



CHRIST'S COLLEGE CAMBRIDGE

Annual report of the Trustees
and Accounts prepared under the
Statement of Recommended Practice:
Accounting and Reporting by Charities (SORP 2005),
for the year ended 30 June 2007

CHRIST'S COLLEGE
ANNUAL REPORT OF THE TRUSTEES
YEAR ENDED 30 JUNE 2007

Structure, Governance and Management

The College Council presents its report and financial statements for the year ended 30 June 2007.

Governing Document

Christ's College is a self-governing corporate body, established by royal charter. It is an exempt charity, with its registered office at St Andrew's Street, Cambridge CB2 3BU.

Appointment of Trustees

After careful consideration and legal advice, the Governing Body has concluded that, for the purposes of charity law, the members of the College Council shall be deemed to be the Trustees of the College. The Council consists of the Master, the Senior Tutor and Bursar, ex officio, and ten members elected from the membership of the Governing Body. Each elected member is elected to serve for a period of two years and may be re-elected for two further terms of two years each, after which they become ineligible for election to the Council until twelve months has elapsed since the end of their last period of service. If an elected member resigns from the Council an election to the casual vacancy is made as soon as possible, for the remainder of the term of the original appointment. The procedures for elections are laid down in the College's Statutes and Ordinances.

Appointment of the members of the Governing Body

The membership of the Governing Body comprises the Master, Fellows and five co-opted student members elected by the student body. Fellows are appointed in accordance with the College's Statutes, by the Council or Governing Body (depending on the nature of the appointment), to undertake undergraduate teaching, to carry out research, or, in certain cases, to administrative offices. Many of the teaching Fellows also hold University appointments in Cambridge. Four of the co-opted student members are elected from among the undergraduates and one from among the graduate students. The co-opted student members serve for one year. The Governing Body normally meets six times a year.

Lists of those who served during the year as members of the Council, the Governing Body and the College's principal advisers are contained in Appendix A.

Professor Malcolm Bowie F.B.A retired as Master on 14 November 2006 and became a Life Fellow. Professor Bowie died on 28 January 2007.

Professor Frank Kelly F.R.S was elected Master from 14 December 2006.

Induction and Training of the members of the Governing Body

On appointment each new Fellow and co-opted member is given a copy of the College's Statutes and Ordinances.

Organisational Structure

The Council is responsible for the management of the estates, income, expenditure and educational business of the College, in accordance with the directions and subject to the limitations laid down in the College Statutes. The Estates Committee and the Investments Committee meet regularly with and receive reports from professional advisers and advise the Council on estates and securities investments respectively. The Financial Control Committee advises the Council on the annual budget, monitors income and expenditure during the year, and reviews the annual report and accounts before presentation to Council and the Governing Body. The responsibilities of the principal officers of the College are laid down in the College's Statutes and Ordinances. The Master is responsible overall for the work of the College. The Bursar is its chief administrative and financial officer. The Senior Tutor is responsible for the oversight of its educational work. The Domestic Bursar is responsible for its operational buildings, residential accommodation, catering facilities and support staff. The Development Director is responsible for alumni relations and fund-raising.

Christ's College Enterprises Limited, which is involved in property development, donates its profits to the College, to be used in its charitable activities. Christ's College (Buildings) Limited, which had been dormant, was dissolved in August 2007, after the end of the financial year.

Transactions with members of the Council and Governing Body

A number of the members of the Council and Governing Body hold office or employment with the College and receive remuneration in respect of the services they provided. Stipends, salaries and fees for these services are determined on the advice of a Stipends and Fees Committee. The total amount paid to members of the Council and Governing Body in the year ended 30 June 2007, including pension contributions, was £0.80m (2006: £0.87m).

Risk Management

The Council has identified the major risks to which the College might be exposed. It has established policies and procedures to manage those risks.

Objectives and Activities

Objects

The objectives for which the College was established are the promotion of education, religion, learning and research.

Aims

The primary aim of the College, as an independent foundation within a collegiate university, is the provision of education leading to degrees awarded by the University of Cambridge. The 500-year-old site contains much that is uniquely important in the nation's architectural heritage. The College maintains these ancient buildings and gardens, which are the its main operational assets, and allows public access to the gardens at most times of year.

Within the collegiate university, the College's role (in common with the other colleges) is to select and admit its own undergraduates, to provide advice about programmes of study, to arrange small-group teaching, to provide pastoral care and to monitor each individual student's progress. Ancillary to this role, the College provides a chapel with a full-time Chaplain, a library, residential accommodation, catering and recreational facilities.

The College participates in outreach activities, in conjunction specifically with two other colleges and with the University and colleges generally, to encourage applications from able candidates from all backgrounds and schools. Graduate students are selected by faculties and departments in the University before being admitted to the College. The University provides lecture courses, library and laboratory facilities, and is responsible for examinations and the award of degrees.

The benefits afforded by collegiate life in the Cambridge system are the interactions that are fostered within a relatively small but diverse community, academically across disciplines and socially, between students and Fellows (who are often leading scholars or researchers in their field); a high proportion of students live in or close by the College, take meals in College and participate in College clubs, societies, and sporting activities; some Fellows are resident in College and many are present in College during the day in term time, to teach, to participate in College business, or because that is their base to carry out research. The drop out rate among the College's undergraduates is extremely low, compared to the national average. This is attributed to the care taken in the selection of undergraduates for admission, the provision of pastoral care, the attention paid to teaching in small groups, the steps taken to monitor each individual student's progress, and to the financial support available through bursaries, in cases of hardship. The college also offers studentships for undergraduates and postgraduates and grants towards travel and research expenses for academic purposes. The possibility, within limits, for undergraduates to change their subject of study from year to year is a further beneficial factor.

Although the academic progress of students reading for higher degrees is primarily the responsibility of the faculty or department of the University in which they work, the College provides considerable support for these students, through pastoral care, residential accommodation in College flats or houses, the opportunity to

participate in social and sporting activities and to interact with the Fellows in a range of disciplines, and financial support, in cases of hardship.

Objectives for the year

The academic objectives, which remain essentially unchanged from year to year, were:

- to meet the target number for Home undergraduate admissions agreed collectively with the University and other undergraduate colleges. Christ's target number in 2006-07 was 108;
- to take all reasonable steps to ensure that no undergraduate leaves before graduating, by reason of academic failure or financial hardship;
- to be in the first quartile in the Baxter league table of University examinations (Tripos results);
- to admit the number of new graduate students for whom the College could offer residential accommodation, while achieving a balance between the different subjects;
- to appoint two Junior Research Fellows in open competition;
- to appoint Junior Research Fellows in subject areas supported by restricted funds, as vacancies occur.

For budgetary and management purposes, the key financial objective is the figure for net incoming resources on general funds. The budget for the year ended 30 June 2007 showed a deficit on general funds of £87k* after transfers but before any pensions adjustments arising from FRS17 (*£1k = £1000). This forecast was based on conservative assumptions, because there were a number of major uncertainties when the budget was prepared. The main uncertainties were in property income, where there was a significant risk of voids or rent free periods on new leases, in energy prices (which had risen sharply), and additional accommodation costs arising as a result of an on-going refurbishment project. Designated and restricted funds normally show a surplus (excluding capital receipts included in voluntary income); in the case of designated funds, the surplus arises because of timing differences between the receipt of income and expenditure being incurred; and, in the case of restricted funds, because the income from certain funds cannot be fully utilised within the terms laid down when these funds were given to the College.

The objectives for Estates and Investments were

- to finalise the contract for the internal refurbishment of the College's Lasdun building;
- to prepare a plan and finalise a contract for the refurbishment of the College's Kitchens, last refurbished over 40 years ago;
- to achieve income from the securities portfolio of £1,293k;
- to complete the purchases of two new investment properties, to complete the re-investment of funds from the sale of properties in previous years;
- to minimise loss of rent on the investment properties from voids or rent free periods.

Scholarships and awards

The College provides access bursaries, awarded on the assessment of financial need, for over 30% of non-overseas undergraduates and over 100 scholarships and prizes, awarded on performance in University examinations. The College also makes provision for student activities in sport, music, drama, the visual arts and other non-academic areas.

Achievements and Performance

Academic

The College has long been recognised for the outstanding academic results achieved by its students. In June 2007 the College was placed second (2006: eighth) among the Cambridge colleges in the Baxter league table of University examinations (Tripos) results. No undergraduate student withdrew permanently on academic grounds during the year (2006: none). Considerable effort is put into encouraging applications from potential undergraduate students from schools of all types in the United Kingdom and overseas, and assessing those who have the greatest claim to a place on the basis of academic achievement and potential.

