

Corpus Christi College Cambridge

ANNUAL REPORT AND ACCOUNTS

for the financial year ending
30 June 2004

Corpus Christi College

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Corpus Christi College, Cambridge
Year Ended 30 June 2004

CORPUS CHRISTI COLLEGE
CAMBRIDGE, CB2 1RH

Charity Exemption Number X6457
VAT Number GB 214 2431 13

The College of Corpus Christi and the Blessed Virgin Mary in the University of Cambridge is a corporate body comprising the Master, Fellows and Scholars. It is an exempt charity with its registered office at Trumpington Street, Cambridge, CB2 1RH.

MEMBERS OF THE GOVERNING BODY (as of 30 June 2004)

The Master

Professor H Ahmed ScD, FEng, Professor Emeritus of Microelectronics

*The Fellows of the College (in order of election) who are members of the Governing Body
(see section 'College Governance')*

| | |
|---|---|
| O Rackham OBE, FBA, MA, PhD | Praelector Rhetoricus |
| Professor CM Andrew MA, PhD | President, <i>Professor of Modern and Contemporary History</i> |
| PB Davies MA, PhD | <i>Reader in Spectroscopy</i> |
| CD Mackay MA, PhD | <i>Senior Lecturer in the Institute of Astronomy</i> |
| Professor MJ Hatcher PhD (London), LittD | <i>Vice-Master, Professor of Economic and Social History</i> |
| Professor W Horbury DD, FBA | <i>Professor of Jewish and Early Christian Studies</i> |
| Professor PA Mellars MA, PhD, ScD, FBA, FSA | <i>Professor of Prehistory and Human Evolution</i> |
| BL Hazleman MA, FRCP | <i>Associate Lecturer, Department of Medicine</i> |
| Professor A Hopper BSc (Wales), PhD, FEng | <i>Professor of Computer Technology</i> |
| CJB Brookes MA, PhD | Tutor for Advanced Students, College Lecturer in Mathematics, <i>Isaac Newton</i> |
| | <i>Affiliated Lecturer in Pure Mathematics</i> |
| RA McMahon MA, PhD | <i>Senior Lecturer in Engineering</i> |
| CJ Howe MA, PhD, FLS | <i>Warden of Leckhampton, Reader in Plant and Microbial Biochemistry</i> |
| R Davis PhD (Princeton), BMus (London), LRAM, LTCL | <i>Senior Lecturer in Ethnomusicology</i> |
| AG Smith BSc (Bristol) PhD | <i>Reader in Plant Metabolism</i> |
| PC Hewett MA, PhD (Edinburgh) | <i>Food and Wine Steward, Reader in Observational Astrophysics</i> |
| NE Simmonds MA, LL.M, PhD | <i>Dean of College, Reader in Jurisprudence</i> |
| Professor S Pellegrino MA, PhD | <i>Professor of Structural Engineering</i> |
| Professor M Warner MA, PhD (London) | <i>Professor of Theoretical Physics</i> |
| PNR Zutshi PhD, FSA | <i>Keeper of the University Archives</i> |
| PN Schofield MA, DPhil (Oxford) | Tutor for Admissions, <i>Senior Lecturer in Anatomy</i> |
| MI Kalnins MA, PhD (Edinburgh) | <i>Staff Tutor in Literature, Institute of Continuing Education</i> |
| GM Duveen BSc (Surrey), MSc (Strathclyde), DPhil (Sussex) | Secretary to the GB and EB, <i>Senior Lecturer in Social and Political Sciences</i> |
| Professor JG Haslam MLitt, BSc (Econ), PhD (Birmingham) | Finance Tutor, <i>Professor in the History of International Relations</i> |
| CM Kelly BA (Sydney), PhD | Senior Tutor, <i>Lecturer in Classics</i> |
| D Greaves MA, PhD | Lecturer in Computer Science |
| S Godsill MA, PhD | Tutor, <i>Reader in Statistical Signal Processing</i> |
| SC Moratti MSc, DipEd, PhD (Auckland) | Lecturer in Chemistry |
| EF Wilson MA, PhD | Deputy Senior Tutor, <i>Reader in Contemporary French Literature and Film</i> |
| HPC Robinson MA, PhD | <i>Lecturer in Neuroscience</i> |
| Professor AC Harvey BA (York), MSc (LSE) FBA | <i>Professor of Econometrics</i> |
| JW Burton BA (Oxford), PhD | Tutor, Steward of Leckhampton, <i>Royal Society Research Fellow in Synthetic</i> |
| | <i>Organic Chemistry</i> |
| | <i>Professor of Chemistry</i> |
| Professor JP Hansen PhD (Paris), FRS | <i>Lecturer in Economics, Judge Institute of Management</i> |
| PA Kattuman MA (Calicut), PhD | <i>Research Fellow in Linguistics</i> |
| A Tosi PhD | Deputy Tutor for Advanced Students, <i>Lecturer in Social Anthropology</i> |
| DA Sneath BSc (Ulster), PhD | Tutor, <i>Lecturer in Patristics</i> |
| AN Williams MA (Hons), Dip TESL (Victoria), MDiv, MPhil, PhD (Yale) | Tutor, <i>Regius Professor of Civil Law</i> |
| Professor DJ Ibbetson MA, PhD | Donnelley Fellow Librarian |
| CFR de Hamel DPhil (Oxford), LittD (Hon, St John's, Minnesota, USA), LittD (Hon, Otago, NZ), FSA | |

Corpus Christi College, Cambridge

Year Ended 30 June 2004

C Urban MPhil, PhD
R Drayton AB (Harvard), MA (Oxford), MPhil, PhD (Yale), FRHistS
KA Seffen MA, PhD
J Warren MA, Mphil, PhD
JL Hallam Foster MA, MSc (LSE), PhD
C Tilmouth MA, MPhil, PhD
NJ Yandell DPhil (Oxford), LGSM
T Zittoun MSc, L-es-L, PhD (Neuchatel)
The Revd J Lawson MA, DPhil (Oxford)
S Mahajan BS (Stanford), BA (Oxford), PhD (Caltech)
J Yates BA Msci
G Verdirame Laurea (Bologna) LLM (London), PhD (LSE)
J Lewis BA (Bath), MPhil, PhD
K Brown BMus (QCM, Griffith), MMus (SOAS), PhD
D Fearn MSt (Oxford) DPhil (Oxford)

Research Fellow in Mathematics
Senior Lecturer in Imperial and extra-European History since 1500.
Tutor, *Lecturer in Engineering*
Lecturer in Classics
Research Fellow in Social and Developmental Psychology
College Lecturer in English
Bursar
Marie Curie Research Fellow in Social and Developmental Psychology
Chaplain
Research Fellow in Physics
Research Fellow in Physics
Lecturer in Law
Acting Director of Studies in History, *Lecturer in History*
Research Fellow in Music
Research Fellow in Classics

Principal Professional Advisors

Actuaries

Barnes & Sherwood
Barnes & Sherwood House
95 Maybury Road
Woking GU21 5JL

Auditors

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

Solicitors

Kester Cunningham John
Chequers House
77-81 Newmarket Road
Cambridge CB5 8EU

Mills & Reeve
Francis House
112 Hills Road
Cambridge CB2 1RH

Taylor Vinters
Merlin Place
Milton Road
Cambridge CB4 0DP

Property Managers and Valuers

Bidwells
Trumpington Road
Cambridge CB2 2LD

Investment Managers

Barclays Global Investors Limited
Murray House
1 Royal Mint Court
London EC3N 4HH

Charles Stanley & Company Ltd
25 Luke Street
London EC2A 4AR

Pinegrove Offshore
Washington Mall I, 3rd Floor
22 Church Street
Hamilton HM11
Bermuda

The Charities Property Fund
c/o Carr Sheppards Crosthwaite
2 Gresham Street
London EC2V 7QN

Wise Investments
The Lectern Hall, West Street
Chipping Norton
Oxon OX7 5LH

Bankers

Barclays Bank Plc
Bene't Street, PO Box 2
Cambridge CB2 3PZ

BURSAR'S REPORT

I am pleased to present the College's financial and operational report for the year ended 30 June 2004.

