Murray Edwards College

Annual Report and Financial Statements

2022–23

Administrative details

Address
Murray Edwards College,
Huntingdon Road,
Cambridge, CB3 0DF

Charity registration number
1137530

Senior officers

President	Ms Dorothy Byrne
Vice-President	Dr Rachel Polonsky (to November 2023)
	Professor Stephen Morris (from November 2023)
Bursar	Mr Robert Hopwood
Senior Tutor	Dr Andrew Rudd (from 12 April 2023)
	Dr Michele Gemelos (to 11 April 2023)

Principal advisors

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

As at 30 June 2023, the College comprised the President, 67 Governing Body Fellows, 31 Bye-Fellows, 367 undergraduate students and 39 clinical medical and veterinary students in respect of whom undergraduate fees were received, 166 registered postgraduate students and 89 full time equivalent permanent professional services staff.

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President's Introduction

As the College approaches its 70th year in 2024, we have been redefining for ourselves the purpose of a college for women.

In 1954, New Hall was founded to help accommodate the university's quota of 20% women undergraduates. Now half of Cambridge University undergraduates are female, so some say a women's college is no longer needed.

We disagree profoundly. If we look at STEM subjects, women comprise fewer than 20% of Cambridge Computer Science undergraduates and make up less than a quarter of the total studying Engineering and Mathematics. Not only that, the gender disparity in STEM degree results is stark. In Computer Science, 32% of men received a first class degree in 2022 but only 8% of women. In Mathematics, 79% of men got a first or upper second, but only 45% of women. In Engineering, 25% of women gained firsts, compared with 37% of men. There is something seriously wrong here.

We are determined to play a leading role in encouraging and supporting brilliant girls and young women to apply to study these subjects and to flourish while they are at Cambridge. We are initiating new forms of outreach work in schools in STEM subjects and developing support networks for students once they are here.

We are fortunate to have the largest single group of women in computer science in the University. Our Bell-Burnell Society, newly-named in honour of our distinguished alumna Professor Dame Jocelyn Bell-Burnell who discovered Pulsars, is developing an exciting new programme of events for all STEM students. These networks are vital.

In October, the College hosted the national Women in STEM Festival, bringing leading women from academia, industry, policy and politics together to develop practical proposals for the way ahead. Jocelyn herself spoke, as did our new Fellow Professor Hiranya Peiris, also a College alumna and Cambridge's first woman Professor of Astrophysics (1909). The Vice Chancellors of Cambridge and Oxford shared a platform together for the first time, speaking in support. Murray Edwards is becoming a leading national voice championing Women in STEM.

Another key area where our unique identity as a College for women makes a difference is in wellbeing. Women students in England report much higher levels of stress and anxiety than men. Here we can provide support tailored to their needs. Our new College Wellbeing Service has been launched, thanks to the generous donation of Christina and Peter Dawson. Our first Head of Wellbeing, Dr Susan Imrie, has begun a programme of activities and support which will be offered to every student. We want to become a beacon for the principle that healthy, happy living contributes to academic excellence.

The academic excellence of our Fellowship is thriving with leading figures from across disciplines joining the College. The number of Professors in the College has risen from three in 2018 to 17 today. We are also reaching out more effectively to encourage students to join us. There was a dramatic increase in visits to our Open Days thanks to the work led by our new Head of Access and Student Recruitment, Matt Diston, the first specialist in the field employed by a Cambridge college. We are delighted by the success of our first cohort in the new Foundation Year, aimed at bringing bright students from challenging backgrounds to Cambridge, and decided to continue to take part in this innovative scheme.

This year we are also embarking on the College's first ever review of the environmental sustainability of our estate. The 1960s was notable for some outstanding modernist architecture, of which our Grade II* Listed buildings are famous examples, but less noted for environmental sustainability. We will now draw up a plan to bring the estate up to standard over future years.

We are preparing our 70th Anniversary Appeal in 2024 and a series of celebrations to mark our foundation. We are also drawing up a long-term and ambitious fundraising campaign to support the College's future.

We have just celebrated another remarkable event in our history: the donation by the Edwards family of the £32 million gift to our college in 2005, which guaranteed our secure and sustainable future. At the time it was the largest single donation to any college in Cambridge or Oxford. The year 2023 marked the end of the foundational agreement for that wonderful endowment and we held a special event to thank the Edwards family.

Ros Smith, a New Hall graduate of 1981, her husband Steve Edwards and their children specifically wanted to help a poor college for women. They believed in this College as a brilliant place which gives unique support to brilliant women in their studies. The ideals Murray Edwards College represents were relevant when we were founded in 1954, when our future was secured by the Edwards family in 2005 and we believe they are just as relevant today

Dorothy Byrne
President

From the Bursar

As the College's funding arrangements with the Lancaster Taylor Charitable Trust (LTCT) draw to a close, it is worth reminding ourselves how transformational the Edwards family donation has proved, and how it has changed the College's fortunes forever.

This £30m endowment, gifted at a crucial time in our history, has truly transformed the College's ability to deliver its core mission: providing a first-class Cambridge University education to brilliant young women, wherever they come from.

The thousands of young women students passing through our College since the establishment of the endowment have benefited enormously from what was, at the time, the largest gift of its kind in the UK.

The College owes a huge debt of gratitude to Ros Smith (1981), to Steve Edwards, and to their family. A College that was coping from day to day with somewhat shaky financial foundations, can now look forward, with sound financial management, to a stable and sustainable future in perpetuity.

In a Bursarial context, I also pay tribute to predecessors: to Robert Gardiner, for his careful stewardship of the gift; to our distinguished alumna and Fellow Emerita, Joanna Womack, who confidently stepped into the role of Bursar at a time of need in the early years of the Endowment; and of course to Nick Wright, Emeritus Fellow, who worked tirelessly for the College in the face of very significant financial pressures before the Endowment was established. I should also like to thank LTCT Trustee, Lindsay Dodsworth, for her always welcome and wise contributions as an observer on important College committees.

While our financial results are somewhat mixed this year given inflationary pressures, the College's net worth increased due to investment gains, and floating rate debt was finally extinguished in full. Significant progress on a number of strategic and operational fronts has been achieved. Our well-being programme, funded by a generous gift last year, is well underway. A testing target on Conference business was exceeded. New digital systems enhanced our HR and Events functions and a new website is on its way. Our staff survey revealed greater satisfaction. Estates planning is coming together through an architectural competition. Completion of the Art Café, housing important pieces from our unique Women's Art Collection, has proven a huge success. And we are drawing ever more influential and distinguished people to the College to debate and discuss highly relevant topics of the day.

In sum, the College has renewed confidence in itself and in its future. This is in no small part due to our brilliant students, distinguished Fellows and dedicated professional staff. We also continue to enjoy the staunch support of so many friends and alumnae who give so much to the College, in so many different ways ✩

Rob Hopwood
Bursar

Strategic Vision

Murray Edwards College is a unique higher education institution for women. Our vision and purpose are summed up in three simple sentences:

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

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

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

Our students tell us that Murray Edwards is a supportive and welcoming environment which truly is a 'home' for them. Unlike some other colleges where students are not permitted even to walk on the grass, our grounds are our students' 'back garden' where they can lie on the grass, pick the flowers and grow their own vegetables. They live in an iconic Grade II* Listed building, surrounded by the beautiful works of the Women's Art Collection.

But we cannot ignore the extraordinary pressures young women face today. A series of recent studies has revealed the huge increase in the percentage of anxiety, depression, and other mental health problems among young women of student age. We give just one shocking statistic later. Therefore, in our new strategy, and thanks to a generous £1 million donation from philanthropists Christina and Peter Dawson, we have prioritised mental health, bringing in a significantly enhanced new wellbeing service for all students. We are developing a new strategy we are calling 'College Life' which examines all aspects of what we do to ensure that the health and happiness of our students guides each function and activity, including catering, gardens, sports activities, library provision, the physical environment and many others.

