



**JESUS COLLEGE
CAMBRIDGE**

ANNUAL REPORT AND ACCOUNTS

**for the year ended
30 June 2019**

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Contents

	Page Number
Fellows, Emeritus Fellows, Honorary Fellows, St Radegund Fellows and Fellow Commoners	3
Corporate Governance	6
Officers, Council and Principal Professional Advisers	7
Financial and Operating Review	9
Statement of Internal Control	14
Responsibilities of the College Council	14
Independent Auditors' Report	15
Statement of Principal Accounting Policies	18
Consolidated Income and Expenditure Account	22
Balance Sheet	23
Statement of Change in Reserves	24
Consolidated Cash Flow Statement	25
Notes to the Accounts	26

**JESUS COLLEGE
CAMBRIDGE CB5 8BL**

Visitor: The Bishop of Ely

**Master: Professor I.H. White, F.R.Eng. (until 7 April 2019)
Vice-Master: Professor J.P.T. Clackson (from 8 April 2019)**

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

Professor J.B. Thompson (until 30 September 2018)
Professor P.H. Nolan, C.B.E.
Professor I. Paterson, F.R.S.
Professor M.L.S. Sørensen
Dr G.T. Parks
Professor J.M. Soskice (until 30 September 2018)
Dr R. Mengham
Revd Dr T.D. Jenkins
Professor R. Cipolla, F.R.Eng.
Dr S. Fennell
Professor D.I. Wilson, C.Eng., Sc.D.
Dr A.J. Bowen (from 29 April 2019)
Dr J.W. Ajioka
Professor S.A.T. Redfern
Professor J.P.T. Clackson
Professor M.R. Laven
Dr T.S. Aidt
Dr S.T.C. Siklos (until 28 April 2019)
Professor T.D. Wilkinson
Dr V. Mottier
Dr F. Green
Professor I.H. White, F.R.Eng. (from 8 April 2019)
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 N.A. Rutter (until 6 July 2018)
Dr R. Morieux
Mrs A. Künzl-Snodgrass
Dr R. Reich
Dr M.W. Waibel
Dr F.G.F. Stark

Dr S. Schnell
Dr M. Landgraf
Dr M. Condé
Dr D.A. Cooper
Dr T. Savin
Professor S. Colvin
Dr T.J.H. Hele
Professor A. Vignoles, F.B.A.
Dr S.V. Stinchcombe
Professor V.P.M. Carvalho
Professor K.A. Steemers
Dr Y. Peleg
Dr R.J.M. Bashford-Rogers (until 30 September 2018)
Dr M. Harper
Rev'd Dr P. Dominiak
Dr U. Schneider
Dr C. Fenton-Glynn
Dr J. Eisler (until 31 August 2018)
Dr D. Nally
Dr S.R.L. Stacpoole
Dr H. Williams
Dr V. Silvestri
Dr H. Taylor
Dr G. Conti (until 1 August 2018)
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
Dr A.J. Grant
Dr J.A. Linebaugh
Dr J.L. Berenbeim
Dr E.D. Robson (from 1 October 2018)
Dr E.M. Greensmith (from 1 October 2018)
Dr N. Amin (from 1 October 2018)
Ms E. Williams (from 1 October 2018)
Dr J. Bellingham (from 1 October 2018)
Mr J. Grower (from 1 October 2018)
Professor J. Danesh (from 1 October 2018)
Dr R. Evans (from 8 October 2018)

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.
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 (from 1 October 2018)
Professor J.R. Howlett
Dr G.C. Harcourt, A.O., A.C., Litt.D., F.A.S.S.A.,
F.Ac.S.S.
Professor D.K. Fieldhouse, Litt.D., F.B.A.
(until 28 October 2018)
Professor W.J. Stronge

Dr R.D. Bowers
Professor Lord Renfrew of Kaimsthorpe,
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 (from 1 October 2018)
Professor D.A.S. Compston, C.B.E., F.R.C.P.,
F.R.S.
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 (until 28 April 2019)
Professor J.C.W. Mitchell, F.B.A.
Professor J.M. Bacon, Hon.D.Univ
Mr S.J. Barton, M.A.
Dr S.T.C. Siklos (from 29 April 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.
Sir Samuel Brittan, M.A., Hon.D.Litt.
Miss J. Norman, M.Mus., Hon.Mus.D.,
Hon.D.H.L., Hon.R.A.M.
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 Kaimsthorpe,
Sc.D., Hon.D.Lit., F.B.A. (Emeritus Fellow)
Dr P.J. Hurford, O.B.E., M.A., Mus.B., F.R.C.O.
(until 3 March 2019)
Mr S. Chatterjee, M.A. (until 13 August 2018)
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. (from 1 October 2018)
Ms A. Wilding, R.A. (from 1 October 2018)
Professor R.L. Gilchrist, M.C.If.A, F.S.A.,
F.B.A. (from 1 October 2018)

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 J.R. Bellingham (until 30 September 2018)

Dr P. Taneja
Rev'd Dr J. Leach
Dr J. Hirst (from 1 September 2018)
Dr J. Filling (from 1 October 2018)

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 2019 are set out on page 7.

Officers, Council and Principal Professional Advisers

Master: Professor I.H. White, F.R.Eng. (until 7 April 2019)
Vice-Master: Professor J.P.T. Clackson (from 8 April 2019)
President: Dr S.T.C. Siklos (until 28 April 2019)
President: Dr A.J. Bowen (from 29 April 2019)
Senior Tutor: Dr G.T. Parks
Bursar: Dr R.F. Anthony

Council

Professor I.H. White, Master	(until 7 April 2019)
Professor J.P.T. Clackson, Vice-Master	(from 8 April 2019)
Dr S.T.C. Siklos, President	(until 28 April 2019)
Dr A.J. Bowen, President	(from 29 April 2019)
Dr G.T. Parks, Senior Tutor	
Dr R.F. Anthony, Bursar	
Dr Y. Peleg	(until 30 September 2018)
Dr R. Reich	(until 30 September 2018)
Dr G. Conti	(until 30 September 2018)
Professor S. Colvin	(until 30 September 2018)
Professor A. Vignoles	(until 30 September 2018)
Dr B.M.B. Post	(until 30 September 2018)
Rev'd Dr P. Dominiak	
Dr J. Green	
Professor C. Mascolo	
Dr H. Taylor	
Professor T.D. Wilkinson	
Professor P.J. Williamson	
Dr J.L. Huppert	(from 1 October 2018)
Revd Dr T.D. Jenkins	(from 1 October 2018)
Dr D. Nally	(from 1 October 2018)
Mrs A. Künzl-Snodgrass	(from 1 October 2018)
Dr S. Fennell	(from 1 October 2018)
Dr F. Green	(from 1 October 2018)
Mr E. Parker Humphreys, J.C.S.U. President	(Michaelmas Term 2018)
Ms S. Keenan, J.C.S.U. President	(Lent and Easter Terms 2019)
Ms S. Keenan, J.C.S.U.	(Michaelmas Term 2018)
Mr A. Manzoor, J.C.S.U.	(Lent and Easter Terms 2019)
Ms T. Saunders-Wood, M.C.R. President	(until 30 September 2018)
Mr R. Clarke, M.C.R. President	(from 1 October 2018)
Dr A.R. Bowden, M.C.R.	(from 1 October 2018)

