

**CLARE COLLEGE, CAMBRIDGE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2007**

**CLARE COLLEGE, CAMBRIDGE**

**FINANCIAL STATEMENTS**

**YEAR ENDED 30 JUNE 2007**

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## CLARE COLLEGE, CAMBRIDGE

### GOVERNING BODY AND ADVISORS

#### YEAR ENDED 30 JUNE 2007

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The College is a corporate body consisting of the Master, the Fellows and the Scholars. It is an exempt charity, with its registered office at Trinity Lane, Cambridge CB2 1TL.

The Governing Body, which consists of the Master, the Fellows and four student members, holds at least three meetings each year. The Council, consisting of the Master, the Senior Tutor and ten Fellows elected by the annual meeting of the Governing Body, and two student members, is responsible for the administration of the College in all matters not specifically assigned to the Governing Body or the Finance Committee. The Finance Committee, consisting of the Master, the Bursars, the Senior Tutor and seven Fellows elected by the Governing Body at its annual meeting, together with two student members, oversees the management of the College estates and investments and administers the revenues in accordance with College Statutes, under the overall direction of the Governing Body. Since the Council and Finance Committee exercise general control and management of the College, their members are the trustees of the exempt charity.

The names of the members of the Governing Body, the Council and the Finance Committee as at 30 June 2007 were as follows:

#### Governing Body

Master: Professor A J Badger (on sabbatical leave at 30 June 2007)  
Acting Master: Professor S C Franklin  
Senior Tutor: Dr P Fara  
Bursar: Mr D P Hearn

Mr N H Andrews	Dr P F Knewstubb	Professor N O Weiss
Dr A Bamberg Migliano	Dr T W Knighton	Dr M M White
Dr P D Bristowe	Dr M M Lahr	Dr T A H Wilkinson
Mr T C Brown	Dr R A Layfield	Dr N H Woodcock
Dr W J Byrne	Dr S Lazar	Professor J Woodhouse
Dr R Cacho	Professor P F Leadley	Dr G H Wright
Professor P A Cartledge	Dr I Lestas	
Dr C J Clarke	Dr T M Lewens	
Professor N S Clayton	Professor M Majerus	
Dr C H Duff	Dr A Manica	Mr D P Doupé, MCR President
Dr M Dunajski	Dr T Moore	Mr J Austin, UCS President
Dr R Dyball	Rev'd Professor C F D Moule	
Dr F Edmonds	Dr G I Olgivie	
Dr P A W Edwards	Dr G F Parker	
Dr T Follini	Professor L C Paulson	
Professor P J Ford	Mr M J Petty	
Dr W A Foster	Professor R T Phillips	
Dr E A Foyster	Dr A Philpott	
Mrs E M Freeman	Dr A Pluskowski	
Dr M Frolova-Walker	Dr A Preston	
Dr J Gibson	Dr W A Pullan	
Professor R C Glen	Dr K F Riley	
Dr J M Goodman	Dr H L Sanson	
Dr N C Greenham	Dr R S Schofield	
Rev'd R D Greeves	Dr D J Scott	
Professor H Griffiths	Dr R Semple	
Dr J A Guy	Professor A S Sinclair	
Professor W A Harris	Dr H J Snaith	
Dr R M Harris	Professor M Sprik	
Dr D Hedley	Dr R Sterckx	
Dr N B Holdstock	Dr J Tasioulas	
Professor A B Holmes	Professor A Thomason	
Professor S M A Honkapohja	Dr H E Thompson	
Mr D R Howarth	Dr F Toxvaerd	
Dr H F Jahn	Dr A R L Travis	
Dr B Javid	Professor L K Tyler	
Mr A L Johnson	Dr H W van Veen	
Mr S W C Jolly	Dr M Weeks	
Dr P Jones	Dr C Weiss	

## CLARE COLLEGE, CAMBRIDGE

### GOVERNING BODY AND ADVISORS

YEAR ENDED 30 JUNE 2007

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#### **Council**

Professor S C Franklin, Acting Master  
Dr P Fara, Senior Tutor  
Rev'd R D Greeves, Dean  
Mr D P Hearn, Bursar  
Dr K F Riley  
Dr W A Foster  
Dr D Hedley  
Dr T Follini  
Dr R Harris  
Dr M Lahr  
Dr R Layfield  
Dr T M Lewens  
Dr M Wilkinson  
Mr T C Brown  
Mr D Doupe, MCR President  
Mr J Austin, UCS President

#### **Finance Committee**

Professor S C Franklin, Acting Master  
Mr D P Hearn, Bursar  
Mr M Petty  
Dr K F Riley, Financial Tutor  
Dr P Fara, Senior Tutor  
Dr J M Goodman  
Professor R Glen  
Dr N Greenham  
Professor S Honkapohja  
Ms V H Russell, MCR Treasurer  
Mr A Wilkes, UCS Treasurer

#### **Auditors**

Prentis & Co  
Chartered Accountants  
115c Milton Road  
Cambridge CB4 1XE

#### **Solicitors**

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

#### **Property Managers**

Bidwells Property Consultants  
Trumpington Road  
Cambridge CB2 2LD

#### **Audit Committee**

Professor R Glen  
Mr A Smith, Clare alumni  
Dr H E Thompson

#### **Bankers**

Barclays Bank plc  
Cambridge Business Centre  
Cambridge CB2 3PZ

#### **Investment Fund Managers**

State Street Global Advisors  
25 Bank Street  
London E14 5LE

## **CLARE COLLEGE, CAMBRIDGE**

### **FINANCIAL REVIEW**

**YEAR ENDED 30 JUNE 2007**

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#### **Aims and Objectives of the College**

The College has a strategic plan, which sets out the College's long term aims in the context of accelerating national and global changes:

- To maintain the College's emphasis on the individual in academic and pastoral provision; to deliver a world-class undergraduate education by safeguarding the provision of small-group teaching through the College-based supervision system; and to achieve excellence in education at both undergraduate and postgraduate levels while maintaining pastoral support through the tutorial system;
- To support a community of Fellows, students and staff, allowing the benefits of a large, internationally renowned university to be realised in a small-scale and close-knit community;
- To promote academic research of the highest quality by Fellows and postgraduate students;
- To maintain and enhance the endowments and benefactions, historic buildings and grounds of the College for the benefit of future generations.