The Governing Body elected two new research fellows in open competition during the year (2006: two) and three (2006: one) to named Fellowships in restricted subject areas (Lloyd, Rouse and Roth). Research fellowships, for which there is strong competition, are intended to give young research workers who have shown outstanding promise an opportunity to continue their research as the first step towards developing an

academic career. The tenure of a research fellowship is limited to four years. During the year one research fellow resigned to take up an appointment elsewhere.

Two non-stipendiary Fellows, supported respectively by the J B and Millicent Kaye Fund and the Sackler Fund, were admitted to their Fellowships during the year. It is a condition of each fellowship that the holder continues to be employed as a post-doctoral worker in the University of Cambridge.

During the year one College Teaching Officer (CTO) left to take up an appointment elsewhere and three new appointments of CTOs were made. CTOs are required to undertake research, in addition to their teaching commitments. Two new appointments to College Lectureships were made, of recently-appointed University Lecturers.

The full time equivalent numbers of undergraduate and graduate students in residence and registered with the University were:

	2006-7	2005-6
Undergraduates	414.67	416.67
Postgraduates	74.00	68.60

Currently, around 15% of undergraduates and 25% of graduate students come from non-EU countries.

Benefactions and Donations (Voluntary Income)

The College continued to make progress with its appeal, launched in 2002. The objectives of the appeal are to extend the financial support the College is able to give to students, through bursary schemes; to endow more teaching fellowships; to enhance sporting, musical and artistic opportunities for students; and to add to the Endowment of the College. The fund-raising target for the year was £2 million. Benefactions and donations to capital received during the year were £1,556k (2006: £1,416k). At 30 June 2007 the balance on the Appeal was £12,801k (2006: £10,746k). The difference between actual receipts and the movement on the appeal is explained by timing differences in the cash flow.

During the year a new Development Board was constituted, to support the work of the Development Office. The Board comprises five alumni, the Master and three Fellows. To assist the Board, the College formulated a strategic plan setting out key objectives for the future.

Estates and Investments

The total return in the year to 30 June 2007 on the pool of investments was 11.9% (2006: 13.6%). The estimated total return on the commercial property portfolio in the year to 30 June 2007 was 16.1%, net of expenses (2006: 25.6 %).

The income from the securities portfolio was £1,278k.

The refurbishment of the College rooms backing onto Christ's Lane was completed during the year, in readiness for re-occupation as student rooms from October 2007. Work continued on the redevelopment of the adjacent Bradwells Court (now renamed Christ's Lane), in which the College has a freehold interest. The development is due for occupation from the autumn of 2007.

The purchases of office buildings at Redditch and at Ashby de la Zouch were completed during the year, to complete the re-investment of the proceeds from the sale of two investment properties in the previous year.

External Factors

The College operates within policies and strategies determined by the University and, as appropriate, the colleges collectively, for example in matters of admissions targets, transfer from the University of the college fee in respect of publicly-funded UK undergraduates, the provision of courses and curriculum.

Financial Review

Financial

The College continues to prepare accounts under Schedule D of the University Statute G III as at 1 October 2002. The format of these accounts has changed little since it was devised in 1926 and is difficult for today's reader to interpret. In addition, the statutory accounts do not include a balance sheet showing the overall financial position of the College. The College has not yet opted to prepare accounts in accordance with the new statutory format (Recommended Cambridge College Accounts, or RCCA), which was introduced for accounting years ending on or after 30 June 2004. As an alternative voluntary measure, the College has decided to prepare accounts under the Statement of Recommended Practice: Accounting and Reporting by Charities 2005, issued by the Charity Commissioners (the Charities SORP).

The attached accounts were prepared under the Charities SORP 2005. In the year ended 30 June 2007, the College's incoming resources were £10,072k (2006: £8,709k). Outgoing resources were £8,400k (2006: £6,702k). Net incoming resources for the year, before transfers, but including additions to capital from voluntary income, trading income and other income were £1,672k (2006: £2,007k). As can be seen from the accounts, the College relies heavily on investment income in order to undertake its charitable activities.

Progress was maintained towards achieving a sustainable annual surplus on General Funds sufficiently great to resume making an annual transfer to the sinking funds which have been established in previous years to repay capital borrowed from Endowment for building projects. There was a surplus for the year on general funds before transfers between funds of £466k (2006: £201k). The improvement against budget was due to several factors, the main ones being: higher income from investments (property and deposit income), lower expenditure than was budgeted, more expenditure being charged to designated and restricted funds. Most of the variances arose because of more favourable outcomes on a number of key assumptions contained in the budget. Excluding voluntary income, which comprised bequests and donations to capital, the surpluses for the year on designated and restricted funds were £20k and £238k respectively (2006: £29k and £238k).

At 30 June 2007 the College's net assets were £91,318k, a net increase of £9,480k over the value at 30 June 2006 (£81,838k).

Reserves Policy

The improvement in the level of reserves (the balance on General Funds), noted in last year's report of the Governing Body, was maintained. At 30 June 2007 the balance, net of pension fund liabilities, was £305k (2006: £(485)k). The balance is still at the lower end of the desirable level of reserves, assessed as being in the range of £500k to £1,000k, required to act as a buffer against likely fluctuations from year to year in net incoming or outgoing resources. This level of reserves represents around one to two months of normal recurrent expenditure. The balance on General Funds is expected to fall significantly in the next financial year, due to the exceptional expenditures associated with the two major refurbishment projects. In the following financial year, the Council expects the reserves to begin to recover, although not to the level seen at 30 June 2007.

Designated funds

In principle, the designated funds are treated as though they were restricted funds; income is used to meet expenditure on the purposes for which the funds were established, which, in some cases were set by external donors. In some years and for some funds, timing differences result in income not being spent in full. Although capital of the designated funds may be spent, it is College policy not to do so, in order that the real value of the income of the funds is maintained in future years, enabling on-going support of the activities for which the funds were designated.

Investment Policy

The College's overall investment policy is to invest approximately 50% of its capital in property and 50% in securities. The direct property investments are expected to provide a steady and growing income with a higher yield, net of expenses, than could be obtained from other forms of investment. However, it is not considered appropriate to set a target for this income stream year by year, because of the uncertainty arising from rent reviews, lease renewals and the risk of voids. The investment objective for the securities portfolio was to

achieve a specified income target in 2005-06 and for income then to increase year to year by the increase in the retail price index, as a minimum, while maintaining an acceptable level of risk in the portfolio.

Plans for future periods

The College will continue to pursue its educational aims within the collegiate university.

The student accommodation and public rooms in the Lasdun building will be refurbished during 2007-08. While this building is unavailable the college will rent other rooms elsewhere in central Cambridge, so that undergraduate numbers can be maintained.

The College's Kitchens, last refurbished over 40 years ago, will be refurbished during 2007-08.

While the Lasdun building and the Kitchens are unavailable the College's ability to host conferences will be limited. Once the refurbishments are complete, the conference facilities will again be actively promoted.

Estates

The direct property investments will again be reviewed during the year.

The redevelopment of Christ's Lane, which should be completed in 2007-08 will continue to be closely monitored, to ensure the College's essential operations are not affected.

Negotiations with the owners of land to the north west of Cambridge, which is zoned for redevelopment in the Cambridge City Local Plan, and with a promoter, continued during 2006-07. Final clearance of the various agreements is expected shortly and, in anticipation of the agreements being completed, the promoter submitted a planning application during 2006-07. A number of matters remain to be resolved in connection with the planning application. As required under the agreement between landowners and with the promoter, the College's sports ground will close in September 2007. The College has entered into an agreement with St Catharine's College to share the use of the latter's sports ground from October 2007.

Trading Subsidiary

Further capital receipts were recorded during the year from sales of land in which the College has an interest at North Hykeham, Lincoln. At 30 June 2007, the College was owed £317k, relating to sales between February and June 2007, which the Church Commissioners, who are responsible for the administration of the proceeds of sales received from the developers, had not transferred to the College. This money, which appears as a debtor at the year end was finally received in September 2007. The stream of capital receipts from land sales at North Hykeham is expected to continue for several years.

