



TRINITY HALL

ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005

TRINITY HALL
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for the Year Ended 30 June 2005



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TRINITY HALL
Governing Body and Advisers
for the Year Ended 30 June 2005



Governing Body

Master: Professor Martin Daunton
Busar: Mr Paul ffolkes Davis
Senior Tutor: Dr Nick Bampos

Professor John Denton	Dr Florian Hollfelder	Dr Annette Imhausen
Professor Colin Austin	Dr Drew Milne	Dr Cristiano A Ristuccia
Mr David Fleming	Professor Brian Cheffins	Dr Ian B Wilkinson
Professor Tom Körner	Dr Juliet Fleming	Dr Graham Pullan
Dr David Rubenstein	Dr Simon Moore	Dr Richard Miles
Dr David Moore	Dr Martin Ellwood	Dr Matthew D Conaglen
Dr Peter Hutchinson	Dr Giovanna Iannantuoni	Dr John F Pollard
Dr Christopher Padfield	Dr Vasant Kumar	Dr Jan Gilbert
Professor Paul Julian Smith	Mr Angus Johnston	Dr Kylie Richardson
Dr Alison Liebling	Dr John Bradley	Dr Jerome Jarrett
Professor Michael Kelly	Dr Clare Jackson	Dr David Runciman
Dr Simon Guest	Dr Jan Schramm	Dr Tadashi Tokieda
Dr Mike Hobson	Dr Louise Haywood	Dr Andrew Lang
Professor John Clarkson	Revd Dr Jeremy Morris	
Dr James Montgomery	Mr John H Armour	

Auditors

Chater Allan LLP
Beech House
4a Newmarket Road
Cambridge
CB5 8DT

Bankers

Barclays Bank plc
Beech House
Cambridge
CB2 3PZ

Solicitors

Taylor Vinters
Merlin Place
Milton Road
Cambridge
CB4 0DP

Kester Cunningham John
Chequers House
77-81 Newmarket Road
Cambridge
CB5 8EU

Mills & Reeve
Francis House
112 Hills Road
Cambridge
CB2 1PH

Principal Investment Managers

Framlington Investment Management Ltd
155 Bishopsgate
London
EC2M 3XJ

Principal Property Advisers

Healey & Baker Investment Managers
London
W1A 3BG

TRINITY HALL

Bursar's Report

for the Year Ended 30 June 2005



Scope

Trinity Hall ("the College") is pleased to present its Bursar's report, together with the consolidated financial statements for the year ended 30th June 2005. The consolidated financial statements include those of its development subsidiaries.

Introduction

Trinity Hall was founded by Bishop Bateman of Norwich in 1350, making it the fifth oldest surviving College of Cambridge University. It was originally founded, in the words of William Bateman himself, "for the promotion of divine worship and of canon and civil science and direction of the commonwealth and especially of our church and diocese of Norwich." The rationale behind this stated purpose may well be attributed to the Black Death of 1349, a disaster which, among other things, had resulted in a shortage of clergymen and of lawyers.

The College exists to promote its educational and charitable objectives as laid down in its statutes. These activities are funded from academic fees, charges for student residences and catering, conference business, donations and bequests, and a considerable proportion from the income from investments managed within the College's endowment.

The College is an autonomous, self-governing community of scholars and one of 31 colleges within the University of Cambridge. The community consists of the Master, 49 fellows and 590 junior members, of whom 356 are undergraduates and 234 are graduate students. Of the 356 undergraduates enrolled, 341 were classified as home/EU and 15 as overseas. All but two of these home/EU students were in principle eligible for public funding.

Of the academic fees paid to the college, the most significant are the fees payable by the University from its HEFCE grant towards the cost of admitting and teaching publicly funded undergraduates and providing tutorial support. In December 1998, the Secretary of State for Education and Employment, the University and the Colleges agreed to a total cut of 21.8% in the college fee over a ten year period beginning in the academic year 1999-2000 and for the payment of that fee to the College via the University from the HEFCE grant. Prior to this, each Local Education Authority had paid the college fee directly to the College on behalf of each student. From 1999 until 2003, amounts transferred from the University were based on a per capita fee. As last year, in the year under review a fixed, lump sum transfer replaced this. From next year, however, following extensive consultation with the University, we are expecting to revert to the old methodology. Fees charged to privately funded overseas undergraduates and graduate students are not subject to these reductions.

As part of the settlement, the Colleges agreed to enhance the system of intercollegiate support and to raise £30 million for the Colleges Fund. This is funded through an intercollegiate system of taxation and makes grants to colleges with insufficient endowments. In the year under review the Trinity Hall has contributed £72,683, significantly higher than last year's figure of £36,041.

The cost of providing education is considerably greater than the amount received by the College in fees and is summarised in the Education Memorandum returned annually by each college to the University. This excludes Research/Teaching Grants and Other Fees (including Degree Fees) from the total, and on this basis, the annual shortfall at Trinity Hall amounted to £1,910,709, which the College has had to fund from its own resources. As last year, this is a significant sum, the equivalent of an annual deficit on the education account of £3,238 per student at Trinity Hall. I calculate that the equivalent deficit for each undergraduate, or to put it another way, the amount Trinity Hall is subsidising everyone in this category from its own endowment, is now in excess of £5,000.

In order to sustain its educational mission and strengthen its financial position, the College depends heavily on the generosity of its members, friends and alumni. The Development Office has had a really successful year, and will be the object of considerable College investment, both in terms of staff and resource, as we move forward into a major fundraising campaign to finance the regeneration of our historic buildings on the Trinity Lane site and to bolster the College's endowment funds.

TRINITY HALL

Bursar's Report

for the Year Ended 30 June 2005



In addition, the College has continued to operate a small conference and function business to defray some costs. Income from commercial activities is intended to cover some of the out-of-term portion of the year round costs of the estate and the staff (see below).

These commercial activities, together with the College's fundraising efforts and conscientious cost control, have formed the key elements of our strategy to keep College finances broadly in balance. However, the time has come to try and take this further, to actually improve, rather than just maintain, the College's economic position, with all the concomitant benefits to our independence and freedom of action that this may confer. The urgent need to improve our oldest accommodation and strengthen our endowment lies behind the new initiatives we are taking in expanding the Development Office, diversifying the investment portfolio, and tightening the management of our property holdings.

