year-end have increased to £2.380m (2020-21 £2.286m) i.e. unrestricted reserves, less the value of fixed and heritage assets (£11.185m less £8.805m). The small increase in free reserves in the year is as a result of the reduction in the value of depreciated tangible fixed assets in excess of the deficit on unrestricted reserves.

The Trustees are satisfied that the College has sufficient reserves to meet its current and future financial obligations and its charitable objectives in the long term.

Principal Risks and Uncertainties

The major risks to which the College is exposed, as identified by the Governing Body, have been reviewed and control systems have been established to mitigate those risks. A Risk Register has been prepared for approval and continuing review by the Governing Body with the main strategic risks grouped under four headings: Governance, Academic, Financial Health and Operations. College committees monitor these risks on an ongoing basis and conduct an annual review of the main strategic risks for which each committee is responsible.

During the year the College has carried out its annual Health and Safety Review and a Fire Risk Assessment. Regular testing includes fixed wiring, portable appliances, fire alarms, emergency lighting and fire extinguishers.

Health and Safety continues to be a key risk, with the College developing specific policies and procedures in response to the evolving Covid pandemic.

Planned Preventative Maintenance continues to provide considerable mitigation of key property risks, and there is improved maintenance and management of the swimming pool and gym.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Report of the Governing Body, Year ended 30 June 2022

Energy Conservation

The College aims to reduce its energy consumption each year through use of energy-efficient boilers and lighting, improved insulation and reduced waste. The College is part of the Cambridge Colleges purchasing consortium, which will help to mitigate current increases in energy costs. As well as setting up clear processes for improving environmental performance in areas such as energy use, recycling and sustainable travel, the College has also considered wider environmental issues such as biodiversity, procurement, sustainable food and ensuring that all building works and refurbishments are undertaken at the highest standards of insulation and energy efficiency.

Future Plans

The budget for 2022-23 is for a year of operating deficit, with a continuing focus on maintaining the increase in income from accommodation, donations, and conferences and events. It is pleasing to report that confirmed student numbers for the 2022-23 academic year will be slightly higher than budgeted, which is encouraging for fee income and for rental income from student accommodation. It is currently anticipated that all of our available student rooms will again be occupied.

These additional revenues, and the resultant cash inflows, will allow the programme of planned and preventative maintenance to be accelerated, to ensure that the high quality of the buildings is maintained. The Buildings and Estates Committee is giving initial consideration to three major capital projects, repairs to the roof of the Erskine buildings, degasification, and development of the site of No. 4 Herschel Road.

The College has established an Access and Equality Working Group, which has already made a number of recommendations, and will continue to address these important issues.

The Finance Committee will be continuing to consider the College's investment in the Endowment Fund, in the context of the Divestment Resolutions passed by the Governing Body in 2019.

And an ongoing review of governance has identified a number of improvements to be considered.


With a number of new members of staff now established in key roles, with the arrival of a new Bursar in October 2022, and with the College in relatively good financial health after the challenges of recent years, Clare Hall is well positioned to meet the operational and strategic challenges of the years ahead.

Approved by the Governing Body on 19 October 2022

and signed on their behalf by:



Professor C Alan Short
President



Ian Strachan
Bursar

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Report of the Governing Body, Year ended 30 June 2022

Corporate Governance

1. The following statement is provided by the Governing Body to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.
2. The College is a registered charity (registered number 1137491) and subject to regulation by the Charity Commission for England and Wales. Overall management and control are delegated to the members of the Council by the Governing Body, and they are responsible for ensuring compliance with charity law, other statutory duties and operational matters. It is the duty of the Council to keep under review the effectiveness of the operating processes, performance, systems and controls.
3. The Governing Body is assisted by a number of Committees.
Council
Finance Committee
Official Fellowship Committee
Fellowship Committee
4. It is the duty of the Finance Committee to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the Governing Body on the appointment of external auditors; to consider reports submitted by the auditors; to monitor the implementation of recommendations made by the auditors; and to make an annual report to the Governing Body. Membership of the Finance Committee includes the President, Vice President and Bursar ex officio, plus 4 other members of the Governing Body, to include the Senior Tutor, or a Tutor, with the Graduate Student Body President in attendance.
5. The principal officers of the College during the year were:
President Professor Alan Short
Vice President Helen Pennant
Senior Tutor Dr Holly Hedgeland
Bursar Ian Strachan
6. There are Registers of Interests of Members of the Governing Body, the Finance Committee and of the senior administrative officers. Declarations of interest are made systematically at meetings.
7. The Members of the Governing Body during the year ended 30 June 2022 are set out on page 1. Members of Council are identified with an asterisk.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Report of the Governing Body, Year ended 30 June 2022

Statement of Internal Control

1. The Governing Body is responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College's Statutes.
2. 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.
3. 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 year ended 30 June 2022 and up to the date of approval of these financial statements.
4. The Governing Body is responsible for reviewing the overall effectiveness of the system of internal control. As part of its supervision of the College's activities, Council identifies and considers the major risks to which the College is exposed, and establishes systems and procedures to manage those risks which have been categorised under four headings, as follows: Governance, Academic, Financial Health and Operations.
5. The Governing Body's review of the effectiveness of the system of internal control is informed by the work of the various Committees, by the Bursar, and by the 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 Audit Matters and other reports.