Statement of Responsibilities

As noted elsewhere in the Report of the Trustees, the College has decided, as a voluntary measure, to prepare financial statements under the Statement of Recommended Practice: Accounting and Reporting by Charities 2005. In approving these financial statements, the Trustees have satisfied themselves that:

- suitable accounting policies have been selected and applied consistently;
- judgments and estimates have been made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- it is appropriate to prepare the financial statements on a going concern basis.

The Trustees are responsible for ensuring that there is an effective system of internal control and that accounting records are properly kept.

The Trustees are responsible for taking reasonable steps to ensure that there are appropriate financial and management controls in place to safeguard the assets of the College and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Dr M P Halstead
Bursar
Christ's College
Cambridge

Date: 29 September 2007

Christ's College
Independent Auditors' Report to the Trustees of Christ's College
Year Ended 30 June 2007

We have audited the financial statements which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the College's Trustees in accordance with the terms of our engagement letter dated 10 July 2006. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and its Trustees, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the College's Trustees and Auditors

As described in the Statement of Responsibilities, Trustees are responsible for the preparation of the financial statements and have decided, as a voluntary measure, to prepare these under the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005) and by implication, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the accounting policies set out therein and with the provisions of the Statutes of the College. We also report to you if, in our opinion, the Report of the Trustees is not consistent with the financial statements, if the College has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

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

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

Basis of Audit Opinion

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

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

Christ's College
Independent Auditors' Report to the Trustees of Christ's College (continued)
Year Ended 30 June 2007

Qualified Opinion Arising from Disagreement about Accounting Treatments

As explained in Note 1 of the financial statements, no value is placed on the College's operational properties situated on its main site. This is not in accordance with the requirements of Financial Reporting Standard No. 15 (FRS 15). It is not possible to quantify the effect of this departure from the Standard.

As explained in Note 1 of the financial statements, no value is placed on fixtures, fittings and equipment. This is not in accordance with the requirements of Financial Reporting Standard No. 15 (FRS 15). It is not possible to quantify the effect of this departure from the Standard.

Except for the departures from FRS 15, in our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the College's affairs as at 30 June 2007 and of its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with the accounting policies set out therein and the Statutes of the College.

PETERS, ELWORTHY & MOORE
Chartered Accountants and
Registered Auditor

CAMBRIDGE
Date:

Christ's College Cambridge
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 30 June 2007

Note	2007					2006
	Endowment	General Funds (Unrestricted)	Designated Funds	Restricted Funds	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000
INCOMING RESOURCES						
<i>Incoming resources from generated funds:</i>						
Voluntary income	1,010	-	33	513	1,556	1,416
Activities for generating funds:						
- Trading income	22	625	-	-	625	832
- Conferences	3	-	108	-	108	185
Investment income	2	-	2,297	98	854	2,941
<i>Total incoming resources from generated funds</i>		1,635	2,405	131	1,367	5,374
<i>Incoming resources from charitable activities:</i>						
Fees	-	1,542	-	-	1,542	1,464
Residences and catering	4	-	1,837	-	1,837	1,747
<i>Total incoming resources from charitable activities</i>		-	3,379	-	3,379	3,211
<i>Other incoming resources</i>		1,101	54	-	1,155	124
<i>Total incoming resources</i>		2,736	5,838	131	1,367	8,709
RESOURCES EXPENDED						
<i>Costs of generating funds:</i>						
Fundraising costs	-	253	-	-	253	477
Cost of sales	22	264	-	-	264	373
Conferences	5	-	249	-	249	268
Investment management costs		85	342	-	427	513
<i>Total cost of generating funds</i>		349	844	-	1,193	1,631
<i>Charitable activities:</i>						
Education	6	-	1,165	65	325	1,607
Residences and catering	7	2,124	3,083	2	82	5,291
<i>Total cost of charitable activities</i>		2,124	4,248	67	407	4,775
<i>Governance costs</i>	8	-	263	-	2	265
<i>Other resources expended:</i>						
University contribution	9	-	17	5	74	96
<i>Total resources expended</i>		2,473	5,372	72	483	6,702
NET INCOMING RESOURCES BEFORE TRANSFERS, carried forward	10	263	466	59	884	1,672
						2,007

Christ's College Cambridge
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 30 June 2007

	Note	2007				Total	2006
		Endowment	General Funds (Unrestricted)	Designated Funds	Restricted Funds		Total
		£'000	£'000	£'000	£'000	£'000	£'000
NET INCOMING RESOURCES BEFORE TRANSFERS, brought forward		263	466	59	884	1,672	2,007
Transfers between funds	12	83	56	(6)	(133)	-	-
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS & LOSSES		346	522	53	751	1,672	2,007
<i>Other recognised gains & losses:</i>							
Gains & losses on investment assets	13/14	5,410	90	223	1,907	7,630	7,651
Consideration on grant of lease		-	-	-	-	-	1,375
Actuarial losses on defined benefit pension scheme	20	-	178	-	-	178	(160)
NET MOVEMENT IN FUNDS		5,756	790	276	2,658	9,480	10,873
TOTAL FUNDS BROUGHT FORWARD PRIOR YEAR ADJUSTMENT	20	56,707	(485)	2,635	22,981	81,838	71,990
TOTAL FUNDS BROUGHT FORWARD AS RESTATED		-	-	-	-	-	(1,025)
		56,707	(485)	2,635	22,981	81,838	70,965
TOTAL FUNDS CARRIED FORWARD		62,463	305	2,911	25,639	91,318	81,838

All results are derived from continuing operations.
The notes on pages 14 to 29 form part of these financial statements.

Christ's College Cambridge
CONSOLIDATED BALANCE SHEET
as at 30 June 2007

	Note	2007				2006	
		Endowment	General Funds (Unrestricted)	Designated	Restricted	Total	
				Funds	Funds		Total
£'000	£'000	£'000	£'000	£'000	£'000		
FIXED ASSETS							
<i>Investments:</i>							
Property at latest market value	13	43,833	-	-	-	43,833	36,582
Securities at market value	13	12,328	-	2,911	25,179	40,418	36,573
		<u>56,161</u>	<u>-</u>	<u>2,911</u>	<u>25,179</u>	<u>84,251</u>	<u>73,155</u>
CURRENT ASSETS							
Investments	14	-	-	-	-	-	541
Stock	15	2,146	54	-	-	2,200	2,473
Debtors	16	317	868	-	-	1,185	1,269
Cash at bank and in hand		3,839	1,994	-	460	6,293	6,500
		<u>6,302</u>	<u>2,916</u>	<u>-</u>	<u>460</u>	<u>9,678</u>	<u>10,783</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR							
Creditors	17	-	(1,654)	-	-	(1,654)	(984)
NET CURRENT ASSETS		<u>6,302</u>	<u>1,262</u>	<u>-</u>	<u>460</u>	<u>8,024</u>	<u>9,799</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY		<u>62,463</u>	<u>1,262</u>	<u>2,911</u>	<u>25,639</u>	<u>92,275</u>	<u>82,954</u>
PENSION SCHEME LIABILITY	20	-	(957)	-	-	(957)	(1,116)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY		<u>62,463</u>	<u>305</u>	<u>2,911</u>	<u>25,639</u>	<u>91,318</u>	<u>81,838</u>
FUNDS OF THE CHARITY							
<i>Endowment funds</i>		62,463	-	-	-	62,463	56,707
<i>Restricted income funds</i>	23	-	-	-	25,639	25,639	22,981
<i>Unrestricted income funds:</i>							
General funds		-	1,262	-	-	1,262	631
Designated funds	24	-	-	2,911	-	2,911	2,635
<i>Total unrestricted income funds</i>		<u>-</u>	<u>1,262</u>	<u>2,911</u>	<u>-</u>	<u>4,173</u>	<u>3,266</u>
<i>Pension reserve</i>		-	(957)	-	-	(957)	(1,116)
TOTAL CHARITY FUNDS		<u>62,463</u>	<u>305</u>	<u>2,911</u>	<u>25,639</u>	<u>91,318</u>	<u>81,838</u>

Dr M P Halstead
Bursar
Christ's College
Cambridge
Date: 29 September 2007

The notes on pages 14 to 29 form part of these financial statements.

