

TRINITY COLLEGE, CAMBRIDGE

**ANNUAL REPORT OF THE TRUSTEES
AND FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 June 2019**

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 June 2019

CONTENTS	Page
Trustees and Principal Advisers	2
Trustees' Report for the year ended 30 June 2019	3-5
Statement of trustees' responsibilities for the year ended 30 June 2019	6
Independent Auditors' Report	7-9
Consolidated Statement of Financial Activities for the year ended 30 June 2019	10
Consolidated Statement of Financial Activities for the year ended 30 June 2018	11
Consolidated Balance Sheet as at 30 June 2019	12
College Balance sheet as at 30 June 2019	13
Consolidated Cash Flow Statement for the year ended 30 June 2019	14
Notes to the Financial Statements for the year ended 30 June 2019	15-28

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 June 2019

TRUSTEES AND PRINCIPAL ADVISERS

Trustees, Members of College Council

Sir Gregory Winter, Master (until 30 June 2019)
Professor Dame Sally Davies, Master (w.e.f. 8 October 2019)
Professor Grae Worster, Vice-Master
Professor Catherine Barnard, Senior Tutor
Mr Rory Landman, Senior Bursar
Mr Edward Knapp, Junior Bursar (w.e.f. 18 January 2019)
Professor Lynn Gladden (until mid-September 2018)
Professor Sir David Baulcombe (until 9 February 2019)
Professor Didier Queloz (until 31 March 2019)
Professor Emma Widdis (w.e.f. 1 April 2019)
Professor Paul Brakefield
Dr Nicolas Bell
Professor Pelham Wilson
Professor Peter Sarris
Dr Ross Wilson (until June 2019)
Professor Sir Timothy Gowers (w.e.f. 9 February 2019)
Professor Teresa Webber (w.e.f. 9 February 2019)
Professor Philip Hardie (w.e.f. 9 February 2019)
Professor Nicholas Thomas (w.e.f. 18 October 2019)

Secretary of the College Council

Dr Christopher Morley

Bankers

Barclays Bank plc
Barclays Commercial Bank
PO Box 885
Mortlock House
Histon
Cambridge CB24 9DE

Property Advisers

Bidwells LLP
Bidwell House
Trumpington Road
Cambridge CB2 9LD

Savills (UK) Ltd
Olympic House
Doddington Road
Lincoln LN6 3SE

Independent Auditors

PricewaterhouseCoopers LLP
The Maurice Wilkes Building
St. John's Innovation Park
Cowley Road
Cambridge CB4 0DS

Registered Address

Trinity College
Trinity Street
Cambridge CB2 1TQ

Custodians

The Northern Trust Company
50 Bank Street
London E14 5NT

Solicitors

Mills & Reeve
Botanic House
100 Hills Road
Cambridge CB2 1PH

Historic name according to the Royal Charter dated 19 December 1546:

**COLLEGE OF THE HOLY AND UNDIVIDED TRINITY WITHIN THE TOWN AND UNIVERSITY OF
CAMBRIDGE OF KING HENRY THE EIGHTH'S FOUNDATION**

Registered Charity Number: 1137604

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 June 2019
TRUSTEES' REPORT FOR THE YEAR ENDED 30 June 2019

The board of Trustees, the College Council, presents its statutory report and audited consolidated financial statements for the year ended 30 June 2019.

Structure, Governance and Management

Trinity College, Cambridge, was founded in 1546 by King Henry VIII. In October 2018, the College had 196 Fellows (academic staff involved in teaching, research and administration) and 1,069 junior members in residence (685 undergraduates, 384 graduates).

The current Statutes of the College were made under the Universities of Oxford and Cambridge Act 1923 by an Order in Council dated 30 April 1926. Subsequent alterations have been made on various dates by the procedure set out in the Statutes and in accordance with Section 7 of the 1923 Act.

In accordance with the Statutes, the College is administered by the College Council which meets once a week during Full Term and on occasion in the vacations. Members of the Council are Charity Trustees under the Charities Act 2006. The Master, plus thirteen Fellows, four ex officio, serve as members of the College Council. The charity trustees receive no payment as such. The Council has Standing Orders governing its meetings, including one on conflicts of interest. The Council sets down rules, regulations and procedures governing most aspects of College life, principally through enacting or amending where appropriate College Ordinances.

The Council is (with limited exceptions) subject to review by a College Meeting, namely a meeting of the Master and Fellows. There are at least two College Meetings each year, the Accounts Meeting following the audit and the Annual College Meeting at which members of the Council are elected (three each year, to serve for three years). Newly elected members of the Council, who will as Fellows already be familiar with the College's Statutes and Ordinances, receive a briefing on the duties of Trustees and are required to register any interests under the College's conflicts of interest policy. Special College Meetings may be summoned by a procedure specified in the Statutes.

The principal officers of the College include the Master (who is appointed by the Crown on nomination by the College), the Vice-Master (who is elected by the Fellows), the Senior Tutor, and the Senior and Junior Bursars (all three appointed by the Council) – these are all members of the Council ex officio. Other officers of the College include the other Tutors, the Deans of College and Chapel, the Librarian, the Lecturers, the Steward and the Chaplains.

There are a number of committees in the College, some standing, some appointed by the Council for a particular purpose. Members of committees are appointed by the Council, and membership of standing committees is reviewed annually. The committees make recommendations to the Council, and decisions are taken by the Council.

There is a Liaison Committee, including several representatives elected by the junior members of the College and some Fellows appointed by the Council, whose remit is to discuss and make recommendations about matters of concern to junior members. The Liaison Committee's minutes are received by the Council.

The Staff Consultation Committee, chaired by the Master, is where elected representatives of the College's non-academic staff meet with the Junior Bursar and Head of Personnel to discuss matters of interest to staff collectively. It reports as appropriate to the Council and other College bodies.

Financial and operational risks are the responsibility of the Senior and Junior Bursars respectively and are reviewed by relevant College Committees who report to the College Council. Among these is the Audit Committee which reviews all aspects of financial governance including risk.

The College's Stipends Committee and Staff Committee recommend the pay and remuneration of Fellows and Staff respectively for the approval of the College Council. The operation of the Stipends Committee is governed by a College Ordinance, which provides that stipends of major officers are reviewed by a special sub-committee with no members who are themselves major officers.