Income and Expenditure

This year the College recorded a deficit of £369,380, which excludes donations taken directly to reserves of £1,312,984. The previous year's small surplus benefited from the profit on sale of land in the Long Term Building Fund of £1,203,681. Thus, on a like-for-like basis, this year's deficit masks a significant improvement over the previous year's underlying performance, which, after all donations and exceptionals, is a swing of the order of £470,000.

Income from fees and charges was virtually the same as the previous year at £1,363,086. Similarly, educational expenditure was also virtually unchanged at £3,254,479.

Income and related expenditure from residences, catering and conferences increased by 10% and 7% respectively, thus narrowing the deficit on these activities from £1,032,784 in 2004 to £996,421 in the current period. Some small progress was made in addressing the large catering subsidy the College provides for junior members, and while conference income continues to be poor in comparison with many of our peers (and will remain this way until our accommodation is refurbished as part of the plans outlined above), it was up at £327,743, an increase of 78% over the previous year. However, this was still insufficient to defray the costs of running the College establishment out of term.

The College is, necessarily, a labour intensive operation, with non-academic salaries at £1,915,426 comprising 63% of our total remuneration expenditure, an increase of 9% over 2004. Average staff numbers (Full-Time Equivalents) did not change significantly during the period. An augmentation of these costs was anticipated in this report last year.

Investments and Endowment Income

The College endeavours to manage its investments to ensure that it can continue to meet its educational and charitable objectives in perpetuity. The College's portfolio is divided between equity and property investments, roughly in the ratio of 80:20. In the year under review stock markets continued to recover from the lows which followed the bursting of the technology bubble, and, once again, the College's portfolios performed well. As a result the value of our quoted equity portfolio increased by approximately £6.7 million to £48,257,036, an improvement of 16.2%. During the same period direct property investments improved by circa 14.6% to £9,501,237. During the year under review, the Finance (Investments) Committee initiated a policy to start to diversify our holdings into more asset classes over time. This commenced with the introduction of a specialist US equity manager, the purchase of several indirect, or fund-type, property vehicles, and consideration of various alternative investment strategies. This process has continued after the period, and its early success or failure will be reviewed here next year.

As the College operates a total return policy with regard to its endowment investments, the capital appreciation in our assets, including cash, has produced a growth in our income from this source from £2,351,736 last year to £2,791,858 this, an increase of 18.7%. Revenue continues to be reduced by the removal of the right of charities to reclaim Advanced Corporation Tax on UK dividend income.

TRINITY HALL

Bursar's Report

for the Year Ended 30 June 2005



Cash Flow

There was a net cash outflow over the period of £316,240, again reflecting the building work under way at our Wychfield site, which amounted to £3,232,765. The depreciation charge was largely unchanged at approximately £1.4 million.

Outlook

This has been an eventful year, dominated from a financial point of view by the continued building work at Wychfield. By this time next year, the work will be complete and the final effect upon both our cash in hand and cash flow will be revealed. Similarly we will no longer have the benefit of any extraordinary interest, which is still being generated on the decreasing proceeds from the sale of land at Milton South. The College can be pleased with the performance of the investment portfolios, the success we have had in attracting donations and bequests, and our continuing control of costs, though staff numbers and associated expenses continue to be a worry.

We have set ourselves ambitious targets in terms of transforming Trinity Hall's structural and economic position. Fundraising, the only real financial earnings variable available to the College, will be increasingly important over the next few years, and consequently the associated costs can be expected to continue to rise. Similarly, staff costs both academic and service will grow, as we upgrade personnel and employ larger numbers of College Teaching Officers. In addition, our building regeneration plans will make constant demands on our available funds. It will be quite a challenge to manage the dynamic of these forces, but we start from a reasonable organisational footing – however, a new relationship with government over the nature and provision of central funding support is becoming urgent.

Paul ffolkes Davis
13 December 2005

TRINITY HALL

Responsibilities of the Governing Body



In accordance with the College's Statutes, the Governing Body is responsible for the administration and management of the College's affairs.

It is responsible for ensuring that there is an effective system of internal control and that accounting records are properly kept. It is required to present audited financial statements for each financial year, prepared in accordance with the Statutes of the University.

In causing the financial statements to be prepared, the Governing Body has ensured that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Governing Body is satisfied that the College has adequate resources to continue in operation for the foreseeable future. The financial statements are accordingly prepared on a going concern basis.

The Governing Body has taken reasonable steps to ensure that there are appropriate financial and management controls in place to safeguard the assets of the College and prevent and detect fraud.

Any system of financial control, however, can only provide reasonable, not absolute, assurance against material misstatement or loss.

TRINITY HALL

Independent Auditors' Report to the Governing Body of Trinity Hall for the Year Ended 30 June 2005



We have audited the financial statements which comprise the parent and consolidated income and expenditure account, the parent and consolidated statement of total recognised gains and losses, the parent and consolidated balance sheet, the consolidated cash flow statement and related notes. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

This report is made solely to the College's 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 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 Governing Body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Governing Body and Auditor

The Governing Body's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Responsibilities of the Governing Body. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the College's Statutes and the Statutes of the University of Cambridge. We also report to you if, in our opinion, the Bursar's Report is not consistent with the financial statements, if the College has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Officers' remuneration and transactions with the College is not disclosed.

We read other information contained in the Bursar's Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

Basis of Audit Opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Governing Body in the preparation of the financial statements, and of whether the accounting policies are appropriate to the College's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

TRINITY HALL

Independent Auditors' Report to the Governing Body of Trinity Hall for the Year Ended 30 June 2005



Opinion

In our opinion the financial statements give a true and fair view of the state of the College and the Group's affairs as at 30 June 2005 and of the deficit of the College and the Group for the year then ended and have been properly prepared in accordance with the College's Statutes and the Statutes of the University of Cambridge.

In our opinion the contribution due from the College to the University has been correctly computed in accordance with the provisions of Statute G, II of the University of Cambridge.

