ST JOHN'S COLLEGE CAMBRIDGE

Annual Report and Financial Statements

for the year ended 30 June 2023

Registered Charity number 1137428

Contents

Trustees' Report

REFERENCE AND ADMINISTRATIVE INFORMATION

Status

St John's College, Cambridge was founded in 1511 by Lady Margaret Beaufort, the mother of Henry VII, and is one of the largest of the 31 colleges within the University of Cambridge, each of which is an independent, self-governing, body with its own property and income. Formerly an exempt charity, the College became a registered charity on 1 August 2010 with registration number 1137428 and is subject to regulation by the Charity Commission for England and Wales. The formal title of the College is the 'College of St John the Evangelist in the University of Cambridge'. The short title is 'St John's College, Cambridge'.

Address and website

St John's Street
Cambridge
CB2 1TP

www.joh.cam.ac.uk

Charity trustees

The charity trustees of the College, who are the members of the College Council, during the year were:

The Master, Mrs Heather Hancock (Chair)
Dr Helen Watson (to 30 September 2022)
Professor Ben Simons
Professor Christine Gray
Professor John Rink
Professor Steve Edgley
Dr Paul Wood
Professor Chris Jiggins
Dr Mark Oakley
Dr Victoria Harvey
Professor Máire Ní Mhaonaigh
Dr Sylvana Tomaselli
Professor Usha Goswami (from 1 July 2022)
Dr Jack Smith (from 1 October 2022)

Senior Officers

Master (or Head of House)	Mrs Heather Hancock
President	Professor Steve Edgley
Senior Tutor	Mr Richard Partington
Senior Bursar	Mr Chris Ewbank

Membership of the Governing Body

The members of the Governing Body of the College as at 1 October 2023 are set out below:

Master: Mrs Heather Hancock

President: Professor Steve Edgley

Other Fellows (in order of election)

Dr Ben Garling
Dr George Reid
Professor Patrick Boyde
Dr John Leake
Dr Alan Macfarlane
Professor David McMullen
Dr Keith Matthews
Mr Ray Jobling
Dr Andrew Macintosh
Professor Malcolm Clarke
Professor John Iliffe
Professor Malcolm Schofield
Professor Tim Bayliss-Smith
Professor Steve Gull
Professor Howard Hughes
Dr Peter Goddard
Professor Peter T. Johnstone
Professor Ian Hutchings
Professor Richard Beadle
Dr John Hutchison
Dr Derek Wight
Professor Sir Richard Friend
Dr Robin Glasscock
Professor Robert Tombs
Dr Dick McConnel
Professor David Midgley
Dr Martin Richards
Professor John Kerrigan
Professor Graham Burton
Professor Geoff Horrocks
Professor Sir Partha Dasgupta
Professor Hugh Matthews
Professor Jane Heal
Professor Tom Hynes
Professor Nick McCave
Dr Andrew C. (Ricky) Metaxas
Colonel Richard Robinson
Professor Simon Conway Morris
Professor Ernest Laue
Professor Robert Evans
Dr Sue Colwell
Dr Helen Watson
Professor Christel Lane
Dr Christopher Robinson
Professor Yuri Suhov
Professor Simon Szreter
Professor Deborah Howard
Professor Manucha Lisboa
Professor Ulinka Rublack
Professor Ben Simons
Professor Maire Ní Mhaonaigh
Professor Duncan McFarlane
Professor Christine Gray
Dr Ian Winter
Professor Nick Manton
Professor Neil Arnold
Dr Stefano Castelvecchi
Professor Ann Louise Kinmonth
Professor Janet Lees
Professor Stefan Reif
Professor David Stuart
Dr Mark Nicholls
Dr Matthias Dörrzapf
Professor Pierpaolo Antonello
Professor Andy Woods
Commodore John Harris
Professor Serena Best
Dr Petra Geraats
Dr Paul Wood
Professor Emily Gowers
Professor Usha Goswami
Professor Richard Samworth
Professor Graeme Barker
Dr David Williams
Dr Sylvana Tomaselli
Mr Chris Ewbank
Dr Frank Salmon
Dr Chris Warnes
Professor Chris Jiggins
Mr Stephen Teal
Dr Tomas Larsson
Professor Robert Mullins
Professor Tuomas Knowles
Professor Jason Robinson
Dr Georgina Evans
Professor Mete Atatüre
Professor Zoubin Ghahramani
Professor John Rink
Professor Erwin Reisner
Professor Ole Paulsen
Professor Kristian Franze
Professor Austen Lamacraft
Professor Uta Paszkowski
Professor Nathan MacDonald
Professor John Taylor
Professor Andrew Arsan
Professor Meredith Crowley
Professor Michael De Volder
Professor Hannah Joyce
Professor Orietta Da Rold
Professor Albertina Albors-Llorens
Professor Edward Tipper
Mr Tim Watts
Professor Adam Chau
Professor Graham Ladds
Professor Richard Gilbertson
Dr Fleur Kilburn-Toppin
Professor Eske Willerslev
Professor Andy Wheeler
Dr Gabriella Santangelo
Professor Laura Torrente Murciano
Dr Ruth Abbott
Dr Mark Oakley
Professor Eric Miska
Professor Jean Abraham
Professor Helen McCarthy
Professor Dhruv Ranganathan
Dr Jack Smith
Dr Becky Shercliff
Dr Kadi Saar
Dr Morag Morrison-Helme
Dr Victoria Harvey
Professor Amanda Sferruzzi-Perri
Professor Alexander Bird
Dr Christiana Scheib
Dr Jules O'Dwyer
Dr Nick Friedman
Dr Virgil Andrei
Mr Richard Partington
Dr Benedek Kruchió
Dr Marie Chabbert
Dr Rosalba García Millán
Dr Darshil Shah
Professor Laura Diaz Anadon
Ms Ella Sbaraini
Professor Nic Lane
Dr Matteo Seita
Dr Jessie Munton
Mr Chris Gray
Dr Ritwick Sawarkar
Mrs Alison Cox
Dr Vasileios Kotsidis
Dr Sofia Singler
Dr Jef Laga
Dr Amy Orben
Professor Sarah Hall
Ms Brigid Ehrmantraut
Mr Rakesh Arul
Professor Po-Ling Loh
Dr Michael Boemo
Dr Leah Downey
Dr John Colley

Principal Advisers

Actuaries	Cartwright Group Ltd, 250 Fowler Avenue, Farnborough Business Park, Farnborough, Hants, GU14 7JP
Auditor	Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW
Bankers	Barclays Bank PLC, Abacus House, Castle Park, Castle Hill, Cambridge, CB3 OAN
Investment Consultant	Lane Clark & Peacock LLP, 95 Wigmore Street, London, W1U 1DQ
Property Advisers	Savills (L&P) Ltd, Unex House, 132-134 Hills Road, Cambridge, CB2 2PA
	Savills (L&P) Ltd, Wytham Court, 11 West Way, Oxford, OX2 0QL
	Carter Jonas LLP, One Station Square, Cambridge, CB2 1GA
Solicitors	Mills & Reeve LLP, Botanic House, 100 Hills Road, Cambridge, CB2 1PH

GOVERNANCE

The Governing documents of the College are its letters patent of 7 August 1509, its deed of foundation of 9 April 1511 and its Statutes of 1926 as variously amended from time to time (the Statutes). The Statutes describe, among other things, the membership and responsibilities of the Governing Body and Council; the election and duties of the Master and President; the election, admission, tenure and removal of Fellows; and the appointment and duties of College officers. The Statutes are supplemented by orders for the regulation of the College's affairs, made by the Council in accordance with the Statutes.

The members of the College Council, which is responsible for the day-to-day administration of the affairs of the College, are the charity trustees and are responsible for ensuring compliance with charity law. The members of the Council are the Master and twelve Fellows elected by the College's Governing Body for rotating four year terms. The members of the Council during the year ended 30 June 2023 are set out in 'Reference and administrative information' on page 1.

The Governing Body of the College consists of the Master and all Fellows, and is the ultimate authority in the government of the College. It meets termly or more frequently as necessary.

All members of the Council are given, on appointment, an induction pack containing key Charity Commission guidance on public benefit and the good governance of charities, and the policy of the College for the management of conflicts of interest. Members of the Council are also required to complete a Register of Interests and declarations of interest are made systematically at meetings.

Elected representatives of the junior members of the College attend College Council meetings for the discussion of matters directly affecting the interests of undergraduates and post-graduates.

The Master of the College is elected to office by the Fellows for a fixed term or until earlier resignation. They are responsible for general oversight of the affairs of the College. The Master chairs the Governing Body and the Council. In the event of incapacity of the Master or a vacancy in the Mastership, a Vice Master is appointed to act in the Master's place.

The other College officers most involved in the governance of the College are as follows: the President, who is elected by the Fellows for a period of up to four years and, among other duties, acts as the Master's deputy in their absence; the Senior Tutor, who has overall responsibility for the admission, education and welfare of students; the Deans, who are responsible for overseeing the Chapel and the conduct of junior members of the College; the Senior Bursar, who is responsible for managing the College's finances; and the Domestic Bursar, who manages the domestic affairs of the College.

It is the duty of the Council to keep under review the effectiveness of the College's internal systems of financial and other controls. The Council appoints the Audit and Risk Assurance Committee whose duty it is to advise the Council on the appointment of external auditors; to consider reports submitted by the auditors; to monitor the implementation of recommendations made by the auditors; and to monitor risk management and control arrangements. The Audit and Risk Assurance Committee makes an annual report to the Council. Membership of the Audit and Risk Assurance Committee comprises three members of the Council who are not College Officers, one other Fellow and one external member (to be appointed). The Council also appoints a separate Board of Scrutiny which acts as a Board of Scrutiny and reports to the Governing Body.

The Visitor of the College is the Bishop of Ely.

OBJECTS AND AIMS

Objects

The charitable objects of the College are, for the public benefit, to advance education, religion, learning and research, particularly but not exclusively through the provision of a College within the University of Cambridge and through the provision of facilities for, and the conduct of, divine service within the College.

Aims

The College has developed a series of aims that summarise its approach to achieving its charitable objects, which are:

- To admit students on the basis of academic ability and potential alone irrespective of financial circumstances and social, religious or ethnic background, to preserve the College's ability to select the best students and to provide financial support to students;
- To maintain a balanced mix of undergraduate, taught post-graduate and research post-graduate students, and to preserve a broad range of academic activity whilst remaining small enough to retain a sense of community and individuality;
- To deliver an outstanding education for undergraduates and post-graduate students, and to sustain the supervision and tutorial welfare systems that are pivotal to the University's tradition of excellence;
- To encourage and support research of international importance by Fellows and post-graduate students, and to introduce undergraduates to the nature and excitement of original research;
- To carry forward the tradition, maintained continuously since its foundation, of being a place of reflection on matters of religious faith;
- To provide outstanding social, cultural, musical and sporting opportunities that are a key part of the experience offered by the College and which contribute to the personal development of its members;
- To conserve and enhance the College's historic buildings and grounds, an important part of the world's architectural heritage, whilst at the same time providing first-class facilities and infrastructure for the activities that take place within them;
- To preserve the College's independence and self-determination, which with that of other Colleges is a fundamental ingredient in the diversity and success of the collegiate University;
- To take a lead in sustaining and enhancing the ability of the University to continue as one of the world's very top academic institutions, in the face of increasing international competition;
- To recognise and value all our alumni as life-long members of the College community, appreciated for their continuing involvement in, and support of, the College; and
- To operate on a sustainable basis, deploying our resources in a way that preserves intergenerational equity, and living within our means.

ACTIVITIES, PERFORMANCE AND FUTURE PLANS

Introduction

In setting objectives and planning activities, the College Council has given careful consideration to the Charity Commission's general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing education, advancing religion and on fee-charging.

The principal objectives of the College for the year were: to continue to strengthen the College's access and outreach programme; to strengthen the teaching capabilities of the College; to continue to improve academic performance in Tripos exams; to continue to contribute to the research capabilities of the University through the College's Research Fellowship and other schemes; to continue to provide opportunities for University post-doctoral researchers to become associated with the College; and to continue the College's successful fundraising programme, with a specific focus on raising Endowment funds to provide secure future funding for the Free Places scheme.

Activities and Performance

St John's received a similar number of Undergraduate admissions applications in 2022-23 compared with the previous cycle, with 1,188 applications received and 784 candidates interviewed. Interviews were conducted remotely, as has been the case since the 2020-21 admissions cycle. A sizeable programme of outreach and recruitment activities has been undertaken. This included open days, school visits, subject taster sessions and admissions clinics. There has been continued engagement with Link Areas and other targeted schools through in-person visits and online outreach sessions alongside collaborative outreach programmes targeting particular cohorts of prospective applicants.

