# Fitzwilliam College

# Annual Report and Financial Statements

2024

## For the Year ended 31st July 2024

Registered Charity No. 1137496

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# INTRODUCTION AND SUMMARY FINANCIAL PERFORMANCE

## Introduction

Fitzwilliam College is a modern, open-minded, confident, inclusive academic community with a unique history. It is one of 31 colleges in the University of Cambridge. The College's identity is built upon our commitment to providing an environment for academic excellence to flourish so that our wider impact is felt in the life-changing higher education and ground-breaking research that happens at 'Fitz'. This is coupled with our founding ethos to offer opportunity to those left outside of the traditional structures of the collegiate Cambridge system. Access to education is in our DNA. We remain passionately proud and committed to this founding purpose.

The College has around 1,000 members including students, Fellows, Bye-Fellows and non-academic staff members and occupies a seven-acre site between Huntingdon Road and Storey's Way. The site comprises new buildings built between the 1960s and 2000s, incorporating the regency house 'The Grove' and extensive landscaped gardens. The residential buildings include 386 rooms for students together with residential sets and offices for Fellows and Bye-Fellows. Other buildings house a library, a chapel, an auditorium, a dining hall, seminar rooms, teaching rooms, common rooms, a gym, squash courts and other shared spaces. In addition, the College owns 28 External Properties, the majority located close to the College, offering accommodation for a further 242 students.

The College is a Registered Charity, regulated by the Charity Commission and is registered with the Fundraising Regulator. The accounts follow Financial Reporting Standard (FRS) 102 and are presented in the format of the Recommended Cambridge College Accounts (RCCA), which comply with the Higher Education SORP (Statement of Recommended Practice: Accounting for Further and Higher Education).

## Summary Financial Performance

The financial statements consolidate the activities of the College and the College's trading subsidiary.

The College's financial performance for FY2023-24, was flattered by several one-off items. The financial activity continued to be set against a background of uncertain economic activity and high inflationary pressure in certain expenditure categories. For the period, the College recorded income from Total Activity of £19.22 million, expenditure from Total Activity of £13.50 million and a surplus of £5.72 million (FY2022-23: surplus of £1.13 million), before gain/loss on investments. If the analysis is adjusted for the one-off items, new Endowments and the Colleges' Fund grant, the underline position is an operating deficit (normalised) of £0.84 million (FY2022-23: operating deficit (normalised) of £0.71 million). The figure more accurately reflects the College's financial position.

Unrestricted Activity, which reflects the College's day-to-day financial performance, showed an operating surplus for the year of £2.00 million (FY2022-23: operating deficit of £0.06 million). As with Total Activity, when adjusted for one-off items the position is an operating deficit (normalised) of £0.20 million (FY2022-23: operating deficit (normalised): £0.07 million). The College's operating performance for the year, highlights the College's approach to seeking to grow certain Income categories, whilst in parallel investing in its educational mission and continuing to focus on controlling costs.

The College's total net assets as at 31 July 2024 stood at £166.00 million (31 July 2023: £154.63 million). Our investments consist of a Discretionary Investment Portfolio and External Properties. As at 31 July 2024 the value of investments was £101.63 million (31 July 2023: £96.05 million). The value of the College's Endowment Reserve at year-end was £84.28 million (31 July 2023: £77.28 million) and the value of the Restricted Reserves was £8.33 million (31 July 2023: £7.13 million). As a result, the College's 'free' reserves stood at £9.02 million (31 July 2023: £11.64 million).

The College's financial position is now stable, allowing the College to focus on investing to sustain and grow its educational mission. The College is confident it has sufficient financial resources in the form of liquidity and reserves to meet its financial commitments over the next 12 to 18 months.

Further details on the College's financial performance are set out on pages 12 to 18 of this report.

Fitzwilliam College
Storey's Way
Cambridge
CB3 0DG
Website: www.fitz.cam.ac.uk
Charity Registration number: 1137496

# REFERENCE AND ADMINISTRATIVE DETAILS

Charity Trustees (Members of the Governing Body). Members of the Governing Body receive no remuneration for acting in that capacity. However, remuneration is paid to those members holding positions as officers of the College.

## Members of the Governing Body during the year were as follows:

***Officers of the College***

Master: Baroness Morgan of Huyton*
Bursar: Mr R G Cantrill*
Senior Tutor: Dr P A Chirico* (on sabbatical 01.09.23 – 31.08.24)

Professor J M Cullen* (President and member of CC until 30.09.23)
Dr S S Owen* (President from 01.10.23)
Professor D J Cole
Professor D A Cardwell
Dr J D Leigh
Professor B Vira
Professor E Mastorakos
Professor D A Coomes
Dr R D Camina
Dr A G Kovalev
Professor S Mukherji
Dr D R E Abayasekara*
Professor J A Elliott*
Professor A E H Wheatley
Professor K Saeb-Parsy
Professor P J Rentfrow
Professor S J Gathercole*
Professor M B Wingate
Dr F Knights
Dr A M Watson* (member of CC from 01.05.24)
Professor A P Jardine
Professor K J Boddy
Dr S J Sawiak*
Professor E Lees (on secondment from 01.09.2021)
Dr G N Glickman
Dr J Guarneri
Dr N K Jones*
Professor I M Tsimpli*
Professor C Genakos
Professor R C Powell
Professor M H Kenny*
Dr B Wiedemann* (member of CC until 30.09.23)
Dr A A J D'Sa
Dr J W Rogers
Dr P Mendes Loureiro (stepped down 30.09.23)
Dr C Vidal
Dr C N Abadie (stepped down 11.10.23)
Dr J-M Johnston
Dr S S Martin* (on leave from 01.05.24)
Dr O Pevny
Professor S Keshav
Professor G E D Oldroyd
Dr R J Hill (stepped down 30.09.23)
Dr E Galliano
Dr G E M Wilson (stepped down 30.09.23)
Mr P O'Connor
Dr I Fanlo
Dr C Harvey
Dr E A Lees
Dr T L Williams
Dr D Luca
Dr A Cullen
Dr S Nelson
Dr Q Cheng
Dr A Ardern-Arentsen
Dr A Heenan
Prof A Vlachos
Ms G Cannon
Dr S Kayhanian
Dr G Duckels (from 01.10.23)
Dr L Mullen (from 01.10.23)
Dr I Massad (from 01.10.23)
Dr M Storer (from 01.10.23)
Dr A Carter (from 01.10.23)
Professor E Ozyurek (from 11.10.23)
Dr B Guy (from 29.10.23)

*also served on College Committee ('CC')

## Principal advisers

**Auditors**
Peters Elworthy & Moore
Chartered Accountants & Statutory Auditors
Station Road
Cambridge
CB1 2LA

**Bankers**
Barclays Bank plc
9-11 St Andrews Street
Cambridge
CB2 3AA

**Legal Advisers**
HCR Hewitsons LLP
50 - 60 Station Rd,
Cambridge,
CB1 2JH

**Property Managers**
Bidwells
Trumpington Road
Cambridge
CB2 9LD

**Investment Managers**
J.P. Morgan International Bank Limited
25 Bank Street
London
E14 5JP

# ANNUAL REPORT OF THE GOVERNING BODY

## Aims and objectives of the College

The principle charitable objectives of the College, set out in the College's Charter and charity registration, are:

- To advance education, religion, learning and research in the University; and
- To provide a College wherein members of the University may work for Degrees in the University or may carry out postgraduate or other special studies at Cambridge.

During the year, the College continued to implement the new College Plan that was created in 2020-21 (the 'College Plan' or the 'Plan'). The Plan seeks to ensure that the charitable objectives of the College are applied in a current context and provides a strategic framework for the College's development in the near to medium term.

***Our Values***

- Supporting Excellence;
- Community as our foundation; and
- Concerned with our purpose.

***Supporting excellence***
The College's core activity is to provide a world-class educational environment for our students and to be a meaningful space for open-minded academic research, discussion and collaboration.

We work hard to identify those undergraduate and postgraduate students with the highest academic potential, and to support them through their application ('getting-in'), their time at the College and into professional life thereafter ('getting-on'). The College is a unique space for the sharing of ideas between students, academic staff members, non-academic staff members, alumni and the wider community. We create opportunities to promote imaginative collaborations, share research and develop public engagement skills. We seek to play an active and engaged role in the governance and academic life of the University.

We are motivated to achieve the highest standards in the operation of the College and in the investment into our infrastructure and estate – from the technology we use in our work, to the gardens we enjoy at our leisure. All academic and non-academic staff members of the College will be supported by fair salaries and benefits and opportunities to participate in the intellectual life of the College.

***Community as our foundation***
The founding ethos of the College was to offer opportunity to those left 'outside' the traditional structures of Collegiate Cambridge and we are passionately proud and committed to this founding purpose. We are a college in the University of Cambridge, but we retain and confidently assert our own identity. Our work to nurture and develop a representative community will constantly evolve to identify and address those barriers present today, not just in terms of student access but also throughout the Fellowship and non-academic staff body.

From this foundation of community comes shared benefits and collective responsibilities: a guarantee of inclusion and space to be oneself; principles of fairness and mutual respect; and investment in academic excellence and achievement, personal and professional development, and physical and mental wellbeing.

***Concerned with our purpose***
We recognise that the social purpose of a university extends beyond the world of academia. This means that we are concerned with the wider impacts of the College's work and the example we set as a community.

We know that prioritising sustainable choices – whether investment portfolio divestment, or food choices in the Buttery - raises conflicts and tensions, but we will not shy away from the debate. We are profoundly aware of our responsibility to manage our resources to ensure the College not just survives but thrives into the future and, in doing so, minimise the size of our footprint on the environment. We will take difficult decisions in an open, transparent, and constructive way drawing on the skills and experience of members of our community.

We will extend our outreach work beyond an admissions function and play a more active role in terms of social mobility in the local area. We want to play a more visible and consistent role in the local communities of which we are a part, whether in sharing our resources, providing access to our spaces, or applying our knowledge and skills to the good of others.

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The following sections detail the College's progress in meeting these objectives and developing the resources that it has available to support them.

## Public Benefit

The Governing Body, in its decision-making throughout the year, considered the Charity Commission's Public Benefit guidance. Its primary concern was to make sure that the College's educational benefits were accessible to individuals with the highest academic potential from all backgrounds. The College achieved this by investing in an active outreach programme to raise awareness of educational opportunities and by collaborating with the University and College supporters to provide financial support for eligible students. The intention being that no student's education is limited by their financial background. The following table presents student statistics for the academic year 2023-2024:

| *By fee status* | *Undergraduate* | | *Postgraduate (full time)* | | *Postgraduate (part time)* | |
|---|---|---|---|---|---|---|
| *Home* | *376* | *78%* | *169* | *44%* | *107* | *61%* |
| *EU* | *12* | *2%* | *23* | *6%* | *7* | *4%* |
| *Overseas* | *93* | *20%* | *190* | *50%* | *61* | *35%* |
| **Total students** | **481** | | **382** | | **175** | |

*All figures as of January 2024*

***Widening Participation***

### "To attract a diverse body of high calibre undergraduate and postgraduate students."

The College's outreach efforts have evolved to target individual and family-based characteristics, such as in-care and free school meals status, and school-based criteria, such as educational disadvantage and poorly performing schools. These initiatives have complemented our focus on postcode criteria provided by the Cambridge Admissions Office. Additionally, this year, we continued our collaboration with several other colleges in a mentoring scheme led by the charity Project Access. We provided mentors for students to whom we offered a place with widening participation flags, assisting them in making informed choices regarding their offers.

Our widening participation strategy remained centred on sustained engagement with state school students from widening participation backgrounds, including those from underrepresented ethnicities at Cambridge. We prioritised courses with fewer applications and lower application rates from state school students and other marginalised groups, such as women in STEM fields. Furthermore, the College is actively developing a strategy to increase applications from regions outside of London and the Southeast.

Our essay competitions have consistently attracted high-calibre applicants from the state sector. We have also expanded our online events and supplemented them with physical visits to the College, including taster days covering various arts and sciences subjects. During the year, the College participated in University Open Days, welcoming 874 prospective students out of a total of approximately 2000 visitors over three days in July and September 2024.

The admissions round 2024-25, undertaken in autumn 2023, experienced a reduction in applicant numbers, being approximately 9% lower than the 2023-24 admissions round. The ratio of applications to individuals admitted of 5.0x was equal to the historical average. Interviews for 78% of applicants were conducted remotely online, as was the case in 2022. The following table presents admissions statistics for the year, along with comparisons to previous years:

| | **2023-24** | **2022-23** | **2021-22** | **2020-21** |
|---|---|---|---|---|
| *Applications* | 713 | 781 | 873 | 792 |
| *Interviewed* | 488 | 602 | 703 | 658 |
| *Offers* | 184 | 183 | 169 | 168 |
| **Admitted** | **141** | **142** | **144** | **146** |
| **Ratio of appl. to admitted** | **5.0x** | **5.5x** | **6.1x** | **5.4x** |

## ANNUAL REPORT OF THE GOVERNING BODY

The Admissions Tutors, Directors of Studies, and a substantial team of interviewers diligently assessed a broad and diverse pool of candidates to identify those with the highest academic potential. In total, 184 offers were extended for entry in October 2024. Among these offers, 15 were made to candidates who had initially chosen other colleges but were selected through the intercollegiate 'pool' in August. Notably, this figure includes five offers for the Foundation Year programme. The Foundation Year represents a one-year course specifically designed for a fresh cohort of applicants who possess the potential to excel at Cambridge but have faced circumstances that hindered them from realising their full academic potential until now. This was the second year the College has participated in the programme.

In 2024, the nationwide A-level results in the UK were lower compared to those in 2023 and were on par with the results from 2019. While the number of candidates falling short of their offers resembled the 2019 figures, we observed that individuals with widening participation indicators and those in the Arts and Social Sciences were more likely to miss their offers.

