

ST EDMUND'S COLLEGE

ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2011

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College Details

Year ended 30 June 2011

The College is a corporate body consisting of the Master, the Fellows and the Scholars. It is a registered charity (registration number 1137454), with its registered office at Mount Pleasant, Cambridge CB3 0BN.

The names of the members of the Governing Body during the year were as follows:

Master	Professor Paul Luzio*
Vice-Master	Professor Michael Herrtage*
Senior Tutor	Dr Helen Mason*
Bursar	Mrs Moira Gardiner (resigned 1 st July 2010)
Bursar	Dr Richard Anthony*(appointed 1 st January 2011)
Dean	Reverend Dr Michael Robson*
Secretary of the Governing Body	Dr Phil Gardner*
Dr Denis Alexander	Dr Richard Jennings
Dr Andrew Bassett (resigned 30 th September 2010)	Dr Dirk Jongkind
Dr Elizabeth Boyle (appointed 1 st October 2010)	Dr Ann Kaminski
Dr Kate Brett*	Dr Edward Kessler
Dr Sandra Brunnegger	Miss Sorrel Langley-Hobbs
Dr Judith Bunbury	Dr Pei-Yin Lin
Dr Sean Butler	Professor John Loughlin (appointed 1 st October 2010)
Dr Robin Chatterjee	Dr Josef Meri (appointed 1 st October 2010)
Professor Edwin Chilvers	Mr Allan McRobie*
Rev Dr David Chatford Clark	Dr Omar Merlo (resigned 30 th September 2010)
Dr Alan Colli	Dr Simon Mitton*
Dr Fernando Constantino Casas	Dr Maru Mormina
Dr Lucy Davison	Mr Jonathan Newton
Dr Sarah Dewar Watson	Miss Bernadette O'Flynn
Dr Petà Dunstan*	Dr Andrew Peden
Professor Mark Field	Dr Evan Reid (appointed 1 st October 2010)
Dr Tabitha Freeman	Dr Russell Re Manning
Dr Anna Gannon	Professor Ullrich Steiner
Professor Hill Gaston	Dr Ciaran Sugrue (resigned 31 st January 2011)
Professor Peter Guthrie	Dr Mandy Swann
Dr Andy Harter*	Professor Bob White
Dr Peter Head	Dr George Wilkes (resigned 30 th September 2010)
Professor Richard Hills	Dr Diana Wood
Dr Misty Jenkins (resigned 30 th November 2010)	Dr Eden Yin
Dr Stephen Jenkins	

Mr Christopher Pratt was Acting Bursar during the period from 2 July 2010 to 31 December 2010 but was not appointed as a member of the Governing Body during this time.

* Member of Council

St Edmunds College

Financial Report to the Council and Governing Body

Year ended 30 June 2011

Introduction

Founded in 1896, St Edmund's College was granted its Royal Charter in 1998. St Edmund's College is an autonomous, self-governing community of scholars, and one of the 31 colleges within the University of Cambridge. St Edmund's College can be distinguished from the majority of colleges in that it is classed as a graduate college and admits postgraduate students, mature undergraduates and affiliated students. The community consists of the Master, 50 fellows and 497 junior members, of whom 152 are undergraduates and 345 are graduates. Over 60 nationalities are represented within the student body, with a large majority coming from outside the UK.

Objectives

Previously an exempt charity, the College registration with the Charity Commission became effective on 12th August 2010. The College's charitable objectives are:

- a) to advance education, religion, learning and research in the University of Cambridge;
- b) to provide for that purpose a college for men and women who shall be members of the University wherein they may work for degrees of the University or may carry out postgraduate or other special studies at Cambridge.

Achievements

The year 2010-11 saw student numbers reach their highest in the College's history as the College continued to respond to the challenges set by the continuing growth in University postgraduate numbers. The last 10 years have seen substantial growth in the College, with student numbers rising by over 100%. Following a financially challenging 2009-10, the Governing Body has taken steps to improve the College's financial performance and has strengthened its management team through a number of new appointments. The results of this and the continuing growth in student numbers have resulted in a significant improvement in the financial position of the College.

Financial Review

The College funds its activities from academic fees, charges for student residences and catering, income from its conferencing and external functions business, income from investments and donations.

Income and Expenditure

Income grew by £288,014 to £3,590,411, principally driven by the growth in student numbers, better management of the College's residential accommodation and a continual expansion of conferencing activities. This was partly offset by a reduction in investment income, a fall in donations (although underlying donations from the College's core donor base continue to grow), and a short-term reduction in research activity.

There was a much smaller increase in Expenditure of £52,137, which resulted in a major improvement in the Deficit on continuing operations, falling from £627,096 to £391,219. This included a non-cash depreciation cost of £525,908, reflecting the extensive building programme undertaken over the last decade.

Cash Flow

As part of its improved financial management, the College has significantly enhanced its cash flow management. This means that the College is in a much better position to manage any short-term fluctuations in its cash flow, particularly with regard to its research activities.

Net cash inflow was £766,830 during the year, compared to an outflow of £597,221 during the previous year. A significant part of the cash flow improvement was the transfer of a deposit cash balance from Endowment assets to Cash, which significantly reduced the College's overdraft requirements and borrowing costs. Excluding the impact of this, there was still a net cash inflow of £265,719. The very welcome return to a positive net cash flow is of critical importance to the long-term future of the College.

Balance Sheet

Net assets at the year end rose from £9,068,083 to £9,550,547, a consequence of the improved financial position of the College.

Funding

The expansion of the College in recent decades, essential in the support of the rise in University postgraduate numbers and in maintaining collegiate membership for all students, has been facilitated by long-term borrowing. This funded the construction of essential student accommodation and facilities. The College continues to meet its annual loan repayments of £528,702 plus interest, and the loan balance at the year end was £10,190,073.

The College is the second largest recipient of grants from the Colleges Fund, and this resulted in £455,000 being added to the College's endowment in June 2011.

