

Section A: Unaudited accounts in respect of academic activities

The scope and basis of preparation differ from the University's financial statements for 2016-17 in that these unaudited accounts exclude the income and expenditure, assets and liabilities of Cambridge Assessment (the Local Examinations Syndicate and its subsidiary undertakings) and of Cambridge University Press, and also exclude from consolidation the associated Trusts. In order to distinguish these accounts from the University's financial statements they are referred to as unaudited accounts in respect of academic activities.

The unaudited accounts have been prepared following the same accounting policies as the audited financial statements for the year ended 31 July 2017. Investment income includes the full value of distributions from the Cambridge University Endowment Fund.

The Group accounts included below reflect the consolidated position of the Academic University together with the 20 subsidiary undertakings listed against "Academic" in Section B.

UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME IN RESPECT OF ACADEMIC ACTIVITIES FOR THE YEAR ENDED 31 JULY 2017

	<i>Note</i>	Group Year ended 31 July 2017 £m	Group Year ended 31 July 2016 £m	University Year ended 31 July 2017 £m	University Year ended 31 July 2016 £m
Income					
Tuition fees and education contracts	<i>i</i>	276.4	262.8	263.6	250.1
Funding body grants	<i>ii</i>	178.0	193.0	178.0	193.0
Research grants and contracts	<i>iii</i>	466.0	469.0	457.5	462.4
Donations and endowments	<i>iv</i>	70.5	62.0	80.9	67.3
Other income	<i>v</i>	149.0	132.0	127.9	111.9
Investment income	<i>vi</i>	72.9	72.5	71.9	71.8
Total income		1,212.8	1,191.3	1,179.8	1,156.5
Expenditure					
Staff costs	<i>vii</i>	575.5	551.5	563.7	541.8
Other operating expenses	<i>viii</i>	453.2	448.2	431.0	426.1
Depreciation	<i>viii, xi</i>	78.7	67.9	78.2	67.6
Interest and other finance costs	<i>ix</i>	27.1	28.3	27.2	28.3
Total expenditure		1,134.5	1,095.9	1,100.1	1,063.8
Surplus before other gains and losses		78.3	95.4	79.7	92.7
Gain on investments	<i>xiii</i>	253.7	116.6	245.7	114.2
Surplus before tax		332.0	212.0	325.4	206.9
Taxation	<i>x</i>	–	(0.3)	–	(0.3)
Surplus for the year		332.0	211.7	325.4	206.6
Actuarial loss		(1.0)	(145.2)	(1.0)	(145.2)
Gain arising on foreign currency translation		0.2	–	0.1	–
Total comprehensive income for the year		331.2	66.5	324.5	61.4
Represented by:					
Endowment comprehensive income for the year	<i>xxi</i>	183.7	94.0	183.4	93.8
Restricted comprehensive income for the year	<i>xxii</i>	49.1	65.8	49.1	65.7
Unrestricted comprehensive income/(expenses) for the year		98.4	(93.3)	92.0	(98.1)
		331.2	66.5	324.5	61.4

**UNAUDITED STATEMENT OF CHANGES IN RESERVES IN RESPECT OF ACADEMIC
ACTIVITIES FOR THE YEAR ENDED 31 JULY 2017**

	Endowment £m	Restricted £m	Unrestricted £m	Total £m
Group				
Balance at 1 August 2015	1,202.9	81.4	2,063.3	3,347.6
Surplus for the year ended 31 July 2016	94.0	65.8	51.9	211.7
Other comprehensive income	–	–	(145.2)	(145.2)
Total comprehensive income for the year ended 31 July 2016	94.0	65.8	(93.3)	66.5
Release of restricted capital funds spent in the year ended 31 July 2016	–	(68.5)	68.5	–
Balance at 31 July 2016	1,296.9	78.7	2,038.5	3,414.1
Surplus for the year ended 31 July 2017	183.7	49.1	99.2	332.0
Other comprehensive income	–	–	(0.8)	(0.8)
Total comprehensive income for the year ended 31 July 2017	183.7	49.1	98.4	331.2
Release of restricted capital funds spent in the year ended 31 July 2017	–	(43.2)	43.2	–
Balance at 31 July 2017	1,480.6	84.6	2,180.1	3,745.3
University				
Balance at 1 August 2015	1,200.5	81.4	2,059.6	3,341.5
Surplus for the year ended 31 July 2016	93.8	65.7	47.1	206.6
Other comprehensive income	–	–	(145.2)	(145.2)
Total comprehensive income for the year ended 31 July 2016	93.8	65.7	(98.1)	61.4
Release of restricted capital funds spent in the year ended 31 July 2016	–	(68.5)	68.5	–
Balance at 31 July 2016	1,294.3	78.6	2,030.0	3,402.9
Surplus for the year ended 31 July 2017	183.4	49.1	92.9	325.4
Other comprehensive income	–	–	(0.9)	(0.9)
Total comprehensive income for the year ended 31 July 2017	183.4	49.1	92.0	324.5
Release of restricted capital funds spent in the year ended 31 July 2017	–	(43.2)	43.2	–
Balance at 31 July 2017	1,477.7	84.5	2,165.2	3,727.4