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 June 2019
TRUSTEES' REPORT FOR THE YEAR ENDED 30 June 2019 (continued)

Objectives and Activities

The object of Trinity College is advancement for the public benefit of education, religion, learning and research, primarily by the maintenance and development of a College in the University and City of Cambridge.

The College provides, in conjunction with the University of Cambridge of which it is part, education for undergraduate and graduate students which is recognised internationally as being of the highest standard. Bursaries and studentships are provided, when needed, to both undergraduate and graduate members of the College of limited means, including some support for undergraduates through a bursary scheme operated in common with the University and the other Colleges.

The College admits as members those students and academics who have the highest potential to benefit from the educational and research facilities that the College provides as a constituent college in Cambridge University and who therefore must satisfy high academic requirements for entry. The College has no geographical or religious barriers to entry - members come from a very wide range of backgrounds – and there are no age restrictions, save that the College does not normally admit students under the age of 18 at entry.

Dependent on the success of the University if the College's object is to be achieved, the College makes grants to other colleges, Trusts and institutions in the University with objects similar to its own. The College makes grants to the Isaac Newton Trust, established by the College in 1988, which in turn supports departments, bodies and individuals in the wider University. The Trust is an independent charity which may share some common trustees. The College also under its Statute XLVI from time to time makes donations to charities in and around the City of Cambridge, and to appropriate bodies in areas where it owns property.

The great majority of the academic staff are Fellows of the College, elected in the various ways prescribed by the College's Statutes. As well as Teaching Staff, the Fellowship also includes Research Fellows (Junior and Senior), certain senior administrative officers, some Professors in the University, and persons who have retired after long service in one or more of these roles.

The Council has given due regard to the guidance on public benefit published by the Charity Commission, and to its two key principles, that there must be identifiable benefit and that the benefit must be to the public or a section of the public. The Council is satisfied that the object and activities of the College fully meet the public benefit requirements.

Achievements and Performance

The College admitted 203 undergraduate students in October 2018 for regular study from all backgrounds across the wide range of subjects studied in the University. A further 6 students were admitted for one year on various exchange or visitor programmes, and 4 affiliated students. As usual, many students (53) returned after graduation for further study, and the College admitted a further 74 graduates from other Universities to read for Master's degrees and/or doctorates in various subjects. Twelve students continued to a PhD after completing a Master's degree. During the year junior members achieved 44 Master's degrees and 53 PhDs. Our student body is international with 86 nationalities represented.

Compared to 2018, which saw a slight dip in overall performance compared to previous years, there was an overall improvement in 2019. Trinity continues to do well in the Sciences but, in 2019, performed particularly well in the Arts and Humanities compared to the previous year. Overall, the percentage number of Firsts awarded to our students has risen to be more in line with the earlier years, with over 40% of our students achieving Firsts in 2019 (compared to the University average of around 30%).

In January 2019, in an open competition, the College elected eight Junior Research Fellows to commence four years of research in October 2019. During the year it also elected two Teaching Fellows. The Junior Bursar's role was filled in January 2019. The College's Teaching Staff are research-active and many distinctions are earned each year as reported in the College's Annual Record. At the end of the academic year 2018-19 the Fellowship included 30 Fellows of the Royal Society and 24 Fellows of the British Academy. During the year, it was announced that the College's Master, Sir Gregory Winter, had been awarded the Nobel Prize for Chemistry, for his pioneering work in using phage display for the directed evolution of antibodies, with the aim of producing new pharmaceuticals.

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 June 2019
TRUSTEES' REPORT FOR THE YEAR ENDED 30 June 2019 (continued)

Financial Report

The financial position of the College remains very stable year on year. In addition to funding its own activities and making its University Contribution of £2.5m to the University's Colleges Fund, the College has been able to make substantial grants totalling £4.3m (2018: £6.0m) to support wider collegiate Cambridge and has increased its spending on scholarships and awards to £6.5m (2018: £5.8m). Net deficit (including both capital items and recurrent income) was £0.26m (2018: £25.9m Net Income). After adding back the £29.5m charge for withdrawing from USS and deducting capital items allocated to Endowment, which amounted to £17.6m, and a further £4.6m of benefactions and donations there was an underlying Net Income of £5.4m (2018: £3.8m). In the last few years this surplus has been mainly accounted for by much lower spend on renovations than in the recent past or anticipated in the future.

The College's investments are not immune from the wider economy. The impact of the UK's decision to leave the European Union remains unquantifiable but the uncertainty alone has been negative. Meanwhile, shortening leases, empty rates charges and fewer upward only rent reviews mean that rental income will become more volatile. In order to provide a cushion against downturns, the College seeks to maintain reserves in the Consolidated Unrestricted General Funds (2019: £42.3m) at around the level of the annual cost of its charitable activities, and for the Amalgamated Trusts Fund at around one year's income. None of the College's funds is in material deficit.

The maintenance of the College's fabric and infrastructure is a constant draw on the College's resource, but often with significant variations from year to year. Maintenance, repairs and improvements totalled an unusually low £3.5m (2018: £3.8m), whilst we plan for new rounds of major expenditure. In years of low expenditure the College makes transfers to the College Reconstruction Fund which is part of Designated Funds. This Fund is used in years of higher than average renovation expenditure. The transfer in 2019 was £6.3m (2018: £3.2m). The Fund now has a balance of £8.8m. Unfortunately the costs of renewing Grade 1 listed buildings have grown rapidly so this may not last long.

The College withdrew from the Universities Superannuation Scheme (USS) on the 31st May 2019, and established equivalent new arrangements including a separate section of the Trinity College Staff Pension Scheme for future pension provision for eligible staff. The College has made an accrual of £29.5m in these accounts to cover all debts to USS, including the debt arising under Section 75A of the Pensions Act 1995. This has since been paid in full discharge of all liabilities.

The College's Statement of Financial Activities (SOFA) is presented in the format required by the Charity SORP, which divides the College's income between various funds. The Endowment Fund represents permanent capital and its incoming resources are of a capital nature. Restricted funds, and the income arising, can only be used for the purposes for which they were originally given. The College's Designated Funds represent resources set aside for specific purposes. Therefore in any given year the key indicator of the College's financial health is the net incoming resources in the College's unrestricted General Funds which were £1.3m in surplus in 2019 (2018: £1.2m).