St Edmund's College

Financial Report to the Council and Governing Body

Year ended 30 June 2011

Changes in accounting policy

During the year, the College decided to change its accounting policy in relation to its research activities. As a consequence, research grant receipts are treated as deferred income, and released to match expenditure. This has led to a restatement of the comparative 2010 financial information.

Research Institutes

The Von Hugel Institute and the Faraday Institute for Science and Religion constitute important parts of the College. Shortly after the year end, the Faraday was successfully awarded two major research grants by the Templeton World Research Foundation, which secures its activities for the next three and a half years. The Von Hugel Institute had a relatively quiet year, although its activities are starting to expand once again with the award of a research grant from the Plater Trust.

Risk Management

The year has seen a significant improvement in the College's financial management and reporting. The College's most significant financial liabilities, its long-term loans, are hedged at a fixed rate. During the year, the College Council took formal steps to improve the governance of risk, and these steps are expected to continue during 2011-12.

Outlook

The College has seen a significant turn around in its fortunes from the previous year and expects a period of stabilisation and steady improvement following the rapid expansion of the previous decade. However, pressure continues from the University in its plans for steadily rising postgraduate numbers. In addition, the impact of the radical changes in tuition fees for Home students on the College's mature undergraduates is as yet unknown.

Dr Richard Anthony
Bursar

Date: 5 December 2011

St Edmund's College

Corporate Governance

Year ended 30 June 2011

1. The following statement is provided by the Trustees 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 1137454) and subject to regulation by the Charity Commission for England and Wales. The members of the Council are the charity trustees and are responsible for ensuring compliance with charity law.
3. The Trustees are advised in carrying out its duties by the following Committees: academic agreements, accommodation, alumni, computing & information technology, Dean's, development, estates, ethics, finance & general purposes, health & safety, investment, library, nominations, remuneration, statutes & ordinances, stewards, tutorial and Von Hugel.
4. The principal officers of the College are the Bursar, the Master, the Vice Master and the Senior Tutor.
5. There are Registers of Interests of Trustees and of the senior administrative officers. Declarations of interest are made systematically at meetings.
6. The College's Trustees during the year ended 30 June 2011 are set out on page 1.

**Dr Richard Anthony
Bursar**

Date: 5 December 2011

St Edmund's College

Statement of Internal Control

Year ended 30 June 2011

1. The Trustees are 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 Council and Governing Body are 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 systems of internal control are 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 2011 and up to the date of approval of the financial statements.
4. The Trustee'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.

**Dr Richard Anthony
Bursar**

Date: 5 December 2011

St Edmund's College

Statement of Responsibilities of the College's Charity Trustees

Year Ended 30 June 2011

The Council in conjunction with the Governing Body is responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 those financial statements the Council in conjunction with the Governing Body is required to:

- Select suitable accounting policies and 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 in conjunction with the Governing body is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the College and to 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.

**Dr Richard Anthony
Bursar**

Date: 5 December 2011

Independent Auditors' Report to the Council and Governing Body of St Edmund's College

Year Ended 30 June 2011

We have audited the financial statements of St Edmund's College for the year ended 30 June 2011 which comprise the consolidated income and expenditure account, the consolidated statement of total recognised gains and losses, the consolidated and College balance sheets, the consolidated cash flow statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the College's Council and Governing Body, as a body, in accordance with College's Statutes and the Statutes of the University of Cambridge. Our audit work has been undertaken so that we might state to the College's Council and Governing Body 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the College's Council and Governing Body and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the Council and Governing Body are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's [APB's] Ethical Standards for Auditors.

Scope of the audit of financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the College's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council and Governing Body; and the overall presentation of the financial statements. In addition, we read all the financial information in the Trustee's Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the College's affairs as at 30 June 2011 and of the group's income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the requirements of the Charities Act 1993, the College's Statutes and the Statutes of the University of Cambridge;
- 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.

St Edmund's College

Independent Auditors' Report to the Council and Governing Body of St Edmunds College (*continued*)

Year Ended 30 June 2011

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Council and Governing Body's 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 and returns; or
- we have not received all the information and explanations we require for our audit.

PETERS ELWORTHY & MOORE

Chartered Accountants and Statutory Auditors

CAMBRIDGE

Date: 21 December 2011

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 income and expenditure account includes activity analysis in order to demonstrate that the College is satisfying its obligations to the University of Cambridge with regard to the use of public funds. The analysis required by the SORP is set out in note 8.

Basis of accounting

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

Basis of consolidation

A separate balance sheet and related notes for the College are not included in the accounts because the College's subsidiary company is a construction company which donates its profits to the College each year. The balance sheet for the College alone would not be materially different to the one included in these accounts.

Recognition of income

a) Academic fees

Academic fees are recognised in the period to which they relate and include all fees chargeable to students or their sponsors. The costs of any fees waived or written off by the College are included as expenditure.

b) Donations and benefactions

Charitable donations are recognised on receipt or where there is certainty of future receipt and the value can be measured reliably. The accounting treatment of a donation depends on the nature and extent of restrictions specified by the donor. Donations with no substantial restrictions are recognised as income in the income and expenditure account. Donations which are to be retained for the future benefit of the College, and other donations with substantially restricted purposes, other than for the acquisition or construction of tangible fixed assets, are recognised in the statement of total recognised gains and losses as new endowments.

c) Capital grants and donations

Grants and donations are received for the purposes of funding the acquisition and construction of tangible fixed assets. In the case of depreciable assets these are credited to deferred capital grants when the related capital expenditure is incurred and released to income over the estimated useful life of the respective assets in line with the depreciation policy. Grants and donations of, or for the acquisition of, freehold land or heritage assets, which are non-depreciable assets, are credited to the income and expenditure account in the year of acquisition.

d) Income from Research Grants

Income from research grants, contracts and other services rendered is included to the extent of the completion of the contract or service concerned.

e) Other income

Income is received from a range of activities including residences, catering conferences and other services rendered.