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:

(until 31 March 2019)
Jardine Lloyd Thompson Benefit Solutions
(for Phoenix Life Ltd)
1st Floor, Rosemoor Court
Pynes Hill
Exeter EX2 5TU

Insurance Brokers:

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

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

Pension Scheme Actuaries:

(from 1 April 2019)
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

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 2018-19 there were 515 undergraduate and 416 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 85 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 Newton CHES MPhil studentships 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, through 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 Rustat Conferences is aimed at bringing together academic research with experts from industry, governments and not-for-profit organisations to address key contemporary issues. The Jesus College China Centre is an interdisciplinary centre for the study of issues relating to China and her changing global relationships.

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 at 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 May 2019, a refurbished and extended Porters' Lodge was opened, helping to bring the College's infrastructure up-to-date and fit for the 21st Century. In the 2018 admissions round, the College had a record number of undergraduate applications 1,237, making it the most popular College in the University.

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 rose by 9%, while expenditure also increased by 9%. This is a significant shortfall, although the increase was less than in recent years. Endowment and donations income was higher. As a result the surplus increased slightly:

	2019 £'000	2018 £'000
Total Operating Income	11,918	10,876
Total Expenditure	<u>(16,860)</u>	<u>(15,450)</u>
Operating shortfall	(4,942)	(4,574)
Endowment income and donations	<u>5,965</u>	<u>5,571</u>
Surplus	1,023	997

However, £0.7m of the increase was due to a substantial rise in pension provisions, particularly 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 increase was primarily due to significant growth in conferencing income, especially West Court, a new college and conference facility that opened in 2017:

- Fee income increased by 4%, as a result of increased graduate student income;

- Student rent income rose by 3%;
- College catering income was 13% higher, a turnaround following falling income over the last few years;
- Conferencing income increased by 31%, the greatest increase was in West Court, but there was also a rise across the College.

Operating expenditure

Operating expenditure rose by 6%.

Education

The College runs a continuing deficit of £3.7m on its educational account as fee income fails to keep pace with the costs of admitting, teaching and supporting students. This also includes the cost of supporting research. Increased costs were noticeable in scholarships and awards. The deficit is only sustainable through funding from donations and endowment income.

Accommodation, Conferencing and Catering

Income rose at a faster rate than costs, resulting in a substantially lower deficit than last year. This was particularly due to West Court, where the College is benefitting financially from the substantial investment made. Conferencing as a whole made a growing positive contribution to support the non-commercial operations of the College.

Payroll costs, which are the largest element of the College's expenditure, increased to around 43% of total expenditure. However, excluding the impact of increased pension provisions, the proportion fell to 39%.

Operating Shortfall

The Operating Shortfall measures there is an excess of College costs over Operating Income. The increased 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. Investment in its conferencing facilities, recently West Court, and a growth in the endowment ensures that the College is able to keep pace with the growing demands placed upon it.

Investment Performance

The College's investment portfolio produced a total return of 6.6% (2017-18: 6.5%) during the year. The capital value increased from £178m to £184m, comprising the College's financial assets (£87m) and property (£97m). The overall performance is slightly less than the long-run target return of UK RPI+4% (7.4%). Despite a subdued national property market, the return on the property portfolio was good (8.5%), with capital gains made on the College's strategic residential and commercial holdings in Cambridge. The financial portfolio did less well (4.4%), as the financial markets had a more challenging year, especially towards the end of 2018. The College's financial investments are managed by the Cambridge University Endowment Fund (CUEF) and Cazenove Capital.

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 £68,978, a substantial decrease from the prior year (£292,133). This is primarily due to the full-year impact of the transfer to CUEF, which does not charge investment management fees, but recovers its internal costs direct from the CUEF fund.

Investment costs for the property portfolio are a mixture of an agency fee, buildings repair costs, and additions/disposals costs and related projects. The total was £674,995 (2017-18: £613,899).

Capital Expenditure

The total capital expenditure on fixed assets in the year was £4.7m, an increase on the prior year (£2.7m). This reflects a number of projects, notably the Porters Lodge. The College continues to invest in a continual programme of refurbishment and redevelopment of its student housing.

Balance Sheet and Reserves

Net College assets increased by £8m to £345m in the course of the year, which is primarily due to a £6m gain on investments.

Long-term creditors represent unsecured bank loans and bonds. During the year the College undertook a private placement transaction to repay a revolving credit facility and other bank loans and to provide funds for investments and future capital projects. The transactions consisted of two tranches of bonds, £20m each, repayable in 2058 and 2068 respectively, with a two-year deferred drawdown on the 2068 tranche. This allows the College to take advantage of the low long-term interest rates available for Oxbridge colleges on very long-dated private placement bonds.

Both Restricted and Unrestricted Reserves increased to £211m and £134m respectively. The College's reserves have shown a steady growth over the last five years, consistent with limited inflationary growth and the rising demands made on the College noted above for its charitable activities. The College is committed to a steady increase in its financial resources to ensure that it can continue to meet the needs of its members in the future. It has therefore adopted a policy of maintaining the value of its reserves (restricted and unrestricted) in real terms. 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 rose, principally due to the expansion of College activities associated with conferencing. However, most of the growth in payroll costs during the year was due to increased pension provisions, particularly in relation to the Universities Superannuation Scheme (USS). The College's defined benefit pension scheme for non-academic staff, the Jesus College Cambridge Pension Scheme (JCCPS), which is closed to new members, has an accounting surplus of £508,000 as against a deficit for USS, which is provided to its fellows and academic staff, of £944,412. 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, £743,913 was charged to the payroll costs, significantly depressing the surplus for the year. The provision for USS is not calculated on an actuarial basis, but represents the discounted cost of future deficit recovery payments. A further £675,000 actuarial loss was included as a cost in Other Comprehensive Income in relation to the JCCPS.