St John's contributed to the University-wide Cambridge Bursary Scheme as well as the enhanced scheme (CBS2). In total, 194 means-tested bursaries were provided in the year, of which 112 were at the maximum bursary level (£3,500 for the full academic year; £5,600 for independent students). 28 students who had been on Free School Meals received the Education Premium, an additional grant of £1,000. At a College level, we awarded 98 St John's College Studentships to students from low-income backgrounds (family income up to £25,000) totalling £719k. We also awarded 36 Studentships to students from middle-income backgrounds (family income between £25,000 and £42,620) totalling £173k.

51 students received College funding for their summer projects and activities in Long Vacation 2022, and 131 students were awarded Travel Grants. The total amount awarded in 2022-23 to fund research projects, summer activities and travel was £90k. 4 Pre-Admissions prizes were awarded to Home students from state schools who started their undergraduate studies at St John's in October 2022. There have also been 2 full scholarships, 22 partial scholarships, and 7 top-up funding bursaries for international and EU students. Between July 2022 and June 2023, 488 students received Learning & Research Fund support totalling £198k. During the same period, £50k has been awarded in hardship grants, approximately £29k for undergraduate students and £21k for postgraduates.

A Title C Fellow and five Title B Fellows were elected. Four new Research Fellows were elected in Computer Science, History, Human Social and Political Sciences and Pure Mathematics. Five new College Research Associates were appointed offering College affiliation to post-doctoral researchers in the University.

Future Plans

The College Council has approved a series of clear priorities for taking the College forward over the next few years. These break down into four areas: students; the Fellowship; stewardship; and cross cutting and enabling themes.

With respect to students, a series of actions have been identified to create a distinctive collegiate experience for the College's students, focused on areas that can make the greatest difference to their academic progress as well as investing in their intellectual, cultural and social capital and supporting their wellbeing.

Priorities concerning the Fellowship revolve around reviewing the size, shape and experience of the Fellowship so that it continues to be structured and operate in ways that support scholarship and research excellence, provide excellent teaching and learning for our students and foster collegiality, intellectual exchange, academic freedom and support the stewardship obligations of the College.

With respect to stewardship, the College aims to exercise stewardship in the interests of future generations of the College, for the wider public good and for the wellbeing of the planet. This work straddles operating in a financially sustainable way, enhancing the Chapel's impact on our purpose as a place of religion, the wider life of the College and the public good, taking forward our climate change action plan and maintaining and caring for our buildings and grounds.

The key cross cutting and enabling themes include: further developing and implementing the College's estate masterplan and landscape strategy; exploring how our libraries, archives and records can add further value to educational and research life and public outreach; improving the resilience in critical College infrastructure and processes; increasing awareness of the College through a strategic and integrated approach to communications; and creating a collaborative, supportive and continuous improvement workplace culture to attract and retain high performing and dedicated staff who enjoy their jobs.

FINANCIAL REVIEW

Scope of the Financial Statements

The consolidated financial statements include the College and the College's wholly-owned subsidiaries which are:

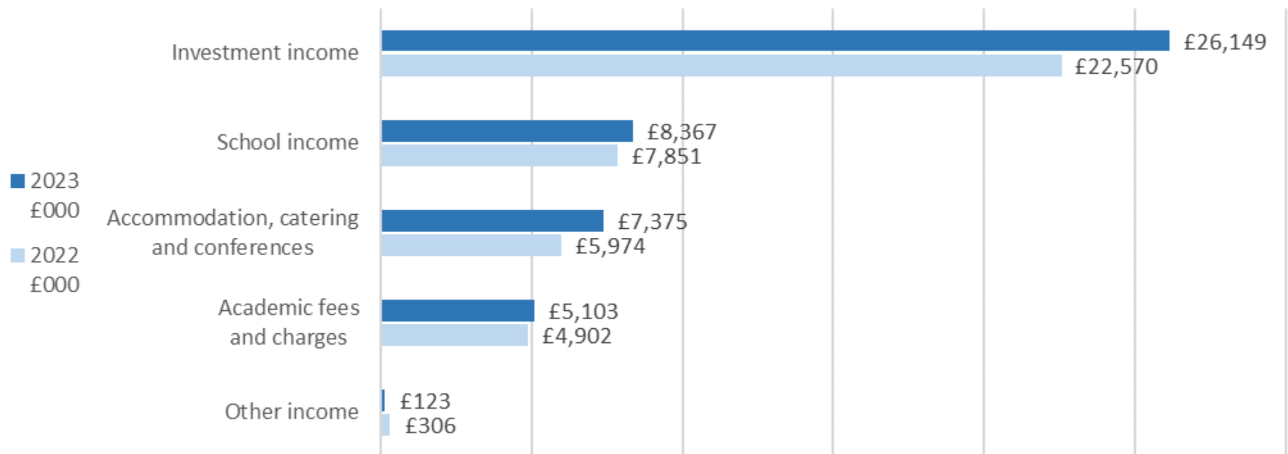
- St John's Enterprises Limited, which undertakes principally conference and tourism activities;
- Aquila Investments Limited, which undertakes principally property development and farming;
- St John's Innovation Centre Limited, which manages St John's Innovation Centre on behalf of the College, and provides advice and guidance to early-stage knowledge-based businesses in the Cambridge sub-region;
- Lomas Developments Limited, which undertakes principally property development; and
- St John's College School, Cambridge and its subsidiary SJCS International Limited, which licences intellectual property in relation to St John's College School.

The accounts of dormant companies are also consolidated.

The financial statements are produced by the College having regard to the Recommended Cambridge College Account (RCCA) format introduced through revisions to Statute G,III of the University which replaced the previous format introduced in 1926 by the University of Cambridge Commissioners.

Results overview

Income before donations and endowments



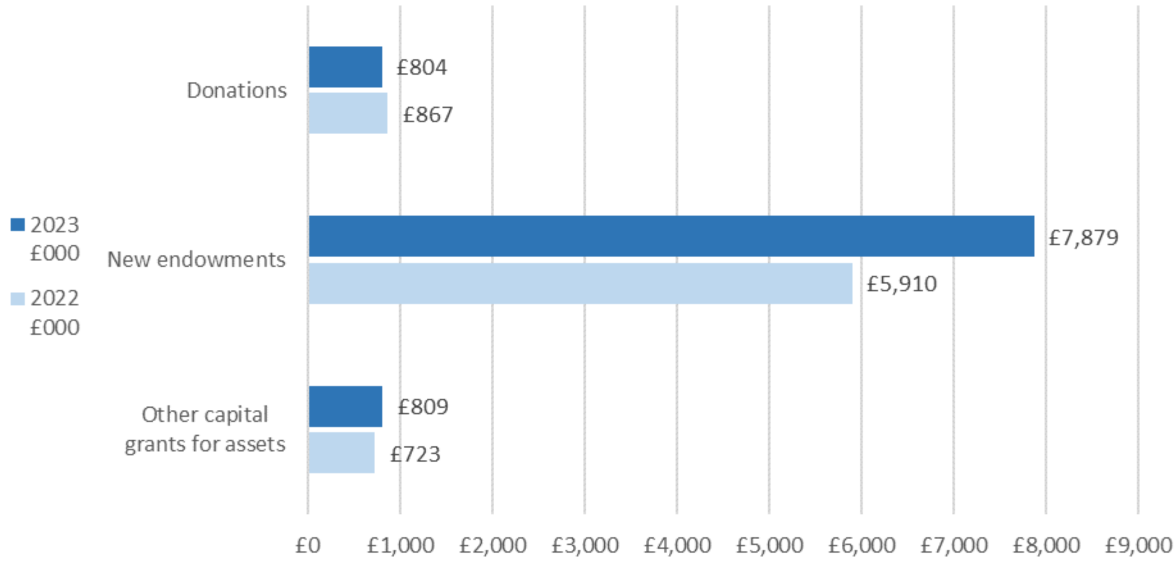
Overall, income before donations and endowments increased from £41.6m in 2022 to £47.1m in 2023. The most significant factors were an increase in investment income, particularly income from securities, and the resumption of commercial catering and conferencing after a period of constrained activity following the pandemic.

Income before donations and endowments represented 83.2% of income in 2023, a slight reduction from 84.7% in 2022, due to the increase in Endowment donations in 2023.

Development and Fundraising

College fundraising is focused on the support of a number of activities across the College: teaching and research; student support, including bursaries and scholarships and outreach and access; the maintenance and development of the fabric of the estate; co-curricular activities including sport, music and the arts; general purposes, and an annual fund.

Income from donations and new endowments represented 16.8% of total income (15.3% in the previous year).



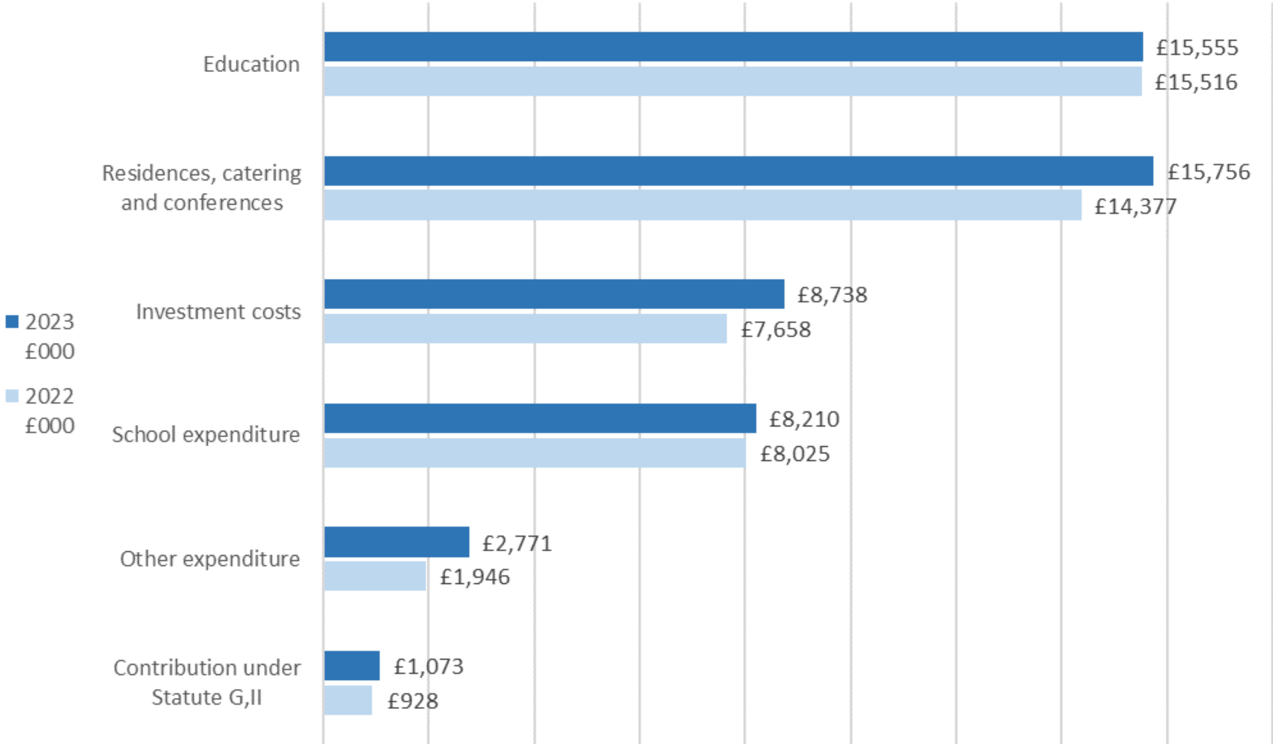
Total donations increased from £7.5m in 2022 to £9.5m in 2023, driven by an increase in Endowment donations, particularly for the Christopher Dobson Free Places scheme. Current Use donations and grants for capital assets were broadly in line with the previous year.

St John's College is committed to best practice in relation to all fundraising activities, which are carried out by an in-house Development team who are subject to the scrutiny of the Development Committee and College Council. During this financial year, a Commercial Participator made a donation to the College in relation to the sale of an artwork in October. The College did not engage with any other third parties to carry out fundraising activities on its behalf during the year and in-house fundraisers employed directly by St John's College have carried out all fundraising. During the year, the College has carried out face-to-face fundraising meetings and a variety of digital and postal direct marketing appeals.

The College is registered with the Fundraising Regulator and has set up internal protocols and procedures to adhere to the Code of Fundraising Practice as a set of guiding principles to ensure fundraising is legal, open, honest and respectful. This national code of practice includes rules governing consent, data sharing, data protection and privacy relating to all electronic and print communications. Within this framework the College is fully compliant with GDPR and PECR regulations. Face to face meetings with donors and potential donors are conducted only with the prior consent of the individual. A series of guidelines, in line with the recommendations as set out in the Fundraising Regulator's Code of Fundraising Practice, has been adopted to protect vulnerable people and to guard against intrusion on a person's privacy. Unreasonably persistent behaviour by fundraisers or undue pressure on a person to give money or other property is neither tolerated nor encouraged. For instance the College will not knowingly accept a donation if we know, or have good reason to believe, that a person lacks capacity to make a decision to donate, or is in vulnerable circumstances which mean they may not be able to make an informed decision. Training is provided to all new staff and our guidelines are continually reviewed and kept in line with the guidance set out by the Fundraising Regulator. Our complaints procedure is available to view on our website. The College received no formal complaints in the financial year 1 July 2022 to 30 June 2023.

