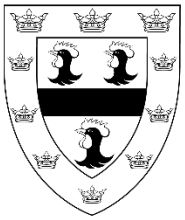

JESUS COLLEGE
CAMBRIDGE

# ANNUAL REPORT AND ACCOUNTS

**for the year ended**

**30 June 2020**

# JESUS COLLEGE, CAMBRIDGE

# ANNUAL REPORT AND ACCOUNTS

## for the year ended

## 30 June 2020

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**JESUS COLLEGE**
**CAMBRIDGE CB5 8BL**

**Visitor:** The Bishop of Ely

**Master:** Ms S. Alleyne, O.B.E., F.R.A., F.R.S.A. (from 1 October 2019)
**Vice-Master: Professor** J.P.T. Clackson (until 30 September 2019)

**The Fellows of the College (in order of election):**

Professor P.H. Nolan, C.B.E.
Professor I. Paterson, F.R.S.
Professor M.L.S. Sørensen
Dr G.T. Parks
Dr R. Mengham
Revd Dr T.D. Jenkins (until 30 September 2019)
Professor R. Cipolla, F.R.Eng.
Dr S. Fennell
Professor D.I. Wilson, C.Eng., Sc.D.
Dr A.J. Bowen (until 30 September 2019)
Dr J.W. Ajioka
Professor S.A.T. Redfern (until 30 September 2019)
Professor J.P.T. Clackson
Professor M.R. Laven
Dr T.S. Aidt
Professor T.D. Wilkinson
Dr V. Mottier
Dr F. Green
Professor I.H. White, F.R.Eng.
Professor J.A. Dowdeswell, Sc.D.
Professor N.G. Berloff
Professor S.M. Clarke
Dr W. Federle
Dr B. Walton
Professor O.A. Scherman
Dr R.E. Flemming
Dr C.E. Chambers
Professor J.J. Baumberg, F.R.S.
Professor G.N. Wells
Professor D.J. Kelly
Dr C.M. Burlinson
Dr B.M.B. Post
Professor A.H. Brand, F.R.S.
Dr M.J. Edwards
Professor K.S. Lilley
Professor C. Mascolo
Professor C-B. Schoenlieb
Dr R. Morieux
Mrs A. Künzl-Snodgrass
Dr R. Reich
Dr M.W. Waibel (until 30 September 2019)
Dr F.G.F. Stark
Dr S. Schnall
Dr M. Landgraf (until 30 September 2019)
Dr M. Condé
Dr D.A. Cooper
Dr T. Savin
Professor S. Colvin
Dr T.J.H. Hele (until 30 September 2019)
Professor A. Vignoles, C.B.E., F.B.A.
Dr S.V. Stinchcombe
Professor V.P.M. Carvalho
Professor K.A. Steemers
Dr Y. Peleg
Dr M. Harper
Rev'd Dr P. Dominiak (until 30 September 2019)
Dr U. Schneider
Dr C. Fenton-Glynn
Dr D. Nally
Dr S.R.L. Stacpoole
Dr H. Williams
Dr V. Silvestri (until 30 September 2019)
Dr H. Taylor
Professor E. Benvenisti, C.B.E.
Professor P.J. Williamson
Dr S. Dutton
Dr S. Andres
Dr J. Green
Dr M. Elliott
Dr J.L. Huppert
Mr R. Pinel
Dr R.F. Anthony
Dr J. Dinwoodie
Dr L. Tagliapietra
Dr M. Dyble (until 31 August 2019)
Dr A.J. Grant
Dr J.A. Linebaugh
Dr J.L. Berenbeim
Dr E.D. Robson
Dr E.M. Greensmith (until 30 September 2019)
Dr N. Amin (until 30 September 2019)
Ms E. Williams
Dr J. Bellingham
Mr J. Grower
Professor J. Danesh
Dr R. Evans
Ms J. Bulstrode (from 1 October 2019, until 30 June 2020)
Dr E. Osorio Whewell (from 1 October 2019)
Dr C. Eigen (from 1 October 2019)
Mrs M. de Vincent-Humphreys (from 1 October 2019)
Rev'd J. Crockford (from 1 October 2019)
Dr J. Hirst (from 1 October 2019)
Dr R. Barr (from 7 October 2019)
Dr N. Guyatt (from 7 October 2019)

**Emeritus Fellows:**

Dr C.J. Adkins, F.Inst.P.
Dr J.A. Hudson
Dr J.E. Roseblade
Professor M.J. Waring, Sc.D., F.R.S.C. (until 16 November 2019)
Dr W.C. Saslaw
Mr P.R. Glazebrook, M.A.
Professor J.T. Killen, F.B.A.
Professor S.C. Heath, Litt.D.
Professor P.D.A. Garnsey, F.B.A.
Dr S.B. Hladky
Dr D.E. Hanke
Dr M.R. Minden
Mr N.J. Ray, M.A., A.R.I.B.A.
Professor J.B.Thompson
Professor J.R. Howlett
Dr G.C. Harcourt, A.O., A.C., Litt.D., F.A.S.S.A., F.Ac.S.S.
Professor W.J. Stronge
Dr R.D. Bowers
Professor Lord Renfrew of Kaimsthorn, Sc.D., Hon.D.Lit., F.B.A. (Honorary Fellow)
Professor R. Freeman, Sc.D., F.R.S.
Dr M.P.C. Oldham
Professor J.M. Soskice
Professor D.A.S. Compston, C.B.E., F.R.C.P., F.R.S.
Revd Dr T.D. Jenkins (from 1 October 2019)
Professor M.M. Arnot, F.R.S.A., F.Ac.S.S.
Professor J.R. Crawford, S.C., F.B.A., A.C.
Professor Sir Bruce Ponder, F.R.C.P., F.R.S.
Dr A.J. Bowen (from 1 October 2019)
Professor J.C.W. Mitchell, F.B.A.
Professor S.A.T. Redfern (from 1 October 2019)
Professor J.M. Bacon, Hon.D.Univ
Mr S.J. Barton, M.A.
Dr S.T.C. Siklos (until 17 August 2019)
Professor Lord Mair, C.B.E., F.R.Eng., F.R.S. (Honorary Fellow)
Professor H. le B. Skaer
Mr R.J.P. Dennis, M.A.

**Honorary Fellows:**

Professor P.W. Anderson, M.A., F.R.S. (until 29 March 2020)
Sir Samuel Brittan, M.A., Hon.D.Litt.
Miss J. Norman, M.Mus., Hon.Mus.D., Hon.D.H.L., Hon.R.A.M. (until 30 September 2019)
Hon. A.R. Gubbay, M.A., LL.M., Hon.LL.D.
Lord Renwick of Clifton, M.A., Hon.LL.D., Hon.D.Litt., F.R.S.A.
Lord Rees of Ludlow, O.M., M.A., Hon.Sc.D., F.R.S.
Professor R.F. Tuck, M.A., F.B.A.
Professor Dame Sandra Dawson, D.B.E., M.A., Hon.D.Sc., F.I.P.H., F.C.G.I., C.I.M.
Sir David Hare, M.A., Hon.Litt.D., F.R.S.L.
Mr A.M.D. Gormley, O.B.E., M.A., Hon.Litt.D.
Reverend Professor Sir Bernard Silverman, M.A., Sc.D., F.R.S.
Lord Watson of Richmond, C.B.E., M.A., F.R.T.S.
Professor Lord Renfrew of Kaimsthorn, Sc.D., Hon.D.Lit., F.B.A. (Emeritus Fellow)
Mr M. Perahia, F.R.C.M.
Professor K. E. Wrightson, M.A., F.R.Hist.S., F.B.A.
Professor E.S. Maskin, Hon.Sc.D., F.B.A.
The Rt Hon Sir Rupert Jackson, P.C., M.A., LL.B.
Professor T.F. Eagleton, M.A., F.B.A.
Mr J.A. O'Donnell, M.A., K.C.S.G., F.R.C.O., F.R.S.C.M., F.G.C.M., F.R.C.M.
The Rt Hon Sir Colman Treacy, P.C., M.A.
Sir David Wootton, M.A.
Sir Richard Long, C.B.E., R.A.
Professor J.R. Crawford, S.C., F.B.A., A.C. (Emeritus Fellow)
Professor R.J.W. Evans, Hon.Litt.D., F.B.A., F.L.S.W.
Sir Jonathan Ive, C.B.E., Hon.Sc.D.
The Rt Hon Sir Stephen Irwin, P.C., M.A.
Sir Alan Fersht, Ph.D., F.R.S.
Professor Lord Mair, C.B.E., F.R.Eng., F.R.S. (Emeritus Fellow)
Dr B.J. Wilkes, F.R.A.S.
Ms A. Wilding, R.A.
Professor R.L. Gilchrist, M.C.If.A, F.S.A., F.B.A.

**St Radegund Fellows:**

Mr J.W. Hudleston
Mr R. P-L. Kwok, M.A.
Mr P.J.S. Yates, M.A.
Mrs S.J. Yates, M.A.
Mr B.N. Buckley
Ms J. Sainsbury, M.A.
Professor P. Frankopan, M.A.
Dr L. Rausing
Professor P. Baldwin

**Fellow Commoners:**

Mr J. Cornwell, M.A.
Professor B.A.K. Rider, O.B.E., Hon.LLD.
Dr S.S. Saxena
Dr P. Taneja
Rev'd Dr J. Leach
Dr J. Hirst (until 30 September 2019)
Dr J. Filling

**Corporate Governance**

1. The following statement is provided by the Trustees (Council) to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.
2. The College is a registered charity (registered number 1137462) and subject to regulation by the Charity Commission for England and Wales. The members of Council are the charity trustees and are responsible for ensuring compliance with charity law.
3. The Trustees are the Council which is advised in carrying out its duties by a number of Committees. These include the Bursarial Committee, Investment Committees (Financial and Property), Education Board, Development Committee, Buildings Committee and Staff Committee.
4. It is the duty of the Bursarial Committee to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the Trustees (Council) on the appointment of external auditors; to consider reports submitted by the auditors, both external and internal; to monitor the implementation of recommendations made by the auditors; to make an annual report to the Trustees (Council).
5. There is a Register of Interests of Trustees (Members of the Council). Declarations of interest are made systematically at meetings.
6. The College's Trustees (Members of the Council) during the year ended 30 June 2020 are set out on page 7.

