

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 the Cambridge Commonwealth, European and International Trust.
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	<ul style="list-style-type: none"> Cambridge Enterprise Limited Cambridge Investment Limited Cambridge Investment Management Limited Cambridge Institute for Sustainability Leadership (Australia) Cambridge Institute for Sustainability Leadership (South Africa) Cambridge University Technical Services Limited Cambridge Centre for Advanced Research in Energy Efficiency in Singapore The Dennis S Avery and Sally Tsui Wong-Avery Endowment Trust Fitzwilliam Museum (Enterprises) Limited IfM Education and Consultancy Services Limited JBS Executive Education Limited Lynxvale Limited University of Cambridge Dental Practice Limited UTS Cambridge
Trusts	<ul style="list-style-type: none"> Gates Cambridge Trust Cambridge Commonwealth, European and International Trust Malaysian Commonwealth Studies Centre in Cambridge
Assessment	<ul style="list-style-type: none"> Cambridge Assessment Overseas Limited Cambridge Assessment Singapore Cambridge Avaliacao Representacao e Promocao Ltda Cambridge Assessment Inc Cambridge English (Aus) Cambridge Boxhill Language Pty Limited Fundacion UCLES Oxford and Cambridge International Assessment Services Limited Oxford Cambridge and RSA Examinations Cambridge ClassServer LLP
Press	<ul style="list-style-type: none"> Academic Journal Publishing Pty Limited Australian Academic Press Pty Group Limited Cambridge Kazakhstan Limited Cambridge Knowledge (China) Limited Cambridge University Press (Greece) EPE Cambridge University Press (Holdings) Limited Cambridge University Press India (Private) Limited Cambridge University Press Satış ve Dağıtım Ticaret Limited Şirketi Cambridge University Press South Africa (Proprietary) Limited Cambridge Hitachi-Solutions Education Limited Editorial Edicambridge Cia Ltda Digital Services Cambridge Limited ELT Trading Limited HOTmaths Pty Limited United Publishers Services Limited Cambridge ClassServer LLP

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2016**

	Academic £m	Assessment £m	Press £m	Trusts £m	Elimination £m	Total £m
Income						
Tuition fees and education contracts	262.8	–	–	–	–	262.8
Funding body grants	193.0	–	–	–	–	193.0
Research grants and contracts	469.0	–	–	–	–	469.0
Exceptional income: RDEC	1.3	–	–	–	–	1.3
Examination and assessment services	–	391.7	–	–	–	391.7
Publishing services	–	–	269.4	–	–	269.4
Donations and endowments	62.0	–	–	18.8	(9.6)	71.2
Other income	130.7	2.7	4.9	0.1	(18.5)	119.9
Investment income	72.5	7.4	0.8	13.2	(72.6)	21.3
Total income	1,191.3	401.8	275.1	32.1	(100.7)	1,799.6
Expenditure						
Staff costs	551.5	117.2	91.6	1.2	–	761.5
Other operating expenses	* 449.6	233.2	175.0	32.1	(27.8)	862.1
Depreciation	* 66.5	6.7	* 3.9	0.1	(0.1)	77.1
Interest and other finance costs	28.3	0.9	3.9	–	–	33.1
Total expenditure	1,095.9	358.0	274.4	33.4	(27.9)	1,733.8
Surplus before other gains and losses	95.4	43.8	0.7	(1.3)	(72.8)	65.8
Gain on investments	116.6	10.5	0.9	21.2	72.6	221.8
Surplus before tax	212.0	54.3	1.6	19.9	(0.2)	287.6
Taxation	(0.3)	(0.2)	(2.5)	–	–	(3.0)
Surplus for the year	211.7	54.1	(0.9)	19.9	(0.2)	284.6
Actuarial loss	(145.2)	–	(37.0)	–	–	(182.2)
Gain / (loss) arising on foreign currency translation	–	0.7	9.1	–	–	9.8
Total comprehensive income for the year	66.5	54.8	(28.8)	19.9	(0.2)	112.2
Represented by:						
Endowment comprehensive income for the year	94.0	0.1	–	12.5	(1.4)	105.2
Restricted comprehensive income for the year	65.8	–	–	–	–	65.8
Unrestricted comprehensive income for the year	(93.3)	54.7	* (28.8)	7.4	1.2	(58.8)
	66.5	54.8	* (28.8)	19.9	(0.2)	112.2

Note:

Figures marked * on this page and the next reflect adjustments where group accounting policies differ from those adopted by the individual segments:

- Software assets are included in fixed assets in the Academic University accounts, but in intangible assets in the group financial statements. Amortisation of intangible assets is included in other operating expenses.
- The UK operational properties of the Press are carried in the group financial statements on the same basis as those of the Academic University and Cambridge Assessment reflecting the 1 August 2014 valuation. An uplift has therefore been applied to the book values in the Press' own accounts, which has affected the depreciation charge.