The investment objective of the College's endowment is to maximise its long term real income growth. This is intended to be achieved through investing mainly in property and equities. The annual performance when measured in terms of valuation has a weak correlation with this long term objective, since in the short term asset prices are buffeted by external factors. The College's net investment income (after deducting investment costs and interest and net of Endowment Fund income) increased by 4.2% to £37.7m. The current valuation of the College's net assets rose 4.6% from £1,464m to £1,532m.

Dividends in the securities portfolio continued to grow at well above the rate of inflation. In the property portfolio, the College made acquisitions totalling £17.2m including the purchase of the freehold of Phase VI of the Science Park which had previously been held on a long leasehold. Disposals totalled £5.4m. In October 2017, the College agreed a significant investment by TUS Holding, the Science Park investment arm of Tsinghua University, to contribute to the renewal of Phase 1 of the Cambridge Science Park. One building, Unit 26, was sold in 2018. During 2019 two further buildings were completed and transferred to TUS including a new BioInnovation Centre. These transactions account for the significant increase in both investment income and investment costs in the Consolidated Accounts. The final phase is well under way and due for completion in 2021. The planning application by the College's subsidiary, Dunsfold Airport Limited, for a new village at Dunsfold Park was finally satisfactorily concluded in late 2018. Development plans are now proceeding.

TRINITY COLLEGE, CAMBRIDGE

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 June 2019

Statement of trustees' responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the College and the group and of the incoming resources and application of resources of the College and the group for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102, 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the College and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the College's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the College Council on 25 November 2019

Professor Dame Sally Davies, Master

Mr Rory Landman, Senior Bursar

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 June 2019
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TRINITY
COLLEGE, CAMBRIDGE
Report on the audit of the financial statements

Our opinion

In our opinion, Trinity College, Cambridge's group financial statements and parent charity financial statements (the financial statements''):

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 30 June 2019 and of the group's and parent charity's incoming resources and application of resources, and of the group's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 15 of The Charities (Accounts and Reports) Regulations 2008).

What we have audited

We have audited the financial statements, included within the Annual Report (the "Annual Report"), which comprise: the group and College balance sheets as at 30 June 2019; the group statement of financial activities for the year then ended, the group cash flow statements for the year then ended; and the notes to the financial statements which include a summary of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

- 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 group's and parent charity'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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and parent charity's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the charity's activities, beneficiaries, suppliers and the wider economy.

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 June 2019
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TRINITY
COLLEGE, CAMBRIDGE (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Trustees' Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of trustees' responsibilities set out on pages 6, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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 trustees are responsible for assessing the group's and parent charity'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 group and parent charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 June 2019
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TRINITY
COLLEGE, CAMBRIDGE (continued)

Use of this report

This report, including the opinions, has been prepared for and only for the charity's trustees as a body in accordance with section 151 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cambridge

25 November 2019

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2019

	Note	Endowment £000's	General Funds (Unrestricted) £000's	Designated Funds £000's	Restricted Funds £000's	2019 Total £000's	2018 Total £000's
INCOMING RESOURCES							
Income from donations and legacies			1,755	1,035	1,924	4,714	13,486
Income from charitable activities	2		11,291			11,291	10,902
Income from other trading activities	4		353	51	14	418	486
Investment Income	3	17,630	85,044	1,064	3,990	107,728	62,010
TOTAL INCOME		17,630	98,443	2,150	5,928	124,151	86,884
Expenditure on generating funds							
Fundraising costs			1,111		3	1,114	1,030
Loan interest			4,310			4,310	4,301
Estates and Investment Management costs	5		48,059		29	48,088	12,891
			53,480		32	53,512	18,222
Cost of charitable activities							
	6		35,833	1,036	3,104	39,973	40,028
Other Expenditure							
Governance costs			375			375	352
University Contribution under Statute GII	7		2,262	25	251	2,538	2,412
Cost of withdrawing from USS pension scheme	16	29,485				29,485	
TOTAL RESOURCES EXPENDED		29,485	91,950	1,061	3,387	125,883	61,014
NET (EXPENSE)/INCOME		(11,855)	6,493	1,089	2,541	(1,732)	25,870
Unrealised gains on Investment Assets		70,420			5,617	76,037	77,826
NET INCOMING RESOURCES BEFORE TRANSFERS		58,565	6,493	1,089	8,158	74,305	103,696
Transfers between funds	19,20	(411)	(5,141)	7,966	(2,414)	0	0
NET INCOMING RESOURCES AFTER TRANSFERS		58,154	1,352	9,055	5,744	74,305	103,696
Other recognised gains & losses:							
Actuarial Gains on defined benefit pension scheme	16		(5,744)			(5,744)	13,799
NET MOVEMENTS IN FUNDS		58,154	(4,392)	9,055	5,744	68,561	117,495
Total funds brought forward		1,228,135	46,737	41,258	147,589	1,463,719	1,346,224
Total funds carried forward		1,286,289	42,345	50,313	153,333	1,532,280	1,463,719

There are no recognised gains or losses other than those disclosed above. All of the above results derive from continuing operations.

There is no material difference between the net incoming resources for the financial years stated above and their historical cost equivalents.