## Officers, Council and Principal Professional Advisers

**Master:** Ms S Alleyne OBE FRA FRSA (from 1 October 2019)
**Vice-Master:** Professor J.P.T. Clackson (until 30 September 2019)
**President:** Dr A.J. Bowen (until 30 September 2019)
**President:** Professor J.P.T. Clackson (from 1 October 2019)
**Senior Tutor:** Dr G.T. Parks
**Bursar:** Dr R.F. Anthony

### Council

| | |
|---|---|
| Professor J.P.T. Clackson, Vice Master | (until 30 September 2019) |
| Ms S Alleyne, Master | (from 1 October 2019) |
| Dr A.J. Bowen, President | (until 30 September 2019) |
| Professor J.P.T. Clackson, President | (from 1 October 2019) |
| Dr G.T. Parks, Senior Tutor | |
| Dr R.F. Anthony, Bursar | |
| Dr Y. Peleg | (from 1 October 2019) |
| Dr B M B. Post | (from 1 October 2019) |
| Rev'd Dr P. Dominiak | (until 30 September 2019) |
| Dr J. Green | |
| Professor C. Mascolo | (until 30 September 2019) |
| Dr H. Taylor | (until 30 September 2019) |
| Professor T.D. Wilkinson | |
| Professor P.J. Williamson | |
| Dr J.L. Huppert | |
| Revd Dr T.D. Jenkins | (until 30 September 2019) |
| Dr D. Nally | (until 30 September 2019) |
| Mrs A. Künzl-Snodgrass | |
| Dr S. Fennell | (until 31 December 2019) |
| Dr F. Green | |
| Professor P Nolan | (from February 2020) |
| Professor C Schoenlieb | (from 1 October 2019) |
| Professor H Skaer | (from 1 October 2019) |
| Ms E. Williams | (from 1 October 2019) |
| Ms S. Keenan, J.C.S.U. President | (Easter 2019) |
| Mr A. Petrucci, J.C.S.U President | (from Lent 2020) |
| Mr A. Manzoor, J.C.S.U. | (Easter 2019) |
| Ms M. Olver, J.C.S.U. | (from Michaelmas 2019) |
| Ms B. Fonseka, MCR President | (until May 2020) |
| Mr J. Shaugnessy, MCR President | (from June 2020) |
| Ms L. Foster, MCR. | (until 31 December 2019) |
| Mr J. Perlo, MCR. | (from Lent 2020) |

**Auditors:**
Peters Elworthy & Moore
Salisbury House
Station Road,
Cambridge CB1 2LA

**Financial Advisers:**
Cazenove Capital
1 London Wall Place
London EC2Y 5AU

**Pension Scheme Actuaries:**
Mercer (a wholly owned subsidiary of Marsh & McLennan Companies)
(for Phoenix Life Ltd)
1st Floor, Rosemoor Court
Pynes Hill
Exeter EX2 5TU

**Property Managers (Agricultural & Commercial):**
Bidwells LLP
Trumpington Road
Cambridge CB2 2LD

**Bankers:**
Lloyds Bank, Wholesale Banking & Markets
East Anglia & South Midlands
Endeavour House, Chivers Way
Histon,
Cambridge CB24 9ZR

**Financial Advisers:**
Cambridge University Endowment Fund
Investment Office, 1st Floor
30 Station Road
Cambridge CB1 2RE

**Insurance Brokers:**
Henderson Insurance Brokers Ltd
Trueman House
Capitol Park
Leeds LS27 0TS

## Financial and Operating Review

### Introduction

Jesus College was founded in 1496 when it was granted its Royal Charter. The College is an autonomous, self-governing community of scholars, one of the 31 colleges within the University of Cambridge. Jesus College admits students to study for all degrees at the University. In 2019-20 there were 513 undergraduate and 411 graduate students at the College. For the purposes of the Oxford and Cambridge Act 1923 the governing body is the Society, consisting of the Master and 92 Fellows, who are nearly all academics holding teaching and research posts at the University and the College. The College Council has control and management of the affairs of the College and its members are the Charity Trustees.

### Aims and objectives of the College

The College's charitable objectives are to establish a college within the University of Cambridge for the advancement of education, learning, research and religion.

### Public Benefit

The College provides, in conjunction with the University of Cambridge, an education for undergraduate and graduate students, which is recognised internationally as being of the highest standard. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. The College maintains teaching, library and study facilities in support of these activities.

The College admits as students those who have the highest potential for benefiting from the education provided by the College and the University and recruits as academic staff those who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background. The College provides financial support to its students through scholarships, awards and prizes to fund fees, maintenance, research, and travel costs. It contributes, together with the University and the other Cambridge Colleges, to the Cambridge Bursary scheme, which is the primary mechanism of financial support for undergraduates to study at Cambridge, and to the Vice Chancellor's Awards and the Cambridge UK Masters Scholarships to support graduates. The College also funds a number of undergraduate and graduate scholarships, details of which can be found on the College's website.

In terms of broader educational opportunities, the College, with the assistance of the JCSU and MCR and with the support of the Jesus College Boat Club Trust, funds and provides for a wide range of activities, including sports, music, theatre and other cultural activities.

The College advances research through:

- Providing stipendiary Research Fellowships in the humanities and sciences to outstanding academics at the early stages of their careers, which enable them to develop and focus on their research.
- Supporting research work pursued by its Fellows financially and through promoting interaction across disciplines.
- Encouraging visits from outstanding academics from across the world in all disciplines.

The work of the Intellectual Forum and the Jesus College Conferences is aimed at bringing together academic research with experts from industry, governments and not-for-profit organisations to address key contemporary issues. The China Centre and the UK-China Global Issues Dialogue Centre are interdisciplinary centres for the study of issues relating to China and her changing global relationships, with the former organising seminars, workshops and

book launches on a wider range of subjects, and the latter conducting research projects and convening events that promote international dialogue.

The College provides support to a range of musical activities, in particular through the College and Chapel Choirs. The College employs a full-time Director of Music, and each year awards a number of Choral and Organ scholarships. In addition, it offers places in the Chapel Choir for younger choristers from the Cambridge area.

The College advances religion primarily through its Chapel, which has been in continuous use since before the College's foundation. Regular services are held, which are open to the public. The College employs the Dean of Chapel, who is an Anglican priest, and who provides for wider spiritual and pastoral care for the students, staff and Fellows.

**Funding**

The College levies fees and charges for the following:

- To undergraduates at externally regulated rates for those Home/EU students who are eligible for public support, and to other undergraduates to contribute towards the cost of their education.
- To graduate students to contribute towards the cost of their education
- For accommodation and meals at subsidised rates

The fees and charges made to students are significantly below the full economic cost of providing the education, accommodation, meals and other services. These subsidies are funded through:

- The provision of the College's accommodation, catering and other facilities for external conferencing activities, which are charged at commercial rates.
- The return from the College's endowment assets.
- Donations from the College's alumni and supporters.

**Achievements**

In March 2020, the College obtained planning permission to redevelop its catering and dining facilities, which are located in the middle of the College's historic buildings. As part of this major project, plans were also approved to redevelop the Forum buildings (formerly part of Marshalls garage) into high-quality catering and conferencing facilities.

Following on from the record number of applicants in 2018, the College had its second-highest number of undergraduate applications, making it one of the most popular Colleges in the University. The College continues to see a rising number of undergraduate applicants, offers and entrants from state-educated and disadvantaged backgrounds.

The multiple achievements of the College members are listed extensively in the College's Annual Report, which is available at https://www.jesus.cam.ac.uk/alumni/college-publications.

**Financial Review**

*Income and Expenditure*

Income from the College's unrestricted activities fell by 10%, while expenditure decreased by 12%. The operating shortfall fell, but remains at over £4m. Endowment and donations income was 5% lower. As a result the overall surplus increased:

| Unrestricted Income & Expenditure | 2020<br>£'000 | 2019<br>£'000 |
|---|---|---|
| Total Operating Income | 10,757 | 11,918 |
| Total Expenditure | (14,839) | (16,860) |
| Operating shortfall | (4,082) | (4,942) |
| Endowment income and donations | 5,644 | 5,965 |
| Surplus | 1,562 | 1,023 |

However, £0.5m of the decline in expenditure was due to a substantial reduction in pension provisions, principally USS. This is a non-cash item that does not reflect the operational activities of the College or an actuarial valuation of USS.

The College has an extensive capital expenditure programme. It is therefore important that surpluses continue to be generated to fund the expansion, improvement and refurbishment of the College's buildings.

*Operating Income*

The College's operating income consists primarily of its academic fees, student rents and catering and conferencing receipts. The decrease was caused by coronavirus, which resulted in significant reductions in accommodation, catering and conferencing income:

- Fee income increased by 2%, as a result of increased graduate student income;
- Student rent income fell by 22% and College catering income by 28%, as a result of coronavirus;
- Conferencing income declined by 17%, also due to coronavirus;
- Other income increased significantly from £0.3m to £0.7m due to furlough claims relating to coronavirus.

*Operating expenditure*

Operating expenditure fell by 11%, principally due to the impact of coronavirus and movements in pension provisions (see below: Staff and Pensions).

*Education*

The College runs a continuing deficit of £3.1m on its educational account as fee income is significantly below the costs of admitting, teaching and supporting students. This also includes the cost of supporting research, which accounts for £0.7m of costs. The deficit is only sustainable through funding from donations and endowment income.

*Accommodation, Conferencing and Catering*

Income fell significantly from £7.8m to £6.2m demonstrating the very substantial impact of coronavirus. Costs only fell slightly as these are relatively fixed, notably staff and buildings. Having come close to eliminating the deficit on these activities last year, it has now increased significantly to £1.8m. The College did furlough a large number of staff in these areas, with the benefit being disclosed as Other Income (see above).

Payroll costs, which are the largest element of the College's expenditure, increased to 43% of total expenditure.

*Operating Shortfall*

The Operating Shortfall measures the excess of College costs over Operating Income. The financial pressure on the College in terms of its core educational, accommodation and catering activities means that the College is reliant on the support of donations, its conferencing business and its endowment income to enable it to generate a required surplus. The income from endowment ensures that the College is able to keep pace with the growing demands placed upon it. However, during this year, the coronavirus pandemic significantly impacted the contribution from conferencing.

*Investment Performance*

The College's investment portfolio produced a total return of 2.2% *(2018-19: 6.6%)* during the year. The capital value decreased from £184m to £182m, comprising the College's financial assets (£88m) and property (£94m). The overall performance was below that of the long-run target return of UK CPI+5% (5.6%). The financial portfolio saw a significant reduction in value in February and March followed by a sharp recovery in the last quarter of the year, reflecting the volatility in the public markets. The return for the year was 3.5%. The College's financial investments are managed by the Cambridge University Endowment Fund (CUEF) and Cazenove Capital. Coronavirus impacted the valuation of the College's commercial properties. However, the limited exposure to those sectors most affected meant that the overall fall in the capital value was only 2.4%, which, with an income return of 3.4%, resulted in an overall return of 1%.