Eliminations: income and expenditure

	Income £m	Expenditure £m	Investment gain £m
Transfer from Assessment to Academic University based on Assessment results	(18.5)	(18.5)	–
Grants and donations from Academic University to Cambridge Trust	(9.6)	(9.6)	–
University fee element of movement in accrued scholar payments	–	0.3	–
CUEF distribution from capital	(72.6)	–	72.6
Depreciation on asset included in Academic University and Assessment	–	(0.1)	–
	(100.7)	(27.9)	72.6

CONSOLIDATED BALANCE SHEET AS AT 31 JULY 2016

	Academic £m	Assessment £m	Press £m	Trusts £m	Elimination £m	Total £m
Non-current assets						
Intangible assets and goodwill	* 1.9	39.0	34.5	–	–	75.4
Fixed assets	* 1,999.4	197.1	* 69.5	0.2	(17.2)	2,249.0
Heritage assets	65.1	–	–	–	–	65.1
Investments	2,279.7	214.1	17.3	393.3	–	2,904.4
	4,346.1	450.2	121.3	393.5	(17.2)	5,293.9
Current assets						
Stocks and work in progress	1.7	–	51.6	–	–	53.3
Trade and other receivables	197.0	88.9	99.8	1.5	(19.6)	367.6
Investments	855.1	65.4	–	1.0	(679.8)	241.7
Cash and cash equivalents	255.9	41.1	23.5	7.7	–	328.2
	1,309.7	195.4	174.9	10.2	(699.4)	990.8
Creditors: amounts falling due within one year	(1,291.2)	(103.1)	(95.5)	(19.2)	716.7	(792.3)
Net current assets	18.5	92.3	79.4	(9.0)	17.3	198.5
Total assets less current liabilities	4,364.6	542.5	200.7	384.5	0.1	5,492.4
Creditors: amounts falling due after more than one year	(342.5)	(3.9)	(1.7)	(10.6)	–	(358.7)
Pension liabilities	(608.0)	(24.4)	(124.1)	–	–	(756.5)
Other retirement benefits liabilities	–	–	(22.4)	–	–	(22.4)
Total net assets	3,414.1	514.2	52.5	373.9	0.1	4,354.8
Restricted reserves						
Income and expenditure reserve - endowment	1,296.9	5.6	–	247.6	(30.9)	1,519.2
Income and expenditure reserve - restricted	78.7	–	–	0.5	–	79.2
Unrestricted reserves						
Income and expenditure reserve - unrestricted	2,038.5	508.6	* 52.5	125.8	31.0	2,756.4
Total reserves	3,414.1	514.2	* 52.5	373.9	0.1	4,354.8

Movement in net assets

Net assets at 1 August 2015 as previously stated:	3,061.8	461.2	39.0	380.0	(29.6)	3,561.9
	(350.5)					
Transition to FRS 102:						
Operational property	718.0	20.4	44.0	–	12.3	794.7
Provision for USS deficit recovery payments	(90.5)	(20.6)	–	–	–	(111.1)
Research income recognition	15.4	–	–	–	–	15.4
Holiday pay accruals	(6.6)	(1.6)	(1.7)	–	–	(9.9)
Accrued scholar payments	–	–	–	(26.0)	17.6	(8.4)
Net assets at 1 August 2015 under FRS 102	3,347.6	459.4	81.3	354.0	0.3	4,242.6
Comprehensive income for the year ended 31 July 2016	66.5	54.8	(28.8)	19.9	(0.2)	112.2
Net assets at 31 July 2016 as above	3,414.1	514.2	52.5	373.9	0.1	4,354.8

Eliminations: balance sheet

Fixed assets						
Surplus recognised in Press on disposal of Edinburgh Building to Assessment						(12.8)
Part of Data Centre building included in Academic and Assessment						(4.4)
						(17.2)
Current assets				Receivables	Investments	Total
Transfer from Assessment to Academic based on Assessment results				(18.5)	–	(18.5)
Other inter-segment balances				(1.1)	–	(1.1)
Investments held on behalf of associated bodies				–	(679.8)	(679.8)
				(19.6)	(679.8)	(699.4)
Current liabilities						
As current assets above						699.4
University fee element of accrued scholar payments						17.3
						716.7
Endowment reserves						
Special funds in Academic contributed by Press and Assessment						(30.9)
Unrestricted reserves						
Net assets eliminations as above						0.1
Special funds in Academic contributed by Press and Assessment						30.9
						31.0