CHATER ALLAN LLP
Registered Auditors

Beech House, 4A Newmarket Road, Cambridge

13 December 2005

TRINITY HALL
Parent Income and Expenditure Account
For the Year Ended 30 June 2005

	Unrestricted Funds			Restricted Funds	2005 Total	2004 Total
	Undesignated Funds	Designated Funds	Long term Building Fund			
	£	Other £	£	£	£	£
INCOME						
Academic Fees and Charges	1,363,086	-	-	-	1,363,086	1,399,468
Residences, Catering and Conferences	2,206,131	-	-	-	2,206,131	2,011,078
Endowment Income	1,009,322	608,203	545,811	628,522	2,791,858	2,351,736
Other Income	240,445	107,013	29,349	546,351	923,158	1,729,651
Total Income	4,818,984	715,216	575,160	1,174,873	7,284,233	7,491,933
EXPENDITURE						
Education	2,396,334	500,115	-	358,030	3,254,479	3,304,618
Residences, Catering and Conferences	3,202,552	-	-	-	3,202,552	2,989,838
Other Expenditure	575,924	-	-	-	575,924	319,363
Total Expenditure	6,174,810	500,115	-	358,030	7,032,955	6,613,819
Operating Surplus/(Deficit)	(1,355,826)	215,101	575,160	816,843	251,278	878,114
Contribution Under Statute G,II	25,925	27,890	-	18,868	72,683	36,041
Net Surplus/(Deficit) before Transfers	(1,381,751)	187,211	575,160	797,975	178,595	842,073
Transfer between funds	3,007,365	225,400	(2,982,765)	(250,000)	-	-
Transfer of Restricted Fund Surplus to Reserves	-	-	-	(547,975)	(547,975)	(675,454)
Net Surplus/(Deficit) after Transfers	1,625,614	412,611	(2,407,605)	-	(369,380)	166,619



TRINITY HALL
Consolidated Income and Expenditure Account
for the Year Ended 30 June 2005



		2005 £	2004 £
INCOME	Note		
Academic Fees and Charges	1	1,363,086	1,399,468
Residences, Catering and Conferences	2	2,206,131	2,011,078
Endowment Income	3	2,793,117	2,351,974
Other Income	4	927,982	1,736,317
Total Income		<u>7,290,316</u>	<u>7,498,837</u>
EXPENDITURE			
Education	5	3,254,479	3,304,618
Residences, Catering and Conferences	6	3,202,552	2,989,838
Other Expenditure	8c	582,007	326,267
Total Expenditure		<u>7,039,038</u>	<u>6,620,723</u>
Operating Surplus/(Deficit)		251,278	878,114
Contribution Under Statute G,II	7	72,683	36,041
Net Surplus/(Deficit) before Transfers		<u>178,595</u>	<u>842,073</u>
Transfer of Restricted Fund Surplus to Reserves		(547,975)	(675,454)
Net Surplus/(Deficit) after Transfers		<u><u>(369,380)</u></u>	<u><u>166,619</u></u>

TRINITY HALL
Parent Balance Sheet
As at 30 June 2005



	Note	2005 £	2004 £
FIXED ASSETS			
Tangible Assets	9	99,879,972	97,163,970
Investments	9	72,474,271	65,644,547
		<u>172,354,243</u>	<u>162,808,517</u>
CURRENT ASSETS			
Stock		83,842	84,637
Debtors	10	629,017	2,037,488
Cash	11	1,147,286	269,825
		<u>1,860,145</u>	<u>2,391,950</u>
Creditors: Amounts Falling Due Within One Year	12	(1,348,148)	(763,349)
Net Current Assets/(Liabilities)		<u>511,997</u>	<u>1,628,601</u>
Total Assets less Current Liabilities		172,866,240	164,437,118
Creditors: Amounts Falling Due After More Than One Year	13	-	-
NET ASSETS		<u><u>172,866,240</u></u>	<u><u>164,437,118</u></u>

		Income/ Expendable Capital Funds £	Permanent Capital Funds £	Total 2005 £	Total 2004 £
Capital and Reserves					
Restricted Funds Held For Collegiate Purposes	14	390,042	17,781,696	18,171,738	15,588,990
Restricted Funds Held For Non-collegiate Purposes	14	51,929	-	51,929	45,381
Unrestricted Funds	14	71,413,134	83,229,439	154,642,573	148,802,747
TOTAL		<u><u>71,855,105</u></u>	<u><u>101,011,135</u></u>	<u><u>172,866,240</u></u>	<u><u>164,437,118</u></u>

Approved by the Governing Body on 29 November 2005 and signed on their behalf by:

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P folkes Davis
Bursar

TRINITY HALL
Consolidated Balance Sheet
As at 30 June 2005



	Note	2005 £	2004 £
FIXED ASSETS			
Tangible Assets	9	99,879,972	97,163,970
Investments	9	72,463,844	65,634,119
		<u>172,343,816</u>	<u>162,798,089</u>
CURRENT ASSETS			
Stock		83,842	84,638
Debtors	10	1,339,122	736,549
Cash	11	1,291,791	1,608,031
		<u>2,714,755</u>	<u>2,429,218</u>
Creditors: Amounts Falling Due Within One Year	12	(2,192,331)	(790,189)
Net Current Assets/(Liabilities)		<u>522,424</u>	<u>1,639,029</u>
Total Assets less Current Liabilities		172,866,240	164,437,118
Creditors: Amounts Falling Due After More Than One Year	13	-	-
NET ASSETS		<u><u>172,866,240</u></u>	<u><u>164,437,118</u></u>

		Income/ Expendable Capital Funds £	Permanent Capital Funds £	Total 2005 £	Total 2004 £
Capital and Reserves					
Restricted Funds Held For Collegiate Purposes	14	390,042	17,781,696	18,171,738	15,588,990
Restricted Funds Held For Non-collegiate Purposes	14	51,929	-	51,929	45,381
Unrestricted Funds	14	71,413,134	83,229,439	154,642,573	148,802,747
TOTAL		<u><u>71,855,105</u></u>	<u><u>101,011,135</u></u>	<u><u>172,866,240</u></u>	<u><u>164,437,118</u></u>

Approved by the Governing Body on 29 November 2005 and signed on their behalf by:

.....
P folkes Davis
Bursar

TRINITY HALL

Consolidated & Parent Statement of Total Recognised Gains and Losses for the Year Ended 30 June 2005