Approved by the Governing Body on 19 October 2022

and signed on their behalf by:



Professor C Alan Short
President



Ian Strachan
Bursar

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Statement of Responsibilities of the Governing Body

The Finance Committee is responsible for ensuring that there is an effective system of internal control and that accounting records are properly kept. It is the duty of the Bursar to present audited financial statements for each financial year, prepared in accordance with the Statutes of the University, to the Governing Body.

In causing the financial statements to be prepared, the Governing Body has ensured that:

- Suitable accounting policies are selected and applied consistently;
- Judgements and estimates are made that are reasonable and prudent; and
- Applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Governing Body is satisfied that the College has adequate resources to continue in operation for the foreseeable future. The financial statements are accordingly prepared on a going concern basis.

The Governing Body has taken reasonable steps to ensure that there are appropriate financial and management controls in place to safeguard the assets of the College and prevent and detect fraud.

Any system of internal financial control, however, can only provide reasonable, not absolute, assurance against material misstatement or loss.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Independent Auditors' Report to the Governing Body of Clare Hall

Opinion

We have audited the financial statements of Clare Hall (the 'College') for the year ended 30 June 2021 which comprise the Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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 College's affairs as at 30 June 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes of the University of Cambridge.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' 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 College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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 auditors' 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.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

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 course of 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.

Opinion on other matters prescribed by the Statutes of the University of Cambridge

In our opinion based on the work undertaken in the course of the audit:

- The contribution due from the College to the University has been computed as advised in the provisional assessment by the University of Cambridge and in accordance with the provisions of Statute G,II, of the University of Cambridge.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the College and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governing Body.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 13, 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 the Governing Body 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 Governing Body are responsible for assessing the College'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 Trustees either intend to liquidate the College or to cease operations, or have no realistic alternative but to do so.

Clare Hall, Cambridge

Annual Report and Financial Statements for the year ending 30 June 2022

Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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 College through discussions with Trustees and other management, and from our knowledge and experience of the education sector;
- we obtained an understanding of the legal and regulatory framework applicable to the College and how the College is complying with that framework;
- we obtained an understanding of the College's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the College. The Laws and regulations we considered in this context were Charities Act 2011, the Statutes of the University of Cambridge and taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items;
- in addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the College's and the Group's ability to operate or to avoid material penalty; 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 College's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of 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.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

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

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policy 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;
- reviewing minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the College'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 directors 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 auditors' report.

Use of our report

This report is made solely to the College's Governing Body as a body, in accordance with College's statutes, the Statutes of the University of Cambridge and the Charities Act 2011. Our work has been undertaken so that we might state to the Governing Body those matters we are required to state to them in an Auditors' 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 and the College's Governing Body as a body, for our audit work, for this report, or for the opinions we have formed.

Peters Elworthy & Moore

PETERS ELWORTHY & MOORE

Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

Date: *20 October 2022*

Peters Elworthy & Moore is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 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. In addition, the financial statements comply with the Statement of Recommended Practice: Accounting for Further and Higher Education (the SORP).

The Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate that the College is satisfying its obligations to the University of Cambridge with regard to the use of public funds. The analysis required by the SORP is set out in note 7.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified in respect of the treatment of investments and heritage assets, which are included at valuation.

Consolidation

The College has no subsidiaries. The financial statements do not include the activities of student societies.

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.

Donations and benefactions

Charitable donations are recognised on receipt or where there is probability of future receipt and the value can be measured reliably. The accounting treatment of a donation depends on the nature and extent of restrictions specified by the donor.

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised within the Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

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 Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Statement of Principal Accounting Policies

Investment income and change in value of investment assets

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

Capital grants and donations

Grants and donations of, or for the acquisition of, freehold land or heritage assets, which are non-depreciable assets, are credited to the income and expenditure account in the year of acquisition.

Other income

Income is received from a range of activities including residences, catering, conferences and other services rendered.

Endowment and investment income

All investment income is credited to the income and expenditure account in the period in which it is earned. Income from restricted endowments not expended in accordance with the restrictions of the endowment is transferred from the income and expenditure account to restricted endowments.

Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling 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 contracts, at contract rates. The resulting exchange differences are dealt with in the determination of the income and expenditure for the financial year.

Tangible fixed assets

Land and buildings

Operational land and buildings are stated at historic cost, or at depreciated replacement cost. Freehold buildings are depreciated on a straight line basis over their expected useful economic life of 50 years. Freehold land is not depreciated.

Where land and buildings are acquired with the aid of specific bequests or donations they are capitalised and depreciated as above. The related benefactions are credited to permanent capital.

Finance costs which are directly attributable to the construction of buildings are not capitalised as part of the cost of those assets.

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 architects' certificates and other direct costs incurred. They are not depreciated until they are brought into use.

The cost of additions to operational property shown in the balance sheet includes the cost of land.