For the candidates regulated by the Office for Students, 86% (compared to 83% in 2023, 83% in 2022, 70% in 2021, and 77.6% in 2020) had received their education in the state-maintained sector. Among them, 51% possessed at least one of the 'widening participation' flags we employ. Additionally, 12.5% (in comparison to 12% in 2023, 10% in 2022, 15% in 2021, and 14.4% in 2020) hailed from areas falling within POLAR4 quintiles 1 and 2, representing regions with a relatively low percentage of 18-year-olds pursuing higher education. Furthermore, 24.8% (compared to 21.3% in 2023, 29.1% in 2022, 22.1% in 2021, and 20.8% in 2020) came from areas classified within quintiles 1 and 2 of the Index of Multiple Deprivation (IMD), and 20.2% (versus 19.3% in 2023, 20.5% in 2022, 25.7% in 2021, and 20% in 2020) had Output Area Classification (OAC) flags.

The College's unwavering commitment to widening participation aligns with our founding mission and has resulted in the admission of numerous students from diverse backgrounds who have achieved remarkable success at the University.

***Financial support***
The total value of financial awards to students in the financial year was £1.33 million (2022-23: £1.36 million) and the College’s share was 23% of all fee income received (2022-23: 27%).

The primary source of funding for undergraduates with limited financial means is the Cambridge Bursary Scheme (‘CBS’), jointly operated and funded by the University and the colleges. In the 2023-2024 academic year, 147 Fitzwilliam students (comprising 38% of our undergraduates with regulated Home/EU fees) benefited from these awards, amounting to £470,523 (2022-23: £502,735). Additionally, 49 undergraduates received Fitzwilliam College Maintenance Bursaries, totalling £10,300, and 33 students received Goldman Sachs Bursaries, amounting to £26,250.

The dedication of the Development Office and the generosity of our donors have enabled the College, both independently and in collaboration with various University funding initiatives, to provide an increasing number of partially funded and fully funded postgraduate scholarships. In the 2023-2024 academic year, support for postgraduate students reached £448,925, encompassing three full-cost Masters Studentships, seven full-cost PhD Studentships, three part-cost PhD Studentships, 14 additional part-cost postgraduate scholarships, and 53 Senior Scholarships. Furthermore, 26 postgraduate students received Maintenance Bursaries totalling £10,500, 10 received PhD Extension Funding amounting to £19,800, and 123 received Research Awards totalling £47,218.

The College also extends a range of awards and grants from various funds to ensure that all students, regardless of their financial circumstances, can seize opportunities to enhance their educational experience. For example:

- 174 Travel Awards were granted to undergraduates, totalling £45,940;
- 279 Prizes and Scholarships were awarded to undergraduates and graduates with distinguished academic records totalling £49,280;
- An additional 169 awards, totalling £76,868, were provided through the Student Opportunities Fund. These included allowances for Vacation Project Accommodation, awards for successful participation in the Cambridge University Language Programme, support for disability-related expenses (including Disability Rent Rebates), bursaries for laptop/IT support, additional assistance for Architecture students, Book Awards, and a Formal Hall Allowance for undergraduates receiving a Cambridge Bursary award;

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- awards were distributed from subject-specific funds, totalled £68,530; and
- music awards totalled £23,910, while sports awards, amounted to £23,410.

### Academic Review

### "To deliver a world-class undergraduate education."

In the academic year 2023-2024, the student body at Fitzwilliam College consisted of 481 undergraduates, representing 46% of the student population, and 557 postgraduate students, which included 175 part-time students, accounting for 54%. The College provided comprehensive pastoral support and academic guidance to all students through a dedicated team of Tutors, complemented by the Head of Wellbeing, Chaplain, Student Health Advisor, Counsellor, Porters, and elected student representatives and welfare teams. Separately, the College invested resources in offering new ways to support students during their time at the College through the Fitz+ programme, encompassing study, self and career support.

***Teaching***
Teaching at Fitzwilliam emphasised small-group instruction, a distinguishing feature of undergraduate education at Cambridge. In addition to lectures, seminars, and practical work, Directors of Studies in each subject area organised academic supervision sessions with 1056 specialists assigned to Fitzwilliam undergraduates.

***Examination results***
113 Fitzwilliam students were awarded First Class results (including 10 results equivalent to a First Class) in 2023-24. Following the University and College Union's 2023 Marking and Assessment Boycott, 126 Fitzwilliam students were awarded First Class results (including 17 results equivalent to a First Class) in 2022-23.

***Postgraduate Admissions***

### "To develop a stimulating environment for postgraduate education."

For postgraduate admissions, the College made a total of 308 offers (216 for Masters courses, 82 for PhD/MRES, and 11 for clinical medicine/veterinary studies) in the academic year 2023-24. Of these offers, 167 students accepted their places (120 for Masters courses, 38 for PhDs, and 9 for clinical medicine/veterinary studies). Postgraduate applicants to Cambridge apply directly to Departments and Faculties, with the option of naming one or two preferred colleges. Among the 297 applicants who accepted offers at Fitzwilliam in 2024, 47 (33 Masters and 14 PhDs) named the College as their first choice, and 23 (17 Masters and 6 PhDs) named it as their second choice. Additionally, the College welcomed 47 new part-time MSt students.

***Achievements***
During the year, 42 doctoral dissertations by Fitzwilliam students were approved for the award of PhD degrees. The College awarded 42 College Senior Scholarships to PhD students, and 21 prizes were given to Masters Students who achieved Distinction in exams held in 2023-2024.

***College support for Postgraduate students***
The College provided significant support for postgraduate students, including pastoral guidance and extra-curricular activities mentioned earlier. This support also extended to practical assistance and informal mentorship by Tutors and senior members. Research students presented their work at formal conferences organised by the Tutors. Postgraduate students participated in subject societies, which organised social events, research-based seminars, and featured eminent visiting speakers. The MCR (the College's postgraduate student union) and the Postgraduate Tutorial team organised a wide range of social and academic events throughout the year.

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## "To advance research by Fellows and postgraduates."

Fellows and postgraduates actively contributed to advancing research at the College. In 2023-2024, seven new Fellows and seven new Bye-Fellows joined the College, bringing the totals as at year end to 64 and 55, respectively. Additionally, the College appointed 15 Research Associates for the year, along with Research Fellows who formed the Postdoc Society, facilitating social and academic interactions.

Two new early-career researchers took up Research Fellowships at the College bringing the total number of Research Fellows to six. Two of the Research Fellows received a full stipend and additional resources from the College, whilst four received a stipend from a third-party but received additional resources from the College. Each Research Fellow is pursuing significant research at an early stage in their academic careers.

The College Teaching Officers (CTOs) played a vital role in addressing essential teaching needs that could not be met by established University Teaching Officers. These CTOs were actively involved in both teaching and academic research, supported by research funds and sabbatical leave entitlements. Five CTOs were employed during the year. Also, during the year, the College appointed a College Teaching Associate (CTA) to support the College's teaching need.

## "To nurture and sustain a lively and welcoming community of scholarship and learning."

A core purpose of the College is to foster the exchange of ideas among members at all stages of their academic careers. This exchange occurred through formal academic teaching of undergraduates, subject-based societies, and a diverse programme of lectures, discussions, conferences, and cultural events, many of which were open to the public. This commitment contributed to the creation of a vibrant and inclusive community of scholarship and learning at Fitzwilliam College.

## College facilities and operations

***Our buildings and gardens***

People are at the heart of Fitzwilliam and the spaces in which we live, work and relax play a vital role in the shaping of our activities and relationships. The College estate, comprising of the main site between Storey's Way and Huntingdon Road (the 'Main Site') and some 28 external properties (the 'External Properties') provides the physical environment for the College community. We are in the fortunate position of being able to accommodate all our undergraduates in College-owned accommodation. In July 2024, the College celebrated the Central Building, The Chapel and New Court becoming Grade II listed, following a listing assessment of certain Main Site buildings by Historic England.

This year again, New Court was planted with an array of vegetables that were supplied free to the College community. It is an illustration of the work the gardens team undertakes to make sure that the rich green environment in which the College's buildings are set is maintained and enhanced.

Expenditure on maintenance of buildings was £0.55 million during the year (FY2022-23: £0.46 million). Capital expenditure on improvements (including External Properties) was a further £1.26 million (FY2022-23: £0.74 million) and included the reroofing of the roof of the auditorium, improving its thermal envelope and installing over 100 solar panels that will provide electricity for the auditorium and an element of the Gatehouse building as well as improvement measures on certain External Properties.

A key component of the College Plan relates to the College estate. The estate masterplan (the 'Estate Masterplan') approved in November 2022, focuses on: 1) increasing the number of student rooms on the Main Site by up to 120 new rooms, 2) continuing the renovation programme of the Lasdun accommodation and the Central Building, and 3) the intensification of certain External Property sites, which then in turn allows the College to review the size and shape of the External Properties portfolio.

***The Estate Masterplan***

The first phase of the Estate Masterplan is the £10.50 million full renovation of M-P Staircases (some 68 rooms) incorporating a new satellite extension to the north of P-Staircase that will provide new student accommodation (some

## ANNUAL REPORT OF THE GOVERNING BODY

17 rooms) and a 'reflection' room for the College community. The scheme will incorporate high levels of sustainability with the new extension being designed based on Passivhaus principles. The source of heating for the renovated staircases and the extension will be air source heat pumps and solar panels rather than gas boilers. Completion of the project will lead to all first-year undergraduates being housed in modern renovated ensuite or semi-ensuite rooms. In addition, the work will make the accommodation more attractive to commercial conference guests and will in turn increase the income the College receives from this activity. The College was aiming to start the work on the project in the Summer of 2024, but this was delayed by an academic year to allow the College to evaluate the impact of the listing of New Court and the Chapel on the scheme. The scheme will be the biggest construction project the College has undertaken for over 20 years at the heart of the Main Site. The work on the scheme will now commence in August 2025.

During the year work also started on the second and third phases of the Estate Masterplan. The second phase is the creation of a new South Court, which will complete the Storey's Way façade and provide over 50 ensuite student rooms. The third phase is focused on the replacement of two houses on Oxford Road next to the sports ground and the renovation of Red Cottage and the Sports Pavilion.

***The Environment***
The College has a long-standing commitment to minimising our environmental impact. We signed the Cambridge Climate Change Charter in November 2008 and have in place an Environmental Action Plan covering energy efficiency, carbon emissions, water consumption, waste management and minimisation, purchasing, transport, chemical pollutants and new developments and construction, as well as an Environmental Policy statement. The College has also adopted a Sustainable Food Policy covering sourcing, purchasing, consumption and waste-reduction. In addition, the College operates a programme to offset the carbon emissions stemming from all Fitzwilliam-supported travel. Whether in-relation to our use of energy sources where the College purchases 100% of our electricity from renewable sources to the installation of solar panels on the auditorium roof or our support of community recycling, every decision in the College is considered through this lens.

This was the second year, that the College's investments were managed based on our new Responsible Investment Policy that the College approved in October 2021. Under the new policy the College will not invest its discretionary investment portfolio ('DIP'), valued at £62.07 million as at 31 July 2024, either directly or indirectly in the fossil fuels, tobacco or defence sectors (where 10% or more of the revenue is exposed to the activities), and will measure its investments against the 'leader' ESG rating ('AAA' or 'AA'). The policy is aligned with the Paris Climate Agreement. The approach is applied to all investment classes except for private equity that will be incorporated into the policy in the short to medium term, as funds are returned to the College. The policy ensures that the College's investments are managed, not just based on their financial performance and value for money, but also in terms of whether they embody the College's social purpose and the example we set as a community to others.

The College sees the new Estate Masterplan as a key area where our sustainable values will be applied for the long-term benefit of the community as the plan is implemented. This approach is highlighted in the renovation of M-P Staircases and the extension to P-Staircase as discussed above.

***Our people***
The College's academic mission is delivered by a dedicated group of academic and non-academic staff members. The academic staff comprises the Fellows, supported by Bye-Fellows, and very many subject supervisors from across Cambridge. In addition to the 103 non-academic staff members (as at 31 July 2024), our casual staff also play a vital role in the life of the College. It is the aim of the College to involve students in the affairs of the College where possible and consistent with their academic work.

During the year the College continued to contribute to the broader community, illustrated by our continued support for Cambridge sustainable foods (a local charity that provides food to those in need across Cambridge).

The College works to ensure that its employment package remains competitive and attractive to potential staff members. An illustration of this is the agile working policy, allowing staff members to work from home two days a week where it is operationally possible.

## ANNUAL REPORT OF THE GOVERNING BODY

During the year, all permanent staff members were paid at or above The Real Living wage for 2023-24 of £12, announced in September 2023. Also, the College extended the payment of the Real Living Wage to casual and temporary staff members and commenced the process to obtain accreditation from the Real Living Wage Foundation.

The future availability of sufficient and reliable pensions for staff members in retirement continues to be an important issue. The College has continued to respond as an employer to the consultations being undertaken by the Universities Superannuation Scheme (USS), aligning itself to the University of Cambridge's position, in the firm belief that its own future is inextricably aligned with the University.

At the year-end the College had 63 members of USS on the payroll. The Fitzwilliam College Assistant Staff Superannuation Fund (FCASSF), a defined benefit scheme which was closed to new members in 2004, had 79 members at year-end.

***Our operations***
The College's operational aims are:

- To deploy its resources effectively to deliver the College's Mission;
- To comply with legal and regulatory obligations wherever it operates;
- To meet consistently and wherever possible, exceed, the standards of service, support and operational performance that are expected; and
- To promote the College and the University values by celebrating the academic and non-academic successes of students, Fellows, alumnae/i and academic and non-academic staff members of the College.

Regular surveys are undertaken to gauge the level of satisfaction of the College's students with their educational and accommodation experiences. These include the National Student Survey, University-wide surveys initiated by the University and by the Cambridge Student Union, and College surveys, which test experience of specific groups and support our commitments under Accreditation Network UK (ANUK), the College's regulator for student accommodation. Audits have taken place during the year for Health and Safety, and for ANUK compliance.