Expenditure

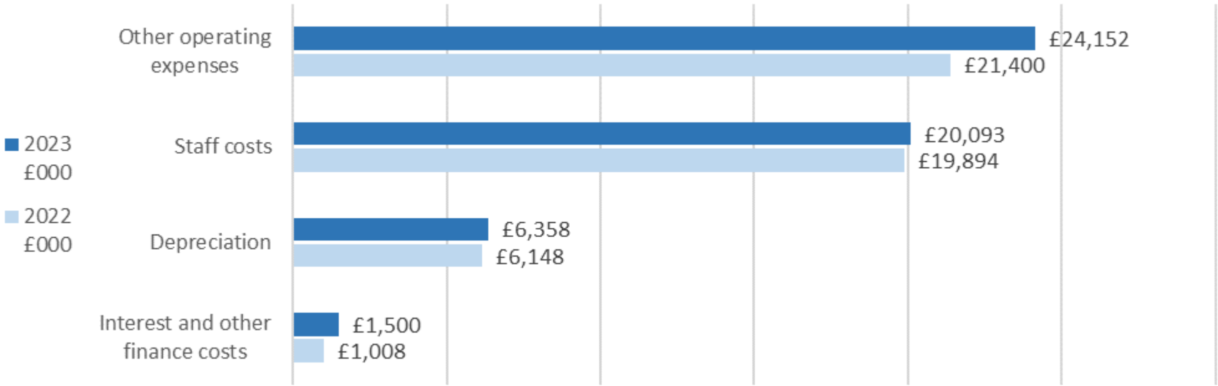
The main areas of expenditure for the College and a description of key changes are set out below:



Residences, catering and conferences costs rose by £1.4m due to a combination of increased activity and significant rises in food and energy costs compared to the previous year. Within Investment costs, there was an increase in property management costs, following a reduction in 2022 compared to the previous year. Other expenditure included a one-off charge of £0.5m for loss on disposal of fixed assets.

The Contribution under Statute G,II is an intercollegiate taxation charge which is contributed to the Colleges Fund, which makes grants to colleges with inadequate endowments.

The expenditure for each of the activities described above is made up of staff costs, other operating expenses, depreciation, and interest and other finance costs, as follows:



The increase in Other Operating Expenses was driven by high inflation, particularly in utilities and food costs, and an increase in expenditure on maintenance of the College estate. Staff Costs and Depreciation both showed a small increase on the prior year, and interest increased as a result of a higher rate of interest on the College's floating-rate borrowing.

Results on the distribution basis

The College manages all its long-term investments on a total return basis and determines, through a spending rule, a prudent distribution each year. However, whilst accounting standards permit permanent endowment funds to be accounted for on a total return basis, they do not allow expendable funds to be accounted for on that basis. Since the College invests its funds classified as expendable endowments and reserves, as well as its permanent endowment funds, on a total return basis, the Consolidated Statement of Comprehensive Income and Expenditure of the College does not therefore reflect all of the distribution determined under the College's spending rule, from expendable endowments and general reserves.

The College has therefore adopted the approach of providing additional information following the Consolidated Statement of Comprehensive Income and Expenditure to show what the income and deficit of the Group would have been had income in the Consolidated Statement of Comprehensive Income & Expenditure instead been based on this "distribution basis" i.e. reflecting the full distribution from expendable endowments and general reserves. The summary results set out below are on the distribution basis, as the College considers that this more appropriately reflects its financial performance.

The College's Consolidated Statement of Comprehensive Income and Expenditure on the distribution basis for the years ended 30 June 2023 and 2022 are summarised below:

	2023 £'000	2022 £'000	Change £'000	% change
Income before donations and endowments on a distribution basis	49,107	43,955	5,152	11.7%
Donations and endowments	9,492	7,500	1,992	26.6%
Total income on a distribution basis	58,599	51,455	7,144	13.9%
Expenditure before depreciation	45,745	42,302	3,443	8.1%
Operating surplus before depreciation	12,854	9,153	3,701	40.4%
Depreciation	6,358	6,148	210	3.4%
Surplus before other gains and losses	6,496	3,005	3,491	116.1%
Deficit before other gains and losses excluding new endowments and capital grants	*(2,192)*	*(3,628)*	*1,436*	*(39.6%)*

A reconciliation of total income on the distribution basis to total income recorded in the Consolidated Statement of Comprehensive Income and Expenditure is included at note 3g.

Capital Expenditure

The Group incurred capital expenditure on tangible fixed assets during the year amounting to £9.9m, compared to a prior year figure of £7.4m. Expenditure in 2022-23 included £3.2m to complete the major refurbishment of catering facilities which opened in February 2023, £2.5m on work to convert buildings on the West side of the College site into a new Porters' Lodge and administration building, £0.7m on refurbishments of existing student accommodation, £1.2m on planning and design for a new post-graduate accommodation campus to be constructed close to the College ready for occupation in 2025, and further investment in IT infrastructure.

Balance sheet

Consolidated net assets stood at £986.2m at 30 June 2023, up £12.5m (1.3%) on the prior year. The increase was caused by the £10.2m surplus for the year and a £2.1m actuarial reduction in pension deficit liabilities.

Reserves

At 30 June 2023, the unrestricted income and expenditure reserve stood at £258.1m, up £1.9m (0.7%) on the prior year. There were no movements in the year other than the surplus for the year, and actuarial gain on the College's defined benefit pension schemes shown within Other Comprehensive Income. The revaluation reserve increased by £0.1m to £8.9m following the revaluation of an operational property which was transferred to investments during the year.

Restricted and endowment reserves increased by £10.5m (1.5%) compared to the prior year; within restricted reserves the balance of funds held for current use reduced by £0.6m to £1.5m, donations for capital grants increased by £0.6m to £1.3m, and expendable restricted endowments increased from £41.9m to £43.7m. The endowment reserve increased by £8.6m (1.3%) to £672.7m, of which £145.9m (2022: £136.1m) is held in permanent endowment funds with restricted purposes, and £526.8m (2022: £527.9m) in permanent unrestricted endowment funds. The reduction in the balance of permanent unrestricted endowment funds is due to the fall in property valuations during the year.

Total funds as at 30 June 2023 were £986.2m, up £12.5m (1.3%) on the prior year.

Endowment and Investment Performance

The College has a pool of capital invested for the long-term to support the charitable activities of the College by providing a reliable source of funding for the College's operations in perpetuity. This is known as the College's 'Endowment' though it includes assets other than the investments as set out in note 9, and does not include those investments held principally for operational purposes.

The investment objective of the Endowment is to produce the highest total return consistent with the preservation of long-term capital value in real terms (such that the College itself can fulfil its charitable objectives in perpetuity and be even handed between the interests of present and future beneficiaries), an acceptable degree of risk and the maintenance of appropriate liquidity.

The total value of the Endowment was £768.3m at 30 June 2023, up £11.2m (1.5%) from its value at 30 June 2022. The increase was due to endowment donations received and gains on investments in securities, offset by a drop in valuation of investment properties.

The assets and liabilities of the Endowment fall under a number of headings in the accounts, with the following breakdown:

	2023 £'000	2022 £'000	Change £'000	% change
Investments	691,505	694,834	(3,329)	(0.5%)
Tangible fixed assets	36	44	(8)	(18.2%)
Stock	185	96	89	92.7%
Trade and other receivables	9,309	12,526	(3,217)	(25.7%)
Cash and cash equivalents	74,929	59,291	15,638	26.4%
Sub-total assets	**775,964**	**766,791**	**9,173**	1.2%
Creditors falling due within one year	(7,694)	(9,713)	2,019	(20.8%)
Creditors falling due after more than one year	-	-	-	-
Total	**768,270**	**757,078**	**11,192**	1.5%

The College is exposed to foreign exchange risk on the investments it holds in foreign currencies. The College's policy is not normally to enter into forward foreign exchange contracts to offset exposure to foreign exchange movements in respect of these investments, and none was outstanding at June 2023 or June 2022.

The College operates a policy concerning Environmental, Social and Governance factors relating to Endowment Investments. Under the terms of that policy and having regard to the requirements of charity law to maximise returns, the College seeks to ensure that investments are not made in companies whose practices are in conflict with the charitable purposes of the College or are likely to alienate the members or benefactors of the College. The College also monitors and engages with investment managers on their ESG policies and practices.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks the College must address are the long-term ability to maintain and develop its educational and research activities, to attract the best staff and students, and to maintain and renew its physical facilities.

The key financial uncertainties and risks, and the measures taken to manage them, are:

- The long-term impact of the changed student financing and fee model on College fee income: The College monitors the real value of fees for each type of student, and the diversification of the student body between different types of students reduces the possible impact of a significant adverse change in one area of fees or funding;
- The costs of future student financial support: The College has developed a long-term funding strategy for student financial support, and is actively fundraising to support this, including through the establishment of permanent endowment funds to guarantee the availability of funding in the future;
- The impact of high inflation, particularly in light of the fact that regulated fees for home undergraduate students are currently fixed in nominal terms: The College monitors its expenditure and adjusts its activities where possible to mitigate the effects of high inflation, and has launched a project to review its procurement practices, in part to assist in achieving efficiency improvements and costs savings;
- The impact of higher interest rates: the College borrows through a combination of long-term fixed-rate debt, the cost of which is unaffected by rising interest rates, and a floating rate revolving credit facility, the interest rate on which increases with rising market rates. The interest cost of floating rate debt is mitigated by efficient treasury management to ensure the revolving credit facility is only drawn when needed;
- Movements in investment markets reducing the real value of the Endowment: The College's Investments Committee, with advice from an Investment Consultant, regularly reviews actual and projected returns and monitors the asset allocation within the Endowment to ensure adequate diversification of investments. The target spending rate is set at a prudent level to preserve the purchasing power of the Endowment in real terms, and the

spending rule is designed to protect the College from a sudden fall in income should there be a material fall in the markets by the application of a cap and floor on the annual distribution;

- Unexpected building maintenance expenditure: The condition of the estate is monitored through condition surveys, the incidence of complaints or accidents, and the level of interest in booking facilities, and a maintenance and refurbishment programme is in place with the appropriate resources to maintain the College's estate;
- The climate crisis: The College has announced its target to reduce greenhouse gas emissions to net zero before 2050 and to achieve a steep reduction by 2030, and is developing an ambitious programme of work to achieve this across both operational and investment properties, and has committed to divest from all meaningful indirect investments in fossil fuel companies by 2030. These developments will have significant financial implications for the College; and
- The long-term cost of defined benefit pension provision: The College participates in several defined benefit pension schemes, and estimates future cost of contributions through review of the scheme actuarial valuations and Pension Trustee communications. The College has taken steps to reduce exposure to rising employer contributions in the largest scheme, through closing the scheme to new entrants and adjusting contributions to ensure a more equitable split between employer and employee contributions, and is making deficit reduction payments into each of the schemes.

The College monitors and manages risks more widely through the internal control processes outlined in the Statement of Internal Control below.

RESPONSIBILITIES OF THE COLLEGE COUNCIL

In accordance with the College's Statutes, the Council is responsible for the administration of the Group's and College's affairs.

The Council 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice: Accounting for Further and Higher Education.

The College's Statutes and the Statutes and Ordinances of the University of Cambridge require the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the College and of the surplus or deficit of the Group for that period. In preparing these financial statements the Council 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 a going concern basis unless it is inappropriate to presume that the Group and College will continue in operation.

The College has prepared a detailed budget covering the period to 30 June 2026. The Trustees have concluded that the Endowment distribution under the spending rule (explained on page 21), together with £50m undrawn headroom (at 30 June 2023) on the revolving credit facility which is in place to May 2028, provide sufficient assurance that the College will be able to continue to meet its commitments. Accordingly, the trustees believe the College's financial resources are sufficient to ensure there are no material uncertainties around its ability to continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements, and have therefore prepared the financial statements on the going concern basis.

The Council is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the College and 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 Group and the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council 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.

STATEMENT OF INTERNAL CONTROL

The Council 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 Council 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 30 June 2023 and up to the date of approval of the financial statements.

The Council is responsible for reviewing the effectiveness of the system of internal control. The following processes have been established:

The Council has nineteen regular meetings each year and gives consideration to the major risks to which the College and its subsidiary undertakings are exposed and satisfies itself that systems or procedures are established in order to manage those risks.

Key controls used by the College include:
- Formal agendas for all Committee and Council activity;
- Clear terms of reference for all committees;
- Strategic planning, budgeting, management accounting and cash flow forecasting;
- Established organisational structure and lines of reporting;
- Formal written policies in key areas such as health and safety and child protection; and
- Authorisation and approval levels.