The significant increase in pension provisions arises from the growing deficits identified in defined benefit pension schemes due to the increased cost of future liabilities as a result of falling gilt yields. With regard to USS, it is specifically a result of an increase in the deficit recovery contribution rate within the 2017 valuation, although the rate was subsequently reduced post-year end with a subsequent 2018 valuation. This calculation bears no relation to the potential liabilities of USS, where the College has an unspecified contingent liability, due to the multi-employer, 'last-organisation standing' nature of the scheme.

Total employer pension contribution costs in relation to all pension schemes charged to the income & expenditure account were £575,422 (2016-17: £562,599).

Fundraising

Participation in the Jesus College Annual Fund is 18.8% (1,617 alumni), putting the College in the front rank of Cambridge colleges. Donations were £2,205,081 (2017-18: £2,389,458). Fundraising costs during the year amounted to £219,000.

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 and the Society.

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 risks facing the College relate to Brexit, which has created substantial uncertainties for fellows, staff and students, and the ongoing political discussions regarding undergraduate student funding and support. There is also considerable uncertainty relating to the future of pensions in the higher education sector, notably in relation to USS.

Growing concerns about the performance of the global economy, 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 facing an environment in which it has considerable challenges in areas such as admissions, student wellbeing and through the demands placed on fellows by the University. 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 through increasing donations, growing 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

Dr R.F. Anthony

Sonita Alleyne OBE
Master

Dr Richard Anthony
Bursar

4 November 2019

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 2019 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 2019 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 2019 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/auditorsresponsibilities. 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

Peters Elworthy & Moore

PETERS ELWORTHY & MOORE

Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

Date: *2 December 2019*

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 and applicable United Kingdom accounting standards. In addition, the financial statements comply with the Statement of Recommended Practice: Accounting for Further and Higher Education (the SORP).

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.

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 24. 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 residences, catering conferences and other services rendered.

Cambridge Bursary Scheme

In 2018-19, payment of the Cambridge Bursaries has been made by the College to eligible students via the Student Loans Company (SLC) and Cambridge University has reimbursed the College for their portion. The College has shown the gross payment made to eligible students via the SLC and a contribution from the University as income under "Academic Fees and Charges".

The net payment of £166,412 (£161,806) is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income	£168,123	(£162,623)
Expenditure	£334,535	(£324,429)

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

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.

Taxation

The College is a registered charity (number 1137462) and also a charity within the meaning of Section 506 (1) of the Taxes Act 1988. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Section 505 of the Taxes Act 1988 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 29 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.

Jesus College

Consolidated Statement of Comprehensive Income and Expenditure

Year Ended 30 June 2019

		Unrestricted 2019 £	Restricted 2019 £	Endowment 2019 £	Total 2019 £	Unrestricted 2018 £	Restricted 2018 £	Endowment 2018 £	Total 2018 £
Income	Note								
Academic fees and charges	1	3,780,683	-	-	3,780,683	3,644,331	-	-	3,644,331
Residences, catering and conferences	2	7,806,115	-	-	7,806,115	6,906,265	-	-	6,906,265
Investment Income	3	86,956	-	6,309,192	6,396,148	12,044	-	4,971,949	4,983,993
Endowment Return Transferred	3	4,770,520	1,189,102	(5,959,622)	-	4,564,799	1,003,705	(5,568,504)	-
Other income		330,922	-	-	330,922	324,747	-	-	324,747
Total Income before Donations and Endowments		16,775,196	1,189,102	349,570	18,313,868	15,452,186	1,003,705	(596,555)	15,859,336
Donations		1,107,968	-	-	1,107,968	994,783	-	-	994,783
New Endowments		-	-	750,679	750,679	-	-	643,437	643,437
Other Capital Grants for Assets		-	346,434	-	346,434	-	751,238	-	751,238
Total Donations and Endowments		1,107,968	346,434	750,679	2,205,081	994,783	751,238	643,437	2,389,458
Total Income		17,883,164	1,535,536	1,100,249	20,518,949	16,446,969	1,754,943	46,882	18,248,794
Expenditure									
Education	4	6,937,626	549,533	-	7,487,159	6,847,588	457,700	-	7,305,288
Residences, catering & conferences	5	8,098,168	-	-	8,098,168	7,567,443	-	-	7,567,443
Other expenditure		1,740,456	538,621	-	2,279,077	953,743	535,105	-	1,488,848
Contribution under Statute G II		84,000	-	-	84,000	81,000	-	-	81,000
Total expenditure	6	16,860,250	1,088,154	-	17,948,404	15,449,774	992,805	-	16,442,579
Surplus before other gains and losses		1,022,914	447,382	1,100,249	2,570,545	997,195	762,138	46,882	1,806,215
Gain on Investments	3b	-	-	6,090,870	6,090,870	-	-	7,227,505	7,227,505
Surplus for the year		1,022,914	447,382	7,191,119	8,661,415	997,195	762,138	7,274,387	9,033,720
Other Comprehensive Income									
Actuarial Gain in respect of Pension Schemes	15	(675,000)	-	-	(675,000)	794,000	-	-	794,000
Total Comprehensive Income for the year		347,914	447,382	7,191,119	7,986,415	1,791,195	762,138	7,274,387	9,827,720

All items dealt with in arriving at the surplus for 2019 and 2018 relate to continuing operations.
The notes on pages 21 to 43 form part of these accounts