The College is advised on its investments by two committees, the Financial Investment Committee and the Property Investment Committee, with the majority of the membership consisting of external experts.

*Investment Costs*

The costs of managing the College's endowment are charged directly to the endowment and do not form part of the Operating Income and Expenditure calculations.

Investment costs for the financial portfolio were £0.2m (*2018-19, £0.1m*), which, although an increase, remain below previous years' costs following the transfer of some of the investments to CUEF in 2017-18.

Investment costs for the property portfolio (Land and building) are a mixture of agency fees, buildings repair costs, and additions/disposals costs. The total was £0.9m (*2018-19: £0.7m*). The rise reflects a bad debt provision of £0.2m in relation to rents. Costs associated with property development activities are included under 'Other investments', which increased from £0.1m to £0.5m, reflecting work in preparation for planning submissions to the Greater Cambridge Local Plan Review.

*Capital Expenditure*

The total capital expenditure on fixed assets in the year was £4.6m, similar to the prior year (£4.7m). The most significant element of this was the design and planning costs for the major Kitchen redevelopment project, together with the redevelopment of the Forum buildings into catering and conferencing facilities (completed in September 2020).

*Balance Sheet and Reserves*

Net College assets were unchanged at £345m, with a reduction in the value of investments and cash balances being balanced by an increase in tangible fixed assets and an improvement in pension provisions.

Long-term creditors represent unsecured bank loans and bonds. In October 2018 the College undertook a private placement transaction consisting of two tranches of bonds, £20m each, repayable in 2058 and 2068 respectively, with the drawdown on the 2068 tranche deferred to October 2020. The College also extended its £20m bank loan by four years with a repayment date of 2039 and interest rate reduced by 0.5%.

Restricted reserves decreased to £208m, whilst Unrestricted reserves increased to £136m respectively. The College's reserves had seen steady growth over the previous five years, due to the rising value of investment assets. The Restricted reserves are primarily made up of the College's permanent endowment and are therefore significantly affected by the movement in the investment values. The Unrestricted reserves benefitted from the surplus on the income and expenditure account, enhanced by a significant actuarial gain on the College's defined benefit pension scheme. The College is committed to a steady increase in its financial

resources to ensure that it can continue to meets the needs of its members in the future, and it has adopted a policy of maintaining the value of its reserves in real terms over the long term. This is consistent with a charity with the history and position of the College that has met the needs of its members over many centuries.

*Staff and Pensions*

Academic and non-academic staff numbers were relatively stable. The reduction in payroll costs during the year was entirely due to movements in pension provisions, without which there would have been an increase in staff costs. The College's defined benefit pension scheme for non-academic staff, the Jesus College Cambridge Pension Scheme (JCCPS), which is closed to new members, had an increased asset of £1.4m, and the position also improved for USS, which is for its fellows and academic staff, where the liability was reduced to £0.5m. It should be noted that the basis on which these numbers are calculated is very different for the two schemes, with all the movement in the provision for USS being included in payroll costs. As a result, £0.3m surplus was accounted for through the payroll costs for both the JCCPS and USS, significantly increasing the income and expenditure surplus for the year. A further £1m actuarial gain was included as income in Other Comprehensive Income solely in relation to the JCCPS. All of these movements are non-cash adjustments.

The significant increase in the JCCPS asset results from a substantial uplift in value of the assets of the scheme, which arises from a long-term with-profit contract with a life assurance company, and was greater than the increase in the value of the scheme's liabilities. With regard to USS, the provision is not calculated on an actuarial basis, but represents the discounted cost of future deficit recovery payments. The current year improvement is specifically a result of a reduction in the deficit recovery contribution rate in the 2018 valuation, following an increase in the rate in the 2017 valuation. This calculation bears no relation to the overall liabilities of USS, where the College has an unspecified contingent liability, due to the multi-employer, 'last-man standing' nature of the scheme.

Total employer pension contribution costs in relation to all pension schemes charged to the income & expenditure account were £0.6m (*2018-19: £0.6m*).

*Fundraising*

Participation in the Jesus College Annual Fund is 15.5% (1,496 alumni). Donations were £1.1m (*2018-19: £2.2m*). Fundraising costs during the year amounted to £0.2m.

The College's fundraising is focused on its alumni and supporters, who have established connections with the College. The College does not use external fundraisers. Fundraising and alumni relations are the responsibility of the College's Director of Development & Alumni Relations, who is a Fellow and who reports to the College Council. The College is registered with the Fundraising Regulator and complies with the Code of Fundraising Practice.

**Coronavirus**

From March 2020 onwards, the coronavirus pandemic has had a substantial impact on the operations and finances of the College:

- Most students left the College and college accommodation in March, with a resulting drop in rent and catering revenue.
- The conferencing business, which had been growing in recent years following the opening of West Court, ceased and no revenue was generated from March onwards.
- The College furloughed up to 68% of its staff at any one time, benefitting from the support available from the Coronavirus Job Retention Scheme.
- The College's directly-held property portfolio has some exposure to retail, leisure and education tenants in Cambridge, where rental collection was deferred, and in some cases, write-offs were agreed on a case-by-case basis.

The College, through the Bursarial Committee, has taken action to reduce its costs going forward. However, with additional coronavirus-related costs being incurred since the Easter Term 2020 and continuing uncertainty regarding the recovery of the conferencing business, further action may be required in the future. The Bursarial Committee has reviewed the College's longer-term financial position under a number of scenarios and is confident that the College will be able to maintain its core charitable activities.

**Principal risks and uncertainties**

The major risks to which the College is exposed are assessed by the responsible College departments and Committees reporting to the Council, using a College Risk Register, which is reviewed each Lent Term.

The most significant short term risk facing the College relates to the ongoing impact of coronavirus, particularly on the College's conferencing business and its investments. Also, although students have returned to the College for Michaelmas Term 2020, it is not clear how the current academical year will progress. In addition, there remains the uncertainty associated with Brexit, where a no-deal exit from the EU could cause significant disruption to higher education and the economy and financial markets. There is also considerable uncertainty relating to the future of pensions provided by the USS, where the scheme trustees are currently undertaking a valuation with indicative proposals of significant increases in contributions and a requirement for additional commitments and support from employers.

Concerns about the performance of the global economy as a result of coronavirus, and specific concerns relating to Brexit for the UK economy, may have a negative impact on the College's investments. The diversified nature of the College's endowment helps to mitigate risks associated with the return from its investments, which are managed on a long-term total return basis. The College's property portfolio is heavily focused on the Cambridge region, which has significant development potential and has been of financial benefit given the sustained long-term growth of the Cambridge economy. The College's debt exposure is managed through long-term loans and bonds at fixed interest rates.

The long-term performance of the College is very closely linked to that of the University and the other Cambridge colleges.

**The Future**

The College is currently coping with the unprecedented challenge of coronavirus, which has had a major impact on the provision of higher education and on the College's substantial conferencing business. It is not clear how long and how deeply coronavirus will affect the wider economy and society. There is also a growing awareness of the serious impact of climate change, and the role that the collegiate University can play in addressing this. With a continuing deficit on its core educational activities, it is important that the College strengthens its financial position to meet these challenges, which it can do so by increasing donations, developing its conferencing business, and protecting and growing its endowment.

The College remains in robust financial health, and it is important that careful financial management is continued in order to maintain this position.

On behalf of the College Council:

Ms S. Alleyne

Sonita Alleyne OBE

Master

Dr R.F. Anthony

Dr Richard Anthony

Bursar

2 November 2020

**Statement of Internal Control**

1. The Council is responsible for maintaining a sound system of internal control that supports the achievement of policy, aims, and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College's Statutes.
2. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims, and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.
3. The system of internal control is designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively, and economically. This process was in place for the year ended 30 June 2020 and up to the date of approval of the financial statements.
4. The Council is responsible for reviewing the effectiveness of the system of internal control. The following processes have been established:
5. The Council's review of the effectiveness of the system of internal control is informed by the work of the various Committees, Bursar, and College officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

**Responsibilities of the College Council**

The Council is responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The College's Statutes and the Statutes and Ordinances of the University of Cambridge require the Governing Body to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the College and of the surplus or deficit of the College for that period. In preparing these financial statements, the Council is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Council is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Statutes of the University of Cambridge. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council is responsible for the maintenance and integrity of the corporate and financial information included on the College's website.

## Independent auditors' report to the Governing Body of Jesus College, Cambridge

### Opinion

We have audited the financial statements of Jesus College (the 'College') for the year ended 30 June 2020 which comprise the Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the College's affairs as at 30 June 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes of the University of Cambridge; and
- the contribution due from the College to the University has been correctly computed as advised in the provisional assessment by the University of Cambridge and in accordance with the provisions of Statute G,II, of the University of Cambridge.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the College's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- The information given in the Annual Report is inconsistent in any material respect with the financial statements ; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of the College Council**

As explained more fully in the responsibilities of the College Council statement set out on page 14, the College Council are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the College Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the College Council are responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the College or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilties. This description forms part of our auditors' report.

**Use of our report**

This report is made solely to the College's Council, as a body, in accordance with College's statutes, the Statutes of the University of Cambridge and the Charities Act 2011. Our audit work has been undertaken so that we might state to the College trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the College's Council as a body, for our audit work, for this report, or for the opinions we have formed

PEM

**PETERS ELWORTHY & MOORE**
Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 7 December 2020

Peters, Elworthy & Moore is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**Statement of Principal Accounting Policies**

**Basis of preparation**
The financial statements have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge, using the Recommended Cambridge College Accounts (RCCA) format; and applicable United Kingdom Accounting Standards including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education issued in 2019.

The Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate that all fee income is spent for educational purposes. The analysis required by the SORP is set out in note 6.

The College is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

**Going Concern**
In light of the global COVID-19 pandemic occurring in the early months of 2020, the trustees have specifically considered the impact of the pandemic, including the extent to which the College has and will continue to experience disruption in its activities. The College has undertaken additional budgeting, forecasting and cash flow planning which is reviewed and monitored by the Bursarial Committee and Council. As such, the trustees believe the going concern basis remains appropriate.

**Basis of accounting**
The financial statements have been prepared under the historical cost convention, modified in respect of the treatment of investments which is included at valuation.

**Basis of consolidation**
The consolidated financial statements include the College and its subsidiary undertakings. Details of the subsidiary undertakings included are set out in note 26. Intra-group balances are eliminated on consolidation.

**Recognition of income**

*Academic fees*
Academic fees are recognised in the period to which they relate and include all fees chargeable to students or their sponsors

*Grant income*
Grants received from non-government sources (including research grants from non-government sources) are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance related conditions have been met.

Income received in advance of performance related conditions is deferred on the balance sheet and released to the Consolidated Statement of Comprehensive Income and Expenditure in line with such conditions being met.