Maintenance of premises

The College has a five year rolling maintenance plan which is reviewed on an annual basis. The cost of routine maintenance is charged to the Statement of Comprehensive Income and Expenditure account as it is incurred.

Furniture, fittings and equipment

Furniture, fittings and equipment costing less than £5,000 per individual item or group of related items are written off in the year of acquisition. All other assets are capitalised and depreciated over their expected useful life as follows:

Plant and machinery	4% per annum
Furniture and fittings	15% per annum
Motor vehicles and general equipment	20% per annum
Computer equipment	25% per annum

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Statement of Principal Accounting Policies

Leased assets

Fixed assets held under finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the lease. The excess of lease payments over recorded lease obligations is treated as a finance charge, which is amortised over the lease term to give a constant rate of charge on the remaining balance of the obligations. Rental costs under operating leases are charged to expenditure in equal amounts over the periods of the leases.

Heritage assets

The College holds and conserves a number of collections, exhibits, artefacts and other assets of historical artistic or scientific importance. Heritage assets acquired before 1 July 1999 have not been capitalised since reliable estimates of cost or value are not available on a cost-benefit basis. Acquisitions since 1 July 1999 have been capitalised at cost or, in the case of donated assets, at expert valuation on receipt. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

Investments

Fixed asset investment and endowment assets are included in the balance sheet at market value.

Stocks

Stocks are valued 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 benefit 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.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Statement of Principal Accounting Policies

Financial Instruments (continued)

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 and Expenditure. 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 and bank 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. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

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

Taxation

The College is a registered charity (number 1137491) 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.

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. 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.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Statement of Principal Accounting Policies

Pension costs

The institution participates in Universities Superannuation Scheme. 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 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 profit and loss account 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) and therefore an expense is recognised.

The College also participates in the Cambridge Colleges Federated Pension Scheme, a defined benefit scheme, the assets of which are held in a separate, trustee-administered fund. Pension costs are assessed on the latest actuarial valuation of the scheme. The contribution rates current as at 30 June 2022 were 28.98% employer and 8% employee. CCFPS closed to new members from 1 April 2017.

A new defined contribution scheme (from Aviva) is now offered to staff not eligible for USS, with a minimum of 3% employee contributions, matched by two to one employer contributions, up to a maximum of 10% from the employer.

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 material unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

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 the probate stage.

Clare Hall, Cambridge
Annual Report and Financial Statements for the year ending 30 June 2022

Statement of Principal Accounting Policies

Critical Accounting Estimates and Judgements (continued)

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 note 8.

Recoverability of debtors – The provision for doubtful debts is based on the College's estimate of the expected recoverability of those 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 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 note 20.

Management are satisfied that the 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.

As 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 currently based on the USS deficit recovery plan agreed after the 2021 actuarial valuation, which defines the deficit payment required as a percentage of future salaries. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in note 20.

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.

STATEMENT OF COMPREHENSIVE INCOME & EXPENDITURE

YEAR ENDED 30 JUNE 2022

INCOME	Note	Unrestricted	Restricted	Endowment	2022 £ <u>Total</u>	Unrestricted	Restricted	Endowment	2021 £ <u>Total</u>
Academic fees and charges	1	833,272	-	-	833,272	732,852	-	-	732,852
Accommodation and catering	2	1,780,199	-	-	1,780,199	923,089	-	-	923,089
Investment and other income	3	-	-	1,128,231	1,128,231	88,567	-	1,102,397	1,190,964
Endowment return transferred		626,362	501,869	(1,128,231)	-	624,838	477,559	(1,102,397)	-
Total income before donations and endowments		3,239,833	501,869	-	3,741,702	2,369,346	477,559	-	2,846,905
Donations and grants		286,319	469,606	-	755,925	154,672	64,914	-	219,586
New endowments				22,500	22,500				
Capital grant from Colleges Fund		59,000	-	-	59,000	65,000	-	-	65,000
Total Income		3,585,152	971,475	22,500	4,579,127	2,589,018	542,473	-	3,131,491
EXPENDITURE									
Education	4	942,690	395,446	-	1,338,136	776,587	423,659	-	1,200,246
Accommodation, catering and conferences	5	2,743,202	-	-	2,743,202	2,291,260	-	-	2,291,260
Other expenditure	6	273,594	-	-	273,594	245,711	-	-	245,711
Total expenditure	7	3,959,486	395,446	-	4,354,932	3,313,558	423,659	-	3,737,217
(Deficit)/surplus before other gains and losses		(374,334)	576,029	22,500	224,195	(724,540)	118,814	-	(605,726)
(Loss)/Gain on investments	10	(159,124)	(103,899)	(500,549)	(763,572)	1,219,869	709,107	3,416,149	5,345,125
(Deficit)/surplus for the year		(533,458)	472,130	(478,049)	(539,377)	495,329	827,921	3,416,149	4,739,399
Other Comprehensive income									
Actuarial gain in respect of pension schemes	20	349,949	-	-	349,949	250,456	-	-	250,456
Total comprehensive income for the year		(183,509)	472,130	(478,049)	(189,428)	745,785	827,921	3,416,149	4,989,855