# ANNUAL REPORT OF THE GOVERNING BODY

## Review of Financial Performance

***Introduction***

The College has prepared its consolidated accounts on a RCCA basis. The financial statements represent the activities of the College and its wholly owned operating subsidiary, Fitzwilliam College Services Limited. The analysis of the College's financial performance is broken down between: 1) 'Unrestricted Activity' that represents the operational activity of the College, 2) 'Restricted Activity' relating to funds that arise from expendable donations for specific purposes, and 3) 'Endowment Activity' that represents the income from any 'endowed funds' which were given to support specific projects together with new endowments received by the College during the financial period.

The consolidated accounts for the year reflect the following: 1) an adjustment of the RCCA presentation to specifically highlight the impact of the USS pension treatment in the accounts, and 2) a change in the method of distribution of investment returns and gains/losses across reserves to reflect best practice guidance.

***Summary***

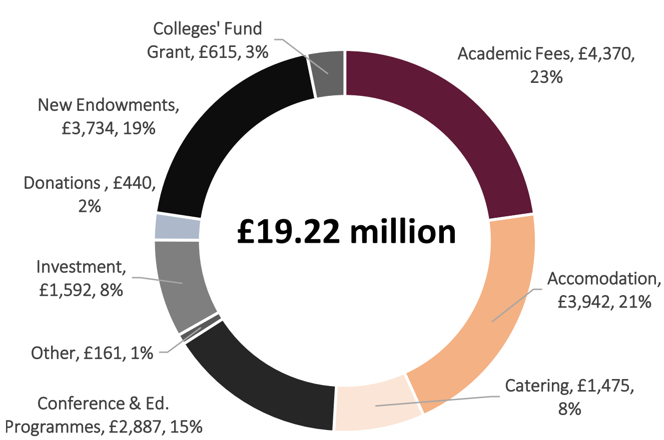
The College's financial performance for FY2023-24, was flattered by several one-off items. The financial activity continued to be set against a background of uncertain economic activity and high inflationary pressure in certain expenditure categories. The College's operating performance for the year, highlights the College's approach to seeking to grow certain Income categories, whilst in parallel investing in its educational mission and continuing to focus on controlling costs.

Income from Total Activity increased by 29% to £19.22 million (FY2022-23: £14.89 million) with expenditure from Total Activity reducing by 2% to £13.50 million, including £1.65 million USS pension write-back (FY2022-23: £13.76 million) giving a surplus of £5.72 million (FY2022-23: deficit of £1.13 million). If the gain on investments of £5.47 million (FY2022-23: loss £0.73 million) is considered, the 'Total surplus/(deficit) for the year' showed a surplus of £11.19 million (FY2022-23: £0.40 million).

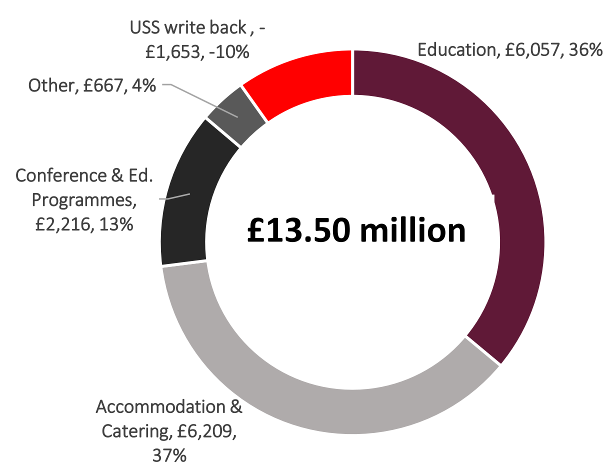
Total Activity for the year is flattered by a number of one-off items comprising: 1) the level of interest income generated during the year as the College views the interest income as 'Windfall' due to the College's intention to use the bulk of its cash balance on which the interest income is generated on capital projects in the short to medium term, and 2) an adjustment for pension provisions (both charges and write-backs). If the analysis is adjusted for the one-off items, new Endowments, Restricted donations and the Colleges' Fund grant, the underline position is an operating deficit (normalised) of £0.84 million (FY2022-23: operating deficit (normalised) of £0.71 million). The figure more accurately reflects the College's financial position.

The charts below provide a breakdown of Total Activity by Income and Expenditure (including the £1.65m for the USS pension write-back) for FY2023-24:

**Total Activity Income 2024 (£000)**




**Total Activity Expenditure 2024 (£000)**

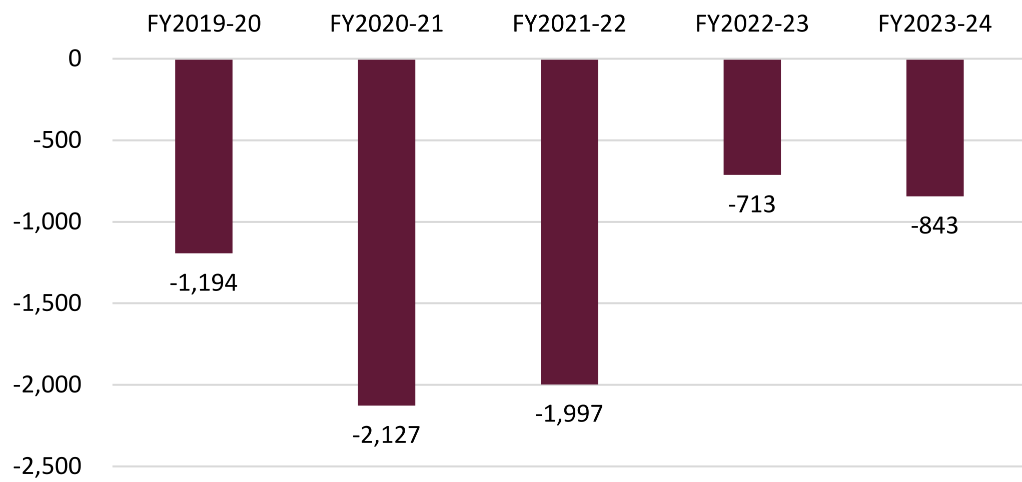


## ANNUAL REPORT OF THE GOVERNING BODY

The chart below sets out the Total Activity operating surplus/deficit (normalised) for the last five years, taking into account the one-off adjustments and is stated before new Endowments, Restricted donations received from donors and grants received from the Colleges' Fund. The period FY2020-21 and FY2021-22 were impacted by the pandemic.

The College is grateful that it has received one-off endowed and restricted gifts from alumni and has been a recipient of the Colleges' Fund grant that together have significantly reduced the deficits over this period. Such sources of income are unpredictable in nature, and therefore have been removed to achieve a normalised position.

**Analysis of Total Activity operating surplus/deficit (normalised) FY2020-24 £000**




Total Activity in the Education account had a deficit of £1.69 million (FY2022-23: deficit of £1.54 million). Income from academic fees amounted to £4.37 million (FY2022-23: £4.06 million) and academic expenditure increased to £6.06 million (FY2022-23: £5.65 million). The result highlights the fact that the College continues to subsidise the cost of our educational mission from other activities, and that the College provided support for each UK Undergraduate of £4,046.

The College's total net assets as at 31 July 2024 stood at £166.00 million (31 July 2023: £154.63 million). The College's Responsible Investment Policy ensures that our investments are managed not just based on their financial performance and value for money, but also so that they embody the College's social purpose and the example we set as a community to others. At year-end the value of investments was £101.63 million (31 July 2023: £96.05 million), the first time the figure is over £100.00 million.

As at 31 July 2024, the College continued to hold a significant cash balance of £19.00 million (31 July 2023: £17.5 million), excluding cash held by the College in current accounts of £1.03 million. £15 million of this sum was the net proceeds, following repayment of a near-term loan facility, from a £20 million, 50-year, private placement the College borrowed in January 2022, on an unsecured fixed rate basis of 1.54% per annum (the 'Private Placement'). The funds will be used to invest in capital projects as part of the Estate Masterplan, to improve the level of amenity for the community as part of the advancement of the College's educational mission and to enhance the College's income in our conference activities in the near to medium term.

The College's financial position is now stable, allowing the College to focus on investing for the future. The College is confident it has sufficient financial resources in the form of liquidity and reserves to meet its financial commitments over the next 12 to 18 months.

***Unrestricted Activity***
A more accurate reflection of the College's day-to-day financial performance is Unrestricted Activity. Income from Unrestricted Activity increased by 14% to £14.80 million (FY2022-23: £12.95 million) with expenditure from Unrestricted Activity decreasing by 2% to £12.79 million (FY2022-23: £13.01 million) giving a surplus of £2.01 million (FY2022-23: deficit of £0.06 million). As with Total Activity, when adjusted for one-off items relating to Windfall Interest income (net) and USS pension write-back, the position is an operating deficit (normalised) of £0.20 million (FY2022-23: operating deficit (normalised) £0.25 million).

## ANNUAL REPORT OF THE GOVERNING BODY

The table below shows a breakdown of Unrestricted Activity by Income and Expenditure by category and adjustments for one-off items to reach a normalised position:

**Unrestricted Activity by category FY2023-24 compared to FY2022-23 (£000)**

| **Income** | **FY2023-24** | | **FY2022-23** | | **Variance** | **% change FY2022-23 to FY2023-24** |
|---|---|---|---|---|---|---|
| Academic Fees | £4,371 | *30%* | £4,057 | *31%* | £314 | *8%* |
| Accommodation, catering and conference | £8,304 | *56%* | £7,100 | *55%* | £1,204 | *17%* |
| Investment Income | £942 | *6%* | £478 | *4%* | £464 | *97%* |
| Endowment return transfer | £584 | *4%* | £553 | *4%* | £31 | *6%* |
| Other income | £161 | *1%* | £203 | *2%* | -£42 | *-21%* |
| Donations | £440 | *3%* | £559 | *4%* | -£119 | *-21%* |
| | **£14,802** | | **£12,950** | | | |
| **Expenditure** | **FY2023-24** | | **FY2022-23** | | **Variance** | **% change FY2022-23 to FY2023-24** |
| Education | £5,351 | *42%* | £4,908 | *38%* | £443 | *9%* |
| Acommodation, catering & conference | £8,425 | *66%* | £7,219 | *55%* | £1,206 | *17%* |
| Other Expenditure | £667 | *5%* | £798 | *6%* | -£131 | *-16%* |
| USS pension deficit recovery | -£1,653 | *-13%* | £89 | *1%* | -£1,742 | *n/m* |
| | **£12,790** | | **£13,014** | | | |
| Surplus/(deficit) before gains and losses | **£2,012** | | **-£64** | | | |
| **Adjustments to reach normalised position** | | | | | | |
| Windfall Interest income (net) - Deduct | £561 | | £97 | | | |
| USS pension deficit recovery/surplus | £1,653 | | £89 | | | |
| Surplus/(deficit) before gains and losses (normalised) | **-£202** | | **-£72** | | | |

Academic fees grew by 8% mainly driven by a spike in postgraduate student numbers arising from the impact of the Marking and Assessment Boycott that resulted in more postgraduate applicants achieving their offer. The cap on student tuition fees since 2012, has meant that the real value of the portion of the tuition fee (50%) the College receives for an undergraduate student has reduced dramatically and will continue to do so into the near future. Accommodation and catering activity was stable whilst conference activity showed another year of significant improvement, up 38% to £2.57 million (FY2022-23: £1.86 million).

Separately, the College continued to develop its commercial educational activity, FitzEd Educational Programmes ('FitzEd'), reporting it separately from the conference business. FitzEd continued with its online summer school activity and in addition held its first physical summer school in the College for 137 participants. FitzEd achieved an income of £0.32 million (FY2022-23: £0.08 million). The financial result only partially reflects the income from the physical summer school as this bridged two financial years. The College intends to continue to develop this activity as part of a medium-term strategy to diversify and grow certain sources of income to subsidise our core educational mission.

Investment income increased by 96% to £0.94 million (FY2022-23: £0.48 million), as in addition to commercial property income of £0.08 million, the College received interest income of £0.86 million on the £15 million net proceeds from the Private Placement and other surplus cash balances. The College views the interest income as 'Windfall' as set out earlier in the commentary. A Windfall Interest income (net) of £0.56 million has been assumed for the year after taking into account the interest service cost of the Private Placement of £0.3 million.

The Endowment and investment return transfer under the College's Total Return Accounting policy was £1.39 million (FY2022-23: £1.28 million). The policy looks at the return on a medium-term basis coupled with the drawdown rate the

## ANNUAL REPORT OF THE GOVERNING BODY

College applies, which was 3% for the year (FY2022-23: 3%). £0.58 million of the sum was transferred to Unrestricted Activity. Unrestricted donations added a further £0.44 million (FY2022-23: £0.56 million). A further discussion on Fundraising is set out later in this commentary.

The College continued to focus on expenditure control to ensure that we ‘live within our means’. Several expenditure categories, such as food supplies within catering and utilities (where costs increased by 50% to £1.03 million, as the benefit of a fixed rate term came to an end), were exposed to high inflation for a second year. Separately, expenditure was artificially depressed by the USS pensions write-back of £1.65 million. Further details of this adjustment are set out later in the commentary.

***Restricted Activity***
Restricted income (excluding that related to building funds) during the year was £2.36 million (FY2022-23: £1.42 million). The change reflected a 126% increase in restricted donations to £1.56 million (FY2022-23: £0.56 million).

Capital grants are funds given to support capital projects, such as buildings. The matching expenditure is not shown in the income and expenditure statement, as it takes the form of capital investment. £0.22 million was received during the year towards the Estate Masterplan work an increase of 22% (FY2022-23: £0.18 million).

***Endowment Activity***
The Endowment Activity comprises restricted funds, the income from which may only be used for purposes specified by the donors, and unrestricted funds, from which the College can use the income (but not the capital) for general expenditure.