Founded in 1352, the College of Corpus Christi and the Blessed Virgin Mary in the University of Cambridge is the sixth oldest of the thirty-one colleges of Cambridge University. It is an autonomous, self-governing community of scholars. The total community consists of the Master, 55 active Fellows and 407 junior members, of whom 246 are undergraduates and 161 are graduates. In addition, 133 members of staff support the College in achieving its aims and objectives.

Aims and Objectives of the College

The College continues to fulfill its charitable objectives as a place of education, teaching, scholarship, religion, learning and research. It maintains an independent foundation while, at the same time, forms part of a collegiate university. Corpus Christi College has the following core aims:

- To support a community of students and Fellows
- A dedication and commitment to the pursuit of the highest standards in teaching and research at undergraduate and graduate levels
- To promote and encourage academic research of the highest quality across a wide range of disciplines
- To maintain and enhance its endowments, benefactions, historic buildings and grounds for the benefit of future generations of students and Fellows

Financial Review

In the financial year 2003/2004, the College generated a net deficit, after the depreciation of fixed assets, of £1.38M. Excluding depreciation of assets (operational buildings), the net deficit for the year amounted to £244k. This compares with a deficit of £347k in the previous year. Over the course of the year, total net assets rose by £5.1M.

The following financial information is of note:

- Academic fees and other charges increased from £938k to £965k. However, the operating environment remains difficult for colleges in Cambridge. The scaled reduction in the real value of the publicly-funded undergraduate college fees, imposed by the government over a 10-year period from 1999/2000, reached its fifth year in 2003/04. Corpus' publicly funded undergraduate fee was £2,824 in 2003/04 against £2,730 in 1999/2000. The loss in annual income resulting from this enforced reduction was in the order of £70,000 in 2003/04, relative to the fee income that would otherwise have been anticipated.

Corpus Christi College, Cambridge

Year Ended 30 June 2004

- The withdrawal of Advanced Corporation Tax Relief on investment income, also introduced in 1999/2000, reached its penultimate year in 2003/04 and will be phased out in the College's current financial year. This action has involved a significant loss of income to the College and will continue to be felt in the coming years.
- Due principally to a rise in investment values, the total net assets of the College increased from £160.4M at 30 June 2003 to £165.5M at 30 June 2004. This increase is due in part to the appreciation in property and other investment holdings amounting to £4.4M, and an increase in the trust fund endowment of £0.2M.
- The accounting treatment of the historic buildings of the College has been considered in detail during the process of the preparation of accounts in the RCCA form. There has been much debate about the valuation policy and how the colleges' operational buildings should be treated within this context. The Executive Body, the Investment Advisory Group and the Audit Committee have considered this matter fully. The figures that appear in the accounts are based on rebuilding costs (as at 1 June 2003) for insurance purposes only and are not market valuations. The consequent implications for depreciation charges should be noted, and the effect this has on the operating results of the College.
- Income from student residences, catering and educational conferences and summer schools rose from £1.7M to £1.8M. However, the conference activity experienced pressures on pricing and an increase in competition within the educational market. Uncertainties in the US and Japan as a result of heightened tension over terrorism, as well as the Sars outbreak in parts of Asia, also had an impact on activity in Cambridge. Although rents from student rooms rose by approximately 8%, expenditure associated with the ongoing provision of suitable accommodation and the high cost of maintaining our ancient buildings, together with rising employment costs, led to an overall rise in operating costs of £90k.
- Due to a rise in expenditure on salaries and other operating costs, education costs rose by £120k to £2.57M. The education deficit of £1.6M is met from the College's own resources.
- The College continues to provide financial support for up to six Research Fellows and also to certain undergraduate and postgraduate students in cases of hardship. To support hardship, the College draws upon designated funds donated and invested for that specific purpose.

Benefactions and Donations

The College is grateful for the many donations and bequests from alumni and other supporters received during the year.

Corpus Christi College, Cambridge

Year Ended 30 June 2004

Mrs Elizabeth Winter was appointed full time Development Director in October 2003. The objective of the Development Office is to raise significant funds for the College's future needs (see further information in the section "Future Activities").

Investments

The College's Investment Advisory Group (IAG) actively monitors the performance of the professional investment advisors retained by the College, and ensures that an appropriate mix of asset types is maintained. The objective of the College is to maximise investment returns over the medium- to long-term, taking into account such risk and liquidity factors as appropriate. The current structure is principally a mix of equity, bond and property holdings, while cash investments provide the College's working capital and assist in the management of operational cash flow.

The College is fortunate in having a strong commercial property and real estate base to its investment portfolio that, in recent years, has partly insulated it from the impact of weak stock market returns.

Capital Expenditure and Building Renewals

The College's operational buildings are of varying ages and conditions. The task of maintaining these buildings to suitable standards is ongoing. Over the course of the year, work was undertaken in various key areas; boilers, data cabling, utility supply relocations and energy efficiency installations. Further work will be undertaken in 2004/05, in advance of major works that will lead to the redevelopment of the Hostel Yard and the relocation of the student library (see further information in the section "Future Activities").

In addition to works within the College's historic site, several building projects were completed in a number of off-site locations. These included re-roofing works at 8 Selwyn Gardens, various works at 15 Cranmer Road, boiler replacement at Newnham House, and various other projects at 21 and 23 Cranmer Road and 6, 7 and 8 Trumpington Street. The total capitalised value of these works amounted to £279K.

Risk Management and Internal Control

The Governing Body has overall responsibility for ensuring that the College has an appropriate system of internal control. Such a system of control can provide reasonable but not absolute assurance against material errors or fraud. The controls include clearly documented accounting procedures to maintain the integrity of accounting controls. The College is committed to operate best practise in this area.

The College operates an annual planning and budgeting system. The budget and financial plan is considered and approved by the Executive Body. Any significant change or deviation to those plans requires specific approval.

The financial reporting system compares actual results against budget on a monthly basis. This enables variances to be highlighted and appropriate action to be taken.

Creditors Payments Policy

It is the College's policy to pay all suppliers within agreed credit terms.

Future Activities

The past year has been marked by progress in a number of major projects; of particular note is the planning of a new student library (incorporating the redevelopment of a third court and the building of a new student centre, as well as staff offices) and the launch of 'Parker-on-the-Web' (a web-based project which aims to make available the core manuscript collection of the Parker Library to scholars and the wider public).