The notes on pages 28 to 39 form part of these accounts

Clare Hall
Statement of Changes in Reserves
Year ended 30 June 2022

Income and expenditure reserve

	Unrestricted £	Restricted £	Endowment £	Total £
Balance at 1 July 2021	11,394,719	5,985,360	21,850,528	39,230,607
Surplus/(deficit) from income and expenditure statement	(533,458)	472,130	(478,049)	(539,377)
Other Comprehensive income	349,949	-	-	349,949
Release of restricted capital funds spent in the year	7,558	(7,558)	-	-
Reserve transfer		(21,576)	21,576	-
Balance at 30 June 2022	<u>11,218,768</u>	<u>6,428,356</u>	<u>21,394,055</u>	<u>39,041,179</u>

Income and expenditure reserve

	Unrestricted £	Restricted £	Endowment £	Total £
Balance at 1 July 2020	10,648,934	5,157,439	18,434,379	34,240,752
Surplus/(deficit) from income and expenditure statement	495,329	827,921	3,416,149	4,739,399
Other comprehensive income	250,456	-	-	250,456
Balance at 30 June 2021	<u>11,394,719</u>	<u>5,985,360</u>	<u>21,850,528</u>	<u>39,230,607</u>

The notes on pages 28 to 39 form part of these accounts

Clare Hall

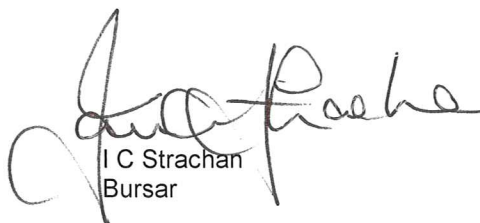
Balance Sheet as at 30 June 2022

	Note	2022 £	2021 £
NON-CURRENT ASSETS			
Fixed assets	8	8,655,206	8,959,209
Heritage assets	9	150,000	150,000
Investments	10	32,568,893	33,332,465
		<u>41,374,099</u>	<u>42,441,674</u>
CURRENT ASSETS			
Stocks		28,631	24,490
Trade and other receivables	11	603,178	363,038
Cash and cash equivalents	12	1,451,071	1,188,843
		<u>2,082,880</u>	<u>1,576,371</u>
Creditors: amounts falling due within one year	13	<u>(2,399,910)</u>	<u>(591,344)</u>
Net current assets		<u>(317,030)</u>	<u>985,027</u>
Total assets less current liabilities		41,057,069	43,426,701
Creditors: amounts falling due after more than one year	14	<u>(1,500,000)</u>	<u>(3,400,000)</u>
Net assets excluding pension deficits		39,557,069	40,026,701
Pension deficit (CCFPS)	15	(373,515)	(693,512)
Pension deficit (USS)	16	<u>(142,375)</u>	<u>(102,582)</u>
Net assets including pension deficits		<u>39,041,179</u>	<u>39,230,607</u>
CAPITAL AND RESERVES			
		2022 £	2021 £
Restricted reserves			
Income and expenditure reserve – endowment	17	21,394,055	21,850,528
Income and expenditure reserve – restricted	18	6,428,356	5,985,360
		<u>27,822,411</u>	<u>27,835,888</u>
Unrestricted reserves			
Income and expenditure reserve – unrestricted		<u>11,218,768</u>	<u>11,394,719</u>
TOTAL		<u>39,041,179</u>	<u>39,230,607</u>

The notes on pages 28 to 39 form part of these accounts

*Approved by the Governing Body on 19 October 2022
and signed on their behalf by:*


Professor C A Short
President


I C Strachan
Bursar

Clare Hall

Cash Flow Statement

Year ended 30 June 2022

	Note	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus/(deficit) for the year		(539,377)	4,739,399
Adjustment for non-cash items			
Depreciation		375,015	379,066
(Gain)/loss on investments		763,572	(5,345,125)
(Increase)/decrease in stocks		(4,141)	3,056
(Increase)/decrease in debtors		(240,140)	(145,577)
Increase/(decrease) in creditors		(91,434)	217,284
CCFPS pension costs less contributions payable		29,952	68,184
USS pension provision		39,793	(17,517)
Adjustment for investing or financing activities			
Investment income		(1,128,231)	(1,102,397)
Interest payable		100,552	95,250
Net cash outflow from operating activities		<u>(694,439)</u>	<u>(1,108,377)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income		1,128,231	1,102,397
Endowment funds drawdown		-	1,000,038
Payments to acquire tangible fixed assets		(71,012)	(106,965)
Total cash flows from investing activities		<u>1,057,219</u>	<u>1,995,470</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Interest paid		(100,552)	(95,250)
Total cash flows financing activities		<u>(100,552)</u>	<u>(95,250)</u>
Increase/(Decrease) in cash and cash equivalents in the year		262,228	791,842
Cash and cash equivalents at the beginning of the year		<u>1,188,843</u>	<u>397,001</u>
Cash and cash equivalents at the end of the year	12	<u>1,451,071</u>	<u>1,188,843</u>

The notes on pages 28 to 39 form part of these accounts

Clare Hall

Notes to the Accounts for the year ended 30 June 2022:

1 ACADEMIC FEES AND CHARGES	2022	2021
COLLEGE FEES	£	£
Graduate fee income	<u>833,272</u>	<u>732,852</u>
Total	<u>833,272</u>	<u>732,852</u>
2 INCOME FROM ACCOMMODATION AND CATERING	2022	2021
	£	£
Accommodation	1,560,067	874,206
Catering	<u>220,132</u>	<u>48,883</u>
Total	<u>1,780,199</u>	<u>923,089</u>
3 INVESTMENT AND OTHER INCOME	2022	2021
Income from:	£	£
Cambridge University Endowment Fund	1,048,132	1,023,985
Charity Property Fund	<u>80,099</u>	<u>78,412</u>
	1,128,231	1,102,397
Other income	<u>-</u>	<u>88,567</u>
Total investment and other income	<u>1,128,231</u>	<u>1,190,964</u>
4 EDUCATION EXPENDITURE	2022	2021
	£	£
Teaching	47,095	44,745
Tutorial	251,855	203,241
Admissions	92,776	67,220
Research	590,352	362,800
Scholarships and awards	12,490	309,165
Other educational facilities	<u>343,568</u>	<u>213,075</u>
Total	<u>1,338,136</u>	<u>1,200,246</u>
5 ACCOMMODATION , CATERING AND CONFERENCES EXPENDITURE	2022	2021
	£	£
Accommodation	2,108,370	1,856,162
Catering	634,832	411,330
Conferences	<u>-</u>	<u>23,768</u>
Total	<u>2,743,202</u>	<u>2,291,260</u>

Clare Hall

Notes to the Accounts for the year ended 30 June 2022:

6 OTHER EXPENDITURE	2022	2021
	£	£
Fellows Commons	20,208	4,921
Student meals subsidy	57,734	37,278
Debt provision	14,463	-
Alumni Office salaries	60,390	141,400
Alumni account	32,461	59,195
Art Committee	4,331	292
Music	31,440	10,209
CCFPS - Net finance cost (note 20)	12,634	12,853
USS – Pension provision (note 16)	39,793	(17,517)
Miscellaneous expenses (net)	140	(2,920)
Total	<u>273,594</u>	<u>245,711</u>

7a ANALYSIS OF 2021/22 EXPENDITURE BY ACTIVITY	Staff costs (note 19)	Other operating expenses	Depreciation	Interest	Total
	£	£	£	£	£
Education (note 4)	614,542	682,492	41,102	-	1,388,136
Accommodation and catering (note 5)	872,120	1,436,617	333,913	100,552	2,743,202
Other (note 6)	100,183	173,411	-	-	273,594
	<u>1,586,845</u>	<u>2,292,520</u>	<u>375,015</u>	<u>100,552</u>	<u>4,354,932</u>

7b ANALYSIS OF 2020/201 EXPENDITURE BY ACTIVITY	Staff costs (note 19)	Other operating expenses	Depreciation	Interest	Total
	£	£	£	£	£
Education (note 4)	430,044	728,656	41,546	-	1,200,246
Accommodation and catering (note 5)	764,733	1,093,757	337,520	95,250	2,291,260
Other (note 6)	141,400	104,311	-	-	245,711
	<u>1,336,177</u>	<u>1,926,724</u>	<u>379,066</u>	<u>95,250</u>	<u>3,737,217</u>

Expenditure includes £92,851 as the costs of fund raising (2021: £200,595). This expenditure includes the costs of alumni relations.

7c AUDITORS' REMUNERATION	2022	2021
	£	£
Other operating expenses include:		
Audit fees payable to the College's external auditors	15,115	12,500
Other fees payable to the College's external auditors	4,205	2,496
	<u>19,320</u>	<u>14,996</u>

The amounts above are stated inclusive of VAT.

Clare Hall

Notes to the Accounts for the year ended 30 June 2022:

8 TANGIBLE FIXED ASSETS	Freehold land and buildings	Infrastructure and equipment	2022
	£	£	£
COST			
As at 1 July 2021	12,664,486	2,557,792	15,222,278
Additions at cost	-	71,012	71,012
Disposals at cost	-	(16,145)	(16,145)
As at 30 June 2022	<u>12,664,486</u>	<u>2,612,659</u>	<u>15,277,145</u>
DEPRECIATION			
As at 1 July 2021	4,821,947	1,441,122	6,263,069
Charge for the year	195,291	179,724	375,015
Eliminated on disposals	-	(16,145)	(16,145)
Provision for depreciation as at 30 June 2022	<u>5,017,238</u>	<u>1,604,701</u>	<u>6,621,939</u>
Net book value as at 30 June 2022	<u>7,647,248</u>	<u>1,007,958</u>	<u>8,655,206</u>
Net book value as at 30 June 2021	<u>7,842,559</u>	<u>1,116,670</u>	<u>8,959,209</u>

The College's operational buildings are insured for a rebuilding cost of £39,649,420 (2021: £37,230,910).

9 HERITAGE ASSETS

The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance.

