

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 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
Trusts	Gates Cambridge Trust Cambridge Overseas Trust Cambridge Commonwealth Trust Cambridge European Trust Malaysian Commonwealth Studies Centre in Cambridge The Cambridge Foundation
Assessment	Cambridge Assessment Overseas Limited Cambridge Assessment Singapore Cambridge Avaliacao Representacao e Promocao Ltda Cambridge Boxhill Language Pty Limited Cambridge English (Aus) Cambridge ESOL Inc Fundacion UCLES Oxford and Cambridge International Assessment Services Limited Oxford Cambridge and RSA Examinations
Press	Academic Journal Publishing Pty Limited Australian Academic Press Pty Group 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 Hitachi-Solutions Education Limited Editorial Edicambridge Cia Ltda Digital Services Cambridge Limited 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 2013

	Academic £m	Assessment £m	Press £m	Trusts £m	CPS £m	Elimination £m	Total £m
Income							
Funding body grants	183.8	–	–	–	–	–	183.8
Academic fees and support grants	182.7	–	–	–	–	–	182.7
Research grants and contracts	331.8	–	–	–	–	–	331.8
Examination and assessment services	–	316.8	–	–	–	–	316.8
Publishing services	–	–	263.1	–	–	–	263.1
Other income	144.9	0.5	12.0	6.7	–	(24.0)	140.1
Endowment and investment income	62.1	6.9	0.2	11.6	–	(60.9)	19.9
Total income	905.3	324.2	275.3	18.3	–	(84.9)	1,438.2
Expenditure							
Staff costs	453.2	85.6	78.7	1.1	(13.7)	–	604.9
Other operating expenses	354.5	188.7	169.5	25.6	–	(23.9)	714.4
Depreciation	55.8	13.2	8.0	0.1	–	–	77.1
Interest payable	10.5	–	4.3	–	3.9	–	18.7
Total expenditure	874.0	287.5	260.5	26.8	(9.8)	(23.9)	1,415.1
Surplus / (deficit) on continuing operations	31.3	36.7	14.8	(8.5)	9.8	(61.0)	23.1
Minority interests in results of subsidiary undertakings	–	(0.2)	(0.1)	–	–	–	(0.3)
Surplus on continuing operations after minority interest	31.3	36.5	14.7	(8.5)	9.8	(61.0)	22.8
Transfer from specific endowments	7.8	–	–	7.4	–	35.1	50.3
Surplus for the year retained within general reserves	39.1	36.5	14.7	(1.1)	9.8	(25.9)	73.1
Expenditure by activity							
Academic departments	263.6	–	–	–	–	–	263.6
Academic services	41.4	–	–	–	–	–	41.4
Payments to colleges	43.3	–	–	–	–	–	43.3
Research grants and contracts	282.6	–	–	–	–	–	282.6
Other activities total	47.2	287.5	260.5	–	–	(17.5)	577.7
Administration and central services total	96.5	–	–	26.8	–	(6.4)	116.9
Premises	88.9	–	–	–	–	–	88.9
Interest payable on bond liabilities	10.5	–	–	–	–	–	10.5
Pension cost adjustments for CPS (see note 29)	–	–	–	–	(9.8)	–	(9.8)
Total expenditure	874.0	287.5	260.5	26.8	(9.8)	(23.9)	1,415.1
Segmental reporting: external income							
Education and research	905.3	–	–	18.3	–	(84.9)	838.7
Assessment	–	324.2	–	–	–	–	324.2
Press	–	–	275.3	–	–	–	275.3
Total	905.3	324.2	275.3	18.3	–	(84.9)	1,438.2
Segmental reporting: surplus before minority interest							
Education and research	31.3	–	–	(8.5)	–	(61.0)	(38.2)
Assessment	–	36.7	–	–	–	–	36.7
Press	–	–	14.8	–	–	–	14.8
Unallocated re Contributory Pension Scheme	–	–	–	–	9.8	–	9.8
Total	31.3	36.7	14.8	(8.5)	9.8	(61.0)	23.1

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	31.3	36.5	14.7	(8.5)	9.8	(61.0)	22.8
Valuation gains on investments							
Endowments	143.2	0.5	–	29.3	–	31.4	204.4
Reserves	94.6	25.4	–	17.0	–	29.5	166.5
New endowment capital	33.7	–	–	7.3	–	(0.2)	40.8
Loss arising on foreign currency translation	–	–	(3.2)	–	–	–	(3.2)
Actuarial gain / (loss)	–	–	27.0	–	(35.3)	–	(8.3)
Total recognised gains / (losses) relating to the year	302.8	62.4	38.5	45.1	(25.5)	(0.3)	423.0
Total gains / (losses) since the last annual report	302.8	62.4	38.5	45.1	(25.5)	(0.3)	423.0
Reconciliation							
Opening reserves and endowments	1,801.5	294.0	4.0	290.4	(265.6)	13.2	2,137.5
Total gains / (losses) since the last annual report	302.8	62.4	38.5	45.1	(25.5)	(0.3)	423.0
Closing reserves and endowments (excluding minority interests)	2,104.3	356.4	42.5	335.5	(291.1)	12.9	2,560.5