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2018

	Note	Endowment £000's	General Funds (Unrestricted) £000's	Designated Funds £000's	Restricted Funds £000's	2018 Total £000's	2017 Total £000's
INCOMING RESOURCES							
Income from donations and legacies			897	542	12,047	13,486	4,638
Income from charitable activities	2		10,901	1		10,902	10,568
Income from other trading activities	4		424	52	10	486	665
Investment Income	3	8,637	49,613	387	3,373	62,010	59,044
TOTAL INCOME		8,637	61,835	982	15,430	86,884	74,915
Expenditure on generating funds							
Fundraising costs			1,024		6	1,030	1,275
Loan interest			4,301			4,301	4,301
Estates and Investment Management costs	5		12,838		53	12,891	10,664
			18,163		59	18,222	16,240
Cost of charitable activities							
	6		36,540	1,066	2,422	40,028	38,270
Other Expenditure							
Governance costs			352			352	321
University Contribution under Statute GII	7		2,171	24	217	2,412	2,313
TOTAL RESOURCES EXPENDED			57,226	1,090	2,698	61,014	57,144
NET INCOME/(EXPENSE)		8,637	4,609	(108)	12,732	25,870	17,771
Unrealised gains on Investment Assets		70,686		2,032	5,108	77,826	139,013
NET INCOMING RESOURCES BEFORE TRANSFERS		79,323	4,609	1,924	17,840	103,696	156,784
Transfers between funds	19,20		(3,367)	4,393	(1,026)		
NET INCOMING RESOURCES AFTER TRANSFERS		79,323	1,242	6,317	16,814	103,696	156,784
Other recognised gains & losses:							
Actuarial Losses on defined benefit pension scheme	16		13,799			13,799	1,833
NET MOVEMENTS IN FUNDS		79,323	15,041	6,317	16,814	117,495	158,617
Total funds brought forward		1,148,812	31,696	34,941	130,775	1,346,224	1,187,607
Total funds carried forward		1,228,135	46,737	41,258	147,589	1,463,719	1,346,224

There are no recognised gains or losses other than those disclosed above. All of the above results derive from continuing operations.

There is no material difference between the net incoming resources for the financial years stated above and their historical cost equivalents.

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2019

	Note	2019 £000's	2018 £000's
FIXED ASSETS			
Investments	10	1,605,061	1,531,024
		<u>1,605,061</u>	<u>1,531,024</u>
CURRENT ASSETS			
Stock	11	2,362	2,280
Debtors: amounts falling due after more than one year	12	952	1,167
Debtors: amounts falling due within one year	12	14,942	18,418
Cash at bank in hand		88,350	40,289
		<u>106,606</u>	<u>62,154</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	13	(68,278)	(24,961)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,643,389</u>	<u>1,568,217</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	14	(92,609)	(93,342)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY		<u>1,550,780</u>	<u>1,474,875</u>
PENSION SCHEME LIABILITY	16	(18,500)	(11,156)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY		<u>1,532,280</u>	<u>1,463,719</u>
<i>Represented by:</i>			
Endowment funds	19	1,286,289	1,228,135
Restricted funds	19	153,333	147,589
Designated funds	19	50,313	41,258
General funds – general reserve	19	42,345	46,737
		<u>1,532,280</u>	<u>1,463,719</u>

The financial statements on pages 10 to 28 were approved by the College Council on 25 November 2019 and have been signed on their behalf by the Master and Senior Bursar.

Dame Sally C Davies, Master

Mr Rory Landman, Senior Bursar

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019

COLLEGE BALANCE SHEET AS AT 30 JUNE 2019

	Note	2019 £000's	2018 £000's
FIXED ASSETS			
Investments	10	1,501,276	1,448,810
		<u>1,501,276</u>	<u>1,448,810</u>
CURRENT ASSETS			
Stock	11	1,838	1,786
Debtors: amounts falling due after more than one year	12	18,934	26,212
Debtors: amounts falling due within one year	12	20,620	10,412
Cash at bank in hand		69,583	31,572
		<u>110,975</u>	<u>69,982</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	13	(51,621)	(15,810)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,560,630</u>	<u>1,502,982</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	14	(90,000)	(90,000)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY		<u>1,470,630</u>	<u>1,412,982</u>
PENSION SCHEME LIABILITY	16	(18,500)	(11,156)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY		<u>1,452,130</u>	<u>1,401,826</u>
<i>Represented by:</i>			
Endowment funds	20	1,206,284	1,167,862
Restricted funds	20	153,313	147,570
Designated funds	20	50,313	41,258
General funds – general reserve	20	42,220	45,136
		<u>1,452,130</u>	<u>1,401,826</u>

The financial statements on pages 10 to 28 were approved by the College Council on 25 November 2019 and have been signed on their behalf by the Master and Senior Bursar.

Dame Sally C Davies, Master

Mr Rory Landman, Senior Bursar

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

	2019 £000's	2018 £000's
NET CASH FLOW FROM OPERATING ACTIVITIES		
Net incoming resources after transfers (as per the Statement of Financial Activities)	74,305	103,696
<i>Adjustments for:</i>		
Investment income	(107,728)	(62,013)
Net gains on investments	(80,284)	(78,266)
Total pensions losses recognised in SOFA excluding actuarial loss	2,972	3,442
Pension contributions by the College	(711)	(752)
Loan interest	4,310	4,301
Working capital movements		
- Increase in stocks	(82)	(16)
- Decrease/(increase) in debtors	3,692	(6,371)
- (Increase)/Decrease in creditors	42,585	(2,366)
Net cash used in operating activities	(60,941)	(38,345)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed asset investments	(96,402)	(113,591)
Proceeds from disposal of fixed asset investments	101,986	93,228
Investment income	107,728	62,013
Net cash generated from investing activities	113,312	41,650
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(4,310)	(4,301)
Net cash used in financing activities	(4,310)	(4,301)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	48,061	(996)
Cash and cash equivalents at the start of the year	40,289	41,285
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	88,350	40,289
Cash and cash equivalents consists of:		
Cash at bank and in hand	88,350	40,289
Cash and cash equivalents	88,350	40,289

TRINITY COLLEGE, CAMBRIDGE

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 June 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2019

1. STATEMENT OF ACCOUNTING POLICIES

General information

Trinity College, Cambridge ('the College') and its subsidiaries (together 'the Group') whose object is the advancement for the public benefit of education, religion, learning and research, primarily by the maintenance and development of a College in the University and City of Cambridge.

Basis of preparation

The consolidated financial statements of Trinity College, Cambridge have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"), and with the Statement of Recommended Practice 'Accounting and Reporting by Charities' FRS 102 as revised in 2015 ('the SORP 2015'), together with the reporting requirements of the Charities Act 2011.

The financial statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of investments.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied to all the years presented, unless otherwise stated.

The preparation of financial statements in conformity with FRS 102 requires the use of certain accounting estimates. It also requires the Trustees to exercise its judgements in the process of applying the Group's and the College's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumption and estimates are significant to the financial statements are disclosed below.