	<u>Restricted Funds</u>		<u>Unrestricted Funds</u>		Total 2005 £
	Collegiate Purposes £	Non- Collegiate Purposes £	Designated Funds £	Undesignated Funds £	
Balance as at 1 July 2004	15,588,990	45,381	26,938,705	121,864,042	164,437,118
Appreciation/(Depreciation) of Investment Assets	2,190,490	6,325	1,899,311	3,439,883	7,536,009
Capital growth treated as income	(206,469)	(597)	(175,051)	(216,349)	(598,466)
Retained Surplus/(Deficit) for the Year	250,000	-	762,371	(1,381,751)	(369,380)
Benefactions and Donations	51,572	-	1,261,412	-	1,312,984
Transfers to the Building Fund			159,750	(159,750)	-
Transfer to the Estates Repairs and Improvements Fund			80,650	(80,650)	-
Transfer from the Long term investment fund			(2,982,765)	2,982,765	-
Transfer from the Arts Fund			(15,000)	15,000	-
Transfer of restricted fund surplus to reserves	547,155	820	-	-	547,975
Total Recognised Gains/(Losses) for the Year	<u>2,832,748</u>	<u>6,548</u>	<u>990,678</u>	<u>4,599,148</u>	<u>8,429,122</u>
Balance as at 30 June 2005	<u>18,421,738</u>	<u>51,929</u>	<u>27,929,383</u>	<u>126,463,190</u>	<u>172,866,240</u>

TRINITY HALL
Consolidated Cash Flow Statement
for the Year Ended 30 June 2005



		2005		2004	
		£	£	£	£
A. Operating activities	Note				
Operating Surplus Before Tax		251,278		878,114	
Depreciation	9	1,445,896		1,417,188	
Profit on sale of investments	4	(10,519)		(1,203,681)	
Less Endowment Income	3	(2,793,117)		(2,351,974)	
(Increase)/Decrease in Stocks		796		(4,385)	
(Increase)/Decrease in Debtors		(602,573)		591,016	
Increase/(Decrease) in Creditors		1,402,142		207,516	
Net Cash (Outflow)/Inflow from Operating Activities			(306,098)		(466,206)
B. Returns on investments and servicing of finance					
Investment Income		2,194,651		1,913,701	
Net Cash Inflow from Returns on Investments and Servicing of Finance			2,194,651		1,913,701
C. Contribution to colleges fund	7		(72,683)		(36,041)
D. Capital transactions					
Drawdown of cash held for reinvestment	9	2,647,822		(66,392)	
Donations and Benefactions		1,312,984		193,857	
Sales of Tangible Fixed Assets		28,743		1,203,681	
Total Capital Receipts		3,989,549		1,331,146	
Purchase of Tangible Fixed Assets	9	(4,180,122)		(1,205,305)	
Purchase of Investment Assets	9	(1,941,537)		(2,017,747)	
Total Capital Payments		(6,121,659)		(3,223,052)	
Net Cash Outflow from Capital Transactions			(2,132,110)		(1,891,906)
Net cash (outflow)/inflow before financing			(316,240)		(480,452)
E. (Decrease)/Increase in cash			(316,240)		(480,452)
Reconciliation of net cash flow to movement in net liquid assets					
Decrease in cash in the period	E		(316,240)		(480,452)
Net funds brought forward 1 July 2004			1,608,031		2,088,483
Net funds carried forward 30 June 2005			1,291,791		1,608,031



Basis of preparation

The accounts have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge and applicable Accounting Standards.

In addition, the accounts accord with the Statement of Recommended Practice for accounting in Further and Higher Education (the SORP) with the exception of the balance sheet which has been presented in the different format set out in the relevant section of the Statutes and Ordinances of the University of Cambridge (RCCA). The provisions of the SORP require Endowments, Deferred Grants and Revaluation Reserves to be disclosed on the face of the balance sheet whereas RCCA requires that part of this information be disclosed in the notes to the accounts.

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment assets.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the College and its subsidiary undertakings for the year ended 30th June 2004. The results of the subsidiary undertakings acquired or disposed of during the period are included in the Consolidated Income and Expenditure Account from the date of the acquisition or up to the date of disposal. The activities of student societies have not been consolidated.

Recognition of income

All income from short-term deposits and endowments and unrestricted donations and benefactions of an income nature are credited to the Income and Expenditure Account in the period which they are earned. Donations and benefactions accepted on condition that only the income may be spent or are of a non income nature are credited to the balance sheet as permanent capital funds, except restricted donations and benefactions. The income from a permanent capital fund that is not expended in the year in which it is receivable and restricted donations and benefactions are at the year-end, transferred from the Income and Expenditure Account to a restricted or unrestricted expendable capital fund, as appropriate. When there is subsequent expenditure of accumulated income from a restricted capital fund, income is credited back to the Income and Expenditure Account from the restricted expendable capital fund to match the expenditure.

Income taken to the income and expenditure account under the recognition of income on a total return basis is 4% of the year end market valuations of the investment fund assets.

Pension Schemes

The College participates in the Universities Superannuation Scheme, and Cambridge Colleges Federated Pension Scheme both of which are defined benefit schemes which are externally funded and contracted out of the State Earnings-Related Pension Scheme. The funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustee on the advice of the actuary. In intervening years, the actuary reviews the progress of the scheme. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the institution benefits from the employees' services.



Tangible fixed assets

a. Land and buildings

Land and buildings are stated at replacement cost. Freehold buildings are depreciated on a straight line basis over their expected useful economic life of 50 years. Freehold land is not depreciated. The Central Site land has not been included.

Subsequent additions and improvements to the College's buildings are accounted for at cost.

Where land and buildings are acquired with the aid of specific bequests or donations they are capitalised and depreciated as above. The related benefactions are normally credited to a deferred capital account and are released to the Income and Expenditure Account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Finance costs which are directly attributable to the construction of buildings are not capitalised as part of those assets.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred to 30th June. They are not depreciated until they are brought into use.

b. Maintenance of premises

The College has a rolling maintenance plan which is reviewed on an annual basis. The cost of routine maintenance is charged to the Income and Expenditure Account as it is incurred or capitalised and depreciated over the useful economic life of the asset concerned. The College also sets aside sums on a regular basis to meet major maintenance costs which occur on an irregular basis. These are disclosed as designated funds.

c. Furniture, fittings, equipment and motor vehicles

Furniture, fittings and equipment (excluding motor vehicles) costing less than £10,000 is written off in the year of acquisition. All other assets are capitalised and depreciated on a straight line basis over their expected useful life as follows:

Furniture and fittings	10% per annum
Motor vehicles	20% per annum
Plant and equipment	10%-20% per annum
Computer equipment	33% per annum

Where equipment is acquired with the aid of specific bequests or donations it is capitalised and depreciated as above. The related benefactions are credited to a deferred capital account and are released to the Income and Expenditure Account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

d. Books

Library books are valued at insured value. All additions are written off in the year of acquisition.



e. Silver, works of art and other assets not related to education

Silver, works of art and other assets not related to education are valued at insured value.