The College conducts a formal risk-management process through maintenance and review of a risk register. The relevant individuals in the College are charged with responsibility for evaluating the risks within their areas of responsibility and advising on the nature of the risk, the probability of occurrence and severity of impact, as well as steps taken to mitigate the risk. Through the risk register, the College seeks to identify and manage risks. However, the nature of the College's activities is such that the College is faced with a large number of risks, not all of which can be mitigated.

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

OUTLOOK

Whilst the College is fortunate in being a relatively well-endowed college, its commitments and role in the University are commensurately significant and the College has experienced, and will continue to face, a number of significant financial challenges many of which are common to the University and other Cambridge colleges. The College continues to focus on our core priorities, which include the need to raise endowment funds to underpin student support, to cope with increased cost of pension provision, to manage the cost of maintaining and refurbishing the College buildings, to steward the Endowment through potentially difficult financial markets, and to take meaningful action to address the climate crisis.

The College seeks to respond to these financial challenges by focusing on efficient financial management and endeavouring to manage its resources to best effect. However, if it is to be able to sustain and develop the activities that are critical to its mission and achieve its full potential, it is clear that the College will need to continue to raise additional funds over the coming years.

On behalf of the College Council

Heather Hancock	Chris Ewbank
Master	Senior Bursar

16 November 2023

INDEPENDENT AUDITORS' REPORT TO THE GOVERNING BODY OF ST JOHN'S COLLEGE

We have audited the financial statements of the St John's College ('the charity') and its subsidiaries ('the group') for the year ended 30 June 2023 which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Consolidated and College balance sheets, the Consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 30 June 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011; and
- the contribution due from the College to the University has been correctly 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.

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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charity's or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement, the trustees 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 trustees 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 trustees are responsible for assessing the group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act together with the Statement of Recommended Practice for Further and Higher Education (SORP) 2019, Recommended Cambridge College Accounts (RCCA) disclosures, taxation legislation and general data protection 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 charity's and group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing surrounding recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's members 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 23 November 2023

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under 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, with regard to 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 2019.

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.

The College's activities and financial position, together with the factors likely to affect its future development, performance and position, are set out in the Trustees' Report which forms part of this Annual Report. The College has prepared a detailed budget covering the period to 30 June 2026. The Trustees have concluded that the Endowment distribution under the spending rule (explained on page 21), together with £50m undrawn headroom (at 30 June 2023) on the revolving credit facility which is in place to May 2028, provide sufficient assurance that the College will be able to continue to meet its commitments. Accordingly, the trustees believe the College's financial resources are sufficient to ensure there are no material uncertainties around its ability to continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements, and have therefore prepared the financial statements on the going concern basis.

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 undertakings. Details of the subsidiary undertakings included are set out in note 28. Intra-group balances are eliminated on consolidation. The consolidated Financial Statements do not include the activities of student societies as these are separate bodies in which the College has no financial interest and because these are viewed as autonomous activities.

Associated companies and joint ventures are accounted for using the equity method.

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

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

Pension Benefits

FRS 102 makes the distinction between a Group Plan and a multi-employer scheme. The College has reviewed all the pension schemes in which it participates, and is satisfied that only the schemes provided by Universities

Superannuation Scheme and Church of England meet the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plans in existence at the date of approving the accounts.

Classification of property

The College determines whether a property is classified as investment property.

Investment property comprises land and buildings that are not occupied substantially for use by or in the operations of the College, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants.

ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The College based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the College. Such changes are reflected in the assumptions when they occur.

Revaluation of Investment Properties

The College carries its investment property at fair value, with changes in fair value being recognised in profit or loss. The College engaged independent valuation specialists to determine fair value at 30 June 2023. The valuers determined the open market value using the desktop valuation method. The determined fair value of the investment property is most sensitive to the estimated yield as well as the long term vacancy rate.

Valuation of non-quoted investments

The College carries its non-quoted investments at fair value based on the most recent valuations provided by independent fund managers, with changes in fair value being recognised in profit or loss.

Pension liabilities

The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 26.

As the College is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2020 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2038. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in note 26.

RECOGNITION OF INCOME

Academic Fees

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

Cambridge Bursary Scheme

In 2022-23, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). As a consequence, 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 £248k is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Other Academic Income	£349k
Expenditure	£597k

Rental Income

Rental income is recognised on an accruals basis according to the terms of the lease.

Donations and Benefactions

Charitable donations are recognised on receipt or when the College is entitled to the income and the value can be measured reliably. The accounting treatment of a donation depends on the nature and extent of restrictions specified by the donor. In the absence of specific instructions from the donor the Council considers the donor's correspondence and association with the College together with the size of the sum involved when determining the accounting treatment. Donations are recognised as income in the Consolidated Statement of Comprehensive Income and Expenditure. Donations which are to be retained for the future benefit of the College, and other donations with substantially restricted purposes, are retained within endowments or restricted reserves until such time that they are utilised in line with such restrictions.

Legacies are recognised when the College is entitled to the funds, when receipt is probable and when amounts can be measured reliably which is the earlier of probate being granted or final estate accounts being received when it becomes probable that a distribution will be made to the College. Where entitlement is demonstrated, the College only recognises income to the extent that future distributions can be measured reliably. For residual legacies this means that the value of future distributions is estimated based on available evidence in the year. These estimates are regularly reviewed and updated as required.

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

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

- Restricted donations – the donor has specified that the donation must be used for a particular objective, and it is not to be invested for the longer term;
- Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income;
- Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective; and
- 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.

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

Endowment and Investment Income

All investment income and change in value of investment assets is recorded in the Consolidated Statement of Comprehensive Income and Expenditure in the period in which it arises and as either restricted or unrestricted income according to the terms of the individual endowment fund.

For endowment income from permanent endowments, the College applies either a total return or a standard method of accounting for fund investment returns, depending on the nature of the fund, as set out below:

For permanent funds where the level of distributable reserves has not yet reached at least 20% of original capital, the standard method accounting policy is applied and the investment income shown in the Consolidated Statement of Comprehensive Income and Expenditure is the actual income earned in the year. Any excess of income over qualifying expenditure is retained within the endowment reserve until such time that they are utilised in line with any applicable restrictions, at which point the income is released through the transfer of endowment return shown within income in the Consolidated Statement of Comprehensive Income and Expenditure.

For permanent funds where the level of distributable reserves has reached at least 20% of original capital, a total return accounting policy is applied. A proportion of the related earnings and capital appreciation is shown as a transfer within the Consolidated Statement of Comprehensive Income and Expenditure in accordance with the total return concept, with any excess remaining in the endowment fund. For permanent endowment funds with restricted purposes, the sum transferred in the Statement of Comprehensive Income and Expenditure is limited to the qualifying expenditure incurred in the year. The surplus or deficiency of total return, after deducting the annual Endowment transfer, is carried forward as unapplied total return.

Under the total return method, the Endowment transfer is determined by a spending rule which is designed to provide stable annual spending levels and to preserve the real value of the endowment portfolio over time. The spending rule adopted by the College is a ‘Constant Growth with Cap and Floor’ rule under which the transfer from the Endowment for a particular year is the previous year’s transfer increased by CPI + 1.0% subject to a minimum payout of 2.5% and a maximum payout of 3.5% of a trailing 3 year average Endowment value. The target spending rate is 3.0%, which reflects long-run expected real returns given the College’s asset allocation and long-run expected College inflation. However, the actual spending rate in any year will depend on the results of the spending rule and will therefore vary from the 3.0% target rate. The spending rule provides for the transfer to be adjusted to reflect additions to the Endowment through donations. The College first adopted the Total Return approach to accounting for permanent funds in the year ended 30 June 2008. The breakdown of endowment funds between original capital and unapplied total return is shown in note 16.

Accommodation, catering and conferences income

Income received in relation to the supply of accommodation and catering and conferences income is recognised in the period in which the related goods or services are delivered.

Other Income

Income is received from a range of activities including choir engagements and alumni events and other services rendered. Income is recognised in the period in which the related goods or services are delivered.

Grant income

Grant income is 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.

INVESTMENT COSTS

Investment costs, associated predominantly with the management of the College's property and securities portfolios and its investment subsidiaries, are included in the Consolidated Statement of Comprehensive Income and Expenditure in the year to which they relate.

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 related forward foreign-exchange contracts, at contract rates. The resulting exchange differences are dealt with in the determination of comprehensive income and expenditure for the financial year.

TANGIBLE FIXED ASSETS

Land and Buildings

Land and buildings are stated at valuation on the basis of depreciated replacement cost. The valuation as at 30 June 2004 was carried out by Carter Jonas LLP, Chartered Surveyors. This valuation will not be updated and will be carried forward as the gross value to be depreciated over its expected useful economic life. It is not possible to quantify the difference between depreciation based on historic cost and depreciation based on this valuation because records of the historic cost of land and buildings were not required to be kept under the accounting regime applicable to Colleges within the University of Cambridge prior to 2004.

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 valuations, are capitalised to the extent that they increase the expected future benefits to the College, and depreciated over the period of such expected future benefits.

Freehold land is not shown separately. Freehold buildings are depreciated on a straight-line basis over their expected useful economic lives of 50 years. Freehold land is not depreciated as it is considered to have an indefinite useful life.

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.

Land held specifically for development, investment and subsequent sale is included in investment assets at fair value.

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

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

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

Maintenance of Premises

The College has a five-year rolling maintenance plan which is reviewed on an annual basis. The cost of routine maintenance is charged to expense within the Consolidated Statement of Comprehensive Income and Expenditure as it is incurred. The cost of major refurbishment and maintenance which restores value is capitalised when the project valuation is above the capitalisation threshold of £20,000. Expenditure capitalised is depreciated on a straight-line basis over the expected useful economic life.

Equipment

Furniture, fittings and equipment costing less than £20,000 per individual item or group of related items are written off in the year of acquisition. All other assets are capitalised at cost and depreciated on a straight-line basis over their expected useful life as follows:

Furniture and equipment:	Plant and machinery	(long life)	10-20 years
	Plant and machinery	(short life)	5 years
	Motor vehicles		5 years
	Furniture and soft furnishings		5 years
Computer equipment:	Computer network and equipment		5 years

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

Leased Assets

Leases in which the College assumes substantially all the risks and rewards of ownership of the leased assets are classified as finance leases. Leased assets acquired by way of finance leases are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less impairment losses. Lease payments are accounted for as described below.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

Heritage Assets

The College holds and conserves a number of collections, exhibits, artefacts and other assets of historical, artistic or scientific importance. Heritage assets acquired before 1 July 2007 have not been capitalised since reliable estimates of cost or value are not available on a cost benefit basis, and the volume of items and valuation issues (e.g. age, origin, veracity) mean that it is neither practical nor beneficial to identify and value them. Acquisitions since 1 July 2007 and valued at over £20k are capitalised and recognised in the Balance Sheet at cost or, in the case of donated assets, at valuation on receipt where such a cost or valuation is reasonably obtainable. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

Operational assets are those that the College uses in the course of meeting its charitable purposes of education, religion, learning, and research. Once an asset has been classified as an operational asset it is not reclassified as a heritage asset.

INVESTMENTS

Investments are included in the Consolidated 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. Investments for which no fair value is readily obtainable are carried at historical cost less any provision for impairment in their value.

Realised and unrealised capital gains and losses are recognised as increases or decreases of fair value of investment assets as appropriate within the Consolidated Statement of Income and Expenditure.

INVESTMENT PROPERTY

Investment property is land and buildings held for rental income or capital appreciation rather than for use in delivering services.

The investment property portfolio is measured initially at cost and subsequently at fair value with movements recognised in the Surplus or Deficit. Investment properties are not depreciated but are revalued or reviewed annually at open market value (using the desktop valuation method) by the College's principal property advisers, Savills (L&P) Limited, with the exception of certain residential long leasehold properties which are valued by Carter Jonas LLP.

Due to the length of ownership of many of the investment properties, realised capital gains cannot be recognised with reference to historic cost.

STOCKS

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

PROVISIONS

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

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

FINANCIAL INSTRUMENTS

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

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

Financial assets

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

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

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

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

Financial Liabilities

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

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. 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 1137428). It is therefore 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 categories covered by section 478-488 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 exclusively to charitable purposes.

The College receives no similar exemption in respect of Value Added Tax.

The College's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation. Due to the structure of the group, all taxable profits made by its subsidiaries are donated to the College on an annual basis under the terms of members' resolutions.

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. The 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.

PENSION COSTS

The College and its subsidiary undertakings participate in a number of pension schemes of both defined-benefit and defined-contribution types.

Cambridge Colleges Federated Pension Scheme

The College contributes to the Cambridge Colleges Federated Pension Scheme ("CCFPS"), which is a defined-benefit pension scheme. Unlike the other defined-benefit schemes (as noted below), the scheme is a federated scheme, and the College is able to identify its share of the underlying assets and liabilities.

Amounts charged to operating expenditure are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past-service costs are recognised immediately in the Consolidated Statement of Comprehensive Income and Expenditure if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits to interest. Remeasurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts in net interest on the net defined benefit liability) are recognised immediately within Other Comprehensive Income in the Consolidated Statement of Comprehensive Income and Expenditure.