*Donations and endowments*
Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income. Income is retained within restricted reserves until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

There are four main types of donations and endowments with restrictions:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the College.
3. Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Donations with no restrictions are recorded within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

*Investment income and change in value of investment assets*
Investment income and change in value of investment assets is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

*Total return*
The College invests its endowment investment portfolio and allocates a proportion of the related earnings and capital appreciation to the statement of comprehensive income and expenditure in accordance with the total return concept. The allocation to income is determined by a spending rule which is designed to stabilise annual spending levels and to preserve the real value of the endowment portfolio over time. The income transferred to the income and expenditure account on this total return basis is calculated at 4% of the weighted average value of the College's investment portfolio over a five year period up to the commencement of the current accounting year.

*Other income*
Income is received from a range of activities including accommodation, catering conferences and other services rendered.

*Cambridge Bursary Scheme*
In 2019-20, payment of the Cambridge Bursaries has been made directly by the Student Loans Company (SLC). As a consequence the College reimbursed the SLC for the full amount paid to their eligible students and the College subsequently received a contribution from the University of Cambridge towards this payment.

The net payment of £171,502 (£166,412) is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

| | | |
|---|---|---|
| Income | £157,763 | (£168,123) |
| Expenditure | £329,265 | (£334,535) |

**Foreign currency translation**
Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates or, where there are forward foreign exchange contract, at contract rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

**Fixed assets**

*Land and buildings*
Fixed assets are stated at deemed cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the College.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over their expected useful lives as follows:

| | |
|---|---|
| External Structures | 200 years |
| Internal Structures | 50 years |

Those freehold buildings that are houses off the main site are not depreciated and are subject to an annual impairment review. Transfers of properties from investment property to fixed assets are recorded at their current market value.

Leasehold land is depreciated over the life of the lease up to a maximum of 50 years.

Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred. They are not depreciated until they are brought into use.

Land held specifically for development, investment and subsequent sale is included in current assets at the lower of cost and net realisable value.

The cost of additions to operational property shown in the balance sheet includes the cost of land. Furniture, fittings and equipment costing less than £10,000 per individual item or group of related items is written off in the year of acquisition. All other assets are capitalised and depreciated over their expected useful life as follows:

| | |
|---|---|
| Furniture and fittings | 10% per annum |
| Motor vehicles and general equipment | 20% per annum |
| Computer equipment | 33% per annum. |

*Leased assets*
Leases in which the College assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance leases are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

*Heritage assets*
The College holds and conserves a number of collections, exhibits, artefacts and other assets of historical, artistic or scientific importance. Heritage assets acquired before 1999 have not been capitalised since reliable estimates of cost or value are not available on a cost-benefit basis. Acquisitions since 1999 have been capitalised at cost or, in the case of donated assets, at expert valuation on receipt. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

**Investments**

Fixed asset investments are included in the balance sheet at fair value, except for investments in subsidiary undertakings which are stated in the College's balance sheet at cost and eliminated on consolidation. Investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value/market value.

**Stocks**
Stocks are stated at the lower of cost and net realisable value after making provision for slow moving and obsolete items.

**Provisions**

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**Contingent liabilities and assets**
A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events, not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the College a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College.

Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes.

**Financial instruments**

The College has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement and disclosure of financial instruments. Financial assets and liabilities are recognised when the College becomes party to the contractual provision of the instrument and they are classified according to the substance of the contractual arrangements entered into.

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**Financial assets**
Basic financial assets include trade and other receivables, cash and cash equivalents and investments in commercial paper (i.e. deposits and bonds). These assets are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method. Financial assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets carried at amortised cost the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate.

Other financial assets, including investments in equity instruments, which are not subsidiaries or joint ventures, are initially measured at fair value which is typically the transaction price. These assets are subsequently carried at fair value and changes in fair value at the reporting date are recognised

in the Statement of Comprehensive Income. Where the investment in equity instruments is not publicly traded and where the fair value cannot be reliably measured, the assets are measured at cost less impairment. Investments in property or other physical assets do not constitute a financial instrument and are not included.

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of ownership are transferred to another party.

**Financial Liabilities**
Basic financial liabilities include trade and other payables, bank loans and intergroup loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at the reporting date. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

To the extent that the College enters into forward foreign exchange contracts which remain unsettled at the reporting date the fair value of the contracts is reviewed at that date. The initial fair value is measured as the transaction price on the date of inception of the contracts. Subsequent valuations are considered on the basis of the forward rates for those unsettled contracts at the reporting date. The College does not apply any hedge accounting in respect of forward foreign exchange contracts held to manage cash flow exposures of forecast transactions denominated in foreign currencies.

Financial liabilities are de-recognised when the liability is discharged, cancelled, or expires.

**Taxation**
The College is a registered charity (number 1137462) and also a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

The College receives no similar exemption in respect of Value Added Tax.

**Contribution under Statute G, II**
The College is liable to be assessed for Contribution under the provisions of Statute G,II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The liability for the year is as advised to the College by the University based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

**Pension costs**
Pensions are detailed in note 30 to the accounts.

**Employment benefits**

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

**Reserves**

Reserves are allocated between restricted and unrestricted reserves. Endowment reserves include balances which, in respect of endowment to the College, are held as permanent funds, which the College must hold to perpetuity.

Restricted reserves include balances in respect of which the donor has designated a specific purpose and therefore the College is restricted in the use of these funds.

**Critical Accounting Estimates and Judgements**

The preparation of the College's accounts requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management consider the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities.

Income recognition – Judgement is applied in determining the value and timing of certain income items to be recognised in the accounts. This includes determining when performance related conditions have been met and determining the appropriate recognition timing for donations, bequests and legacies. In general, the later are recognised when at the probate stage.

Useful lives of property, plant and equipment – Property, plant and equipment represent a significant proportion of the College's total assets. Therefore the estimated useful lives can have a significant impact on the depreciation charged and the College's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets, professional advice and anticipation of future events. Details of the carrying values of property, plant and equipment are shown in note 8.

Recoverability of debtors – The provision for doubtful debts is based on the College's estimate of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due.

Investment property – Properties were revalued to their fair value at the reporting date by Bidwells. The valuation is based on the assumptions and judgements which are impacted by a variety of factors including market and other economic conditions. As at the valuation date, Bidwells considered that in the case of some of the properties within the portfolio there was a shortage of market evidence for comparison purposes to inform opinions of value. The updated valuation is therefore reported as being subject to 'material valuation uncertainty' as set out in VPS3 and VPGA 10 of the Royal Institution of Chartered Surveyors Valuation – Global Standards. Consequently, less certainty, and a higher degree of caution, should be attached to the valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market and the difficulty in differentiating between short term impacts and long-term structural changes, the valuation of the properties will be kept under frequent review.

Retirement benefit obligations – The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 30.

Management are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the accounts.
As the College is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2018 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2028. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in note 30.

**Jesus College**

**Consolidated Statement of Comprehensive Income and Expenditure**

**Year Ended 30 June 2020**

| | Note | Unrestricted 2020 £ | Restricted 2020 £ | Endowment 2020 £ | Total 2020 £ | Unrestricted 2019 £ | Restricted 2019 £ | Endowment 2019 £ | Total 2019 £ |
|---|---|---|---|---|---|---|---|---|---|
| **Income** | | | | | | | | | |
| Academic fees and charges | 1 | 3,840,748 | - | - | 3,840,748 | 3,780,683 | - | - | 3,780,683 |
| Accommodation, catering and conferences | 2 | 6,176,215 | - | - | 6,176,215 | 7,806,115 | - | - | 7,806,115 |
| Investment Income | 3 | 107,353 | | 6,676,725 | 6,784,078 | 86,956 | | 6,309,192 | 6,396,148 |
| Endowment Return Transferred | 3 | 5,037,040 | 1,337,080 | (6,374,120) | - | 4,770,520 | 1,189,102 | (5,959,622) | - |
| Other income | | 740,104 | - | - | 740,104 | 330,922 | - | - | 330,922 |
| **Total Income before Donations and Endowments** | | **15,901,460** | **1,337,080** | **302,605** | **17,541,145** | **16,775,196** | **1,189,102** | **349,570** | **18,313,868** |
| Donations | | 499,208 | - | - | 499,208 | 1,107,968 | - | - | 1,107,968 |
| New Endowments | | - | - | 495,575 | 495,575 | - | - | 750,679 | 750,679 |
| Other Capital Grants for Assets | | - | 98,609 | - | 98,609 | - | 346,434 | - | 346,434 |
| **Total Donations and Endowments** | | **499,208** | **98,609** | **495,575** | **1,093,392** | **1,107,968** | **346,434** | **750,679** | **2,205,081** |
| **Total Income** | | **16,400,668** | **1,435,689** | **798,180** | **18,634,537** | **17,883,164** | **1,535,536** | **1,100,249** | **20,518,949** |
| **Expenditure** | | | | | | | | | |
| Education | 4 | 6,319,185 | 621,989 | - | 6,941,174 | 6,937,626 | 549,533 | - | 7,487,159 |
| Accommodation, catering & conferences | 5 | 8,015,091 | - | - | 8,015,091 | 8,098,168 | - | - | 8,098,168 |
| Other expenditure | | 417,300 | 563,617 | - | 980,917 | 1,740,456 | 538,621 | - | 2,279,077 |
| Contribution under Statute G II | | 87,000 | - | - | 87,000 | 84,000 | - | - | 84,000 |
| **Total expenditure** | 6 | **14,838,576** | **1,185,606** | **-** | **16,024,182** | **16,860,250** | **1,088,154** | **-** | **17,948,404** |
| **Surplus before other gains and losses** | | **1,562,092** | **250,083** | **798,180** | **2,610,355** | **1,022,914** | **447,382** | **1,100,249** | **2,570,545** |
| Gain on Investments | 3b | - | - | (3,897,659) | (3,897,659) | - | - | 6,090,870 | 6,090,870 |
| **Surplus for the year** | | **1,562,092** | **250,083** | **(3,099,479)** | **(1,287,304)** | **1,022,914** | **447,382** | **7,191,119** | **8,661,415** |
| **Other Comprehensive Income** | | | | | | | | | |
| Actuarial Gain in respect of Pension Schemes | 15 | 1,047,000 | - | - | 1,047,000 | (675,000) | - | - | (675,000) |
| **Total Comprehensive Income for the year** | | **2,609,092** | **250,083** | **(3,099,479)** | **(240,304)** | **347,914** | **447,382** | **7,191,119** | **7,986,415** |

All items dealt with in arriving at the surplus for 2020 and 2019 relate to continuing operations.
The notes on pages 26 to 49 form part of these accounts