Planning is well advanced for the Library Court Project and the College has received significant financial pledges from a variety of sources, for which it is extremely grateful. The successful implementation of the project will greatly enhance the facilities available at Corpus, not only for academic work, but also for the social life and welfare of the student body as well as the future office needs of College staff. This project is the largest the College has undertaken since the building of the New Court in the early nineteenth century. Planning permissions have been granted, enabling and on-site archaeological work has been carried out, and it is anticipated that building work will commence in earnest during early 2005. The project is scheduled for completion by the summer of 2006.

The Parker-on-the-Web project is a collaboration between Corpus Christi College and Stanford University. Funding has been secured for the trial phase of this important initiative that aims to make the core manuscripts of the Parker Library available on the web. The College intends that the manuscripts will be imaged at high resolution for both archival and scholarship purposes. This innovative and multi-faceted project is expected to take around three years to complete; it is hoped that as a result of the project, the College's reputation as a centre of educational excellence will be enhanced further and that it will become more widely known in many centres of education and learning throughout the world.

A further development associated with the Parker Library is the planned development of a new manuscript conservation centre. The College plans to build a new centre for the conservation of manuscripts and preparation for the project is ongoing. Subject to planning permission, the construction of the new centre is expected to take place during 2005 and be completed before the end of the year. The centre will provide the College with state-of-the-art facilities for conserving not only its own precious manuscripts but also those of other Cambridge Colleges.

Equal Opportunities

The College is committed to the principle and practise of equal opportunities and aims to be an equal opportunities employer. The College's employment policy seeks to ensure that no job applicant or employee receives less favourable treatment on the grounds of sex, marital status, ethnic origin, disability, age (within constraints of the employment

Corpus Christi College, Cambridge

Year Ended 30 June 2004

policy), class, colour, HIV/AIDS status, personal circumstances, sexual orientation or any other grounds that are unjustified in terms of equality of opportunities for all.

Going Concern

After making enquiries, the Governing Board is of the opinion that the charity has adequate resources to continue in operational existence for the foreseeable future. The financial statements are accordingly prepared on a going concern basis.

COLLEGE GOVERNANCE

Governing Body

The arrangements for governance of the College are set out in its Statutes. The Master as Head of House has statutory powers of governance and is also Chairman of the Governing Body; the Bursar is accountable to the Governing Body and has overall responsibility for the finances, operations and administration of the College; the Senior Tutor, also accountable to the Governing Body, has overall responsibility for admission, education and welfare of all students while the Tutor for Advanced Students has particular responsibility for graduate students; the Warden of Leckhampton has responsibility for Leckhampton, the College's graduate campus in West Cambridge.

Current membership of the Governing Body is shown at the beginning of this report. Members comprise the Master and Fellows in Classes A, B and C, and those who qualify under College Statute 31.

From a financial perspective, members are responsible for ensuring that there is an effective system of internal control and that accounting records are properly kept. The College is required to present audited financial statements for each financial year, prepared in accordance with the Statutes of the University of Cambridge.

In enabling 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
- Applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements

Corpus Christi College, Cambridge

Year Ended 30 June 2004

Members of the Governing Body endeavour to act with integrity at all times and are required to consider the College's best interests, without regard to their own private interests. Members of the Governing Body are required to make best efforts to take appropriate steps to ensure that the ongoing affairs of the College are managed prudently, taking consideration of both short-term needs and longer-term strategic aims.

The Governing Body has the power to delegate powers to the Executive Body.

Executive Body

The Executive Body consists of 6 elected members and no more than 6 ex-officio members. It is responsible for the control and management of the College's affairs as delegated by the Governing Body.

Membership for the year ended 30 June 2004 was as follows:

- Professor H Ahmed (The Master)
- Dr C Brookes (Tutor for Advanced Studies)
- Dr C Howe (Warden of Leckhampton)
- Dr C Kelly (Senior Tutor)
- Dr N Yandell (Bursar)
- Professor W Horbury
- Dr O Rackham
- Dr N Simmonds
- Dr D Greaves
- Dr E Wilson
- Professor A Harvey

Other Committees

The Governing and Executive Bodies are assisted in the performance of their duties by a number of other committees. Among these, the following are noted:

Audit Committee

The potential risks arising from the College's activities are reviewed and assessed through the work of an Audit Committee. The Audit Committee is appointed by the Governing Body and comprises a Chair and three members of the Fellowship. It meets at least twice a year to consider reports from the external auditors and advises the Governing Body on aspects of financial control.

Building Committee

The Building Committee prepares an annual budget and monitors spending on significant building projects, major repairs and renewals; the Committee (Chair and five members) generally meets twice each term.

Corpus Christi College, Cambridge

Year Ended 30 June 2004

Fellowship Committee

The Fellowship Committee identifies and recommends potential candidates for election to the Fellowship of the College. It also considers general Fellowship matters.

Health and Safety Committee

The Health and Safety Committee generally meets each term to review health and safety matters and policy. It comprises a Chair and up to twelve members, including members of College staff.

Investment Advisory Group

The Investment Advisory Group generally meets twice a year to review the College's investment portfolio, to consider investment objectives and targets, to monitor portfolio returns, as well as to consider the performance of the College's professional investment advisers. The Investment Advisory Group comprises a Chair and, currently, eight members.

Research Fellowship

The Research Fellowship Committee meets termly and comprises a Chair and currently nine members.

Staff Committee

The Staff Committee considers aspects of staff employment and remuneration. It meets termly and comprises a Chair and five members.

Stipends Committee

The Stipends Committee meets as necessary to review the stipends of major College Offices. It comprises a Chair and three members.

Dr N J Yandell Dated.
Bursar

Corpus Christi College

Independent Auditors' Report to the Governing Body of Corpus Christi College

Year Ended 30 June 2004

We have audited the financial statements which comprise the income and expenditure account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement and related notes. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies.

This report is made solely to the College's Governing Body, as a body, in accordance with College's Statutes and the Statutes of the University of Cambridge. Our audit work has been undertaken so that we might state to the College's 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.

Respective Responsibilities of the College's Governing Body and Auditors

The Governing Body's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Responsibilities of the Governing Body. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the College's Statutes and the Statutes of the University of Cambridge. We also report to you if, in our opinion, the Report of the Governing Body is not consistent with the financial statements, if the College has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Officers' remuneration and transactions with the College (and other members of the group) is not disclosed.

We are not required to consider whether the statement in the Report of the Governing Body concerning the major risks to which the College is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the College's risk management and control procedures.

We read other information contained in the Report of the Governing Body and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

Basis of Audit Opinion

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

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

Corpus Christi College

Independent Auditors' Report to the Governing Body of Corpus Christi College

Year Ended 30 June 2004

Qualified Opinion on Opening Balances and Comparatives

The College has prepared its financial statements in accordance with the Statutes and Ordinances of the University of Cambridge (RCCA), for the first time in respect of the year ended 30 June 2004. The corresponding figures shown in the year ended 30 June 2003 and the balances brought forward at 1 July 2003 have not been audited. Any adjustments for these figures would have a consequent effect on the surplus or deficit for the year.