Remaining an independent foundation, forming part of a collegiate University, is fundamental to the College's long-term strategy. The College endorses the University's mission and core values and agrees that the partnership between the University and the Colleges is central to Cambridge's future development. The College will continue to play an active role in University bodies and in formulating University policy.

Over the next three years, the College is committed to sustaining and enhancing its particular contribution to Cambridge and to society in general, by:

- Maintaining and developing its long-standing commitment to encouraging applications from the most talented students, irrespective of background, in tandem with a needs-blind admissions system supported by a comprehensive bursary programme providing tapered financial assistance;
- Building on the College's strong international links, especially with the USA, to provide students with further opportunities for educational and cultural exchanges, recognising the importance of such exchanges in an increasingly global society;
- Encouraging and being seen to encourage dialogue and creative partnerships between academia, the public and private sectors;
- Supporting the work of the College and its members in community programmes, national and international, through the Clare-Bermondsey Trust, Eric Lane Fund and other activities;
- Fostering excellence in music, through support of the College Choir, the choral and organ scholarships and instrumental awards;
- Preserving and stewarding the College's unique physical setting, as a key part of the nation's architectural heritage.

## **CLARE COLLEGE, CAMBRIDGE**

### **FINANCIAL REVIEW**

**YEAR ENDED 30 JUNE 2007**

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#### **Financial Review**

The College achieved an Operating Surplus of £3,129,000, as set out in the Income and Expenditure Account on page 14. This included £697,000 of donations of a revenue nature, but it did not include capital donations totalling £2,485,000 in connection with the new building project. These have been credited to the Statement of Total Recognised Gains and Losses on page 15. The Net Surplus was in line with budgets, including the profit of £1,604,000 made on the sale of three properties housing graduates, which were sold to finance the refurbishment and extension of graduate housing on Newnham Road. Stripping out this profit on the properties, the underlying surplus was not sufficient to cover the transfer of £1,596,000 to the building renewals reserve which is being accumulated to cover a full 2% depreciation charge on the historic buildings. The College's financial position can be described as being adequate without in any way being comfortable. There is still much to be done in providing for graduate students, refurbishing the historic buildings and raising the remuneration of Teaching Fellows to a realistic level.

#### **Financing a world class undergraduate education**

The intense pressures on our students to achieve the highest academic standards place heavy demands on the College. Clare alumni who were themselves taught by the leading academics of their generation in one-to-one supervisions or small groups understand those pressures, and the need for financial resources to meet them. Clare's financial resources are provided both by our alumni, through donations (which are increasingly vital if we are to maintain our high standards), and by our own operations, as we recognise a clear need to run the College as an efficient business.

Standards at the top of Higher Education in global terms are continuing to rise. Clare is determined to stay in the top echelon. Last year this meant spending £5,055 on each undergraduate student, mainly on the intensive support provided by the individual's Director of Studies and supervisors. The total cost of educating 440 undergraduates and supporting 220 graduate students came to £2,565,000, which can only be sustained through the generosity of benefactors. The Government makes its own contribution, paying £3,354 for each undergraduate by way of the College Fee. This leaves a shortfall of £1,701 for each undergraduate student, amounting to 34% of the total cost.

Doubts about the future reliability of the Government's contribution makes it essential for Clare to reach a self-financing position. The College aims to raise sufficient funds from benefactors to preserve small-group teaching for undergraduates, support graduate study and also to provide bursaries to support all Clare students from low income backgrounds. This will entail a significant challenge in raising additional income streams, while continuing to exercise tight constraints on spending.

#### **Benefactions and Donations**

The College is very grateful for the many donations and bequests from Clare members, well-wishers, corporate donors, trusts and foundations which totalled £3,183,000 (gross) in the year. This included £2,485,000 towards the construction of the new court and a further £697,000 for other purposes, including donations for the Clare Boat Club and other separate trusts. In addition, the College has been notified of new legacies in favour of Clare totalling £3,553,000. Philanthropic donations to the College have more than quadrupled in three years, reflecting the loyalty of Clare alumni and the College's sustained investment in development.

## **CLARE COLLEGE, CAMBRIDGE**

### **FINANCIAL REVIEW**

**YEAR ENDED 30 JUNE 2007**

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#### **Investments and Endowment drawdown**

The market value of the Endowment portfolio at 30 June 2007 was £73.9 million, showing a continuing uplift following the previous year's growth. The portfolio is invested in global equities (41%), commercial property in the UK (25%) and short-dated bonds and deposits (34%). The College's current view is that equity markets are over-valued, especially in the USA, and as a result the portfolio is continuing to be invested heavily in cash deposits.

The College is meeting its target of achieving a total return of 7.5% p.a. (including inflation) over the long-term. Each year the planned drawdown from the Endowment increases by 3.5% to give a steady "dividend" flow to support the work of the College. The drawdown, which is the amount taken out of the Endowment as spendable income, amounted to £2,911,000 in 2007 as compared to the investment income actually received of £3,198,000. Since this was more than the planned drawdown the difference of £287,000 was debited to the Income and Expenditure Account and is being accumulated in an investment reserve fund (see page 23) which absorbs the fluctuations in the total return over the long term. The capital gain within the Endowment amounted to £3,889,000 in the year.