SUMMARY OF ELIMINATIONS

Income and expenditure	Income £m	Expenditure £m	Surplus £m
Transfer from Assessment to Chest	(15.9)	(15.9)	–
CUEF distribution from capital	(60.9)	–	(60.9)
Chest funding for Trusts	(6.4)	(6.4)	–
Deferred grant release on Press-funded buildings	(0.3)	–	(0.3)
Transfer from Press to Chest	(1.6)	(1.6)	–
Other items	0.2	–	0.2
	(84.9)	(23.9)	(61.0)

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	14.6	(14.6)	–	–	–
Assessment (RCEAL)	10.3	(10.7)	0.4	–	–
Transfer from Assessment to Chest accrued at 31 July 2013	–	–	(15.9)	15.9	–
Transfer from Press to Chest accrued at 31 July 2013	–	–	(1.6)	1.6	–
Other inter-segment balances	–	–	(5.5)	5.5	–
Investments held on behalf of associated bodies:					
University Endowment Fund	–	–	(496.0)	496.0	–
University Deposit Account	–	–	(112.2)	112.2	–
	24.9	(25.3)	(630.8)	631.2	–

Balance sheet: funds

	Deferred grants £m	Expendable endowments £m	Reserves £m	Total £m
Special Funds reclassified as reserves as contributed by:				
Press	–	(14.6)	14.6	–
Assessment (RCEAL)	–	(10.7)	10.7	–
Imbalance on transfer	–	–	–	–
Deferred grant on Press-funded buildings	(12.9)	–	12.9	–
	(12.9)	(25.3)	38.2	–

BALANCE SHEET AT 31 JULY 2013

	Academic £m	Assessment £m	Press £m	Trusts £m	CPS £m	Elimination £m	Total £m
Fixed assets							
Tangible assets	1,050.1	99.5	44.1	0.3	–	–	1,194.0
Intangible assets	–	1.5	4.0	–	–	–	5.5
Investments	772.4	182.3	0.2	119.9	–	24.9	1,099.7
	1,822.5	283.3	48.3	120.2	–	24.9	2,299.2
Endowment assets	1,059.5	4.9	–	212.3	–	(25.3)	1,251.4
Current assets							
Stocks and work in progress	1.8	–	58.4	–	–	–	60.2
Debtors	137.7	71.3	86.1	0.7	–	(23.0)	272.8
Investments							
University	252.8	99.4	–	20.9	–	1.1	374.2
Held on behalf of others	687.1	–	–	–	–	(608.9)	78.2
Cash at bank and in hand	10.0	8.2	39.5	3.7	–	–	61.4
	1,089.4	178.9	184.0	25.3	–	(630.8)	846.8
Creditors: amounts falling due within one year	(1,000.7)	(110.5)	(86.5)	(21.8)	–	631.2	(588.3)
Net current assets	88.7	68.4	97.5	3.5	–	0.4	258.5
Total assets less current liabilities	2,970.7	356.6	145.8	336.0	–	–	3,809.1
Creditors: amounts falling due after more than one year	(342.3)	–	(5.0)	(0.5)	–	–	(347.8)
Pension liabilities	–	–	(72.5)	–	(291.1)	–	(363.6)
Other post-retirement benefit liability	–	–	(24.2)	–	–	–	(24.2)
Total net assets	2,628.4	356.6	44.1	335.5	(291.1)	–	3,073.5
Represented by:							
Deferred capital grants	524.1	–	–	–	–	(12.9)	511.2
Endowments							
Expendable endowments	238.9	4.9	–	210.8	–	(25.3)	429.3
Permanent endowments	820.6	–	–	1.5	–	–	822.1
	1,059.5	4.9	–	212.3	–	(25.3)	1,251.4
Reserves							
General reserves	736.9	307.6	42.5	94.0	(291.1)	32.2	922.1
Operational property revaluation reserve	121.2	–	–	–	–	–	121.2
Fixed asset investment revaluation reserve	186.7	43.9	–	29.2	–	6.0	265.8
	1,044.8	351.5	42.5	123.2	(291.1)	38.2	1,309.1
Minority interest in subsidiary undertakings	–	0.2	1.6	–	–	–	1.8
Total	2,628.4	356.6	44.1	335.5	(291.1)	–	3,073.5
	-	-	-	-	-	-	-
Segmental reporting: net assets							
Education and research	2,628.4	-	-	335.5	-	-	2,963.9
Assessment	-	356.6	-	-	-	-	356.6
Press	-	-	44.1	-	-	-	44.1
Unallocated re Contributory Pension Scheme	-	-	-	-	(291.1)	-	(291.1)
Total	2,628.4	356.6	44.1	335.5	(291.1)	–	3,073.5