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

knowledge to become a champion of environmental sustainability in whatever field she enters. Underpinning our aims is a new strategy for income generation. We have carried out a restructure of our hospitality and conference function and this year have restructured our fundraising team. As we look ahead to a new fundraising campaign, we are ensuring clarity in our priorities for funds. To achieve all this, we rely on our hardworking professional services teams. We are working with them on improved consultation and communication and rolling out diversity training for all staff as part of our policies on mutual respect.

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

Widening Participation

As we prepare to celebrate the 70th anniversary of the first students' arrival at Murray Edwards College, we remember that the College was founded, as New Hall, to give an under-represented group of young people the opportunity of a Cambridge University education. That under-represented group was women, and the barriers to their entry to Cambridge were remarkably high.

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

Today, the elitist Cambridge entrance exam has been scrapped. Women comprise half of the university's undergraduates – although there is still evidence that girls and women benefit from some of their education being in a single sex environment such as ours. However, there are many other under-represented groups at Cambridge.

Ninety-three per cent of UK pupils go to state schools but the proportion of state school pupils at Cambridge is significantly below that. Particular groups are under-represented, especially those from disadvantaged backgrounds and some cultural and ethnic minority groups. The principles which were there at our foundation guide us still and we want to do our best to encourage each A Level student with the aptitude and abilities to apply. This year, 72% of our freshers came from state schools and one in five came from geographical areas of multiple deprivations. One in ten received free school meals. Just under a third of our students come from non-white backgrounds.

This year has seen our Access and Student Recruitment (ASR) team take shape. Uniquely among the Cambridge Colleges, Murray Edwards has moved away from the traditional Cambridge outreach model, with permanent new roles including an Access and Admissions Coordinator and an Access Programme Manager, working with our Head of Access and Student Recruitment. These roles will drive forward new widening participation programmes and external relationships on a more sustainable footing. This year has also seen the College's new Student Ambassador Scheme grow, with more than 40 undergraduate and postgraduate students trained and taking a leading role in ASR events and activities ranging from day events in College, webinars, residential summer schools and more. July saw the largest College Open Days in recent history, with hundreds of prospective applicants, parents, teachers and supporters invited to the College from across the country. Our Fellow- and student-led Haringey online reading project expanded into its second

pilot year, with plans to grow further. We are deepening our links with new external partners, in order to reach young women across the country – particularly those from geographical areas with low traditional progression on to Cambridge. Our newly-appointed Communications Officer will focus on ensuring we promote our outreach activities widely, and that we reach potential applicants via the platforms and social media channels they use, while our website is being renewed in time for the 2024 University Open Days. Seven decades on from our historic foundation, our methods are modern but our mission – encouraging outstanding young women of all backgrounds to apply here – remains exactly the same

Matt Diston
Head of Access and Student Recruitment

Supporting Academic Excellence

We are very proud of what our students have achieved during another turbulent year in higher education, in which the release of Cambridge University examination results was delayed due to the marking and assessment boycott.

Out of a total of 319 classed results across all years in 2022–23, 21% of our students achieved firsts, and 80% gained firsts or 2:1s. Of the 116 final year students, 26% graduated with first class honours, while 88% achieved firsts or 2:1s. Many congratulations to all.

Boycott challenges aside, the College has worked hard over the past year to evaluate its academic performance. Newly available data allows us to measure our students' exam results across all subjects against the average for the University and, of particular interest to us, the average for women students at Cambridge. Our goal is for Murray Edwards to excel academically as a women's college. We can now track our students' progress from arrival to graduation, demonstrating the value we add.

We also want to make academic study more effective for women. Too many university subjects still have significant gender disparities in applications and results. At Murray Edwards, we speak with subject leaders, our own academics and students, and outside experts to explore how individual subjects can address gender biases that currently hold women back. Our new Policy Centre for the Wellbeing of Young Women and Girls will conduct research that contributes directly to this facet of our academic mission.

We want talented students from all backgrounds to apply to Murray Edwards and have made fair progress. This year, 72% of our UK Freshers came from state schools (above the University target) and 19% from geographical areas of multiple deprivations. The most recent available figures show that just under a third of our students come from non-white backgrounds.

But we want to make Murray Edwards even more attractive to applicants. Some 500 young women and their parents and supporters attended our July Open Days. We want to build on this success. Our new Access and Student Recruitment programme will showcase the College to schools, encouraging their best pupils to apply. Our Gateway programme equips students with the academic, career and personal know-how they need to flourish while they are here and our students benefit from our new Wellbeing service. We will review all our activity regularly to ensure what we are doing works well. The College has bold plans to promote academic excellence and I look forward to seeing them unfold in the coming year

Dr Andrew Rudd
Senior Tutor

Wellbeing

This year has seen the launch of the College's new Wellbeing Service, established thanks to a generous donation by the philanthropists Christina and Peter Dawson. The service, led by Dr Susan Imrie, provides support and advice to students on any wellbeing and mental health-related matters. Dr Imrie set up the service up over the summer and wellbeing support is now available in College both during and out of term-time. Being able to offer the facility in the vacations is particularly important as it means that support is now available all year round to our undergraduates and postgraduates.

The Wellbeing Service aims to be both responsive and preventative. Responsive, in that the service is able to respond quickly and effectively to students when they're in need, and preventative in that it works to prevent students from reaching crisis point and supports all of our students to live fulfilling and meaningful lives.

On the responsive side, the Head of Wellbeing is available to students for 1-to-1 support and advice on any aspect of wellbeing and mental health, as well as providing assessments and referrals to other services where appropriate. She works in partnership with the college nurse and counsellor, and is also working with colleagues in College who support students: for example, supporting tutors by coordinating provision for students with complex needs.

Thinking preventatively about wellbeing means taking a community-wide approach, and putting wellbeing at the centre of everything the College does. It also means thinking about wellbeing holistically and ensuring that we're addressing its many different aspects, for example, the psychological, the social and the physical. Dr Imrie will be building on the diverse programme of wellbeing activities already available in college, and working to engage as many parts of the student community as possible with activities tailored to the shape of the academic year.

A collaborative approach to wellbeing is also crucial. We are lucky in College as we have a real commitment to wellbeing across many of our departments, with fantastic initiatives already in place run by the library, the gardening team and the college carpenter. The Wellbeing Service plans to introduce workshops on core aspects of wellbeing, such as sleep hygiene and managing anxious thoughts, and is also exploring exciting ideas for activities suggested by our alumnae who have offered to share their skills and knowledge with the students.

The wellbeing programme will, of course, have students at its heart. We are surveying students to understand better where they think the gaps in provision are and what they would like to see, and Dr Imrie aims to keep open, ongoing dialogue with the students to be able to respond flexibly to their needs as they arise ☆

Dr Susan Imrie
Head of Wellbeing

The Women's Art Collection

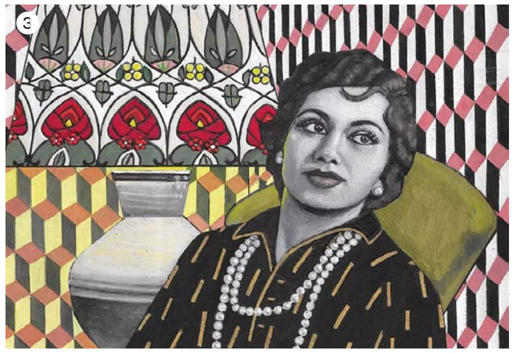
When we were invited by the National Portrait Gallery to collaborate on a new 28 ft mural by the American Pop artist Jann Haworth (who worked on the cover art for the Beatles' *Sgt Pepper's Lonely Hearts Club Band* with her then-husband Peter Blake) and her daughter Liberty Blake, we jumped at the chance. Over the course of an afternoon, 20 students from College created incredible stencils depicting women who were catalysts for change in the arts, sciences and social activism. These were then collated by the artists into a mural, and we are thrilled that our Founding President Dame Rosemary Murray, activist and recent alumna Amika George, as well as artists in the Collection Paula Rego and Lubaina Himid now take their rightful place in this ambitious work. Featuring over 100 women spanning 3,000 years, it is prominently on display in the newly renovated galleries.