UNAUDITED BALANCE SHEETS IN RESPECT OF ACADEMIC ACTIVITIES AS AT 31 JULY 2017

	<i>Note</i>	Group 31 July 2017 £m	Group 31 July 2016 £m	University 31 July 2017 £m	University 31 July 2016 £m
Non-current assets					
Fixed assets	<i>xi</i>	2,143.7	2,001.3	2,145.5	2,003.0
Heritage assets	<i>xii</i>	67.3	65.1	67.3	65.1
Investments	<i>xiii</i>	2,464.1	2,279.7	2,448.7	2,269.2
		4,675.1	4,346.1	4,661.5	4,337.3
Current assets					
Stocks and work in progress	<i>xiv</i>	1.7	1.7	1.3	1.3
Trade and other receivables	<i>xv</i>	205.2	197.0	201.7	196.0
Investments	<i>xvi</i>	1,038.0	855.1	1,040.8	857.6
Cash and cash equivalents	<i>xvii</i>	214.1	255.9	197.4	240.2
		1,459.0	1,309.7	1,441.2	1,295.1
Creditors: amounts falling due within one year	<i>xviii</i>	(1,426.2)	(1,291.2)	(1,414.0)	(1,280.4)
Net current assets		32.8	18.5	27.2	14.7
Total assets less current liabilities		4,707.9	4,364.6	4,688.7	4,352.0
Creditors: amounts falling due after more than one year	<i>xix</i>	(342.5)	(342.5)	(342.5)	(342.5)
Pension liabilities	<i>xx</i>	(620.1)	(608.0)	(618.8)	(606.6)
Total net assets		3,745.3	3,414.1	3,727.4	3,402.9
Restricted reserves					
Income and expenditure reserve - endowment	<i>xxi</i>	1,480.6	1,296.9	1,477.7	1,294.3
Income and expenditure reserve - restricted	<i>xxii</i>	84.6	78.7	84.5	78.6
Unrestricted reserves					
Income and expenditure reserve - unrestricted		2,180.1	2,038.5	2,165.2	2,030.0
Total reserves		3,745.3	3,414.1	3,727.4	3,402.9