The scheme is funded, with the assets of the scheme held separately from those of the College, in separate trustee administered unitised funds. The scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined-benefit liability forms part of the net pension liability presented after other net assets on the face of the Balance Sheet.

Universities Superannuation Scheme

The College participates in Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The 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 profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Church of England Funded Pension Scheme

The College participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Employer and the other participating employers.

Each participating employer in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pension costs charged to the Consolidated Statement of Comprehensive Income and Expenditure in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions. The College recognises a liability for the present value of agreed deficit contributions payable.

Defined-Contribution Pension Schemes

The College and its subsidiaries also contribute to a number of defined-contribution pension schemes. For defined-contribution schemes the amount charged to the Consolidated Statement of Comprehensive Income and Expenditure in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Consolidated Balance Sheet.

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.

FUNDS AND RESERVES

The RCCA format requires the College to distinguish between Endowments, Restricted Reserves and Unrestricted Reserves.

Endowments

Where the College receives donations that are to be held in perpetuity, these are credited to endowment funds. Endowment funds are subdivided into:

> Restricted endowments: where the College can spend the income from the fund on expenditure that meets the fund's objectives.
>
> Unrestricted endowments: where the College can spend the income from the fund on any activity of the College.

Restricted Reserves

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.

Unrestricted Reserves

Funds that are neither Endowments nor Restricted Reserves are classed as unrestricted reserves. The College's unrestricted reserves are identified under the following two headings:

> Revaluation Reserve, relating to the unrealised gains on the revaluation of tangible fixed assets; and
>
> Unrestricted Income and Expenditure Reserve, relating to all other reserves not included above.

Corporate Capital

The College’s unrestricted funds include the College’s Corporate Capital, which has certain features of a permanent unrestricted endowment (in that the majority is invested in perpetuity to provide an income to support the College’s charitable activities) and certain features of a permanent reserve (in that it is established practice that Cambridge Colleges can borrow against their Corporate Capital to invest in operational property). Corporate Capital is predominantly invested in the College’s Endowment, but a portion is invested in operational assets. The exact split between these two components varies over time. The portion of the College’s Corporate Capital that is invested in the Endowment is included in permanent unrestricted endowments, while the portion that is invested in operational assets is included in the unrestricted income and expenditure reserve, and any movement during the year is represented by a reserves transfer.

ST JOHN'S COLLEGE SCHOOL

On 10 September 2021, the activities of the School were transferred into a company limited by guarantee, St John's College School, Cambridge which is a separately registered charity. The College is the sole member of the company and the School Governors are the directors and the charity trustees. Further information on the transfer can be found in note 27.

Consolidated Statement of Comprehensive Income and Expenditure

Year ended 30 June	Note	Unrestricted £000	Restricted £000	Endowment £000	2023 Total £000	Unrestricted £000	Restricted £000	Endowment £000	2022 Total £000
Income									
Academic fees and charges	1	5,103	-	-	5,103	4,902	-	-	4,902
Accommodation, catering and conferences	2	7,375	-	-	7,375	5,974	-	-	5,974
School income		8,367	-	-	8,367	7,851	-	-	7,851
Investment income	3d	383	286	25,480	26,149	56	15	22,499	22,570
Endowment return transferred		14,419	2,656	(17,075)	-	12,956	2,267	(15,223)	-
Other income		123	-	-	123	306	-	-	306
Total income before donations and endowments		35,770	2,942	8,405	47,117	32,045	2,282	7,276	41,603
Donations		189	615	-	804	234	633	-	867
New endowments		-	1,004	6,875	7,879	-	63	5,847	5,910
Other capital grants for assets		-	809	-	809	-	723	-	723
Total income from donations and new endowments		189	2,428	6,875	9,492	234	1,419	5,847	7,500
Total income		**35,959**	**5,370**	**15,280**	**56,609**	**32,279**	**3,701**	**13,123**	**49,103**
Expenditure									
Education	4	11,102	4,453	-	15,555	11,278	4,238	-	15,516
Accommodation, catering and conferences	5	15,657	99	-	15,756	14,290	87	-	14,377
School expenditure		8,153	57	-	8,210	7,840	185	-	8,025
Other expenditure		2,616	155	-	2,771	1,805	141	-	1,946
Investment costs	3c	209	174	8,355	8,738	197	163	7,298	7,658
Contribution under Statute G,II		859	214	-	1,073	690	238	-	928
Total expenditure	6a/b	**38,596**	**5,152**	**8,355**	**52,103**	**36,100**	**5,052**	**7,298**	**48,450**
(Deficit)/surplus before other gains and losses		**(2,637)**	**218**	**6,925**	**4,506**	**(3,821)**	**(1,351)**	**5,825**	**653**
Deficit before other gains and losses excluding new endowments & capital grants		*(2,637)*	*(1,595)*	*50*	*(4,182)*	*(3,821)*	*(2,137)*	*(22)*	*(5,980)*
Gain/(loss) on investments	3e	2,219	1,798	1,720	5,737	3,670	2,731	52,136	58,537
Surplus/(deficit) for the year		**(418)**	**2,016**	**8,645**	**10,243**	**(151)**	**1,380**	**57,961**	**59,190**
Other comprehensive income									
Unrealised surplus on revaluation of fixed assets		137	-	-	137	-	-	-	-
Actuarial gain/(loss) in respect of pension schemes	15	2,110	-	-	2,110	9,561	-	-	9,561
Total comprehensive income for the year		**1,829**	**2,016**	**8,645**	**12,490**	**9,410**	**1,380**	**57,961**	**68,751**

Summary Consolidated Statement of Comprehensive Income and Expenditure

Year ended 30 June	Note	2023 Total £000	2022 Total £000
Income			
Academic fees and charges	1	5,103	4,902
Residences, catering and conferences	2	7,375	5,974
School Income		8,367	7,851
Investment income	3d	26,149	22,570
Other income		123	306
Total income before donations and endowments		47,117	41,603
Donations		804	867
New endowments		7,879	5,910
Other capital grants for assets		809	723
Total income from donations and new endowments		9,492	7,500
Total income		**56,609**	**49,103**
Expenditure			
Education	4	15,555	15,516
Residences, catering and conferences	5	15,756	14,377
School expenditure		8,210	8,025
Other expenditure		2,771	1,946
Investment costs	3c	8,738	7,658
Contribution under Statute G,II		1,073	928
Total expenditure	6a/b	**52,103**	**48,450**
Surplus before other gains and losses		4,506	653
Deficit before other gains and losses excluding new endowments & capital grants		*(4,182)*	*(5,980)*
Gain on investments	3e	5,737	58,537
Surplus for the year		**10,243**	**59,190**
Other comprehensive income			
Unrealised surplus on revaluation of fixed assets		137	-
Actuarial gain in in respect of pension schemes	15	2,110	9,561
Total comprehensive income for the year		**12,490**	**68,751**

Additional information:

Total income and deficit before other gains and losses excluding new endowments & capital grants as stated above do not include the element of endowment fund distributions funded out of long-term capital growth for funds that are classified as expendable endowments or general reserves. The corresponding figures including this element are:

		2023 £000	2022 £000
Total income on a distribution basis (as defined on Page 10 of the Trustees' Report)	3g	58,599	51,455
Deficit before other gains and losses excluding new endowments & capital grants on a distribution basis		(2,192)	(3,628)

Statement of Changes in Reserves

Consolidated

	Note	Income and expenditure reserve			Revaluation	
		Unrestricted	Restricted	Endowment	reserve	Total
		£000	£000	£000	£000	£000
Balance at 1 July 2022		256,207	44,691	664,041	8,724	973,663
Surplus for the year		(418)	2,016	8,645	-	10,243
Other comprehensive income		2,110			137	2,247
Transfers between reserves		190	(190)	-	-	-
Balance at 30 June 2023		**258,089**	**46,517**	**672,686**	**8,861**	**986,153**

	Income and expenditure reserve			Revaluation	
	Unrestricted	Restricted	Endowment	reserve	Total
	£000	£000	£000	£000	£000
Balance at 1 July 2021	246,528	43,580	606,080	8,724	904,912
Deficit for the year	(151)	1,380	57,961	-	59,190
Other comprehensive income	9,561	-	-	-	9,561
Transfers between reserves	269	(269)	-	-	-
Balance at 30 June 2022	**256,207**	**44,691**	**664,041**	**8,724**	**973,663**

College

	Income and expenditure reserve			Revaluation	
	Unrestricted	Restricted	Endowment	reserve	Total
	£000	£000	£000	£000	£000
Balance at 1 July 2022	250,736	44,233	663,318	8,724	967,011
Surplus for the year	(643)	2,052	8,626	-	10,035
Other comprehensive income	2,110	-	-	137	2,247
Transfers between reserves	190	(190)	-	-	-
Balance at 30 June 2023	**252,393**	**46,095**	**671,944**	**8,861**	**979,293**

	Note	Income and expenditure reserve			Revaluation	
		Unrestricted	Restricted	Endowment	reserve	Total
		£000	£000	£000	£000	£000
Balance at 1 July 2021		246,494	43,580	605,758	8,724	904,556
Surplus for the year excluding transfer to St John's College School		(1,702)	1,536	58,476	-	58,310
Transfer to St John's College School	28	(3,886)	(614)	(916)	-	(5,416)
Surplus for the year		(5,588)	922	57,560	-	52,894
Other comprehensive income		9,561	-	-	-	9,561
Transfers between reserves		269	(269)	-	-	-
Balance at 30 June 2022		**250,736**	**44,233**	**663,318**	**8,724**	**967,011**

Consolidated Balance Sheet

As at 30 June	Note	2023 £'000	2022 £'000
Non-current Assets			
Tangible fixed assets	8	247,400	246,158
Heritage assets		559	559
Investments	9	696,207	699,549
Total non-current assets		**944,166**	**946,266**
Current Assets			
Stock	10	718	631
Trade and other receivables	11	9,593	13,609
Cash and cash equivalents	12	70,146	62,292
Total current assets		**80,457**	**76,532**
Current Liabilities			
Creditors: amounts falling due within one year	13	(13,706)	(21,120)
Net current assets		**66,751**	**55,412**
Total assets less current liabilities		1,010,917	1,001,678
Creditors: amounts falling due after more than one year	14	(14,329)	(15,172)
Net assets excluding pension liability		996,588	986,506
Net pension liability	15	(10,435)	(12,843)
Net assets including pension liability		**986,153**	**973,663**
Restricted reserves			
Income and expenditure reserve – endowment reserve	16	672,686	664,041
Income and expenditure reserve – restricted reserve	17	46,517	44,691
		719,203	708,732
Unrestricted Reserves			
Income and expenditure reserve – unrestricted		258,089	256,207
Revaluation reserve		8,861	8,724
		266,950	264,931
Total Reserves		**986,153**	**973,663**

These Financial Statements were approved by the College Council and authorised for issue on 16th November 2023 and signed on their behalf by:

Heather Hancock
Master

Chris Ewbank
Senior Bursar

The notes numbered 1 to 28 form part of these Financial Statements

College Balance Sheet

As at 30 June	Note	2023 £'000	2022 £'000
Non-current Assets			
Tangible fixed assets	8	240,209	238,645
Heritage assets		559	559
Investments	9	701,419	704,761
Total non-current assets		**942,187**	**943,965**
Current Assets			
Stock	10	533	535
Trade and other receivables	11	9,322	15,188
Cash and cash equivalents	12	66,762	57,684
Total current assets		**76,617**	**73,407**
Current Liabilities			
Creditors: amounts falling due within one year	13	(14,747)	(22,346)
Net current assets		**61,870**	**51,061**
Total assets less current liabilities		**1,004,057**	**995,026**
Creditors: amounts falling due after more than one year	14	(14,329)	(15,172)
Net assets excluding pension liability		**989,728**	**979,854**
Net pension liability	15	(10,435)	(12,843)
Net assets including pension liability		**979,293**	**967,011**
Restricted reserves			
Income and expenditure reserve – endowment reserve	16	671,944	663,318
Income and expenditure reserve – restricted reserve	17	46,095	44,233
		718,039	**707,551**
Unrestricted Reserves			
Income and expenditure reserve – unrestricted		252,393	250,736
Revaluation reserve		8,861	8,724
		261,254	**259,460**
Total Reserves		**979,293**	**967,011**

The College recorded a surplus for the financial year of £10,034k (2022: £52,894k) and other comprehensive gains of £2,247k (2022: £9,561k).