Our exhibitions this year continued to bring together women from across the centuries. *Radium Dreams* opened in March and was a collaboration between the poet Sue Hubbard and the artist Eileen Cooper on the remarkable life and work of the Nobel Prize-winning scientist Marie Curie. The exhibition explored the theme of creative support: between Marie Curie and her sister Bronisława, between the scientist and her husband, Pierre, in the context of a College dedicated to supporting outstanding young women. We are delighted that a drawing by Eileen Cooper shown

❶ *Work in Progress* (2021-2) by Jann Haworth and Liberty Blake, National Portrait Gallery

❷ Eileen Cooper's *Another Step on the Ladder* (2022), *Radium Dreams* exhibition, MEC

❸ Soheila Sokhanvari's *Rhapsody of Innocence (Portrait of Monir Vakili)* (2022)



in the exhibition and featuring women supporting each other was generously acquired for the Collection by our new Foundation Fellow, Christina Dawson. The events were well attended and were organised in collaboration with student societies including the Blackbirds Poetry Society and the Jocelyn Bell Burnell Society, providing students with valuable experience and networking opportunities.

For the first time in our history, we partnered this year with a museum to present works from the Collection. *A Spirit Inside* is a collaborative exhibition that brings together the work of a selection of artists from The Ingram Collection and The Women's Art Collection, to showcase artworks that have been born out of a strength of spirit and touch upon the elemental, fantastical, spiritual and political. Exploring how women and non-binary artists have grappled with the notion and sense of 'spirit', the themes range from internal contemplation to external expression. The exhibition opened at the Lightbox in Woking this September and runs to January; it will then tour to Compton Verney in Warwickshire in March 2024. A wonderful way to raise our profile, share the Collection and reach new audiences.

A key work in *A Spirit Inside* is this work by the Iranian-British artist Soheila Sokhanvari. Soheila's work deals with contemporary politics with a focus on Iran before the Revolution of 1979. In her small-scale paintings, she employs traditional Persian miniature techniques, a process she learnt from her father. *Rhapsody of Innocence (Portrait of Monir Vakili)* is part of Sokhanvari's series of portraits of women in pre-revolutionary Iran. The subjects are artists, singers and actors who were leading cultural figures in Iran. This painting depicts the opera singer Monir Vakili who was born in 1923 in Tehran to a family of art and music enthusiasts. With their support, she attended music conservatories in Europe and America and went on to establish the first opera company in Tehran. After the revolution, Vakili was forced to flee Iran and tragically died in a car accident aged only 59. We are delighted to have acquired this work via our newly established fund for acquisitions of works by artists of colour ✩

Financial Review

The College: Foundation, Charter and Statutes

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

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

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

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

Public benefit

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

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

Review of Learning, Education and Research

Owing to a marking and assessment boycott organised by the University and College Union (UCU) between April and September 2023, the full set of classed results for undergraduate and integrated masters students in the academic year 2022–23 was not available at the date of publication. Twelve PhDs were awarded this year.

The College has taken steps to review its academic results, further to the establishment of the Academic Performance Data Working Group in May 2022. Performance figures and analysis for all subjects taught at the College was presented at the Council away day in September 2023. The Academic and Welfare Policy Committee, led by the Senor Tutor, will review means of enhancing the College's academic performance, closing performance gaps between Murray Edwards students and women students across the University, and addressing performance gaps between cohorts of our own students (where some groups of students are more likely than others to be awarded a First Class degree), and across the University more widely. New strategies for College admissions and outreach will be created for commencement in 2024–2025.

The Senior Tutor will continue to work with Directors of Studies and other teaching staff to collect and analyse context-specific data to help understand student progression and performance, as well as quality of teaching and the effectiveness of academic and pastoral provision. The Gateway Programme will continue to support our students with their academic, career and personal development.

In 2023–2024, the University plans to begin a comprehensive review of teaching.

Philanthropic Support

The College Development Office aims to raise donations from benefactors, including alumnae, trusts and foundations. Philanthropic support for the College helps underpin the delivery of many of the College's objectives and priorities. The College is profoundly grateful to all its donors for their support.

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

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

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

Financial Review

Summary

The College's financial results were mixed in 2022–23. Inflation, a large drop in fee-paying postgraduate numbers, the need to improve digital systems and higher than anticipated spends on student support all combined to put pressure on the income and expenditure account. The College incurred an operating deficit of £725k during the year which reduced to £579k after excluding £146k of expenditure for which funding had been received in previous years (e.g. for our new well-being programme). The year saw a number of necessary new initiatives take shape. Fuller access and student recruitment spends were also brought forward into the 2022–23 year.

The global pandemic once again limited opportunities for summer conference business, but performance exceeded a testing target, as did investment income.

While increased investment income and positive capital returns were welcome, with high inflation total return fell below the objective of CPI+5% – although over the long term the investment objective is still met. Overall total return came in at 5.8%, following difficult market and geo-political conditions. A significant capital gain of £2m meant the College's net worth still increased over the year. The College's overall net worth now stands at £118.1m up from £116.7m at the end of the year, with £80.7m invested.

Operations income just about covered revenue and capital spend but not loan repayments. Nonetheless, the College took the opportunity to reduce its borrowing to £10.5m with a higher than usual loan repayment of £900k with excess liquidity. This cleared floating rate loans which were becoming expensive. The remaining £10.5m incurs fixed rates (of c.5%).

Loans as a percentage of total net assets are now considerably reduced at just below 9% and the College is not substantially levered in debt terms.

In sum, while financial results were mixed, the College's financial position remains stable. The College projects cash flows, five-year budgets and balance sheets, together with scenario stress tests, to help prepare for uncertainties. Our free reserves provide a good buffer against adversity and remain in good stead.

Income and expenditure

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

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

Accommodation and catering charges to members increased by nearly 2%. In order to meet the full costs of accommodation, the College draws upon its endowment and other income. This helps the College set rents at a level that makes them more affordable for students and rents for student accommodation represent good value within the wider market.

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

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

Staffing costs represent the biggest operating cost of the college. Core staffing costs increased following higher pay awards. Excluding pension deficit adjustments, staff costs increased from £5.0m to £5.4m, an increase of 8.7%. Average numbers of staff employed during the year increased by 1 to 156.