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

	2017 Group £m	2016 Group £m	2017 University £m	2016 University £m
i Tuition fees and education contracts				
Full-time home / EU students	131.9	122.0	131.9	122.0
Full-time overseas (non-EU) students	87.1	87.8	87.1	87.8
Other course fees	28.5	25.2	15.7	12.5
Research Training Support Grants	28.9	27.8	28.9	27.8
	276.4	262.8	263.6	250.1
ii Funding body grants				
Higher Education Funding Council for England (HEFCE)				
Recurrent grant: teaching	17.9	20.7	17.9	20.7
Recurrent grant: research	121.9	120.0	121.9	120.0
Other revenue grants	7.3	7.5	7.3	7.5
Total revenue grants	147.1	148.2	147.1	148.2
Capital grants recognised in the year	30.9	44.8	30.9	44.8
	178.0	193.0	178.0	193.0
iii Income: Research grants and contracts				
Research councils	146.8	161.1	146.8	161.1
UK based charities	142.4	127.3	142.4	127.2
European Commission	59.2	61.5	59.2	61.5
UK industry	18.9	23.6	18.9	22.2
UK Government	46.1	49.6	46.1	49.3
Other bodies	52.6	45.9	44.1	41.1
	466.0	469.0	457.5	462.4
Total research grants and contracts income includes grants of £8.0m (2016: £7.8m) towards the cost of buildings and £26.7m (2016: £38.6m) for the purchase of equipment.				
iv Donations and endowments				
New endowments	30.4	28.9	30.4	28.9
Donations of, and for the purchase of, fixed assets	10.2	9.2	10.2	9.2
Donations of, and for the purchase of, heritage assets	1.7	3.7	1.7	3.7
Other donations with restrictions	18.0	8.5	18.0	8.5
Donations from subsidiary companies	–	–	10.4	5.3
Unrestricted donations	10.2	11.7	10.2	11.7
	70.5	62.0	80.9	67.3
v Other income				
Other services rendered	44.5	42.4	37.2	33.6
Health and hospital authorities	20.5	19.9	20.5	19.9
Residences, catering and conferences	11.6	10.4	11.6	10.4
Income from intellectual property	12.4	10.3	–	–
Rental income	9.5	10.4	9.5	10.4
Grants received (other than those included in notes ii and iii above)	4.8	5.0	3.7	4.1
Research and Development Expenditure Credit (RDEC) receivable	–	1.3	–	1.3
Transferred from Cambridge Assessment	23.7	18.5	23.7	18.5
Transferred from Cambridge University Press	3.1	–	3.1	–
Sundry income	18.9	13.8	18.6	13.7
	149.0	132.0	127.9	111.9

RDEC has previously been claimed from HM Revenue & Customs at a rate of 10% or 11% on qualifying research and development expenditure, and is received net of Corporation Tax (see note x). The University is not eligible to claim for RDEC in relation to expenditure incurred on or after 1 August 2015.

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES (continued)

	2017 Group £m	2016 Group £m	2017 University £m	2016 University £m
vi Investment income				
Income from non-current asset investments:	71.8	70.8	70.9	70.2
Income from current asset investments and cash equivalents	1.1	1.7	1.0	1.6
	72.9	72.5	71.9	71.8
<i>Credited to:</i>				
Permanent endowment reserves	36.6	33.8	36.5	33.7
Expendable endowment reserves	8.0	7.6	8.0	7.6
Restricted reserves	0.7	0.6	0.7	0.6
Unrestricted reserves	27.6	30.5	26.7	29.9
	72.9	72.5	71.9	71.8

The University operates a unitised fund, the Cambridge University Endowment Fund (CUEF), for long-term investment in respect of individual restricted endowments and other balances. A number of subsidiary undertakings, Cambridge Colleges and other associated bodies also hold units in the CUEF. The assets of the CUEF were held in the following categories:

	31 July 2017		31 July 2016	
	£m	%	£m	%
Public equity	1,758.7	59.0%	1,662.0	60.3%
Private investment	395.4	13.2%	327.4	11.9%
Absolute return	353.0	11.8%	360.1	13.1%
Credit	11.8	0.4%	11.5	0.4%
Real assets	337.2	11.3%	305.4	11.1%
Fixed interest / cash	128.3	4.3%	87.5	3.2%
	2,984.4	100.0%	2,753.9	100.0%

Public equity includes all equity stocks traded on a liquid market, together with related index funds and derivatives.

Private investment includes investments where initial capital commitments are drawn down over a period, and the proceeds of the investments once disposed of are returned over the life of each fund. The underlying investments may include unlisted equities and / or corporate credits (such as bonds, loans and other claims).

Absolute return includes investments in trading strategies which are to some degree independent of overall equity market movements. Funds where different equities are simultaneously held (long) and sold (short) are included in this category.

Credit includes corporate securities (such as bonds and loans) traded on a liquid public market.

Real assets includes investments which are expected to some degree to increase in nominal value to match inflation. This category includes commercial property, and securities which reflect the level of commodity values. Inflation-linked government securities are, however, included in the fixed interest category below.

Fixed interest / cash includes cash at bank and on deposit, government securities, the net value of foreign currency contracts and any amounts receivable in general; less amounts payable, including those arising from holding derivative contracts.