**Jesus College**

**Balance Sheet**

**Year Ended 30 June 2020**

| | Note | Consolidated 2020 | College 2020 | Consolidated 2019 | College 2019 |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Non-current assets** | | | | | |
| Tangible assets | 8 | 195,101,132 | 195,093,633 | 192,198,463 | 192,190,964 |
| Heritage assets | 8 | 526,135 | 526,135 | 523,635 | 523,635 |
| Investments | 9 | 181,761,176 | 181,761,176 | 184,190,865 | 184,190,865 |
| **Total Non-Current Assets** | | 377,388,443 | 377,380,944 | 376,912,963 | 376,905,464 |
| **Current assets** | | | | | |
| Stocks | 10 | 1,345,546 | 292,372 | 680,193 | 287,019 |
| Trade and other Receivables | 11 | 994,665 | 2,127,559 | 830,488 | 1,910,108 |
| Cash and Cash Equivalents | 12 | 7,258,553 | 7,079,835 | 11,493,692 | 10,710,240 |
| **Total current assets** | | 9,598,764 | 9,499,766 | 13,004,373 | 12,907,367 |
| **Creditors: amounts falling due within one year** | 13 | (3,337,567) | (3,231,070) | (4,667,599) | (4,563,094) |
| **Net current assets** | | 6,261,197 | 6,268,696 | 8,336,774 | 8,344,273 |
| **Total assets less current liabilities** | | 383,649,640 | 383,649,640 | 385,249,737 | 385,249,737 |
| **Creditors: amounts falling due after more than one year** | 14 | (40,000,000) | (40,000,000) | (40,000,000) | (40,000,000) |
| **Provisions** | | | | | |
| Pension Provisions | 15 | 923,381 | 923,381 | (436,412) | (436,412) |
| **Total Net Assets** | | 344,573,021 | 344,573,021 | 344,813,325 | 344,813,325 |
| **Restricted Reserves** | | | | | |
| Income and Expenditure Reserve - Endowment Reserve | 16 | 207,657,576 | 207,657,576 | 210,757,055 | 210,757,055 |
| Income and Expenditure Reserve - Restricted Reserve | 17 | 494,752 | 494,752 | 343,278 | 343,278 |
| **Total Restricted Reserves** | | 208,152,328 | 208,152,328 | 211,100,333 | 211,100,333 |
| **Unrestricted Reserves** | | | | | |
| Income and Expenditure Reserve - Unrestricted | | 136,420,693 | 136,420,693 | 133,712,992 | 133,712,992 |
| **Total Unrestricted Reserves** | | 136,420,693 | 136,420,693 | 133,712,992 | 133,712,992 |
| **Total Reserves** | | 344,573,021 | 344,573,021 | 344,813,325 | 344,813,325 |

The financial Statements were approved by Council on 2 November 2020 and signed on its behalf by:

Ms S. Alleyne

Ms Sonita Alleyne OBE
Master

Dr R.F. Anthony

Dr Richard Anthony
Bursar

**Jesus College**

**Statement of Changes in Reserves**

**Year Ended 30 June 2020**

| | Income and Expenditure Reserve | | | |
|---|---|---|---|---|
| | **Unrestricted** | **Restricted** | **Endowment** | **Total** |
| | **£** | **£** | **£** | **£** |
| **Balance at 1 July 2019** | 133,712,992 | 343,278 | 210,757,055 | 344,813,325 |
| Surplus/(Deficit) from Income and Expenditure Statement | 1,562,092 | 250,083 | (3,099,479) | (1,287,304) |
| Other Comprehensive Income | 1,047,000 | - | - | 1,047,000 |
| Release of Restricted Capital Funds Spent in the Year | 98,609 | (98,609) | - | - |
| **Balance at 30 June 2020** | 136,420,693 | 494,752 | 207,657,576 | 344,573,021 |

| | Income and Expenditure Reserve | | | |
|---|---|---|---|---|
| | **Unrestricted** | **Restricted** | **Endowment** | **Total** |
| | **£** | **£** | **£** | **£** |
| **Balance at 1 July 2018** | 133,018,644 | 242,330 | 203,565,936 | 336,826,910 |
| Surplus/(Deficit) from Income and Expenditure Statement | 1,022,914 | 447,382 | 7,191,119 | 8,661,415 |
| Other Comprehensive Income | (675,000) | - | - | (675,000) |
| Release of Restricted Capital Funds Spent in the Year | 346,434 | (346,434) | - | - |
| **Balance at 30 June 2019** | 133,712,992 | 343,278 | 210,757,055 | 344,813,325 |

**Jesus College**

**Consolidated Cash Flow Statement**

**Year Ended 30 June 2020**

| | Note | 2020 | 2019 |
|---|---|---|---|
| | | £ | £ |
| **Net cash inflow from operating activities** | 19 | (2,171,882) | 9,759,971 |
| **Cash Flows from Investing Activities** | 20 | (2,112,400) | 3,337,343 |
| **Cash Flows from Financing Activities** | 21 | (1,543,391) | (1,476,695) |
| **Increase/(decrease) in cash and cash equivalents in the year** | | (5,827,673) | 11,620,619 |
| Cash and Cash Equivalents at Beginning of the Year | | 15,194,529 | 3,573,910 |
| Cash and Cash Equivalents at end of the Year | | 9,366,856 | 15,194,529 |

## 1 ACADEMIC FEES AND CHARGES

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| College Fees: | | |
| Fee income received at the Regulated Undergraduate rate | 1,995,313 | 1,974,219 |
| Fee income received at the Unregulated Undergraduate rate | 326,580 | 332,731 |
| Fee income received at the Graduate rate | 1,347,789 | 1,278,065 |
| Cambridge Bursaries | 157,762 | 168,128 |
| Other Income | 13,304 | 27,540 |
| Total | 3,840,748 | 3,780,683 |

## 2 INCOME FROM ACCOMMODATION, CATERING AND CONFERENCES

| | | 2020<br>£ | 2019<br>£ |
|---|---|---|---|
| Accommodation: | College members | 3,087,566 | 3,983,154 |
| | Conferences | 1,236,306 | 1,345,449 |
| Catering: | College members | 528,476 | 738,924 |
| | Conferences | 1,323,867 | 1,738,588 |
| Total | | 6,176,215 | 7,806,115 |

## 3a ENDOWMENT RETURN AND INVESTMENT RETURN

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| Total return contribution (note 3b) | 6,374,120 | 5,959,622 |
| Other interest Receivable | 107,353 | 86,956 |
| Total | 6,481,473 | 6,046,578 |

The total return contribution is calculated as set out in the accounting policy on recognition of income and endowment return.

## 3b SUMMARY OF TOTAL RETURN

| | | 2020<br>£ | 2019<br>£ |
|---|---|---|---|
| Income from: | | | |
| | Land and buildings | 4,352,458 | 4,013,214 |
| | Quoted and other securities and cash | 2,324,267 | 2,295,978 |
| | | 6,676,725 | 6,309,192 |
| Gains/(losses) on endowment assets: | | | |
| | Land and buildings | (3,150,200) | 5,095,474 |
| | Quoted and other securities and cash | 670,232 | 1,739,369 |
| | | (2,479,968) | 6,834,843 |
| Investment management costs (note 3c) | | (1,417,691) | (743,973) |
| **Total Return for the year** | | 2,779,066 | 12,400,062 |
| Total return transferred to income and expenditure account (note 3a) | | (6,374,120) | (5,959,622) |
| Unapplied total return for the year | | (3,595,054) | 6,440,440 |

## 3c INVESTMENT MANAGEMENT COSTS

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| Land and buildings | 789,502 | 577,337 |
| Financial Investments | 145,711 | 68,978 |
| Other investments | 482,478 | 97,658 |
| Total | 1,417,691 | 743,973 |

## 4 EDUCATION EXPENDITURE

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| Teaching | 2,462,475 | 2,652,988 |
| Tutorial | 1,788,372 | 1,922,663 |
| Admissions | 518,393 | 518,096 |
| Research | 706,103 | 789,036 |
| Scholarships and awards | 705,283 | 811,758 |
| Other educational facilities | 760,548 | 792,618 |
| Total | 6,941,174 | 7,487,159 |

## 5 ACCOMMODATION, CATERING AND CONFERENCES EXPENDITURE

| | | 2020<br>£ | 2019<br>£ |
|---|---|---|---|
| Accommodation | College members | 4,167,288 | 4,216,470 |
| | Conferences | 1,119,485 | 1,106,573 |
| Catering | College members | 1,637,272 | 1,790,881 |
| | Conferences | 1,091,046 | 984,244 |
| Total | | 8,015,091 | 8,098,168 |

## 6 ANALYSIS OF EXPENDITURE BY ACTIVITY

### 6a ANALYSIS OF 2019/20 EXPENDITURE BY ACTIVITY

| | Staff Costs (note 7) | Other operating expenses | Depreciation | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Education | 3,382,865 | 2,837,656 | 720,653 | 6,941,174 |
| Accomodation, catering and conferences | 3,163,623 | 3,461,523 | 1,389,945 | 8,015,091 |
| Other | 359,302 | 548,416 | 160,199 | 1,067,917 |
| Total | 6,905,790 | 6,847,595 | 2,270,797 | 16,024,182 |

*Other expenditure includes £213k (2019: £219k) as the costs of fundraising.
This expenditure does not include the costs of alumni relations

### 6b ANALYSIS OF 2018/19 EXPENDITURE BY ACTIVITY

| | Staff Costs (note 7) | Other operating Expenses | Depreciation | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Education | 3,759,065 | 3,015,931 | 712,162 | 7,487,158 |
| Accommodation, catering and conferences | 3,515,442 | 3,209,158 | 1,373,569 | 8,098,169 |
| Other | 399,258 | 1,805,508 | 158,311 | 2,363,077 |
| Total | 7,673,765 | 8,030,597 | 2,244,042 | 17,948,404 |

### 6c AUDITORS REMUNERATION

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Other operating expenses include: | | |
| Audit fees payable to the College's external auditors | 33,967 | 34,027 |
| Other fees payable to the College's external auditors | 11,607 | 6,960 |
| | 45,574 | 40,987 |

## 7 STAFF COSTS

| Consolidated | College Fellows Academic | College Fellows Non-Academic | Staff Non-Academics | Total | Total |
|---|---|---|---|---|---|
| | 2020 £ | 2020 £ | 2020 £ | 2020 £ | 2019 £ |
| **Staff costs** | | | | | |
| Emoluments | 961,926 | 287,079 | 5,015,607 | 6,264,612 | 6,034,215 |
| Social security costs | 70,177 | 27,504 | 385,025 | 482,706 | 476,941 |
| Other pension costs | (298,211) | 52,044 | 404,639 | 158,472 | 1,162,609 |
| Total | 733,892 | 366,627 | 5,805,271 | 6,905,790 | 7,673,765 |
| **Average staff numbers (full time equivalents)** | | | | | |
| Academic | 90 | - | - | 90 | 95 |
| Non-academic | - | 4 | 198 | 202 | 206 |
| | 90 | 4 | 198 | 292 | 301 |

The Governing Body comprises the Master and 94 Fellows, together with 36 Emeritus Fellows of whom the 94 are declared above as stipendiary.