St Edmund's College

Statement of Principal Accounting Policies

Year Ended 30 June 2011

Pension schemes

The College participates in the Universities Superannuation Scheme, a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. The College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

The College also contributes to the Cambridge Colleges Federated Pension Scheme, which is a similar defined benefit pension scheme. Unlike the Universities Superannuation Scheme, this scheme has surpluses and deficits directly attributable to individual Colleges. Pension costs are accounted for over the period during which the College benefits from the employees' services.

Tangible fixed assets

a) Freehold Land and Buildings

Freehold buildings are stated at cost and are depreciated on a straight line basis over their expected useful economic life of 40 years.

Leasehold buildings are stated at cost and are depreciated on a straight line basis over the period of the lease of 15 years.

b) Maintenance of premises

The cost of major refurbishment and maintenance which restores value is capitalised and depreciated over the expected useful economic life of the asset concerned.

c) Furniture, fittings and equipment

Furniture, fittings and equipment are capitalised and depreciated over their expected useful life as follows:

Garden equipment	10 years
Furniture and equipment	3 or 10 years

d) Heritage assets

The College does not hold any assets that should be classed as heritage assets.

St Edmund's College

Statement of Principal Accounting Policies

Year Ended 30 June 2011

Investments and Endowment Assets

Investments

a) Securities

Securities are shown at their market value. Investment income is included when dividends and interest become payable. Interest on bank deposits is included as earned.

b) Works of Art

Works of art are included at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Provisions

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

Endowment funds

Endowment funds are classified under three headings:

Where the donor has specified that the fund is to be permanently invested to generate an income stream for the general purposes of the College, the fund is classified as an unrestricted permanent endowment.

Where the donor has specified that the fund is to be permanently invested to generate an income stream to be applied for a restricted purpose, the fund is classified as a restricted permanent endowment.

Where the donor has specified a particular objective other than the acquisition or construction of tangible fixed assets, and that the College must or may convert the donated sum into income, the fund is classified as a restricted expendable endowment.

Taxation

The College is a registered charity (number 1137454) 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 College may from time to time be eligible for such grants. 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.

St Edmund's College

Consolidated Income and Expenditure Account

Year Ended 30 June 2011

		2011	2010
		£	£
Income	Note		Restated
Academic fees and charges	1	1,208,634	946,644
Residence, catering and conferences	2	1,566,375	1,177,569
Endowment and investment income	3	69,528	104,722
Donations	4	123,974	216,002
Research Grants	5	<u>621,900</u>	<u>857,460</u>
Total income		<u>3,590,411</u>	<u>3,302,397</u>
Expenditure			
Education	6	1,844,723	1,848,543
Residence, catering & conferences	7	1,504,306	1,388,927
Other expenditure	8	<u>632,601</u>	<u>692,023</u>
Total expenditure	8	<u>3,981,630</u>	<u>3,929,493</u>
Surplus/(deficit) on continuing operations before Contribution under Statute G, II		(391,219)	(627,096)
Contribution under Statute GII		-	-
Surplus/(deficit) on continuing operations after Contribution under Statute G, II		<u>(391,219)</u>	<u>(627,096)</u>
Deficit for the year transferred from accumulated income in endowment funds	20	<u>194,350</u>	<u>(39,692)</u>
Surplus/(deficit) for the year retained within general reserves		<u>(196,869)</u>	<u>(666,787)</u>

All items dealt with in arriving at the deficit for 2011 and 2010 relate to continuing operations.

The notes on pages 16 to 28 form part of these accounts

St Edmund's College

Consolidated Statement of Total Recognised Gains and Losses

Year Ended 30 June 2011

	Note	Restricted Funds £	Unrestricted Funds £	2011 Total £	2010 Restated £
Surplus/(deficit) on income and expenditure account		-	(196,869)	(196,869)	(666,787)
Unspent endowment fund income		(194,350)	-	(194,350)	39,692
Increase/(decrease) in market value of endowment assets	20	51,229	291,243	342,472	392,780
New endowments	20	2,963	-	2,963	-
Capital grant from Colleges Fund		-	455,000	455,000	432,400
Transfers		1,798	(1,798)	-	-
Actuarial gain/(loss) in respect of pension scheme	21	-	75,557	75,557	(33,509)
Total recognised gains relating to the year		<u>(138,360)</u>	<u>623,133</u>	<u>484,773</u>	<u>164,576</u>
Reconciliation					
Opening reserves and endowments as previously stated		1,668,561	7,466,250	9,134,811	9,199,800
Prior year adjustment	27	<u>(164,542)</u>	<u>12,471</u>	<u>(152,071)</u>	<u>(381,633)</u>
		1,504,019	7,478,721	8,982,740	8,818,167
Total recognised gains/(losses) for the year		(138,360)	623,133	484,773	164,576
Closing reserves and endowments		<u><u>1,365,659</u></u>	<u><u>8,101,854</u></u>	<u><u>9,467,513</u></u>	<u><u>8,982,743</u></u>

The notes on pages 16 to 28 form part of these accounts

St Edmund's College

Consolidated Balance Sheet

As at 30 June 2011

	Note		2011	2010
			£	£
Fixed assets				Restated
Tangible assets	10		15,686,892	16,185,380
Investments	11		18,411	18,411
			<u>15,705,303</u>	<u>16,203,791</u>
Endowment assets	12		11,831,437	11,224,610
Current assets				
Stocks	13		38,892	38,768
Debtors	14		600,664	589,814
Cash	15		728,592	128,140
			<u>1,368,148</u>	<u>756,722</u>
Creditors: amounts falling due within one year	16		(1,671,561)	(1,609,213)
Net current assets			<u>(303,413)</u>	<u>(852,491)</u>
Total assets less current liabilities excluding pension liability			27,233,327	26,575,910
Creditors : amounts falling due in more than one year	17		(17,648,871)	(17,392,942)
Net assets excluding pension liability			<u>9,584,456</u>	<u>9,182,968</u>
Pension liability	18		(33,909)	(114,885)
Net assets including pension liability			<u>9,550,547</u>	<u>9,068,083</u>
Represented by:				
		Restricted Funds	Unrestricted Funds	2011 Total
		£	£	£
				Restated
Deferred Capital Grants	19	83,034	-	83,034
Endowments				
Expendable endowments	20	773,928	-	773,928
Permanent endowments	20	591,731	10,465,778	11,057,509
		<u>1,365,659</u>	<u>10,465,778</u>	<u>11,831,437</u>
Reserves				
General reserves excluding pension reserve	21	-	(2,330,015)	(2,330,015)
Pension reserve	21	-	(33,909)	(114,885)
		<u>-</u>	<u>(2,363,924)</u>	<u>(2,241,868)</u>
Total Funds		<u>1,448,693</u>	<u>8,101,854</u>	<u>9,550,547</u>
				<u>9,068,083</u>