Jesus College

Balance Sheet

Year Ended 30 June 2019

	Note	Consolidated 2019	College 2019	Consolidated 2018	College 2018
		£	£	£	£
Fixed assets					
Tangible assets	8	192,198,463	192,190,964	187,945,699	187,938,200
Heritage assets	8	523,635	523,635	502,635	502,635
Investments	9	184,190,865	184,190,865	178,232,614	178,232,614
Total Fixed Assets		<u>376,912,963</u>	<u>376,905,464</u>	<u>366,680,948</u>	<u>366,673,449</u>
Current assets					
Stocks	10	680,192	287,018	689,325	296,152
Trade and other Receivables	11	830,488	1,910,108	931,303	1,593,763
Cash and Cash Equivalents	12	11,493,692	10,710,240	3,199,454	2,780,980
Creditors: amounts falling due within one year	13	(4,667,599)	(4,563,093)	(8,906,621)	(8,749,935)
Net current liabilities		<u>8,336,773</u>	<u>8,344,273</u>	<u>(4,086,539)</u>	<u>(4,079,040)</u>
Total assets less current liabilities		<u>385,249,736</u>	<u>385,249,737</u>	<u>362,594,409</u>	<u>362,594,409</u>
Creditors: amounts falling due after more than one year	14	(40,000,000)	(40,000,000)	(26,750,000)	(26,750,000)
Provisions					
Pension Provisions	15	(436,412)	(436,412)	982,501	982,501
Total Net Assets		<u>344,813,324</u>	<u>344,813,325</u>	<u>336,826,910</u>	<u>336,826,910</u>
Restricted Reserves					
Income and Expenditure Reserve - Endowment Reserve	16	210,757,055	210,757,055	203,565,936	203,565,936
Income and Expenditure Reserve - Restricted Reserve	17	343,278	343,278	242,330	242,330
Total Restricted Reserves		<u>211,100,333</u>	<u>211,100,333</u>	<u>203,808,266</u>	<u>203,808,266</u>
Unrestricted Reserves					
Income and Expenditure Reserve - Unrestricted		133,712,992	133,712,992	133,018,644	133,018,644
Total Unrestricted Reserves		<u>133,712,992</u>	<u>133,712,992</u>	<u>133,018,644</u>	<u>133,018,644</u>
Total Reserves		<u>344,813,325</u>	<u>344,813,325</u>	<u>336,826,910</u>	<u>336,826,910</u>

The financial Statements were approved by Council on 4 November 2019 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 2019

	Income and Expenditure Reserve			Total £
	Unrestricted £	Restricted £	Endowment £	
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	<u>133,712,992</u>	<u>343,278</u>	<u>210,757,055</u>	<u>344,813,325</u>

	Income and Expenditure Reserve			Total £
	Unrestricted £	Restricted £	Endowment £	
Balance at 1 July 2017	130,476,211	231,430	196,291,549	326,999,190
Surplus/(Deficit) from Income and Expenditure Statement	997,195	762,138	7,274,387	9,033,720
Other Comprehensive Income	794,000	-	-	794,000
Release of Restricted Capital Funds Spent in the Year	751,238	(751,238)	-	-
Balance at 30 June 2018	<u>133,018,644</u>	<u>242,330</u>	<u>203,565,936</u>	<u>336,826,910</u>

Jesus College

Consolidated Cash Flow Statement

Year Ended 30 June 2019

		2019	2018
	Note	£	£
Net cash inflow from operating activities	19	9,759,971	6,874,133
Cash Flows from Investing Activities	20	3,337,343	(7,727,283)
Cash Flows from Financing Activities	21	(1,476,695)	(1,277,346)
Increase/(decrease) in cash and cash equivalents in the year		<u>11,620,619</u>	<u>(2,130,496)</u>
Cash and Cash Equivalents at Beginning of the Year		<u>3,573,910</u>	<u>5,704,406</u>
Cash and Cash Equivalents at end of the Year		<u>15,194,529</u>	<u>3,573,910</u>

Jesus College

Notes to the Accounts

Year Ended 30 June 2019

1 ACADEMIC FEES AND CHARGES

	2019 £	2018 £
College Fees:		
Fee income received at the Regulated Undergraduate rate	1,974,219	1,969,750
Fee income received at the Unregulated Undergraduate rate	332,731	337,285
Fee income received at the Graduate rate	1,278,065	1,143,034
Cambridge Bursaries	168,128	162,623
Other Income	27,540	31,639
Total	<u>3,780,683</u>	<u>3,644,331</u>

2 INCOME FROM RESIDENCES, CATERING AND CONFERENCES

		2019 £	2018 £
Accommodation:	College members	3,983,154	3,881,497
	Conferences	1,345,449	1,069,840
Catering:	College members	738,924	691,800
	Conferences	1,738,588	1,263,128
Total		<u>7,806,115</u>	<u>6,906,265</u>

3a ENDOWMENT RETURN AND INVESTMENT RETURN

	2019 £	2018 £
Total return contribution (note 3b)	5,959,622	5,568,504
Other interest Receivable	86,956	12,044
Total	<u>6,046,578</u>	<u>5,580,548</u>

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

		2019 £	2018 £
Income from:	Land and buildings	4,013,214	3,745,812
	Quoted and other securities and cash	<u>2,295,978</u>	<u>1,226,137</u>
		6,309,192	4,971,949
Gains/(losses) on endowment assets:	Land and buildings	5,095,474	3,472,867
	Quoted and other securities and cash	<u>1,739,369</u>	<u>4,660,670</u>
		6,834,843	8,133,537
Investment management costs (note 3c)		<u>(743,973)</u>	<u>(906,032)</u>
Total Return for the year		<u>12,400,062</u>	<u>12,199,454</u>
Total return transferred to income and expenditure account (note 3a)		(5,959,622)	(5,568,504)
Unapplied total return for the year		<u>6,440,440</u>	<u>6,630,950</u>

Jesus College

Notes to the Accounts

Year Ended 30 June 2019

3c INVESTMENT MANAGEMENT COSTS

	2019 £	2018 £
Land and buildings	577,337	579,054
Financial Investments	68,978	292,133
Other investments	97,658	34,845
Total	<u>743,973</u>	<u>906,032</u>

4 EDUCATION EXPENDITURE

	2019 £	2018 £
Teaching	2,652,988	2,584,137
Tutorial	1,922,663	1,814,219
Admissions	518,096	495,146
Research	789,036	828,684
Scholarships and awards	811,758	722,755
Other educational facilities	792,618	860,347
Total	<u>7,487,159</u>	<u>7,305,288</u>

5 RESIDENCES, CATERING AND CONFERENCES EXPENDITURE

		2019 £	2018 £
Accommodation	College members	4,216,470	3,986,764
	Conferences	1,106,573	1,041,306
Catering	College members	1,790,881	1,666,848
	Conferences	984,244	872,525
Total		<u>8,098,168</u>	<u>7,567,443</u>

Jesus College

Notes to the Accounts

Year Ended 30 June 2019

6 ANALYSIS OF EXPENDITURE BY ACTIVITY

6a 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
Residences, 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	<u>7,673,765</u>	<u>8,030,597</u>	<u>2,244,042</u>	<u>17,948,404</u>

*Other expenditure includes £219k (2018: £272k) as the costs of fundraising.
This expenditure does not include the costs of alumni relations

6a ANALYSIS OF 2017/18 EXPENDITURE BY ACTIVITY

	Staff Costs (note 7)	Other operating Expenses	Depreciation	Total
	£	£	£	£
Education	3,300,597	3,297,885	706,806	7,305,288
Residences, catering and conferences	3,086,687	3,117,518	1,363,238	7,567,443
Other	350,564	1,062,163	157,121	1,569,848
Total	<u>6,737,848</u>	<u>7,477,566</u>	<u>2,227,165</u>	<u>16,442,579</u>