As stated in the statement of principal accounting policies, heritage assets acquired since 1 July 1999 have been capitalised. However the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of cost or valuation are not available for these on a cost-benefit basis, they have not been capitalised. As a result the total included in the balance sheet is partial and the £150,000 relates to assets acquired in 2007.

There have been no additions to heritage assets during the last five years.

10 INVESTMENT ASSETS

	2022	2021
	£	£
Balance at 1 July 2021	33,332,465	28,987,379
(Disposals)	-	(1,000,039)
(Depreciation)/appreciation on revaluation	<u>(763,572)</u>	<u>5,345,125</u>
Balance at 30 June 2022	<u>32,568,893</u>	<u>33,332,465</u>
Represented by:		
Charities Property Fund	2,311,032	1,950,648
Cambridge University Endowment Fund	<u>30,257,861</u>	<u>31,381,817</u>
Total	<u>32,568,893</u>	<u>33,332,465</u>

11 TRADE AND OTHER RECEIVABLES

	2022	2021
	£	£
Members of College	156,876	40,594
Sundry debtors	<u>446,302</u>	<u>322,444</u>
	<u>603,178</u>	<u>363,038</u>

Clare Hall

Notes to the Accounts for the year ended 30 June 2022:

12 CASH

	2022 £	2021 £
Bank current accounts	1,450,386	1,187,435
Cash in hand	685	1,408
	<u>1,451,071</u>	<u>1,188,843</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Members of College	170,458	218,733
Trade creditors	240,206	293,025
Tax and pension funds	29,002	24,926
University composition fees	60,244	54,660
Bank loans	1,900,000	-
	<u>2,399,910</u>	<u>591,344</u>

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £	2021 £
Bank loans	1,500,000	3,400,000
	<u>1,500,000</u>	<u>3,400,000</u>

Of the bank loans, £1,900,000, which was borrowed during 2017-18, is repayable in January 2023, with interest chargeable at a floating rate of 1.10% over the Bank of England Base Rate, and £1,500,000 is repayable in June 2048, with interest chargeable at a fixed rate of 4.58%. Both loans are unsecured, and the College has no other borrowings.

15 PENSION DEFICIT (CCFPS)

	2022 Total £	2021 Total £
Balance at beginning of year	693,512	875,784
Movement in year:		
Current service cost including life assurance	116,178	157,973
Contributions	(98,860)	(102,642)
Other finance cost	12,634	12,853
Actuarial (gain)/loss recognised in Statement of Comprehensive Income and Expenditure	(349,949)	(250,456)
	<u>373,515</u>	<u>693,512</u>

16 PENSION DEFICIT (USS)

	2022 £	2021 £
Balance at beginning of year	102,582	120,099
(Credit)/Charge to comprehensive income	39,793	(17,517)
	<u>142,375</u>	<u>102,582</u>

Clare Hall

Notes to the Accounts for the year ended 30 June 2022:

17 ENDOWMENT FUNDS

	Restricted Permanent	Unrestricted Permanent	Total 2022	Total 2021
	£	£	£	£
Balance at beginning of year:				
Capital	10,291,515	11,559,013	21,850,528	18,434,379
New donations and endowments	22,500		22,500	
Reserve transfer	21,576	-	21,576	-
(Decrease)/increase in market value of investments	(235,756)	(264,793)	(500,549)	3,416,149
Balance at end of year	10,099,835	11,294,220	21,394,055	21,850,528
Analysis by type of purpose:				
Fellowship Funds	7,419,035	-	7,419,035	7,592,973
Scholarship Funds	2,409,949	-	2,409,949	2,466,450
Bursary Funds	73,363	428,073	501,436	491,111
Other Funds	197,488	-	197,488	179,091
General Endowments	-	10,866,147	10,866,147	11,120,903
Total	10,099,835	11,294,220	21,394,055	21,850,528
Analysis by asset:				
Investments	10,055,759	11,189,233	21,244,992	21,745,541
Cash	44,076	104,987	149,063	104,987
Total	10,099,835	11,294,220	21,394,055	21,850,528

Clare Hall

Notes to the Accounts for the year ended 30 June 2022:

18 RESTRICTED RESERVES

	Capital grants unspent	Permanent unspent and other restricted income	Restricted expendable	2022 Total	2021 Total
	£	£		£	£
Balance at beginning of year					
Capital	-	-	4,373,849	4,373,849	3,826,521
Accumulated income	-	946,698	664,813	1,611,511	1,330,918
	-	946,698	5,038,662	5,985,360	5,157,439
New donations	29,693	-	439,913	469,606	64,914
Reserve transfer	-	(21,576)	-	(21,576)	-
Investment Income	-	353,824	148,045	501,869	477,559
Capital grants utilised	(7,558)	-	-	(7,558)	-
Expenditure	-	(159,543)	(235,903)	(395,446)	(423,659)
(Decrease)/increase in market value of investments	-	(3,705)	(100,194)	(103,899)	709,107
	22,135	1,115,698	5,290,523	6,428,356	5,985,360
Balance at end of year					
Capital	22,135	-	4,277,393	4,299,528	4,535,629
Accumulated Income	-	1,115,698	1,013,130	2,128,828	1,449,731
	22,135	1,115,698	5,290,523	6,428,356	5,985,360
Analysis of other restricted funds/donations					
By type of purpose:					
Fellowship Funds	-	841,791	2,395,045	3,236,836	2,937,692
Scholarship Funds	-	245,340	2,778,259	3,023,599	2,869,288
Bursary Funds	-	7,670	20,720	28,390	42,026
Other Funds	22,135	20,897	96,499	139,531	136,354
	22,135	1,115,698	5,290,523	6,428,356	5,985,360