Income within the Endowment arises from new donations and from investment returns. As at 31 July 2024, the value of the Endowment had increased by £7.00 million to £84.28 million (31 July 2023: £77.28 million). The increase was driven mainly by both the operating surplus of £1.83 million in Endowment Activity and the gain on investments of £4.48 million. New endowments increased significantly to £1.95 million (FY2022-23: £0.04 million) again mainly driven by legacies. The value of the College’s investments allocated to the Endowment Reserve increased during the year by £4.48 million (FY2022-23: loss £0.67 million). This reflects the good performance of the College’s investment portfolio during the year reinforcing a strong performance over the last four years of the discretionary investment portfolio (‘DIP’) and External Properties. In addition, the College applied the Colleges’ Fund grant of £0.62 million it received (FY2022-23: £0.92 million) to Endowment Activity, this also contributed to the increase.

***Reserves and Financing***
The College includes within its Endowment the External Properties, which are used to accommodate the College’s students apart from one commercial unit. It considers that this policy is consistent with accounting and Charity Commission guidance, since the properties have the characteristics of investments, being relatively easily convertible to liquid assets and not considered essential to the fulfilment of the College’s charitable objects. Taking this into account, Fitzwilliam continues to have one of the smallest endowments among the Cambridge undergraduate colleges and needs to continue to grow its reserves to provide assurance that it has sufficient resources to be able to sustain its academic mission in the long term.

At year end, the College revised its method of distributing investment returns and gains/losses across reserves, adopting best practice guidelines. The guidelines ensure the allocation is simpler and more transparent.

Reserves which are available to meet general expenditure needs can be measured as the difference between the value of Investment and the Endowment and Restricted reserves. On this basis, ‘free’ reserves as at 31 July 2024, stood at £9.02 million (31 July 2023: £11.64 million). This level of free reserves is still considered low in the context of the financing requirements of the College estate and the repayment of long-term loans.

In January 2022, the College took advantage of highly favourable debt capital market conditions to improve its capital structure. It borrowed £20.00 million by way of a Private Placement, on an unsecured basis, with a fixed interest rate of 1.54% per annum for 50 years, repayable in a bullet payment in January 2072, from an institutional investor, The Pension Insurance Corporation. A comparable financing in the current market would be at a cost of 5.25%, with an additional interest cost of £0.75 million.

£5.00 million of the sum raised was used to repay near-term, variable interest rate, borrowings of £5.00 million. The net £15.00 million will be used to invest in the College estate, to improve the level of amenity for the community as part

## ANNUAL REPORT OF THE GOVERNING BODY

of the advancement of the College's educational mission and to enhance the College's income streams in its conference activity in the medium term. The College aims to use a large element of the Private Placement funds towards the first phase of the Estate Masterplan, the full renovation of M-P Staircases and the new extension to P-Staircase.

As at 31 July 2024, the College had total long-term borrowings of £30.00 million, that comprised of the £20.00 million Private Placement and a £10.00 million long term loan the College took out in 2008 (31 July 2023: £30.00 million). Gearing (a measure of Gross Indebtedness to Net Assets) as at 31 July 2024, stood at 18% (31 July 2023: 19.4%). The College has given certain general and financial covenants in connection with the Private Placement and the loan, which have been met at all relevant times during the financial year.

***Investment portfolio***

The College's investment portfolio consists of the DIP, which is managed by the College's discretionary investment manager, the External Properties and certain cash balances held by the College with a third-party deposit taker. As at 31 July 2024, the value of the portfolio had increased by £5.58 million to £101.63 million (31 July 2023: £96.05 million). If the cash balance as at 31 July 2024, of £1.02 million held with the third-party deposit taker is excluded, the portfolio stood at £100.61 million.

*DIP*

The value of the College's DIP (held with its investment manager) as at 31 July 2024, was £61.05 million (31 July 2023: £55.16 million), an increase of £5.89 million (+10.7%). This comprised £35.93 million of public market investments, £17.25 million in private equity investments and £1.98 million in cash.

During the year, The College reviewed the strategic asset allocation of the DIP and determined that it would: 1) reduce its exposure to the private equity asset class and 2) establish exposure in alternative infrastructure and transport funds. The asset class allocation of the DIP as at 31 July 2024 is set out in the chart below, against the Long-Term Target reflects this decision, which was still being implemented as at year end.

**Asset class allocation as at 31 July 2024 against Long Term Target**

| | 31 July 2024 | Long Term Target |
|---|---|---|
| **Liquid Equities** | **49.2%** | **55.0%** |
| **Fixed Income/cash** | **20.5%** | **10.0%** |
| **Alternatives** | **30.3%** | **35.0%** |
| *Private Equity* | *30.3%* | *25.0%* |
| *Infrastructure* | *0.0%* | *7.5%* |
| *Transport* | *0.0%* | *2.5%* |
| **Total** | **100%** | **100%** |

The DIP (excluding Private Equity) achieved a total return of 13.8% (FY2022-23: 3.0%). This compares to a target investment return of 7.5% (CPI +4.5%). Liquid Equities in the DIP where the College holds direct investments (following the investment strategy of the sustainable fund manager, Mirova) achieved a strong return of 17.0%. This was offset by a reasonable performance of Fixed Income, which is managed by the investment manager.

During the year the College reviewed and introduced a new reference benchmark index for the DIP, based on a composite that more accurately reflects the asset class weighting the College has. Comparison against the composite benchmark index (weighted) that delivered a return of 15.7% for the comparable period, shows the DIP (excluding private equity) lagged the benchmark by 1.9%.

Since the current investment manager began managing the DIP (excluding Private Equity) in September 2016, the total return has been 6.5% annualised, compared to the target investment return of 8.0% annualised. It should be noted that these returns do not yet reflect further contributions expected from the allocation to Private Equity in the near to medium term. If Private Equity is included, the return over the period would be 7.2%. The nature of private equity is such that investments are made over a longer-term timeframe as suitable opportunities arise.

## ANNUAL REPORT OF THE GOVERNING BODY

The performance of the DIP was good against a backdrop of positive global market performance despite the on-going war in Ukraine, the conflict in Isarel and the Middle East and the uncertainty regarding inflation.

This was the second year, that the College's investments were managed based on its Responsible Investment Policy as discussed in an earlier section of this report. The approach was applied to all asset classes during the year except for private equity that will be incorporated into the policy in the short to medium term, as funds are returned to the College. This process started during the year, with the College reinvesting in private equity on a basis that met the policy.

The policy ensures that the College's investments are managed, not just based on their financial performance and value for money, but also in terms of whether they embody the College's social purpose and the example we set as a community to others. As at 31 July 2024, the College achieved a 'leader' score (based on the MSCI definition) in 74% of the DIP (excluding private equity) against a target in the Responsible Investment Policy of 40%.

*External Properties*
As at 31 July 2024, the External Properties were valued at £39.57 million (31 July 2023: £39.17 million), based on the Land Registry (Cambridge Local Authority area) index up to May 2024, and made up 39% of all investments. Rental income from the External Properties was £1.70 million (FY2022-23: £1.65 million). The net income yield stood at 3.5% (FY2022-23: 3.7%). The Cambridge residential property market experienced static growth during the year resulting in an annual increase to July 2024 of 1.0% (12 months to July 2023: 0.7%). Downside risk is present in the market in the near to medium-term due to the UK economic environment, even though the Cambridge residential property market has robust characteristics.

***Fundraising***
The College's fundraising efforts are primarily directed at raising monies through major gifts as well as by regular giving. Total donations for the year were £4.17 million (FY2022-23: £1.45 million). The performance for the year highlighted the lumpy nature of donations, with a significant element of the figure coming from a small number of legacies. A three-year average of £2.98m gives a more accurate indication of the College's fundraising activities.

The College is immensely grateful to its alumni and supporters, during the year, 1,428 alumni donated to the College representing 14.5% of the contactable alumni on our records.

During the year, the College progressed the development of the new fundraising campaign 'Future Fitz' aimed at ensuring that the College continues to thrive and prosper in an increasingly uncertain world. The campaign will ensure that we continue to be an academic community where teaching and research flourishes.

***Pensions***
The College's share of the deficit in USS and the deficit in the FCASSF was -£0.33 million (a surplus) as at 31 July 2024 (31 July 2023: £1.70 million). The significant change was mainly due to the reversal of the College's share of the deficit in USS arising from the surplus in the scheme as at the actuarial valuation date of 31 March 2023. As a result, the College wrote-back a sum of £1.65 million during the year.

The on-going annual contribution the College is making to a deficit recovery programme in the FCASSF (see commentary below), resulted in the scheme achieving a surplus of £0.33 million as at 31 July 2024 (31 July 2023: deficit £0.09 million), reflecting a significant change in the assumptions used to undertake the calculation as a result of the dramatic increase in UK interest rates.

In January 2023, the College entered into a revised deficit recovery programme with the FCASSF, based on the formal triennial valuation as at 31 July 2021. The programme is ten years in length, based on an annual sum of £207,000 inflated at a rate of 10% from 2023. As part of the programme, the College provided the 64 Storey's Way, the Master's Lodge as a contingent asset, after obtaining the approval of the Charity Commission in June 2023. The formal triennial actuarial valuation as at 31 July 2024 is currently being undertaken.

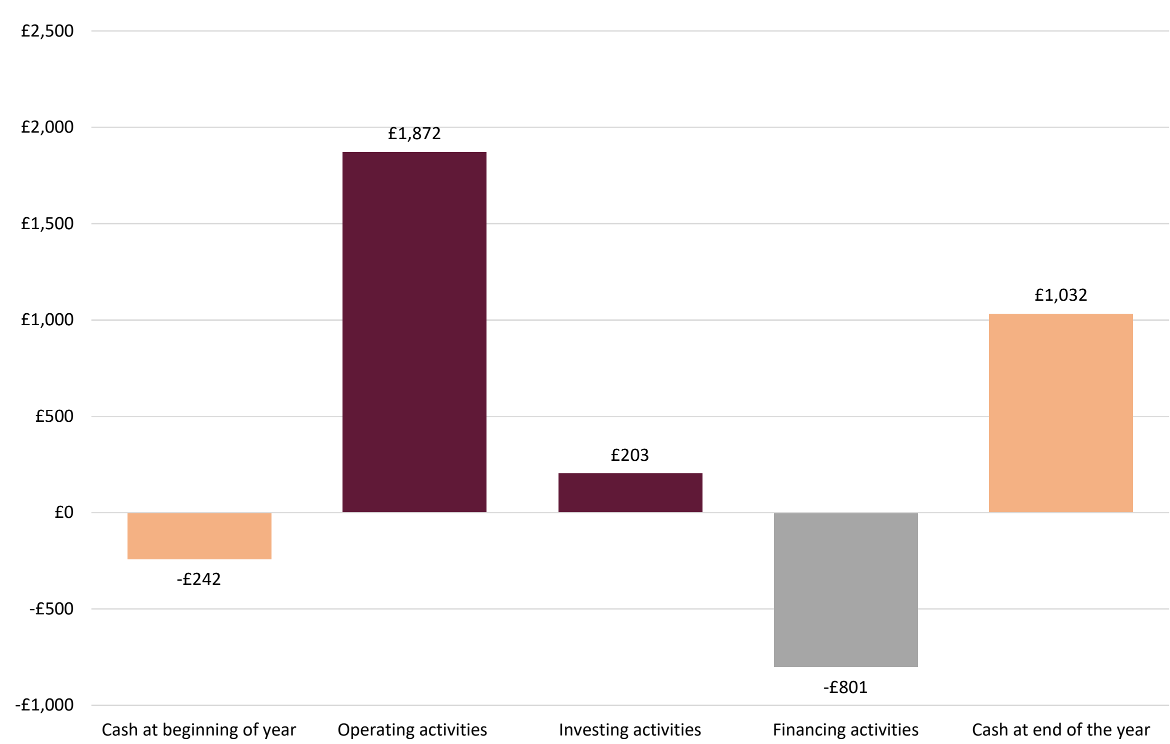
Further details of the College's pension arrangements are set out in note 28.

# ANNUAL REPORT OF THE GOVERNING BODY

***Cash flow and Treasury Management***

The cash generated by all activities resulted in an increase of £1.27 million (FY2022-23: -£0.08 million) and gave an operating cash balance as at 31 July 2024 of £1.03 million (excluding cash that is surplus to operating needs of £19.00 million, as discussed earlier in the commentary) as set out in the chart below.

**Cashflow FY2023-24 £000**



# ANNUAL REPORT OF THE GOVERNING BODY

## Looking ahead

In 2020-21 the College came together to develop plans for the next ten years through an approach of evolution rather than revolution. The College Plan is a living document that sets out our ambitions and progress. During the year, significant work has been undertaken on both the Estate Masterplan, and the Academic Masterplan, but as ever, the path has not been straightforward.

***Fellowship***

Above all Fitzwilliam is an academic community. It is a community where some colleagues are a member for a short period, moving on to pursue their career elsewhere, whilst others remain for the whole of their career, as witnessed by Dr. Geoff Walker (Life Fellow) who passed away during the year and was a fellow of the college for 67 years.

The College continues to benefit from strong governance structures with the fellowship actively involved in discussions and decisions, and we operate in a constructive and collaborative manner. There will always be complex issues to resolve and tough choices over priorities, but how we navigate these decisions is crucial for the collegiality and confidence of the whole community.

This year, the College moved forward with several important projects that helped demonstrate the values underpinning the whole College community: the Real Living Wage accreditation, new policies for Dignity at Work and Whistleblowing, and a further review of Freedom of Speech (where the College had already adopted previous statements on both Freedom of Speech and Non-Disclosure Agreements.) There was also an externally curated review of our art collection.

***Admissions***

In Michaelmas Term 2024, the College has admitted 141 undergraduate students, of these 86% of UK Undergraduates are from the maintained sector. As a College we strive to identify and admit the best students from all backgrounds and geographies. That approach is not straightforward and necessitates time spent in deliberation. It is a given that Cambridge courses are academically rigorous, and so it is essential that all who arrive at Fitz are both ready for the challenge and supported to develop their potential and are prepared for life beyond university.
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***Teaching and Tutorial***

We were very grateful to Dr Miles Stopher, who was Acting Senior Tutor during academic year 2023-24, whilst Dr Paul Chirico was on sabbatical leave.