Where silver, works of art and other assets not related to education are acquired with the aid of specific bequests or donations they are capitalised as above. The related benefactors are credited to expendable capital or permanent capital depending on the nature of the bequest or donation.

f. Leased assets

Fixed assets held under finance leases and the related lease obligations are recorded in the Balance Sheet at the fair value of the leased assets at the inception of the lease. The excesses of lease payments over recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligations. Rental costs under operating leases are charged to expenditure in equal amounts over the period of the leases.

Investments

Investments are included in the balance sheet at market value. Investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value.

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, 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.

Foreign currencies

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

Taxation

The College is an exempt charity within the meaning of Schedule 2 of the Charities Act 1993 and is 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 1998 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.

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.



Policy on Reserves

a. Restricted Funds

These result from donations or benefactions subject to a legally binding restriction, such as a trust deed or will, on their use.

b. Unrestricted Funds

These result from donations or benefactions not subject to legally binding restrictions and from the accumulation of surplus income.

The Governing Body may decide to use part of the Unrestricted Funds for a particular purpose, in which case these are classified as 'Designated'.

Restricted and Unrestricted Funds are further analysed according to whether they comprise Permanent Capital or Income/Expendable Capital according to the following definitions:

Permanent Capital Funds are those that the Governing Body has no power to convert to income and apply as such.

Income/Expendable Capital Funds are those that the Governing Body has the power to convert to income and apply as such.

TRINITY HALL
NOTES TO THE ACCOUNTS



1. ACADEMIC FEES AND CHARGES

	2005	2004
	£	£
COLLEGE FEES		
Fee Income paid on behalf of Undergraduates eligible for Student Support	999,252	963,167
Other Undergraduate Fee Income (per Capita Fee £3,246)	63,618	97,379
Graduate Fee Income (per Capita Fee £1,938)	280,899	282,888
	<u>1,343,769</u>	<u>1,343,434</u>
Research/Teaching Grants	11,359	33,415
Other Fees (incl. Degree Fees)	7,958	22,619
Total	<u><u>1,363,086</u></u>	<u><u>1,399,468</u></u>

2. RESIDENCES, CATERING AND CONFERENCES INCOME

		2005	2004
		£	£
Accommodation	College Members	1,141,747	1,097,147
	Conferences	137,242	54,167
Catering	College Members	736,641	729,973
	Conferences	190,501	129,791
Total		<u><u>2,206,131</u></u>	<u><u>2,011,078</u></u>

3. ENDOWMENT INCOME

	Income from Restricted Funds		Income From	Total	Total
	For	For Non-	Unrestricted	2005	2004
	Collegiate	Collegiate	Funds	£	£
	Purposes	Purposes	£		
	£	£	£		
Income from:					
Non-investment fund income	-	-	65,762	65,762	50,128
Investment fund dividend	626,532	1,990	2,097,573	2,726,095	2,301,608
Cash	-	-	1,260	1,260	238
	<u>626,532</u>	<u>1,990</u>	<u>2,164,595</u>	<u>2,793,117</u>	<u>2,351,974</u>

* As defined by University Statute G,II.

Capital growth treated as income

The College accounts for its income from investments on a total return basis.

	2005	2004
	£	£
Income taken to the income and expenditure account	2,726,095	2,301,608
Income receivable from endowment investment assets	<u>(2,127,629)</u>	<u>(1,863,335)</u>
Capital growth treated as income during the year	598,466	438,273
Brought forward cumulative capital growth treated as income	1,021,221	582,948
Carried forward cumulative capital growth treated as income	<u>1,619,687</u>	<u>1,021,221</u>

Liability to Contribution under Statute G,II:

	Note	2005	2004
		£	£
Investment fund dividend		2,726,095	2,301,608
Less Capital growth treated as income during the year		(598,466)	(438,273)
Other allowable deductions		(403,380)	(370,792)
Endowment income liable to Contribution	7	<u>1,724,249</u>	<u>1,492,543</u>

Investment Management Costs

	2005	2004
	£	£
Investment managers costs	<u>144,194</u>	<u>121,361</u>

4. OTHER INCOME

	2005	2004
	£	£
Profit on sale of property	10,519	1,203,681
Donations received	824,642	474,179
Other income	92,821	58,457
	<u>927,982</u>	<u>1,736,317</u>

**TRINITY HALL
NOTES TO THE ACCOUNTS**



5. EDUCATION EXPENDITURE

	2005	2004
	£	£
Teaching	1,411,005	1,441,200
Tutorial	487,079	484,649
Admissions	235,890	242,858
Research	289,379	261,550
Scholarships and Awards	269,916	285,984
Other Educational Facilities	561,210	588,377
Total	<u>3,254,479</u>	<u>3,304,618</u>

The comparatives have been adjusted so that they are consistent with the revised expenditure allocations that have been adopted in the current year, and do not therefore agree with the figures in the previous year's accounts.

6. RESIDENCES, CATERING AND CONFERENCES EXPENDITURE

	2005	2004
	£	£
Accommodation	1,657,429	1,631,111
College Members	199,229	80,529
Conferences (incl. marketing costs)	1,069,351	1,085,240
Catering	276,543	192,958
College Members		
Conferences		
Total	<u>3,202,552</u>	<u>2,989,838</u>

7. CONTRIBUTION UNDER STATUTE G,II

	Note	2005	2004
		£	£
Endowment Income as per Income and Expenditure Account	3	1,724,249	1,492,543
Less: Deductible Items	19b	(883,653)	(935,601)
Net Assessable Income		<u>840,596</u>	<u>556,942</u>
Assessment:			
£250,000 @ 3%		7,500	7,500
£250,000 @ 7%		17,500	20,000
£340,596 @ 14%		47,683	8,541
Contribution Payable		<u>72,683</u>	<u>36,041</u>

8a. ANALYSIS OF 2004/05 EXPENDITURE BY ACTIVITY

	Staff	Other		
	Costs	Operating		
	(Note 17)	Depreciation	Expenses	Total
	£	£	£	£
Education (Note 5)	1,416,108	346,613	1,491,758	3,254,479
Residences, Catering and Conferences (Note 6)	1,410,588	1,099,283	692,681	3,202,552
Other	221,515	-	360,492	582,007
	<u>3,048,211</u>	<u>1,445,896</u>	<u>2,544,931</u>	<u>7,039,038</u>