Notes to the Accounts for the year ended 30 June 2022:

19 STAFF

	College Fellows	Other academic	Non- academic	Total 2022	Total 2021
	£	£	£	£	£
Staff costs:					
Emoluments	217,999	71,204	986,896	1,276,099	1,105,392
Social security costs	17,372	9,344	82,804	109,520	92,256
USS pension costs	65,916	-	25,354	91,270	35,558
CCFPS pension costs	-	-	62,433	62,433	40,977
AVIVA Pension Costs	-	2,441	45,082	47,523	44,477
	<u>301,287</u>	<u>82,989</u>	<u>1,202,569</u>	<u>1,586,845</u>	<u>1,336,177</u>
Average staff numbers:					
Academic	50	1	-	51	48
Non-academic (full-time equiv.)	<u>2</u>	<u>-</u>	<u>32</u>	<u>34</u>	<u>37</u>
	<u>2</u>	<u>1</u>	<u>32</u>	<u>85</u>	<u>85</u>

Of the 52 fellows declared above 15 are stipendiary.

No officer or employee of the College, including the Head of House, received emoluments of over £100,000.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College; these are the President, Vice President, Bursar, Senior Tutor, Tutors, Fellowship Committee Chair, Praelector and a Research Fellow.

	2022	2021
	£	£
Key management personnel- aggregated emoluments	<u>272,548</u>	<u>224,458</u>

The trustees receive no remuneration in their role as trustees of the charity.

20 PENSION SCHEMES

The College's employees belong to three principal pension schemes, the Universities Superannuation Scheme (USS), the Cambridge Colleges Federated Pension Scheme (CCFPS) and the Aviva Cambridge Colleges GPP. The total pension cost for the period was £161,433 (2021: £138,529).

Universities Superannuation Scheme

The total cost charged to the Statement of Comprehensive Income and Expenditure in the year is £91,270 (2021: £35,558) as shown in note 19.

The latest available complete actuarial valuation of the Retirement Income Builder 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%.

Notes to the Accounts for the year ended 30 June 2022:

20 PENSION SCHEMES continued

Universities Superannuation Scheme cont'd

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 assumptions	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 assumptions used relate 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 31 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	n/a	n/a
Pension increases (CPI)	4.00%	2.00%

Notes to the Accounts for the year ended 30 June 2021:

20 PENSION SCHEMES continued

Cambridge Colleges Federated Pension Scheme

The College is a member of a multi-employer defined benefit scheme, the Cambridge Colleges Federated Pension Scheme, in the United Kingdom. The Scheme is a defined benefit final salary pension scheme that was originally set up, under an interim Trust Deed, on 19 July 1977 as a defined benefit scheme.

The contribution made by the College, including PHI, in respect of the year ended 30 June 2022 was £62,433 (2021: £40,977). The contribution rate payable by the College was 28.98% of pensionable salaries.

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:

	30-Jun-22	30-Jun-21
Discount rate	3.80%	1.80%
Increase in salaries	3.25%	3.10%
RPI assumption	3.45%	3.40%
CPI assumption	2.75%	2.60%
Pension increases in payment (RPI Max 5% p.a.)	3.30%	3.30%
Pension increases in payment (RPI Max 2.5% p.a.)	2.05%	1.95%

*For 1 year only, we have assumed that RPI will be 11% and CPI will be 9%. The caps under the Rules are applied to assumed pension increases.

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% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements (2021: S3PA with CMI_2020 future improvement factors and a long-term future improvement rate of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements).

This results in the following life expectancies:

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

Members are assumed to retire at their normal retirement age (65) apart from in the following indicated cases:

	Male	Female
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

The amounts recognised in the balance sheet as at 30 June 2022 (with comparative figures as at 30 June 2021) are as follows:

	30-Jun-22	30-Jun-21
	£	£
Present value of plan liabilities	(2,548,800)	(3,216,735)
Market value of assets	<u>2,175,285</u>	<u>2,523,223</u>
Net defined benefit liability	<u>(373,515)</u>	<u>(693,512)</u>

Notes to the Accounts for the year ended 30 June 2022:

20 PENSION SCHEMES continued

Cambridge Colleges Federated Pension Scheme cont'd

The amounts recognised in the Statement of Comprehensive Income and Expenditure for the year ending 30 June 2022 (with comparative figures for year ending 30 June 2021) are as follows:

	30-Jun-22	30-Jun-21
	£	£
Current service cost	105,328	147,949
Administrative expenses	10,850	10,024
Interest on net defined benefit liability	<u>12,634</u>	<u>12,853</u>
Total	<u>128,812</u>	<u>170,826</u>

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:

	30-Jun-22	30-Jun-21
	£	£
Present value of plan liabilities at beginning of period	3,216,735	3,202,906
Current Service cost	105,328	147,949
Employee contributions*	2,553	2,379
Benefits paid	(71,970)	(73,788)
Interest on plan liabilities	58,188	46,727
Actuarial (gains)	<u>(762,034)</u>	<u>(109,438)</u>
Present value of Scheme liabilities at end of period	<u>2,548,800</u>	<u>3,216,735</u>

* Note that the College has a salary sacrifice arrangement in place.