6c AUDITORS REMUNERATION

	2019	2018
	£	£
Other operating expenses include:		
Audit fees payable to the College's external auditors	34,027	33,306
Other fees payable to the College's external auditors	6,960	6,438
	<u>40,987</u>	<u>39,744</u>

Jesus College

Notes to the Accounts

Year Ended 30 June 2019

7 STAFF COSTS

Consolidated	College Fellows Academic	College Fellows Non- Academic	Staff Non- Academics	Total	Total
	2019 £	2019 £	2019 £	2019 £	2018 £
Staff costs					
Emoluments	879,408	281,267	4,873,540	6,034,215	5,705,324
Social security costs	72,549	22,332	382,060	476,941	453,071
Other pension costs	622,285	208,537	331,787	1,162,609	579,453
Total	<u>1,574,242</u>	<u>512,136</u>	<u>5,587,387</u>	<u>7,673,765</u>	<u>6,737,848</u>
Average staff numbers (full time equivalents)					
Academic	95	-	-	95	97
Non-academic	-	4	202	206	174
	<u>95</u>	<u>4</u>	<u>202</u>	<u>301</u>	<u>271</u>

The Governing Body comprises the Master and 93 Fellows, together with 35 Emeritus Fellows of whom the 99 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, the Bursar and the Senior Tutor.

	Total 2019 £	Total 2018 £
Key Management Personnel - Aggregated emoluments	150,466	147,293

Jesus College

Notes to the Accounts

Year Ended 30 June 2019

8 FIXED ASSETS

College	Land and Buildings 2019 £	Heritage Assets 2019 £	Equipment 2019 £	Total 2019 £	Total 2018 £
Cost or valuation					
At beginning of year	208,805,190	502,635	3,793,385	213,101,210	210,541,425
Additions	4,269,577	21,000	454,962	4,745,539	2,655,574
Transfers	1,772,267	-	-	1,772,267	(18,509)
Disposals	-	-	(274,839)	(274,839)	(77,280)
At end of year	<u>214,847,034</u>	<u>523,635</u>	<u>3,973,508</u>	<u>219,344,177</u>	<u>213,101,210</u>
Depreciation					
At beginning of year	22,831,815	-	1,828,560	24,660,375	22,510,489
Charge for the year	1,812,761	-	431,281	2,244,042	2,227,166
Eliminated on disposals	-	-	(274,839)	(274,839)	(77,280)
Written back on revaluation	-	-	-	-	-
At end of year	<u>24,644,576</u>	<u>-</u>	<u>1,985,002</u>	<u>26,629,578</u>	<u>24,660,375</u>
Net Book Value					
At beginning of year	<u>185,973,375</u>	<u>502,635</u>	<u>1,964,825</u>	<u>188,440,835</u>	<u>188,030,936</u>
At end of year	<u>190,202,458</u>	<u>523,635</u>	<u>1,988,506</u>	<u>192,714,599</u>	<u>188,440,835</u>
Consolidated					
	Land and Buildings 2019 £	Heritage Assets 2019 £	Equipment 2019 £	Total 2019 £	Total 2018 £
Cost or valuation					
At beginning of year	208,812,689	502,635	3,793,385	213,108,709	210,548,924
Additions	4,269,577	21,000	454,962	4,745,539	2,655,574
Transfers	1,772,267	-	-	1,772,267	(18,509)
Disposals	-	-	(274,839)	(274,839)	(77,280)
At end of year	<u>214,854,533</u>	<u>523,635</u>	<u>3,973,508</u>	<u>219,351,676</u>	<u>213,108,709</u>
Depreciation					
At beginning of year	22,831,815	-	1,828,560	24,660,375	22,510,489
Charge for the year	1,812,761	-	431,281	2,244,042	2,227,166
Eliminated on disposals	-	-	(274,839)	(274,839)	(77,280)
Written back on revaluation	-	-	-	-	-
At end of year	<u>24,644,576</u>	<u>-</u>	<u>1,985,002</u>	<u>26,629,578</u>	<u>24,660,375</u>
Net Book Value					
At beginning of year	<u>185,980,874</u>	<u>502,635</u>	<u>1,964,825</u>	<u>188,448,334</u>	<u>188,038,435</u>
At end of year	<u>190,209,957</u>	<u>523,635</u>	<u>1,988,506</u>	<u>192,722,098</u>	<u>188,448,334</u>

The insured value of freehold land and buildings as at 30 June 2019 was £250 million (2018: £230 million)

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:

	2019 £	2018 £	2017 £	2016 £	2015 £
Value of acquisitions By Donation	-	-	-	101,800	-
Value of acquisitions By Purchases	21,000	-	-	-	-
Total acquisitions capitalised	<u>21,000</u>	<u>-</u>	<u>-</u>	<u>101,800</u>	<u>-</u>

Jesus College

Notes to the Accounts

Year Ended 30 June 2019

9 INVESTMENTS

	Consolidated 2019 £	College 2019 £	Consolidated 2018 £	College 2018 £
Balance at beginning of year	178,232,614	178,232,614	163,679,695	163,679,695
Transfer from (to) operational assets	(1,772,267)	(1,772,267)	18,508	18,508
Additions	8,317,562	8,317,562	70,294,595	70,294,595
Disposals	(10,442,636)	(10,442,636)	(60,978,763)	(60,978,763)
Gain/(Loss) on Disposals	131,444	131,444	1,986,104	1,986,104
Gain/(Loss)	6,397,767	6,397,767	5,981,271	5,981,271
Increase/ (decrease) in cash balances held at fund manage	3,326,381	3,326,381	(2,748,796)	(2,748,796)
Balance at the end of the year	<u>184,190,865</u>	<u>184,190,865</u>	<u>178,232,614</u>	<u>178,232,614</u>
Represented by:				
Property	97,326,700	89,946,700	93,958,700	87,396,200
Quoted securities - equities	31,861,570	31,861,570	35,540,255	35,540,255
Fixed interest securities	-	-	-	-
Investments in subsidiary undertakings	-	7,380,000	-	6,562,500
Cash in hand and at investment managers	3,700,837	3,700,837	374,456	374,456
Cambridge University Endowment Fund	36,655,425	36,655,425	36,194,879	36,194,879
Other investments	14,646,333	14,646,333	12,164,324	12,164,324
Total	<u>184,190,865</u>	<u>184,190,865</u>	<u>178,232,614</u>	<u>178,232,614</u>