No officer or employee of the College, including the Master, received emoluments of over £100,000.

Members of Council received remuneration for their academic and administrative duties but were not remunerated for the role as Trustees of the Charity.

**Key management personnel**

Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College. This includes the Master, Vice-Master, Bursar, Senior Tutor and the Trustees.

| | Total 2020 £ | Total 2019 £ |
|---|---|---|
| Key Management Personnel - Aggregated emoluments | 606,517 | 499,331 |

## 8 FIXED ASSETS

| College | Land and Buildings 2020 £ | Assets in Construction 2020 £ | Heritage Assets 2020 £ | Equipment 2020 £ | Total 2020 £ | Total 2019 £ |
|---|---|---|---|---|---|---|
| **Cost or valuation** | | | | | | |
| At beginning of year | 213,979,228 | 867,806 | 523,635 | 3,973,508 | 219,344,177 | 213,101,210 |
| Additions | 1,904,978 | 2,077,272 | 2,500 | 586,218 | 4,570,968 | 4,745,539 |
| Transfers | 605,000 | - | - | - | 605,000 | 1,772,267 |
| Disposals | - | - | - | - | - | (274,839) |
| At end of year | 216,489,206 | 2,945,078 | 526,135 | 4,559,726 | 224,520,145 | 219,344,177 |
| **Depreciation** | | | | | | |
| At beginning of year | 24,644,576 | - | - | 1,985,002 | 26,629,578 | 24,660,375 |
| Charge for the year | 1,819,200 | - | - | 451,599 | 2,270,799 | 2,244,042 |
| Eliminated on disposals | - | - | - | - | - | (274,839) |
| Written back on revaluation | - | - | - | - | - | - |
| At end of year | 26,463,776 | - | - | 2,436,601 | 28,900,377 | 26,629,578 |
| **Net Book Value** | | | | | | |
| At beginning of year | 189,334,652 | 867,806 | 523,635 | 1,988,506 | 192,714,599 | 188,440,835 |
| At end of year | 190,025,430 | 2,945,078 | 526,135 | 2,123,125 | 195,619,768 | 192,714,599 |

| Consolidated | Land and Buildings 2020 £ | Assets in Construction 2020 £ | Heritage Assets 2020 £ | Equipment 2020 £ | Total 2020 £ | Total 2019 £ |
|---|---|---|---|---|---|---|
| **Cost or valuation** | | | | | | |
| At beginning of year | 213,986,727 | 867,806 | 523,635 | 3,973,508 | 219,351,676 | 213,108,709 |
| Additions | 1,904,978 | 2,077,272 | 2,500 | 586,218 | 4,570,968 | 4,745,539 |
| Transfers | 605,000 | - | - | - | 605,000 | 1,772,267 |
| Disposals | - | - | - | - | - | (274,839) |
| At end of year | 216,496,705 | 2,945,078 | 526,135 | 4,559,726 | 224,527,644 | 219,351,676 |
| **Depreciation** | | | | | | |
| At beginning of year | 24,644,576 | - | - | 1,985,002 | 26,629,578 | 24,660,375 |
| Charge for the year | 1,819,200 | - | - | 451,599 | 2,270,799 | 2,244,042 |
| Eliminated on disposals | - | - | - | - | - | (274,839) |
| Written back on revaluation | - | - | - | - | - | - |
| At end of year | 26,463,776 | - | - | 2,436,601 | 28,900,377 | 26,629,578 |
| **Net Book Value** | | | | | | |
| At beginning of year | 189,342,151 | 867,806 | 523,635 | 1,988,506 | 192,722,098 | 188,448,334 |
| At end of year | 190,032,929 | 2,945,078 | 526,135 | 2,123,125 | 195,627,267 | 192,722,098 |

The insured value of freehold land and buildings as at 30 June 2020 was £257 million (2019: £250 million)
The College is unable to split land and buildings.

**Heritage Assets**
The College holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance.

As stated in the statement of principal accounting policies, heritage assets acquired since 2011 have been capitalised. However, the majority of assets held in the College's collections were acquired prior to this date. As 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.

Amounts for the current and previous years were as follows:

| | 2020 £ | 2019 £ | 2018 £ | 2017 £ | 2016 £ |
|---|---|---|---|---|---|
| Value of acquisitions By Donation | - | - | - | 101,800 | - |
| Value of acquisitions By Purchases | 2,500 | 21,000 | - | - | - |
| Total acquisitions capitalised | 2,500 | 21,000 | - | 101,800 | - |

## 9 INVESTMENTS

| | Consolidated 2020 £ | College 2020 £ | Consolidated 2019 £ | College 2019 £ |
|---|---|---|---|---|
| Balance at beginning of year | 184,190,865 | 184,190,865 | 178,232,614 | 178,232,614 |
| Transfer from (to) operational assets | (605,000) | (605,000) | (1,772,267) | (1,772,267) |
| Additions | 18,120,624 | 18,120,624 | 8,317,562 | 8,317,562 |
| Disposals | (15,883,154) | (15,883,154) | (10,442,636) | (10,442,636) |
| Gain/(Loss) on Disposals | (1,323,397) | (1,323,397) | 131,444 | 131,444 |
| Gain/(Loss) | (1,146,223) | (1,146,223) | 6,397,767 | 6,397,767 |
| Increase/ (decrease) in cash balances held at fund manage | (1,592,539) | (1,592,539) | 3,326,381 | 3,326,381 |
| Balance at the end of the year | 181,761,176 | 181,761,176 | 184,190,865 | 184,190,865 |
| Represented by: | | | | |
| Property | 93,421,700 | 85,451,700 | 97,326,700 | 89,946,700 |
| Quoted securities - equities | 36,924,788 | 36,924,788 | 31,861,570 | 31,861,570 |
| Fixed interest securities | - | - | - | - |
| Investments in subsidiary undertakings | - | 7,970,000 | - | 7,380,000 |
| Cash in hand and at investment managers | 2,108,302 | 2,108,302 | 3,700,837 | 3,700,837 |
| Cambridge University Endowment Fund | 36,015,579 | 36,015,579 | 36,655,425 | 36,655,425 |
| Other investments | 13,290,807 | 13,290,807 | 14,646,333 | 14,646,333 |
| Total | 181,761,176 | 181,761,176 | 184,190,865 | 184,190,865 |

## 10 STOCKS

| | Consolidated 2020 £ | College 2020 £ | Consolidated 2019 £ | College 2019 £ |
|---|---|---|---|---|
| Land for resale | 1,053,174 | - | 393,174 | - |
| Goods | 292,372 | 292,372 | 287,018 | 287,018 |
| Total | 1,345,546 | 292,372 | 680,192 | 287,018 |

## 11 DEBTORS

| | Consolidated 2020 £ | College 2020 £ | Consolidated 2019 £ | College 2019 £ |
|---|---|---|---|---|
| Members of the College | 148,725 | 148,725 | 166,808 | 166,808 |
| Amounts due from subsidiary undertakings | - | 1,194,810 | - | 1,220,196 |
| Other | 807,127 | 745,211 | 448,714 | 308,138 |
| Prepayments and accrued income | 38,813 | 38,813 | 214,966 | 214,966 |
| Total | 994,665 | 2,127,559 | 830,488 | 1,910,108 |

## 12 CASH AND CASH EQUIVALENTS

| | Consolidated 2020 £ | College 2020 £ | Consolidated 2019 £ | College 2019 £ |
|---|---|---|---|---|
| Current accounts | 4,044,130 | 3,865,412 | 5,241,527 | 4,458,075 |
| Cash in hand | 2,423 | 2,423 | 2,165 | 2,165 |
| Short-term Money Market Investments | 3,212,000 | 3,212,000 | 6,250,000 | 6,250,000 |
| Total | 7,258,553 | 7,079,835 | 11,493,692 | 10,710,240 |

## 13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Consolidated 2020 £ | College 2020 £ | Consolidated 2019 £ | College 2019 £ |
|---|---|---|---|---|
| Trade Creditors | 400,782 | 400,782 | 919,529 | 919,529 |
| Members of the College | 678,936 | 678,936 | 552,668 | 552,668 |
| Amounts due to Subsidiary Undertakings | - | 2,206 | | |
| University Fees | 598,006 | 598,006 | 741,264 | 741,264 |
| Contribution to Colleges Fund | 87,000 | 87,000 | 84,000 | 84,000 |
| Other creditors (e.g. VAT) | 1,010,757 | 907,854 | 1,281,376 | 1,180,093 |
| Accruals and Deferred Income | 562,086 | 556,286 | 1,088,762 | 1,085,539 |
| Total | 3,337,567 | 3,231,070 | 4,667,599 | 4,563,093 |

## 14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Consolidated 2020 £ | College 2020 £ | Consolidated 2019 £ | College 2019 £ |
|---|---|---|---|---|
| Total loans | 40,000,000 | 40,000,000 | 40,000,000 | 40,000,000 |
| Total | 40,000,000 | 40,000,000 | 40,000,000 | 40,000,000 |

In October 2018 the College entered into an agreement to borrow £40m through two private placement bonds.
Each bond was for £20m:
'A' - drawdown in October 2018 and repayable in 2058.
'B' - drawdown deferred until October 2020 and repayable in 2068.

The College also has an unsecured fixed rate bank loan of £20m repayable in 2039.