The assets of the CUEF are included in the following balance sheet captions in proportion to the number of units held by the relevant funds:

	2017 Group £m	2016 Group £m	2017 University £m	2016 University £m
Non current asset investments (see note xiii)	1,996.4	1,955.7	1,993.6	1,953.2
Current asset investments (see note xvi) - balances held on behalf of:				
Subsidiary undertakings	–	–	2.8	2.5
Colleges	277.3	176.7	277.3	176.7
Other associated bodies	710.7	621.5	710.7	621.5
	988.0	798.2	990.8	800.7
	2,984.4	2,753.9	2,984.4	2,753.9

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES (continued)

vii Staff costs	2017	2016	2017	2016
	Group £000	Group £000	University £000	University £000
Wages and salaries	425.3	408.7	415.4	400.7
Social security costs	45.6	39.7	45.0	39.1
Pension costs:				
Current service cost	104.9	89.4	103.7	88.4
Change in underlying assumptions in calculating USS deficit recovery provision (see note xx)	(0.3)	13.7	(0.4)	13.6
Total pension costs (see below)	104.6	103.1	103.3	102.0
	575.5	551.5	563.7	541.8
The average number of staff employed in the year, expressed as full-time equivalents, was:	10,694	10,260	10,514	10,106

Remuneration of the Vice-Chancellor

	2017 £000	2016 £000
Salary for the year	343	323
Backdated increase in respect of the previous year	–	22
Total salary paid in the year	343	345
Taxable benefits in kind	12	4
Total excluding employer pension contributions	355	349
Employer pension contributions	7	4
	362	353

Salary is the contractual salary before adjusting for salary sacrifice arrangements under which, in common with other employees, the Vice-Chancellor sacrificed an amount of pay and the University paid the same amount to the Universities Superannuation Scheme.

In addition to the taxable benefits in kind received, the Vice-Chancellor is also provided with subsidised accommodation. This is a non-taxable benefit and as such is not included in the table above.

Remuneration of other higher paid staff

Remuneration for this purpose excludes employer's pension contributions except to the extent that these result from the sacrifice of an element of pay.

	Clinical		Non-clinical		Total number	
	2017	2016	2017	2016	2017	2016
£100,001 - £110,000	17	20	60	68	77	88
£110,001 - £120,000	23	17	51	41	74	58
£120,001 - £130,000	8	3	21	26	29	29
£130,001 - £140,000	12	15	24	20	36	35
£140,001 - £150,000	8	10	8	16	16	26
£150,001 - £160,000	13	13	18	11	31	24
£160,001 - £170,000	11	9	10	8	21	17
£170,001 - £180,000	7	10	4	2	11	12
£180,001 - £190,000	4	3	1	3	5	6
£190,001 - £200,000	4	7	4	5	8	12
£200,001 - £210,000	5	3	6	8	11	11
£210,001 - £220,000	2	1	8	–	10	1
£220,001 - £230,000	–	1	2	–	2	1
£230,001 - £240,000	1	–	–	1	1	1
£240,001 - £250,000	–	–	3	2	3	2
£250,001 - £260,000	–	1	2	1	2	2
£260,001 - £270,000	–	–	1	–	1	–
£280,001 - £290,000	–	–	1	–	1	–
£290,001 - £300,000	1	–	–	2	1	2
£300,001 - £310,000	–	–	1	2	1	2
£320,001 - £330,000	–	–	–	1	–	1
£330,001 - £340,000	–	–	1	1	1	1
£380,001 - £390,000	–	–	–	1	–	1
£400,001 - £410,000	–	–	1	–	1	–
£640,001 - £650,000	–	–	1	–	1	–

The above statistics include a small number of employees who received an adjustment for backdated pay in the period and a small number of staff who were eligible for bonuses.

As in previous years, the above statistics include additional payments to employees of the University on behalf of NHS bodies.