Christ's College Cambridge
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 30 June 2007

	2007	2006
	£'000	£'000
NET CASH FLOW FROM OPERATING ACTIVITIES		
Net incoming resources before other recognised gains & losses	1,672	2,007
Defined benefit scheme service cost adjustment	19	(69)
Decrease/(increase) in stocks	273	388
Decrease/(increase) in debtors	84	510
Increase/(decrease) in creditors	670	(125)
Net Endowment fund (income)/expenditure	(263)	(552)
Investment income	(3,249)	(2,941)
Voluntary income	(1,556)	(1,416)
Net cash flow from operating activities	(2,350)	(2,198)
RETURNS ON INVESTMENTS		
Interest and dividends received	3,249	2,941
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENTS		
Sale of fixed asset investments	-	5,183
Purchase of fixed asset investments	(3,556)	(4,084)
Sale of current asset investments	631	-
Premium on grant of leasehold interest	-	1,375
Net movement in cash flows attributable to endowment investments	2,800	(2,132)
FINANCING		
Net movement in cash flows attributable to endowment investments	(2,800)	2,132
Voluntary income	1,556	1,416
Net Endowment fund income/(expenditure)	263	552
INCREASE/(DECREASE) IN CASH IN THE PERIOD	(207)	5,185
Cash balances brought forward	6,500	1,315
Cash balances carried forward	6,293	6,500
Movement	(207)	5,185

Christ's College

Notes to the Financial Statements for the year ended 30 June 2007

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice on Accounting by Charities (SORP 2005), applicable accounting standards and under the historical cost convention modified to include the revaluation of investments.

The accounts show the results for Christ's College and its subsidiary companies. The accounts of Christ's College and the consolidated accounts differ by the figures shown in Note 22 for Christ's College Enterprises Limited.

Results of affiliated clubs and societies are not consolidated as the College does not control the financial and operating policies of these undertakings with a view to gaining economic benefits from their activities. Grants made to clubs and societies are charged in the Statement of Financial Activities as expenditure for charitable purposes.

Incoming resources

Income is accounted for on an accruals basis, with the exception of dividend income, which is accounted for when received.

Legacies and donations are accounted for when received and treated as capital donations unless the donor's instructions are that the donation itself is to be spent.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Charitable exemption

The College is an exempt charity and claims exemption from income tax under Section 505 of the Income and Corporation Taxes Act 1988 and from capital gains tax under Section 256 of the Taxation of Chargeable Gains Act 1992.

Value added tax

The College is an eligible body within Group 6 of Schedule 9 of the Value Added Tax Act 1994, in respect of the provision of education. A partial exemption method is in place in respect of its activities that are ancillary to the provision of education.

Operational Properties

The College's main site comprises mainly buildings of historic and architectural value listed as Grade 1 or Grade 2. No value for these operational buildings and site is shown in the balance sheet, because the Trustees consider that the inclusion of a value would be unhelpful to the readers of the accounts, as a sale of the buildings and site would not happen as long as the College remains a going concern. Moreover, the College is not engaged in an economic activity, so that inclusion of any value would be of questionable relevance.

Hostels and houses are held primarily for their investment potential, although they are occupied by members of the College, who pay rents typical for this kind of accommodation in Cambridge. These properties are included within investments and dealt with in note 13.

Fixtures, fittings and equipment

The College's policy is not to capitalise fixtures, fittings and equipment but to charge expenditure in the SOFA as incurred.

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

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

Funds

Funds held by the College are either:

Endowment funds – these are funds that cannot be spent, under the terms of the Universities and Colleges Act 1925 & 1964. Income arising from Endowment funds is classified as general income of the College because it can be applied at the discretion of the Governing Body to any Collegiate purpose without restriction.

General funds – these are funds that can be used at the discretion of the Governing Body.

Designated funds – these are funds that have been set aside by the Governing Body for specific purposes. They are a sub-set of General funds and the purposes to which they are applied may be varied at the discretion of the Governing Body.

Restricted Funds – these are funds that can only be used for particular purposes, under a deed of trust or implied trust, to support various educational purposes of the College, including research, teaching and student bursary schemes. They include both capital and revenue balances.

Charges may be made from unrestricted funds to restricted funds, or vice versa.

Investments

Investments in commercial property are stated at market value. A full market valuation is only obtained every five years, because the costs that would be incurred in obtaining a full valuation each year are considered to outweigh the benefits to the users of the accounts. In intermediate years, market values are adjusted on the advice of the College's property advisers.

Invested funds are stated at market value.

It is College policy to keep valuations up to date, so that when investments are sold, no gain or loss arises relating to previous years. As a result, the Statement of Financial Activities does not distinguish between the gains and losses on disposals and those relating to the revaluation of continuing holdings since they are together treated as changes in the value of the investment portfolio during the year.

Stocks

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

Debtors

Debtors are shown net of bad and doubtful debts.

Foreign Currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Where appropriate, assets and liabilities have been translated at the year-end exchange rate.

Pensions

The College participates in three funded defined benefits schemes, for Fellows and staff. Pension costs are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the Fellows' or employees' service. In the case of the CCFPS this is the service and finance cost and for the other two schemes it is on the basis of contributions due in the year. The assets of the schemes are held in separate trustee-administered funds. The College also contributes to a defined contribution scheme.

2. Investment income

	General funds £'000	Designated funds £'000	Restricted funds £'000	2007 £'000	2006 £'000
Land and buildings	1,579	-	-	1,579	1,513
Property unit trusts	86	20	171	277	273
Equities	20	-	-	20	19
Fixed interest	-	-	-	-	38
Unit trusts	305	71	605	981	847
Deposit interest	307	7	78	392	251
	<u>2,297</u>	<u>98</u>	<u>854</u>	<u>3,249</u>	<u>2,941</u>

3. Income from conferences

	2007 £'000	2006 £'000
Accommodation	60	109
Catering	48	76
	<u>108</u>	<u>185</u>

4. Income from residences and catering

	2007 £'000	2006 £'000
Accommodation	1,294	1,227
Catering	543	520
	<u>1,837</u>	<u>1,747</u>

5. Expenditure – conferences

	2007 £'000	2006 £'000
Accommodation	209	204
Catering	40	64
	<u>249</u>	<u>268</u>

6. Expenditure - Education

	General funds £'000	Designated funds £'000	Restricted funds £'000	2007 £'000	2006 £'000
Teaching	466	22	93	581	612
Tutorial	244	-	3	247	237
Admissions	118	-	-	118	125
Research	157	38	60	255	292
Scholarships and awards	16	5	167	188	155
Other	164	-	2	166	186
	<u>1,165</u>	<u>65</u>	<u>325</u>	<u>1,555</u>	<u>1,607</u>

7. Expenditure – residences and catering

	2007 £'000	2006 £'000
Accommodation	4,299	2,227
Catering	910	867
Maintenance bursaries	82	74
	<u>5,291</u>	<u>3,168</u>

8. Expenditure – governance costs

	Endowment Funds £'000	General Funds £'000	Designated funds £'000	Restricted funds £'000	2007 £'000	2006 £'000
Audit and accountancy	-	32	-	-	32	36
Other	-	231	-	2	233	175
	-	<u>263</u>	-	<u>2</u>	<u>265</u>	<u>211</u>

9. University Contribution

The University contribution is calculated in accordance with the provisions of Statute G II of the University's Statutes and Ordinances. The contribution is paid into the Colleges Fund, from which grants are paid to colleges.

10. Net incoming resources before transfers

This is shown after charging:

	2007 £'000	2006 £'000
Auditors' remuneration:		
- External audit	32	36
- Other services	3	6
	<u>35</u>	<u>42</u>

11. Staff costs

	College Fellows £'000	Assistant staff £'000	2007 £'000	2006 £'000
Emoluments	684	1,889	2,573	2,515
Social security costs	54	129	183	183
Other pension costs	59	307	366	314
	<u>797</u>	<u>2,325</u>	<u>3,122</u>	<u>3,012</u>

Average staff numbers

	2007	2006
College Fellows – full time	19	17
College Fellows – part time	32	38
Assistant staff	95	96

It is not possible to show full-time equivalent staff numbers for College Fellows as their hours of work are not defined.

The College officers or employees (including the Head of House) whose remuneration, excluding pension contributions, exceeded £60,000 were as follows:

	2007	2006
£60,000 - £69,999	0	1

Of the above staff, 0 (2006: 1) are members of a defined benefits scheme.

12. Transfers between funds

	Endowment funds £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	2007 £'000
Transfers to sinking funds	30	(30)	-	-	-
Transfers between funds	(37)	-	-	37	-
Consolidated fund management charges	-	39	(4)	(35)	-
Room service charges	-	113	(2)	(111)	-
Internal kitchen sales	-	24	-	(24)	-
Realised gain on current asset investment	90	(90)	-	-	-
Total	83	56	(6)	(133)	-

Transfers to Sinking Funds

Monies borrowed from Endowment are repaid by transfers to sinking funds over a maximum term of 50 years.