During the year, the Academic Masterplan was developed through the Education Committee, College Committee, and Governing Body. It centres on high-priority teaching needs and research funding; student financial support, including bursaries and wider support; and the development of Fitz+ as an umbrella to develop students both academically and socially. FITZ+ was introduced in academic year 2023-24 to give broader support to all students at the College. As the programme develops the College will consider how the academic supra-curricular skills it offers can best complement the work of Director of Studies.

In October 2024, the College held its first Induction week for all first year Undergraduates, with students arriving at College three days before they would normally come. The programme gave students a gentler transition into College and University life. The College will seek to review the feedback from the Induction week’s first year with a view to repeat the programme in future years.

***Estates***

Michaelmas 2023 and early Lent 2024 were extremely busy with an efficient series of consultations, discussion and approvals led by the Bursar and the Estates Committee, regarding the first phase of the Estate Masterplan. The College moved forward confidently with preparations for the build in the Summer 2024. The process was then paused as the College learned of the potential listing of several buildings on the Main Site by Historic England. There was, of course, the temptation to proceed regardless and commit to the Summer 2024 build. But we were wise to decide collectively to delay the building project for another year. The College can now move forward with certainty and pride in relation to the buildings’ status, and we have avoided the significant and potentially expensive risk of a revised status during the build itself. The College is now focused on carefully considering the inevitable disruption that such a major project will bring to the Main Site and working to find creative and pragmatic solutions. It will not be easy, but detailed involvement and preparation will mitigate the inevitable significant disruption.

## ANNUAL REPORT OF THE GOVERNING BODY

In parallel the College will over the next 12 months continue to develop its plans for the second phase of the Estate masterplan, a new South Court and the third phase of the Estate masterplan, the development of 87/89 Oxford Road and the renovation of Red Cottage and the Sports Pavilion.

***Development***
The ambitious plans for the Estate Masterplan and in the Academic Masterplan have necessitated a step change in the College's fundraising activity. There has been good progress in developing our priorities and the fundraising narrative for our new campaign 'Future Fitz' that will structure conversations with donors. Alumni are stepping into leadership roles; we have brought in additional fundraising expertise and are now building momentum. The campaign seeks to support the next stage of the College's evolution across its estate and academy.

As College seeks support from new and existing donors, the biggest donations it has received in in the past 12 months have been bequests: Geoff and Anna Walker, Cecil (Tim) Johnson, and Father Anthony Brown. Such generous gifts contribute towards the College being able to fulfill the strategic objectives of our educational mission.

***FitzEd Educational Programme***
The other significant change this year to the College's income profile has been the introduction the College's commercial education programme based initial around online and then in-person summer schools, under the FitzEd brand. We were delighted to have successfully held the first physical summer school in July/August for 137 overseas participants. We will look to expand FitzEd over the next two to three years. Our decision to grow in this commercial activity is based on the increasing need to cross subsidise our educational mission.

***Events in College***
In addition to all the hard work, we also enjoyed a great selection of talks, conversations and social activities this year. The Foundation Lecture, given by David Miliband, filled the Auditorium to capacity, and the reinvigorated Fitz Literary Society held several very popular events, including a fascinating showcase from Cornelia Parker. The Wilson lecture given by Professor Mike Kenny brought in a different audience – just weeks before the General Election – to discuss the importance of place in politics. Also in May, the Fitzwilliam Society celebrated its centenary with a great set of talks on the year 1924, followed by a very well-attended dinner. Student music was vibrant, and both Fitz Theatre and the Arts Soc worked hard to establish themselves as popular choices for students. The JCR committee were particularly strong, with some excellent new initiatives and an impressive commitment to making life in College run smoothly. Fitz footballers were predictably brilliant, and while they might have slipped up in Cuppers, they were dominant in the League once more, winning by eight points.

***Our role in Cambridge and beyond***
The College continues to play a valuable role in the wider University – both in terms of our academic research output and our contribution to leadership and governance across departments – particularly with two of the five PVCs from Fitzwilliam. Professor David Cardwell will step down from the role in September 2024, following a term of six years. The Master serves on the University Council and Colleges' Standing Committee, and will in January 2025, assume the role of Chair of Cambridge Universities Hospitals at an important time for both the NHS and life sciences in Cambridge.

Fitz is an outward-looking community, active in the University, the city, the country and beyond. We nurture students who leave us ready to participate in the world in myriad ways. Extending critical thinking and engagement is vital.

Rod Cantrill

R G Cantrill
Bursar
Date: 20 November 2024

Sally Morgan

Baroness S Morgan of Huyton
Master
Date: 20 November 2024

# ORGANISATION AND GOVERNANCE

Members of, and academic visitors to, the College, both students and Fellows, are the prime beneficiaries of the Charity. The College is constituted by Royal Charter as a self-governing body of scholars. This means that the Fellows who are members of the Governing Body are also Trustees of the Charity. This places a special fiduciary duty on the Governing Body to ensure that the private benefit accruing to the Master and Fellows through stipends and related benefits is objectively reasonable, measured against academic stipends generally; the Governing Body is satisfied that this is the case, noting particularly that annual pay increases normally follow national settlements applying to the university sector.

Any employment and/or remuneration of the Master and Fellows is undertaken with the intention of furthering the College's charitable purposes. The main officers of the College such as the Master, Bursar, Development Director, Senior Tutor, Director for Communications and Engagement, College Lecturers, Tutors, Directors of Studies, and Dean receive stipends. Fellows of the College may also receive remuneration for undertaking teaching. No remuneration is paid for undertaking the role of Trustee. Remuneration received by Fellows for teaching and the performance of other College Offices in the year 2023-24 was £1.18 million (2022-23: £1.12 million). Office facilities are also provided for all Fellows.

As beneficiaries of the Charity the Fellows receive certain allowances and privileges to support them in their teaching and research activities. These include a research allowance, dining rights and the use of College guest rooms for academic visitors.

Subject to availability and need, the College Statutes also require the Governing Body to make available residential accommodation in the College free of any rental charge. Resident Fellows pay a charge to cover the costs of servicing this accommodation. During the year ended 2023-24 there were 12 Fellows resident in the College. Research Fellows who choose not to live in the College are paid a living out allowance.

The College operates a housing loan scheme to support new Fellows acquiring their first property in the Cambridge area. The purpose is to enable the College to attract new Fellows and thereby to strengthen the teaching and research undertaken within the College. The loans are made at a rate of interest which is not less than the Official Rate of interest, as determined by HM Revenue & Customs from time to time, which should be applied to beneficial loans made by employers to employees. At the end of the financial year 2023-24 there were two housing loans outstanding with a balance of £0.30 million.

***Stipends and Remuneration***

Stipends and other aspects of trustee benefits are determined by the Governing Body, acting under advice from the Stipends and Remuneration Committee. The membership of the Committee comprises three external members and two internal members (who do not draw stipends from the College) plus the Master. The Chair of the Committee is an external member. For any matters concerning the remuneration of the Master, the Master withdraws, and the President becomes a member.

The Committee meets three times a year unless circumstances require an additional meeting. Individual stipends are reviewed on a three yearly cycle, except for the Master whose stipend is reviewed five years from appointment. The Committee oversees and reviews all individual salaries, stipends and allowances paid to academic staff, including trustees, and the annual process of making individual salary increments and special bonus awards to non-academic staff. In determining a level of remuneration which is objectively reasonable and fair, the Committee has regard to comparative data available for similar roles across Cambridge Colleges and for other stipendiary roles within the College. Recommendations from the Stipends and Remuneration Committee must by Statute be approved by the Governing Body, which by convention only approves or rejects the recommendations; it does not amend them.

## Principal Policies

***Employment***

The College consults with its non-academic staff members through staff member team meetings, Head of Department meetings and staff townhalls held by the Bursar and the Director of Operations. Training needs are identified on an individual basis through regular appraisals and are addressed through both external and internal provision. The College is committed to the principle and practice of equal opportunities and seeks to apply these in all its employment related activities. After the closure of the FCASSF scheme to new contributions in 2004, non-academic staff members were offered the opportunity to join Universities Superannuation Scheme (USS) upon completion of a satisfactory probationary period. This option closed on 31 October 2013, since when staff members who are not already a member

## ORGANISATION AND GOVERNANCE

of the above schemes have been offered membership of the Cambridge Colleges Group Personal Pension scheme, a defined contribution scheme operated by Aviva Life and Pensions UK Ltd. There remains a significant number of current and former staff members who have accrued benefits in FCASSF and in USS.

***Fundraising***
In line with other activities, the College has created a risk template relating to Donations. This template is reviewed annually by the Development Committee. The College has not used professional fundraisers during the year and has not received any complaints about its fundraising practices. During the year, the College managed its own telephone fundraising campaign in-house. Fitzwilliam has voluntarily registered with the Fundraising Regulator and as such has agreed to follow and uphold the criteria set out by the Code of Fundraising Practice and the Fundraising Promise, as these relate to our institution.

***Investment***
The primary investment objective for Fitzwilliam College is to protect the real value of the capital base and the income generated from it.

The College investment portfolio is divided between directly held External Properties and a DIP managed by professional investment managers. The External Properties, in normal market conditions, is expected to generate a higher yield and lower volatility than the DIP.

***DIP***
The College has chosen to adopt the Total Return accounting practice for the DIP, to allow its fund managers greater flexibility in the range of investments utilised. An “income rule”, determined by College Ordinance, is used to determine the prudent amount to take as income from investments; the maximum that can be taken as income in any one year has been set at up to 3.5% of the average the last five years’ valuations, lagged by one year. The planned drawdown for the year is reviewed in advance by the Investment Advisory Committee to ensure that the actual amount taken is prudent and sustainable.

The College is a long-term investor, and recognises that, over this time period, investment risks are necessary to achieve its long-term investment objectives. These risks may include both price volatility and illiquidity. The Governing Body considers that this is consistent with a willingness to accept, in normal market conditions, a one in 20-year risk of a loss in value of 15% or more in one year.

***Responsible investment policy***
The College adheres to Charity Commission guidance on responsible investments. A full statement of the College’s Investment Policy may be found on the College website. The policy enacts the College’s commitment to environmentalism and social responsibility, and highlights that everyone needs to continue to assess how they can effectively contribute towards halting the climate crisis. Going forward, the College will not invest the DIP (excluding private equity), either directly or indirectly in the fossil fuels, tobacco or defence (companies manufacturing weapons) sectors (where a company’s revenue is more than 10%) and will measure its investments against the ‘leader’ ESG rating; and will ensure that the College’s investments are managed, not just based on their financial performance and value for money, but also embodying the College’s social purpose and the example it sets as a community to others.

***Risk Management***
The Governing Body has adopted a “top-down” approach to the management of risk. 18 strategic risks, grouped thematically, have been identified by the Governing Body on the basis that they would directly impact the achievement of the College’s strategic goals. Responsibility for their management, including the identification and management of sub-risks, passed to nominated risk owners under the oversight of the appropriate College committee. The Audit Committee reports annually to the Governing Body on the management of risks.

The risk management process involves the assessment of the College’s ‘Risk Appetite’ for each risk. The components of the risk are then identified as ‘sub-risks’ and the risk is scored for severity, based upon an assessment of its likelihood and maximum potential impact before the application of controls. Controls are identified which bring the risk to within the appetite. The score after the application of controls determines whether additional actions are required to manage the risk, and the ratio between the scores before and after controls is a measure of ‘control effectiveness’. Each risk is reviewed by its oversight committee at least once a year. For 2023-24, meetings were held with the relevant risk owners to agree any changes to the scoring.

## ORGANISATION AND GOVERNANCE

The biggest risks after mitigation relate to external factors which, by definition, are outside the direct control of the College. These include the impact of a pandemic, the impact of Brexit, Government policy on student finance, the interventions of the Office for Students, the impact of pension deficits, reputational risk relating to disputes with third parties and general economic conditions affecting students. Control activities are focussed on improving the College's ability to anticipate and plan for these eventualities by working closely with other colleges and the University to ensure that the impacts of such changes are fully understood by decision makers.

Investment risk scores highly on the College's risk management system, but because the College is a long-term investor, this is within the risk appetite set by the Governing Body.

The internal risks that score most highly are those relating to loss or impairment of physical assets, failure to attract, retain and deploy competent assistant staff, failure to maintain a safe environment for the College members, visitors and staff and failure of information systems, security breach or critical loss of data. The Governing Body believes that established control systems are fit for purpose in managing these risks.

The College has a strong system of financial and management controls. The financial cycle begins with the approval by the Governing Body of the annual budget as part of this process the Governing Body also reviews three-year projections. Monthly management accounts, incorporating budget comparisons and forecasts are prepared and are scrutinised by the College Committee. Budget responsibility is devolved from the Bursar to Heads of Departments, and the Bursar undertakes regular reviews of performance at this level.

***Safeguarding***

The College aims to adopt the highest standards and take all reasonable steps in relation to the safety and welfare of children and adults at risk. The Safeguarding policy is published on the College website. The College safeguarding officer is the Bursar who reports annually to the Governing Body on safeguarding matters. Through the Senior Tutors' Committee and relevant welfare committees, the College works closely with other colleges and with the University to ensure consistency and fairness across collegiate Cambridge.

## STATEMENT OF INTERNAL CONTROL

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

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 year ended 31 July 2024, and up to the date of approval of the financial statements.

The Governing Body is responsible for reviewing the effectiveness of the system of internal control.

The Governing Body's review of the effectiveness of the system of internal control is informed by the work of the various Committees, the 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.