The financial statements were approved by the Council and Governing Body on 14th November, 2011 and are signed on their behalf by:

Prof P Luzio
Master

The notes on pages 16 to 28 form part of these accounts

St Edmund's College**Consolidated Cash Flow Statement****For the Year Ended 30 June 2011**

	Note	2011 £	2010 £ Restated
Net cash inflow / (outflow) from operating activities	22	846,528	(31,535)
Returns on investments and servicing of finance	23	(489,856)	(442,067)
Capital expenditure and financial investment	23	<u>938,860</u>	<u>405,082</u>
Cash inflow / (outflow) before management of liquid resources		1,295,532	(68,520)
Financing			
Loan repayment in year		(528,702)	(528,701)
Increase / (decrease) in cash in the year		<u>766,830</u>	<u>(597,221)</u>
Reconciliation of net cash flow to movement in net debt			
Increase / (Decrease) in cash in year		766,830	(597,221)
Cash used to repay loan		<u>528,702</u>	<u>528,701</u>
Change in net debt		1,295,532	(68,520)
Net debt at beginning of the year		(10,757,013)	(10,688,493)
Net debt at end of the year	24	<u>(9,461,481)</u>	<u>(10,757,013)</u>

The notes on pages 16 to 28 form part of these accounts

St Edmund's College

Notes to the Accounts

For the Year Ended 30 June 2011

1. Academic Fees and Charges	2011 £	2010 £
College Fees:		
Fee Income paid on behalf of Undergraduates at the Publicly-funded Undergraduate rate (per capita fee £3,861)	243,243	205,920
Privately-funded Undergraduate Fee Income (per capita fee £4,448)	346,259	295,261
Fee Income received at the Graduate Fee rate (per capita fee £2,229)	601,550	439,785
	<u>1,191,052</u>	<u>940,966</u>
Other income	17,582	5,678
Total	<u>1,208,634</u>	<u>946,644</u>
2. Income from Residences, Catering and Conferences	2011 £	2010 £
Accommodation		
College members	1,073,112	848,230
Conferences	187,807	86,429
Catering		
College members	207,233	183,392
Conferences	98,223	59,518
Total	<u>1,566,375</u>	<u>1,177,569</u>
3. Endowment and Investment Income	2011 £	2010 £
Analysis		Restated
Quoted securities	30,748	89,375
Fixed interest securities	40,817	11,652
Foreign exchange	(2,521)	-
Other interest receivable	484	3,695
	<u>69,528</u>	<u>104,722</u>
4. Donations	2011 £	2010 £
		Restated
Unrestricted donations	81,466	28,553
Restricted donations	40,201	185,142
Released from deferred capital grants (note 19)	2,307	2,307
Total	<u>123,974</u>	<u>216,002</u>
5. Research Grants	2011 £	2010 £
		Restated
Research grants received	697,036	630,204
Transfer (to) / from deferred income	(75,136)	227,256
Total	<u>621,900</u>	<u>857,460</u>

St Edmund's College

Notes to the Accounts

For the Year Ended 30 June 2011

6. Education Expenditure	2011	2010
	£	£
Teaching	405,567	378,022
Tutorial	188,554	297,588
Admissions	124,652	110,442
Research	761,783	690,332
Scholarships and awards	54,120	71,392
Other educational facilities	302,051	294,751
Other expenditure	7,996	6,016
Total	<u>1,844,723</u>	<u>1,848,543</u>

7. Residences, Catering and Conferences Expenditure	2011	2010
	£	£
Accommodation		
College members	708,487	723,768
Conferences	123,994	73,748
Catering		
College members	455,792	446,502
Conferences	216,033	144,909
Total	<u>1,504,306</u>	<u>1,388,927</u>

8a. Analysis of 2010/11 Expenditure by Activity	Staff costs	Other	Deprecia-	Total
	(note 9)	operating	tion	£
	£	expenses	£	£
		£		
Education	828,888	917,532	98,303	1,844,723
Residence, catering and conferences	233,536	850,372	420,398	1,504,306
Other	-	632,601	-	632,601
Total	<u>1,062,424</u>	<u>2,400,505</u>	<u>518,701</u>	<u>3,981,630</u>

8b. Analysis of 2009/10 Expenditure by Activity	Staff costs	Other	Deprecia-	Total
	(note 9)	operating	tion	£
	£	expenses	£	£
		£		
Education	754,489	994,394	99,660	1,848,543
Residence, catering and conferences	219,791	742,887	426,249	1,388,927
Other	-	692,023	-	692,023
Total	<u>974,280</u>	<u>2,429,304</u>	<u>525,909</u>	<u>3,929,493</u>

St Edmund's College

Notes to the Accounts

For the Year Ended 30 June 2011

8c. Auditors' remuneration			2011 £	2010 £
Other operating expense include:				
Audit fees payable to the College's external auditors			16,764	29,638
Other fees payable to the College's external auditors			13,143	14,222

9. Staff	College fellows £	Non-academic £	Total 2011 £	Total 2010 £
Staff costs:				
Emoluments	266,587	641,293	907,880	823,349
Social security costs	22,108	46,722	68,830	56,160
Other pension costs (note 26)	19,841	65,873	85,714	94,771
	<u>308,536</u>	<u>753,888</u>	<u>1,062,424</u>	<u>974,280</u>
	No	No	No	No
Average staff numbers:				
Academic	45	-	45	46
Non-academic	5	31	36	43
	<u>50</u>	<u>31</u>	<u>81</u>	<u>89</u>

The Governing Body comprises of 50 fellows, of which 32 are stipendiary.