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES (continued)

vii Staff costs (continued)

Compensation for loss of office

Aggregate payments for compensation for loss of office were paid to two members of staff earning in excess of £100,000 per annum in 2016-17 (none in 2015-16):

Payments in respect of loss of office

2017	2016
£000	£000
250	–

Key management personnel

The total remuneration of the Vice-Chancellor, Pro-Vice-Chancellors, Chief Financial Officer (from 1 May 2017) and Registry for the year, comprising salary and benefits excluding employer pension contributions, was:

£000	£000
1,333	1,090

The total group pension cost for the year was:

	Employer contributions	Provisions (note xx)	Total	Employer contributions	Provisions (note xx)	Total
	2017	2017	2017	2016	2016	2016
	£m	£m	£m	£m	£m	£m
USS	81.5	(7.1)	74.4	70.5	9.8	80.3
CPS	21.1	4.2	25.3	21.0	(3.1)	17.9
NHSPS	2.3	–	2.3	2.2	–	2.2
Other pension schemes	2.6	–	2.6	2.7	–	2.7
	107.5	(2.9)	104.6	96.4	6.7	103.1

viii Analysis of consolidated expenditure by activity

	Staff costs	Other operating expenses	Depreciation	Interest payable	2017 Total	2016
	£m	£m	£m	£m	£m	£m
Academic departments	241.1	71.5	9.9	–	322.5	307.2
Academic services	31.3	13.4	0.9	–	45.6	41.5
Payments to Colleges	–	67.3	–	–	67.3	64.1
Research grants and contracts	204.9	166.1	21.9	–	392.9	377.2
Other activities:						
Other services rendered	12.6	27.7	0.1	–	40.4	38.7
Intellectual property	3.4	4.6	–	–	8.0	9.7
Residences, catering and conferences	3.0	11.6	–	–	14.6	14.2
Other activities total	19.0	43.9	0.1	–	63.0	62.6
Administration and central services:						
Administration	53.4	1.0	1.8	–	56.2	52.7
General educational	1.4	33.8	–	–	35.2	34.0
Staff and student facilities	3.0	1.0	–	–	4.0	4.4
Development office	5.8	6.1	–	–	11.9	12.6
Other	0.9	3.1	–	–	4.0	4.0
Administration and central services total	64.5	45.0	1.8	–	111.3	107.7
Premises	17.4	46.0	44.1	–	107.5	100.6
Interest payable on bond liabilities	–	–	–	13.2	13.2	13.2
Pension cost adjustments for USS	(7.0)	–	–	1.8	(5.2)	12.5
Pension cost adjustments for CPS	4.3	–	–	12.1	16.4	9.3
Total per income and expenditure account	575.5	453.2	78.7	27.1	1,134.5	1,095.9

ix Interest payable and other finance costs

	2017 Group	2016 Group	2017 University	2016 University
	£m	£m	£m	£m
Interest payable on bond liabilities (see note xix)	13.2	13.2	13.2	13.2
Interest on pension liabilities (see note xx)	13.9	15.1	14.0	15.1
	27.1	28.3	27.2	28.3

x Taxation

UK Corporation Tax	–	0.3	–	0.3
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Due to its exempt charity status the only charge for UK Corporation Tax is in 2015-16 and is solely in respect of Research and Development Expenditure Credit grants receivable (see note v above).

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES (continued)

xi Fixed assets					2017	2016
<i>Group</i>	Land	Buildings	Assets in	Equipment	Total	Total
	£m	£m	construction	£m	£m	£m
			£m			
Cost						
At 1 August	372.7	1,460.4	172.0	299.0	2,304.1	2,112.2
Additions at cost	–	27.6	152.1	39.5	219.2	197.1
Transfers	1.3	103.6	(104.9)	–	–	–
Transfers (to)/from investment properties	(0.2)	1.9	–	–	1.7	–
Disposals	–	–	–	(4.9)	(4.9)	(5.2)
Currency adjustments	–	–	–	–	–	–
At 31 July	373.8	1,593.5	219.2	333.6	2,520.1	2,304.1
Accumulated depreciation						
At 1 August	–	79.1	–	223.7	302.8	240.1
Charge for the year	–	45.1	–	33.6	78.7	67.9
Transfers (to)/from investment properties	–	(0.2)	–	–	(0.2)	–
Elimination on disposals	–	–	–	(4.9)	(4.9)	(5.2)
Currency adjustments	–	–	–	–	–	–
At 31 July	–	124.0	–	252.4	376.4	302.8
Net book value						
At 31 July	373.8	1,469.5	219.2	81.2	2,143.7	2,001.3
At 1 August	372.7	1,381.3	172.0	75.3	2,001.3	1,872.1
University						
Cost						
At 1 August	372.7	1,461.9	173.0	296.9	2,304.5	2,112.7
Additions at cost	–	27.6	153.0	38.3	218.9	197.0
Transfers	1.3	103.6	(104.9)	–	–	–
Transfers (to)/from investment properties	(0.2)	1.9	–	–	1.7	–
Disposals	–	–	–	(4.9)	(4.9)	(5.2)
At 31 July	373.8	1,595.0	221.1	330.3	2,520.2	2,304.5
Accumulated depreciation						
At 1 August	–	79.1	–	222.4	301.5	239.1
Charge for the year	–	45.1	–	33.1	78.2	67.6
Transfers (to)/from investment properties	–	(0.2)	–	–	(0.2)	–
Elimination on disposals	–	–	–	(4.8)	(4.8)	(5.2)
At 31 July	–	124.0	–	250.7	374.7	301.5
Net book value						
At 31 July	373.8	1,471.0	221.1	79.6	2,145.5	2,003.0
At 1 August	372.7	1,382.8	173.0	74.5	2,003.0	1,873.6