Except for the effects of any misstatement of the opening balances and comparative figures which have not been audited, in our opinion the financial statements give a true and fair view of the state of the College's affairs as at 30 June 2004 and of the consolidated deficit of the College for the year then ended and have been properly prepared in accordance with the College's Statutes and the Statutes of the University of Cambridge.

In our opinion the contribution due from the College to the University has been correctly computed in accordance with the provisions of Statute G,II of the University of Cambridge.

PETERS ELWORTHY & MOORE

**Chartered Accountants and
Registered Auditor**

CAMBRIDGE

Date.....

Corpus Christi College

Statement of Principal Accounting Policies

Year Ended 30 June 2004

Basis of preparation

The accounts have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge and applicable Accounting Standards.

In addition, the accounts comply with the Statement of Recommended Practice: Accounting for Further and Higher Education (The SORP) with the exception of the Balance Sheet which has been presented in the format of the Recommended Cambridge College Accounts (RCCA) as set out in draft Regulations of the University of Cambridge. The provisions of the SORP require Endowments, Deferred Grants and Revaluation Reserves to be disclosed differently on the Balance Sheet, whereas the RCCA shows part of this information in the notes to the accounts.

These accounts are presented in this format for the first time and comparative figures have not been audited. In addition, as there is no balance sheet as at 30 June 2002, comparative figures for the FRS1 Cashflow Statement are not available.

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment assets and certain land and buildings.

Recognition of income

Income from permanent capital funds and short-term deposits is credited to the Income and Expenditure Account in the year in which it becomes receivable.

Unrestricted donations are allocated to income or capital after taking account of the circumstances and size of the gift in the year in which they become receivable.

Benefactions and donations accepted on condition that only the income may be spent are credited to the Balance Sheet as permanent capital funds. The income from a permanent capital fund is shown as income in the year that it is receivable. Income from a permanent capital fund that is not expended in the year in which it is receivable is, at the year-end, transferred from the Income and Expenditure Account to a restricted or unrestricted capital fund, as appropriate. When there is subsequent expenditure of accumulated income from a restricted capital fund, income is credited back to the Income and Expenditure Account from the restricted expendable capital fund to match the expenditure.

Restricted benefactions and donations that are used to fund capital projects are initially credited to a restricted expendable capital fund, and then released over the same estimated useful life that is used to determine the depreciation charge for the capital project.

College fee income is recognised in the period for which it is received and includes all fees chargeable to students or their sponsors.

Pension schemes

The College participates in the Universities Superannuation Scheme, a defined benefit scheme which, is externally funded and contracted out of the State Earnings-Related Pension Scheme. The fund is valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustee on the advice of the actuary. In the intervening years, the actuary reviews the progress of the scheme. Pension costs are assessed in

Corpus Christi College

Statement of Principal Accounting Policies

Year Ended 30 June 2004

accordance with the advice of the actuary, based on the latest actuarial valuation of the scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the employees' services.

The College also contributes to the Cambridge Colleges Federated Pension Scheme, which is a similar defined benefit scheme; it is externally funded and contracted out of the State Earnings-Related Pension Scheme. The fund is valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustee on the advice of the actuary. In the intervening years, the actuary reviews the progress of the scheme. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the institution benefits from the employees' services. Unlike the Universities Superannuation Scheme, this scheme has surpluses and deficits directly attributable to the individual colleges.

Tangible Fixed Assets

a) Operational Freehold Land and Buildings

Land and Buildings held for operational purposes are stated at depreciated replacement cost as at 30 June 2003 with subsequent additions at cost. The valuation in June 2003 was carried out by Bidwells, Chartered Surveyors.

Freehold buildings (including the cost of major renewals) are depreciated on a straight line basis over their expected useful economic life of 100 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 a deferred capital account and are released to the Income and Expenditure Account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

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 to 30th June. They are not depreciated until they are brought into use.

b) Maintenance and Renewal of Premises

The college has a maintenance plan, which is reviewed on an annual basis. The cost of any routine maintenance costing less than £10,000 is charged to the Income and Expenditure account as it is incurred. The cost of major refurbishment and maintenance costing more than £10,000 is capitalised and depreciated over the useful economic life of the asset concerned.

The college may also set aside sums to meet future major renewal costs, these being disclosed as designated reserves.

Corpus Christi College

Statement of Principal Accounting Policies

Year Ended 30 June 2004

c) Furniture, Fittings and Equipment

Furniture, fittings computer and general equipment costing less than £10,000 per individual item or group of related items is written off in the year of acquisition. All other assets are capitalised and depreciated over their expected useful life as follows:

| | |
|--------------------------------------|--------------------------|
| Furniture and Fittings | 10 years (10% per annum) |
| Motor Vehicles and General Equipment | 5 years (20% per annum) |
| Computer Equipment | 3 years (33% per annum) |

d) Rare books, manuscripts, silver, works of art and other assets not related to education

Rare books, silver, works of art and other assets not related to education, which are deemed to be inalienable, are not included in the balance sheet

Investments

a) Securities

Investments are included in the balance sheet at market value.

b) Investment properties

Investment properties are included in the balance sheet at open market value.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Provisions

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, and 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.

Taxation

The College is an exempt charity within the meaning of Schedule 2 of the Charities Act 1993 and is a charity within the meaning of Section 506 (1) of the Taxes Act 1988. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable gains Act 1992 to the extent that such income or gains are applied exclusively to 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 other colleges from the Colleges Fund. The college may from time to time be eligible for such grants.

Corpus Christi College

Consolidated Income and Expenditure Account

Year Ended 30 June 2004

| | | 2004 £ | 2003 £ |
|---|------|---------------------------|---------------------------|
| Income | Note | | |
| Academic Fees (inc Research/Teaching Grants) | 1 | 965,265 | 938,208 |
| Residences, Catering and Conferences | 2 | 1,827,483 | 1,655,425 |
| Investment Income and Donations | 3 | 2,736,749 | 2,822,513 |
| Other Income | | 256,181 | 285,399 |
| | | <u>5,785,678</u> | <u>5,701,545</u> |
| Total Income | | | |
| Expenditure | | | |
| Education | 4 | 2,569,086 | 2,445,958 |
| Residences, Catering and Conferences | 5 | 3,824,746 | 3,700,329 |
| Other | 6 | 528,748 | 687,244 |
| | | <u>6,922,580</u> | <u>6,833,531</u> |
| Total Expenditure | | | |
| Operating (Deficit) for the year | | <u>(1,136,902)</u> | <u>(1,131,987)</u> |
| Contribution under Statute G,II | 8 | (3,546) | (8,867) |
| | | <u>(1,140,448)</u> | <u>(1,123,120)</u> |
| Transfer to Accumulated Income within Restricted And Designated Expendable Capital | | (242,390) | (360,263) |
| Net (Deficit) | | <u><u>(1,382,838)</u></u> | <u><u>(1,483,383)</u></u> |