Transfers between funds

An Ordinance approved last financial year permits the transfer of surplus income on trust funds established forty or more years ago to general funds. Surplus income on funds whose purposes are so restricted as to make it unlikely that it will ever be possible to apply that income to those purposes has been transferred to general funds.

Room service charges

The College recognises the costs of providing rooms and offices to College officers and staff by levying an internal charge. In the case of College officers supported from trust funds a room service charge is transferred from general funds.

13. Investment assets

	Endowment funds £'000	Designated funds £'000	Restricted funds £'000	2007 £'000	2006 £'000
Market value at 1 July	47,951	2,635	22,569	73,155	66,602
Less: property disposals at market value	-	-	-	-	(5,183)
Add: property acquisitions and additions to investments at cost	2,800	53	703	3,556	4,084
Realised gains	-	-	-	-	883
Net revaluation at 30 June	5,410	223	1,907	7,540	6,769
Market value at 30 June	56,161	2,911	25,179	84,251	73,155

Represented by:

	Endowment funds £'000	Designated funds £'000	Restricted funds £'000	2007 £'000	2006 £'000
Freehold land and buildings	40,333	-	-	40,333	33,708
Leasehold land and buildings	3,500	-	-	3,500	2,875
Property unit trusts	2,516	583	4,996	8,095	7,337
Unit trusts	9,240	2,142	18,344	29,726	27,079
Cash held for reinvestment	572	186	1,839	2,597	2,156
Total	56,161	2,911	25,179	84,251	73,155

All assets were in the UK in both years.

Properties were valued as at 30th June 2007 by qualified external valuers with the exception of freehold land at Arbury Orchard, Cambridge, which was valued by the College Bursar.

<i>Property:</i>	<i>Valuer:</i>
Agricultural properties	Cambridge University Estate Management & Building Service
Commercial properties	Bidwells

All external valuers are members of the Royal Institution of Chartered Surveyors.

Properties have been valued at open market value.

14. Current asset investments

	General funds £'000	2007 £'000	2006 £'000
Cost at 1 July	541	541	542
Less: disposals at market value	(631)	(631)	-
Add: realised gains on disposals	90	90	-
Less: unrealised loss on retranslation	-	-	(1)
Market value at 30 June	-	-	541

15. Stock

	2007 £'000	2006 £'000
Development land	2,146	2,410
Kitchen & Buttery	54	63
	<u>2,200</u>	<u>2,473</u>

16. Debtors

	2007 £'000	2006 £'000
Accrued income and gains	672	833
Pre-paid expenses	49	62
Rent receivable	268	239
Other debtors	196	135
	<u>1,185</u>	<u>1,269</u>

17. Creditors: amounts falling due within one year

	2007 £'000	2006 £'000
Accrued expenses	844	481
Deferred income	434	311
Social security and other creditors	376	192
	<u>1,654</u>	<u>984</u>

18. Commitments – post balance sheet events

During the year, the Council approved plans for the refurbishment of the Lasdun Building and college kitchens, at estimated costs of £7.8m and £2.5m respectively.

19. Contingent Liabilities

As noted in note 20, with effect from 16 March 2007, the Universities Superannuation Scheme (USS) positioned itself as a “last man standing” scheme so that in the event of an insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers.

20. Pensions

The College participates in three defined benefits schemes, the Universities Superannuation Scheme (USS), the Cambridge Colleges Federated Pensions Scheme (CCFPS) and the Church of England Funded Pensions Scheme (CEFPS). The assets of the schemes are held in separate trustee-administered funds. The total pension cost for the year was £0.37m (2006: £0.31m)

Universities Superannuation Scheme

The college participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited. The appointment of directors to the board of the trustee is determined by the company’s Articles of Association. Four of the directors are appointed by Universities UK, three are appointed by the University and College Union of whom at least one must be a USS pensioner member; one is appointed by the Higher Education Funding Councils; and a minimum of two and a maximum of four are co-opted directors appointed by the management committee. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

The college is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 “Retirement Benefits”, accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the SOFA represents the contributions payable to the scheme in respect of the accounting period.

The latest actuarial valuation of the scheme was at 31 March 2005. The valuation was carried out using the projected unit method. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest), the rates of increase in salary and pensions and the assumed rates of mortality. In relation to the past service liabilities the financial assumptions were derived from market yields prevailing at the valuation date. It was assumed that the valuation rate of interest would be 4.5% per annum, salary increases would be 3.9% per annum (plus an additional allowance for increases in salaries due to age and promotion and a further amount of £800m of liabilities to reflect recent experience) and pensions would increase by 2.9% per annum. In relation to the future service liabilities, it was assumed that the valuation rate of interest would be 6.2% per annum, including an additional investment return assumption of 1.7% per annum, salary increases would be 3.9% per annum (also plus an allowance for increases in salaries due to age and promotion) and pensions would increase by 2.9% per annum.

Standard mortality tables were used as follows:

Pre-retirement mortality	PA92 rated down 3 years
Post-retirement mortality	PA92 (c=2020) for all retired and non-retired members

Use of these mortality tables reasonably reflects the actual USS experience but also provides an element of conservatism to allow for further small improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

Males	19.8 years
Females	22.8 years

At the valuation date, the value of the assets of the scheme was £21,740 million and the value of the past service liabilities was £28,308 million indicating a deficit of £6,568 million. The assets were therefore

sufficient to cover 77% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The actuary also valued the scheme on a number of other bases as at the valuation date. Using the Minimum Funding Requirement prescribed assumptions introduced by the Pensions Act 1995, the scheme was 126% funded at that date; under the Pension Protection Fund regulations introduced by the Pensions Act 2004 it was 110% funded; on a buy-out basis (i.e. assuming the Scheme had discontinued on the valuation date) the assets would have been approximately 74% of the amount necessary to secure all the USS benefits with an insurance company; and using the FRS17 formula as if USS was a single employer scheme, the actuary estimated that the funding level would have been approximately 90%.

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

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

Surpluses or deficits which arise at future valuations may impact on the college's future contribution commitment. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

<i>Assumption</i>	<i>Change in assumption</i>	<i>Impact on scheme liabilities</i>
Valuation rate of interest	Increase/decrease by 0.5%	Decrease/increase by £2.2 billion
Rate of pension increases	Increase/decrease by 0.5%	Increase/decrease by £1.7 billion
Rate of salary growth	Increase/decrease by 0.5%	Increase/decrease by £0.5 billion
Rate of mortality	More prudent assumption (Mortality used at last actuarial valuation, rated down by a further year)	Increase by £0.8 billion

USS is a "last man standing" scheme so that in the event of an insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

The trustee believes that over the long-term equity investment and investment in selected alternative asset classes will provide superior returns to other investment classes. The management structure and targets set are designed to give the fund a bias towards equities through portfolios that are diversified both geographically and by sector. The trustee recognizes that it would be possible to select investments producing income flows broadly similar to the estimated liability cash flows. However, in order to meet the long-term funding objective within a level of contributions that it considers the employers would be willing to make, the trustee has agreed to take on a degree of investment risk relative to the liabilities. This taking of investment risk seeks to target a greater return than the matching assets would provide whilst maintaining a prudent approach to meeting the fund's liabilities. Before deciding to take investment risk relative to the liabilities, the trustee receives advice from its investment consultant and the scheme actuary, and considers the views of the employers. The strong positive cash flow of the scheme means that it is not necessary to realise investments to meet liabilities. The trustee believes that this, together with the ongoing flow of new entrants into the scheme and the strength of covenant of the employers enables it to take a long-term view of its investments. Short-term volatility of returns can be tolerated and need not feed through directly to the contribution rate. The actuary has confirmed that the scheme's cash flow is likely to remain positive for the next ten years or more.

The next formal triennial actuarial valuation is due as at 31 March 2008. The contribution rate will be reviewed as part of each valuation.

The total pension cost for the College was £0.06m (2006: £0.07m). The contribution rate payable by the College was 14% of pensionable salaries.

Cambridge Colleges Federated Pension Scheme

The College is also a member of a multi-employer defined benefit scheme, the Cambridge Colleges Federated Pension Scheme (CCFPS), in the United Kingdom. The Scheme is a defined benefit final salary pension scheme that was originally set up, under an interim Trust Deed, on 19 July 1977 as a defined benefit scheme. The Scheme is deemed to be a registered pension scheme under the terms of Schedule 36 of the Finance Act 2004. The College's employees covered by the Scheme are contracted-out of the State Second Pension (S2P).