Building additions in the year include assets held under long term lease agreements which were signed on 26 September 2016 and 24 March 2017. The leases are for a duration of 170 years. The cost of the assets acquired under lease and included in the above table is £27.7m.

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES (continued)

xii Heritage assets	2017 Group £m	2016 Group £m	2017 University £m	2016 University £m
Opening balance	65.1	60.9	65.1	60.9
Additions in the year	2.2	4.2	2.2	4.2
Closing balance	67.3	65.1	67.3	65.1

The University holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance. Most of these are housed in the University's nationally accredited museums and collections and in its libraries, providing a valuable research and educational resource locally, nationally and internationally as well as an unrivalled opportunity to present the University's work to a wide audience. Other collections are held in academic departments or are on display as public art. Major collections include those held by the University Library, a legal deposit, the Botanic Garden and the Fitzwilliam Museum.

In respect of its major collections, the University's practice, in accordance with the national accreditation standards, is: to preserve, conserve and manage the objects in its care; to augment the collections where appropriate and within the resources available; to enable and encourage access to and use of the collections for teaching and research; and to enable wide access to and engagement with the collections by members of the public.

As stated in the statement of principal accounting policies, heritage assets acquired since 1 August 1999 have been capitalised. The majority of assets held in the University's collections were acquired before 1 August 1999; because reliable estimates of cost or valuation are not available for these on a cost-benefit basis they have not been capitalised. As a result the total included in the balance sheet is partial.

Additions for the current and previous four years were as follows:	2017 £m	2016 £m	2015 £m	2014 £m	2013 £m
Acquisitions purchased with specific donations	1.7	1.2	1.1	0.4	4.0
Value of acquisitions by donation	–	2.5	0.4	0.1	11.6
Total acquired by, or funded by, donations	1.7	3.7	1.5	0.5	15.6
Acquisitions purchased with University funds	0.5	0.5	–	0.5	0.7
Total acquisitions capitalised	2.2	4.2	1.5	1.0	16.3

xiii Non-current asset investments	2017 Group £m	2016 Group £m	2017 University £m	2016 University £m
Opening balance	2,279.7	2,100.4	2,269.2	2,092.4
North West Cambridge: additions	111.5	141.8	111.5	141.8
North West Cambridge: disposals at cost and transfers to fixed assets	–	(23.7)	–	(23.7)
Other additions in the year	58.1	67.9	61.2	67.9
Other disposals in the year	(237.0)	(122.1)	(237.0)	(122.1)
Other transfers (to)/from other balance sheet accounts	(1.9)	(1.2)	(1.9)	(1.3)
Valuation gains on investments	253.7	116.6	245.7	114.2
Closing balance	2,464.1	2,279.7	2,448.7	2,269.2
Represented by:				
CUEF units (see note vi)	1,996.4	1,955.7	1,993.6	1,953.2
North West Cambridge development	332.1	220.6	332.1	220.6
Other property	75.0	67.4	75.0	67.4
Securities	11.0	9.6	11.0	9.5
Spin-out and similar companies	49.5	26.3	31.4	16.3
Subsidiary companies	–	–	5.5	2.1
Other	0.1	0.1	0.1	0.1
	2,464.1	2,279.7	2,448.7	2,269.2

Phase 1 of the North West Cambridge development, currently under construction, includes accommodation for University staff and students and for others, infrastructure and community facilities. Individual buildings considered at completion to have a primary purpose of supporting education are transferred to fixed assets.