These Financial Statements were approved by the College Council and authorised for issue on 16th November 2023 and signed on their behalf by:

Heather Hancock
Master

Chris Ewbank
Senior Bursar

The notes numbered 1 to 28 form part of these Financial Statements

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Consolidated Cash Flow Statement

Year to 30 June	Note	2023 £'000	2022 £'000
Net cash outflow from operating activities	19	(4,865)	(5,976)
Cash flows from investing activities	20	19,529	36,896
Cash flows from financing activities	21	(6,810)	(16,307)
Increase in cash and cash equivalents in the year		7,854	14,613
Cash and cash equivalents at beginning of the year		62,292	47,679
Cash and cash equivalents at end of the year	12	**70,146**	**62,292**

The notes numbered 1 to 28 form part of these Financial Statements

Notes to the Financial Statements

1. ACADEMIC FEES AND CHARGES

		2023 £'000	2022 £'000
College Fees			
Fee income paid on behalf of undergraduates at the regulated undergraduate fee rate (per capita fee £4,625/£4,500 (2022: £4,625/£4,500))		2,534	2,582
Unregulated undergraduate fee income (per capita fee £10,470 (2022: £9,975))		763	756
Fee income received at the Postgraduate fee rate (per capita fee £4,761 (2022: £4,475))		1,326	1,070
		4,623	4,408
Other Educational income		480	494
Total		**5,103**	**4,902**

2. ACCOMMODATION, CATERING AND CONFERENCES INCOME

	2023 £'000	2022 £'000
Accommodation:		
College Members	5,664	5,113
Conferences	202	-
Catering:		
College Members	1,071	712
Conferences	438	149
Total	**7,375**	**5,974**

3. ENDOWMENT RETURN AND INVESTMENT INCOME

3a ANALYSIS OF INCOME

		2023 £'000	2022 £'000
Income from:			
Property		15,915	14,018
Securities		2,485	40
Cash		50	17
St John's Innovation Centre Limited		1,772	1,566
Aquila Investments Limited		564	501
Lomas Developments Limited		23	1
Total		**20,809**	**16,143**
Income allocated to:			
Permanent funds accounted for on a Total Return basis	3d	20,049	16,069
Permanent funds accounted for on a Standard Income basis		91	3
Expendable funds		669	71
Total		**20,809**	**16,143**

3b ANALYSIS OF GAINS ON INVESTMENTS

		2023 £'000	2022 £'000
Capital gains from:			
Property		(4,989)	42,358
Securities		18,447	18,419
	9	13,458	60,777
Gains on cash and cash equivalents		(2,381)	4,187
		11,077	**64,964**

3.	ENDOWMENT RETURN AND INVESTMENT INCOME (continued)		2023 £'000	2022 £'000
	Capital gains allocated to:			
	Permanent funds accounted for on a Total Return basis	3f	6,771	58,209
	Permanent funds accounted for on a Standard Income basis		289	354
	Expendable funds		4,017	6,401
			11,077	**64,964**

3c	ANALYSIS OF INVESTMENT COSTS		2023 £'000	2022 £'000
	Investment property portfolio costs		4,887	4,001
	Trading costs of St John's Innovation Centre Limited		1,803	1,631
	Trading costs of Aquila Investments Limited		144	266
	Trading costs of Lomas Development Limited		23	12
	Investment consultant, custodian/reporting and cash management fees		181	188
	Securities portfolio management fees		1,541	1,428
	Other securities portfolio operating costs		159	132
	Total		**8,738**	**7,658**
	Costs allocated to:			
	Permanent funds accounted for on a Total Return basis	3d	8,318	7,276
	Permanent funds accounted for on a Standard Income basis		37	22
	Expendable funds		383	360
	Total		**8,738**	**7,658**

3d	RECONCILIATION OF INVESTMENT INCOME INCLUDED IN THE STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE		2023 £'000	2022 £'000
	Investment income allocated to permanent funds accounted for on a total return basis	3a	20,049	16,069
	Less: investment costs allocated to permanent funds accounted for on a total return basis	3c	(8,318)	(7,276)
	"Net investment income" allocated to permanent funds accounted for on a total return basis		**11,731**	**8,793**
	Total return on permanent funds accounted for on a total return basis transferred to income and expenditure		17,071	15,220
	Less: "Net investment income" allocated to permanent funds accounted for on a total return basis		(11,731)	(8,793)
	Endowment drawdown from Unapplied Total Return to be added to Investment Income		5,340	6,427
	Plus: Investment Income	3a	20,809	16,143
	Total Investment Income included in the Consolidated Statement of Comprehensive Income and Expenditure		**26,149**	**22,570**

3e	RECONCILIATION OF GAINS ON INVESTMENTS INCLUDED IN THE STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE		2023 £'000	2022 £'000
	Total capital gains on investments	3b	11,077	64,964
	Less: Endowment drawdown from Unapplied Total Return added to Investment Income	3d	(5,340)	(6,427)
	Gains on investments for year included within Statement of Comprehensive Income and Expenditure		**5,737**	**58,537**

3. ENDOWMENT RETURN AND INVESTMENT INCOME (continued)

3f SUMMARY OF TOTAL RETURN OF PERMANENT FUNDS ACCOUNTED FOR ON A TOTAL RETURN BASIS

		2023 £'000	2022 £'000
Allocated investment income	3a	20,049	16,069
Apportioned gains on investments	3b	6,771	58,209
Allocated investment costs	3c	(8,318)	(7,276)
Total return for year		18,502	67,002
Total return transferred to income and expenditure reserve		(17,071)	(15,220)
Unapplied total return for year included within Statement of Comprehensive Income and Expenditure	**18**	**1,431**	**51,782**

3g RECONCILIATION OF INCOME ON THE DISTRIBUTION BASIS TO INCOME INCLUDED IN THE STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

	2023 £'000	2022 £'000
Total Income included in the Consolidated Statement of Comprehensive Income and Expenditure on a Total Return basis	56,609	49,103
Transfer to income of total return from expendable endowments and general reserves	1,990	2,352
Total Income on the distribution basis	**58,599**	**51,455**

4. EDUCATION EXPENDITURE

	2023 £'000	2022 £'000
Teaching	5,655	5,515
Tutorial	2,427	2,190
Admissions	909	825
Research	1,956	2,083
Scholarships and awards	4,057	4,374
Other educational facilities	551	529
Total	**15,555**	**15,516**

5. ACCOMMODATION, CATERING AND CONFERENCES EXPENDITURE

	2023 £'000	2022 £'000
Accommodation:		
College Members	11,513	10,930
Conferences	119	-
Catering:		
College Members	3,804	3,298
Conferences	320	149
Total	**15,756**	**14,377**

6. ANALYSIS OF EXPENDITURE BY ACTIVITY

6a 2023 Expenditure

	Note	Staff Costs (note 7) £'000	Other Operating Expenses £'000	Depreciation (note 8) £'000	Interest and other finance costs £'000	2023 Total £'000
Education	4	6,745	7,238	1,296	276	15,555
Residences, catering and conferences	5	5,734	4,370	4,658	994	15,756
School		5,227	2,404	396	183	8,210
Other		1,048	1,723	-	-	2,771
Investment costs	3c	1,339	7,344	8	47	8,738
Contribution under Statute G, II		-	1,073	-	-	1,073
Total expenditure		**20,093**	**24,152**	**6,358**	**1,500**	**52,103**

Expenditure includes fundraising costs of £717k.

6b 2022 Expenditure

	Note	Staff Costs (note 7) £'000	Other Operating Expenses £'000	Depreciation (note 8) £'000	Interest and other finance costs £'000	2022 Total £'000
Education	4	6,944	7,159	1,250	163	**15,516**
Residences, catering and conferences	5	5,841	3,457	4,494	585	**14,377**
School		5,033	2,413	396	183	**8,025**
Other		867	1,079	-	-	**1,946**
Investment costs	3c	1,209	6,364	8	77	**7,658**
Contribution under Statute G, II		-	928	-	-	**928**
Total expenditure		**19,894**	**21,400**	**6,148**	**1,008**	**48,450**

Expenditure includes fundraising costs of £631k.

6c Auditors' remuneration

	2023 £'000	2022 £'000
Other operating expenses include:		
Audit fees payable to the College's external auditor		
For the audit of the College	69	60
For the audit of subsidiary companies	48	41
Other advisory fees payable to the College's external auditor	14	23
Total fees payable to the College's external auditor	**131**	**124**

Amounts stated above include unrecoverable VAT

7. STAFF COSTS

Staff Costs	College Fellows £'000	Other Academic £'000	Non-Academic £'000	2023 Total £'000	2022 Total £'000
Salaries	2,449	481	13,233	16,163	15,387
National insurance	284	31	1,307	1,622	1,464
Pension costs	298	40	1,970	2,308	3,043
Total	**3,031**	**552**	**16,510**	**20,093**	**19,894**

In addition to the costs shown above, the College paid £299k (2022: £231k) in the year for staff medical cover.

Staff Numbers	College Fellows	Other Academic	Non-Academic	2023 Total	2022 Total
Stipendiary Fellows	105	-	-	105	97
Average staff numbers (full-time equivalents)	-	12	363	375	361
Total	**105**	**12**	**363**	**480**	**458**

	2023 Number	2022 Number
The Governing Body of the College, comprising all Fellows, at 30 June was	152	157

Average staff numbers (full-time equivalents) include 121 (2022: 114) School staff and 22 (2022: 22) staff employed by the St John's Innovation Centre.

The number of employees of the College and its subsidiary undertakings who received remuneration in excess of £100,000 were as follows:

	2023 number	2022 number
Between £100,000 and £110,000	1	2
Between £110,001 and £120,000	-	2
Between £120,001 and £130,000	2	2
Between £130,001 and £140,000	1	1
Between £140,001 and £150,000	2	3
Between £150,001 and £160,000	3	1
Between £160,001 and £170,000	-	-
Between £170,001 and £180,000	-	-
Between £180,001 and £190,000	-	-
Between £190,001 and £200,000	-	-
Between £200,001 and £210,000	1	1

Remuneration includes salary and employer's pension contributions for current service, plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements. Remuneration does not include employer's pension deficit reduction contributions, which are paid to reduce the deficit in a pension scheme as a whole and do not relate to individual employees, or employer's National Insurance contributions.

This is a departure from the RCCA, which includes employer's National Insurance contributions in remuneration. The Trustees believe that the disclosure above more accurately represents the remuneration employees receive in exchange for their services than the disclosure required by the RCCA, which reflects the cost of employment but not remuneration.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and comprise the College Council. The Trustees of the College are its key management personnel. The remuneration of Trustees is disclosed in note 27.

8. TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £'000	Furniture and equipment £'000	Computer equipment £'000	2023 Total £'000	2022 Total £'000
Cost/Valuation					
At beginning of year	324,121	3,842	3,288	331,251	325,023
Additions at cost	9,639	38	269	9,946	7,364
Revaluation	80	-	-	80	-
Disposals at cost	(483)	-	(376)	(859)	(1,161)
Transfer (to)/from investments	(2,000)	-	-	(2,000)	25
At end of year	331,357	3,880	3,181	338,418	331,251
Depreciation					
At beginning of year	79,608	3,357	2,128	85,093	80,076
Charge for the year	5,685	147	526	6,358	6,148
Revaluation	(57)	-	-	(57)	-
Eliminated on disposals	-	-	(376)	(376)	(1,131)
At end of year	85,236	3,504	2,278	91,018	85,093
Net Book value At end of year	**246,121**	**376**	**903**	**247,400**	**246,158**
At beginning of year	244,513	485	1,160	246,158	244,947

Included in the cost of freehold land and buildings, are assets under the course of construction to the value of £5,401k (2022: £8,373k).

College	Freehold land and buildings £'000	Furniture and equipment £'000	Computer equipment £'000	2023 Total £'000	2022 Total £'000
Cost/Valuation					
At beginning of year	315,010	3,232	2,674	320,916	325,223
Additions at cost	9,631	18	225	9,874	7,147
Revaluation	80	-	-	80	-
Disposals at cost	(483)	-	(376)	(859)	(1,162)
Transfers to School	-	-	-	-	(10,317)
Transfers (to)/from investments	(2,000)	-	-	(2,000)	25
At end of year	322,238	3,250	2,523	328,011	320,916
Depreciation					
At beginning of year	77,503	2,952	1,816	82,271	80,026
Charge for the year	5,481	88	395	5,964	5,815
Revaluations	(57)	-	-	(57)	-
Eliminated on disposals	-	-	(376)	(376)	(1,128)
Eliminated on Transfers to School	-	-	-	-	(2,442)
At end of year	82,927	3,040	1,835	87,802	82,271
Net Book Value At end of year	**239,311**	**210**	**688**	**240,209**	**238,645**
At beginning of year	237,507	280	858	238,645	245,197

Freehold land and buildings comprise the operational buildings and site of the College. Included in the cost of freehold land and buildings, are assets under the course of construction to the value of £5,401 (2022: £8,373k).

Included in transfers in 2022 are fixed assets transferred from the College to St John's College School, Cambridge, with cost of £10,317k and accumulated depreciation of £2,442k.

The insured value of freehold buildings as at 30 June 2023 was £380,247k (2022: £335,879k).

The cost to the College of freehold buildings includes the surplus of £400k on past sales of buildings to the College recorded in the accounts of Aquila Investments Limited, a subsidiary undertaking, which is eliminated from the cost to the group on consolidation.