The College elected to change benefits for service from 1 April 2004 for all members as at that date by:

- capping service at 40 years (previously uncapped); and
- paying unreduced pensions from age 65 (previously 60).

In addition, the College has elected to change benefits for service from 1 April 2004 for members joining on or after that date by:

- capping service at 40 years (previously uncapped);
- paying unreduced pensions from age 65 (previously 60); and
- increasing pensions in payment in line with increases in the Retail Price Index (RPI) limited to 5% pa compound (previously RPI).

The date of the most recent full actuarial valuation was as at 31 March 2005. These FRS17 valuation results used the valuation data updated by an Actuary who is not an employee or officer of the College and/or its subsidiaries.

The contribution made by the College in respect of the 12 month period ended 31st March 2007 was £0.31m (2006: £0.31m), excluding PHI premiums.

The major assumptions used by the actuary were:

	31 March 2007	31 March 2006	31 March 2005
Discount rate	5.4%	4.9%	5.4%
Price inflation assumption	3.3%	3.0%	3.0%
Rate of increase in salaries	3.9%	3.75%	3.75%
Rate of increase in pensions in deferment:			
- Guaranteed minimum pension (GMP)	3.9%	3.75%	3.75%
- Excess pension	3.3%	3.0%	3.0%
Rate of increase in pensions in payment:			
- GMP accrued up to 5 April 1988	0.0%	0.0%	0.0%
- GMP accrued after 5 April 1988	2.6%	2.25%	2.25%
- Excess pension over GMP and pension accrued after 5 April 1997			
- for members as at 31 March 2004	3.3%	3.0%	3.0%
- for new members joining on or after 1 April 2004	3.0%	2.5%	2.5%

In addition, standard actuarial mortality tables as used in the actuarial valuation for the Trustees were used. These were:

- Pre retirement: AM92 for males and AF92 for females, rated down 2 years;
- Post retirement: PMA92C20 for males and PFA92C20 for females.

Interest rates and inflation assumptions are higher than in 2006 resulting in lower Scheme liabilities. This is due to the higher gross redemption yields on Corporate AA rated bonds only being partially offset by the increased inflationary expectations.

The assets in the Scheme and the expected rates of return were:

	Long term rate of return expected at 31 March 2007	Value at 31 March 2007 £'000	Long term rate of return expected at 31 March 2006	Value at 31 March 2006 £'000	Long term rate of return expected at 31 March 2005	Value at 31 March 2005 £'000
Equities and Hedge Funds	7.5% p.a.	2,910	7.5% p.a.	3,636	7.5% p.a.	2,873
Cash, Bonds & Net Current Assets	4.9% p.a.	1,957	4.3% p.a.	1,418	4.7% p.a.	1,314
Property	6.5% p.a.	694	6.5% p.a.	154	6.5% p.a.	122
Total		<u>5,561</u>		<u>5,208</u>		<u>4,309</u>

The 2007 assets are based upon the draft accounts provided by the Scheme administrators. The 2006 asset split was based on the 2005 accounts as 2006 draft accounts were not available.

The following results were measured in accordance with the requirements of FRS17:

	2007 £	2006 £	2005 £
Total market value of assets	5,561	5,208	4,309
Present value of scheme liabilities	<u>(6,518)</u>	<u>(6,324)</u>	<u>(5,334)</u>
Net pension liability	<u>(957)</u>	<u>(1,116)</u>	<u>(1,025)</u>

The main reasons for the improvement in the financial position of the Scheme are the:

- changes in the FRS17 assumptions over the period (the discount rate has increased from 4.9% to 5.4% which places a lower value on the liabilities, although this is partly offset by an increase in inflation rates) partially offset by:
- Scheme experience being slightly worse than assumed, possibly as a result of higher than expected increases in the contribution salary roll; and
- contributions paid being less than required to meet the current 1 year pension cost.

	31 March 2007 £'000	31 March 2006 £'000
Analysis of the amount charged to 'Resources Expended' in the SOFA:		
Current service cost	283	205
Life assurance premium	24	31
Expected return on pension scheme assets	346	287
Interest on pension scheme liabilities	<u>(311)</u>	<u>(289)</u>
Total charge	<u>342</u>	<u>234</u>

	31 March 2007 £'000	31 March 2006 £'000
Analysis of the amount recognised under 'Other recognised gains & losses':		
Actual return less expected return on pension scheme assets	(17)	449
Experience gains and losses arising on the scheme liabilities	(96)	(99)
Changes in assumptions underlying the present value of the scheme liabilities	291	(510)
Actuarial gain/(loss) recognised in the SOFA	<u>178</u>	<u>(160)</u>

	31 March 2007 £'000	31 March 2006 £'000
Movement in surplus/(deficit) during the period:		
Surplus/(deficit) in Scheme at beginning of the period	(1,116)	(1,025)
Movement in the period:		
Current service cost plus Life Assurance premium	(307)	(236)
Contributions	254	307
Other finance income	34	(2)
Actuarial gain/(loss)	178	(160)
Deficit in Scheme at end of the period	(957)	(1,116)

The actuarial valuation at 31 March 2007 showed a deficit of £957k.

History of experience gains and losses:

	31 March 2007 £'000	31 March 2006 £'000
Difference between expected and actual return on scheme assets:		
Amount (£'000)	(17)	449
Percentage of scheme assets	0%	9%
Experience gains and losses on scheme liabilities:		
Amount (£'000)	(96)	(99)
Percentage of scheme assets	(1%)	(2%)
Total amount recognised in the SOFA under 'Other recognised gains & losses':		
Amount (£'000)	178	(160)
Percentage of scheme assets	3%	(3%)

Post Calculation Date – Potential material change to results:

Between 1 April 2007 and 30 June 2007 there have been two significant changes in the financial world which could materially affect the figures shown, namely:

- the stock market has risen slightly although this has been partly offset by falling bond markets;
- Corporate AA bond yields have risen significantly and inflationary expectations have also increased marginally.

The former has increased the Scheme asset values and the latter reduces the Scheme liabilities. It is therefore likely that the deficiency shown would be reduced if the calculations were carried out again as at 30 June 2007.

The College elected to prepare its financial statements in accordance with the SORP for the first time in respect of the year ended 30 June 2004. For accounting periods prior to that, the accounts prepared in accordance with Statute GIII did not require compliance with accounting standards. This means that information that would be necessary in order to comply fully with the requirements of FRS 17 has not been collated.

Prior year adjustment in respect of the Cambridge Colleges Federated Pension Scheme

As a result of the adoption of FRS 17 as at 30 June 2006 a prior year adjustment arises in respect of the introduction of the scheme liability as at 30 June 2005 in the sum of £1,025k.

Church of England Funded Pensions Scheme

Christ's College participates in the Church of England Funded Pensions Scheme and employs one member of the scheme out of a total membership of approximately 10,000 active members.

The Church of England Funded Pensions Scheme is a defined benefit scheme but the College is unable to identify its share of the underlying assets and liabilities. Each employer in the scheme pays a common contribution rate. The latest valuation of the scheme was carried out as at 31st December 2003. This revealed a

shortfall of £91m, with assets of £196m and a funding target of £287m, assessed using the following assumptions:

- Investment return 6.8% p.a.
- Increase in pensionable stipends 3.8% p.a.
- Pension increases 3.8% p.a.

For schemes such as the Church of England Funded Pensions Scheme, paragraph 9(b) of FRS 17 requires the College to account for pension costs on the basis of contributions actually payable to the Scheme in the year. Following the results of the valuation, the College contribution rate increased from 29.5% to 33.8% of pensionable stipends with effect from 1st April 2005.

Following a subsequent informal review of the Scheme's funding position, the College contribution rate increased again to 39.8% of pensionable stipends with effect from 1st January 2007 as an interim measure, pending the results of the next formal valuation of the scheme as at 31st December 2006.

The total pension cost for the College was £0.01m (2006: £0.01m).

21. Related party transactions

During the year no fees or expenses were paid to Fellows in respect of their duties as members of the Council or Governing Body. (2006: nil)

Payments to Fellows (including benefits in kind and pension contributions), made under the authority of and in accordance with the Statutes of the College, in respect of teaching, research and administrative duties amounted to £0.80m. (2006: £0.87m).