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES (continued)

xiv	Stocks and work in progress	2017 Group £m	2016 Group £m	2017 University £m	2016 University £m
	Goods for resale	0.3	0.3	–	–
	Other stocks	1.4	1.4	1.3	1.3
		1.7	1.7	1.3	1.3
		–		–	
xv	Trade and other receivables				
	Amounts due within one year				
	Research grants recoverable	105.6	100.1	105.4	100.1
	Amounts due from subsidiary undertakings	–	–	37.7	28.0
	Other debtors	99.6	96.9	58.6	67.9
		205.2	197.0	201.7	196.0
xvi	Current asset investments				
	CUEF units held on behalf of other entities (see note vi)	988.0	798.2	990.8	800.7
	Securities	–	–	–	–
	Money market investments	43.5	45.5	43.5	45.5
	Other	6.5	11.4	6.5	11.4
		1,038.0	855.1	1,040.8	857.6
xvii	Cash and cash equivalents				
	Money market investments with maturity less than three months	194.2	240.1	194.2	240.1
	Cash at bank and in hand and with investment managers	19.9	15.8	3.2	0.1
		214.1	255.9	197.4	240.2
xviii	Creditors: amounts falling due within one year				
	Bank overdraft	–	33.9	–	33.9
	Research grants received in advance	192.7	190.5	192.7	189.1
	Amounts due to group undertakings	–	–	10.0	12.7
	Other creditors	202.7	191.5	176.3	165.5
	Investments and cash equivalents for subsidiaries	732.1	679.8	736.3	683.7
	Investments and cash equivalents for others	298.7	195.5	298.7	195.5
		1,426.2	1,291.2	1,414.0	1,280.4
xix	Creditors: amounts falling due after more than one year				
	Bond liabilities	342.5	342.5	342.5	342.5

On 17 October 2012 the University issued £350m of 3.75% unsecured Bonds due October 2052 (the "Bonds"). The Bonds were issued at 98.168% of their principal amount. The proceeds of issue, less directly attributable transaction costs, amounted to £342m. Interest at 3.75% pa is payable on 17 April and 17 October each year commencing on 17 April 2013. The Bonds are listed on the London Stock Exchange. Unless previously redeemed, the Bonds will be redeemed at their principal amount of £350m on 17 October 2052. The Bonds are initially measured at the proceeds of issue less all transaction costs directly attributable to the issue. After initial recognition, the Bonds are measured at amortised cost using the effective interest rate method. Under this method the discount at which the Bonds were issued and the transaction cost are accounted for as additional interest expense over the term of the Bonds.

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES (continued)

xx Pension liabilities

<i>Group</i>	CPS	USS deficit	Total	Total
	£m	recovery £m	2017 £m	2016 £m
Opening balance	505.0	103.0	608.0	441.0
Movement in year:				
Current service cost	31.4	–	31.4	20.6
Contributions	(28.2)	(6.8)	(35.0)	(28.1)
Administration expenses	1.0	–	1.0	0.5
Interest on liability	12.2	1.8	14.0	15.1
Change in underlying assumptions	–	(0.3)	(0.3)	13.7
Exchange adjustment	–	–	–	–
Actuarial loss	1.0	–	1.0	145.2
Closing balance	522.4	97.7	620.1	608.0
			–	
<i>University</i>				
Opening balance	505.0	101.6	606.6	439.7
Movement in year:				
Current service cost	31.4	–	31.4	20.6
Contributions	(28.2)	(6.6)	(34.8)	(28.1)
Administration expenses	1.0	–	1.0	0.5
Interest on liability	12.2	1.8	14.0	15.1
Change in underlying assumptions	–	(0.4)	(0.4)	13.6
Exchange adjustment	–	–	–	–
Actuarial loss	1.0	–	1.0	145.2
Closing balance	522.4	96.4	618.8	606.6

The net liability in respect of the Cambridge University Assistants' Contributory Pension Scheme (CPS) represents the present value of this defined benefit scheme's obligations to provide future benefits in relation to past service, less the assets of the scheme. For additional information please refer to the audited financial statements of the University.