Basis of consolidation

The accounts show the results and state of affairs for Trinity College, Cambridge and its subsidiary undertakings (details of the subsidiary undertakings can be found in note 18). Subsidiaries are all entities over which the College has control, being the power to govern the financial and operating policies of the entity.

Where a subsidiary has a different accounting policy to the Group, adjustment is made to the subsidiary's financial statements to apply the Group's accounting policies when preparing the consolidated financial statements.

Acquisitions made by the Group are accounted for under the acquisition method of accounting. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Intra-group transactions and profits are eliminated fully on consolidation.

Results of affiliated clubs and societies are not consolidated as the College does not govern the financial and operating policies of these undertakings with a view to gaining economic benefits from their activities. Grants made to clubs and societies are charged in the Statement of Financial Activities as expenditure for charitable purposes.

Cash flow statement

The College prepares a consolidated cash flow statement and the consolidated accounts, in which the College's results are included, are available to the public. It has therefore taken advantage of the exemption conferred by FRS 102 Section 1 not to prepare a cash flow statement.

Incoming resources

Income is accrued and included in the statement of financial activities when the College is legally entitled to the income, the amount can be quantified with reasonable accuracy and is probable. Legacies and donations are accounted for when received.

Where income is received in advance, recognition is deferred and the amount included in creditors. Income is stated net of any VAT.

TRINITY COLLEGE, CAMBRIDGE

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 June 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2019

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Charitable exemption

The College is a registered charity and claims exemption from income tax under Section 505 of the Income and Corporation Taxes Act 1988 and from capital gains tax under Section 256 of the Taxation of Chargeable Gains Act 1992.

Fund accounting

Funds held by the College are either:

Endowment funds – These are funds that may not be spent. Income arising from investment of Endowment funds, apart from that proportion which is regarded as required for maintenance of capital, are classified as general income of the College and can be applied at the discretion of the College Council to any Collegiate purpose in accordance with the College Statutes.

General funds – These are funds that can be used at the discretion of the College Council.

Designated funds – These are funds that have been set aside by the College Council for specific purposes. They are a sub-set of General Funds and the purposes to which they are applied may be varied at the discretion of the College Council.

Restricted funds – These are funds that can only be used for particular purposes, under a deed of trust or implied trust, to support various educational purposes of the College, including research, teaching and the student bursary scheme.

Pensions

The College participated in four pension schemes during the financial year. Pension costs are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the Fellows' or employees' service.

Fellows employed by the College up until 31st May 2019 were entitled to join the University's Superannuation Scheme (USS), a defined benefits scheme which is contracted out of the State Second Pension. 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, accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period.

The College withdrew from the Universities Superannuation Scheme (USS) on the 31st May 2019, and established a separate section of the Trinity College Staff Pension Scheme for future pension provision for eligible staff. It also established a new defined contribution scheme managed by Legal and General for contributions by Fellows.

Staff employed prior to 31 December 2013 were eligible to join the Trinity College Staff Pension Scheme. This defined benefit scheme closed to new members on 31 March 2014. For this scheme, pension costs are accounted for as the service and finance cost for the year.

Staff employed since 1 January 2014, and those employed prior to that date who are not members of the Trinity College Staff Pension Scheme, have been placed in a new defined contribution scheme managed by "NOW: Pensions". The College is using this scheme to meet its employer obligations under the auto-enrolment legislation, albeit on more flexible and generous terms than the statutory minima. The assets of the scheme are held by NOW: Pensions in a master trust, and the amount charged to the statement of financial activities is thus the contributions payable to the scheme in respect of the accounting period.

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 June 2019
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2019

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Operational tangible fixed assets

Land and buildings

Land and buildings are stated at their original historical cost less depreciation. Due to their age the cost is not significant and no amounts have been included within these accounts.

As a result of the College's on-going maintenance programme, the difference between the original cost and the residual value, at historical cost, is such that any resulting depreciation charge is considered immaterial. To date all such expenditure is considered to have been maintenance in nature rather than enhancing the economic benefits of the asset and therefore no enhancement expenditure has been capitalised. Land is not depreciated.

Fixtures, fittings and equipment

Fixtures, fittings and equipment costing less than £100,000 per individual item are written off in the year of purchase.

Heritage Assets

Heritage assets have not been capitalised since reliable estimates of cost or value are not available on a cost-benefit basis.

Investments

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 less accumulated impairment, and eliminated on consolidation. Properties are valued annually by the Trustees based on estimated market values on a continuing use basis after taking advice from third party valuers. The SOFA includes realised gains and losses on investment sold in the year and unrealised gains and losses on revaluation of investments.

Fixed asset investments are subject to review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs in the SOFA.

Stocks

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

Foreign currency

Foreign currency transactions are recorded at the exchange rate at the time of the transaction. Foreign currency balances are translated into sterling at the exchange rate at the balance sheet date. Resulting gains or losses are included in the SOFA.

Financial instruments

The Group has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest rate method. The College only has taken reduced disclosure exemptions for sections 11 and 12 of FRS 102.

Financial assets are derecognised when their contractual rights to the cash flows from the asset expire or are settled. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Taxation

The College is an exempt charity and accordingly, the College is potentially exempt from taxation in respect of income or capital gains.

The College receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT allocated to fixed assets is included in their cost.

The College's limited company subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 June 2019
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2019

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Related party transactions

The Group discloses transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the Trustees, separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

Critical accounting judgements and estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Cash at Bank and in hand

Cash and cash equivalents includes cash in hand and deposits held at call with banks. Other short-term highly liquid investments including money market funds are included in investments. Bank overdrafts, if applicable, are shown within borrowings in current liabilities.