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:

	30-Jun-22	30-Jun-21
	£	£
Market value of plan assets at beginning of period	2,523,223	2,327,122
Contributions paid by College	98,860	102,642
Employee contributions	2,553	2,379
Benefits paid	(71,970)	(73,788)
Administrative expenses	(11,889)	(12,219)
Interest on plan assets	45,554	33,874
Return on assets, less interest included in SOCIE	<u>(411,046)</u>	<u>143,213</u>
Market value of plan assets at end of period	<u>2,175,285</u>	<u>2,523,223</u>

Actuarial return on plan assets	<u>(365,492)</u>	<u>177,087</u>
---------------------------------	------------------	----------------

The major categories of plan assets as a percentage of total plan assets at 30 June 2022 (with comparative figures at 30 June 2021) are as follows:

	30-Jun-22	30-Jun-21
Equities and Hedge Funds	52%	48%
Bonds & Cash	34%	42%
Property	<u>14%</u>	<u>10%</u>
Total	<u>100%</u>	<u>100%</u>

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

Notes to the Accounts for the year ended 30 June 2022:

20 PENSION SCHEMES continued

Cambridge Colleges Federated Pension Scheme cont'd

Analysis of the re-measurement 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:

	30-Jun-22	30-Jun-21
	£	£
Return on assets, less interest included in SOCIE	(411,046)	143,213
Expected less actual plan expenses	(1,039)	(2,195)
Experience gains and losses arising on plan liabilities	(186,979)	67,538
Changes in assumptions underlying the present value of plan liabilities	<u>949,013</u>	<u>41,900</u>
Actuarial gain recognised in OCI	<u>349,949</u>	<u>250,456</u>

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

	30-Jun-22	30-Jun-21
	£	£
Net defined benefit liability at beginning of year	(693,512)	(875,784)
Recognised in (deficit)/surplus for the year	(128,812)	(170,826)
Contributions paid by the College	98,860	102,642
Re-measurement of net defined benefit liability recognised in OCI	<u>349,949</u>	<u>250,456</u>
Deficit in Scheme at the end of the year	<u>(373,515)</u>	<u>(693,512)</u>

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 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 Schedule of contributions dated 21 May 2021 and are as follows:

- Annual contributions of not less than £10,411 p.a. payable for the period 1 July 2021 to 31 July 2027.

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

Aviva Cambridge Colleges GPP

The College operates a defined contribution pension scheme, mainly for permanent contracted non-academic employees which complies with the requirements of the Pensions Act 2006 and Auto Enrolment. This scheme is provided by Aviva and has been in operation since July 2017 and replaces the CCFPS scheme which is now closed to new members.

21 RELATED PARTY TRANSACTIONS

Owing to the nature of the College's operations and the composition of the Governing Body, it is inevitable that transactions will take place with organisations in which a member of the Governing Body has an interest. Any transactions involving organisations in which a member of the Governing Body has 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.

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 Finance Committee.

Notes to the Accounts for the year ended 30 June 2022:

21 RELATED PARTY TRANSACTIONS continued

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

From	To	2022 Number	2021 Number
£0	£20,000	11	9
£20,001	£30,000	2	3
£30,001	£40,000	-	1
£40,001	£50,000	1	1
£50,001	£60,000	-	-
£60,001	£70,000	1	-
	Total	15	14

The total Trustee salaries were £217,998 for the year (2021: £186,519). The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £92,074 for the year (2021: £66,135).

22 CONSOLIDATED RECONCILIATION AND ANALYSIS OF NET DEBT

	At 1 July 2021 £000	Cash Flows	At 30 June 2022 £000
Cash and cash equivalents	1,189	262	1,451
Borrowings:			
Unsecured loans			
Amounts falling due within one year	-	1,900	1,900
Amounts falling due after more than one year	3,400	(1,900)	1,500
	(2,211)	262	(1,949)

23 FINANCIAL INSTRUMENTS

	2022 £000	2021 £000
Financial assets		
<i>Financial assets that are equity instruments measured at cost less impairment</i>		
Other equity investments	32,569	32,310
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Cash and cash equivalents	1,451	1,189
Other debtors	603	363
	34,623	33,862
Financial liabilities		
<i>Financial liabilities measured at amortised cost</i>		
Loans	3,400	3,400
Trade creditors	240	293
Other creditors	260	298
	3,900	3,991

24 Lease Obligations

At 30 June 2022 the College had commitments under non-cancellable operating leases as follows:

	2022 £000	2021 £000
Land and buildings:		
Expiring between one and five years	114	100