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

Endowment and investment performance

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

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

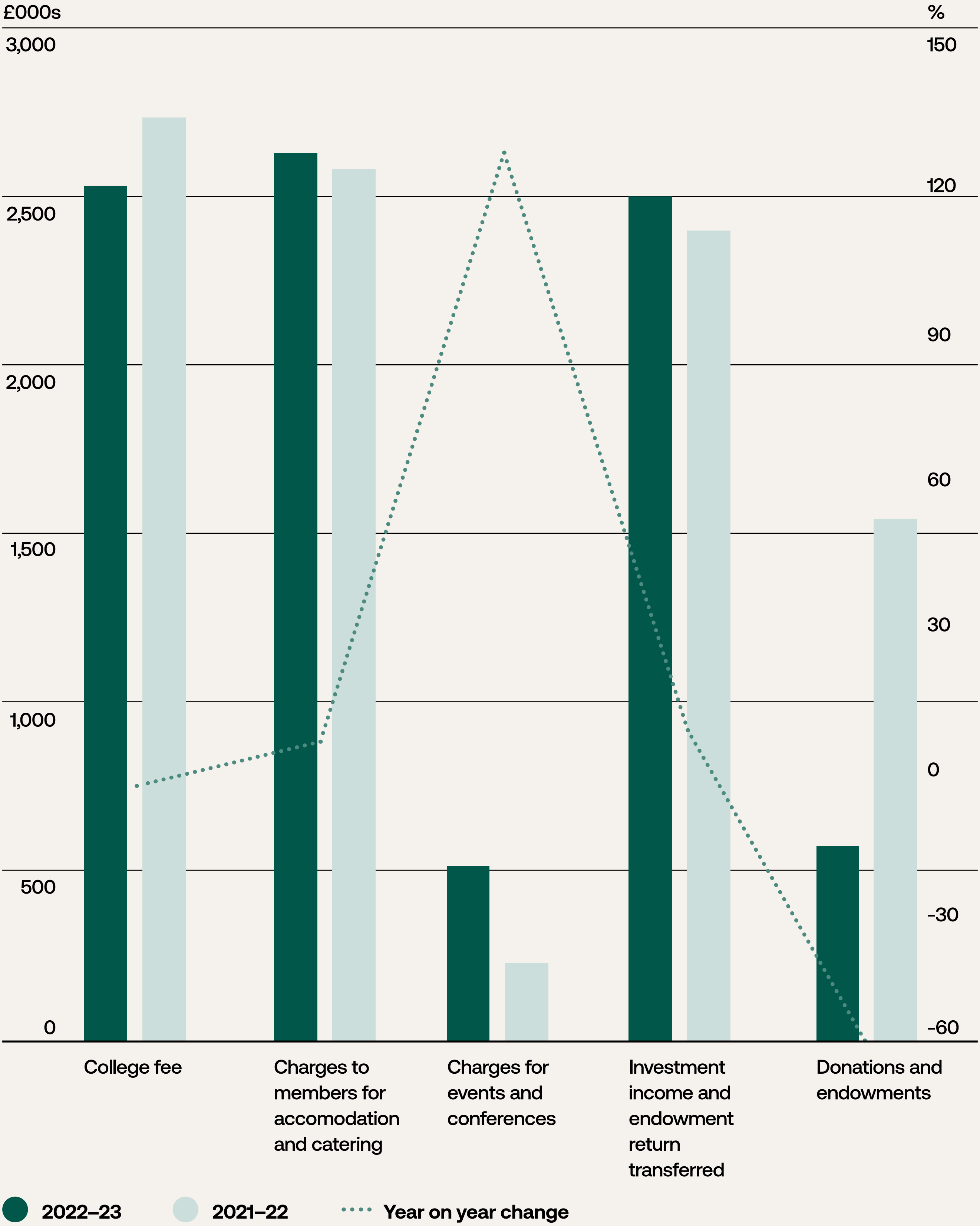
1. to generate returns at least in line with inflation plus a return sufficient to support the ongoing activities of the College and
2. to preserve the long-term value of the endowment;

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

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

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

Figure 1: Income (in £000s)



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

The Segregated Fund is managed on a total return basis and subject to an annual spending rule of 3.5% (prior to 2014–15: 4%). The quoted investments section, managed by CCLA, returned 6.1% (2021–22: -2.4%), net of fees. An endowment within the Segregated Fund managed by CUEF returned 4% (2021–22: -0.3%) net of fees.

The Amalgamated Fund, managed principally by CCLA, is managed on an income and capital basis and returned a total of 5.9% (2021–22: -2.5%), net of fees.

The literary estate of Roma Gill yielded royalty receipts in the year of £98k (2021–22: £115k) principally from her editions of the plays of Shakespeare, published by OUP.

Assets in the endowment returned a weighted average of approximately 5.8% during the year (2021–22: -2.2%). By comparison, a broad-based benchmark portfolio of global equities (75%), UK property (5%), UK gilts (15%) and cash (5%) might have returned 6.42% before fees (2021–22: -2.92%).

Total capital expenditure, excluding heritage assets, during the year was £0.4m (2020 21: £0.2m), primarily upgrades and refurbishments to B staircase and a lift replacement.

Balance sheet

Consolidated net assets stood at £118.1m at 30 June 2023, down from £116.7m at 1 July 2022. £61.2m of total reserves are unrestricted. Investment assets now stand at £80.7m, with tangible fixed assets at £50.5m.

Defined pension scheme liabilities fell to £1.5m. Debt as a proportion of the College's net assets fell below 9%.

£k	Tangible assets	Tangible assets (inc heritage assets)	Investments	Net current assets	Long term liabilities	Pension liabilities	Total
Endowment	–	897	54,294	–	–	–	**55,191**
Restricted	–	–	2,567	–	–	–	**2,567**
Unrestricted	770	49,564	23,869	(986)	(10,500)	(2,395)	**60,322**
Total	**770**	**50,461**	**80,730**	**(986)**	**(10,500)**	**(2,395)**	**118,080**

Reserves

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

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

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

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

The policy and compliance with this policy is reviewed annually and particularly in the event of material change, upwards or downwards, in the level of free reserves. The College has complied with the policy in all material respects during the financial year 2022–23.

A statement of Reserves and net asset funds as at 30 June 2023 is shown on the previous page.

If free reserves are taken to be total unrestricted net assets less unrestricted intangible and tangible assets, free reserves come to £10m.

Cash flow

Cash outflow from operating, investing and financing activities came to £1,761k (2021–22: inflow of £2,443k). The College deployed excess liquidity (£900k) to repay remaining floating rate loans in full given interest rates were rising significantly.

Operations Review

People, learning and development

With 67 Fellows and some 120 staff, the College continues to prioritise sound people leadership, management and engagement.

A full staff survey was carried out and actions identified to increase staff engagement and communications. Staff satisfaction increased overall. Training on equality, diversity and inclusion is ongoing. Various on-line training suites were offered to staff. This was aimed at enhancing a range of skills including technological skills, given the increase in online, remote working and also to assist with the mobility and hybrid working strategy.

There was flux in staffing where the College reviewed and re-ordered its capacity and capabilities to align more with its future objectives and current needs. The focus here primarily involved income generation, such as conferencing and events and fundraising. New initiatives such as well-being programmes and access and student recruitment drives were also resourced with new staff.

Technology innovation

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

Communications

A significant focus of the College's external communication will concentrate on student recruitment. Professional communications expertise to reach external audiences and media has also been engaged by the College. The College has begun a project to replace its website and internal digital communications.

Estate and facilities

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

With professional support, a major estates planning exercise was initiated during the year. A competition focussing on new build, sustainability and maintenance is nearly complete. A long-term buildings strategy is being devised and it is clear that this will require significant resource to implement. There is also a considerable tension between conservation aspects of our listed buildings

and the ability to reduce our carbon footprint, but innovative ways of addressing this issue are being considered.

Principal Risks and Uncertainties

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

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

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

Plans for the Future and Conclusion

The College has conducted wide consultation redefining certain short- and long-term objectives in key areas. These include a significant push on income generation to support delivery of its purpose and mission as described earlier. The College is reviewing academic performance, student wellbeing, widening participation, student access and recruitment and the significant benefit the College provides to the public. Building a stimulating environment and culture in which all thrive, including building the resources to do so, remains a priority.

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

Corporate Governance

Statement of Corporate Governance

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

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

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

Subject to ultimate authority being vested by statute in the Governing Body, the College Council is the principal executive body of the College, responsible for administering the affairs of the College and managing its property and income. Under the Statutes of the College, the College Council consists of the President, Vice-President, Bursar and Senior Tutor (all ex officio), nine members of the Governing

Body (elected by the Governing Body) and the Presidents of the undergraduate and postgraduate student unions. These Council members are the College Trustees for the purposes of charity law. An observer drawn from the membership of the relevant student union may attend in the absence of the President of that union. Two staff observers are also in attendance at Council meetings.

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

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

The Fundraising Committee was disbanded and its business would, for the time being, be transferred into that of the Finance Committee. A new Development Committee will be established in due course.

The principal officers of the College are listed on page 1.

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

The Audit Committee may examine the accounts, consult with the auditor, and is required to report to Council and to Governing Body at the Audit Meeting on matters of general policy in relation to the accounts as it sees fit.