Heritage Assets

The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance. As stated in the statement of principal accounting policies, heritage assets acquired since 1 July 2007 have been capitalised. However, the majority of assets held in the College's collections were acquired prior to this date. As reliable estimates of cost or valuation are not available for these on a cost-benefit basis, they have not been capitalised. As a result, the total included in the balance sheet is partial.

Heritage assets are books gifted to or purchased by the College. The value of heritage assets acquired by donation during the year was £nil (2022: £nil). Donations of heritage assets valued at £60k were received in the year ended 30 June 2013. During the year, the College purchased Heritage Assets at a cost of £nil (2022: £29k).

9. INVESTMENTS

	Group		College	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Balance at beginning of year	699,549	669,097	704,761	673,808
Additions	48,385	11,475	48,385	11,475
Disposals	(67,185)	(41,775)	(67,185)	(36,775)
Gain	13,458	60,777	13,458	56,278
Transfers to College Operations	2,000	(25)	2,000	(25)
Balance at end of year	**696,207**	**699,549**	**701,419**	**704,761**
Represented by:				
Property	363,520	366,900	363,515	366,895
Securities	332,687	332,649	332,687	332,649
Investments in subsidiary undertakings	-	-	5,217	5,217
	696,207	**699,549**	**701,419**	**704,761**

10. STOCKS

	Group		College	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Goods for resale	711	624	533	535
Other stocks	7	7	-	-
Total stocks	**718**	**631**	**533**	**535**

The Council considers that there is no material difference between the book value of stocks and their replacement cost.

11. TRADE AND OTHER RECEIVABLES

	Group		College	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Amounts due after one year:				
Loans to Waterbeach Development Company LLP	3,195	2,894	-	-
Other trade debtors	1,154	2,592	1,154	2,592
Amounts due within one year:				
Net sums due from members of the College	236	758	236	758
Amounts due from subsidiary undertakings	-	-	4,089	5,561
Other trade debtors	1,141	2,680	856	2,415
Other taxes	103	92	75	77
Prepayments	836	1,064	378	592
Accrued income	2,928	3,529	2,534	3,193
	9,593	**13,609**	**9,322**	**15,188**

12. CASH AND CASH EQUIVALENTS

	Group		College	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Short-term money market deposits	5,466	5,302	5,466	5,302
Current accounts	64,680	56,990	61,296	52,382
Total	**70,146**	**62,292**	**66,762**	**57,684**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		College	
	2023	**2022**	**2023**	**2022**
	£'000	**£'000**	**£'000**	**£'000**
Trade creditors	1,866	2,298	1,673	2,132
Members of the College	83	80	83	80
Amounts due to subsidiary undertakings	-	-	2,334	2,317
Contribution under Statute G,II	1,073	928	1,073	928
Bank loans due within one year	842	5,800	842	5,800
Other creditors	3,922	4,446	3,959	4,379
Other taxation and social security	793	3,299	537	3,089
Accruals and deferred income	5,127	4,269	4,246	3,621
Total	**13,706**	**21,120**	**14,747**	**22,346**

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group and College	
	2023	**2022**
	£'000	**£'000**
Bank loans	14,329	15,172

	Group and College	
	2023	**2022**
Bank loans repayable	**£'000**	**£'000**
Between two and five years	3,837	3,645
After five years	10,492	11,527
Total borrowings	**14,329**	**15,172**

In 2006, the College entered into an unsecured bank loan for £20 million, repayments on this started in the 2016-17 year and the loan has an interest rate fixed at 5.16% until June 2036. In 2018, the College entered into an unsecured revolving credit facility for up to £30 million, of which £5m was drawn down at 30 June 2022, this was shown in bank loans due within one year in 2022 and was repaid in 2023. In 2023 a new unsecured revolving credit facility was entered into for up to £50 million, of which £nil was drawn at 30 June 2023. This facility has a five year term and a floating interest rate.

15. PENSION LIABILITIES (NOTE 26)

	Group and College 2023 £'000	2022 £'000
Balance at beginning of year	12,843	21,991
Movement in year:		
Current service cost including life assurance	1,261	2,187
Changes in plan assumptions	-	-
Contributions	(2,037)	(2,162)
Other finance cost	478	388
Actuarial gain recognised in the Statement of Consolidated Income and Expenditure	(2,110)	(9,561)
Balance at end of year	**10,435**	**12,843**
Balance attributable to:		
Cambridge Colleges' Federated Pension Scheme	8,450	10,165
Universities Superannuation Scheme	1,985	2,676
Church of England Funded Pensions Scheme	-	2
Balance at end of year	**10,435**	**12,843**

16. ENDOWMENTS

Group	Unrestricted Permanent £'000	Restricted Permanent £'000	2023 Total £'000	2022 Total £'000
Balance at beginning of year:				
Capital	164,826	56,694	221,520	215,462
Unapplied Total Return	363,107	79,414	442,521	390,618
	527,933	**136,108**	**664,041**	**606,080**
New endowments received	585	6,290	6,875	5,847
Investment Income	19,193	947	20,140	16,072
Expenditure	(22,213)	(3,217)	(25,430)	(22,521)
Increase in market value of investments	1,304	5,756	7,060	58,563
Balance at end of year	**526,802**	**145,884**	**672,686**	**664,041**
Comprising:				
Capital	165,418	63,316	228,734	221,520
Unapplied Total Return	361,384	82,568	443,952	442,521
	526,802	**145,884**	**672,686**	**664,041**
Analysed by Primary Purpose:				
Chapel/Choir	-	1,920	1,920	1,873
Education	-	11,782	11,782	11,537
Field Sports	-	12,728	12,728	10,236
Library	-	2,268	2,268	2,140
LMBC	-	1,662	1,662	1,626
Research	-	21,557	21,557	20,937
Scholarship/Awards	-	83,274	83,274	77,382
School	-	992	992	949
Other	-	9,701	9,701	9,428
General Endowments	526,802	-	526,802	527,933
Total	**526,802**	**145,884**	**672,686**	**664,041**

16. ENDOWMENTS (continued)

College	Unrestricted Permanent £'000	Restricted Permanent £'000	2023 Total £'000	2022 Total £'000
Balance at beginning of year:				
Capital	164,826	56,285	221,111	215,462
Unapplied Total Return	363,333	78,874	442,207	390,296
	528,159	**135,159**	**663,318**	**605,758**
New endowments received	585	6,291	6,876	5,847
Investment Income	16,884	941	17,825	14,054
Expenditure	(19,881)	(3,211)	(23,092)	(15,453)
Reclassification of funds	-	-	-	(916)
Increase in market value of investments	1,304	5,713	7,017	54,028
Balance at end of year	**527,051**	**144,893**	**671,944**	**663,318**
Comprising:				
Capital	165,418	62,907	228,325	221,111
Unapplied Total Return	361,633	81,986	443,619	442,207
	527,051	**144,893**	**671,944**	**663,318**
Analysed by Primary Purpose:				
Chapel/Choir	-	1,920	1,920	1,873
Education	-	11,782	11,782	11,537
Field Sports	-	12,728	12,728	10,236
Library	-	2,268	2,268	2,140
LMBC	-	1,662	1,662	1,626
Research	-	21,557	21,557	20,937
Scholarship/Awards	-	83,275	83,275	77,382
Other	-	9,701	9,701	9,428
General Endowments	527,051	-	527,051	528,159
Total	**527,051**	**144,893**	**671,944**	**663,318**

17. RESTRICTED RESERVES

Group	Capital Grants £'000	Other Restricted Funds £'000	2023 Total £'000	2022 Total £'000
Balance at beginning of year	703	43,988	44,691	43,580
New grants	809	-	809	723
New donations	-	615	615	633
New endowments	-	1,004	1,004	63
Investment income	-	2,942	2,942	2,282
Capital grants utilised	(190)	-	(190)	(269)
Expenditure funded from restricted funds	-	(5,152)	(5,152)	(5,052)
Gains on investments	-	1,798	1,798	2,731
Reclassification of funds	-	-	-	-
Transfer of Unspent Income to Endowment	-	-	-	-
Balance at end of year	**1,322**	**45,195**	**46,517**	**44,691**
Analysed by Primary Purpose:				
Chapel/Choir	-	4,336	4,336	3,271
Education	-	3,884	3,884	3,803
Library	-	1,730	1,730	1,695
Maintenance	-	1,233	1,233	1,207
Research	-	253	253	246
Scholarship/Awards	-	32,439	32,439	32,556
School	-	422	422	458
Capital expenditure	1,322	-	1,322	703
Other	-	898	898	752
Total	**1,322**	**45,195**	**46,517**	**44,691**

17. RESTRICTED RESERVES (continued)

College	Capital Grants £'000	Other Restricted Funds £'000	2023 Total £'000	2022 Total £'000
Balance at beginning of year	703	43,530	44,233	43,580
New grants	809	-	809	723
New donations	-	615	615	633
New endowments	-	1,004	1,004	63
Investment income	-	2,939	2,939	2,282
Capital grants utilised	(190)	-	(190)	(269)
Expenditure funded from restricted funds	-	(5,093)	(5,093)	(4,872)
Gains on investments	-	1,778	1,778	2,707
Reclassification of funds	-	-	-	(614)
Transfer of Unspent Income to Endowment	-	-	-	-
Balance at end of year	**1,322**	**44,773**	**46,095**	**44,233**
Analysed by Primary Purpose:				
Chapel/Choir	-	4,336	4,336	3,271
Education	-	3,884	3,884	3,803
Library	-	1,730	1,730	1,695
Maintenance	-	1,233	1,233	1,207
Research	-	253	253	246
Scholarship/Awards	-	32,439	32,439	32,556
Capital expenditure	1,322	-	1,322	703
Other	-	898	898	752
Total	**1,322**	**44,773**	**46,095**	**44,233**

18. MEMORANDUM OF UNAPPLIED TOTAL RETURN

Included within endowments, the following amounts represent the Unapplied Total Return of the College's Permanent funds managed on a total return basis:

Group	Note	2023 £'000	2022 £'000
Unapplied Total Return at beginning of year	16	442,521	390,618
Unapplied total return on reclassification of funds		-	-
Opening Unapplied Total Return of funds adopting total return for the first time in the year		-	121
Unapplied Total Return for the year	3f	1,431	51,782
Unapplied Total Return at end of year	16	**443,952**	**442,521**

College	Note	2023 £'000	2022 £'000
Unapplied Total Return at beginning of year	16	442,207	390,296
Unapplied total return on funds transferred to St John's College School		-	(507)
Opening Unapplied Total Return of funds adopting total return for the first time in the year		-	121
Unapplied Total Return for the year		1,412	52,297
Unapplied Total Return at end of year	16	**443,619**	**442,207**

19. RECONCILIATION OF CONSOLIDATED SURPLUS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2023 £'000	2022 £'000
Surplus for the year	10,243	59,190
Adjustment for non-cash items		
Depreciation	6,358	6,148
Endowment drawdown from unapplied total return	(5,340)	(6,427)
Gain on investments	(5,737)	(58,537)
Decrease in operational stocks	2	24
Increase in operational trade and other receivables	527	(104)
Increase/(decrease) in operational creditors	(36)	1,229
Pension costs less contributions payable	(777)	25
Adjustment for investing or financing activities		
Net investment income	(12,071)	(8,485)
Interest and other finance costs payable	1,483	931
Loss on disposal of non-current assets	483	30
Net cash outflow from operating activities	**(4,865)**	**(5,976)**

20. CASH FLOWS FROM INVESTING ACTIVITIES

	2023 £'000	2022 £'000
Proceeds from sales of non-current fixed assets	2,000	(25)
Net investment income	12,071	8,485
Endowment funds disinvested /(invested)	16,800	30,325
Increase in investment working capital	986	1,317
Gains/(losses) on cash and cash equivalents	(2,382)	4,187
Payments made to acquire non-current assets	(9,946)	(7,393)
Total cash flows from investing activities	**19,529**	**36,896**

21. CASH FLOWS FROM FINANCING ACTIVITIES

	2023 £'000	2022 £'000
Interest paid	(1,010)	(547)
Repayments of amounts borrowed	(5,800)	(15,760)
Total cash flows from financing activities	**(6,810)**	**(16,307)**

22. CONSOLIDATED RECONCILIATION AND ANALYSIS OF NET DEBT

	At 1 July 2022 £000	Cash flows £000	Other non-cash movements £'000	Changes in market value and exchange rates £000	At 30 June 2023 £'000
Cash and cash equivalents	62,292	10,235	-	(2,381)	70,146
Borrowings					
Amounts falling due within one year					
Unsecured loans	(800)	-	(42)	-	(842)
Amounts falling due after more than one year					
Unsecured loans	(15,172)	801	42	-	(14,329)
Revolving credit facility	(5,000)	5,000	-	-	-
	(20,172)	5,801	-	-	(14,329)
Net total	**41,320**	**16,036**	**-**	**(2,381)**	**54,975**

23. FINANCIAL INSTRUMENTS

	Group 2023 £'000	Group 2022 £'000	College 2023 £'000	College 2022 £'000
Financial assets				
Financial assets at fair value through Statement of Comprehensive income				
Equity investments	332,687	332,649	332,687	332,649
Financial assets that are debt instruments measured at amortised cost				
Cash and cash equivalents	70,146	62,292	66,762	57,684
Other debtors	8,654	12,453	8,869	14,519
Investments in subsidiary undertakings	-	-	5,217	5,217
	78,800	74,745	80,848	77,420
Financial liabilities				
Financial liabilities measured at amortised cost				
Loans	(15,171)	(20,972)	(15,171)	(20,972)
Trade creditors	(1,866)	(2,298)	(1,673)	(2,132)
Other creditors	(7,766)	(8,256)	(9,674)	(10,146)
	(24,803)	(31,526)	(26,518)	(33,250)

24. CAPITAL COMMITMENTS

Capital commitments at 30 June were as follows:	2023 £'000	2022 £'000
Authorised and contracted	25,804	34,914

25. LEASE COMMITMENTS

Operating Lease Commitments

Total future minimum lease payments under non-cancellable operating leases at 30 June were as follows:	Group 2023 £'000	Group 2022 £'000	College 2023 £'000	College 2022 £'000
Expiring within one year	-	21	-	21
Expiring between two and five years	6	9	-	-
Expiring after five years	-	-	-	-
	6	**30**	**-**	**21**

26. PENSION SCHEMES

The College and its subsidiary undertakings participate in four defined benefit schemes, as well as a number of defined contribution schemes.