All of the activities of the College are classed as continuing

Corpus Christi College

Statement of Total Recognised Gains and Losses

Year Ended 30 June 2004

| | Restricted Funds | | Unrestricted Funds | | Total £000 |
|---|--------------------------------|--|-----------------------------|-------------------------------|--------------------|
| | Collegiate Purposes £000 | Non- Collegiate Purposes £000 | Designated Funds £000 | Undesignated Funds £000 | |
| Balance brought forward at 1 July 2003 | <u>14,500,567</u> | <u>-</u> | <u>113,079,521</u> | <u>32,851,454</u> | <u>160,431,542</u> |
| Retained Surplus/(Deficit) for the Year | - | - | (1,138,761) | (244,077) | (1,382,838) |
| Appreciation/(Depreciation) of Investment Assets | 881,459 | - | 24,190 | 3,463,061 | 4,368,710 |
| Unspent Trust or Other Restricted Fund Income | 242,390 | - | - | - | 242,390 |
| Permanent Benefactions and Donations Accumulated Within Capital | - | - | - | 1,500,000 | 1,500,000 |
| Benefactions to Deferred Capital Transfers | 361,035 | - | - | - | 361,035 |
| | - | - | 596,110 | (596,110) | - |
| Total Recognised Gains/(Losses) for the Year | <u>1,484,884</u> | <u>-</u> | <u>(518,461)</u> | <u>4,122,874</u> | <u>5,089,297</u> |
| Balance carried forward at 30 June 2004 | <u>15,985,451</u> | <u>-</u> | <u>112,561,060</u> | <u>36,974,328</u> | <u>165,520,839</u> |

Corpus Christi College

Balance Sheets

Year Ended 30 June 2004

| | Note | College | |
|--|------|--------------------|--------------------|
| | | 2004 £ | 2003 £ |
| Fixed Assets | | | |
| Tangible Assets | 10 | 112,261,086 | 112,460,970 |
| Investment Assets | 10b | <u>52,752,094</u> | <u>48,791,024</u> |
| | | 165,013,180 | 161,251,994 |
| | | | |
| Current Assets | | | |
| Stock | | 129,773 | 99,530 |
| Debtors | 11 | 745,757 | 394,586 |
| Cash | 12 | <u>781,284</u> | <u>310</u> |
| | | 1,656,814 | 494,426 |
| | | | |
| Creditors: amounts falling due within one year | 13 | <u>(1,149,155)</u> | <u>(1,314,878)</u> |
| | | | |
| Net Current Assets (Liabilities) | | <u>507,659</u> | <u>(820,452)</u> |
| | | | |
| Total Assets Less Current Liabilities | | 165,520,839 | 160,431,542 |
| | | | |
| Creditors: amounts falling due after more than one year | | - | - |
| | | | |
| Net Assets | | <u>165,520,839</u> | <u>160,431,542</u> |
| | | | |
| Capital and Reserves | | | |
| | | 2004 | 2003 |
| | | Total | Total |
| | | £ | £ |
| Restricted | 14 | 15,985,451 | 14,500,567 |
| Unrestricted – Designated | 14 | 112,551,901 | 113,079,521 |
| Unrestricted – Undesignated | 14 | 36,983,487 | 32,851,454 |
| | | <u>165,520,839</u> | <u>160,431,542</u> |

These accounts were approved by the Governing Body on 29th November 2004 and are signed on their behalf by:

N Yandell
Bursar

Corpus Christi College

Consolidated Cash Flow Statement

Year Ended 30 June 2004

| | | 2004 £ | 2004 £ |
|---|------------------|------------------|--------------------|
| A Operating Activities | Note | | |
| Operating Deficit Before Tax | | | (1,136,902) |
| Depreciation | 9 | | 1,138,761 |
| Investment Income | | | (2,736,749) |
| (Increase)/Decrease in Stocks | | | (30,243) |
| (Increase)/Decrease in Debtors | | | (351,181) |
| Increase/(Decrease) in Creditors | | | 466,761 |
| Net Cash Inflow from Operating Activities | | | <u>(2,649,554)</u> |
| B Returns on Investments and Servicing of Finance | | | |
| Income from Endowments | | | 2,494,359 |
| Retained Endowment Income | | | 242,390 |
| Net Cash Inflow from Returns on Investments and Servicing of Finance | | | <u>2,736,749</u> |
| C Contribution to Colleges Fund | | | <u>(3,546)</u> |
| D Capital Expenditure and Financial Investment | | | |
| Receipts from sales of Investment Assets | | 1,828,018 | |
| Benefactions Received | | 1,861,035 | |
| Capital Grants Received | | - | |
| Total Capital receipts | | <u>3,689,053</u> | |
| Purchases of Tangible Fixed Assets | | 938,877 | |
| Purchases of Investment Assets | | <u>1,518,955</u> | |
| Total Capital Receipts | | <u>2,457,832</u> | |
| Net Cash Inflow from Capital Transactions | | | 1,231,221 |
| Net Cash Inflow before Financing | | | <u>1,314,870</u> |
| E Increase in Cash in Year | | | |
| Reconciliation of Net Cash Flow to Movement in Net Liquid Assets | | | |
| Increase in Cash in the Year | | | 1,314,870 |
| Net Funds brought forward at 1 July 2003 | | | (76,207) |
| Net Funds carried forward at 30 June 2003 | | | <u>1,238,663</u> |
| F Analysis of Changes in Net Debt | | | |
| | At 1.7.03 | Cashflows | At 30.6.04 |
| | £ | £ | £ |
| Cash at bank and in hand | (632,163) | 1,413,447 | 781,284 |
| Cash at fund managers | 555,956 | (98,577) | 457,379 |
| | <u>(76,207)</u> | <u>1,314,870</u> | <u>1,238,663</u> |

Corpus Christi College

Notes to the Accounts

Year Ended 30 June 2004

| | | | | | |
|--|-----------------------------------|----------|------------------|------------------|------------------|
| 1 Academic Fees and Charges | | | | 2004 | 2003 |
| | | | | £ | £ |
| College Fees: | | | | | |
| Fee Income paid on behalf of Undergraduates eligible for Student Support | | | | - | - |
| Other Undergraduate Fee Income (per capita fee £2824) | | | | 686,494 | 660,059 |
| Graduate Fee Income (per capita fee £1892) | | | | 274,582 | 263,467 |
| | | | | <u>961,076</u> | <u>923,526</u> |
| Research/Teaching Grants | | | | - | 5,500 |
| Other Fees (incl. Degree Fees) | | | | 4,189 | 9,182 |
| Total | | | | <u>965,265</u> | <u>938,208</u> |
| 2 Residences, Catering and Conferences Income | | | | 2004 | 2003 |
| | | | | £ | £ |
| Residential Accommodation | College Members | | | 848,554 | 760,560 |
| | Conferences (incl. Meeting Rooms) | | | 294,131 | 253,177 |
| Catering | College Members | | | 504,998 | 509,894 |
| | Conferences | | | 179,799 | 131,794 |
| Total | | | | <u>1,827,483</u> | <u>1,655,425</u> |
| 3 Endowment Income | | | | 2004 | 2003 |
| | | | | 2004 | 2003 |
| | | | | 2004 | 2003 |
| | | | | Total | Total |
| | | | | £ | £ |
| Transfers from Endowment | | | | | |
| Income from: | | | | | |
| Freehold Land and Buildings | 111,138 | - | 1,231,289 | 1,342,427 | 1,416,628 |
| Quoted Securities – Equities and Fixed Interest | 344,490 | - | 326,552 | 671,042 | 604,379 |
| | <u>455,628</u> | <u>-</u> | <u>1,557,841</u> | <u>2,013,469</u> | <u>2,021,007</u> |
| Donations and benefactions | 723,279 | - | - | 723,279 | 801,506 |
| | <u>1,178,907</u> | <u>-</u> | <u>1,557,841</u> | <u>2,736,748</u> | <u>2,822,513</u> |
| 4 Education Expenditure | | | | 2004 | 2003 |
| | | | | £ | £ |
| Teaching | | | | 866,066 | 817,725 |
| Tutorial | | | | 446,138 | 455,196 |
| Admissions | | | | 202,349 | 166,769 |
| Research | | | | 232,619 | 226,714 |
| Scholarships and Awards | | | | 273,994 | 314,247 |
| Other Educational Facilities | | | | 547,920 | 465,308 |
| Total (Note 7) | | | | <u>2,569,086</u> | <u>2,445,958</u> |