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

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

The College's Trustees during the year ended 30 June 2023 are set out on page 2.

Scope of the financial statements

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

Statement of internal controls

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

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

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

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

The Trustees' review of the effectiveness of the system of internal control is informed by the work of the Finance and Audit Committees, Bursar and College officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

Transactions between College and members of the Governing Body

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

Financial management and control

The College operates a devolved budgeting system under which individual budget holders are responsible for managing income and expenditure within their own areas of operation, and for bringing

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

Statement of Trustees' responsibilities

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

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

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

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

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

Approved by College Council on 6th November 2023

Dorothy Byrne

Dorothy Byrne
President

Robert Hopwood
Bursar

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

Opinion

We have audited the financial statements of Murray Edwards College (formerly New Hall College (the "Charity")) for the year ended 30 June 2023 which comprise the Statement of Accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and charity's affairs as at 30 June 2023 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Members of the Governing Body

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

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

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

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

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

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

This description forms part of our auditor's report.

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

Use of our report

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

Critchleys Audit LLP
Statutory Auditor

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

Date: 9 November 2023

Financial Review

Statement of Principal Accounting Policies

Basis of preparation

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

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

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

Basis of accounting

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

Basis of consolidation

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

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

Recognition of income

Academic fees

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

Research and Grant income

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

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

Donations and endowments

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

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

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

- Restricted donations – the donor has specified that the donation must be used for a particular objective.
- 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.

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

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

Endowment and investment income

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

Total return

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

Other Income

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

Gifts in kind

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

Foreign currency translation

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

Fixed assets

Operational Freehold Land and buildings

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

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

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

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

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

Maintenance and Renewal of premises

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

Furniture, fittings, computer and general equipment

Furniture, fittings, computer and general equipment costing less than £10,000 per individual item or group of related items is written off in the year of acquisition, those with a cost of more than £10,000 are capitalised and depreciated at the rate of 10% per year. Project specific IT equipment costs over £10,000 are capitalised and depreciated at a rate of 20% per year.

Operating leases

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

Heritage assets

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

The College has a large art collection, most of which has been donated to the College. The valuation of the collection is reviewed by the College's art curator who, with the assistance of the Art Advisory

Committee, informs the Bursar of any valuation changes on an annual basis. The College includes all assets over £10,000 as valued and includes additions acquired between valuations at a fair value.

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

Investments

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

Stocks

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

Provisions

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

Financial instruments

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

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

Financial assets

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

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

Other financial assets, including investments in equity instruments, which are not subsidiaries or joint ventures, are initially measured at fair value which is typically the transaction price. These assets are subsequently carried at fair value and changes in fair value at the reporting date are recognised in the Statement of Comprehensive Income. Where the investment in equity instruments is not publicly traded and where the fair value cannot be reliably measured, the assets are measured at cost less impairment. Investments in property or other physical assets do not constitute a financial instrument and are not included.

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

Financial liabilities

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

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

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

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

Taxation

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

The College receives no similar exemption in respect of Value Added Tax (VAT Registration number GB 732 1332 75) for which it operates as a VAT group with the wholly owned College subsidiaries. The College is a partially exempt organisation for VAT purposes. With the approval of H M Revenue and Customs, it has adopted a methodology that enables it to recover part of the VAT on its expenses.

Contribution under Statute G, II

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

Pension schemes

The College participates in the following pension schemes:

- Universities Superannuation Scheme (USS) – The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by FRS 102 "Employee benefits", the College therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme in respect of the accounting period and the changes in the present value, calculated by reference to the yield on high quality corporate bonds, of contributions not expected to be settled wholly within 12 months of the reporting period in which the employee renders the related service. The scheme is closed to new non-academic members of the College. Further information on the scheme is provided in the notes to the accounts.
- Cambridge Colleges Federated Pension Scheme (CCFPS) – a similar defined benefit scheme which is externally funded and contracted out of the (S2P). The scheme is closed to new members of the College. As CCFPS is a federated scheme and the College is able to identify its share of the underlying assets and liabilities, the College values the fund as required by FRS 102. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the amount calculated under FRS 102.
- Aviva – a defined contributions pension scheme set up for non-academic staff in 2010–11. The College contributes at 5% in addition to employee contributions of 3%. The scheme is administered by Aviva. Contributions are charged to the Income and Expenditure account in the period to which they relate.

Employment benefits

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

Reserves

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

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

Critical accounting estimates and judgements

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

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

Income recognition – Judgement is applied in determining the value and timing of certain income items to be recognised in the accounts. This includes determining when performance related conditions have been met and determining the appropriate recognition timing for donations, bequests and legacies. In general, the later are recognised when at probate stage.

Useful lives of property, plant and equipment – Property, plant and equipment represent a significant proportion of the College's total assets. Therefore, the estimated useful lives can have a significant impact on the depreciation charged and the College's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets, professional advice and anticipation of future events. Details of the carrying values of property, plant and equipment are shown in notes.

Recoverability of debtors – If a provision is made in any year for doubtful debts it is based on the College's estimate of the expected recoverability of these debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due.

Retirement benefit obligations – The cost of defined benefit pension plans [and other post-employment benefits] are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in the notes.

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

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

Financial Statements

Consolidated Statement of Comprehensive Income and Expenditure

					2023
	Note	Unrestricted £000	Restricted £000	Endowment £000	Total £000
INCOME					
Academic fees and charges	1	2,760	–	–	**2,760**
Accommodation, catering and conferences	2	3,197	–	–	**3,197**
Investment income	3	859	71	1,775	**2,705**
Endowment return transferred (Total Return)	3	1,648	33	(1,681)	**–**
Other income		28	–	–	**28**
Total income before donations and endowments		8,492	104	94	**8,690**
Donations		187	262	134	**583**
New endowments		–	–	3	**3**
Other receipts		–	–	–	**–**
Heritage assets		–	–	–	**–**
Total income		**8,679**	**366**	**231**	**9,276**

EXPENDITURE					**2023**
Education	4	4,209	439	409	**5,057**
Accommodation, catering and conferences	5	4,725	–	–	**4,725**
Investment management costs	3	69	4	141	**214**
Other expenditure		24	–	–	**24**
Total expenditure	6	9,027	443	550	**10,020**
Surplus/(deficit) before other gains and losses		(348)	(77)	(319)	**(744)**
Gain/(loss) on investments	9	701	69	1,269	**2,039**
Surplus/(deficit) for the year		353	(8)	950	**1,295**
Other comprehensive income		–	–	–	**–**
Actuarial gain/(loss) in respect of pension schemes	15	37	–	–	**37**
Total comprehensive income for the year		**390**	**(8)**	**950**	**1,332**

Consolidated Statement of Comprehensive Income and Expenditure

					2022
	Note	Unrestricted £000	Restricted £000	Endowment £000	**Total £000**
INCOME					
Academic fees and charges	1	2,962	–	–	**2,962**
Accommodation, catering and conferences	2	2,857	–	–	**2,857**
Investment income	3	768	32	1,592	**2,392**
Endowment return transferred (Total Return)	3	1,583	35	(1,618)	**–**
Other income		35	–	–	**35**
Total income before donations and endowments		8,205	67	(26)	**8,246**
Donations		197	1,249	120	**1,566**
New endowments		–	–	3	**3**
Other receipts		–	–	–	**–**
Heritage assets		–	–	–	**–**
Total income		**8,402**	**1,316**	**97**	**9,815**

EXPENDITURE					**2022**
Education	4	3,908	382	439	**4,729**
Accommodation, catering and conferences	5	4,265	–	–	**4,265**
Investment management costs	3	70	4	146	**220**
Other expenditure		1,114	–	–	**1,114**
Total expenditure	6	9,357	386	585	**10,328**
Surplus/(deficit) before other gains and losses		(955)	930	(488)	**(513)**
Gain/(loss) on investments	9	(1,201)	(62)	(1,393)	**(2,656)**
Surplus/(deficit) for the year		(2,156)	868	(1,881)	**(3,169)**
Other comprehensive income		–	–	–	**–**
Actuarial gain/(loss) in respect of pension schemes	15	448	–	–	**448**
Total comprehensive income for the year		**(1,708)**	**868**	**(1,881)**	**(2,721)**