22. Subsidiary companies

<i>Name of subsidiary undertaking</i>	<i>Country of registration and operation</i>	<i>Class of share</i>	<i>Proportion held</i>	<i>Nature of business held</i>
Christ's College Enterprises Ltd	England	Ordinary	100%	Development partner
Christ's College (Buildings) Ltd	England	Ordinary	100%	Property ownership

Both of the subsidiary undertakings have been included in the consolidation. Christ's College (Buildings) Ltd did not trade during the year and was dissolved after the financial year end.

Summary results:

	Christ's College Enterprises Ltd £'000	Christ's College (Buildings) Ltd £'000
<i>Profit & Loss for the period to 30th June 2007:</i>		
Trading income	625	0
Cost of sales	(264)	0
Deed of covenant	(619)	0
Interest receivable	0	0
Surplus/(deficit)	(258)	0
<i>Balances as at 30th June 2007:</i>		
Assets	2,463	0
Liabilities	(288)	0
Reserves	2,175	0

23. Restricted Funds

	Balance at 1 July 2006	Donations	Other Incoming Resources	Outgoing Resources and transfers	Investment Gains/ (Losses)	Balance at 30 June 2007
	£'000	£'000	£'000	£'000	£'000	£'000
Vincent Astor	9	-	-	-	-	9
Valerie Barker	3	-	-	-	-	3
J W Bennett	11	-	-	-	1	12
R O Bishop	499	-	18	(11)	42	548
E & G Bottomley	281	-	10	(11)	24	304
Prof Malcolm Bowie	-	38	-	-	-	38
Rev Canon F H Burrows	23	(1)	1	-	2	25
S G Campbell prize fund	16	(1)	1	-	1	17
Simon & Jill Campbell Foundation	293	-	10	(11)	25	317
Terry Cann Bursaries	117	11	4	-	10	142
Rev E T S Carr	8	-	-	-	1	9
Rev J W Cartmell	29	-	1	(1)	3	32
Estate of Sir Robert Clayton dec'd	2,191	-	77	(73)	185	2,380
Canon G V T Cooke	11	-	-	-	1	12
Cecil & Michelle Courtney	4	-	-	-	1	5
Lady E A P Cox	2	-	-	-	-	2
Sir Charles Darwin	7	-	-	-	1	8
R D Davies	22	-	1	(1)	2	24
E L De Hart	34	-	1	(1)	3	37
Bob Diamond prize	6	-	-	-	1	7
Brian Downs	61	-	2	-	5	68
Dr Fred Eade prize	6	-	-	-	1	7
Dr Fantham	611	(19)	21	(2)	52	663
P J Fay	2	-	-	-	-	2
Adela L Franks research	2	-	-	(2)	-	-
Freshfields Law Library	52	-	2	-	4	58
Grantchester Bursaries	187	10	7	(7)	16	213
Dr A C Haddon	3	-	-	-	-	3
Yusuf Hamied Bursaries	261	-	9	(13)	22	279
Alfred Harrison Bursaries	615	-	22	(10)	52	679
Col J Harrison	5	-	-	-	-	5
Heslop	259	250	16	(11)	22	536
Dr J Holland Rose prize	5	-	-	-	-	5
Rev H Latimer Jackson	6	-	-	-	1	7
Jopie Kempton fund	56	-	2	(1)	5	62
Kirkby Lonsdale and City of Salford Bursary	158	6	6	(5)	13	178
Sir Hans Kornberg	50	-	2	(2)	4	54
Sir Hans Kornberg bursaries	-	20	-	-	-	20
Monica Kornberg Memorial Fund	104	-	4	(2)	9	115
WB Lauder prize	6	-	-	-	1	7
Law fund	492	19	18	(28)	42	543
Reuben Levy	102	-	4	(5)	9	110
Levy-Plumb fund	2,078	(5)	73	(54)	176	2,268
Levy-Plumb Milton 2008 fund	9	5	-	-	-	14
Louisa Lewisohn Memorial Bursaries	-	-	2	(2)	73	73
Prof A Liversidge lectureship	58	(2)	2	-	4	62
Prof A Liversidge scholarship	75	(2)	2	-	6	81
Dr AH Lloyd (History)	1,377	(2)	48	(46)	116	1,493
Lucas Williamson - 25% Lucas	64	(2)	2	-	5	69
M Lynch engineering prize	53	-	2	(2)	5	58
Sir Ian McFarlane	111	-	4	(5)	9	119
Richard L McIntire fund	15	-	1	(1)	1	16
R E Odell	260	-	9	(9)	22	282
E H Parker	4	-	-	-	-	4
Sir John Plumb fellowship	124	-	4	-	10	138

	Balance at 1 July 2006	Donations	Other Incoming Resources	Outgoing Resources and transfers	Investment Gains/ (Losses)	Balance at 30 June 2007
	£'000	£'000	£'000	£'000	£'000	£'000
Sir John Plumb prize	4	-	-	-	1	5
Lucan Pratt	-	15	-	-	-	15
Pratt-Hamied fund	105	-	4	(4)	9	114
Professor A R Prest	3	-	-	-	-	3
S Gorley Putt	20	-	1	-	1	22
Rapaport	10	1	-	-	1	12
Mrs N H Jeanty Raven	334	-	12	(1)	28	373
Tony Richardson	28	-	1	-	2	31
W Robertson Smith	32	-	1	(1)	3	35
George Kingsley Roth	1,466	-	52	(21)	124	1,621
WHD and AE Rouse	1,481	(24)	52	(28)	125	1,606
Sir Satyendra Roy	200	-	7	(2)	17	222
Rev R N Russell	23	-	1	-	2	26
Sackler Foundation	132	-	5	(3)	11	145
Scholl fund	343	-	12	(12)	29	372
J Scriven (to Law Fund)	-	-	-	-	-	-
Sir Arthur Shipley (Conrad)	3	-	-	-	-	3
Dr Kaetrin Simpson	12	-	-	-	1	13
Rev W W Skeat	9	-	-	-	-	9
Charles Snow lectureship	19	-	1	(2)	2	20
Norman Sosnow travel	87	3	3	(2)	8	99
Norman Sosnow visiting	198	-	7	(6)	17	216
Rosabel Spencer-Thomas	2	-	-	-	1	3
Ivor Spencer-Thomas	3	-	-	-	-	3
Sporting Awards Scheme	18	-	1	-	1	20
E J Stacey	10	-	-	(1)	1	10
Dr T Staines Read	2	-	-	-	-	2
Student Support	811	32	27	(27)	(4)	839
Student Support - Island of Ireland	19	-	1	-	1	21
Sykes-Hamied bursaries	50	-	2	-	4	56
Sykes organ scholarship	13	-	-	-	1	14
Dr Szeming Sze prize	10	-	-	-	-	10
Sze Brothers Memorial Fund	418	-	15	(19)	35	449
Thomas Bursary	27	-	1	(1)	3	30
Jack Thornton memorial fund	17	-	1	-	1	19
Jack and Margaret Thornton	28	-	1	(1)	2	30
Todd prize	7	-	-	-	-	7
Todd-Croucher fund	852	-	30	(3)	72	951
Todd-Hamied fund	173	-	6	(4)	15	190
Todd memorial fund	104	-	4	(5)	9	112
Dr Whelan	46	-	2	(2)	4	50
Dr Rhodri Wilson	17	-	1	-	1	19
Simon Wilson prize	13	-	-	-	2	15
Dr Wolf benefaction	450	-	16	(15)	38	489
T C Wyatt	8	-	-	-	1	9
Anonymous benefaction (1)	4	-	-	-	-	4
Anonymous benefaction (2)	14	-	1	-	1	16
Dr J Holland Rose studentship	211	-	7	-	18	236
Education fund	22	(1)	1	-	2	24
Lady Wallis Budge	999	-	35	(28)	83	1,089
Reuben Levy - 50% education fund	73	(3)	3	-	6	79
C S Calverley	8	-	-	-	-	8
Edith Elmslie	24	(1)	1	-	2	26
Dr Annie Fitzpatrick	44	(2)	2	-	4	48
Bishop Gell	16	-	-	-	1	17
Bishop Porteus	4	-	1	-	-	5
Rajah of Cochin (Menon)	9	-	-	-	1	10