Liabilities and Provisions

Liabilities are recognised at the amount that the College anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

TRINITY COLLEGE, CAMBRIDGE

ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

(continued)

2. INCOME FROM CHARITABLE ACTIVITIES

	Endowment Funds £000's	General Funds (Unrestricted) £000's	Designated Funds £000's	Restricted Funds £000's	2019 Total £000's	2018 Total £000's
College Fees		4,757			4,757	4,467
Residence and catering		6,360			6,360	6,307
Other Fees		174			174	128
		11,291			11,291	10,902

COLLEGE FEES

	2019 Total £000's	2018 Total £000's
Fee Income paid on behalf of undergraduates at the publicly-funded undergraduate rate per capita fee £4,524 for matriculation after October 2012, £4,308 for matriculation before October 2012 (2018 £4,500, £4,308)	2,524	2,512
Privately-funded undergraduate fee income, per capita fee £12,693. A bursary of £5,712 is applied to each fee (2018 £6,745)	1,210	1,066
	1,023	889
Fee income received at the graduate fee rate (per capita fee £3,719) (2018 £3,481)	4,757	4,467

3. INVESTMENT INCOME

	Endowment Funds £000's	General Funds (Unrestricted) £000's	Designated Funds £000's	Restricted Funds £000's	2019 Total £000's	2018 Total £000's
Property - College	17,630	31,231	13	261	49,135	40,415
Property - Subsidiaries		44,856			44,856	11,164
Equities		8,354	1,051	3,729	13,134	10,035
Interest		603			603	395
	17,630	85,044	1,064	3,990	107,728	62,009

4. INCOME FROM OTHER TRADING ACTIVITIES

	Endowment Funds £000's	General Funds (Unrestricted) £000's	Designated Funds £000's	Restricted Funds £000's	2019 Total £000's	2018 Total £000's
Conferences		88			88	134
Tourism		106			106	150
Other		159	51	14	224	202
		353	51	14	418	486

5. ESTATES AND INVESTMENT MANAGEMENT COSTS

	Endowment Funds £000's	General Funds (Unrestricted) £000's	Designated Funds £000's	Restricted Funds £000's	2019 Total £000's	2018 Total £000's
College costs		3,973		29	4,002	4,126
Subsidiaries costs		44,086			44,086	8,765
		48,059		29	48,088	12,891

Investment Management costs do not include fund management and other fees borne directly by funds in which the College invests.

TRINITY COLLEGE, CAMBRIDGE

ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

(continued)

6. COST OF CHARITABLE ACTIVITIES

	Endowment Funds	General Funds (Unrestricted)	Designated Funds	Restricted Funds	2019 Total	2018 Total
	£000's	£000's	£000's	£000's	£000's	£000's
Residence and catering		11,205		20	11,225	10,846
Teaching, Tutorial and Admissions		13,150	245	61	13,456	13,177
Research		4,194	67	229	4,490	4,292
Scholarships and awards		3,686	102	2,678	6,466	5,754
Donations		3,598	622	116	4,336	5,959
		35,833	1,036	3,104	39,973	40,028

	2019 Total	2018 Total
	£000's	£000's
<i>An analysis of the donations is as follows:</i>		
Isaac Newton Trust	1,500	1,500
Cambridge Trust	1,250	1,250
Cambridge Home / EU Scholarship Scheme	600	600
Cambridge Colleges Teaching	622	678
Cambridge Colleges Buildings		1,660
Other	364	271
	4,336	5,959

7. UNIVERSITY CONTRIBUTION UNDER STATUTE GII

The University Contribution is assessed by the University of Cambridge in accordance with the provisions of Statute GII of the University's Statutes and Ordinances and is distributed by the Colleges Fund Committee among other Cambridge Colleges.

The amount payable by the College for the year ended 30 June 2019 is £2,538,000 (2018: £2,412,000).

8. NET INCOMING RESOURCES BEFORE TRANSFERS

This is shown after charging:

	2019 Total	2018 Total
	£000's	£000's
Auditors' Remuneration: External audit	112	100
Maintenance, Repairs and Improvements	3,494	3,785

TRINITY COLLEGE, CAMBRIDGE**ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019****(continued)****9. STAFF NUMBERS AND COSTS**

The monthly average number of persons (including the Trustees) employed by the College during the year, was: 592 (2018: 562)

The costs associated with these employees was:

	2019	2018
	£000's	£000's
Wages and salaries	12,920	12,035
Social security costs	1,247	1,112
Pension costs - defined benefit scheme service cost	2,350	2,909
Pension costs - USS defined benefit scheme	564	512
	17,081	16,568

Trustees

During the year no fees or expenses were paid to Fellows in respect of their duties as Trustees (2018: none).

Payments to Trustees made under the authority of and in accordance with the Statutes of the College, in respect of teaching, research and administrative duties amounted to:

	2019	2018
	£000's	£000's
Aggregate emoluments	534	636
Pension contributions	52	51
	586	687

The number of College Fellows and staff whose remuneration, excluding pension contributions, exceeded £60,000 was as follows:

	2019	2018
	No	No
£60,000 - £69,999	12	11
£70,000 - £79,999	5	7
£80,000 - £89,999	6	2
£90,000 - £99,999	0	1
£100,000 - £109,999	1	1
£120,000 - £129,999	1	1
£130,000 - £139,999	1	1
	26	24

Retirement benefits are accruing to 21 (2018: 19) of the above individuals under a defined benefit pension scheme. The total pension costs of these Fellows and staff amounts to £276,027 (2018: £246,984).

Key management compensation

The College considers that the Trustees of the College represent the Key Management of the College.

TRINITY COLLEGE, CAMBRIDGE

ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

(continued)

10. INVESTMENTS

	Consolidated 2019 £000's	Consolidated 2018 £000's	College 2019 £000's	College 2018 £000's
Market value at 1 July	1,531,024	1,428,646	1,448,810	1,346,156
Additions	96,402	113,591	96,402	123,292
Disposals	(101,986)	(93,228)	(101,986)	(93,228)
Net investment gains	79,621	82,015	58,050	72,590
Market value at 30 June	1,605,061	1,531,024	1,501,276	1,448,810

	Consolidated 2019 £000's	Consolidated 2018 £000's	College 2019 £000's	College 2018 £000's
Represented by:				
Property	892,685	829,163	718,541	683,335
Equities	664,383	606,406	664,383	606,406
Unlisted investments	16,961	14,687	16,961	14,687
Money Market Funds	31,032	80,768	31,032	80,768
Investments in subsidiary undertakings (See note 18)			70,359	63,614
	1,605,061	1,531,024	1,501,276	1,448,810

Listed equities are valued by reference to the closing price at the balance sheet date. Unlisted investments are valued based on information provided by the fund managers.