## 15 PENSION PROVISIONS

| | USS 2020 £ | JCCPS 2020 £ | USS 2019 £ | JCCPS 2019 £ |
|---|---|---|---|---|
| Balance at the beginning of the year | (944,412) | 508,000 | (309,499) | 1,292,000 |
| Movement in the year: | | | | |
| Current service cost including life assurance | (478,714) | (246,000) | 850,537 | (212,000) |
| Contributions | (267,514) | 69,000 | (222,310) | 70,000 |
| Other finance (income)/cost | 1,210,021 | 26,000 | (1,263,140) | 33,000 |
| Actuarial gain recognised in Statement of Comprehensive Income and Expenditure | - | 1,047,000 | - | (675,000) |
| Balance at the end of the year | (480,619) | 1,404,000 | (944,412) | 508,000 |

| The total is comprised of the following: | 2020 | 2019 |
|---|---|---|
| Universities Superannuation Scheme | (480,619) | (944,412) |
| Jesus College Cambridge Pension Scheme | 1,404,000 | 508,000 |
| | 923,381 | (436,412) |

## 16 ENDOWMENT FUNDS

Restricted net assets relating to endowments are as follows:

| Consolidated & College | Restricted Permanent 2020 £ | Unrestricted Permanent 2020 £ | Total 2020 £ | Total 2019 £ |
|---|---|---|---|---|
| **Balance at the beginning of the year** | | | | |
| Capital | 30,620,715 | 180,136,340 | 210,757,055 | 203,565,936 |
| Unspent Income | - | - | - | - |
| | **30,620,715** | **180,136,340** | **210,757,055** | **203,565,936** |
| Increase/(decrease) in market value of investments | 535,746 | (3,015,714) | (2,479,968) | 6,834,846 |
| Total Return Transfer | (812,850) | (302,236) | (1,115,086) | (394,406) |
| New endowments received | 458,067 | 37,508 | 495,575 | 750,679 |
| **Balance at the end of the year** | **30,801,678** | **176,855,898** | **207,657,576** | **210,757,055** |
| Comprising: | | | | |
| Capital | 30,801,678 | 176,855,898 | 207,657,576 | 210,757,055 |
| **Balance at the end of the year** | **30,801,678** | **176,855,898** | **207,657,576** | **210,757,055** |
| **Representing:** | | | | |
| Fellowship Funds | 4,651,229 | - | 4,651,229 | 4,688,481 |
| Student Support | 8,073,728 | - | 8,073,728 | 7,782,575 |
| Bursary | 5,822,618 | - | 5,822,618 | 5,821,886 |
| Income for College | 8,838,202 | - | 8,838,202 | 8,881,225 |
| Prizes | 351,261 | - | 351,261 | 354,538 |
| Travel & Leisure | 262,859 | - | 262,859 | 265,311 |
| Other Funds | 2,801,781 | - | 2,801,781 | 2,826,699 |
| General Endowments | | 176,855,898 | 176,855,898 | 180,136,340 |
| **Total** | **30,801,678** | **176,855,898** | **207,657,576** | **210,757,055** |
| **Analysis by Asset** | | | | |
| Property | - | 25,896,400 | 25,896,400 | 26,566,190 |
| Investments | 30,801,678 | 150,959,498 | 181,761,176 | 184,190,865 |
| Cash | - | - | - | - |
| | **30,801,678** | **176,855,898** | **207,657,576** | **210,757,055** |

## 17 RESTRICTED RESERVES

Reserves with restrictions are as follows:

| Consolidated & College | Capital Grants Unspent 2020 £ | Other Restricted funds/ donations 2020 £ | Total 2020 £ | Total 2019 ` |
|---|---|---|---|---|
| **Balance at the beginning of the year** | | | | |
| Capital | - | - | - | - |
| Unspent Income | - | 343,278 | 343,278 | 242,330 |
| | **-** | **343,278** | **343,278** | **242,330** |
| New donations | 98,609 | - | 98,609 | 346,434 |
| Income from Endowment Asset Investments | - | 1,183,756 | 1,183,756 | 1,057,760 |
| Expenditure | - | (1,032,282) | (1,032,282) | (956,812) |
| Capital grants utilised | (98,609) | - | (98,609) | (346,434) |
| Transfers | - | - | - | - |
| **Balance at the end of the year** | **-** | **494,752** | **494,752** | **343,278** |
| Comprising: | | | | |
| Capital | - | - | - | - |
| Unspent Income | - | 494,752 | 494,752 | 343,278 |
| **Balance at the end of the year** | **-** | **494,752** | **494,752** | **343,278** |
| **Representing:** | | | | |
| Fellowship Funds | - | 2,692 | 2,692 | 2,692 |
| Student Support | - | 295,075 | 295,075 | 198,650 |
| Bursary | - | 82,825 | 82,825 | 55,998 |
| Income for College | - | 1,721 | 1,721 | 2,878 |
| Travel & Leisure | - | 1,185 | 1,185 | 1,074 |
| Other Funds | - | 111,254 | 111,254 | 81,986 |
| General Endowments | - | - | - | - |
| **Total** | **-** | **494,752** | **494,752** | **343,278** |

In financial year 2010-11 the Maitland Memorial Fund was established. The capital value of the fund as at 30 June 2020 was £502,951 (2019: £496,418). The Fund's income in 2019/20 was £16,073.

## 18 MEMORANDUM OF UNAPPLIED TOTAL RETURN

Included within reserves the following amounts represent the Unapplied Total Return of the College.

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| Unapplied Total Return at beginning of year | 97,144,180 | 90,703,740 |
| Unapplied Total Return for year (see note 3b) | (3,595,054) | 6,440,440 |
| Uapplied Total Return at end of year | **93,549,126** | **97,144,180** |

## 19 RECONCILIATION OF CONSOLIDATED OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVTIES

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| Surplus/(deficit) for the year | (1,287,304) | 8,661,415 |
| **Adjustment for Non-Cash Items:** | | |
| Depreciation | 2,270,799 | 2,244,042 |
| Loss/(gain) on endowments, donations and investment property | 3,897,659 | (6,090,870) |
| Decrease/(Increase) in stocks | (12,173) | 9,132 |
| Decrease/(increase) in trade and other receivables | (11,001) | 100,815 |
| (Decrease)/increase in creditors excluding bank loans | (1,476,382) | 760,976 |
| Increase/(Decrease) in provisions | (463,793) | 634,913 |
| Pension costs less contributions payable | 151,000 | 109,000 |
| **Adjustment for investing or financing activities** | | |
| Investment income | (6,784,078) | (6,396,148) |
| Interest payable | 1,543,391 | 1,476,696 |
| Loss/(Profit) on the sale of non-current assets | - | - |
| (Decrease)/Increase in short term loans | - | 8,250,000 |
| Net cash (outflow)/inflow from operating activities | **(2,171,882)** | **9,759,971** |

## 20 CASH FLOWS FROM INVESTING ACTIVITIES

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| Non-Current Investment Disposal | 13,795,114 | 10,004,296 |
| Investment Income | 6,784,078 | 6,396,148 |
| Payments made to acquire non-current assets | (22,691,592) | (13,063,101) |
| **Total Cash Flowed From Investing Activities** | **(2,112,400)** | **3,337,343** |

## 21 CASH FLOWS FROM FINANCING ACTIVITIES

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| Interest Paid | (1,543,391) | (1,476,695) |
| **Total Cash Flowed From Financing Activities** | **(1,543,391)** | **(1,476,695)** |

## 22 CONSOLIDATED RECONCILIATION AND ANALYSIS OF NET DEBT

| | At 1 July 2019 | Cash Flows | Acquisition and disposal of subsidiaries | New finance leases | At 30 June 2020 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Cash and cash equivalents** | **15,194,529** | **(5,827,673)** | **-** | **-** | **9,366,856** |
| **Borrowings:** | | | | | |
| **amounts falling due within one year** | | | | | |
| Secured loans | - | - | - | - | - |
| Unsecured loans | - | - | - | - | - |
| Bank overdraft | - | - | - | - | - |
| Obligations under finance leases | - | - | - | - | - |
| | **-** | **-** | **-** | **-** | **-** |
| **Borrowings:** | | | | | |
| **Amounts falling due after more than one year** | | | | | |
| Secured loans | (40,000,000) | - | - | - | (40,000,000) |
| Unsecured loans | - | - | - | - | - |
| Obligations under finance leases | - | - | - | - | - |
| | **(40,000,000)** | **-** | **-** | **-** | **(40,000,000)** |
| **Total** | **(24,805,471)** | **(5,827,673)** | - | - | **(30,633,144)** |

## 23 FINANCIAL INSTRUMENTS

| | 2020 £ | 2019 £ |
|---|---|---|
| **Financial assets** | | |
| *Financial assets at fair value through Statement of Comprehensive income* | | |
| Listed equity investments (note 9) | 72,940,367 | 68,516,995 |
| Other investments (note 9) | 13,290,807 | 14,646,333 |
| *Financial assets that are debt instruments measured at amortised cost* | | |
| Cash and cash equivalents (notes 9, 12) | 9,366,855 | 15,194,529 |
| Other debtors (note 11) | 955,852 | 615,522 |
| **Financial liabilities** | | |
| *Financial liabilities measured at amortised cost* | | |
| Bank overdraft | - | - |
| Loans (note 14) | 40,000,000 | 40,000,000 |
| Trade creditors (note 13) | 400,782 | 919,529 |
| Other creditors (note 13) | 2,374,699 | 2,659,308 |

## 24 CAPITAL COMMITMENTS

| | 2020 £ | 2019 £ |
|---|---|---|
| Capital commitments at 30 June 2020 were as follows: | | |
| Authorised and contracted | 3,580,000 | 6,413,000 |
| Authorised but not yet contracted for | 575,000 | 255,000 |

## 25 LEASE OBLIGATIONS

At 30 June the College had commitments under non-cancellable operating leases as follows:

| | 2020 £ | 2019 £ |
|---|---|---|
| Other: | | |
| Expiring within one year | - | - |
| Expiring between two and five years | 25,810 | 21,814 |
| Total | **25,810** | **21,814** |

## 26 PRINCIPAL SUBSIDIARY AND ASSICIATED UNDERTAKINGS AND OTHER SIGNIFICANT INVESTMENTS

| | Country of Incorporation and Operation | Cost £ | Class of shares | Holding |
|---|---|---|---|---|
| Jesus College Cambridge Conferences Limited | England | 100 | Ordinary | 100% |
| Jesus College Developments Limited | England | 1 | Ordinary | 100% |
| Jesus College (Station Road Investments) Limited | England | 3,065,002 | Ordinary | 100% |
| Jesus College (Harston Barns) Limited | England | 1 | Ordinary | 100% |
| Jesus College Cambridge Properties Limited | England | 2 | Ordinary | 100% |
| Alcock Investments Limited | England | 2 | Ordinary | 100% |

The principal activities of the above companies are detailed in the directors' report of the individual companies' financial statements and are all included in the consolidated financial statements.

Jesus College Cambridge Conferences Limited activity during the year was that of conference trading.
Jesus College Developments Limited activity during the year was building contract management.
Jesus College (Station Road Investments) Limited activity during the year was investing in property.
Jesus College (Harston Barns) Limited activity during the year was housing development

Companies that remained dormant throughout the year were:
Jesus College Cambridge Properties Limited
Alcock Investments Limited

## 27 CONTINGENT LIABILITIES

With effect from 16 March 2007, the Universities Superannuation Scheme (USS) positioned itself as a “last man standing” scheme so that in the event of an insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers.

