

## 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:

<b>Academic</b>	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.
<b>Assessment</b>	This consists of the Local Examinations Syndicate and subsidiary undertakings, collectively known as Cambridge Assessment.
<b>Press</b>	This consists of the Cambridge University Press Syndicate and subsidiary undertakings.
<b>Trusts</b>	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.
<b>CPS</b>	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".
<b>Elimination</b>	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.
<b>Total</b>	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:

<b>Academic</b>	Cambridge Enterprise Limited Cambridge Investment Limited Cambridge Investment Management Limited Cambridge Programme for Sustainability Leadership (Australia) Cambridge Programme for Sustainability Leadership (South Africa) Cambridge University Technical Services Limited Fitzwilliam Museum (Enterprises) Limited IfM Education and Consultancy Services Limited JBS Executive Education Limited Lynxvale Limited University of Cambridge Dental Practice Limited
<b>Trusts</b>	Gates Cambridge Trust Cambridge Overseas Trust Cambridge Commonwealth Trust Cambridge European Trust Malaysian Commonwealth Studies Centre in Cambridge The Cambridge Foundation
<b>Assessment</b>	Cambridge Assessment Overseas Limited Cambridge Examinations Inc Cambridge ESOL Inc Fundacion UCLES 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
<b>Press</b>	Academic Journal Publishing Pty Limited Australian Academic Press Pty Group Limited Cambridge Archive Editions 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 Panama SA Cambridge University Press South Africa (Proprietary) Limited Cambridge-Hitachisoft Educational Solutions PLC Editorial Edicambridge Cia Ltda ELT Trading Limited Foundation e-Learning (Private) Limited HOTmaths Pty Limited United Publishers Services Limited

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT for the year ended 31 July 2012

	Academic £m	Assessment £m	Press £m	Trusts £m	CPS £m	Elimination £m	Total £m
<b>Income</b>							
Funding body grants	197.3	–	–	–	–	–	197.3
Academic fees and support grants	149.2	–	–	–	–	–	149.2
Research grants and contracts	293.4	–	–	–	–	–	293.4
Examination and assessment services	–	299.6	–	–	–	–	299.6
Publishing services	–	–	241.2	–	–	–	241.2
Other income	146.5	2.5	5.5	7.2	–	(39.2)	122.5
Endowment and investment income	54.4	6.9	0.2	11.4	–	(54.0)	18.9
<b>Total income</b>	<b>840.8</b>	<b>309.0</b>	<b>246.9</b>	<b>18.6</b>	<b>–</b>	<b>(93.2)</b>	<b>1,322.1</b>
<b>Expenditure</b>							
Staff costs	425.9	79.6	81.2	1.1	(9.3)	–	578.5
Other operating expenses	326.0	189.1	158.2	22.0	–	(38.9)	656.4
Depreciation	53.6	11.4	6.4	–	–	–	71.4
Interest payable	–	0.1	4.2	–	6.9	–	11.2
<b>Total expenditure</b>	<b>805.5</b>	<b>280.2</b>	<b>250.0</b>	<b>23.1</b>	<b>(2.4)</b>	<b>(38.9)</b>	<b>1,317.5</b>
<b>Surplus / (deficit) on continuing operations</b>	<b>35.3</b>	<b>28.8</b>	<b>(3.1)</b>	<b>(4.5)</b>	<b>2.4</b>	<b>(54.3)</b>	<b>4.6</b>
<b>Minority interests in results of subsidiary undertakings</b>	<b>–</b>	<b>–</b>	<b>(0.8)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(0.8)</b>
<b>Surplus on continuing operations after minority interest</b>	<b>35.3</b>	<b>28.8</b>	<b>(3.9)</b>	<b>(4.5)</b>	<b>2.4</b>	<b>(54.3)</b>	<b>3.8</b>
<b>Transfer from specific endowments</b>	<b>7.2</b>	<b>–</b>	<b>–</b>	<b>4.6</b>	<b>–</b>	<b>32.3</b>	<b>44.1</b>
<b>Surplus for the year retained within general reserves</b>	<b>42.5</b>	<b>28.8</b>	<b>(3.9)</b>	<b>0.1</b>	<b>2.4</b>	<b>(22.0)</b>	<b>47.9</b>
<b>Expenditure by activity (see Section C)</b>							
Academic departments	251.0	–	–	–	–	–	251.0
Academic services	38.8	–	–	–	–	–	38.8
Payments to colleges	41.6	–	–	–	–	–	41.6
Research grants and contracts	250.1	–	–	–	–	–	250.1
Other activities total	46.1	280.2	250.0	–	–	(33.1)	543.2
Administration and central services total	95.0	–	–	23.1	–	(5.8)	112.3
Premises	82.9	–	–	–	–	–	82.9
Pension cost adjustments for CPS (see note 30)	–	–	–	–	(2.4)	–	(2.4)
<b>Total expenditure</b>	<b>805.5</b>	<b>280.2</b>	<b>250.0</b>	<b>23.1</b>	<b>(2.4)</b>	<b>(38.9)</b>	<b>1,317.5</b>
<b>Segmental reporting: external income</b>							
Education and research	840.8	–	–	18.6	–	(93.2)	766.2
Assessment	–	309.0	–	–	–	–	309.0
Press	–	–	246.9	–	–	–	246.9
<b>Total</b>	<b>840.8</b>	<b>309.0</b>	<b>246.9</b>	<b>18.6</b>	<b>–</b>	<b>(93.2)</b>	<b>1,322.1</b>
<b>Segmental reporting: surplus before minority interest</b>							
Education and research	35.3	–	–	(4.5)	–	(54.3)	(23.5)
Assessment	–	28.8	–	–	–	–	28.8
Press	–	–	(3.1)	–	–	–	(3.1)
Unallocated re Contributory Pension Scheme	–	–	–	–	2.4	–	2.4
<b>Total</b>	<b>35.3</b>	<b>28.8</b>	<b>(3.1)</b>	<b>(4.5)</b>	<b>2.4</b>	<b>(54.3)</b>	<b>4.6</b>