10 STOCKS

	Consolidated 2019 £	College 2019 £	Consolidated 2018 £	College 2018 £
Land for resale	393,174	-	393,174	-
Goods	287,018	287,018	296,151	296,152
Total	<u>680,192</u>	<u>287,018</u>	<u>689,325</u>	<u>296,152</u>

11 DEBTORS

	Consolidated 2019 £	College 2019 £	Consolidated 2018 £	College 2018 £
Members of the College	166,808	166,808	258,298	258,298
Amounts due from subsidiary undertakings	-	1,220,196	-	749,512
Other	448,714	308,138	481,651	394,600
Prepayments and accrued income	214,966	214,966	191,354	191,354
Total	<u>830,488</u>	<u>1,910,108</u>	<u>931,303</u>	<u>1,593,763</u>

12 CASH AND CASH EQUIVALENTS

	Consolidated 2019 £	College 2019 £	Consolidated 2018 £	College 2018 £
Current accounts	5,241,527	4,458,075	3,192,054	2,773,581
Cash in hand	2,165	2,165	7,400	7,400
Short-term Money Market Investments	6,250,000	6,250,000	-	-
Total	<u>11,493,692</u>	<u>10,710,240</u>	<u>3,199,454</u>	<u>2,780,980</u>

Jesus College

Notes to the Accounts

Year Ended 30 June 2019

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated 2019 £	College 2019 £	Consolidated 2018 £	College 2018 £
Trade Creditors	919,529	919,529	1,469,832	1,469,832
Members of the College	552,668	552,668	443,012	443,012
University Fees	741,264	741,264	-	-
Contribution to Colleges Fund	84,000	84,000	81,000	81,000
Other creditors (e.g. VAT)	1,281,376	1,180,093	1,132,790	1,056,627
Accruals and Deferred Income	1,088,762	1,085,539	779,987	699,464
Bank loan due within one year	-	-	5,000,000	5,000,000
Total	<u>4,667,599</u>	<u>4,563,093</u>	<u>8,906,621</u>	<u>8,749,935</u>

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Consolidated 2019 £	College 2019 £	Consolidated 2018 £	College 2018 £
Total loans	40,000,000	40,000,000	26,750,000	26,750,000
Total	<u>40,000,000</u>	<u>40,000,000</u>	<u>26,750,000</u>	<u>26,750,000</u>

In October 2018 the College entered into an agreement to borrow £40m through two private placement bonds.

Each bond was for £20m:

'A' - drawdown immediately and repayable in 2058, in October 2018 and is 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 payable in 2035.

15 PENSION PROVISIONS

	USS 2019 £	JCCPS 2019 £	USS 2018 £	JCCPS 2018 £
Balance at the beginning of the year	(309,499)	1,292,000	(293,547)	672,000
Movement in the year:				
Current service cost including life assurance	850,537	(212,000)	222,112	(260,000)
Contributions	(222,310)	70,000	(211,356)	70,000
Other finance (income)/cost	(1,263,140)	33,000	(26,708)	16,000
Actuarial gain recognised in statement of Comprehensive Income and Expenditure	-	(675,000)	-	794,000
Balance at the end of the year	<u>(944,412)</u>	<u>508,000</u>	<u>(309,499)</u>	<u>1,292,000</u>
The total is comprised of the following:				
Universities Superannuation Scheme	(944,412)	(944,412)	(309,499)	(309,499)
Jesus College Cambridge Pension Scheme	508,000	508,000	1,292,000	1,292,000
	<u>(436,412)</u>	<u>(436,412)</u>	<u>982,501</u>	<u>982,501</u>

Jesus College

Notes to the Accounts

Year Ended 30 June 2019

16 ENDOWMENT FUNDS

Restricted net assets relating to endowments are as follows:

Consolidated & College	Restricted Permanent 2019 £	Unrestricted Permanent 2019 £	Total 2019 £	Total 2018 £
Balance at the beginning of the year				
Capital	29,650,099	173,915,837	203,565,936	196,291,549
Unspent Income	-	-	-	-
	<u>29,650,099</u>	<u>173,915,837</u>	<u>203,565,936</u>	<u>196,291,549</u>
Increase/(decrease) in market value of investments	933,045	5,901,801	6,834,846	8,133,537
Total Return Transfer	(460,752)	66,346	(394,406)	(1,502,587)
New endowments received	498,323	252,356	750,679	643,437
Balance at the end of the year	<u>30,620,715</u>	<u>180,136,340</u>	<u>210,757,055</u>	<u>203,565,936</u>
Comprising:				
Capital	30,620,715	180,136,340	210,757,055	203,565,936
Balance at the end of the year	<u>30,620,715</u>	<u>180,136,340</u>	<u>210,757,055</u>	<u>203,565,936</u>
Representing:				
Fellowship Funds	4,688,481	-	4,688,481	4,629,299
Student Support	7,782,575	-	7,782,575	7,449,135
Bursary	5,821,886	-	5,821,886	5,684,197
Income for College	8,881,225	-	8,881,225	8,571,776
Prizes	354,538	-	354,538	349,853
Travel & Leisure	265,311	-	265,311	261,806
Other Funds	2,826,699	-	2,826,699	2,704,033
General Endowments	-	180,136,340	180,136,340	173,915,837
Total	<u>30,620,715</u>	<u>180,136,340</u>	<u>210,757,055</u>	<u>203,565,936</u>

17 RESTRICTED RESERVES

Reserves with restrictions are as follows:

Consolidated & College	Capital Grants Unspent 2019 £	Other Restricted funds/ donations 2019 £	Total 2019 £	Total 2018 £
Balance at the beginning of the year				
Capital	-	-	-	-
Unspent Income	-	242,330	242,330	231,430
	<u>-</u>	<u>242,330</u>	<u>242,330</u>	<u>231,430</u>
New donations	346,434	-	346,434	751,238
Income from Endowment Asset Investments	-	1,057,760	1,057,760	893,825
Expenditure	-	(956,812)	(956,812)	(882,925)
Capital grants utilised	(346,434)	-	(346,434)	(751,238)
Transfers	-	-	-	-
Balance at the end of the year	<u>-</u>	<u>343,278</u>	<u>343,278</u>	<u>242,330</u>
Comprising:				
Capital	-	-	-	-
Unspent Income	-	343,278	343,278	242,330
Balance at the end of the year	<u>-</u>	<u>343,278</u>	<u>343,278</u>	<u>242,330</u>
Representing:				
Fellowship Funds	-	2,692	2,692	2,692
Student Support	-	198,650	198,650	166,048
Bursary	-	55,998	55,998	32,113
Income for College	-	2,878	2,878	12,832
Travel & Leisure	-	1,074	1,074	868
Other Funds	-	81,986	81,986	27,777
General Endowments	-	-	-	-
Total	<u>-</u>	<u>343,278</u>	<u>343,278</u>	<u>242,330</u>

In financial year 2010-11 the Maitland Memorial Fund was established. The capital value of the fund as at 30 June 2019 was £496,418 (2018: £483,100). The Fund's income in 2018/19 was £14,565.