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

The trustees receive no emoluments in their role as trustees of the Charity.

10. Tangible Assets Consolidated

Group and College	Land & Buildings £	Equipment £	2011 Total £	2010 Total £
Cost				
At beginning of year	18,887,224	1,231,615	20,118,839	20,091,521
Additions at cost	-	20,213	20,213	27,318
Disposals	-	(350,972)	(350,972)	-
At end of year	18,887,224	900,856	19,788,080	20,118,839
Depreciation				
At beginning of year	3,032,510	900,949	3,933,459	3,407,551
Charge for the year	444,560	74,141	518,701	525,908
Eliminated on disposal	-	(350,972)	(350,972)	-
At end of year	3,477,070	624,118	4,101,188	3,933,459
Net book value				
At end of year	<u>15,410,154</u>	<u>276,738</u>	<u>15,686,892</u>	<u>16,185,380</u>
At beginning of year	<u>15,854,714</u>	<u>330,666</u>	<u>16,185,380</u>	<u>16,683,970</u>

The insured value of freehold land and buildings as at 30 June 2011 was £25,211,840 (2010: £24,466,087)

St Edmund's College

Notes to the Accounts

For the Year Ended 30 June 2011

11. Fixed Asset Investments	2011	2010
	£	£
Works of Art	18,411	18,411
	<u>18,411</u>	<u>18,411</u>
12. Endowment Assets	2011	2010
	£	£
		Restated
Balance at beginning of year	11,224,610	10,349,238
Additions	2,393,598	1,862,086
Disposal	(1,951,918)	(2,013,128)
Appreciation on revaluation	196,651	195,352
Increase in cash balances held at fund managers	(816,136)	287,557
Increase in loan from Endowment to General Reserves	784,631	543,505
	<u>11,831,437</u>	<u>11,224,610</u>
Balance at end of year		
Represented by:		
Quoted Securities	2,759,872	2,114,822
Fixed interest securities	1,072,970	1,069,118
Cash with investment managers	11,096	837,802
Works of art	18,411	18,411
Loan from General Reserves	7,987,499	7,202,868
	<u>11,849,848</u>	<u>11,243,021</u>
College Expendable Investments (note 11)	(18,411)	(18,411)
	<u>11,831,437</u>	<u>11,224,610</u>
13. Stocks	2011	2010
	£	£
Other stocks	<u>38,892</u>	<u>38,768</u>
14. Debtors	2011	2010
	£	£
Members of the College	505,355	535,547
Other debtors	24,706	24,467
Prepayments and accrued income	70,603	29,800
	<u>600,664</u>	<u>589,814</u>

St Edmund's College

Notes to the Accounts

Year Ended 30 June 2011

15. Cash		2011	2010
		£	£
Bank deposits		540,119	39,855
Current accounts		188,293	88,159
Cash in hand		180	126
		<u>728,592</u>	<u>128,140</u>

16. Creditors: Amounts Falling Due within one year		2011	2010
		£	£
Bank overdraft		-	166,378
Trade Creditors		185,012	98,296
Members of the College		240,241	281,080
University fees		296,044	254,272
Other creditors		569,953	630,222
Accruals & deferred income		380,311	178,965
		<u>1,671,561</u>	<u>1,609,213</u>

17. Creditors: Amounts Falling Due after more than one year		2011	2010
		£	£
Due to endowment		7,987,499	7,202,868
Bank loans		9,661,372	10,190,074
		<u>17,648,871</u>	<u>17,392,942</u>

The bank loan is being repaid in quarterly instalments and the final repayment is due in 2031.

18. Pension Liability Group and College		2011	2010
		£	£
Balance at beginning of year		114,885	88,357
Movement in year:			
Current service cost		25,533	19,049
Contributions		(32,773)	(31,839)
Other finance (income)/cost		1,821	5,809
Actuarial loss/(gain) recognised in the statement of total recognised gains and losses		(75,557)	33,509
Balance at end of year		<u>33,909</u>	<u>114,885</u>

19. Deferred capital grants College Buildings		2011	2010
		£	£
	£	Total	Total Restated
	Grants		
Balance at beginning of year	85,341	85,341	87,648
Released to income and expenditure account	(2,307)	(2,307)	(2,307)
Balances at end of year	<u>83,034</u>	<u>83,034</u>	<u>85,341</u>