8b. ANALYSIS OF 2003/04 EXPENDITURE BY ACTIVITY

Education (Note 5)	1,427,652	349,800	1,527,166	3,304,618
Residences, Catering and Conferences (Note 6)	1,275,693	1,067,388	646,757	2,989,838
Other	179,630	-	146,637	326,267
	<u>2,882,975</u>	<u>1,417,188</u>	<u>2,320,560</u>	<u>6,620,723</u>

8c. Other expenditure

	2005	2004
	£	£
Investment and property management	233,354	77,229
Fundraising	226,341	197,325
Alumni	64,437	-
Endowment	51,789	44,808
Other expenditure incurred by subsidiaries	6,086	6,905
	<u>582,007</u>	<u>326,267</u>

9. FIXED ASSETS (Parent & Consolidated)

Tangible Assets	Land & Buildings £	Works of Art Antique Furniture & College Silver £	Library £	IT & Computers £	Plant & Machinery £	Motor Vehicles £	Total £
COST/VALUATION							
At 1 July 2004	89,381,308	3,699,150	6,687,094	8,568	195,597	22,596	99,994,313
Additions	4,127,909	20,000	-	-	22,335	9,877	4,180,122
Disposals at Cost/Valuation	-	-	-	(8,568)	(11,769)	(3,840)	(24,177)
Revaluation During the Year	-	-	-	-	-	-	-
Cost/Valuation as at 30 June 2005	<u>93,509,217</u>	<u>3,719,150</u>	<u>6,687,094</u>	<u>-</u>	<u>206,163</u>	<u>28,633</u>	<u>104,150,258</u>
DEPRECIATION							
At 1 July 2004	2,782,018	-	-	2,856	29,145	16,324	2,830,343
Provided for the year	1,423,352	-	-	-	16,217	6,327	1,445,896
Eliminated on Disposal	-	-	-	(2,856)	(1,177)	(1,920)	(5,953)
Depreciation at 30 June 2005	<u>4,205,370</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,185</u>	<u>20,731</u>	<u>4,270,286</u>
Net Book value							
At 30 June 2005	<u>89,303,848</u>	<u>3,719,150</u>	<u>6,687,094</u>	<u>-</u>	<u>161,978</u>	<u>7,902</u>	<u>99,879,972</u>
At 30 June 2004	<u>86,599,290</u>	<u>3,699,150</u>	<u>6,687,094</u>	<u>5,712</u>	<u>166,452</u>	<u>6,272</u>	<u>97,163,970</u>

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The Insured Value of Freehold Land and Buildings as at 30 June 2005 was £109,234,420.





9. FIXED ASSETS (continued)

Investment Assets	2005 Parent £	2005 Consolidated £	2004 Parent £	2004 Consolidated £
Balance at 1 July 2004	65,644,546	65,634,118	55,610,001	55,599,573
Additions	2,167,549	2,167,549	2,017,747	2,017,747
Disposals	(226,012)	(226,012)	(121,361)	(121,361)
Appreciation/(Depreciation) on Disposals/Revaluation	7,536,009	7,536,009	8,071,768	8,071,768
Increase/(Decrease) in Cash Balances	(2,647,822)	(2,647,822)	66,392	66,392
Balance as at 30 June 2005	<u>72,474,270</u>	<u>72,463,842</u>	<u>65,644,547</u>	<u>65,634,119</u>
Represented by:				
Freehold Land and Buildings	9,501,237	9,501,237	8,286,455	8,286,455
Quoted Securities - Equities	48,257,036	48,257,036	41,512,220	41,512,220
Quoted Securities - Indirect Property	1,500,417	1,500,417	-	-
Unquoted Securities - Equities	84,026	84,026	66,494	66,494
Investment in Subsidiary Undertakings	10,428	-	10,428	-
Cash Held For Reinvestment	13,121,127	13,121,127	15,768,949	15,768,949
	<u>72,474,271</u>	<u>72,463,843</u>	<u>65,644,546</u>	<u>65,634,118</u>

The College's investment in subsidiary undertakings represents 100% of the share capital of Aula Limited and Trinity Hall Residences (1) Limited both of which are incorporated in England.

The College's subsidiary company in Hong Kong, Trinity Hall (Hong Kong) Limited, a company limited by guarantee has not been consolidated. The company is used as a vehicle for donations from Hong Kong residents. There are severe restrictions upon the way in which donations can be spent and therefore donations are only accounted for upon remittance to the UK.

10. DEBTORS

	2005 Parent £	2005 Consolidated £	2004 Parent £	2004 Consolidated £
Students' Payable	131,850	131,850	333,944	333,944
Fellows' Payable	5,659	5,659	5,859	5,859
JCR	64	64	-	-
Loans	72,262	72,262	44,590	44,590
Rents Payable	43,716	43,716	18,202	18,202
Amounts due from Subsidiary Undertaking	150,657	-	1,503,636	-
Tax Payable	11,292	11,292	26,925	57,175
Other Debtors	213,517	1,074,279	104,332	276,779
	<u>629,017</u>	<u>1,339,122</u>	<u>2,037,488</u>	<u>736,549</u>

11. CASH

	2005 Parent £	2005 Consolidated £	2004 Parent £	2004 Consolidated £
Bank Deposits	1,141,551	1,285,958	203,912	1,542,021
Current Accounts	-	98	64,621	64,718
Cash in Hand	5,735	5,735	1,292	1,292
	<u>1,147,286</u>	<u>1,291,791</u>	<u>269,825</u>	<u>1,608,031</u>

**12. CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR**

	2005 Parent £	2005 Consolidated £	2004 Parent £	2004 Consolidated £
Overdraft	33,736	57,326	118,306	118,306
Students' Prepayments	171,538	171,538	169,919	169,919
Suppliers	114,044	729,209	175,889	273,009
Other	956,147	1,161,575	263,194	192,914
University Contribution	72,683	72,683	36,041	36,041
	<u>1,348,148</u>	<u>2,192,331</u>	<u>763,349</u>	<u>790,189</u>