Corpus Christi College

Notes to the Accounts

Year Ended 30 June 2004

| | | | | |
|---|-------------------------------------|---------------------------------|---------------------|------------------|
| 5 Residences, Catering and Conferences Expenditure | | | 2004 | 2003 |
| | | | £ | £ |
| Accommodation | College Members | | 2,353,362 | 2,213,068 |
| | Conferences (incl. marketing costs) | | 543,825 | 491,128 |
| Catering | College Members | | 749,628 | 849,714 |
| | Conferences | | 177,931 | 146,419 |
| Total | | | <u>3,824,746</u> | <u>3,700,329</u> |
| 6 Other Expenditure | | | 2004 | 2003 |
| | | | £ | £ |
| Other expenditure | | | <u>528,748</u> | <u>687,244</u> |
| 7a Analysis of 2004 Expenditure by Activity | Staff Costs | Other Operating Expenses | Depreciation | Total |
| | (Note 9) | | | |
| | £ | £ | £ | £ |
| Education (Note 4) | 1,405,550 | 945,417 | 218,119 | 2,569,086 |
| Residences, Catering and Conferences (Note 5) | 879,181 | 2,024,923 | 920,642 | 3,824,746 |
| Other (Note 6) | 61,577 | 467,171 | - | 528,748 |
| | <u>2,346,308</u> | <u>3,437,511</u> | <u>1,138,761</u> | <u>6,922,580</u> |
| 7b Analysis of 2003 Expenditure by Activity | Staff Costs | Other Operating Expenses | Depreciation | Total |
| | (Note 7) | | | |
| | £ | £ | £ | £ |
| Education (Note 4) | 1,360,370 | 867,482 | 218,106 | 2,445,958 |
| Residences, Catering and Conferences (Note 5) | 920,621 | 1,861,845 | 917,863 | 3,700,329 |
| Other (Note 6) | 61,573 | 625,671 | - | 687,244 |
| | <u>2,342,564</u> | <u>3,354,998</u> | <u>1,135,969</u> | <u>6,833,531</u> |
| 8 Contribution Under Statute G,II | | | 2004 | 2003 |
| | Note | | £ | £ |
| Endowment income as per Income and Expenditure Account | 3 | | 2,736,748 | 2,822,513 |
| Less: Items not assessable to Contribution | 3 | | (723,279) | (801,506) |
| Donations and bequests | | | (1,025,739) | (947,789) |
| Other items not assessable to contribution | | | | |
| Assessable Income | 22a | | <u>987,730</u> | <u>1,073,218</u> |
| Less: Deductible items | 22b | | (869,541) | (806,129) |
| Net Assessable Income | | | <u>118,189</u> | <u>267,089</u> |
| Contribution Payable | | | <u>3,546</u> | <u>8,867</u> |

Corpus Christi College

Notes to the Accounts

Year Ended 30 June 2004

9 Staff

| | College Fellows 2004 £ | Non- Academics 2004 £ | Total 2004 £ | Total 2003 £ |
|--|---|--|-----------------------------|-----------------------------|
| Staff Costs | | | | |
| Emoluments (including non-staff) | 451,137 | 1,518,084 | 1,969,221 | 1,999,225 |
| Social Security Costs | 33,046 | 106,180 | 139,226 | 125,626 |
| Other Pension Costs | 44,567 | 193,294 | 237,861 | 217,713 |
| | <u>528,750</u> | <u>1,817,558</u> | <u>2,346,308</u> | <u>2,342,564</u> |
| | | | | |
| Average Staff Numbers (Full-Time Equivalents) | | | | |
| Academic | 40 | - | 40 | 35 |
| Non-Academics | 4 | 129 | 133 | 138 |
| | <u>44</u> | <u>129</u> | <u>173</u> | <u>173</u> |

No officer or employee of the College, including the Head of House, received emoluments of over £70,000.

10 Tangible Assets

| | College Buildings and Site £ |
|----------------------------------|---|
| Original Cost/Valuation | |
| As at 1 July 2003 | 113,596,939 |
| Additions | 279,130 |
| Assets in course of construction | 659,747 |
| | <u>114,535,816</u> |
| As at 30 June 2004 | |
| Accumulated Depreciation | |
| As at 1 July 2003 | 1,135,969 |
| Provided for the Year | 1,138,761 |
| | <u>2,274,730</u> |
| As at 30 June 2004 | |
| Net Book value | |
| At 30 June 2004 | <u>112,261,086</u> |
| At 30 June 2003 | <u>112,460,970</u> |

The insured value of freehold Land and Buildings at 30 June 2004 was £137,264,986

Further reference should be made to the Bursars Report page 4

Corpus Christi College

Notes to the Accounts

Year Ended 30 June 2004

10b Investment Assets

Group and College

| | 2004 | 2003 |
|--|-------------------|-------------------|
| | £ | £ |
| Balance at 1 July 2003 | 48,791,024 | 50,672,431 |
| Additions | 1,518,955 | 19,335,380 |
| Disposals | (1,828,018) | (21,837,845) |
| Appreciation/(depreciation) on disposals/revaluation | 4,368,710 | 65,102 |
| Increase/(decrease) in cash balances held at fund managers | (98,577) | 555,956 |
| Balance at 30 June 2004 | <u>52,752,094</u> | <u>48,791,024</u> |

Represented by:

| | 2004 | 2003 |
|------------------------------|-------------------|-------------------|
| | £ | £ |
| Freehold land and buildings | 27,693,850 | 25,394,800 |
| Quoted securities – equities | 24,600,865 | 22,840,268 |
| Cash held for reinvestment | 457,379 | 555,956 |
| Total | <u>52,752,094</u> | <u>48,791,024</u> |

11 Debtors

College

| | 2004 | 2003 |
|------------------------|----------------|----------------|
| | £ | £ |
| Members of the College | 304,239 | 166,848 |
| Rents | 218,924 | 60,991 |
| Other | 222,594 | 166,747 |
| | <u>745,757</u> | <u>394,586</u> |

12 Cash

College

| | 2004 | 2003 |
|------------------|----------------|------------|
| | £ | £ |
| Current accounts | 780,855 | - |
| Cash in hand | 429 | 310 |
| | <u>781,284</u> | <u>310</u> |