St Edmund's College

Notes to the Accounts

Year Ended 30 June 2011

20. Endowments College	Unrestricted Permanent £	Restricted Permanent £	Total Permanent £	Restricted Expendable £	2011 Total £	2010 Total £ Restated
Balance at beginning of year:						
As previously stated	9,720,591	529,446	10,250,038	-	10,250,038	9,424,858
Prior year adjustment (note 27)				974,573	974,573	924,381
Restated opening balance:	<u>9,720,591</u>	<u>529,446</u>	<u>10,250,038</u>	<u>974,573</u>	<u>11,224,611</u>	<u>10,349,239</u>
Capital	9,720,591	529,446	10,250,038	-	10,250,038	9,424,858
Unspent Income				974,573	974,573	924,381
	<u>9,720,591</u>	<u>529,446</u>	<u>10,250,038</u>	<u>974,573</u>	<u>11,224,611</u>	<u>10,349,239</u>
New endowments received	455,000	-	455,000	2,963	457,963	432,400
Income receivable from endowment asset investments	-	-	-	758,878	758,878	1,058,551
Expenditure	-	-	-	(953,227)	(953,227)	(1,018,859)
Net transfer (to)/from Income and expenditure account	-	-	-	(194,350)	(194,350)	39,692
Transfers	(1,055)	11,055	10,000	(9,257)	743	10,500
Increase in market value of investments	291,243	51,229	342,472	-	342,472	392,780
Balance at end of year	<u>10,465,778</u>	<u>591,731</u>	<u>11,057,509</u>	<u>773,928</u>	<u>11,831,437</u>	<u>11,224,610</u>
Comprising:						
Capital	10,465,778	591,731	11,057,509	-	11,057,509	10,250,037
Unspent Income				773,928	773,928	974,573
Balance at end of year	<u>10,465,778</u>	<u>591,731</u>	<u>11,057,509</u>	<u>773,928</u>	<u>11,831,437</u>	<u>11,224,610</u>
Representing						
Fellowship Funds					105,086	98,907
Scholarship Funds					102,250	91,042
Prize Funds					39,072	35,271
Hardship Funds					229,740	215,894
Bursary Funds					96,018	87,352
Other Funds					793,492	975,553
General endowments					10,465,779	9,720,591
Group Total					<u>11,831,437</u>	<u>11,224,610</u>

St Edmund's College

Notes to the Accounts

Year Ended 30 June 2011

21. Reserves Consolidated and College	General reserves £	2011 Total £	2010 Total £ Restated
Balance at beginning of year as previously stated	(2,254,341)	(2,254,341)	(1,540,044)
Prior year adjustment (note 27)	12,473	12,473	8,972
Restated opening balance	<u>(2,241,868)</u>	<u>(2,241,868)</u>	<u>(1,531,072)</u>
Surplus / (deficit) retained for the year	(196,869)	(196,869)	(666,787)
Actuarial gain/(loss)	75,557	75,557	(33,509)
Transfers	(743)	(743)	(10,500)
Balance at end of year	<u><u>(2,363,924)</u></u>	<u><u>(2,363,924)</u></u>	<u><u>(2,241,868)</u></u>
22. Reconciliation of consolidated operating surplus to net cash inflow from operating activities		2011 £	2010 £ Restated
Surplus/(Deficit) on continuing operation		(391,219)	(627,096)
Depreciation of tangible fixed assets		518,701	525,909
Deferred capital grants released to income		(2,307)	(2,307)
Investment Income		(69,528)	(104,722)
Interest Payable		578,549	607,702
Pension costs less contributions payable		(5,419)	(6,981)
(Increase)/Decrease in Stocks		(124)	5,478
(Increase)/Decrease in Debtors		(10,850)	(274,175)
Increase/(Decrease) in Creditors		228,726	(155,343)
Net cash inflow from operating activities		<u><u>846,528</u></u>	<u><u>(31,535)</u></u>
23. Cash flows		2011 £	2010 £ Restated
Returns on investments and servicing of finance			
Endowment and investment income received		69,528	104,722
Other endowment and investment income		19,165	60,913
Interest Paid		(578,549)	(607,702)
		<u><u>(489,856)</u></u>	<u><u>(442,067)</u></u>
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(20,213)	(27,318)
Cash withdrawn from endowment assets		501,111	-
New endowments received		457,963	432,400
Net cash outflow from capital expenditure and financial investment		<u><u>938,860</u></u>	<u><u>405,082</u></u>
Financing			
Repayment of long term loan		(528,702)	(528,701)
Net cash inflow/(outflow)		<u><u>(528,702)</u></u>	<u><u>(528,701)</u></u>

Notes to the Accounts

Year Ended 30 June 2011

24. Analysis of changes in net debt

	At beginning of year £	Cash flows £	Other Changes £	At end of year £
Cash at bank and in hand	128,140	600,452		728,592
Overdrafts	(166,378)	166,378		-
		<u>766,830</u>		
Debts due within one year	(528,701)	528,702	(528,702)	(528,701)
Debts falling due after more than one year	(10,190,074)	-	528,702	(9,661,372)
Net Funds	<u>(10,757,013)</u>	<u>1,295,532</u>	<u>-</u>	<u>(9,461,481)</u>

25. Pension Scheme

The College's employees belong to two principal pension schemes, the Universities Superannuation Scheme (USS) and the Cambridge Colleges Federation Pension Scheme (CCFPS). The total pension cost for the period was £85,714 (2010: £94,771).

University Superannuation Scheme

The institution participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited.

Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual colleges and a scheme-wide contribution rate is set. The college is therefore exposed to actuarial risks associated with other colleges' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

The latest triennial actuarial valuation of the scheme was at 31 March 2008. This was the first valuation for USS under the new 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. The actuary also carries out a review of the funding level each year between triennial valuations and details of his estimate of the funding level at 31 March 2010 are also included in this note.

The triennial valuation was carried out using the projected unit method. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (ie the valuation rate of interest), the rates of increase in salary and pensions and the assumed rates of mortality. The financial assumptions were derived from market yields prevailing at the valuation date. An "inflation risk premium" adjustment was also included by deducting 0.3% from the market-implied inflation on account of the historically high level of inflation implied by government bonds (particularly when compared to the Bank of England's target of 2% for CPI which corresponds broadly to 2.75% for RPI per annum).

To calculate the technical provisions, it was assumed that the valuation rate of interest would be 6.4% per annum (which includes an additional assumed investment return over gilts of 2% per annum), salary increases would be 4.3% per annum (plus an additional allowance for increases in salaries due to age and promotion reflecting historic Scheme experience, with a further cautionary reserve on top for past service liabilities) and pensions would increase by 3.3% per annum.