Cambridge Colleges' Federated Pension Scheme

The College operates a defined benefit pension plan for the College's employees who are members of the Cambridge Colleges' Federated Pension Scheme.

The liabilities of the plan have been calculated, at 30 June 2023, for the purposes of FRS 102 using a valuation system designed for the Management Committee, acting as Trustee of the Cambridge Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS 102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

The principal actuarial assumptions at the balance sheet date were as follows:

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

*For 1 year only, we have assumed that RPI will be 9% and CPI will be 7% (2022: 11% and 9% respectively). The caps under the Rules are applied to assumed pension increases.

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2022 future improvement factors and a long-term rate of future improvement of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements (2022: S3PA with CMI_2021 future improvement factors and a long-term future improvement rate of 1.25% p.a., a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Male age 65 now has a life expectancy of 21.4 years (previously 21.9 years).
- Female age 65 now has a life expectancy of 23.9 years (previously 24.3 years).
- Male age 45 now and retiring in 20 years has a life expectancy of 22.6 years (previously 23.2 years).
- Female age 45 now and retiring in 20 years has a life expectancy of 25.3 years (previously 25.7 years).

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

	Male	**Female**
Active Members – Option 1 Benefits	64	64
Deferred Members – Option 1 Benefits	63	62

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

26. PENSION SCHEMES (continued)

Employee Benefit Obligations

The amounts recognised in the Balance Sheet as at 30 June are as follows:

	2023 £'000	2022 £'000
Present value of plan liabilities	(40,147)	(46,739)
Market value of plan assets	31,697	36,574
Net defined benefit liability	**(8,450)**	**(10,165)**

The amounts to be recognised in Profit and Loss for the year ended 30 June are as follows:

	2023 £'000	2022 £'000
Current service cost	791	1,607
Administrative cost	67	67
Interest on net defined benefit liability	390	379
Loss on plan changes	-	-
Total	**1,248**	**2,053**

Changes in the present value of the plan liabilities for the year ended 30 June are as follows:

	2023 £'000	2022 £'000
Present value of plan liabilities at beginning of period	46,739	63,094
Current service cost (including Employee contributions)	791	1,607
Employee contributions	275	307
Benefits paid	(1,714)	(1,261)
Interest on plan liabilities	1,763	1,140
Actuarial (gains)/losses	(7,708)	(18,148)
Loss on plan changes	-	-
Present value of plan liabilities at end of period	**40,146**	**46,739**

Changes in fair value of the plan assets for the year ended 30 June are as follows:

	2023 £'000	2022 £'000
Market value of plan assets at beginning of period	36,574	42,144
Contributions paid by the College	1,475	1,593
Employee contributions	275	307
Benefits paid	(1,714)	(1,261)
Administrative expenses paid	(130)	(116)
Interest on plan assets	1,373	762
Return on assets, less interest included in the statement of comprehensive income	(6,156)	(6,855)
Market value of plan assets at end of period	**31,697**	**36,574**
Actual return on plan assets	**(4,783)**	**(6,093)**

The major categories of plan assets as at 30 June are as follows:

	2023	2022
Equities	49%	52%
Bonds and cash	38%	34%
Property	13%	14%
Total	**100%**	**100%**

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

26. PENSIONS SCHEMES (continued)

Analysis of the re-measurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ended 30 June are as follows:

	2023 £'000	2022 £'000
Return on assets, less interest included in Profit and Loss	(6,156)	(6,855)
Expected less actual plan expenses	(63)	(49)
Experience gains and losses arising on plan liabilities	(3,537)	(3,367)
Changes in assumptions underlying the present value of plan liabilities	11,244	21,516
Remeasurement of net defined benefit liability recognised in Other Comprehensive Income	**1,488**	**11,245**

Movements in net defined benefit liability during the year ended 30 June are as follows:

	2023 £'000	2022 £'000
Net defined benefit liability at beginning of the year	(10,165)	(20,950)
Recognised in Statement of Comprehensive Income	(1,248)	(2,053)
Contributions paid by the College	1,475	1,593
Actuarial loss recognised in other comprehensive income	1,488	11,245
Net defined benefit liability at the end of the year	**(8,450)**	**(10,165)**

Funding Policy

Actuarial valuations are carried out every three years on behalf of the Management Committee, acting as the Trustee of the Scheme, by a qualified independent actuary. The actuarial assumptions underlying the funding valuation are different to those adopted under FRS 102.

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

- Annual contributions of not less than £605,600 p.a. payable for the period from 1 July 2021 to 31 March 2030

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

Universities Superannuation Scheme

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2020 (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.

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

26. PENSIONS SCHEMES (continued)

The key financial assumptions used in the 2020 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: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	CIP assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post-retirement: 1.00% p.a.

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

	2020 Valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI_2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

The current life expectancies on retirement at age 65 are:

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

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%, payable until 30 April 2038. The 2022 deficit recovery liability reflects this plan. The provision figures have been produced using the following assumptions:

	2023 % p.a.	2022 % p.a.
Discount rate	5.50	3.31
Pensionable salary growth	2.52	2.92

26. PENSION SCHEMES (continued)

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

	2023	2022
	£'000	£'000
Balance sheet liability at 1 July	2,676	1,037
Deficit contributions paid	(159)	(54)
Interest cost	89	9
Remaining change to the balance sheet liability*	(621)	1,684
Balance sheet liability at 30 June	**1,985**	**2,676**

* Comprises change in agreed deficit recovery plan and change in discount rate between year ends.

The total credit (2022: charge) to the profit and loss account is £136k (2022: £2,198k).
Deficit recovery contributions due within one year for the College are £170k (2022: £171k).

Church of England Funded Pensions Scheme (CEFPS)

The College participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Comprehensive Income in the year are contributions payable towards benefits and expenses accrued in that year (2023: £8k, 2022: £8k), plus the figures highlighted in the table below as being recognised in the Statement of Comprehensive Income, giving a total charge of £6k for 2023 (2022: £8k).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI les 0.8% pre 2030 moving to RPU with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH.;
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% p.a. and an allowance for 2020 date of 0% (i.e. w2020 = 0%)

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

26. PENSION SCHEMES (continued)

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 30 June 2023 is nil. The movement in the balance sheet liability is set out in the table below.

	2023 £'000	2022 £'000
Balance sheet liability at 1 July	2	4
Deficit contribution paid	-	(2)
Interest cost	(1)	-
Remaining change to the balance sheet liability*	(1)	-
Balance sheet liability at 30 June	**-**	**2**

* Comprises change in agreed deficit recovery plan and change in discount rate between year ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

	December 2022 % p.a.	December 2021 % p.a.	December 2020 % p.a.
Discount rate	n/a	0.0	0.2
Price inflation	n/a	n/a	3.1
Increase to total pensionable payroll	n/a	-1.5	1.3

The legal structure of the scheme is such that if another Responsible Body fails, the College could become responsible for paying a share of that Responsible Body's pension liabilities.

27. RELATED PARTY TRANSACTIONS

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

The College maintains a register of interests for all College Council members, and where any member of the College Council has a material interest in a matter of business before the Council they are obliged under the standing orders of the College to declare that fact.

Fellows are remunerated for teaching, research and other duties within the College, Fellows are billed for any private catering. The College also offers Fellows and staff assistance with housing costs on a shared equity basis and has a housing allowance scheme to assist Fellows in the first four years after joining the Fellowship. The remuneration of Fellows is overseen by the Remuneration Committee.

The School provides a discount on school fees to its staff as part of its terms of appointment; where children of Fellows and other staff attend the School, they pay fees on the normal terms.

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

27. RELATED PARTY TRANSACTIONS (continued)

The salaries paid to Trustees in the year, including any salary supplements paid in lieu of employer pension contributions where applicable, are summarised in the table below:

From	To	2023 Number	2022 Number
£0	£10,000	4	5
£10,001	£20,000	3	1
£20,001	£30,000	1	2
£30,001	£40,000	1	2
£40,001	£50,000	1	1
£50,001	£60,000	-	1
£60,001	£70,000	-	1
£70,001	£80,000	1	1
£80,001	£90,000	1	-
£90,001	£100,000	-	1
£100,001	£110,000	-	-
£110,001	£120,000	1	1
£120,001	£130,000	-	-
£130,001	£140,000	1	-
Total		**14**	**16**

Disclosures in 2022 have been updated to exclude other benefits received in addition to salary to be consistent with presentation in the current year and requirements of the RCCA.

The total Trustee salaries in the year were £576,370 (2022: £595,477).

The aggregate amounts of other benefits, employer national insurance contributions and employer current service pension contributions paid or payable during the year are as follows:

	2023 Total £'000	2022 Total £'000
Salaries	576	595
Other taxable benefits	12	11
Employer pension contributions for current service	72	95
Employer National Insurance	67	70
Aggregated key management personnel compensation	727	771

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

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

At 30 June 2023, Aquila Investments Ltd had outstanding unsecured loans of £3,195k (2022: £2,894k) due from Waterbeach Development Company LLP, a joint venture in which it holds a 17.5% share. These comprise a £2,810k (2022: £2,509k) interest-bearing loan which is repayable in 2029, or earlier if certain conditions are met, and may be converted into an increased partnership share, and a £385k (2022: £385k) interest-free loan which is part of funding provided by the members in proportion to their partnership shares, and is repayable in 2029 or earlier. The interest-free loan must be repaid before any repayments of convertible loans or any discretionary distributions to members are made.

On 10 September 2021, the activities of the School were transferred into a company limited by guarantee, St John's College School, Cambridge which is a separately registered charity. The College is the sole member of the company and the School Governors are the directors and the charity trustees. The net assets of the School, including restricted and endowment funds with restricted purposes for the School, were also transferred to the School on 10 September 2021. The fair value of the assets transferred was £5,416k and this was recorded as expenditure in the College Statement of Comprehensive Income. Consideration received from the School was £nil.

28. SUBSIDIARY UNDERTAKINGS AND JOINT VENTURES

Subsidiaries

The College's principal direct and indirect subsidiary and dormant subsidiary undertakings at 30 June 2023 and 30 June 2022 are set out below.

Subsidiary	Activity	Holding	%
St John's Enterprises Limited	The provision of conference facilities and tourism administration at St John's College, Cambridge.	2 ordinary shares of £1 each	100%
Aquila Investments Limited	Property development and farming.	74,805,020 ordinary shares of 1p each	100%
St John's Innovation Centre Limited	The management of St John's Innovation Centre on behalf of the College, and the provision of advice and guidance to early-stage knowledge-based businesses in the Cambridge sub-region.	113,429 ordinary shares of £1 each	100%
Lomas Developments Limited	Property development.	5,000,004 ordinary shares of 10p each	100%
St John's College Development Limited	Dormant	820,004 ordinary shares of 50p each	100%
Aquivar Management Services Limited	Dormant	100 ordinary shares of £1 each	100%
SJCS International Limited	Leasing of intellectual property	1 ordinary share of £1 each	100%
St John's College School, Cambridge	Primary Education	Sole member of company limited by guarantee	100%

Joint Ventures

The College's principal direct and indirect trading joint venture undertakings at 30 June 2023 and 30 June 2022 are set out below.

Joint venture	Activity	Country of Incorporation	% Holding
Waterbeach Development Company LLP	Property development	United Kingdom	17.5%
Parlington LLP (incorporated 24 April 2023)	Investment Property Management	United Kingdom	50%