13 Creditors: amounts falling due within one year

College

| | 2004 | 2003 |
|------------------------------|------------------|------------------|
| | £ | £ |
| Bank overdraft | - | 632,473 |
| Other creditors | 569,334 | 169,464 |
| Accruals and deferred income | 579,821 | 512,941 |
| | <u>1,149,155</u> | <u>1,314,878</u> |

Corpus Christi College

Notes to the Accounts

Year Ended 30 June 2004

14 Capital and Reserves

| | Income/ Expendable Capital Funds | Permanent Capital Funds | Total 2004 £000 | Total 2003 £000 |
|----------------------------|---|----------------------------|-----------------------|-----------------------|
| <i>Restricted Funds:</i> | | | | |
| Trust Funds | 2,205,422 | 13,418,994 | 15,624,416 | 14,500,567 |
| Donations & Benefactions | - | - | - | - |
| Deferred Capital Funds | 361,035 | - | 361,035 | - |
| | <u>2,566,457</u> | <u>13,418,994</u> | <u>15,985,451</u> | <u>14,500,567</u> |
| <i>Unrestricted Funds:</i> | | | | |
| <i>Designated Funds:</i> | | | | |
| Special Funds | 950,563 | - | 950,563 | 618,551 |
| Other General Capital | 111,601,338 | - | 111,601,338 | 112,460,970 |
| | <u>112,551,901</u> | <u>-</u> | <u>112,551,901</u> | <u>113,079,521</u> |
| <i>Undesignated Funds:</i> | | | | |
| Corporate Capital | - | 32,522,323 | 32,522,323 | 29,783,165 |
| Special Funds | - | - | - | - |
| Donations & Benefactions | 1,500,000 | - | 1,500,000 | - |
| Other General Capital | 2,961,164 | - | 2,961,164 | 3,068,289 |
| | <u>4,461,164</u> | <u>32,522,323</u> | <u>36,983,487</u> | <u>32,851,454</u> |
| | <u>117,013,065</u> | <u>32,522,323</u> | <u>149,535,388</u> | <u>145,930,975</u> |
| | <u>119,579,522</u> | <u>45,941,317</u> | <u>165,520,839</u> | <u>160,431,542</u> |

15 Reconciliation of Movement in Capital Reserves

| | Restricted Funds | | Unrestricted Funds | | | | Total 2004 £000 |
|-------------------------------|---|---------------------------------------|--|---------------------------------------|--|---------------------------------------|-----------------------|
| | Income/ Expendable Capital Funds £000 | Permanent Capital Funds £000 | <i>Designated Funds</i> Income/ Expendable Capital Funds £000 | Permanent Capital Funds £000 | <i>Undesignated Funds</i> Income/ Expendable Capital Funds £000 | Permanent Capital Funds £000 | |
| Balance as at 1 July 2003 | 1,963,032 | 12,537,535 | 113,079,521 | - | 3,068,289 | 29,783,165 | 160,431,542 |
| Increases in Year | 603,425 | 881,459 | 611,141 | - | 2,233,875 | 2,739,158 | 7,069,058 |
| (Decreases) in Year | - | - | (1,138,761) | - | (841,000) | - | (1,979,761) |
| Balance as at 30 June 2004 | <u>2,566,457</u> | <u>13,418,994</u> | <u>112,551,901</u> | <u>-</u> | <u>4,461,164</u> | <u>32,522,323</u> | <u>165,520,839</u> |

Corpus Christi College

Notes to the Accounts

Year Ended 30 June 2004

16 Analysis of Funds

| | Restricted Funds 2004 £ | Unrestricted Funds 2004 £ | Total 2004 £ | Total 2003 £ |
|-----------------------|--|--|-----------------------------|-----------------------------|
| Fellowship Funds | 5,768,717 | - | 5,768,717 | 5,458,129 |
| Scholarship Funds | 2,933,640 | - | 2,933,640 | 2,775,693 |
| Prizes Funds | 1,086,634 | - | 1,086,634 | 1,028,130 |
| Hardship Funds | 2,127,110 | - | 2,127,110 | 2,012,586 |
| Bursary Funds | 40,845 | - | 40,845 | 38,646 |
| Travel Grant Funds | 229,105 | - | 229,105 | 216,770 |
| Other Funds (note 23) | 3,139,652 | - | 3,139,652 | 2,970,613 |
| Estate Repair Fund | - | 612,764 | 612,764 | 304,942 |
| Building Fund | - | 337,799 | 337,799 | 313,609 |
| Deferred Capital Fund | 659,748 | - | 659,748 | - |
| General Capital | - | 116,062,502 | 116,062,502 | 115,529,259 |
| Corporate Capital | - | 32,522,323 | 32,522,323 | 29,783,165 |
| | <u>15,985,451</u> | <u>149,535,388</u> | <u>165,520,839</u> | <u>160,431,542</u> |

17 Asset Analysis of Funds

| | Restricted Funds | | Unrestricted Funds | | | | Total 2004 £ |
|---------------|---|--|---|--|---|--|-----------------------------|
| | Income/ Expendable Capital Funds £ | Permanent Capital Funds £ | <i>Designated Funds</i> | | <i>Undesignated Funds</i> | | |
| | Income/ Expendable Capital Funds £ | Permanent Capital Funds £ | Income/ Expendable Capital Funds £ | Permanent Capital Funds £ | Income/ Expendable Capital Funds £ | Permanent Capital Funds £ | |
| Tangible | | | | | | | |
| Fixed | | | | | | | |
| Assets | 659,748 | - | 111,601,338 | - | - | - | 112,261,086 |
| Investment | | | | | | | |
| Assets | - | 13,425,039 | 340,019 | - | 10,095,158 | 28,891,878 | 52,752,094 |
| Sinking Funds | - | - | - | - | (3,254,721) | 3,254,721 | - |
| Net Current | | | | | | | |
| Assets | <u>1,906,709</u> | <u>(6,045)</u> | <u>610,544</u> | <u>-</u> | <u>(2,379,273)</u> | <u>375,724</u> | <u>507,659</u> |
| Total | <u>2,566,457</u> | <u>13,418,994</u> | <u>112,551,901</u> | <u>-</u> | <u>4,461,164</u> | <u>32,522,323</u> | <u>165,520,839</u> |

18 Financial Commitments

| | 2004 £ | 2003 £ |
|-----------------------------|-------------------|-------------------|
| Land & Buildings | | |
| Expiring in over five years | <u>-</u> | <u>-</u> |

19 Capital Commitments

| | 2004 £ | 2003 £ |
|---------------------------------------|-------------------|-------------------|
| Commitments contracted for at 30 June | <u>30,410</u> | <u>-</u> |

Corpus Christi College

Notes to the Accounts

Year Ended 30 June 2004

20 Pension Schemes

University Superannuation Scheme

The College participates in the Universities Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme and hence contributions to the scheme are accounted for as if it were a defined contribution scheme. The cost recognised within the surplus/deficit for the year in the Income and Expenditure Account being equal to the contributions payable to the scheme for the year.

