

**Section B: Summary of consolidation and segmental analysis**

The following analysis presents a summary of the elements of the University group as they contribute to the consolidated financial statements.

The columns shown below are:

Academic	This equates to the part of the University covered in section A. It includes the academic departments and services but excludes Cambridge Assessment, Cambridge University Press and the Cambridge Trusts.
Assessment	This consists of the Local Examinations Syndicate and subsidiary undertakings, collectively known as Cambridge Assessment.
Press	This consists of the Cambridge University Press Syndicate and subsidiary undertakings.
Trusts	This consists principally of the Gates Cambridge Trust and four other trusts as listed below. The external balances and non-donation income and expenditure of the Cambridge Foundation are also included for convenience, the bulk of its income and expenditure being excluded as if held as agent.
CPS	This column deals with the adjustments required to account for the pension liability in relation to the Cambridge University Assistants Contributory Pension Scheme, which affects both "Academic" and "Assessment".
Elimination	This column deals with the elimination of internal transactions. It includes the reclassification of balances on funds contributed by "Assessment" and "Press" to Academic". These are shown in "Academic" as specific endowments and as deferred capital grants, but in the combined group are included as reserves.
Total	This is the total of the other six columns and is presented in the audited financial statements for the University group.

Subsidiary undertakings included in the respective columns:

Academic	Cambridge Enterprise Limited Cambridge Investment Limited Cambridge Manufacturing Industry Links Limited Cambridge Programme for Industry (Australia) Cambridge University Technical Services Limited Challenge Fund Trading Company Limited Fitzwilliam Museum Enterprises Limited JBS Executive Education Limited Lynxvale Limited
Trusts	Gates Cambridge Trust Cambridge Overseas Trust Cambridge Commonwealth Trust Cambridge European Trust Malaysian Commonwealth Studies Centre in Cambridge The Cambridge Foundation
Assessment	Cambridge Examinations Inc Mill Wharf Limited Oxford and Cambridge International Assessment Services Limited Oxford Cambridge and RSA Examinations RSA Examinations Board Sandonian Properties Limited The West Midlands Examinations Board
Press	Cambridge Global Grid for Learning Limited Cambridge Knowledge (China) Limited Cambridge Printing Services Limited Cambridge University Press (Greece) EPE Cambridge University Press (Holdings) Limited Cambridge University Press India Private Limited Cambridge University Press Japan KK Cambridge University Press South Africa (Proprietary) Limited Cambridge-Hitachisoft Educational Solutions PLC ELT Trading SA DE CV United Publishers Services Limited

**Section B: (continued) Summary of consolidation and segmental analysis****CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT for the year ended 31 July 2008**

	Academic £m	Assessment £m	Press £m	Trusts £m	CPS £m	Elimination £m	Total £m
<b>Income</b>							
Funding Council grants	202.2	–	–	–	–	–	202.2
Academic fees and support grants	77.3	–	–	–	–	–	77.3
Research grants and contracts	243.1	–	–	–	–	–	243.1
Examination and assessment services	–	215.8	–	–	–	–	215.8
Publishing and printing services	–	–	184.6	–	–	(10.5)	174.1
Other income	111.7	0.4	1.3	4.1	–	(14.9)	102.6
Endowment and investment income	41.6	5.2	0.6	9.7	1.8	–	58.9
<b>Total income</b>	<b>675.9</b>	<b>221.4</b>	<b>186.5</b>	<b>13.8</b>	<b>1.8</b>	<b>(25.4)</b>	<b>1,074.0</b>
<b>Expenditure</b>							
Staff costs excluding exceptional item	351.1	54.3	59.9	1.1	1.0	–	467.4
Exceptional staff costs	–	–	14.2	–	–	–	14.2
Other operating expenses	262.1	136.7	121.6	18.9	–	(26.0)	513.3
Depreciation	50.8	5.8	3.0	0.1	–	–	59.7
Interest payable	–	–	0.5	–	–	–	0.5
<b>Total expenditure</b>	<b>664.0</b>	<b>196.8</b>	<b>199.2</b>	<b>20.1</b>	<b>1.0</b>	<b>(26.0)</b>	<b>1,055.1</b>
<b>Surplus / (deficit) on continuing operations before donations of heritage assets</b>	<b>11.9</b>	<b>24.6</b>	<b>(12.7)</b>	<b>(6.3)</b>	<b>0.8</b>	<b>0.6</b>	<b>18.9</b>
<b>Donations of heritage assets</b>	<b>8.6</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>8.6</b>
<b>Transfer from specific endowments</b>	<b>4.5</b>	<b>3.7</b>	<b>–</b>	<b>5.6</b>	<b>–</b>	<b>–</b>	<b>13.8</b>
<b>Surplus for the year retained within general reserves</b>	<b>25.0</b>	<b>28.3</b>	<b>(12.7)</b>	<b>(0.7)</b>	<b>0.8</b>	<b>0.6</b>	<b>41.3</b>
<b>Expenditure by activity</b>							
Academic departments	202.9	–	–	–	–	–	202.9
Academic services	29.4	–	–	–	–	–	29.4
Payments to colleges	36.0	–	–	–	–	–	36.0
Research grants and contracts	204.5	–	–	–	–	–	204.5
Other activities total	49.6	196.8	198.2	–	–	(21.5)	423.1
Administration and central services total	67.4	–	1.0	20.1	1.0	(4.5)	85.0
Premises	74.2	–	–	–	–	–	74.2
<b>Total expenditure</b>	<b>664.0</b>	<b>196.8</b>	<b>199.2</b>	<b>20.1</b>	<b>1.0</b>	<b>(26.0)</b>	<b>1,055.1</b>
<b>Segmental reporting: external income</b>							
Education and research	675.9	–	–	13.8	–	(14.9)	674.8
Assessment	–	221.4	–	–	–	–	221.4
Press	–	–	186.5	–	–	(10.5)	176.0
Unallocated re Contributory Pension Scheme	–	–	–	–	1.8	–	1.8
<b>Total</b>	<b>675.9</b>	<b>221.4</b>	<b>186.5</b>	<b>13.8</b>	<b>1.8</b>	<b>(25.4)</b>	<b>1,074.0</b>
<b>Segmental reporting: surplus</b>							
Education and research	20.5	–	–	(6.3)	–	(0.4)	13.8
Assessment	–	24.6	–	–	–	–	24.6
Press	–	–	(12.7)	–	–	1.0	(11.7)
Unallocated re Contributory Pension Scheme	–	–	–	–	0.8	–	0.8
<b>Total</b>	<b>20.5</b>	<b>24.6</b>	<b>(12.7)</b>	<b>(6.3)</b>	<b>0.8</b>	<b>0.6</b>	<b>27.5</b>