	Academic £m	Assessment £m	Press £m	Trusts £m	CPS £m	Elimination £m	Total £m
<b>STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES</b>							
Surplus on income and expenditure account	35.3	28.8	(3.9)	(4.5)	2.4	(54.3)	3.8
Increase in market value of investments							
Endowments	5.9	–	–	0.5	–	32.3	38.7
Reserves	4.8	0.3	–	0.3	–	21.7	27.1
New endowment capital	38.9	–	–	4.6	–	–	43.5
Loss arising on foreign currency translation	–	–	(1.2)	–	–	–	(1.2)
Actuarial loss	–	–	(26.5)	–	(39.4)	–	(65.9)
Total recognised gains / (losses) relating to the year	84.9	29.1	(31.6)	0.9	(37.0)	(0.3)	46.0
Prior year adjustment	57.1	–	–	–	–	–	57.1
Total gains / (losses) since the last annual report	142.0	29.1	(31.6)	0.9	(37.0)	(0.3)	103.1
<b>Reconciliation</b>							
Opening reserves and endowments	1,659.5	264.9	35.7	289.5	(228.6)	13.5	2,034.5
Total gains / (losses) since the last annual report	142.0	29.1	(31.6)	0.9	(37.0)	(0.3)	103.1
Closing reserves and endowments (excluding minority interests)	1,801.5	294.0	4.1	290.4	(265.6)	13.2	2,137.6

#### SUMMARY OF ELIMINATIONS

Income and expenditure	Income £m	Expenditure £m	Surplus £m
Transfer from Assessment to Chest	(32.9)	(32.9)	–
CUEF distribution from capital	(54.0)	–	(54.0)
Chest funding for Trusts	(5.8)	(5.8)	–
Deferred grant release on Press-funded buildings	(0.3)	–	(0.3)
Other items	(0.2)	(0.2)	–
	(93.2)	(38.9)	(54.3)