Statement of Changes in Reserves

	Income and expenditure reserve				
	Unrestricted £000	Restricted £000	Endowment £000	Revaluation reserve £000	**Total £000**
BALANCE AT 1 JULY 2022	46,961	2,575	53,344	13,868	**116,748**
Surplus/(Deficit) from income and expenditure statement	353	(8)	950	–	**1,295**
Actuarial gain/(loss) in respect of pension schemes	37	–	–	–	**37**
Transfers between funds	–	–	–	–	**–**
BALANCE AT 30 JUNE 2023	**47,351**	**2,567**	**54,294**	**13,868**	**118,080**

	Income and expenditure reserve				
	Unrestricted £000	Restricted £000	Endowment £000	Revaluation reserve £000	**Total £000**
BALANCE AT 1 JULY 2021	48,669	1,707	55,225	13,868	**119,469**
Surplus/(Deficit) from income and expenditure statement	(2,156)	868	(1,881)	–	**(3,169)**
Actuarial gain/(loss) in respect of pension schemes	448	–	–	–	**448**
Transfers between funds	–	–	121	–	**–**
BALANCE AT 30 JUNE 2022	**46,961**	**2,575**	**53,344**	**13,868**	**116,748**

Consolidated Balance Sheet

	Note	2023 £000	2022 £000
Non-current assets			
Intangible assets	8	770	770
Fixed assets	8	49,564	50,132
Heritage assets	8	897	897
Investments	9	80,730	78,609
Current assets			
Stocks	10	42	30
Trade and other receivables	11	698	482
Cash and cash equivalents	12	1,346	2,649
		2,086	3,161
Creditors: amounts falling due within one year	13	(3,072)	(2,801)
Net current assets		**(986)**	**360**
Total assets less current liabilities		130,975	130,768
Creditors: amounts falling due after more than one year	14	(10,500)	(11,400)
Provisions			
Pension provisions	15	(2,395)	(2,620)
Total net assets		**118,080**	**116,748**
Restricted reserves			
Income and expenditure reserve – endowment reserve	16	54,294	53,344
Income and expenditure reserve – restricted reserve	17	2,567	2,575
		56,861	55,919
Unrestricted reserves			
Income and expenditure reserve – unrestricted		47,351	46,961
Revaluation reserve		13,868	13,868
		61,219	60,829
Total reserves		**118,080**	**116,748**

Unrestricted reserves includes an amount of £28,781,038 (2022 £28,063,583) previously described as corporate capital.

These accounts were approved by the College Council on 6 November 2023 and are signed on their behalf by:

Dorothy Byrne

Dorothy Byrne
President

Robert Hopwood
Bursar

Consolidated Cash Flow Statement

	Note	2023	2022
			£000
Net cash inflow/(outflow) from operating activities	19	(2,136)	413
Cash flows from investing activities	20	1,811	3,003
Cash flows from financing activities	21	(1,436)	(973)
Increase/(decrease) in cash and cash equivalents in the year		**(1,761)**	**2,443**
Cash and cash equivalents at beginning of the year		6,909	4,466
Cash and cash equivalents at end of the year	12	5,148	6,909
Cash flows		**(1,761)**	**2,443**

Notes to the Accounts

1 Academic fees and charges

	2023	2022
	£000	£000
College fees		
Fee income paid on behalf of undergraduates at the publicly-funded rate:		
Undergraduate fee income	1,522	1,545
Privately-funded undergraduate fee income	513	454
Erasmus students	19	19
Graduate fee income	517	758
Sub-total college fees	**2,571**	**2,776**
Other income*	189	186
Total	**2,760**	**2,962**

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

2 Income from accomodation, catering and conferences

	2023	2022
	£000	£000
Accomodation		
College members	2,209	2,169
Conferences	243	92
Catering		
College members	461	453
Conferences	284	143
Total	**3,197**	**2,857**

3 Endowment return and investment income

3a Analysis

	2023	2022
	£000	£000
Total return contribution (see note 3b)		
Income from:		
Quoted securities	206	173
Fixed interest securities	62	–
Common investment fund	652	645
Royalties	98	116
Return on Segregated Fund	1,623	1,452
Other interest receivable	64	6
Total	**2,705**	**2,392**

3b Summary of total return

	2023	2022
	£000	£000
Income from:		
Quoted and other securities and cash	2,607	2,276
Royalties	98	116
Gains/(losses) on endowment assets:		
Quoted and other securities and cash	2,039	(2,656)
Investment management costs (see note 3c)	(214)	(220)
Total return for year	**4,530**	**(484)**
Total return transferred to income and expenditure reserve (see note 3a)	**(2,705)**	**(2,392)**
Unapplied total return for year included within Statement of Comprehensive Income and Expenditure (see note 18)	**1,825**	**(2,876)**

3c Investment management costs

	2023	2022
	£000	£000
Securities	214	220
Total	**214**	**220**

4 Education expenditure

	2023	2022
	£000	£000
Teaching	2,690	2,581
Tutorial	959	861
Admissions	744	657
Research	88	136
Scholarships and awards	316	306
Other educational facilities	260	188
Total	**5,057**	**4,729**

5 Accomodation, catering and conference expenditure

	2023	2022
	£000	£000
Accomodation		
College members	3,553	3,241
Conferences	187	170
Catering		
College members	872	792
Conferences	113	62
Total	**4,725**	**4,265**

6

6a Analysis of 2022/23 expenditure* by activity

	Staff costs (note 7)	Other operating expenses	Depreciation	Total
	£000	£000	£000	**£000**
Education	2,901	1,994	162	**5,057**
Accommodation, catering and conferences	2,114	1,851	760	**4,725**
Investment management costs	–	214	–	**214**
Other	9	15	–	**24**
Total	**5,024**	**4,074**	**922**	**10,020**

**Expenditure includes fundraising costs of £329,404. This expenditure excludes the costs of alumnae relations.*

6b Analysis of 2021/22 expenditure* by activity

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

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

6c Auditor's renumeration

	2023	2022
	£000	£000
Other operating expenses include:		
Audit fees payable to the College's external auditors	26	22
Other fees payable to the College's external auditors	–	–
Internal auditor's fees	–	–
Total	**26**	**22**

7 Staff costs

	College Fellows	Staff	2023	2022
	£000	£000	£000	£000
Emoluments	1,449	2,726	4,175	3,965
Social security costs	168	229	397	363
Other pension costs	96	143	239	1,307
Other staff costs	62	151	213	233
Total	**1,775**	**3,249**	**5,024**	**5,868**

Average staff numbers (full-time equivalents):		
Academic	67	64
Staff	89	91
Total	**156**	**155**

At 30th June 2023, the Governing Body comprised the President and 66 Fellows, all of whom are declared stipendiary.

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

£60,001–£70,000	1	2
£70,001–£80,000	0	1
£80,001–£90,000	0	2
£90,001–£100,000	2	0
Trustees aggregate emoluments	**608**	**699**

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

Cost of key management personnel

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

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

	2023	2022
	£000	£000
Aggregate cost of key management personnel	**486**	**449**

8 Fixed assets

	Intangible assets	Land	Buildings	Furniture, fittings and equipment	Heritage assets	2023	2022
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation							
At beginning of year	770	–	55,169	2,014	897	58,850	58,660
Additions	–	–	–	354	–	354	190
Heritage assets capitalised	–	–	(2)	2	–	–	–
Disposals	–	–	–	–	–	–	–
At end of year	**770**	**–**	**55,167**	**2,370**	**897**	**59,204**	**58,850**
Depreciation							
At beginning of year	–	–	5,506	1,545	–	7,051	6,157
Charge for the year	–	–	828	94	–	922	894
At end of year	**–**	**–**	**6,334**	**1,639**	**–**	**7,973**	**7,051**
Net book value							
At beginning of year	770	–	49,663	469	897	51,799	52,503
At end of year	**770**	**–**	**48,833**	**731**	**897**	**51,231**	**51,799**

Intangible assets represent a literary copyright.