The drawdown of £2,911,000 represents 4.4% of the value of Clare's Endowment at the start of the year which is marginally below the target range of 4.5% to 5.0%. The annual drawdown will be reviewed by the Finance Committee during 2007/08 in the light of prevailing economic and market conditions, with a view probably to increasing the drawdown by about £220,000 to 4.7% for 2008/09. The aim is each year to drawdown sufficient to support the specific activities designated by the donors while protecting the Endowment against inflation, preserving and building the capital for the future.

#### **Capital Expenditure and Building Renewals**

During the year extensive refurbishment work was carried out in the attics in Old Court, providing 34 rooms equipped to modern standards while preserving the unique historic features. This work, including the rebuilding of the stone chimney over the Avenue archway, cost £1.3 million.

A comprehensive review of the condition of the College's buildings identified a backlog of refurbishment and repairs in excess of £10 million. The College spent a total of £2.9 million on building repairs and refurbishment during the year. This is comfortably ahead of the £2.2 million pa estimated as being the sensible level of expenditure required to maintain the buildings properly. It means that the College is making inroads on the backlog.

In July 2007 construction work started on the new court which is being built at the corner of Memorial Court alongside Burrell's Walk. This major project including a 150 seat auditorium and 34 student rooms, is scheduled for completion in December 2008. The fixed price contract will cost £8.5 million, and there are additional costs amounting to £528,000 in re-locating the maintenance workshop to the Colony and other enabling works associated with the new building. With great generosity Clare alumni have already given or pledged over £6 million, and it is hoped that the remaining funds will be raised before the court opens in early 2009.

## **CLARE COLLEGE, CAMBRIDGE**

### **FINANCIAL REVIEW**

**YEAR ENDED 30 JUNE 2007**

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The Governing Body is aware that the College needs to set aside adequate sums to ensure that the ancient buildings are properly maintained over the long term. As the depreciation charge of £644,000 is based on the historic cost, an additional sum of £1,596,000 is being set aside to reflect the replacement value of the buildings. This additional sum is shown in the Income and Expenditure Account as a transfer to Building Renewals.

#### **Reserves Policy**

The College's unrestricted funds amount to £37.3 million and are represented in the balance sheet by the College's operational buildings, which are used for teaching and residential purposes, and by part of the investment portfolio. The restricted funds amount to £52.4 million, represented by part of the investment portfolio.

The College takes a long-term view of the investment portfolio using a total return basis for deciding on the appropriate amount to draw-down each year. This is intended to protect the value of the investment portfolio in real terms and, as a result, to strike an equitable balance between the interests of the present members of the College and future generations.

Any new donations or bequests received during the year are added to unrestricted funds, unless the donor has made it clear that the funds are to be spent on a specific project. Donations for the new court are treated as capital donations and as such are not included in Income.

#### **Risk Assessment**

As part of its supervision of the College's activities, the Finance Committee identifies and considers the major risks to which the College is exposed, and establishes systems and procedures to manage those risks which have been categorised as follows :

Owning and operating buildings, Information technology, Legislation and regulation, Academic and pastoral care, Financial management.

Professor A J Badger, Master

Mr D P Hearn, Bursar

5 November 2007

## **CLARE COLLEGE, CAMBRIDGE**

### **RESPONSIBILITIES OF THE GOVERNING BODY**

**YEAR ENDED 30 JUNE 2007**

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The Governing Body is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

In accordance with the College Statutes, the Finance Committee is responsible for the management of the College's estates and the administration of the College's revenues, subject to the overall control of the Governing Body.

The Finance Committee is responsible for ensuring that there is an effective system of internal control and that accounting records are properly kept. It is required to present 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 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 proper accounting records which disclosure with reasonable accuracy at any time the financial position of the College and to enable them to ensure that the financial statements comply with the Statutes of the University of Cambridge. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governing Body is responsible for the maintenance and integrity of the corporate and financial information included on the College's website.

**CLARE COLLEGE, CAMBRIDGE**

**REPORT OF THE INDEPENDENT AUDITORS TO THE GOVERNING BODY  
OF CLARE COLLEGE, CAMBRIDGE**

**YEAR ENDED 30 JUNE 2007**

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We have audited the financial statements of the College which comprise the consolidated income and expenditure account, the consolidated statement of total recognised gains and losses, the consolidated balance sheet, the consolidated cash flow statement and related notes, for the year ended 30 June 2007 on pages 11 to 26, which have been prepared under the historical cost convention and the accounting policies set out on pages 11 to 13.

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

**Respective Responsibilities of the College's Governing Body and Auditors**

As described in the statement of the Governing Body responsibilities, the Governing Body is responsible for preparation of the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Their responsibilities are set out in the Statement of Responsibilities of the Governing Body.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the accounting policies set out therein, with the provision of the statutes of the College and with the statutes of the University of Cambridge.

We also report if, in our opinion, the College has not kept proper accounting records, or if we have not received the information and explanations required for our audit.

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

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

**Basis of Audit Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and the Audit Code of Practice issued by the Higher Education Funding Council for England. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Governing Body in the preparation of the financial statements, and of whether the accounting policies are appropriate to the College's circumstances, consistently applied and adequately disclosed.

**CLARE COLLEGE, CAMBRIDGE**

**REPORT OF THE INDEPENDENT AUDITORS TO THE GOVERNING BODY  
OF CLARE COLLEGE, CAMBRIDGE**

**YEAR ENDED 30 JUNE 2007**

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

**Opinion**

In our opinion the contribution due from the College to the University has been correctly computed in accordance with the provision of Statute G, II of the University of Cambridge and in all material respects income received from the University of Cambridge out of grants from the Higher Education Funding Council for England during the year ended 30 June 2007 has been applied to the purposes for which it was received.