The liability in respect of deficit recovery payments to the Universities Superannuation Scheme (USS) represents the present value of estimated future employer contributions to the USS to the extent that under the schedule of contributions agreed between the USS and participating employers in July 2015 they are payments towards the recovery of the deficit identified in the actuarial valuation as at 31 March 2014. For this purpose estimated deficit recovery payments over the period of the schedule of contributions ending in March 2031 have been discounted at 1.89% (2016: 1.75%). The movements described as "change in underlying assumptions" include the impact of movements in discount rates. The resulting decrease in provision in 2016-17 is included in staff costs (see note vii).

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES (continued)

xxi Endowment reserves	Permanent £m	Expendable £m	2017	2016	
			Total £m	Total £m	
Group					
Balance 1 August	1,042.8	254.1	1,296.9	1,202.9	
New endowments received	28.1	2.3	30.4	28.9	
Transfers	(0.1)	0.1	-	-	
Investment income	36.6	8.0	44.6	41.4	
Expenditure	(31.9)	(10.9)	(42.8)	(39.7)	
Valuation gains on investments	123.7	27.8	151.5	63.4	
Balance 31 July	1,199.2	281.4	1,480.6	1,296.9	
Capital	1,039.1	254.6	1,293.7	1,134.1	
Unspent income	160.1	26.8	186.9	162.8	
Balance 31 July	1,199.2	281.4	1,480.6	1,296.9	
Representing:					
Trust and Special Funds:					
Professorships, Readerships and Lectureships	608.5	75.5	684.0	591.5	
Scholarships and bursaries	146.1	16.3	162.4	143.8	
Other	368.9	189.6	558.5	537.4	
General endowments	75.7	-	75.7	24.2	
Group total	1,199.2	281.4	1,480.6	1,296.9	
University					
Balance 1 August	1,040.2	254.1	1,294.3	1,200.5	
New endowments received	28.1	2.3	30.4	28.9	
Transfers	(0.1)	0.1	-	-	
Income receivable from endowment asset investments	36.5	8.0	44.5	41.3	
Expenditure	(31.8)	(10.9)	(42.7)	(39.7)	
Valuation gains on investments	123.4	27.8	151.2	63.3	
Balance 31 July	1,196.3	281.4	1,477.7	1,294.3	
Capital	1,036.2	254.6	1,290.8	1,131.5	
Unspent income	160.1	26.8	186.9	162.8	
Balance 31 July	1,196.3	281.4	1,477.7	1,294.3	
xxii Restricted reserves					
	Unspent capital grants £m	Unspent research grants £m	Specific donations £m	2017 Total £m	2016 Total £m
Group					
Balance 1 August	22.9	20.7	35.1	78.7	81.4
Donations and grants recognised in the year	38.4	7.6	19.2	65.2	81.0
Investment income	-	-	0.7	0.7	0.6
Expenditure	-	(7.0)	(11.9)	(18.9)	(16.6)
Capital grants spent	(43.2)	-	-	(43.2)	(68.5)
Valuation gains on investments	-	-	2.1	2.1	0.8
Balance 31 July	18.1	21.3	45.2	84.6	78.7
University					
Balance 1 August	22.9	20.7	35.0	78.6	81.4
Donations and grants recognised in the year	38.4	7.6	18.0	64.0	80.1
Investment income	-	-	0.7	0.7	0.6
Expenditure	-	(7.0)	(10.7)	(17.7)	(15.8)
Capital grants spent	(43.2)	-	-	(43.2)	(68.5)
Valuation gains on investments	-	-	2.1	2.1	0.8
Balance 31 July	18.1	21.3	45.1	84.5	78.6
xxiii Capital commitments				2017 Group £m	2016 Group £m
Commitments for capital expenditure:					
Commitments contracted at 31 July				299.3	348.5
Authorised but not contracted at 31 July				23.1	175.4
Commitments for capital calls on investments:				417.9	357.4