Properties are valued annually by the Trustees based on estimated market values on a continuing use basis after taking advice from third party valuers.

11. STOCK

	Consolidated 2019 £000's	Consolidated 2018 £000's	College 2019 £000's	College 2018 £000's
Provisions	1,837	1,786	1,838	1,786
Crops and seeds	525	494		
	2,362	2,280	1,838	1,786

TRINITY COLLEGE, CAMBRIDGE

ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

(continued)

12. DEBTORS

	Consolidated 2019 £000's	Consolidated 2018 £000's	College 2019 £000's	College 2018 £000's
Amounts falling due after more than one year				
Amounts owed by subsidiary undertakings			17,982	25,045
Other debtors	952	1,167	952	1,167
	952	1,167	18,934	26,212
Amounts falling due within one year				
Rents receivable	6,318	3,193	2,598	2,579
Prepayments and accrued income	3,919	1,327	12,208	2,333
Other debtors	1,223	11,796	1,223	2,289
Amounts owed by subsidiary undertakings			1,109	1,108
Trade debtors	3,482	2,103	3,482	2,103
	14,942	18,419	20,620	10,412
	15,894	19,586	39,554	36,624

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated 2019 £000's	Consolidated 2018 £000's	College 2019 £000's	College 2018 £000's
Trade creditors	27,303	3,110	10,646	3,110
University contribution	2,538	2,412	2,538	2,412
Taxes and social security	1,072	1,942	1,072	1,942
Other creditors	628	9,896	628	745
Accruals and deferred income	36,737	7,601	36,737	7,601
	68,278	24,961	51,621	15,810

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

	Consolidated 2019 £000's	Consolidated 2018 £000's	College 2019 £000's	College 2018 £000's
Deferred Income	2,609	3,342		
Long term borrowing	90,000	90,000	90,000	90,000
	92,609	93,342	90,000	90,000

15. MATURITY OF LONG TERM LOANS

	Consolidated 2019 £000's	Consolidated 2018 £000's	College 2019 £000's	College 2018 £000's
In more than five years	90,000	90,000	90,000	90,000
	90,000	90,000	90,000	90,000

The £70m bank loan is split into three tranches of £35m - Fixed interest rate 4.9704%, £20m - Fixed interest rate 4.9604% and £15m - Fixed interest rate 5.0704% providing a weighted average Fixed interest rate of 4.989%.

The loan is repayable on 29 June 2047.

The £20m Senior Notes have been issued at 4.11% and are repayable 14 May 2064.

TRINITY COLLEGE, CAMBRIDGE**ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019
(continued)****16. PENSION SCHEME LIABILITY****Trinity College Staff Pension Scheme**

The scheme is a defined benefit final salary pension scheme.

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

	2019	2018
	%	%
Discount rate	2.25	2.7
Expected long-term rate on Scheme assets	3.7	3.7
Salary inflation assumption	3.65	4.25
Price inflation assumption	3.40	3.25
Pension increases (capped inflation linked)	3.40	3.25

Mortality

The average life expectancy in years of a pensioner retiring at age 65 on the balance sheet date is as follows:

	2019	2018
Male	22.0	21.9
Female	23.7	23.7

The average life expectancy in years of a pensioner retiring at age 65, twenty years after the balance sheet date is as follows:

	2019	2018
Male	23.4	23.3
Female	25.0	24.9

The amounts recognised in the balance sheet as at 30 June 2019 are as follows:

	2019	2018
	£000's	£000's
Market value of Scheme assets	59,767	59,155
Present value of Scheme liabilities	(78,267)	(69,650)
Deficit in the Scheme	<u>(18,500)</u>	<u>(10,495)</u>

Analysis of the amount charged to the consolidated statement of financial activities:

	2019	2018
	£000's	£000's
Current service cost	<u>2,350</u>	<u>2,909</u>
	<u>2,350</u>	<u>2,909</u>
Interest on pension scheme liabilities	1,870	2,004
Return on pension scheme assets	(1,610)	(1,471)
Total	<u>260</u>	<u>533</u>

TRINITY COLLEGE, CAMBRIDGE**ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019****(continued)****16. PENSION SCHEME LIABILITY (CONTINUED)**

Changes in the present value of the scheme liabilities for the year ended 30 June are as follows:

	2019	2018
	£000's	£000's
Present value of scheme liabilities at beginning of year	69,650	77,766
Current service cost	2,248	2,806
Employee Contributions	391	419
Interest cost	1,870	2,004
Actuarial gain/(losses)	5,595	(11,499)
Benefits paid	(1,849)	(1,846)
Loss on plan changes	362	
Present value of scheme liabilities at end of year	78,267	69,650

Changes in the fair value of scheme assets for the year ended 30 June are as follows:

	2019	2018
	£000's	£000's
Present value of scheme assets at beginning of year	59,155	56,162
Contributions paid by the College	711	752
Employee Contributions	391	419
Interest on plan assets	1,610	1,471
Administrative expenses paid	(188)	(165)
Return on assets, less interest included in SOFA	(63)	2,362
Benefits paid	(1,849)	(1,846)
Present value of scheme assets at end of year	59,767	59,155

Movement in the deficit during the year ended 30 June are as follows:

	2019	2018
	£000's	£000's
Deficit in Scheme at beginning of year	(10,495)	(21,604)
Recognised in SOFA	(2,972)	(3,442)
Contributions paid by the College	711	752
Actuarial gain/(loss)	(5,744)	13,799
Deficit in Scheme at the end of year	(18,500)	(10,495)

The agreed contributions to be paid by the College for the forthcoming year are 24 % of Contribution Pay, subject to review at future actuarial valuations. These rates exclude PHI.

The major categories of Scheme assets as a percentage of total Scheme assets for the year ending 30 June are as follows

	2019	2018
	%	%
Equities	79	87
Bonds	14	13
Property	0	0
Cash	7	0
	100	100

The average expected long term rate of return on the Scheme assets of 3.7% has been calculated based upon the major asset categories shown in the above table.