In our opinion the financial statements give a true and fair view of the state of the affairs of the College at 30 June 2007, and of its income and expenditure for the year then ended and have been properly prepared in accordance with the accounting policies set out therein and the statutes of the College and the University of Cambridge.

Prentis & Co  
Chartered Accountants and Registered Auditors  
115c Milton Road  
Cambridge  
CB4 1XE

## CLARE COLLEGE, CAMBRIDGE

### STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

YEAR ENDED 30 JUNE 2007

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#### **Basis of Preparation**

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

In addition, the financial statements comply with the Statement of Recommended Practice "Accounting for Further and Higher Education" (the SORP) with the exception of the balance sheet which has been presented in the different format set out in the relevant section of Statutes and Ordinances of the University of Cambridge (RCCA). The provisions of the SORP require Endowments, Deferred Grants and Revaluation Reserves to be disclosed on the face of the balance sheet, whereas RCCA requires that part of this information be disclosed in the notes on the financial statements.

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment assets, and in accordance with the provisions of the Statutes of the College and of the University of Cambridge and applicable Accounting Standards.

#### **Basis of Consolidation**

The consolidated financial statements consolidate the financial statements of the College and its subsidiary undertaking for the year ended 30 June 2007. The results of any subsidiary undertakings acquired or disposed of during the period are included in the consolidated income and expenditure account from the date of acquisition or up to the date of disposal. The activities of student societies have not been consolidated.

A separate balance sheet and related notes for the College are not included in the financial statements because the College's subsidiary company designs and builds student accommodation only for the College and the balance sheet would not be materially different to the one included in the financial statements.

#### **Recognition of income**

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

Donations and benefactions of an income nature are shown as income in the year in which they become receivable.

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

## CLARE COLLEGE, CAMBRIDGE

### STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

YEAR ENDED 30 JUNE 2007

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

College fee income is recognised in the year to which it relates and includes all fees chargeable to students or their sponsors. The costs of any fees waived or written off by the College are included as expenditure.

#### **Pension schemes**

The College participates in the Universities Superannuation Scheme (USS), a final salary scheme, the assets of which are held in a separate trustee administration fund. The College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS17 'Retirement Benefits', accounts for the scheme as if it were a defined contribution scheme. As a result the amount charged to the Income and Expenditure Account represents the contributions payable to the scheme in respect of the accounting period.

Pension contributions for the defined contribution pension scheme for most of the non-academic staff are accounted for as costs in the year in which they are incurred.

#### **Tangible fixed assets**

##### **a. Land and buildings**

Land and buildings held for operational purposes are stated at cost. Certain historic buildings are stated at nil value as it is not possible to ascertain their original cost.

Freehold buildings and major refurbishments of the buildings are depreciated on a straight line basis over the expected useful economic life of 50 years and 25 years respectively. In addition a sum is set aside for buildings renewals, as explained in paragraph (b) below. Freehold land is not depreciated.

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

Buildings under construction are valued at cost, based on architect's certificates and other direct costs. They are not depreciated until they are brought into use.

##### **b. Maintenance and Renewal of premises**

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

The College also sets aside sums on a regular basis to meet major renewal costs, which occur on an irregular basis. These major renewal costs are treated as capital improvements and are added to the cost of buildings, including historic buildings.

The sums set aside are held in a designated fund for building renewals, so as to ensure that adequate provision is made over the long term to cover the repair and renewal of the College's operational buildings. The sums set aside each year represent 2% of the current insurance value of the operational buildings; an appropriate deduction is made from the annual transfer to the designated fund for the building depreciation actually charged in the year.

## CLARE COLLEGE, CAMBRIDGE

### STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

YEAR ENDED 30 JUNE 2007

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#### **c. Furniture, fittings and equipment**

Furniture, fittings and equipment costing less than £3,000 per individual item or group of related items is written off in the year of acquisition. All other assets are capitalised and depreciated over their expected useful life as follows:

Furniture and fittings	10% per annum
Motor vehicles and general equipment	20% per annum
Computer equipment	25% per annum

Where equipment is acquired with the aid of specific bequests or donations it is capitalised and depreciated as above. The related benefactions are credited to a deferred capital account and are released to the Income and Expenditure Account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

#### **d. Rare books, silver, works of art and other assets not related to education**

Where rare books, silver, works of art and other assets not related to education are acquired with the aid of specific bequests or donations they are capitalised as above. The related benefactions are credited to expendable capital.

#### **Investments**

Investments are included in the balance sheet at market value.

#### **Stocks**

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

#### **Provisions**

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

#### **Foreign currencies**

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

#### **Taxation**

The College is an exempt charity within the meaning of Schedule 2 of the Charities Act 1993 and is a charity within the meaning of Section 506 (1) of the Taxes Act 1988. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied 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.

**CLARE COLLEGE, CAMBRIDGE**

**CONSOLIDATED INCOME & EXPENDITURE ACCOUNT**

**FOR YEAR ENDED 30 JUNE 2007**

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		<b>2007</b>	<b>2006</b>
		£'000	£'000
<b>INCOME</b>	Note		
Academic fees	1	1,873	1,770
Residences, catering and conferences	2	3,440	3,123
Endowment income	3	3,198	2,692
Revenue donations		697	613
Profit on sale of operational assets	4	1,604	-
Other income		<u>86</u>	<u>83</u>
Total income		<u>10,898</u>	<u>8,281</u>
<b>EXPENDITURE</b>			
Education	5	2,765	2,572
Residences, catering and conferences	6	4,296	3,830
Other expenditure		<u>708</u>	<u>758</u>
Total expenditure		<u>7,769</u>	<u>7,160</u>
<b>OPERATING SURPLUS</b>		3,129	1,121
Contribution to Colleges' Fund	7	<u>133</u>	<u>103</u>
<b>NET SURPLUS BEFORE TRANSFERS</b>		2,996	1,018
Transfer to building renewals		(1,596)	(1,331)
Transfer to investment reserve		<u>(287)</u>	<u>135</u>
<b>NET SURPLUS</b>		<u>1,113</u>	<u>(178)</u>