**Section B: (continued) Summary of consolidation and segmental analysis****STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

	Academic £m	Assessment £m	Press £m	Trusts £m	CPS £m	Elimination £m	Total £m
Surplus on income and expenditure account	20.5	24.6	(12.7)	(6.3)	0.8	0.6	27.5
Decrease in market value of investments							
Endowments	(79.6)	(1.0)	–	(14.6)	–	2.3	(92.9)
Reserves	(19.6)	(9.1)	(1.9)	(13.0)	–	(2.3)	(45.9)
New endowment capital	32.4	–	–	4.8	–	(1.0)	36.2
Transfer from endowments to deferred grants	(1.1)	–	–	–	–	1.1	–
Gain arising on foreign currency translation	–	–	2.0	–	–	–	2.0
Actuarial loss	–	(0.7)	(24.7)	–	(56.9)	–	(82.3)
<b>Total recognised gains relating to the year</b>	<b>(47.4)</b>	<b>13.8</b>	<b>(37.3)</b>	<b>(29.1)</b>	<b>(56.1)</b>	<b>0.7</b>	<b>(155.4)</b>
Prior year adjustments:							
Endowments	25.7	–	–	1.0	–	–	26.7
Reserves	20.8	–	–	–	–	–	20.8
<b>Total gains / (losses) since the last annual report</b>	<b>(0.9)</b>	<b>13.8</b>	<b>(37.3)</b>	<b>(28.1)</b>	<b>(56.1)</b>	<b>0.7</b>	<b>(107.9)</b>
<b>Reconciliation</b>							
Opening reserves and endowments as previously reported	1,397.1	176.8	98.7	310.7	(58.6)	13.5	1,938.2
<b>Total gains / (losses) since the last annual report</b>	<b>(0.9)</b>	<b>13.8</b>	<b>(37.3)</b>	<b>(28.1)</b>	<b>(56.1)</b>	<b>0.7</b>	<b>(107.9)</b>
Closing reserves and endowments (excluding minority interests)	1,396.2	190.6	61.4	282.6	(114.7)	14.2	1,830.3

**SUMMARY OF ELIMINATIONS****Income and expenditure**

	Income £m	Expenditure £m	Surplus £m
Sales from Press to Assessment	(10.5)	(10.5)	–
Transfer from Assessment to Chest	(11.0)	(11.0)	–
Chest funding for Trusts	(3.5)	(3.5)	–
Press addition to Special Fund in University	–	(1.0)	1.0
Deferred grant release on Press-funded buildings	(0.4)	–	(0.4)
	<b>(25.4)</b>	<b>(26.0)</b>	<b>0.6</b>