The latest actuarial valuation of the scheme was at 31 March 2002. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest) and the rates of increase in salary and pensions. In relation to the past service liabilities, the financial assumptions were derived from market yields prevailing at the valuation date. It was assumed that the valuation rate of interest would be 5.0% per annum, salary increases would be 3.7% per annum and pensions would increase by 2.7% per annum. In relation to the future service liabilities, it was assumed that the valuation rate of interest would be 6.0% per annum, including an additional investment return assumption of 1% per annum, salary increases would be 3.7% per annum and pensions would increase by 2.7% per annum. The valuation was carried out using the projected unit method.

At the valuation date, the market value of the assets of the scheme was £19,938 million and the value of the past service liabilities was £19,776 million leaving a surplus of assets of £162 million. The assets were therefore sufficient to cover 101% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The institution contribution rate required for future service benefits alone at the date of the valuation was 14.25% of salaries but it was agreed that the institution contribution rate would be maintained at 14% of salaries. To fund this reduction of 0.25% for the period of 12 years from the date of the valuation (the average outstanding working lifetime of the current members of the scheme) required the use of £82.5 million of the surplus. This left a past service surplus of £79.5m (including the Supplementary Section) to be carried forward.

Surpluses or deficits which arise at future valuations may impact on the institution's future contribution commitment. The next formal actuarial valuation is due as at 31 March 2005 when the above rates will be reviewed.

The total pension cost for the College was £237,861 (2003: £217,713). The contribution rate payable by the College was 14% of pensionable salaries.

Cambridge Colleges Federated Pension Scheme

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. The Scheme is a defined benefit final salary scheme that was originally set up, under an interim Trust Deed, on 19 July 1977 as a defined benefit scheme. It has been approved by the Inland Revenue Savings, Pensions, Share Schemes (formerly the Pensions Schemes Office) under Chapter I of Part XIV of the Income and Corporation Taxes Act 1988. The College's employees covered by the Scheme are contracted out of the State Second Pension (S2P), formerly the State Earnings Related Pension Scheme (SERPS).

The funding of the scheme is based upon regular triennial actuarial valuations, the last full valuation was carried out as at 31 March 2002 by a qualified independent actuary. The Financial Reporting Standard 17 (FRS 17) valuation as at 30 June 2003 uses this valuation as a base and updates the figures using the FRS 17 assumptions.

The contribution made payable by the College in respect of the accounting period ended 30 June 2004 was £163,400, excluding PHI premiums.

Corpus Christi College

Notes to the Accounts

Year Ended 30 June 2003

20 Pension Schemes (continued)

Cambridge Colleges Federated Pension Scheme (continued)

The major assumptions used by the actuary were:

| | 2004 |
|--|-------------|
| Rate of increase in salaries | 3.80% |
| Rate of increase in pensions in deferment | |
| - Guaranteed minimum pension (GMP) | 3.80% |
| - Excess pension over GMP and pension accrued after 5 April 1997 | 3.10% |
| Rate of increase in pensions in payment | |
| - GMP accrued up to 5 April 1988 | 0.00% |
| - GMP accrued between 6 April 1988 and 5 April 1997 | 2.30% |
| - Excess pension over GMP and pension accrued after 5 April 1997 | 3.10% |
| Discount rate | 5.80% |
| Inflation assumption | 3.10% |

The assets in the scheme and the expected rate of return were:

| | Long term rate of return expected 2004 | Value at 2004 £000 |
|-------------------------------------|---|-----------------------------------|
| Equities | 8.0% | 1,556,752 |
| Bonds (including cash) | 5.1% | 818,026 |
| Property | 7.0% | <u>180,493</u> |
| Total market value of assets | | 2,555,271 |
| Present value of scheme liabilities | | <u>(3,276,617)</u> |
| Net pension liability | | <u>(721,346)</u> |

21 Related Party Transactions

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

Corpus Christi College

Notes to the Accounts

Year Ended 30 June 2003

22 Contribution Assessment

| | 2004 | | 2003 | |
|--|-----------|-------------|-----------|-----------|
| | £ | £ | £ | £ |
| 22a Assessable income | | | | |
| i External Revenue | | | | |
| Agricultural properties let at rack rent | 152,446 | | 175,957 | |
| Urban properties let at rack rent | 1,078,843 | | 1,033,712 | |
| Residential properties let at rack rent | - | | 115,483 | |
| Dividends and gross interest | 326,552 | 1,557,841 | 309,644 | 1,634,796 |
| | | | | |
| Less: | | | | |
| Agency, Management charges | 548,990 | | 406,630 | |
| Legal charges | 47,705 | | 49,191 | |
| Transfer to Estates Repairs & Improvements Fund VIIIA | 307,822 | | 331,288 | |
| Fund management | (25,358) | | (5,754) | |
| Water rates | 4,501 | | 3,262 | |
| Insurance | 142,079 | (1,025,739) | 151,085 | (935,702) |
| | | 532,102 | | 699,094 |
| ii Trust & Other Funds Subject To Contribution | | 455,628 | | 366,302 |
| | | | | |
| Assessable income | | 987,730 | | 1,065,396 |
| | | | | |
| iii Trust & Other Funds Not Subject to Contribution | | | | |
| Building Fund Under Statute GII | 8,819 | - | 7,822 | - |
| | | | | |
| | | 987,730 | | 1,065,396 |
| 22b Deductible items | | | | |
| Half sums paid to Scholars, Exhibitioners & Research Students | 183,356 | | 171,221 | |
| Half Chapel expenses less Chaplains Stipends | 24,845 | | 24,244 | |
| University Appointments Board | - | | 42 | |
| Sinking Fund payments under Statute G,II, 4 (iv) | 112,738 | | 109,897 | |
| College Building Fund under Statute G,II,4 (vii) | 129,000 | | 128,500 | |
| Contributions to Kettles Yard/New Music Fellowships | 5,000 | | - | |

Corpus Christi College

Notes to the Accounts

Year Ended 30 June 2003

| | | | | |
|--|---------|----------------|---------|----------------|
| Research Fellows Stipends under Statute G, II (xviii) | 98,151 | | 70,959 | |
| College Libraries under Statute G, II 4 (xvii) | 241,319 | | 220,809 | |
| CTO Stipends under Statute G, II 4 (xii) | 66,054 | | 62,419 | |
| Counselling & Sports Injuries Clinic under Statute G, II, 4(xii) | 9,078 | 869,541 | 10,216 | 798,307 |
| | | | | |
| Excess of Assessable Income Over Deductible Items | | <u>118,189</u> | | <u>267,089</u> |

22c Building Fund Under Statute GII,4 (vii)

2004

£

| | |
|--|----------------|
| Balance at beginning of year | 313,609 |
| Transfer for year approved under GII, 4(v) | 129,000 |
| Interest | 8,819 |
| Investment revaluation | 24,190 |
| Expenditure on buildings repairs and maintenance | (137,819) |
| | |
| Balance as at 30 June 2004 | <u>337,799</u> |

22d Estates Repairs and Improvements Fund

2004

£

| | |
|--|----------------|
| Balance at beginning of year | 304,942 |
| Transfer for 2003/04 approved under Statute GII,4(v) 25% of College Estate let at Rack Rent | 307,822 |
| | |
| Balance as at 30 June 2004 | <u>612,764</u> |