## STATEMENT OF RESPONSIBILITIES OF THE GOVERNING BODY

The Governing Body is responsible for preparing the Annual Report and 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 Governing Body to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the College and of the surplus or deficit of the College for that period. In preparing those financial statements the Governing Body is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards 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 Governing Body is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the College and to enable it to ensure that the financial statements comply with the Statutes of the University of Cambridge. It is 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 Governing Body is responsible for the maintenance and integrity of the corporate and financial information included on the College's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# INDEPENDENT AUDITORS' REPORT

## Opinion

We have audited the financial statements of Fitzwilliam College (the 'College') for the year ended 31 July 2024 which comprise the consolidated statement of comprehensive income and expenditure, the consolidated statement of changes in reserves, the consolidated balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the College's affairs as at 31 July 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes of the University of Cambridge.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

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

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

## Other information

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

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

We have nothing to report in this regard.

# INDEPENDENT AUDITORS' REPORT

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

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

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

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the College and its environment obtained in the course of the audit, we have not identified material misstatements in the Operating and Financial Review.

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

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

## Responsibilities of the Trustees

As explained more fully in the responsibilities of the Governing Body statement set out on page 23, the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Body determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the College through discussions with Trustees and other management, and from our knowledge and experience of the education sector;
- we obtained an understanding of the legal and regulatory framework applicable to the College and how the College is complying with that framework;
- we obtained an understanding of the College's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the College. The Laws and regulations we considered in this context were Charities Act 2011, the Statutes of the University of Cambridge and taxation

## INDEPENDENT AUDITORS' REPORT

legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items;

- in addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the College's and the Group's ability to operate or to avoid material penalty; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policy were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

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

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

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

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

### Use of our report

This report is written solely for the College's Trustees as a body, in accordance with College's statutes, the Statutes of the University of Cambridge and the Charities Act 2011. Our work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the College's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

## INDEPENDENT AUDITORS' REPORT

**PETERS ELWORTHY & MOORE**

Peters Elworthy & Moore

Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA
Date: 28 November 2024

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

# 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 using the Recommended Cambridge College Accounts (RCCA) format; and applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education issued in 2020.

The Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate that all fee income is spent for educational purposes. The analysis required by the SORP is set out in note 6. 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 which are included at valuation.

### Basis of consolidation

The consolidated financial statements include the College and its subsidiary undertaking, Fitzwilliam College Services Limited. The company is a wholly owned subsidiary of the College. Details of the subsidiary undertaking are given in note 29.

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.

***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 entitled to the income. Income is retained within restricted reserves until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

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

There are four main types of donations and endowments with restrictions:
1. Restricted donations – the donor has specified that the donation must be used for a particular objective;
2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the College;
3. Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income; and
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

# STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

## Recognition of income (continued)

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

***Investment income and change in value of investment assets***
Investment income and change in value of investment assets is 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 adopts a total return policy with regard to its endowment assets (excluding property). Spendable income up to a maximum of 3.5% of the average relevant endowment based on a five-year rolling average and lagged by one year is included as endowment income as agreed by the Governing Body each year. The agreed spendable income percentage for the year ended 31 July 2024 was 3.00%.

***Other income***
Income is received from a range of activities including accommodation, catering, conferences and other services rendered and recognised in the period it becomes receivable.

**Funds received and disbursed as paying agent**
Funds the College receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the College as it is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

**Cambridge bursary scheme**

In 2023-24, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). Consequently, the College reimbursed the SLC for the full amount paid to their eligible students and the College subsequently received a contribution from the University of Cambridge towards this payment. The net payment of £0.15 million is included within the Consolidated Statement of Comprehensive Income and Expenditure as part of education expenditure shown in note 4.

**Foreign currency translation**

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

## Fixed assets

***Land and buildings***

Fixed assets are stated at depreciated replacement cost less accumulated depreciation and accumulated impairment losses. Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the College. Freehold land is not depreciated as it is considered to have an indefinite useful life.

# STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

## Fixed assets (continued)

### Land and buildings (continued)

The costs of freehold buildings are split between their different major components and depreciated on a straight-line basis over their expected useful economical lives as follows:

Structure – between 45 and 95 years

Fit-out, plant and machinery – 25 years

The College incurs substantial costs in maintaining its properties to expected high standards with the effect of increasing the expected future benefits and that is taken in consideration when making estimates of economic useful lives. Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred. They are not depreciated until they are brought into use.

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

### Furniture, fittings, general equipment, library books and motor vehicles

Furniture, fittings equipment and motor vehicles are capitalised at cost. The cost of library books is not capitalised and charged in full to the Income and expenditure account in the year of purchase. Depreciation is provided on a straight-line basis over the expected useful life of the assets as follows:

| | |
|---|---|
| Furniture, fittings and general equipment | 5 years |
| Catering and conference equipment | 5 years |
| Motor vehicles | 5 years |
| Computer equipment | 4 years |

## *Heritage assets*

The College does not hold any material heritage assets and as such no further disclosures are considered required in these financial statements.

## Leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

## 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.

## Current assets

Current asset investments are held at fair value with movements recognised in the consolidated statement of Comprehensive Income and Expenditure.

## *Stocks*

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

## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

### Provisions

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

### Contingent liabilities and assets

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events, not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the College a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College. Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes.

### 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 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.

# STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

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 the facility will be drawn down.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at the reporting date. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

To the extent that the College enters into forward foreign exchange contracts which remain unsettled at the reporting date the fair value of the contracts is reviewed at that date. The initial fair value is measured as the transaction price on the date of inception of the contracts. Subsequent valuations are considered on the basis of the forward rates for those unsettled contracts at the reporting date. The College does not apply any hedge accounting in respect of forward foreign exchange contracts held to manage cash flow exposures of forecast transactions denominated in foreign currencies. Financial liabilities are de-recognised when the liability is discharged, cancelled, or expires.

## Taxation

The College is a registered charity (number 1137496) and also a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The College receives no similar exemption in respect of Value Added Tax.

## Contribution under Statute G,II

The College is liable to be assessed for Contribution under the provisions of Statute G,II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The 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.

## Accounting for retirement benefits

### Defined Benefit Plan

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the College's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the College. The College should recognise a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the College is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

### Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the College pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

# STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

**The College pays contributions to two defined benefit pension schemes and one defined contribution pension scheme as follows:**

### *Universities Superannuation Scheme*

The College participates in the Universities Superannuation Scheme (the scheme). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The College 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 College therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the statement of comprehensive income and expenditure represents the contributions payable to the scheme.

***Critical accounting judgements***

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme, where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the statement of comprehensive income and expenditure in accordance with section 28 of FRS 102. The trustees are 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 recovery plan in existence at the date of approving these financial statements.

### *Fitzwilliam College Assistant Staff Superannuation Fund (FCASSF)*

The College also contributes to the FCASSF, which is a similar defined benefit pension scheme. Pension costs are recognised on a systematic basis so that the costs of providing retirement benefits to employees are matched evenly, so far as possible, to the service lives of the employees concerned.

### *Cambridge Colleges AVIVA Group Personal Pension Scheme*

The College contributes to a defined contribution pension scheme in order to meet the auto enrolment obligations. The scheme is administered by AVIVA and its' assets are held separately from those of the College. The College contributions will vary between 5.5% and 9% of basic salary depending on the level of each employee's personal contribution. Contributions are charged to the statement of comprehensive income and expenditure 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.

# STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

## 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 considers 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, pledges, bequests and legacies. In general, the later are recognised when at the 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 note 9.

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

Investment property – Properties are professionally revalued every 5 years to their fair value at the reporting date. Interim valuations are carried out annually using the Land Registry price index for residential properties and the Frank Knight Intelligence Prime Yield Guide for commercial properties to arrive at the year-end values.

Retirement benefit obligations – The cost of defined benefit pension plans is 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 notes 17 and 28.

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.

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

| | | | | | *2024* | | | | *2023* |
|---|---|---|---|---|---|---|---|---|---|
| **Income** | **Note** | **Unrestricted £000** | **Restricted £000** | **Endowment £000** | **Total £000** | **Unrestricted £000** | **Restricted £000** | **Endowment £000** | **Total £000** |
| Academic fees and charges | 1 | 4,370 | 0 | 0 | 4,370 | 4,057 | 0 | 0 | 4,057 |
| Accommodation, catering and conferences | 2 | 8,304 | 0 | 0 | 8,304 | 7,100 | 0 | 0 | 7,100 |
| Investment income | 3 | 942 | 0 | 650 | 1,592 | 478 | 0 | 658 | 1,136 |
| Endowment return transferred | 3 | 584 | 802 | (1,386) | 0 | 553 | 727 | (1,280) | 0 |
| Other income | | 161 | 0 | 0 | 161 | 203 | 0 | 0 | 203 |
| **Total income before donations and endowments** | | 14,361 | 802 | (736) | 14,427 | 12,391 | 727 | (622) | 12,496 |
| Donations | | 440 | 0 | 0 | 440 | 559 | 0 | 0 | 559 |
| New endowments | | 0 | 1,561 | 1,952 | 3,513 | 0 | 692 | 40 | 732 |
| Grant from Colleges Fund | | 0 | 0 | 615 | 615 | 0 | 0 | 919 | 919 |
| Other capital grants for assets | | 0 | 221 | 0 | 221 | 0 | 184 | 0 | 184 |
| **Total income** | | 14,801 | 2,584 | 1,831 | 19,216 | 12,950 | 1,603 | 337 | 14,890 |
| **Expenditure** | | | | | | | | | |
| Education | 4 | 5,351 | 706 | 0 | 6,057 | 4,908 | 746 | 0 | 5,654 |
| Accommodation, catering and conferences | 5 | 8,425 | 0 | 0 | 8,425 | 7,219 | 0 | 0 | 7,219 |
| Other expenditure | 6 | 667 | 0 | 0 | 667 | 798 | 0 | 0 | 798 |
| Change in USS pension deficit recovery provision contributions | 8, 17 | (1,653) | 0 | 0 | (1,653) | 89 | 0 | 0 | 89 |
| Contribution under Statute GII | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total expenditure** | 7 | 12,790 | 706 | 0 | 13,496 | 13,014 | 746 | 0 | 13,760 |
| **Surplus/(deficit) before other gains and losses** | | 2,011 | 1,878 | 1,831 | 5,720 | (64) | 857 | 337 | 1,130 |
| Gain/(loss) on investments | 10 | 724 | 260 | 4,481 | 5,465 | 0 | (60) | (673) | (733) |
| **Surplus/(deficit) for the year** | | 2,735 | 2,138 | 6,312 | 11,185 | (64) | 797 | (336) | 397 |
| **Other comprehensive income** | | | | | | | | | |
| Actuarial gain/(loss) in respect of pension schemes | 17 | 187 | 0 | 0 | 187 | 1,052 | 0 | 0 | 1,052 |
| **Total comprehensive income for the year** | | 2,922 | 2,138 | 6,312 | 11,372 | 988 | 797 | (336) | 1,449 |

# CONSOLIDATED STATEMENT OF CHANGES IN RESERVES

## CHANGES IN RESERVES 2024

| | *Income and expenditure reserve* | | | *2024* |
|---|---|---|---|---|
| | Unrestricted **£000** | Restricted **£000** | Endowment **£000** | **Total £000** |
| Balance at 1 August 2023 | 70,222 | 7,134 | 77,277 | 154,633 |
| Surplus from income and expenditure statement | 2,735 | 2,138 | 6,312 | 11,185 |
| Other comprehensive income | 187 | 0 | 0 | 187 |
| Release of restricted capital funds spent in the year | 136 | (136) | 0 | 0 |
| Other transfers | 117 | (806) | 689 | 0 |
| Balance at 31 July 2024 | 73,397 | 8,330 | 84,278 | 166,005 |

## CHANGES IN RESERVES 2023

| | *Income and expenditure reserve* | | | *2023* |
|---|---|---|---|---|
| | Unrestricted **£000** | Restricted **£000** | Endowment **£000** | **Total £000** |
| Balance at 1 August 2022 | 69,182 | 6,441 | 77,570 | 153,193 |
| Surplus from income and expenditure statement | (64) | 797 | (336) | 397 |
| Other comprehensive income | 1,052 | 0 | 0 | 1,052 |
| Release of restricted capital funds spent in the year | 59 | (59) | 0 | 0 |
| Other transfers | (7) | (45) | 43 | (9) |
| Balance at 31 July 2023 | 70,222 | 7,134 | 77,277 | 154,633 |

The notes on pages 41 to 57 form part of these accounts.

# CONSOLIDATED BALANCE SHEET

| | Note | 2024 £000 | 2023 £000 |
|---|---|---|---|
| **Non-current assets** | | | |
| Fixed assets | 9 | 72,268 | 73,334 |
| Investments | 10 | 101,632 | 96,049 |
| ***Total non-current assets*** | | 173,900 | 169,383 |
| **Current assets** | | | |
| Stocks | 11 | 59 | 57 |
| Trade and other receivables | 12 | 4,480 | 2,801 |
| Investments | 13 | 19,000 | 17,500 |
| Cash and cash equivalents | 13 | 1,032 | 9 |
| ***Total current assets*** | | 24,571 | 20,367 |
| **Creditors: amounts falling due within one year** | 15 | (2,756) | (3,210) |
| **Net current assets** | | 21,815 | 17,157 |
| **Total assets less current liabilities** | | 195,715 | 186,540 |
| **Creditors: amounts falling due after more than one year** | 16 | (30,040) | (30,205) |
| **Provisions** | | | |
| Pension provisions | 17 | 330 | (1,702) |
| **Total net assets** | | 166,005 | 154,633 |
| **Restricted reserves** | | | |
| Income and expenditure reserve – endowment reserve | 18 | 84,278 | 77,277 |
| Income and expenditure reserve – restricted reserve | 19 | 8,330 | 7,134 |
| | | 92,608 | 84,411 |
| ***Unrestricted reserves*** | | | |
| Income and expenditure reserve – unrestricted | | 73,397 | 70,222 |
| ***Total reserves*** | | 166,005 | 154,633 |

The financial statements were approved by the Governing Body on 20 November 2024 and signed on its behalf by:

R G Cantrill
Bursar

Rod Cantrill

Baroness S Morgan of Huyton
Master

Sally Morgan

The notes on pages 41 to 57 form part of these accounts.