**CLARE COLLEGE, CAMBRIDGE****CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****FOR YEAR ENDED 30 JUNE 2007**

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	<b>Restricted Funds £'000</b>	<b>Unrestricted funds Designated Funds £'000</b>	<b>Undesignated Funds £'000</b>	<b>2007 Total £'000</b>	<b>2006 Total £'000</b>
Net surplus before transfers	1,369	-	1,627	2,996	1,018
Gains/(losses) on investment assets	3,148	-	913	4,061	5,924
Capital donations	2,485	-	-	2,485	908
Transfer to building renewals	-	1,596	(1,596)	-	-
Transfer to investment reserve	<u>-</u>	<u>287</u>	<u>(287)</u>	<u>-</u>	<u>-</u>
Total recognised gains/(losses) for the year	7,002	1,883	657	9,542	7,850
Balance at start of year	<u>45,403</u>	<u>11,726</u>	<u>23,007</u>	<u>80,136</u>	<u>72,286</u>
Balance at end of year	<u>52,405</u>	<u>13,609</u>	<u>23,664</u>	<u>89,678</u>	<u>80,136</u>

**CLARE COLLEGE, CAMBRIDGE**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT 30 JUNE 2007**

	Note	<b>2007</b> £'000	<b>2006</b> £'000
<b>FIXED ASSETS</b>			
Tangible assets	9	15,533	13,036
Investments	10	<u>73,858</u>	<u>66,050</u>
		<u>89,391</u>	<u>79,086</u>
<b>CURRENT ASSETS</b>			
Stocks		374	354
Debtors	11	872	730
Cash		<u>1,749</u>	<u>1,991</u>
		<u>2,995</u>	<u>3,075</u>
Creditors: amounts falling due within one year	12	<u>2,708</u>	<u>2,025</u>
<b>NET CURRENT ASSETS</b>		<u>287</u>	<u>1,050</u>
<b>TOTAL NET ASSETS</b>		<u>89,678</u>	<u>80,136</u>
<b>CAPITAL AND RESERVES</b>			
Restricted funds	13	52,405	45,403
Unrestricted funds		<u>37,273</u>	<u>34,733</u>
<b>TOTAL FUNDS</b>	15	<u>89,678</u>	<u>80,136</u>

The financial statements on pages 11 to 26 were approved by the Governing Body on 5 November 2007, and signed on their behalf by:

Professor A J Badger, Master

Mr D P Hearn, Bursar

**CLARE COLLEGE, CAMBRIDGE**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**YEAR ENDED 30 JUNE 2007**

	Note	<b>2007</b> £'000	<b>2006</b> £'000
<b>OPERATING ACTIVITIES</b>			
Operating surplus		3,129	1,121
Less: Investment income and donations		<u>(3,895)</u>	<u>(3,305)</u>
Adjusted deficit		(766)	(2,184)
Depreciation	9	781	642
Profit on sale of operational assets		(1,604)	-
(Increase)/decrease in stocks		(20)	(7)
(Increase)/decrease in debtors	11	(142)	497
Increase/(decrease) in creditors	12	<u>683</u>	<u>438</u>
<b>Net cash outflow from operating activities</b>		<u>(1,068)</u>	<u>(614)</u>
<b>RETURNS ON INVESTMENTS</b>			
Retained endowment income	3	2,021	1,692
Interest received	3	<u>1,177</u>	<u>1,000</u>
<b>Net cash inflow from returns on investments</b>		<u>3,198</u>	<u>2,692</u>
<b>CONTRIBUTION TO COLLEGES' FUND</b>	7	<u>(133)</u>	<u>(103)</u>
<b>CAPITAL TRANSACTIONS</b>			
Disposal of operational assets		1,609	-
Receipts from sales of investment assets	10	3,911	16,136
Donations		<u>3,315</u>	<u>1,605</u>
Total capital receipts		<u>8,835</u>	<u>17,741</u>
Payments to improve operational assets	9	(3,283)	(1,881)
Payments to acquire investment assets	10	<u>(7,791)</u>	<u>(17,376)</u>
Total capital payments		<u>(11,074)</u>	<u>(19,257)</u>
<b>Net (outflow) from capital transactions</b>		<u>(2,239)</u>	<u>(1,516)</u>
<b>NET INFLOW/(OUTFLOW)</b>		(242)	459
Net liquid funds at start of year		<u>1,991</u>	<u>1,532</u>
<b>Net liquid funds at end of year</b>		<u>1,749</u>	<u>1,991</u>

**CLARE COLLEGE, CAMBRIDGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2007**

<b>1 ACADEMIC FEES</b>		<b>2007</b>	<b>2006</b>
		£'000	£'000
Fee income paid on behalf of undergraduates eligible for student support: per capita fee £3,354 (2006: £3,149)		1,396	1,348
Other undergraduate fee income: per capita fee £4,060 (2006:£3,760)		127	126
Graduate fee income: per capita fee £2,022 (2006: £1,968)		341	287
Other		<u>9</u>	<u>9</u>
Total		<u>1,873</u>	<u>1,770</u>
<b>2 INCOME FROM RESIDENCES, CATERING AND CONFERENCES</b>			
Accommodation: College members		1,691	1,542
Conferences		467	393
Catering: College members		712	639
Conferences		<u>570</u>	<u>549</u>
Total		<u>3,440</u>	<u>3,123</u>
<b>3 ENDOWMENT INCOME</b>			
		<b>2007</b>	<b>2006</b>
	<b>Income from restricted funds</b>	<b>Income from unrestricted funds</b>	
	£'000	£'000	Total
			£'000
Income from:			Total
Freehold land and buildings	586	629	1,215
Quoted securities – equities	388	418	806
Quoted securities – fixed interest	80	86	166
Cash deposits	<u>487</u>	<u>524</u>	<u>1,011</u>
Total	<u>1,541</u>	<u>1,657</u>	<u>3,198</u>
Endowment income liable to Contribution (Note 6)			2,291
Endowment income not liable to Contribution			<u>907</u>
			<u>3,198</u>
			<u>2,692</u>