The insured value of freehold land and buildings as at 30 June 2023 was £115,841,200 (2022: £105,991,496).

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

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

The Art Collection is preserved, conserved and managed in accordance with recognised national standards and the collection on display is open to the public for viewing. Those items not on general display can be accessed by the wider public by prior arrangement. The works are normally donated on a permanent basis so will be included as endowment assets. The Collection was last professionally valued in 2012 by Bonhams. As stated in the Statement of Accounting Policies all works of art valued over £10,000 are included in the accounts. Heritage Assets capitalised in the year were nil (2022 £nil).

	2023	2022	2021	2020	2019
	£000	£000	£000	£000	£000
Value of acquisitions by donation	–	–	30	19	–

Total acquisitions capitalised	**–**	–	**30**	**19**	**–**

9 Investments

	2023	2022
	£000	£000
Balance at beginning of year	78,609	81,488
Additions	1,164	2,535
Disposals	(624)	(3,336)
Gain/(loss) on investments	2,039	(2,656)
Increase/(decrease) in cash balances held at fund managers	(458)	578
Balance at end of year	**80,730**	**78,609**
Represented by:		
Property	100	100
Quoted securities – equities	–	–
Fixed interest securities	–	–
Common investment funds	74,606	71,397
Alternative investments	2,222	2,852
Cash in hand and at investment managers	3,802	4,260
Other investments	–	–
Balance at end of year	**80,730**	**78,609**

10 Stock

	2023	2022
	£000	£000
Goods for resale	42	30
Balance at end of year	**42**	**30**

11 Trade and other receivables

	2023	2022
	£000	£000
Members of the College	–	32
Trade debtors	205	85
Taxation	15	5
Other debtors	225	219

	2023	2022
	£000	£000
Prepayments and accrued income	253	141
Balance at end of year	**698**	**482**

12 Cash and equivalents

	2023	2022
	£000	£000
Bank deposits	–	–
Current accounts	1,346	2,648
Cash in hand	–	1
	1,346	2,649
Cash held as part of Investments	3,802	4,260
Balance at end of year	**5,148**	**6,909**

13 Creditors: amounts falling due within one year

	2023	2022
	£000	£000
Trade creditors	2,327	1,964
Members of the College	120	132
Taxation and social security	215	189
Accruals and deferred income	410	516
Balance at end of year	**3,072**	**2,801**

14 Creditors: amounts falling due after more than one year

	2023	2022
	£000	£000
Bank loans	10,500	11,400
Balance at end of year	**10,500**	**11,400**

The bank loans of £10.5m are repayable as follows: £1.5 million by March 2029 and £9 million by March 2048.

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

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

15 Pension provisions

	2023	2022
	£000	£000
Balance at beginning of year	2,620	2,179
Movement in year:		
Current service cost including life assurance	21	(952)
Contributions	(82)	895
Other finance (income)/cost	92	33
Other allocation to staff costs	(219)	913
USS provision for deficit recovery	–	–
Actuarial loss/(gain) recognised in Statement of Comprehensive Income and expenditure	(37)	(448)
Balance at end of year	**2,395**	**2,620**
Cambridge Colleges' Federated Pension Scheme	940	999
Universities Superannuation Scheme	1,455	1,621
Balance at end of year	**2,395**	**2,620**

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

The adoption of the new deficit recovery plan following the 31 March 2020 actuarial valuation has given rise to a decrease in the deficit provision which has decreased from £1,621k to £1,455k. More details on the 20120 actuarial valuation are set out in note 25.

The major assumptions used to calculate the obligation are:

	2023	2022
Discount rate	5.52%	3.31%
Salary growth	5.00%*	3.18%*

** 5% from 1.8.2023*

Sensitivity analysis
As set out in the accounting policies, there are some critical judgements made in estimating the obligation to fund the USS deficit. The sensitivity of the principal assumptions used to measure the USS deficit provision are set out below:

	Approximate Impact
Change in assumptions at 30 June 2023	
0.52% pa decrease in discount rate	58k

16 Endowment funds

	Restricted permanent endowments	Unrestricted permanent endowments	2023	2022
	£000	£000	£000	£000
Balance at beginning of year	8,222	45,122	53,344	55,225
Restricted net assets relating to endowments are as follows:				
New donations and endowments	3	–	3	4
Other receipts	9	–	9	(7)
Heritage assets capitalised	–	–	–	–
Return on segregated fund	79	1,544	1,623	1,452
Drawdown	(81)	(1,600)	(1,681)	(1,618)
Income	292	59	351	262
Expenditure	(409)	–	(409)	(439)
Investment management costs	(20)	(121)	(141)	(146)
Increase/(decrease) in market value of investments	216	979	1,195	(1,389)
Transfers between funds	–	–	–	–
Balance at end of year	**8,311**	**45,983**	**54,294**	**53,344**
Analysis by type of purpose:				
Fellowship funds	4,675	1,268	5,943	5,856
Award funds	307	–	307	305
Hardship funds	561	–	561	614
Other student support travel grant funds	–	–	–	6
Graduate studentship funds	8	331	339	332
Research funds	1,859	–	1,859	1,781
Other funds	901	–	901	897
General endowments	–	44,384	44,384	43,553
	8,311	**45,983**	**54,294**	**53,344**
Analysis by asset:				
Property	15	85	100	100
Investments	8,276	45,790	54,066	52,998
Cash	20	108	128	246
	8,311	**45,983**	**54,294**	**53,344**

17 Restricted reserves

	Other restricted funds	2023	2022
	£000	£000	£000
Balance at beginning of year	2,575	2,575	1,707
Reserves with restrictions are as follows:			
Endowment return transferred	–	–	–
Other receipts	–	–	–
Income	366	366	1,316
Expenditure	(439)	(439)	(382)
Investment management costs	(4)	(4)	(4)
Increase/(decrease) in market value of investments	69	69	(62)
Transfers	–	–	–
Balance at end of year	**2,567**	**2,567**	**2,575**
Analysis of other restricted funds/donations by type of purpose:			
Fellowship funds	438	438	474
Award funds	412	412	406
Other student support	206	206	215
Travel grant funds	51	51	49
Graduate studentship funds	(1)	(1)	22
Other funds	1.461	1,461	1,409
	2,567	**2,567**	**2,575**

18 Memorandum of unapplied total return

	2023	2022
	£000	£000
Included within reserves the following amounts represent the unapplied total return of the College:		
Unapplied total return at beginning of year	30,100	33,142
Unapplied total return for year (see note 3b)	1,825	(2,876)
Segregated income in excess of drawdown	(58)	(166)
Unapplied total return at end of year	**31,867**	**30,100**

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

	2023	2022
	£000	£000
Surplus/(deficit) for the year	1,295	(3,169)
Adjustment for non-cash items:		
Depreciation	922	894
Profit/(loss) on the sale of non-current assets	–	–
Loss/(gain) on endowments, donations and investment property	(2,057)	2,586
Investment management fees reinvested	87	88
Decrease/(increase) in stocks	(12)	(5)
Decrease/(increase) in trade and other receivables	(216)	98
Increase/(decrease) in creditors	271	919
Heritage assets capitalised	–	–
USS pension deficit	(166)	920
CCFPS additional actuarial gain	–	2
Pension costs less contributions payable	2	3
Segregated dividend income debtor	64	205
Decrease/(increase) in endowment drawdown retained in investments	(58)	(166)
Adjustment for investing or financing activities	(99)	(93)
Investment income	(2,705)	(2,392)
Interest payable	536	523
Net cash inflow from operating activities	**(2,136)**	**413**