Jesus College

Notes to the Accounts

Year Ended 30 June 2019

18 MEMORANDUM OF UNAPPLIED TOTAL RETURN

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

	2019	2018
	£	£
Unapplied Total Return at beginning of year	90,703,743	84,072,793
Unapplied Total Return for year (see note 3b)	6,440,440	6,630,950
Uapplied Total Return at end of year	<u>97,144,183</u>	<u>90,703,743</u>

19 RECONCILIATION OF CONSOLIDATED OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2019	2018
	£	£
Surplus/(deficit) for the year	8,661,415	9,033,720
Adjustment for Non-Cash Items:		
Depreciation	2,244,042	2,227,166
Loss/(gain) on endowments, donations and investment property	(6,090,870)	(7,227,505)
Decrease/(Increase) in stocks	9,132	25,431
Decrease/(increase) in trade and other receivables	100,815	614,634
(Decrease)/increase in creditors excluding bank loans	760,976	717,382
Increase/(Decrease) in provisions	634,913	15,952
Pension costs less contributions payable	109,000	174,000
Adjustment for investing or financing activities		
Investment income	(6,396,148)	(4,983,993)
Interest payable	1,476,696	1,277,346
Loss/(Profit) on the sale of non-current assets	-	-
(Decrease)/Increase in short term loans	8,250,000	5,000,000
Net cash (outflow)/inflow from operating activities	<u>9,759,971</u>	<u>6,874,133</u>

20 CASH FLOWS FROM INVESTING ACTIVITIES

	2019	2018
	£	£
Non-Current Investment Disposal	10,004,296	60,238,893
Investment Income	6,396,148	4,983,993
Payments made to acquire non-current assets	(13,063,101)	(72,950,169)
Total Cash Flowed From Investing Activities	<u>3,337,343</u>	<u>(7,727,283)</u>

21 CASH FLOWS FROM FINANCING ACTIVITIES

	2019	2018
	£	£
Interest Paid	(1,476,695)	(1,277,346)
Total Cash Flowed From Financing Activities	<u>(1,476,695)</u>	<u>(1,277,346)</u>

Jesus College

Notes to the Accounts

Year Ended 30 June 2019

22 CAPITAL COMMITMENTS

	2019 £	2018 £
Capital commitments at 30 June 2019 were as follows:		
Authorised and contracted	6,413,000	3,450,000
Authorised but not yet contracted for	255,000	2,636,000

23 LEASE OBLIGATIONS

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

	2019 £	2018 £
Other:		
Expiring within one year	-	-
Expiring between two and five years	21,814	24,960
Total	<u>21,814</u>	<u>24,960</u>

24 PRINCIPAL SUBSIDIARY AND ASSOCIATED UNDERTAKINGS AND OTHER SIGNIFICANT INVESTMENTS

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

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 principal activity during the year was investing in property.

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

25 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.

Approved loans to College Fellows who served on the College Council during the year totalled £87,703 (2018: £0).

26 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.

27 PENSIONS

	2019 £	2018 £
The total pension cost was as follows:		
Universities Superannuation Scheme: Contributions	222,309	211,356
JCCPS: Charged to income and expenditure account	227,000	244,000
Defined Contribution Scheme: Contributions	116,745	97,902
Church of England Funded Pensions Scheme: Contributions	9,488	9,341
Total	<u>575,542</u>	<u>562,599</u>

28 POST BALANCE SHEET EVENT

As set out in Note 29 in respect of the USS pension scheme, a new Schedule of Contributions based on the 2018 actuarial valuation has been agreed post year end. This results in a decrease of £416,000 in the provisions for the obligation to fund the deficit on the USS pension which would instead be £219,000. As the Schedule of Contributions was not in place at the financial year end this adjustment will be reflected in the Financial Statements for the year ended 30 June 2020.

Notes to the Accounts

Year Ended 30 June 2019

29 Pension Schemes

Universities Superannuation Scheme

The College participates in Universities Superannuation Scheme. With effect from 1 October 2016, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. 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 wholly defined contribution scheme. As a result, the amount charged to the consolidated statement of comprehensive income and expenditure represents the contributions payable to the scheme. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the College recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

Pension Costs

The total cost charged to the profit and loss account is £222,309 (2018: £211,356) as shown in note 27.

At the financial year end the latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme was at 31 March 2017 (the valuation date). This was carried out using the projected unit method. The 2018 actuarial valuation was finalised after the year end which indicated a shortfall of £3.6 billion.

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 2017 valuation was the fourth 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 £60.0 billion and the value of the scheme's technical provisions was £67.5 billion indicating a shortfall of £7.5 billion and a funding ratio of 89%.

Defined benefit liability numbers for the scheme have been produced using the following assumptions:

	2019	2018
Discount rate	2.44%	2.64%
Pensionable salary growth	n/a	n/a
Pension increases (CPI)	2.11%	2.02%

Notes to the Accounts

Year Ended 30 June 2019

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 2017 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	96.5% of SAPS S1NMA "light"
Female members' mortality	101.3% of RFV00

The current life expectancies on retirement at age 65 are:

	2019	2018
Males currently aged 65 (years)	24.6	24.5
Females currently aged 65 (years)	26.1	26.0
Males currently aged 45 (years)	26.6	26.5
Females currently aged 45 (years)	27.9	27.8
	2019	2018
Scheme assets	£60bn	£63.6bn
Total scheme liabilities	£67.5bn	£72.0bn
FRS 102 total scheme deficit	£7.5	£8.4bn
FRS 102 total funding level	89%	88%

Since the year end, following the completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed. This amends the existing deficit recovery plan as set out in the 2017 valuation Schedule of Contributions. This new plan requires deficit payments of 2% of salaries from 1 October 2019 to 30 September 2021 and then payments of 6% of salaries from 1 October 2021 to 31 March 2028. As at 30 June 2019, and assuming all other assumptions used to calculate the provision remain unchanged, this would have resulted in a revised provision of £529,000, a decrease of £416,000 from the current year end provision and a lower charge through the Statement of Comprehensive Income of £219,000.