The Endowment is invested on a total return basis. Any difference between the planned drawdown from the Endowment and the actual income in any year is transferred into or out from a designated fund, Investment Reserve. In 2007 the actual income of £3,198,000 exceeded the planned drawdown of £2,911,000 and the difference of £287,000 is recognised in the Income and Expenditure Account as a transfer to the Investment Reserve as in Note 15 (2006 : transfer from the Investment Reserve £135,000).

Investment management costs amounted to £84,000 (2006: £115,000).

# CLARE COLLEGE, CAMBRIDGE

## NOTES TO FINANCIAL STATEMENTS

### YEAR ENDED 30 JUNE 2007

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#### 4 PROFIT ON SALE OF OPERATIONAL ASSETS

The sale of three residential properties, used for accommodating graduate students, resulted in a profit of £1,604,000. The proceeds from these sales funded the building of new accommodation for graduate students on Newnham Road in the previous year.

#### 5 EDUCATION EXPENDITURE

	2007	2006
	£'000	£'000
Teaching	1,397	1,331
Tutorial	452	407
Admissions	262	239
Research	200	199
Scholarships and awards	243	202
Other educational facilities	<u>211</u>	<u>194</u>
Total	<u>2,765</u>	<u>2,572</u>

#### 6 RESIDENCES, CATERING AND CONFERENCES EXPENDITURE

Accommodation:	College members	2,703	2,378
	Conferences	452	410
Catering:	College members	687	622
	Conferences	<u>454</u>	<u>420</u>
Total		<u>4,296</u>	<u>3,830</u>

#### 7 CONTRIBUTION TO COLLEGES' FUND

	Note		
Endowment income as per Income and Expenditure Account	3	3,198	2,692
Less: items not assessable to Contribution	3	<u>(907)</u>	<u>(853)</u>
Assessable income	20	2,291	1,839
Less: Deductible items	20	<u>(782)</u>	<u>(721)</u>
Net assessable income		<u>1,509</u>	<u>1,118</u>
Assessment:			
£300,000 @ 2% (2006: £250,000 @ 2%)		6	5
£300,000 @ 6% (2006: £250,000 @ 7%)		18	18
£909,000 @ 12% (2006: 13%)		<u>109</u>	<u>80</u>
Contribution payable		<u>133</u>	<u>103</u>

**CLARE COLLEGE, CAMBRIDGE**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED 30 JUNE 2007**

**8 ANALYSIS OF EXPENDITURE BY ACTIVITY**

	Staff costs (note 16) £'000	Other expenses £'000	Depreciation £'000	<b>2007</b> Total £'000	<b>2006</b> Total £'000
Education (note 4)	1,484	1,179	102	2,765	2,572
Residences, catering and conferences (note 5)	2,002	1,615	679	4,296	3,830
Other expenditure	<u>11</u>	<u>697</u>	<u>-</u>	<u>708</u>	<u>758</u>
	<u>3,497</u>	<u>3,491</u>	<u>781</u>	<u>7,769</u>	<u>7,160</u>

The costs of fundraising were £291,000 (2006: £258,000) which includes the cost of alumni relations.

**9 TANGIBLE FIXED ASSETS**

	Freehold land and buildings £'000	Furniture, fittings and equipment £'000	<b>2007</b> Total £'000	<b>2006</b> Total £'000
<b>COST</b>				
As at 1 July 2006	17,461	1,046	18,507	16,685
Additions and improvements at cost	2,786	497	3,283	1,822
Disposals at cost	<u>14</u>	<u>-</u>	<u>14</u>	<u>-</u>
Cost as at 30 June 2007	<u>20,233</u>	<u>1,543</u>	<u>21,776</u>	<u>18,507</u>
<b>DEPRECIATION</b>				
As at 1 July 2006	5,050	421	5,471	4,829
Charge for the year	622	159	781	642
Depreciation on disposals	<u>9</u>	<u>-</u>	<u>9</u>	<u>-</u>
Depreciation as at 30 June 2007	<u>5,663</u>	<u>580</u>	<u>6,243</u>	<u>5,471</u>
<b>NET BOOK VALUE</b>				
as at 30 June 2007	<u>14,570</u>	<u>963</u>	<u>15,533</u>	
as at 30 June 2006	<u>12,411</u>	<u>625</u>	<u>13,036</u>	

Certain historic buildings are stated at nil value, as it is not possible to ascertain their original cost.

The insured value of all the College's operational buildings as at 30 June 2007 was £112 million (2006: £92 million).