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	12.3	(12.3)	–	–	–
Assessment (RCEAL)	8.8	(9.2)	0.4	–	–
Transfer from Assessment to Chest accrued at 31 July 2012			(19.4)	19.4	–
Other inter-segment balances			(3.0)	3.0	–
Investments held on behalf of associated bodies:					
University Endowment Fund			(417.3)	417.3	–
Deposit Fund			(68.3)	68.3	–
	21.1	(21.5)	(507.6)	508.0	–

Balance sheet: funds	Deferred grants £m	Expendable endowments £m	Reserves £m	Total £m
Special Funds reclassified as reserves as contributed by:				
Press	–	(12.3)	12.3	–
Assessment (RCEAL)	–	(9.2)	9.2	–
Deferred grant on Press-funded buildings	(13.2)	–	13.2	–
	(13.2)	(21.5)	34.7	–

## BALANCE SHEET AT 31 JULY 2012

	Academic £m	Assessment £m	Press £m	Trusts £m	CPS £m	Elimination £m	Total £m
<b>Fixed assets</b>							
Tangible assets	1,009.5	92.7	53.6	0.1	–	–	1,155.9
Intangible assets	–	–	4.8	–	–	–	4.8
Investments	429.9	152.3	0.2	101.6	–	21.1	705.1
	1,439.4	245.0	58.6	101.7	–	21.1	1,865.8
<b>Endowment assets</b>	890.4	4.4	–	183.2	–	(21.5)	1,056.5
<b>Current assets</b>							
Stocks and work in progress	1.7	0.5	56.3	–	–	–	58.5
Debtors	127.5	74.9	80.1	0.2	–	(22.4)	260.3
Investments	–	–	–	–	–	–	–
University	122.4	67.5	–	5.9	–	0.9	196.7
Held on behalf of others	536.6	–	–	–	–	(486.1)	50.5
Cash at bank and in hand	8.7	15.4	21.5	5.5	–	–	51.1
	796.9	158.3	157.9	11.6	–	(507.6)	617.1
<b>Creditors: amounts falling due within one year</b>	(810.1)	(113.7)	(84.4)	(5.7)	–	508.0	(505.9)
<b>Net current assets</b>	(13.2)	44.6	73.5	5.9	–	0.4	111.2
<b>Total assets less current liabilities</b>	2,316.6	294.0	132.1	290.8	–	–	3,033.5
<b>Creditors: amounts falling due after more than one year</b>	–	–	(2.3)	(0.4)	–	–	(2.7)
<b>Pension liabilities</b>	–	–	(103.7)	–	(265.6)	–	(369.3)
<b>Other post-retirement benefit liability</b>	–	–	(20.5)	–	–	–	(20.5)
<b>Total net assets</b>	2,316.6	294.0	5.6	290.4	(265.6)	–	2,641.0
<b>Represented by:</b>							
<b>Deferred capital grants</b>	515.1	–	–	–	–	(13.2)	501.9
<b>Endowments</b>							
Expendable endowments	196.9	4.4	–	181.9	–	(21.5)	361.7
Permanent endowments	693.5	–	–	1.3	–	–	694.8
	890.4	4.4	–	183.2	–	(21.5)	1,056.5
<b>Reserves</b>							
General reserves	692.4	265.1	4.1	90.5	(265.6)	31.3	817.8
Operational property revaluation reserve	127.2	–	–	–	–	–	127.2
Fixed asset investment revaluation reserve	91.5	24.5	–	16.7	–	3.4	136.1
	911.1	289.6	4.1	107.2	(265.6)	34.7	1,081.1
<b>Minority interest in subsidiary undertakings</b>	–	–	1.5	–	–	–	1.5
<b>Total</b>	2,316.6	294.0	5.6	290.4	(265.6)	–	2,641.0
	–	–	–	–	–	–	–
<b>Segmental reporting: net assets</b>							
Education and research	2,316.6	–	–	290.4	–	–	2,607.0
Assessment	–	294.0	–	–	–	–	294.0
Press	–	–	5.6	–	–	–	5.6
Unallocated re Contributory Pension Scheme	–	–	–	–	(265.6)	–	(265.6)
<b>Total</b>	2,316.6	294.0	5.6	290.4	(265.6)	–	2,641.0