20 Cash flows from investing or financing activities

	2023	2022
	£000	£000
Non-current investment (acquisition)/disposal	(540)	801
Investment income	2,705	2,392
Payments made to acquire non-current assets	(354)	(190)
Total cash flows from investing activities	**1,811**	**3,003**

21 Cash flows from financing activities

	2023	2022
	£000	£000
Interest paid	(536)	(523)
Profit on the sale of non-current assets	–	–
Repayments of amounts borrowed	(900)	(450)
Total cash flows from financing activities	**(1,436)**	**(973)**

22 Capital commitments

	2023	2022
	£000	£000
Capital commitments at 30 June 2023 are as follows:		
Authorised and contracted	–	–
Authorised but not yet contracted for	–	–

23 Lease obligations

	2023	2022
	£000	£000
At 30 June 2023 the College had commitments under non-cancellable operating leases with payment due as follows:		
Land and buildings:		
Due within one year	32	32
Due between two and five years	23	55
Other		
Due within one year	–	3
Due between two and five years	–	–

24 Consolidated reconciliation and analysis of net debt

	At 1 July 2022	Cash flows	At 30 June 2023
Cash and cash equivalents	£000	£000	£000
Borrowings:			
Amounts falling due after more than one year	–	–	–
Bank Loans	11,400	(900)	10,500

25 Financial Instruments

	2023	2022
	£000	£000
Financial assets		
Listed equity investments	74,606	71,397
Other equity investments	2,222	2,852
Cash and cash equivalents	5,148	6,909
Other debtors	445	341
Total	**82,421**	**81,499**
Financial liabilities		
Loans	10,500	11,400
Trade creditors	2,327	1,964
Other creditors	335	321
Total	**13,162**	**13,685**

26 Pensions

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

The liabilities of the plan have been calculated, at 30 June 2023, 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:

	2023	2022
	% p.a.	% p.a.
Discount rate	5.20	3.80
Increase in salaries	3.30	3.25
RPI assumption *	3.40	3.45
CPI assumption *	2.80	2.75
Pension increases in payment (RPI Max 5% p.a.) *	3.30	3.30
Pension Increases in payment (CPI Max 2.5%p.a.) *	2.05	2.05

** For 1 year only we have assumed that RPI will be 9% and CPI will be 7% (2022: 11% and 9% respectively). 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–2022 future improvement factors and a long-term rate of future improvement of 1.25% p.a. a standard smoothing factor (7.0) and no allowance for additional improvements

(2022: S3PA on a year of birth usage with CMI–2021 future improvement factors and a long-term future improvement rate of 1.25% p.a. 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 21.4 years (previously 21.9 years).
- Female age 65 now has a life expectancy of 23.9 years (previously 24.3 years).
- Male age 45 now and retiring in 20 years has a life expectancy of 22.6 years (previously 23.2 years).
- Female age 45 now and retiring in 20 years has a life expectancy of 25.3 years (previously 25.7 years).

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

Allowance has been made at retirement for non-retired members to commute part of their pension for a lump sum on the basis of the current commutation factors in these calculations.

Employee benefit obligations

	2023	**2022**
	£000	**£000**
The amounts recognised in the Balance Sheet as at 30 June 2023 (with comparative figures as at 30 June 2022) are as follows:		
Present value of plan liabilities	(4,460)	(5,224)
Market value of plan assets	3,520	4,225
Net defined benefit/(liability)	**(940)**	**(999)**

The amounts to be recognised in Profit and Loss for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:		
Current service cost	5	9
Administrative expenses	13	13
Interest on net defined benefit (asset)/liability	38	27
(Gain)/loss on plan changes	–	–
Curtailment (gain)/loss	–	–
Total	**57**	**49**

	2023	2022
	£000	£000
Changes in the present value of the plan liabilities for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:		
Present value of plan liabilities at beginning of period	5,224	6,539
Current service cost	5	9
Employee contributions	2	2
Benefits paid	(220)	(214)
Interest on plan liabilities	194	116
Actuarial (gains)/losses	(747)	(1,228)
(Gain)/loss on plan changes	–	–
Curtailment (gain)/loss	–	–
Present value of plan liabilities at end of period	**4,460**	**5,224**

	2023	2022
Changes in the fair value of the plan assets for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:		
Market value of plan assets at beginning of period	4,225	5,061
Contributions paid by the College	80	79
Employee contributions	2	2
Benefits paid	(220)	(214)
Administrative expenses	(16)	(15)
Interest on plan assets	156	89
Return on assets, less interest included in Income and Expenditure	(707)	(778)
Market value of plan assets at end of period	3,520	4,224
Actual return on plan assets	**(550)**	**(689)**

	2023	2022
The major categories of plan assets for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:		
Equities	49%	52%
Bonds & cash	38%	34%
Property	13%	14%
Total	**100%**	**100%**

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

	2023	2022
	£000	£000
Analysis of the remeasurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:		
Return on assets, less interest included in Income and Expenditure account	(707)	(778)
Expected less actual plan expenses	(3)	(2)
Experience gains and losses arising on plan liabilities	(141)	(453)
Changes in assumptions underlying the present value of plan liabilities	887	1,681
Remeasurement of net defined benefit liability recognised in OCI	**37**	**448**

Movement in net defined benefit asset/(liability) during the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:		
Net defined benefit asset/(liability) at beginning of year	(999)	(1,478)
Recognised in income and expenditure	(57)	(48)
Contributions paid by the College	80	79
Remeasurement of net defined benefit liability recognised in OCI	37	448
Net defined benefit asset/(liability) at the end of the year	**(940)**	**(999)**

Funding policy

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

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

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

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

University Superannuation Scheme

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

Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 “Employee Benefits”, the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Consolidated Statement of Comprehensive Income represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the Consolidated Statement of Comprehensive Income.

Pension costs

The total cost charged to the Consolidated Statement of Comprehensive Income is £2k (2022: (£974k)).

Deficit recovery contributions due within one year for the institution are £106k (2022: £85k).

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is as at 31 March 2020 ("the valuation date"), and was carried out using the projected unit method.

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

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

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1%p.a. from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% p.a.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the Scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 valuation
Mortality base table	101% of S2PMA 'light' for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	2023	2022
Males currently aged 65 (years)	24.0	23.9
Females currently aged 65 (years)	25.6	25.5
Males currently aged 45 (years)	26.0	25.9
Females currently aged 45 (years)	27.4	27.3

A new deficit recovery plan was put in place as part of the 2020 valuation which requires payment of 6.2% of salaries over the period 1 April 2022 until March 2024, at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions.

	2023	2022
Discount rate	5.52%	3.31%
Pensionable salary growth	5.0%	3.0%

27 Principal subsidiary and associated undertakings

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

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

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

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

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

28 Related party transactions

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

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

During the year no fees or expenses were paid to Fellows in respect of their duties as Trustees.

During the year total donations of £nil (2022, £7,000) were received from Trustees.

Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for any private catering. Trustees' remuneration is overseen by the Remuneration Committee.

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

From	To	2023	2022
£0	£10,000	14	7
£10,001	£20,000	2	2
£20,001	£30,000	1	1
£30,001	£40,000	1	–
£40,001	£50,000	2	1
£50,001	£60,000	1	2
£60,001	£70,000	1	2
£70,001	£80,000	–	1
£80,001	£90,000	–	2
£90,001	£100,000	2	–
Total		**24**	**18**

The total Trustee salaries were £525,764 for the year (2022: £597,384) These amounts are amounts receivable in the year irrespective of whether they were received.

The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £142,595 for the year (2022: £176,003).

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

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

The Communications office commissioned design and branding consultancy work for a College event from the wife of Jay Longworth, the Director of Development. The cost of the work was £4,500.

Image credits