Notes to the Accounts

Year Ended 30 June 2019

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. The scheme is closed to new entrants. As a consequence the current service cost calculated under the projected unit credit method can be expected to increase over time, as the average age of the membership increases. A full actuarial valuation is being carried out at 30 June 2018 and the preliminary results have been updated to 30 June 2019 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

This actuarial valuation as at 30 June 2018 is in progress. The actuarial valuation as at 30 June 2015 showed a surplus of £1,651,000. 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 2019	30 June 2018	30 June 2017
	£	£	£
Fair value of scheme assets	12,889,000	11,822,000	11,569,000
Present value of scheme liabilities	11,696,000	10,530,000	10,384,000
Surplus (deficit) in scheme	1,193,000	1,292,000	1,185,000
Unrecognised surplus	-	-	515,000
Defined benefit asset (liability) to be recognised	1,193,000	1,292,000	670,000

Reconciliation of opening and closing balances of the defined benefit obligation

	Year Ending 30 June 2019	Year Ending 30 June 2018
	£	£
Scheme liabilities at start of period	10,530,000	10,384,000
Current service cost	212,000	260,000
Interest cost	285,000	281,000
Contributions by scheme participants	45,000	46,000
Actuarial losses (gains)	843,000	(168,000)
Benefits paid and death in service insurance premiums	(219,000)	(273,000)
Scheme liabilities at end of period	11,696,000	10,530,000

Notes to the Accounts

Year Ended 30 June 2019

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

	Year Ending 30 June 2019 £	Year Ending 30 June 2018 £
Fair value of scheme assets at start of period	11,822,000	11,569,000
Expected return on scheme assets	318,000	310,000
Actuarial gains (losses)	853,000	100,000
Contributions by the college	70,000	70,000
Contributions by scheme participants	45,000	46,000
Benefits paid and death in service insurance premiums	(219,000)	(273,000)
Fair value of scheme assets at end of year	12,889,000	11,822,000

The actuarial return on the scheme assets over the period ending 30 June 2019 was £1,171,000.

Defined Benefit costs recognised in profit or loss

	Year Ending 30 June 2019 £	Year Ending 30 June 2018 £
Current service cost	212,000	260,000
Net Interest cost	(33,000)	(18,000)
Total expense recognised in profit and loss account	179,000	242,000

Notes to the Accounts

Year Ended 30 June 2019

Defined Benefit Costs Recognised in Other Comprehensive Income

	Year Ending 30 June 2019 £	Year Ending 30 June 2018 £
Difference between expected and actual return on scheme assets - gain (loss)	(120,000)	189,000
Effects of changes in the demographic and financial assumptions underlying the present value of the assets - gain (loss)	973,000	(89,000)
Experience gains and losses arising on the scheme liabilities - gain (loss)	321,000	(12,000)
Effects of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities - gain (loss)	(1,164,000)	180,000
Effects of change in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-	526,000
Total amount recognised in Consolidated Statement of Comprehensive Income and Expenditure	10,000	794,000

Assets

	30 June 2019 £	30 June 2018 £	30 June 2017 £
With Profit Contract	12,889,000	11,822,000	11,569,000
Total Assets	12,889,000	11,822,000	11,569,000

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.

Notes to the Accounts

Year Ended 30 June 2019

Assumptions

	30 June 2019	30 June 2018	30 June 2017
	% per annum	% per annum	% per annum
Discount rate	2.30	2.70	2.70
Inflation (RPI)	3.30	3.20	3.30
Inflation (CPI)	2.40	2.30	2.40
Salary Growth	4.80	4.70	4.80
Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less	2.40	2.30	2.40
Allowance for revaluation of deferred pensions of CPI or 2.5% p.a. if less	2.40	2.30	2.40
Allowance for pension in payment increases of RPI or 5% p.a. if less	3.10	3.10	3.10
Allowance for pension in payment increases of CPI or 3% p.a. if less	2.00	2.00	2.00
Allowance for pension in payment increases of RPI or 2.5% p.a. if less	2.10	2.10	2.10
Allowance for commutation of pension for cash at retirement	None	None	None

The mortality assumptions adopted at 30 June 2019 imply the following future life expectancies at age 65:

Male retiring in 2019	21.8 years
Female retiring in 2019	23.6 years
Male retiring in 2039	23.1 years
Female retiring in 2039	25.2 years

The best estimate of contributions to be paid by the college to the scheme for the period commencing 1 July 2019 is £74,000.

Notes to the Accounts

Year Ended 30 June 2019

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 2015. The 2015 valuation revealed a deficit of £236m, based on assets of £1,308m and a funding target of £1,544m, assessed using the following assumptions:

- An investment strategy of:
 - for investments backing liabilities for pensions in payment, an allocation to gilts of 33% from the valuation date until 31 December 2019 and thereafter increasing linearly from 70% by 31 December 2030; and
 - a 100% allocation to return-seeking assets for investments backing liabilities prior to retirement;
- Investment returns of 2.6% p.a. on gilts and 4.6% p.a. on return-seeking assets.
- RPI inflation of 3.2% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.2% p.a.;
- Mortality in accordance with 80% of the S2NMA and S2NFA tables, with allowance for future improvements in mortality rates in line with the CMI 2015 core projections with a long term annual rate of improvement of 1.5%.
- Following the 31 December 2015 valuation, a recovery plan was put in place until 31 December 2025 and the contribution rates (as a percentage of pensionable stipends) were set as follows:

% of pensionable stipends	1 January 2016 to 31 December 2017	1 January 2018 to 31 December 2025
Deficit repair contributions	14.1%	11.9%

The deficit recovery contributions under the recovery plan in force as at 31 December 2016, 31 December 2017 and 31 December 2018 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 2017 and over 2018 is set out in the table below.

Notes to the Accounts

Year Ended 30 June 2019

	2018	2017
Balance sheet liability at 1 January	24,000	23,000
Deficit contribution paid	(3,000)	(3,000)
Interest cost (recognised in SoFA)	0	0
Remaining change to the balance sheet liability* (recognised in SoFA)	(2,000)	4,000
Balance sheet liability at 31 December	19,000	24,000

* 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 2018	December 2017	December 2016
Discount rate	2.1% pa	1.4% pa	1.5% pa
Price inflation	3.1% pa	3.0% pa	3.1% pa
Increase to total pensionable payroll	1.6% pa	1.5% pa	1.6% pa

Notes to the Accounts

Year Ended 30 June 2019

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 £116,745 (2018: £97,902).