# CONSOLIDATED CASH FLOW STATEMENT

| | Note | 2024<br>£000 | 2023<br>£000 |
|---|---|---|---|
| ***Net cash inflow from operating activities*** | 21 | 1,872 | 1,026 |
| ***Cash flows from investing activities*** | 22 | 203 | (320) |
| ***Cash flows from financing activities*** | 23 | (801) | (803) |
| ***Increase/(decrease) in cash and cash equivalents in the year*** | | 1,274 | (97) |
| ***Cash and cash equivalents at beginning of the year*** | | (242) | (145) |
| ***Cash and cash equivalents at end of the year*** | 24 | 1,032 | (242) |

The notes on pages 41 to 57 form part of these accounts.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. ACADEMIC FEES AND CHARGES

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| Colleges fees: | | |
| Fee income received at regulated undergraduate rate | 1,916 | 2,008 |
| Fee income received at unregulated undergraduate rate | 1,086 | 948 |
| Fee income received at the graduate rate | 1,368 | 1,101 |
| | 4,370 | 4,057 |

## 2. INCOME FROM ACCOMMODATION, CATERING AND CONFERENCES

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| Accommodation: | | |
| College members | 3,942 | 3,758 |
| Conferences | 1,324 | 996 |
| Catering: | | |
| College members | 1,475 | 1,399 |
| Conferences | 1,243 | 868 |
| FitzEd Summer Schools | 320 | 79 |
| | 8,304 | 7,100 |

## 3. ENDOWMENT RETURN AND INVESTMENT INCOME

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| 3a. **Analysis** | | |
| Income drawdown from endowment (note 3b) | 1,386 | 1,280 |
| Other investment income | 942 | 478 |
| | 2,328 | 1,758 |

# NOTES TO THE FINANCIAL STATEMENTS

## 3b. Summary of Total Return

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| Income from: | | |
| Quoted securities and cash | 650 | 658 |
| Gains/(Losses) on endowment assets: | | |
| Quoted securities and cash | 5,465 | (767) |
| Total return for the year | 6,115 | (109) |
| Transfer to income and expenditure reserve (note 3a) | (1,386) | (1,280) |
| Unapplied total return for the year included within the Statement of Comprehensive Income and Expenditure (note 20) | 4,729 | (1,389) |

## 4. EDUCATION EXPENDITURE

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| Teaching | 3,379 | 3,032 |
| Tutorial | 913 | 939 |
| Admissions | 444 | 332 |
| Research | 475 | 430 |
| Scholarships and awards | 707 | 699 |
| Other educational facilities | 139 | 222 |
| | 6,057 | 5,654 |

## 5. ACCOMODATION, CATERING AND CONFERENCES EXPENDITURE

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| Accommodation: | | |
| College members | 4,778 | 4,092 |
| Conferences | 901 | 878 |
| Catering: | | |
| College members | 1,431 | 1,514 |
| Conferences | 1,102 | 707 |
| FitzEd Summer Schools | 213 | 28 |
| | 8,425 | 7,219 |

# NOTES TO THE FINANCIAL STATEMENTS

## 6. OTHER EXPENDITURE

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| Loan interest | 272 | 272 |
| Pension interest and fees | 84 | 133 |
| USS Interest and admin fees | 37 | 49 |
| FRS 102 pension schemes interest and admin charges | (1) | 142 |
| Other | 275 | 202 |
| | 667 | 798 |

The above expenditure is an appointment of costs only.

## 7a. ANALYSIS OF 2023/24 EXPENDITURE BY ACTIVITY

| | Staff costs (note 8) £000 | Other operating expenses £000 | Depreciation £000 | Total £000 |
|---|---|---|---|---|
| Education | 2,410 | 3,136 | 511 | 6,057 |
| Accommodation, catering and conferences | 3,224 | 3,391 | 1,810 | 8,425 |
| Other | 138 | 529 | 0 | 667 |
| Change in USS pension deficit recovery position Contributions | (1,653) | 0 | 0 | (1,653) |
| | 4,119 | 7,056 | 2,321 | 13,496 |

The above expenditure includes fundraising costs of £290,417 (2023: £261,424) and alumni relation costs which totalled £101,365 (2023: £42,021).

## 7b. ANALYSIS OF 2022/23 EXPENDITURE BY ACTIVITY

| | Staff costs (note 8) £000 | Other operating expenses £000 | Depreciation £000 | Total £000 |
|---|---|---|---|---|
| Education | 2,353 | 2,730 | 571 | 5,654 |
| Accommodation, catering and conferences | 2,972 | 2,926 | 1,321 | 7,219 |
| Other | 144 | 740 | 3 | 887 |
| | 5,469 | 6,396 | 1,895 | 13,760 |

## 7c. AUDITORS' REMUNERATION

| | 2024 | 2023 |
|---|---|---|
| **Other operating expenses include:** | £000 | £000 |
| Audit fees payable to the College's external auditors | 30 | 26 |
| Other fees payable to the College's external auditors | 2 | 0 |

# NOTES TO THE FINANCIAL STATEMENTS

## 8a. STAFF COSTS

| | Academic £000 | Non-academic £000 | **2024 Total** £000 | **2023 Total** £000 |
|---|---|---|---|---|
| *Staff costs:* | | | | |
| Salaries | 937 | 3,951 | 4,888 | 4,469 |
| National Insurance | 100 | 325 | 425 | 400 |
| Pension costs | 152 | 307 | 459 | 511 |
| Net change in USS deficit recovery provision (see note 17) | (1,653) | 0 | (1,653) | 89 |
| Subtotal of pension costs (see note 8b.) | (1,501) | 307 | (1,194) | 600 |
| | (464) | 4,583 | 4,119 | 5,469 |

Based on the 2023 valuation of the Universities Superannuation Scheme (USS), the impact of the net change in the USS deficit recovery provision is a credit of £1,653,000 (2023: debit of £89,000). This comprises a non-cash credit resulting from the change in assumptions, including the discount rate, of £1,604,023 (2023: £204,000) and cash contributions made to reduce the deficit in the year of £49,023 (2023: £115,524)

| | Academic | Non-academic | **2024 Total** | **2023 Total** |
|---|---|---|---|---|
| *Average staff numbers:* | | | | |
| Academic | 55 | 0 | 55 | 50 |
| Non-academic | 0 | 103 | 103 | 106 |
| | 55 | 103 | 158 | 156 |

At the Balance Sheet date there were 64 members of the Governing Body. During the year the average number receiving remuneration was the 55 shown above. Three officers or employees of the College received emoluments of over £100,000 (2023: 0).

**Key management personnel**

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

During the year, emoluments paid to Trustees including key management personnel in their capacity as College Officers were:

| | **2024** £000 | **2023** £000 |
|---|---|---|
| Aggregate Emoluments | 1,241 | 943 |

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

# NOTES TO THE FINANCIAL STATEMENTS

## 8b. PENSION COSTS

The total pension cost included in staff costs for the year (see note 8a) was:

| | Employer contributions £000 | Provisions (Note 17) £000 | **2024 Total** £000 | Employer contributions £000 | Provisions (Note 17) £000 | **2023 Total** £000 |
|---|---|---|---|---|---|---|
| USS | 324 | (1,653) | (1,329) | 403 | 89 | 492 |
| Aviva | 135 | 0 | 135 | 108 | 0 | 108 |
| | 459 | (1,653) | (1,194) | 511 | 89 | 600 |

# NOTES TO THE FINANCIAL STATEMENTS

## 9. FIXED ASSETS

| | Freehold land and buildings £000 | Assets under construction £000 | Furniture, fittings and equipment £000 | Motor vehicles £000 | 2024 Total £000 | 2023 Total £000 |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| At beginning of year | 83,761 | 231 | 7,699 | 19 | 91,710 | 91,013 |
| Additions | 269 | 789 | 198 | 0 | 1,256 | 728 |
| Transfers | 230 | (263) | 33 | 0 | 0 | 0 |
| Disposals | 0 | 0 | 0 | 0 | 0 | (31) |
| At end of year | 84,260 | 757 | 7,930 | 19 | 92,966 | 91,710 |
| **Depreciation** | | | | | | |
| At beginning of year | 11,689 | 0 | 6,676 | 11 | 18,376 | 16,481 |
| Charge for the year | 1,578 | 0 | 740 | 4 | 2,322 | 1,895 |
| Eliminated on disposals | 0 | 0 | 0 | 0 | 0 | 0 |
| At end of year | 13,267 | 0 | 7,416 | 15 | 20,698 | 18,376 |
| **Net book value** | | | | | | |
| At end of year | 70,994 | 757 | 513 | 4 | 72,268 | 73,334 |
| At beginning of year | 72,073 | 231 | 1,022 | 8 | 73,334 | 74,532 |

The insured replacement cost of freehold land and buildings as at 31 July 2024 was £86,947,562

## 10. INVESTMENTS

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Balance at beginning of year | 96,049 | 95,098 |
| Additions | 9,155 | 9,311 |
| Disposals | (7,567) | (8,428) |
| Gain/(Loss) | 5,465 | (733) |
| Increase/(decrease) in cash balances | (1,470) | 801 |
| Balance at end of year | 101,632 | 96,049 |
| Represented by: | | |
| Investment properties | 39,567 | 39,178 |
| Quoted securities - equities | 59,838 | 53,174 |
| Cash held at investment managers | 1,211 | 1,981 |
| Bank balances | 1,016 | 1,716 |
| | 101,632 | 96,049 |

# NOTES TO THE FINANCIAL STATEMENTS

## 11. STOCKS

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| Goods for resale | 59 | 57 |

## 12. TRADE AND OTHER RECEIVABLES

| | 2024 | 2023 |
|---|---|---|
| **Due within one year** | £000 | £000 |
| Members of the College | 267 | 214 |
| Other debtors | 4,213 | 2,587 |
| | 4,480 | 2,801 |

## 13. CURRENT ASSETS - INVESTMENTS

| | 2024 | 2023 |
|---|---|---|
| **Deposits maturing:** | £000 | £000 |
| In one year or less | 9,000 | 17,500 |
| Between one and two years | 10,000 | 0 |
| | 19,000 | 17,500 |

## 14. CASH AND CASH EQUIVALENTS

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| Current accounts | 1,029 | 5 |
| Cash in hand | 3 | 4 |
| | 1,032 | 9 |

## 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| Bank overdraft | 0 | 251 |
| Members of the College | 162 | 479 |
| Other creditors | 2,594 | 2,480 |
| | 2,756 | 3,210 |

# NOTES TO THE FINANCIAL STATEMENTS

## 16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| Bank loans | 10,000 | 10,000 |
| Private placement | 20,000 | 20,000 |
| Committed Scholarships | 40 | 205 |
| | 30,040 | 30,205 |

The £10m bank loan is unsecured and repayable in full by 30 July 2058 at a fixed rate of 4.93% per annum. The £20m private placement has a fixed interest rate of 1.54% and repayable in full by 31 January 2072.

## 17. PENSION PROVISIONS

| | To fund deficit on USS pension | Defined benefit obligation (note 28) | 2024 Total | 2023 Total |
|---|---|---|---|---|
| | £000 | £000 | £000 | £000 |
| Balance at beginning of year | 1,616 | 86 | 1,702 | 2,682 |
| Movement in year: | | | | |
| FCASSF deficit contributions payable | 0 | (228) | (228) | (207) |
| Other finance costs | 37 | (1) | 36 | 190 |
| Past service cost in respect of pension schemes | 0 | 0 | 0 | 0 |
| Actuarial loss/(gain) recognised in Statement of Comprehensive Income and Expenditure | 0 | (187) | (187) | (1,052) |
| Net change in underlying assumptions (see Note 8) | | | | |
| Change in underlying assumptions | (1,604) | 0 | (1,604) | 204 |
| USS deficit contributions payable | (49) | 0 | (49) | (115) |
| Balance at end of year | 0 | (330) | (330) | 1,702 |

### USS Provision

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 the 2023 calculation of this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation.

| The major assumptions used to calculate the obligation are set out below: | 2024 | 2023 |
|---|---|---|
| Discount rate | - | 5.52% |
| Salary growth | - | 6.00% |

# NOTES TO THE FINANCIAL STATEMENTS

## 18. ENDOWMENT FUNDS

**Restricted net assets relating to endowments are as follows:**

| | Restricted permanent endowments | Unrestricted permanent endowments | 2024 Total | 2023 Total |
|---|---|---|---|---|
| | £000 | £000 | £000 | £000 |
| **Balance at beginning of year:** | | | | |
| Capital | 20,652 | 56,625 | 77,277 | 77,570 |
| New donations and endowments | 1,952 | 0 | 1,952 | 40 |
| Other transfers | 391 | (438) | (47) | 0 |
| Capital grant from Colleges Fund | 0 | 615 | 615 | 919 |
| Increase/(decrease) in market value of investments | 1,197 | 3,284 | 4,481 | (1,252) |
| **Balance at end of year** | 24,192 | 60,086 | 84,278 | 77,277 |
| **Analysis by type of purpose:** | | | | |
| Fellowship and Research Funds | 9,484 | 0 | 9,484 | 7,277 |
| Scholarship and Prize Funds | 4,805 | 0 | 4,805 | 3,608 |
| Chapel Funds | 1,086 | 0 | 1,086 | 493 |
| Travel Grant Funds | 757 | 0 | 757 | 507 |
| Bursaries and Student Support Funds | 5,244 | 0 | 5,244 | 5,607 |
| Other Funds | 2,816 | 0 | 2,816 | 3,374 |
| General endowments | 0 | 60,086 | 60,086 | 56,411 |
| | 24,192 | 60,086 | 84,278 | 77,277 |
| **Analysis by asset:** | | | | |
| Property | 4,105 | 18,108 | 22,213 | 38,049 |
| Investments | 18,876 | 40,963 | 59,839 | 39,228 |
| Cash | 1,211 | 1,015 | 2,226 | 0 |
| | 24,192 | 60,086 | 84,278 | 77,277 |