# CLARE COLLEGE, CAMBRIDGE

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2007

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### 10 INVESTMENT ASSETS

	<b>Securities and Cash</b>	<b>Property</b>	<b>2007</b>	<b>2006</b>
	£'000	£'000	£'000	£'000
Market value at 1 July 2006	46,851	19,199	66,050	58,884
Less: disposals at opening book value	(1,631)	(2,241)	(3,872)	(16,031)
Add: acquisitions at cost	7,741	50	7,791	17,376
Add: net gain on revaluation at 30 June 2007	<u>3,324</u>	<u>565</u>	<u>3,889</u>	<u>5,821</u>
Market value at 30 June 2007	<u>56,285</u>	<u>17,573</u>	<u>73,858</u>	<u>66,050</u>

Represented by:

Freehold land and buildings			18,643	20,169
Quoted securities - equities			29,841	25,276
Quoted securities - fixed interest			1,756	3,305
Unquoted securities - equities			395	466
Cash held for reinvestment			<u>23,223</u>	<u>16,834</u>
Total			<u>73,858</u>	<u>66,050</u>

The College wholly owns the subsidiary company Clare College Limited, which is registered in the UK. The original cost of the investment by the College was £530,000 representing 530,000 issued shares at £1. Clare College Limited was dormant until 2006 and its main activity is the management of construction projects. Its level of reserves for 2007 is £28,000 (2006 : £28,000)

### 11 DEBTORS

Loans		91	69
Other debtors		<u>781</u>	<u>661</u>
		<u>872</u>	<u>730</u>

### 12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Social Security and other taxation payable		240	80
Creditors		<u>2,468</u>	<u>1,945</u>
		<u>2,708</u>	<u>2,025</u>

**CLARE COLLEGE, CAMBRIDGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2007**

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**13 CAPITAL AND RESERVES**

	<b>Expendable capital funds</b>	<b>Permanent capital funds</b>	<b>2007 Total</b>	<b>2006 Total</b>
	£'000	£'000	£'000	£'000
<b><u>Restricted funds</u></b>				
Trust funds (held for collegiate purposes)	28,805	19,990	48,795	44,411
New Court under construction	3,610	-	3,610	992
<b><u>Unrestricted funds</u></b>				
Designated funds	13,609	-	13,609	11,726
Undesignated funds:				
General capital	14,010	-	14,010	13,353
Permanent capital	<u>-</u>	<u>9,654</u>	<u>9,654</u>	<u>9,654</u>
	<u>60,034</u>	<u>29,644</u>	<u>89,678</u>	<u>80,136</u>

**14 CAPITAL ALLOCATION**

Capital is invested in the following categories of assets:

	Fixed Assets £'000	Investment Assets £'000	Net Current Assets £'000	Total £'000
<b><u>Restricted funds</u></b>				
Expendable capital	-	32,415	-	32,415
Permanent capital	-	19,990	-	19,990
<b><u>Unrestricted funds</u></b>				
Designated, expendable capital	-	13,609	-	13,609
Expendable capital	5,879	7,844	287	14,010
Permanent capital	<u>9,654</u>	<u>-</u>	<u>-</u>	<u>9,654</u>
Total at end of year	<u>15,533</u>	<u>73,858</u>	<u>287</u>	<u>89,678</u>
Total at start of year	<u>13,036</u>	<u>66,050</u>	<u>1,050</u>	<u>80,136</u>

**CLARE COLLEGE, CAMBRIDGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2007**

**15 MOVEMENTS IN CAPITAL AND RESERVES**

	Balance at start of year	Movement in year		Balance at end of year
		Increase	Reduction	
	£'000	£'000	£'000	£'000
<b><u>Restricted funds</u></b>				
Expendable capital	26,178	6,237	-	32,415
Permanent capital	19,225	765	-	19,990
<b><u>Unrestricted funds</u></b>				
Designated, expendable capital	11,726	1,883	-	13,609
Expendable capital	13,353	657	-	14,010
Permanent capital	9,654	-	-	9,654
	<u>80,136</u>	<u>9,542</u>	<u>-</u>	<u>89,678</u>

**16 ANALYSIS OF RESTRICTED AND DESIGNATED UNRESTRICTED FUNDS**

	Restricted funds £'000	Unrestricted funds £'000	2007	2006
			Total £'000	Total £'000
Fellowships Funds	13,610	-	13,610	12,277
Scholarships Funds	14,894	-	14,894	13,807
Prize Funds	1,080	-	1,080	986
Bursary and Hardship Funds	8,401	-	8,401	7,398
Travel Grants Funds	530	-	530	497
Building renewals	5,639	11,748	17,387	15,454
Investment reserve	-	122	122	(165)
New Court under construction	3,610	-	3,610	992
Other Funds	<u>4,641</u>	<u>1,739</u>	<u>6,380</u>	<u>5,883</u>
Total	<u>52,405</u>	<u>13,609</u>	<u>66,014</u>	<u>57,129</u>

## CLARE COLLEGE, CAMBRIDGE

### NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2007

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<b>17 STAFF</b>			<b>2007</b>	<b>2006</b>
	College Fellows £'000	Non- Academic £'000	Total £'000	Total £'000
Staff costs:				
Emoluments	865	2,154	3,019	2,837
Social security costs	53	191	244	227
Other pension costs (see note 19)	<u>65</u>	<u>169</u>	<u>234</u>	<u>200</u>
	<u>983</u>	<u>2,514</u>	<u>3,497</u>	<u>3,284</u>
Average numbers:				
College Fellows who are also members of the Governing Body, of whom 55 were remunerated (2006: 54)			89	87
Non-academic staff: full time equivalents			106	103

The number of College officers or employees (including the Head of House), whose remuneration, excluding pension contributions, in the following range was : £70,000 - £79,999

1 -

### 18 RELATED PARTY TRANSACTIONS

The University provides the majority of the College's Fellows with their primary employment, provides teaching jointly with the College, examines the undergraduate students and provides research facilities for the graduate students. The University pays fees to the College from the public money it receives from students who are based in the United Kingdom and the European Union in return for the College's role in admitting students, teaching them and ensuring their welfare. University tuition fees are billed to students by the College acting as the University's agent, and therefore these amounts (£1.8 million in 2007) are not included as income to the College in the financial statements.