	Balance at 1 July 2006	Donations	Other Incoming Resources	Outgoing Resources and transfers	Investment Gains/ (Losses)	Balance at 30 June 2007
	£'000	£'000	£'000	£'000	£'000	£'000
Rev D Ridout	19	-	1	-	1	21
J A Robinson	8	-	-	-	-	8
Syed Mahmood	11	-	-	-	1	12
J Thompson	7	-	-	-	-	7
W Wren	8	-	-	-	1	9
Scholarships & exhibitions	424	122	14	(77)	33	516
R Broadbanke	20	(1)	1	-	2	22
Dr R Bunting	42	(1)	2	(1)	4	46
Archdeacon C Clarke	22	(1)	1	-	2	24
Canon G T Harvey	165	(6)	6	-	14	179
Rev & Mrs Light Wyatt	17	(1)	1	-	2	19
R Rysley	4	-	-	-	-	4
Dr F H V Schofield	601	(21)	21	-	51	652
Adelaide Stoll	155	(5)	5	-	13	168
Rev E A Synge	366	(13)	13	-	31	397
C Tancred	-	1	-	(1)	-	-
Upton Farm (Rysley - 7/13)	65	(2)	2	-	6	71
Bishop S Ward	20	(1)	1	-	2	22
Dr T Widdrington	18	-	1	(1)	2	20
Rev T Wilson	56	(2)	2	-	5	61
J G Drummond	14	-	-	-	1	15
E W Hobson	15	(1)	1	-	1	16
Sir John Bonser scholarship	64	(2)	2	-	5	69
Caution Fund	32	(1)	1	(1)	3	34
Lectureships and preacherships	40	(1)	1	-	3	43
GRD McLean	10	-	-	-	1	11
Small exhibitions	53	(2)	2	-	5	58
Sizar's Fund	257	6	8	(4)	20	287
Lucas Williamson - 75% Lucas	165	-	6	(1)	13	183
Lucas Williamson - Williamson	58	-	2	-	4	64
Upton Farm (Rysley - 2/13 Bridgham)	19	-	1	(1)	2	21
Upton Farm (Rysley - 4/13 Stretham)	38	-	1	(1)	4	42
1946 Bursary	10	-	1	-	-	11
1953 Fellowship	40	13	2	-	-	55
1954 Bursary	13	-	1	-	-	14
1973 Bursary	2	4	-	-	-	6
Buildings & facilities	6	-	1	-	-	7
Instrumental awards	8	-	-	-	-	8
Library/heritage	15	-	1	-	-	16
Music	97	2	4	-	-	103
Sporting bursaries	42	2	2	(2)	-	44
Zatman bursaries	3	-	-	-	-	3
Appeals	3	2	-	-	-	5
RGJ Ballard	16	3	1	-	-	20
Terry Cann Bursaries	-	47	-	(1)	-	46
College Plate	1	-	1	-	-	2
Conservation of Archives	(1)	2	-	(1)	-	-
Friends of the Old Library	18	3	1	(7)	-	15
Non-trust scholarships	-	2	-	-	-	2
Outreach	5	-	-	-	-	5
Restoration of Coptic manuscripts	-	-	-	-	-	-
Plumb Auditorium furniture	11	-	-	-	-	11
Scholl Medical Science Fellowship	-	50	1	(12)	-	39
Todd Salters fund	9	3	1	(3)	-	10
Vincent Lam prize	-	-	-	-	-	-
Visual Arts/sculptures	18	4	-	-	-	22
Total	22,981	550	819	(618)	1,907	25,639

24. Designated Funds

	Revised bal at 1 July 2006	Donations	Other Incoming Resources	Outgoing Resources and transfers	Investment Gains/ (Losses)	Balance at 30 June 2007
	£'000	£'000	£'000	£'000	£'000	£'000
J B & Millicent Kaye	723	-	25	(5)	61	804
Stanley W Greig	60	-	2	(2)	5	65
James Meade Fund	79	-	3	(2)	7	87
G R N Minchin	94	-	3	(3)	8	102
Quinn Bursaries	25	-	1	(1)	2	27
Research Fund	1,120	-	39	(39)	95	1,215
Teaching	534	33	21	(22)	45	611
Total	2,635	33	94	(74)	223	2,911

Appendix A

Members of the Governing Body for the period 1 July 2006 – 30 June 2007

Professor Francis Patrick Kelly, Master from 14.12.2006	Dr Nicholas John Anderson Gay	Professor Simon Tavaré
Professor Malcolm McNaughton Bowie to 28.01.07	Dr John Richard Batley	Miss Elizabeth Norris
Mr David Eryl Corbet Yale	Professor William John Fitzgerald	Dr Alexandra Shepard
Professor Lucjan Ryszard Lewitter	Professor Margaret Anne Stanley	Dr Daniel Wakelin
Professor Paul O'Higgins	Dr Andrew William Ernest Bainham	Dr Arash Mostofi
Dr John Christopher Abbott Rathmell	Dr David Klenerman	Mr Jonathan Edward Morgan
Dr Cecil Patrick Courtney	Dr Alan Thomas Winter	Dr Catherine Rosemary Rider
Professor Quentin Robert Duthie Skinner	Dr Robert Edward Hunt	Dr Fanni Veronica Gergely
Professor Peter Vincent Landshoff	Dr Gavin Robert Alexander	Dr Luke Cameron Skinner
Dr Richard Patrick Axton	Professor Peter Anthony McNaughton	Mr Michael James Edwards
Professor Archibald MacRobert Campbell	Dr Oliver Thomas Johnson to 30.09.06	Dr Brenda Joy Bradley
Professor Martin Hugh Johnson	Professor James Cuthbert Smith	Dr Konstantin Feldman
Professor John Stuart Wilson	Dr Marcela Pablo Fiore	Mr Fredrik Hagen
Dr David Rayner Hunkin Jones	Mr Geoffrey Stephen Payne	Dr Matthew Francis Higgins
Dr Geoffrey Keith Ingham	Dr Susan Jones	Dr Sarah Frances Howard
Professor Andrew David Cliff	Dr David Bruce Percival Arthur Norman	Dr Caroline Vout from 29.09.06
Dr Douglas Robertson Ferguson	Dr Kenneth Boh Khin Teo	Dr Grace Wang Yu from 29.09.06
Professor Sir Peter Julius Lachmann	Dr Jonathan Harvey Gillard	Ms Sophie Camilla Natalie Read from 29.09.06
Dr Arthur William Aeneas Peterson	Dr Michael Peter Halstead	Dr Michael James Squire from 29.09.06
Professor David Neil Sedley	Dr John Michael Edwardson	Mr Tom Sanders from 29.09.06
Dr Kelvin Malcolm Bowkett	Dr Katrin Christina Ettenhuber to 30.09.06	Mr Ian Scott Williams from 29.09.06
Professor David James Reynolds	Dr Giles Benjamin Pearson	Dr Margaret Gallacher McCammon from 29.09.06
Dr William Gareth Rees	Dr Duncan Stuart Alan Bell	Dr Mark Robert Darlow from 29.09.06
Professor Ian Malcolm Leslie	Dr Guiliano De Rossi to 08.10.06	Dr Steven Michael Pollard from 29.09.06
Professor Christopher Abell	Dr Konstantin Ardakov	Dr Julia Shvets from 15.01.07
Dr Susan Bayly	Dr Margaret Rigaud-Drayton	
<u>Co-opted (Student) Members</u>		
Mr Christopher Longworth to 31.03.07	Miss Jessica Anne Harris to 13.11.06	Mr Joseph Luke Barnett from 28.11.06
Miss Rachel Liliias Cherry to 13.11.06	Mr Benjamin Alfred Blyth from 28.11.06 to 30.04.07	Mr Duncan Richard Bull from 08.05.07
Mr Edward William Roberts to 13.11.06	Miss Elie Yoo from 28.11.06	Mr Thomas John Hayes from 08.05./07
Mr Guido Dacie-Lombardo to 13.11.06	Mr Nihal Shah from 28.11.06	

Members of Council

(*ex officio*) Professor F P Kelly, Master, Dr K M Bowkett, Senior Tutor and Dr M P Halstead, Bursar.

(*elected*) Dr A W A Peterson, Dr W G Rees (from 30.09.06), Professor C Abell, Dr J R Batley (to 29.09.06), Professor W J Fitzgerald, Dr A W E Bainham, Dr R E Hunt, Dr G R Alexander (to 29.09.06), Dr S Jones, Dr D B P A Norman, Dr A Shepard (to 29.09.06), Dr D Wakelin (from 30.09.06), Dr C R Rider (from 06.03.07)

Bursar

Dr M P Halstead

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