25. Pension Schemes continued

At the valuation date, the value of the assets of the scheme was £28,842.6 million and the value of the scheme's technical provisions was £28,135.3 million indicating a surplus of £707.3 million. The assets therefore were sufficient to cover 103% of the benefits which had accrued to members after allowing for expected future increases in earnings. The actuary also valued the scheme on a number of other bases as at the valuation date. On the scheme's historic gilts basis, using a valuation rate of interest in respect of past service liabilities of 4.4% per annum (the expected return on gilts) the funding level was approximately 71%. Under the Pension Protection Fund regulations introduced by the Pensions Act 2004 the Scheme was 107% funded; on a buy-out basis (ie assuming the Scheme had discontinued on the valuation date) the assets would have been approximately 79% of the amount necessary to secure all the USS benefits with an insurance company; and using the FRS17 formula as if USS was a single employer scheme, using a AA bond discount rate of 6.5% per annum based on spot yields, the actuary estimated that the funding level at 31 March 2008 was 104%.

The technical provisions relate essentially to the past service liabilities and funding levels, but it is also necessary to assess the ongoing cost of newly accruing benefits. The cost of future accrual was calculated using the same assumptions as those used to calculate the technical provisions except that the valuation rate of interest assumed asset outperformance over gilts of 1.7% per annum (compared to 2% per annum for the technical provisions) giving a discount rate of 6.1% per annum; also the allowance for promotional salary increases was not as high. There is currently uncertainty in the sector regarding pay growth. Analysis has shown very variable levels of growth over and above general pay increases in recent years, and the salary growth assumption built into the cost of future accrual is based on more stable, historic, salary experience. However, when calculating the past service liabilities of the scheme, a cautionary reserve has been included, in addition, on account of the variability mentioned above.

The scheme-wide contribution rate required for future service benefits alone at the date of the valuation was 16% of pensionable salaries and the trustee company, on the advice of the actuary, increased the college contribution rate to 16% of pensionable salaries from 1 October 2009.

Since 31 March 2008 global investment markets have continued to fluctuate and as at 31 March 2011 the market's assessment of inflation has increased slightly. The government has also announced a change to the inflation measure used in determining the "Official Pensions Index" from the Retail Prices Index to the Consumer Prices Index. The actuary has taken this all into account in his funding level estimates at 31 March 2011 by reducing the assumption for pension increases from 3.3% pa to 2.9% pa. The actuary has estimated that the funding level as at 31 March 2011 under the scheme specific funding regime had fallen from 103% to 98% (a deficit of circa £700 million). Over the past twelve months, the funding level has improved from 91% (as at 31 March 2010) to 98%. This estimate is based on the funding level at 31 March 2008, adjusted to reflect the fund's actual investment performance over the three years and changes in market conditions (market conditions affect both the valuation rate of interest and also the inflation assumption which in turn impacts on the salary and pension increase assumptions). The next formal valuation is as at 31 March 2011 and this will incorporate updated assumptions agreed by the trustee company.

With effect from 1 October 2011, new joiners to the scheme will join the new revalued benefits section rather than the existing final salary section. This change will have an impact, expected to be positive, on the future funding levels.

On the FRS17 basis, using an AA bond discount rate of 5.5% per annum based on spot yields, the actuary estimated that the funding level at 31 March 2011 was 86%. An estimate of the funding level measured on a buy-out basis at that date was approximately 54%.

Surpluses or deficits which arise at future valuations may impact on the college's future contribution commitment. A deficit may require additional funding in the form of higher contribution requirements, where a surplus could, perhaps, be used to similarly reduce contribution requirements.

USS is a "last man standing" scheme so that in the event of the 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 and reflected in the next actuarial valuation of the scheme.

25. Pension Schemes continued

The next formal triennial actuarial valuation is due as at 31 March 2011 and will incorporate allowance for scheme benefit changes and any changes the trustee makes to the underlying actuarial assumptions. The contribution rate will be reviewed as part of each valuation and may be reviewed more frequently.

At 31 March 2011, USS had over 142,000 active members and the college had 16 active members participating in the scheme.

The total pension cost for the College was £85,714 (2010: £94,771). The contribution rate payable by the College was 16% of pensionable salaries.

Cambridge Colleges Federated Pension Scheme

The College is a member of a multi-employer defined benefit scheme, the Cambridge Colleges Federated Pension Scheme. A full valuation was undertaken as at 31 March 2008 and updated to 30 June 2011 by a qualified independent Actuary.

The principal actuarial assumptions at the balance sheet date (expressed as weighted averages) were as follows:

	30 June 2011	30 June 2010
Discount rate	5.5%	5.3%
Expected long-term rate of return on Scheme assets	6.2%	6.4%
Salary inflation assumption	3.2%*	4.4%
Inflation assumption (RPI)	3.4%	3.4%
Consumer Prices Index (CPI) assumption	2.7%	n/a
Pension increases (inflation linked - RPI)	3.4%	3.4%

*2.0% in 2011, 3.2% thereafter

The underlying mortality assumption is based upon the standard table known as Self-administered Pension Schemes (SAPS) mortality tables for average normal pensioners projected in line with the CMI 2009 projection and a target long-term improvement rate of 0.75%p.a. This results in the following life expectancies:

- Male age 65 now has a life expectancy of 21.7 years (previously 20.7 years)
- Female age 65 now has a life expectancy of 23.6 years (previously 23.5 years)
- Male age 45 now and retiring in 20 years would have a life expectancy the of 22.7 years (previously 21.8 years)
- Female age 45 now and retiring in 20 years would have a life expectancy the of 24.8 years (previously 24.5 years)

St Edmund's College

Notes to the Accounts

Year Ended 30 June 2011

25. Pension Schemes continued

Employee Benefit Obligations

The amounts recognized in the balance sheet as at 30 June 2011 (with comparative figures as at 30 June 2010) are as follows:

	2011	2010
Present value of Scheme liabilities	(504,930)	(504,376)
Market value of Scheme assets	471,021	389,491
Surplus/(deficit) in the Scheme	(33,909)	(114,885)

The amounts to be recognised in the profit and loss for the year to 30 June 2011 (with comparative figures for the year ending 30 June 2010) are as follows:

	2011	2010
Current service cost	25,533	19,049
Interest on Scheme liabilities	27,212	25,607
Expected return on Scheme assets	(25,391)	(19,798)
Past service cost	-	-
Curtailment gain	-	-
Total	27,354	24,858
Actual return on Scheme assets	54,191	44,369