Fellows are remunerated for teaching, research and other duties within the College, according to the fellowship class in which they are elected. Fellows are billed for any private catering, which is not part of the normal allowances. The College offers Fellows assistance with external housing on a shared equity basis.

The Union of Clare Students is paid a membership fee (£48,000 in 2007) and provides sporting and social facilities to students.

<b>19 CAPITAL COMMITMENTS</b>	<b>2007</b>	<b>2006</b>
	£'000	£'000
New court building authorised and contracted	7,882	-

## CLARE COLLEGE, CAMBRIDGE

### NOTES TO FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2007

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#### 20 PENSION SCHEMES

The College operates a defined contribution pension scheme mainly for non-academic employees which is contracted into the State Second Pension (S2P) and it also participates in the Universities Superannuation Scheme (USS), a defined benefit scheme mainly for academic employees. USS is externally funded and is contracted out of the State Second Pension. The assets of both schemes are held in separate trustee-administered funds. For the Universities Superannuation Scheme the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reliable basis and therefore, as required by FRS17 'Retirement Benefits', accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

The total pension cost for the College was £234,000 (2006: £200,000). The contribution rate payable by the College was 14% of pensionable salaries for the USS (£65,000 in 2007) and 11.3% for the College's defined contribution scheme (£169,000 in 2007). The College has 19 active members in the USS which has a total membership of 115,000.

The latest actuarial valuation of the USS was at 31 March 2005. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest) and the rates of increase in salary and pensions and the assumed rates of mortality. In relation to the past service liabilities the financial assumptions were derived from market yields prevailing at the valuation date. It was assumed that the valuation rate of interest would be 4.5% per annum, salary increases would be 3.9% per annum and pensions would increase by 2.9% per annum. In relation to the future service liabilities it was assumed that the valuation rate of interest would be 6.2% per annum, including an additional investment return assumption of 1.7% per annum, salary increases would be 3.9% per annum and pensions would increase by 2.9% per annum. The valuation was carried out using the projected unit method.

At the valuation date, the market value of the assets of the scheme was £21,740 million and the value of the past service liabilities was £28,308 million indicating a deficit of £6,568 million. The assets therefore were sufficient to cover 77% of the benefits which had accrued to members after allowing for expected future increases in earnings.

Using the Minimum Funding Requirement prescribed assumptions introduced by the Pensions Act 1995 the scheme was 126% funded at the valuation date and under the Pension Protection Fund regulations introduced by the Pensions Act 2004 it was 110% funded.

Since 31 March 2005 the financial security of the scheme has improved and the actuary has estimated that the funding level has increased from 77% at 31 March 2005 to 91% at 31 March 2007. This improvement in the scheme's financial security is due primarily to the investment return on the scheme's assets since 31 March 2005 being higher than allowed for in the funding assumptions. On the FRS17 basis, the actuary estimated that the funding level at 31 March 2007 was above 109% and on a buy-out basis was approximately 84%.

The institution contribution rate required for future service benefits alone at the date of the valuation was 14.3% of pensionable salaries but the trustee company, on the advice of the actuary, decided to maintain the institution contribution rate at 14% of pensionable salaries.

Surpluses or deficits which arise at future valuations may impact on the College's future contribution commitment. An additional factor which could impact the funding level of the scheme is that with effect from 16 March 2006, USS positioned itself as a 'last man standing' scheme, so that in the event of the insolvency of any participating employers in the USS the amount of any pension funding shortfall (which can not otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme. The next formal triennial actuarial valuation is due as at 31 March 2008 when the above rates will be reviewed as a part of each valuation.

In the event of the College ceasing to have any contributing members there would be a liability in respect of a proportion of the deficit. The College has no current intention of ceasing to participate in the scheme, and in such an event the liability would not be significant.

**CLARE COLLEGE, CAMBRIDGE**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED 30 JUNE 2007**

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**21 CONTRIBUTION ASSESSMENT**

	<b>2007</b>	<b>2006</b>
	£'000	£'000
External Revenue:		
College Estates let on Building Leases	1,215	1,256
Net income from Furnished Lettings	182	169
Other income from Real Property	1	-
Dividends and interest gross	<u>441</u>	<u>123</u>
	<u>1,839</u>	<u>1,548</u>
Less:		
Rates	3	5
Agency, and management charges	243	251
Transfer to Estates Repairs & Improvements Fund	303	314
Interest payments	3	4
Sinking Fund payments under Statute GII,4(iv)	<u>74</u>	<u>71</u>
	626	645
Revenue from Trust & Other Funds subject to Contribution	<u>1,078</u>	<u>936</u>
ASSESSABLE INCOME	2,291	1,839
DEDUCTIBLE ITEMS		
Half sums paid to Scholars, Exhibitioners & Research Students	50	49
Prizes	7	8
Half maintenance of Chapel expenditure	10	12
Net expenditure on College Library	124	113
College Teaching Officers	229	220
College Research Fellows	141	134
College Building Fund (under Statute GII,4vii)	221	185
	<u>782</u>	<u>721</u>
NET ASSESSABLE INCOME	<u>1,509</u>	<u>1,118</u>
BUILDING FUND UNDER STATUTE GII,4(vii)		
Balance at beginning of year	1,602	1,417
Transfer for year approved under GII,4(vii)	<u>221</u>	<u>185</u>
Balance as at end of year	<u>1,823</u>	<u>1,602</u>
ESTATES REPAIRS AND IMPROVEMENTS FUND		
Balance at beginning of year	3,521	3,207
Transfer for year approved under GII,4(v)	303	314
	—	—
Balance as at end of year	<u>3,824</u>	<u>3,521</u>