# NOTES TO THE FINANCIAL STATEMENTS

## 19. RESTRICTED RESERVES

Reserves with restrictions are as follows:

| Consolidated | Capital grants unspent £000 | Permanent unspent and other restricted income £000 | Restricted expendable endowment £000 | 2024 Total £000 | 2023 Total £000 |
|---|---|---|---|---|---|
| **Balance at beginning of year** | | | | | |
| Capital | 127 | 0 | 4,485 | 4,612 | 4,568 |
| Accumulated income | 0 | 2,300 | 222 | 2,522 | 1,873 |
| | 127 | 2,300 | 4,707 | 7,134 | 6,441 |
| New capital grants | 222 | 0 | 0 | 222 | 184 |
| New donations | 0 | 0 | 1,559 | 1,559 | 692 |
| Other transfers | 0 | (551) | (35) | (586) | (10) |
| Endowment return transferred | 1 | 647 | 154 | 802 | 718 |
| Increase/(decrease) in market value of investments | 0 | 0 | 260 | 260 | (87) |
| Expenditure | 0 | (440) | (485) | (925) | (745) |
| Capital grants utilised | (136) | 0 | 0 | (136) | (59) |
| **Balance at end of year** | 214 | 1,956 | 6,160 | 8,330 | 7,134 |
| **Comprising:** | | | | | |
| Capital | 213 | 0 | 5,902 | 6,115 | 4,613 |
| Accumulated income | 1 | 1,956 | 258 | 2,215 | 2,521 |
| | 214 | 1,956 | 6,160 | 8,330 | 7,134 |

**Analysis of other restricted funds/donations by type of purpose:**

| | | | | | |
|---|---|---|---|---|---|
| Fellowship and Research Funds | 0 | 744 | 108 | 852 | 730 |
| Scholarship and Prize Funds | 0 | 300 | 1,652 | 1,952 | 465 |
| Chapel Funds | 0 | 7 | 0 | 7 | 572 |
| Travel Grant Funds | 0 | 105 | 0 | 105 | 63 |
| Bursaries and Student Support Funds | 0 | 452 | 1,961 | 2,413 | 2,414 |
| Building Funds | 214 | 0 | 1,267 | 1,481 | 1,319 |
| Other Funds | 0 | 348 | 1,172 | 1,520 | 1,571 |
| | 214 | 1,956 | 6,160 | 8,330 | 7,134 |

# NOTES TO THE FINANCIAL STATEMENTS

## 20. MEMORANDUM OF UNAPPLIED TOTAL RETURN

Within reserves the following amounts represent the unapplied Total Return of the College:

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| Initial unapplied Total Return | 32,089 | 33,478 |
| Unapplied Total Return for the year (note 3b) | 4,729 | (1,389) |
| Unapplied Total Return at end of year | 36,818 | 32,089 |

## 21. RECONCILIATION OF CONSOLIDATED SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| **Surplus for the year** | 11,185 | 397 |
| **Adjustment for non-cash items** | | |
| Depreciation | 2,321 | 1,895 |
| Increase in stocks | (1) | 3 |
| Decrease in trade and other receivables | 136 | (415) |
| Decrease in creditors | (261) | 425 |
| Pension costs less contributions payable | (1,970) | 150 |
| Gains on endowments, donations and investment properties | (4,399) | 733 |
| **Adjustment for investing or financing activities** | | |
| Investment income | (1,593) | (1,130) |
| Interest payable | 801 | 803 |
| New endowments | (3,511) | (732) |
| Capital grant from colleges fund | (615) | (919) |
| Other capital grants for assets | (221) | (184) |
| **Net cash inflow from operating activities** | 1,872 | 1,026 |

# NOTES TO THE FINANCIAL STATEMENTS

## 22. CASH FLOWS FROM INVESTING ACTIVITIES

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| Proceeds from sales of endowment assets | 6,505 | 8,430 |
| New endowment funds received | 2,003 | 975 |
| Capital grant received from Colleges Fund | 615 | 919 |
| Other capital grants for assets | 221 | 184 |
| Investment income | 1,400 | 1,025 |
| Endowment funds invested | (9,156) | (9,310) |
| Placed deposits | (30) | (1,801) |
| Payments made to acquire non-current fixed assets | (1,364) | (746) |
| Fitzwilliam Society loan movement | (3) | 4 |
| Loan repayments by Fellows | 12 | 0 |
| **Total cash flows from investing activities** | 203 | (320) |

## 23. CASH FLOWS FROM FINANCING ACTIVITIES

| | 2024 | 2023 |
|---|---|---|
| | £000 | £000 |
| Interest paid | (801) | (803) |
| Private placement | 0 | 0 |
| Bank loan repaid | 0 | 0 |
| **Total cash flows from financing activities** | (801) | (803) |

## 24. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | Note | At beginning of year £000 | Cash flows £000 | At end of year £000 |
|---|---|---|---|---|
| Cash at bank and equivalents | 14 | 9 | 1,024 | 1,032 |
| Bank overdraft | 15 | (251) | 251 | 0 |
| | | (242) | 1,275 | 1,032 |

## 25. CONSOLIDATED RECONCILIATION AND ANALYSIS OF NET DEBT

| | Note | At beginning of year £000 | Cash flows £000 | At end of year £000 |
|---|---|---|---|---|
| **Cash and cash equivalents** | 14 | 9 | 1,024 | 1,032 |
| **Borrowings: amounts falling due within one year** | | | | |
| Bank overdraft | 15 | (251) | 251 | 0 |
| **Borrowings: amounts falling due after more than one year** | | | | |
| Unsecured loans | 16 | (30,000) | 0 | (30,000) |
| | | (30,242) | 1,275 | (28,968) |

# NOTES TO THE FINANCIAL STATEMENTS

## 26 FINANCIAL INSTRUMENTS

| | 2024 £000 | 2023 £000 |
|---|---|---|
| **Financial assets** | | |
| *Financial assets that are debt instruments measured at amortised cost* | | |
| Cash and cash equivalents | 1,032 | 9 |
| Current asset investments | 19,000 | 17,500 |
| Other debtors | 4,480 | 2,801 |
| **Financial liabilities** | | |
| *Financial liabilities measured at amortised cost* | | |
| Bank overdraft | 0 | 251 |
| Loans | 30,000 | 30,000 |
| Other creditors | 2,756 | 3,210 |

## 27. CAPITAL COMMITMENTS

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Capital commitments at 31 July 2024 are as follows: | | |
| Authorised and contracted | 869 | 382 |
| Authorised but not yet contracted for | 10,596 | 0 |

## 28. PENSION SCHEMES

### Universities Superannuation Scheme

The total cost charged to the statement of comprehensive income and expenditure was as follows:

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Total employer contributions during the year | 324 | 403 |
| Add: contributions credit relating to past service (note 17) | (1,653) | 89 |
| Amount charged to the statement of comprehensive income and expenditure | (1,329) | 492 |

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in note 28, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions' basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (the valuation date), which 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.

## NOTES TO THE FINANCIAL STATEMENTS

The 2023 valuation was the seventh 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 (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.

| | |
|---|---|
| CPI assumption | Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030. |
| Pension increases (subject to a floor of 0%) | Benefits with no cap: |
| | CPI assumption plus 3bps |
| | Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): |
| | CPI assumption minus 3bps |
| Discount rate (forward rates) | Fixed interest gilt yield curve plus:<br>Pre-retirement: 2.5% p.a.<br>Post retirement: 0.9% p.a. |

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

| | |
|---|---|
| Mortality base table | 101% of S2PMA "light" for males and 95% of S3PFA for females |
| Future improvements to mortality | CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, 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:

| | **2024** | **2023** |
|---|---|---|
| Males currently aged 65 (years) | 23.7 | 24.0 |
| Females currently aged 65 (years) | 25.6 | 25.6 |
| Males currently aged 45 (years) | 25.4 | 26.0 |
| Females currently aged 45 (years) | 27.2 | 27.4 |

# NOTES TO THE FINANCIAL STATEMENTS

## 28. PENSION SCHEMES (continued)

### Fitzwilliam College Assistant Staff Superannuation Fund (FCASSF)

The College recognises any gains and losses in each period in Other Comprehensive Income.

The College operates a defined benefit pension scheme that pays out pensions at retirement based on service and final pay.

The funding policy is agreed between the Scheme trustees and the College and is formally set out in a Statement of Funding Principles, Schedule of Contributions and Recovery Plan following each full actuarial valuation.

A full actuarial valuation of the Scheme was carried out at 31 July 2021 and the defined benefit obligation has been adjusted to the reporting date of 31 July 2024 using an approximate roll-forward approach, allowing for benefits paid to members over the period, as well as back payments made to insured and non-insured pensioners during the period..

**Changes in the present value of the defined benefit obligations and in the fair value of scheme assets:**

| | Present value of defined benefit obligation | | Fair value of scheme assets | | Net liability recognised in the balance sheet | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Opening balance | (3,934) | (5,433) | 3,848 | 4,229 | (86) | (1,204) |
| Interest (expense) | (195) | (178) | 0 | 0 | | (37) |
| Interest income | 0 | 0 | 196 | 141 | 1 | |
| Actuarial gain | (3) | 1,487 | 0 | 0 | (3) | 1,487 |
| Benefits paid | 144 | 100 | (144) | (100) | 0 | 0 |
| Loss/(gain) on settlement | 0 | 90 | 0 | (194) | 0 | (104) |
| Return on scheme assets | 0 | 0 | 190 | (435) | 190 | (435) |
| Employer contributions | 0 | 0 | 228 | 207 | 228 | 207 |
| Administration fees | 0 | 0 | 0 | 0 | 0 | 0 |
| Past service cost | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing balance | (3,988) | (3,934) | 4,318 | 3,848 | 330 | (86) |

***The amounts recognised in the income and expenditure account are as follows:***

| | 2024 | 2023 |
|---|---|---|
| *In other expenditure:* | £000 | £000 |
| Interest expense (net) | (1) | 141 |
| In past service cost in respect of pension schemes | 0 | 0 |

# NOTES TO THE FINANCIAL STATEMENTS

## 28. PENSION SCHEMES (continued)

### Fitzwilliam College Assistant Staff Superannuation Fund (continued)

**The amounts taken to other comprehensive income are as follows:**

| **Actuarial gain/(loss):** | **2024** £000 | **2023** £000 |
|---|---|---|
| Return on pension scheme assets | 190 | (435) |
| Changes in assumptions underlying the present value of scheme liabilities | (3) | 1,487 |
| Net gain/(loss) | 187 | 1,052 |

**The major categories of scheme assets as a percentage of total scheme assets are as follows:**

| | **2024** **%** | **2023** **%** |
|---|---|---|
| Equities | 37% | 45% |
| Bonds | 56% | 54% |
| Property | 51% | 2% |
| Cash | 8% | 2% |
| Current liabilities | -6% | -3% |
| Alternative | 3% | 0% |

***Principal actuarial assumptions as at the balance sheet date (expressed as weighted averages):***

***a) Key assumptions***

| | **2024** | **2023** |
|---|---|---|
| Discount rate | 4.95% pa | 5.05% pa |
| RPI inflation | 3.15% pa | 3.15% pa |
| Future salary increases | 3.75% pa | 3.70% pa |
| Pension increases in payment: | | |
| - RPI - minimum 3%, maximum 5% | 3.75% pa | 3.70% pa |
| Mortality – Life expectancy (male aged 65) | 86.0 | 86.0 |
| Cash commutation allowance | Members take 25% of their pension as tax free cash | Members take 25% of their pension as tax free cash |
| Assumed commutation factor at 65: | | |
| Fixed 3% increasing pension | 17.67 | 20.7 |
| RPI min 3% max 5% increasing pension | 19.32 | 21.4 |

### Cambridge Colleges AVIVA Group Personal Pension Scheme

The College joined this defined contribution pension scheme during the current year in order to meet the auto enrolment obligations. The scheme is administered by AVIVA and its' assets are held separately from those of the College.

The College contributions will vary between 5.5% and 9% of basic salary depending on the level of each employee's personal contribution. Contributions charged to the income and expenditure account during the year were £135K (2023 - £110K).

# NOTES TO THE FINANCIAL STATEMENTS

## 29. SUBSIDIARY UNDERTAKING

The subsidiary company (which is registered in England & Wales), wholly owned by the College, is as follows:

| Company | Principal Activity | Status |
|---|---|---|
| Fitzwilliam College Services Limited | Provision of conference management services | 100% owned |

## 30. 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 may have an interest. All transactions involving organisations in which a member of the Governing Body may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

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

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

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

The remuneration paid to Trustees in the year are summarised in the table below. The analysis for 2024 also includes pension contributions and other taxable benefits in the calculation, whereas 2023 does not:

| From | To | 2024 Number | 2023 Number |
|---|---|---|---|
| £0 | £10,000 | 31 | 21 |
| £10,001 | £20,000 | 7 | 3 |
| £20,001 | £30,000 | 2 | 6 |
| £30,001 | £40,000 | 3 | 4 |
| £40,001 | £50,000 | 1 | 0 |
| £50,001 | £60,000 | 3 | 3 |
| £60,001 | £70,000 | 1 | 1 |
| £70,001 | £80,000 | 3 | 2 |
| £80,001 | £90,000 | 0 | 1 |
| £90,001 | £100,000 | 1 | 0 |
| £100,001 | £110,000 | 3 | 0 |
| | **Total** | **55** | **41** |

The total Trustee salaries were £865K for the year (2023: £634K)

The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £259K for the year (2023: £300K)

The College also operates a fellows housing loan scheme and at the end of the year the total amount included in debtors amounted to £296K (2023 - £307K). These loans are offered to fellows who meet the criteria on commercial terms.

The College has a subsidiary undertaking, Fitzwilliam College Services Ltd which is consolidated into these accounts. The subsidiary is100% owned by the College and is 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.