Changes in the present value of the Scheme liabilities for the year ending 30 June 2011 (with comparative figures for the year ending 30 June 2010) are as follows:

	2011	2010
Present value of Scheme liabilities at beginning of period	504,376	406,868
Service cost including Employee contributions	32,726	25,336
Interest cost	27,212	25,607
Actuarial losses/(gains)	(46,757)	58,080
Benefits paid	(12,627)	(11,515)
Present value of Scheme liabilities at end of period	504,930	504,376

Changes in the fair value of the Scheme assets for the year ending 30 June 2011 (with comparative figures for the year ending 30 June 2010) are as follows:

	2011	2010
Market value of Scheme assets at beginning of period	389,491	318,511
Expected return	25,391	19,798
Actuarial gains/(losses)	28,800	24,571
Contributions paid by the College	32,773	31,839
Employee contributions	7,193	6,287
Benefits paid	(12,627)	(11,515)
Market value of Scheme assets at end of period	471,021	389,491

The agreed contributions to be paid by the College for the forthcoming year are 14.49% of Contribution Pay plus £11,588pa from 1 July 2011, subject to review at future actuarial valuations. This rate excludes PHI.

The major categories of Scheme assets as a percentage of total Scheme assets for the year ending 30 June 2011 (with comparative figures for the year ending 30 June 2010) are as follows:

	2011	2010
Equities and Hedge Funds	56%	64%
Bonds and Cash	36%	26%
Property	8%	10%
Total	100%	100%

25. Pension Schemes continued

Amounts for the current and previous four accounting periods are as follows:

	2011 £	2010 £	2009 £	2008 £	2007 £
Present value of Scheme liabilities	(504,9330)	(504,376)	(406,868)	(397,756)	(365,343)
Market value of Scheme assets	471,021	389,491	318,511	323,629	326,819
Surplus/(deficit) in the Scheme	(33,909)	(114,885)	(88,357)	(74,127)	(38,524)
Actual return less expected return on Scheme assets	28,800	24,571	(47,303)	(39,155)	10,260
Experience gain/(loss) arising on Scheme liabilities	4,298	11,470	15,811	3,839	10,290
Change in assumptions underlying present value of Scheme liabilities	42,459	(69,550)	16,331	(5,798)	10,434

The expected long term rate of return on the Scheme assets has been calculated based upon the major asset categories shown in the above table and an expected rate of return on equities and hedge funds of 7.1% (2010: 7.1%), property 6.1% (2010: 6.1%) and an expected rate of return on bonds and cash of 4.8% (2010: 4.7%).

Analysis of amount recognisable in statement of total recognised gains and losses (STRGL) for the year ending 30 June 2011 (with comparative figures for the year ending 30 June 2010) are as follows:

	2011 £	2010 £
Actual return less expected return on Scheme assets	28,800	24,571
Experience gains and losses arising on Scheme liabilities	4,298	11,470
Changes in assumptions underlying the present value of Scheme liabilities	42,459	(69,550)
Actuarial gain/(loss) recognized in STRGL	75,557	(33,509)

Cumulative amount of actuarial gains and losses recognised in STRGL for the year ending 30 June 2011 (with comparative figures for the year ending 30 June 2010) are as follows:

	2011 £	2010 £
Cumulative actuarial gain/(loss) at beginning of period	(60,896)	(27,387)
Recognised during the period	75,557	(33,509)
Cumulative actuarial gain/(loss) at end of period	14,661	(60,896)

Movement in surplus/(deficit) during the year ending 30 June 2011 (with comparative figures for the year ending 30 June 2010) are as follows:

	2011 £	2010 £
Surplus/(deficit) in Scheme at beginning of year	(114,885)	(88,357)
Service Cost (Employer Only)	(25,533)	(19,049)
Contributions paid by the College	32,773	31,839
Finance Cost	(1,821)	(5,809)
Actuarial gain/(loss)	75,557	(33,509)
Surplus/(deficit) in Scheme at the end of the year	(33,909)	(114,885)

26. Related Party Transactions

The College owns the whole of the ordinary share capital of ED Developments Limited, a company which is registered in England and Wales. Its principal activity is that of general construction.

Owing to the nature of the College's operations and the composition of its 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.

St Edmund's College

Notes to the Accounts

Year Ended 30 June 2011

27. Prior Year Adjustments

The College has adopted the new RCCA guidelines in the current year and therefore comparative figures have been restated to reflect the revised accounting policies. This has affected the classification of reserves as follows:

- a) Deferred Capital Grants are now disclosed separately on the face of the balance sheet rather than as part of restricted reserves.
- b) Designated funds are not permitted and therefore have been transferred to General Reserves.
- c) Deferred grant income has been transferred to creditors on the balance sheet.
- d) The classification of reserves between Restricted Expendable Endowments and General Reserves.

The effect of these changes on reserves is as follows:

	Restricted Permanent £	Restricted Expendable £	Unrestricted Permanent £	General Reserves £	2010 Total £	2009 Total £ Restated
Reserves under previous accounting policies	529,447	1,139,114	9,720,591	(2,254,341)	9,134,811	9,199,800
Deferred Capital Grants		(85,341)			(85,341)	(87,648)
Reclassification of deferred grant income		(66,727)			(66,727)	(293,984)
Reclassification between Expendable and Permanent		(12,473)		12,473	-	-
Reserves as restated	<u>529,447</u>	<u>974,573</u>	<u>9,720,591</u>	<u>(2,241,868)</u>	<u>8,982,743</u>	<u>8,818,168</u>

The effect of the prior year adjustments on the deficit for the year ended 30 June 2010 is as follows:

	2010 £
Operating deficit for the year under previous accounting policies	(854,352)
Transfer grants to deferred income	227,256
Operating deficit for the year before transfer from endowment funds	<u>(627,096)</u>