**TRINITY HALL
NOTES TO THE ACCOUNTS**



	2005 Parent £	2005 Consolidated £	2004 Parent £	2004 Consolidated £
13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	-	-	-	-
14. CAPITAL AND RESERVES				
	Income/ Expendable Capital Funds £	Permanent Capital Funds £	Total 2005 £	Total 2004 £
Restricted Funds:				
<u>Funds for collegiate purposes *</u>	390,042	17,781,696	18,171,738	15,588,990
<u>Funds for non-collegiate purposes</u>	51,929	-	51,929	45,381
Unrestricted Funds:				
<u>Designated Funds:</u>	11,866,415	16,062,970	27,929,385	26,938,705
<u>Undesignated Funds:</u>				
Undesignated Funds	-	67,166,469	67,166,469	68,284,214
Corporate Capital	726,636	-	726,636	596,431
Other General Capital	58,820,083	-	58,820,083	52,983,397
	59,546,719	67,166,469	126,713,188	121,864,042
	<u>71,855,105</u>	<u>101,011,135</u>	<u>172,866,240</u>	<u>164,437,118</u>

* As defined by University Statute G,II

	Restricted Funds £	Unrestricted Designated Funds £	Unrestricted Undesignated Funds £	Total £	Total £
Analysis of Restricted and Designated Funds					
Fellowship Funds	5,993,269	7,125,695	-	13,118,964	11,710,708
Scholarship Funds	3,252,541	3,486,574	-	6,739,115	5,877,093
Prizes Funds	1,520,788	-	-	1,520,788	1,296,108
Hardship Funds	2,558,741	423,454	-	2,982,195	2,486,324
Travel Grant Funds	1,047,186	-	-	1,047,186	912,905
Other Funds	3,601,140	16,893,664	126,713,188	147,207,992	142,153,980
	<u>17,973,665</u>	<u>27,929,387</u>	<u>126,713,188</u>	<u>172,616,240</u>	<u>164,437,118</u>

Reconciliation of Movement in Capital and Reserves:

	<u>Restricted Funds</u>				<u>Unrestricted Funds</u>				Total 2005 £
	<i>Funds for collegiate purposes</i>		<i>Funds for non-collegiate purposes</i>		Designated Funds		Undesignated Funds		
	Income/ Expendable Capital Funds £	Permanent Capital Funds £	Income/ Expendable Capital Funds £	Permanent Capital Funds £	Income/ Expendable Capital Funds £	Permanent Capital Funds £	Income/ Expendable Capital Funds £	Permanent Capital Funds £	
Balance as at 1 July 2004 as resta	144,274	15,444,716	45,381	-	13,786,417	13,152,288	53,579,828	68,284,214	164,437,118
Surplus/(deficit)	510,718	286,437	820	-	705,468	56,903	(264,006)	(1,117,745)	178,595
Appreciation of investment assets	-	2,190,490	6,325	-	141,526	1,757,785	3,439,883	-	7,536,009
Capital growth treated as income	-	(206,469)	(597)	-	(9,633)	(165,418)	(216,349)	-	(598,466)
Benefactions and donations	-	51,572	-	-	-	1,261,412	-	-	1,312,984
Transfer between funds	(264,950)	14,950	-	-	(2,757,365)	-	3,007,365	-	-
Balance as at 30 June 2005	<u>390,042</u>	<u>17,781,696</u>	<u>51,929</u>	<u>-</u>	<u>11,866,413</u>	<u>16,062,970</u>	<u>59,546,721</u>	<u>67,166,469</u>	<u>172,866,240</u>

Capital is invested in the following categories of assets

	<u>Restricted Funds</u>				<u>Unrestricted Funds</u>				Total 2005 £
	<i>Funds for collegiate purposes</i>		<i>Funds for non-collegiate purposes</i>		Designated Funds		Undesignated Funds		
	Income/ Expendable Capital Funds £	Permanent Capital Funds £	Income/ Expendable Capital Funds £	Permanent Capital Funds £	Income/ Expendable Capital Funds £	Permanent Capital Funds £	Income/ Expendable Capital Funds £	Permanent Capital Funds £	
Tangible Fixed Assets	-	-	-	-	-	-	46,228,245	53,651,727	99,879,972
Investment Assets	375,107	17,731,701	51,764	-	11,441,472	15,953,351	13,913,198	12,997,251	72,463,844
Net Current Assets	14,935	49,995	165	-	424,943	109,619	(594,724)	517,491	522,424
Total	<u>390,042</u>	<u>17,781,696</u>	<u>51,929</u>	<u>-</u>	<u>11,866,415</u>	<u>16,062,970</u>	<u>59,546,719</u>	<u>67,166,469</u>	<u>172,866,240</u>





15. REVALUATION RESERVE

Corporate capital includes revaluation reserves in respect of tangible fixed assets and investments.

	2005 £	2005 £	2004 £
Balance at 1 July 2004		7,950,407	-
Revaluations during the year on:			
Tangible Fixed Assets	-		-
Fixed Asset Investments	7,536,009		7,950,407
		<u>7,536,009</u>	
Balance at 30 June 2005		<u>15,486,416</u>	<u>7,950,407</u>

16. OBLIGATIONS UNDER LEASING AGREEMENTS

The following payments are committed to be paid within one year:

	Operating leases on Land and Buildings	
	2005 £	2004 £
Expiring:		
Within one year	38,700	38,700
Between one and five years	<u>36,600</u>	<u>36,600</u>
	<u>75,300</u>	<u>75,300</u>

17. STAFF

	Other				Total 2005 £	Total 2004 £
	Supervision Payments 2005 £	College Fellows 2005 £	Academics 2005 £	Non - Academics 2005 £		
Staff Costs						
Emoluments	171,812	614,874	210,735	1,644,688	2,642,108	2,488,703
Social Security Costs	-	46,241	14,532	97,497	158,271	139,962
Other Pension Costs	-	54,854	19,736	173,241	247,831	254,310
	<u>171,812</u>	<u>715,970</u>	<u>245,003</u>	<u>1,915,426</u>	<u>3,048,211</u>	<u>2,882,975</u>

Average Staff Numbers

Academic	40	10	-	50
Non-Academics	9	-	116	125
	<u>49</u>	<u>10</u>	<u>116</u>	<u>175</u>

18. PENSION SCHEMES

The College participates in two defined benefit pension schemes, the Universities Superannuation Scheme (USS) and the Cambridge Colleges Federated Pension Scheme (CCFPS). The total pension cost for the period was £247,831 (2004: £254,310)

University Superannuation Scheme

The institution participates in the University Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme and hence contributions to the scheme are accounted for as if it were a defined contribution scheme. The cost recognised within the surplus/deficit for the year in the Income and Expenditure Account being equal to the contributions payable to the scheme for the year.