TRINITY COLLEGE, CAMBRIDGE**ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019****(continued)****16. PENSION SCHEME LIABILITY (CONTINUED)**

The actuarial loss recognised in the Consolidated Statement of Financial Activities at 30 June 2019 is £5,744,000 (2018: £13,799,000 gain).

Amounts for the current and previous two years are as follows:

	2019	2018	2017
	£000's	£000's	£000's
Present value of Scheme liabilities	(78,267)	(69,650)	(77,766)
Market value of Scheme assets	59,767	59,155	56,162
Deficit	<u>(18,500)</u>	<u>(10,495)</u>	<u>(21,604)</u>
Actual return less expected return on Scheme assets	(63)	2,362	7,837
Experience gain arising on Scheme liabilities	362	1,988	1,760
Change in the present value of Scheme liabilities	(6,043)	9,511	(7,764)

In addition the College contributed £564,000 (2018: £512,000) to the Universities Superannuation Scheme, which is accounted for as a defined contribution scheme.

Universities Superannuation Scheme

The College withdrew from the Universities Superannuation Scheme (USS) on the 31st May 2019, and established equivalent new arrangements including a separate section of the Trinity College Staff Pension Scheme for pension provision for eligible staff. The College has made an accrual of £29,485,370 in those accounts to cover all debts to USS, including the debt arising under Section 75A of the Pensions Act 1995. This has been paid since the year end in full discharge of all liabilities.

TRINITY COLLEGE, CAMBRIDGE

ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

(continued)

17. RELATED PARTY TRANSACTIONS

During the year no fees or expenses were paid to Fellows in respect of their duties as Trustees. (2018: nil)

Payments to Trustees (including benefits in kind and pension contributions), made under the authority of and in accordance with the Statutes of the College, in respect of teaching, research and administrative duties amounted to £586,000 (2018: £687,000).

Owing to the nature of the College's operations and the composition of its College Council it is possible that transactions will take place with organisations in which a member of the College Council may have an interest. All such transactions are conducted under normal commercial terms and in accordance with the College's normal procedures including those on conflicts of interest.

During the year the College made a donation of £1,500,000 (2018: £1,500,000) to the Isaac Newton Trust, a related party due to some common trustees. In addition the College charged the Isaac Newton Trust £103,000 (2018: £83,000) for administrative services. At the year end the trust owed the College £103,000 (2018: £83,000).

During the year the College advanced monies to certain of its subsidiaries and received gift aid and interest from its subsidiaries. The amount recorded as income by the College and the amount outstanding at the year end were:

	2019 Deed of Covenant	2019 Interest and Rent	2019 Amount owed to College	2018 Deed of Covenant	2018 Interest and Rent	2018 Amount owed to College
	£000's	£000's	£000's	£000's	£000's	£000's
Trinity (B) Limited			1,100			1,125
Trinity College (CSP) Limited	8,289	1,116	658	1,234	334	5,718
Trinity (D) Limited	2,067		567	1,177		418
Trinity (F) Limited			50			45
Walton Farms Limited	477	183	767	31	195	549
Dunsfold Airport Limited	1,718	1,096	35,474	233	1,614	34,408

18. SUBSIDIARY COMPANIES

The College's investments include the following subsidiaries, all of which are included in the consolidated financial statements:

	Country of registration and operation	Class of share	Proportion held	Nature of business
Trinity (B) Limited	England	Ordinary	100%	Land development
Trinity College (CSP) Limited	England	Ordinary	100%	Property
Trinity (D) Limited	England	Ordinary	100%	Property
Trinity (E) Limited	England	Ordinary	100%	Property
Trinity (F) Limited	England	Ordinary	100%	Land development
Walton Farms Limited	England	Ordinary	100%	Farming
Dunsfold Airport Limited	England	Ordinary	100%	Property

All of the above companies have a year end of 30 June.

The Trustees believe that the carrying value of the investments is supported by their underlying net assets.

Information relating to material subsidiaries:

	Trinity (CSP) Limited	Dunsfold Airport Limited
Company Number	3393539	7842465
	£000's	£000's
Total assets at 30 June 2019	49,164	81,870
Total liabilities at 30 June 2019	20,081	21,881
Total funds at 30 June 2019	29,083	59,989
Turnover for the year ended 30 June 2019	46,711	26,604
Expenditure for the year ended 30 June 2019	46,950	7,767
Profit/(loss) for the year ended 30 June 2019	(239)	18,837

TRINITY COLLEGE, CAMBRIDGE
ANNUAL REPORT OF THE TRUSTEES YEAR ENDED 30 JUNE 2019
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019
(continued)
19. RESERVES CONSOLIDATED

	Balance at 30 June 2018	Income	Expenditure	Net investment gains	Transfers between funds	Other gains	Balance at 30 June 2019
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Endowment funds	1,228,135	17,630	29,485	70,420	(411)		1,286,289
Restricted funds	147,589	5,928	3,387	5,617	(2,414)		153,333
Designated funds	41,258	2,150	1,061		7,966		50,313
General funds							
- general reserve	46,737	98,443	91,950		(5,141)	(5,744)	42,345
	1,463,719	124,151	125,883	76,037	-	(5,744)	1,532,280

20. RESERVES COLLEGE

	Balance at 30 June 2018	Income	Expenditure	Net investment gains	Transfers between funds	Other gains	Balance at 30 June 2019
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Endowment funds	1,167,862	17,630	29,485	50,688	(411)		1,206,284
Restricted funds	147,570	5,927	3,387	5,617	(2,414)		153,313
Designated funds	41,258	2,150	1,061		7,966		50,313
General funds							
- general reserve	45,136	55,833	47,864		(5,141)	(5,744)	42,220
	1,401,826	81,540	81,797	56,305	-	(5,744)	1,452,130

21. RECONCILIATION OF NET DEBT

	2019	2018
	£000's	£000's
At start of year:		
Cash at bank and in hand	40,289	41,283
Bank Loans	(90,000)	(90,000)
Net Debt	(49,711)	(48,717)
Net (decrease)/increase in cash in period	48,061	(994)
Movement in net debt	48,061	(994)
At end of the year:		
Cash at bank and in hand	88,350	40,289
Bank Loans	(90,000)	(90,000)
Net Debt	(1,650)	(49,711)