**Statement of recognised gains and losses**

Surplus as above	0.6
Reduction in new endowment capital re contribution from Press	(1.0)
<b>Net impact on total gain / (loss) for the year</b>	<b>(0.4)</b>

**Balance sheet: assets and liabilities**

	Fixed asset investments £m	Endowment assets £m	Current assets £m	Current liabilities £m	Net assets £m
Special Funds reclassified as reserves as contributed by:					
Press	11.5	(11.5)	–	–	–
Assessment (RCEAL)	8.0	(8.5)	0.5	–	–
Transfer from Assessment to Chest accrued at 31 July 2008	–	–	(11.0)	11.0	–
Other inter-segment balances	–	–	–	–	–
Investments held on behalf of associated bodies:					
University Endowment Fund	–	–	(145.7)	145.7	–
Deposit Fund	–	–	(66.0)	66.0	–
	<b>19.5</b>	<b>(20.0)</b>	<b>(222.2)</b>	<b>222.7</b>	<b>–</b>

**Balance sheet: funds**

	Deferred grants £m	Expendable endowments £m	Reserves £m	Total £m
Special Funds reclassified as reserves as contributed by:				
Press	–	(11.5)	11.5	–
Assessment (RCEAL)	–	(8.5)	8.5	–
Deferred grant on Press-funded buildings	(14.2)	–	14.2	–
	<b>(14.2)</b>	<b>(20.0)</b>	<b>34.2</b>	<b>–</b>

**Section B: (continued) Summary of consolidation and segmental analysis****BALANCE SHEET AT 31 JULY 2008**

	Academic £m	Assessment £m	Press £m	Trusts £m	CPS £m	Elimination £m	Total £m
<b>Fixed assets</b>							
Tangible assets	929.5	65.4	44.4	1.6	–	–	1,040.9
Intangible assets	–	–	3.8	–	–	–	3.8
Investments	176.9	78.5	–	94.6	–	19.5	369.5
	1,106.4	143.9	48.2	96.2	–	19.5	1,414.2
<b>Endowment assets</b>	693.2	7.6	–	176.2	–	(20.0)	857.0
<b>Current assets</b>							
Stocks and work in progress	1.4	–	44.3	–	–	–	45.7
Debtors	105.1	48.4	51.2	1.8	–	(11.0)	195.5
Investments							
University	154.6	51.3	–	15.8	–	0.5	222.2
Held on behalf of others	216.5	–	–	–	–	(211.7)	4.8
Cash at bank and in hand	11.0	1.2	33.4	0.9	–	–	46.5
	488.6	100.9	128.9	18.5	–	(222.2)	514.7
<b>Creditors: amounts falling due within one year</b>	(387.4)	(61.8)	(49.8)	(8.3)	–	222.7	(284.6)
<b>Net current assets</b>	101.2	39.1	79.1	10.2	–	0.5	230.1
<b>Total assets less current liabilities</b>	1,900.8	190.6	127.3	282.6	–	–	2,501.3
<b>Creditors: amounts falling due after more than one year</b>	–	–	(7.8)	–	–	–	(7.8)
<b>Pension liabilities</b>	–	–	(43.3)	–	(114.7)	–	(158.0)
<b>Other post-retirement benefit liability</b>	–	–	(14.8)	–	–	–	(14.8)
<b>Total net assets</b>	1,900.8	190.6	61.4	282.6	(114.7)	–	2,320.7
<b>Represented by:</b>							
<b>Deferred capital grants</b>	504.6	–	–	–	–	(14.2)	490.4
<b>Endowments</b>							
Expendable endowments	140.5	7.6	–	175.3	–	(20.0)	303.4
Permanent endowments	552.7	–	–	0.9	–	–	553.6
	693.2	7.6	–	176.2	–	(20.0)	857.0
<b>Reserves</b>							
General reserves	515.7	175.5	61.4	86.4	(114.7)	32.4	756.7
Operational property revaluation reserve	151.4	–	–	–	–	–	151.4
Fixed asset investment revaluation reserve	35.9	7.5	–	20.0	–	1.8	65.2
	703.0	183.0	61.4	106.4	(114.7)	34.2	973.3
<b>Minority interest in subsidiary undertakings</b>	–	–	–	–	–	–	–
<b>Total</b>	1,900.8	190.6	61.4	282.6	(114.7)	–	2,320.7
<b>Segmental reporting: net assets</b>							
Education and research	1,900.8	–	–	282.6	–	–	2,183.4
Assessment	–	190.6	–	–	–	–	190.6
Press	–	–	61.4	–	–	–	61.4
Unallocated re Contributory Pension Scheme	–	–	–	–	(114.7)	–	(114.7)
<b>Total</b>	1,900.8	190.6	61.4	282.6	(114.7)	–	2,320.7