## 28 PENSIONS

| The total pension cost was as follows: | 2020 £ | 2019 £ |
|---|---|---|
| Universities Superannuation Scheme: Contributions | 267,514 | 222,309 |
| JCCPS: Charged to income and expenditure account | 220,000 | 227,000 |
| Defined Contribution Scheme: Contributions | 132,430 | 116,745 |
| Church of England Funded Pensions Scheme: Contributions | 2,451 | 9,488 |
| Total | **622,395** | **575,542** |

## 29 RELATED PARTY TRANSACTIONS

Owing to the nature of the College’s operations and the composition of the Governing Body it is inevitable that transactions will take place with organisations in which a member of the Governing Body may have an interest. All transactions involving organisations in which a member of the Governing Body may have an interest are conducted at arm’s length and in accordance with the College’s normal procedures.

The College Maintains a register of interests for all College Council members and where any member of the College Council has a material interest in a College matter they are required to declare that fact.

During the year no fees or expenses were paid to Fellows in respect of their duties as Trustees.

Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for any private catering.
The Trustees remuneration is overseen by the Remuneration Committee

The salaries paid to Trustees in the year are summarised below:

| From (£) | To (£) | 2020 Number | 2019 Number |
|---|---|---|---|
| 0 | 10,000 | 8 | 7 |
| 10,001 | 20,000 | - | 1 |
| 20,001 | 30,000 | 3 | 4 |
| 30,001 | 40,000 | - | - |
| 40,001 | 50,000 | - | 1 |
| 50,001 | 60,000 | 1 | 1 |
| 60,001 | 70,000 | - | - |
| 70,001 | 80,000 | 2 | 1 |
| 80,001 | 90,000 | 2 | 1 |
| 90,001 | 100,000 | - | - |
| | **Total** | **16** | **16** |

The total Trustee salaries were £467,344 for the year (2019 £391,633).

The trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £139,173 for the year (2019: £107,668).

Approved loans to Trustees during the year totalled £7,877 (2019: £87,703).

The College has a number of trading and dormant subsidiary undertakings which are consolidated into these accounts. All subidiary undertakings are 100% owned by the College and are registered and operating in England and Wales

The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

## 30 Pension Schemes

### Universities Superannuation Scheme

The College participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

### Pension Costs

The total cost charged to the profit and loss account is £267,514 (2019: £222,309) as shown in note 28.

Deficit recovery contributions due within one year for the institution are £20,129 (2019 £21,317)

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme was at 31 March 2018 (the valuation date). This was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete.

Since the College cannot identify its share of scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

| | |
|---|---|
| Pension increases (CPI) | Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a. |
| Discount rate (forward rates) | Years 1-10: CPI + 0.14% reducing linearly to CPI – 0.73%<br>Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21<br>Years 21 +: CPI + 1.55% |

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

| | |
|---|---|
| Pre-Retirement: | |
| Male members' mortality | 71% of AMC00 (duration 0) |
| Female members' mortality | 112% of AFC00 (duration 0) |
| Post retirement: | |
| Male members' mortality | 97.6% of SAPS S1NMA "light" |
| Female members' mortality | 102.7% of RFV00 |
| Future improvements to mortality | CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females |

The current life expectancies on retirement at age 65 are:

| | 2018 | 2017 |
|---|---|---|
| Males currently aged 65 (years) | 24.4 | 24.6 |
| Females currently aged 65 (years) | 25.9 | 26.1 |
| Males currently aged 45 (years) | 26.3 | 26.6 |
| Females currently aged 45 (years) | 27.7 | 27.9 |

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2020 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

| | 2020 | 2019 |
|---|---|---|
| Discount rate* | 1.45% | 1.58% |
| Pensionable salary growth* | 1.00% | 1.00% |

## The Jesus College Cambridge Pension Scheme

The College operates a defined benefit scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was carried out at 30 June 2018 and updated to 30 June 2020 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The most recent actuarial valuation showed a surplus of £2,251,000. The college has agreed that it will pay 9.3% of pensionable earnings in respect of the cost of accruing benefits and will meet Pension Protection Fund levies, insurance premiums towards death in service benefits and management and administration expenses (excluding those covered by the Phoenix Life Limited contract) as and when they are due. Member contributions are payable in addition at the rate of 6% of pensionable salaries.

### Present values of scheme liabilities, fair value of assets and surplus (deficit)

| | 30 June 2020 £ | 30 June 2019 £ | 30 June 2018 £ |
|---|---|---|---|
| Fair value of scheme assets | 15,312,000 | 12,889,000 | 11,822,000 |
| Present value of scheme liabilities | 13,364,000 | 11,696,000 | 10,530,000 |
| Surplus (deficit) in scheme | 1,948,000 | 1,193,000 | 1,292,000 |
| Unrecognised surplus | - | - | - |
| Defined benefit asset (liability) to be recognised | 1,948,000 | 1,193,000 | 1,292,000 |

### Reconciliation of opening and closing balances of the defined benefit obligation

| | Year Ending 30 June 2020 £ | Year Ending 30 June 2019 £ |
|---|---|---|
| Scheme liabilities at start of period | 11,696,000 | 10,530,000 |
| Current service cost | 246,000 | 212,000 |
| Interest cost | 267,000 | 285,000 |
| Contributions by scheme participants | 45,000 | 45,000 |
| Actuarial losses (gains) | 1,530,000 | 843,000 |
| Benefits paid and death in service insurance premiums | (420,000) | (219,000) |
| **Scheme liabilities at end of period** | **13,364,000** | **11,696,000** |

**Reconciliation of opening and closing balances of the fair value of scheme assets**

| | Year Ending 30 June 2020 £ | Year Ending 30 June 2019 £ |
|---|---|---|
| Fair value of scheme assets at start of period | 12,889,000 | 11,822,000 |
| Expected return on scheme assets | 293,000 | 318,000 |
| Actuarial gains (losses) | 2,436,000 | 853,000 |
| Contributions by the college | 69,000 | 70,000 |
| Contributions by scheme participants | 45,000 | 45,000 |
| Benefits paid and death in service insurance premiums | (420,000) | (219,000) |
| **Fair value of scheme assets at end of year** | **15,312,000** | **12,889,000** |

The actuarial return on the scheme assets over the period ending 30 June 2020 was £2,729,000.

**Defined Benefit costs recognised in profit or loss**

| | Year Ending 30 June 2020 £ | Year Ending 30 June 2019 £ |
|---|---|---|
| Current service cost | 246,000 | 212,000 |
| Net Interest cost | (26,000) | (33,000) |
| **Total expense recognised in profit and loss account** | **220,000** | **179,000** |

**Defined Benefit Costs Recognised in Other Comprehensive Income**

| | Year Ending 30 June 2020 £ | Year Ending 30 June 2019 £ |
|---|---|---|
| Difference between expected and actual return on scheme assets - gain (loss) | 260,000 | (120,000) |
| Effects of changes in the demographic and financial assumptions underlying the present value of the assets – gain (loss) | 2,176,000 | 973,000 |
| Experience gains and losses arising on the scheme liabilities - gain (loss) | 389,000 | 321,000 |
| Effects of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities - gain (loss) | (1,919,000) | (1,164,000) |
| Effects of change in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) – gain (loss) | - | - |
| **Total amount recognised in Consolidated Statement of Comprehensive Income and Expenditure** | **906,000** | **10,000** |

**Assets**

| | 30 June 2020 £ | 30 June 2019 £ | 30 June 2018 £ |
|---|---|---|---|
| With Profit Contract | 15,312,000 | 12,889,000 | 11,822,000 |
| **Total Assets** | **15,312,000** | **12,889,000** | **11,822,000** |

None of the fair values of the assets shown above include any direct investments in the College's own financial instruments or any property occupied by, or other assets used by the College.

**Assumptions**

| | 30 June 2020<br>% per annum | 30 June 2019<br>% per annum | 30 June 2018<br>% per annum |
|---|---|---|---|
| Discount rate | 1.60 | 2.30 | 2.70 |
| Inflation (RPI) | 3.00 | 3.30 | 3.20 |
| Inflation (CPI) | 2.50 | 2.40 | 2.30 |
| Salary Growth | 4.50 | 4.80 | 4.70 |
| Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less | 2.50 | 2.40 | 2.30 |
| Allowance for revaluation of deferred pensions of CPI or 2.5% p.a. if less | 2.50 | 2.40 | 2.30 |
| Allowance for pension in payment increases of RPI or 5% p.a. if less | 2.90 | 3.10 | 3.10 |
| Allowance for pension in payment increases of CPI or 3% p.a. if less | 2.10 | 2.00 | 2.00 |
| Allowance for pension in payment increases of RPI or 2.5% p.a. if less | 2.00 | 2.10 | 2.10 |
| Allowance for commutation of pension for cash at retirement | None | None | None |

The mortality assumptions adopted at 30 June 2020 imply the following future life expectancies at age 65:

| | |
|---|---|
| Male retiring in 2020 | 22.1 years |
| Female retiring in 2020 | 23.8 years |
| Male retiring in 2040 | 23.4 years |
| Female retiring in 2040 | 25.3 years |

The best estimate of contributions to be paid by the college to the scheme for the period commencing 1 July 2020 is £72,000.

### Church of England Funded Pensions Scheme

Jesus College (Cambridge) participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.;
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter" of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the contribution rates (as a percentage of pensionable stipends) were set as follows:

| % of pensionable stipends | 1 January 2019 to 31 December 2020 | 1 January 2021 to 31 December 2022 |
|---|---|---|
| Deficit repair contributions | 11.9% | 7.1% |

As at 31 December 2019 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2018 and 2019 is set out in the table below.

| | 2019 | 2018 |
|---|---|---|
| Balance sheet liability at 1 January | 19,000 | 24,000 |
| Deficit contribution paid | (2,000) | (3,000) |
| Interest cost (recognised in SOCIE) | 0 | 0 |
| Remaining change to the balance sheet liability* (recognised in SOCIE) | (17,000) | (2,000) |
| Balance sheet liability at 31 December | 0 | 19,000 |

* Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

| | December 2019 | December 2018 | December 2017 |
|---|---|---|---|
| Discount rate | 1.1% pa | 2.1% pa | 1.4% pa |
| Price inflation | 2.8% pa | 3.1% pa | 3.0% pa |
| Increase to total pensionable payroll | 1.3% pa | 1.6% pa | 1.5% pa |

### Jesus College Defined Contribution Scheme

The College operates a defined contribution pension scheme for certain of its employees. The assets of the scheme are held separately from those of the College. The annual contributions payable are charged to the Income and Expenditure Account.

The pension cost charge represents contributions payable by the College and amounted to £132,430 (2019: £116,745).