The latest actuarial valuation of the scheme was at 31 March 2002. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest) and the rates of increase in salary and pensions. In relation to the past service liabilities the financial assumptions were derived from market yields prevailing at the valuation date. It was assumed that the valuation rate of interest would be 5.0% per annum, salary increases would be 3.7% per annum and pensions would increase by 2.7% per annum. In relation to the future service liabilities it was assumed that the valuation rate of interest would be 6.0% per annum, including an additional investment return assumption of 1% per annum, salary increases would be 3.7% per annum and pensions would increase by 2.7% per annum. The valuation was carried out using the projected unit method.



18. PENSION SCHEMES (Continued)

At the valuation date, the value of the assets of the scheme was £19,938 million and the value of the past service liabilities was £19,776 million leaving a surplus of assets of £162 million. The assets therefore were sufficient to cover 101% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The institution contribution rate required for future service benefits alone at the date of the valuation was 14.25% of salaries but it was agreed that the institution contribution rate will be 14% of salaries. To fund this reduction of 0.25% for the period of 12 years from the date of the valuation (the average outstanding working lifetime of the current members of the scheme) required the use of £82.5 million of the surplus. This left a past service surplus of £79.5m (including the Supplementary Section) to be carried forward.

Surpluses or deficits which arise at future valuations may impact on the institution's future contribution commitment. A formal actuarial valuation was performed on 31 March 2005, the revised rates are currently unavailable.

The total pension cost for the institution was £54,854 (2004: £58,646). This includes £8,512 outstanding contributions (2004: £8,232 prepaid contributions) at the balance sheet date. The contribution rate payable by the institution was 14% 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 (CCFPS) in the United Kingdom. The scheme is a defined benefit final salary scheme that was originally set up under an interim, Trust Deed, on 19 July 1977 as a defined benefit scheme. It has been approved by the HM Revenue & Customs (previously the Inland Revenue Savings, Pensions & Share Schemes) under Chapter I of Part XIV of the Income & Corporation Taxes Act 1988. The College's employees covered by the scheme are contracted-out of the State Second Pension (S2P).

The College has elected to change benefits for service from 1 April 2004 for all members by:

- capping service at 40 years (previously uncapped); and
- paying unreduced pensions from age 65 (previously 60).

The date of the most recent full actuarial valuations, on which the amounts in the financial statements are based, was as at 31 March 2005. That valuation is, at the date of signature of this letter, yet to be completed. These FRS 17 calculation results use the same valuation data updated by an Actuary who is not an employee or officer of the College and/or its subsidiaries.

The contribution made by the College in respect of the year ended 31 March 2005 was £160,925, excluding PHI premiums.

The major assumptions made by the actuary were:

	31 March 2005
Discount rate	5.40%
Inflation assumption	3.00%
Rate of increase in salaries	3.75%
Rate of increase in pensions in deferment	
- GMP	3.75%
- Excess pension	3.00%
Rate of increase in pensions in payment	
- GMP accrued up to 5 April 1988	0.00%
- GMP accrued after 5 April 1988	2.25%
- Excess Pension over GMP and pension accrued after 5 April 1997	3.00%

In addition, standard actuarial mortality tables were used.

The assets in the Scheme and the expected rate of return were:

	Long-term rate of return expected at 31 March 2005	Value £
Equities	7.5% p.a.	2,201,478
Bonds (including cash and net current assets)	4.7% p.a.	1,169,822
Property	6.5% p.a.	93,349
		<u>3,464,649</u>

* Note that the College's accounts were not available at the calculation date.

The 2005 assets are based upon draft accounts provided by the Scheme administrators. The 2005 asset split is based upon the split from these draft accounts.

The following results were measured in accordance with the requirements of FRS17:

	2005 £
Total market value of the assets	3,464,649
Present value of Scheme liabilities	<u>(4,249,893)</u>
Surplus (deficit) in Scheme	<u>(785,244)</u>

**TRINITY HALL
NOTES TO THE ACCOUNTS**



19. CONTRIBUTION ASSESSMENT

	2005 £	2005 £	2005 £	2004 £
19a. Assessable Income				
i. External Revenue				
Investment Distribution from General Funds	915,689			818,123
Interest on Long Term Funds	497,904			404,112
Rent on Long Term Investment Properties	35,908			50,128
Other income	5,353			-
Less: Non-assessable Capital Growth	<u>(598,466)</u>			<u>(438,273)</u>
		856,388		834,090
Less:				
Miscellaneous Rents	7,444			5,681
Agency, Management charges	298,000			327,460
Repair Allowance transferred to College Estate Repairs and Improvement Fund Account	80,650			79,388
Other deductions from External Revenue	<u>-</u>			<u>-</u>
		<u>386,094</u>		<u>412,529</u>
			470,294	<u>421,561</u>
ii. Trust & Other Funds Subject to Contribution				
Scholarship Fund Account	154,689			95,551
Various Scholarship and Prize Funds	183,002			159,876
Various Trust Funds Account	-			44,817
Various Special Funds Account	230,062			191,969
Various Designated funds	281,918			250,098
Tutors' Benevolent Fund Account	13,116			11,533
Research Students' Fund Account	3,777			3,346
Graduate Students' Fund Account	1,660			1,470
Fellows Research Fund Account	37,726			32,781
College Silver Fund Account	3,997			3,400
Michael Nightingale Bequest	23,948			21,216
Pension Fund Reserve	18,723			16,587
John B. Thole Fund Account	15,930			14,112
Gott Bequest Account	18,987			16,190
Frankl Memorial	2,179			1,931
Prof Mann Bequest	28,703			25,278
Walter Grant Scott Research Fellowship	37,163			34,466
Campaign Fund	53,851			12,200
Evan Schulman Research Fellowship Fund	12,945			11,468
Stephen Hawking Fellowship	39,445			35,412
Crawley Fund	2,439			2,075
Overseas Student Bursaries Fund	15,822			13,325
John Collier Scholarship Fund	28,535			31,722
Runcie Fellowship Fund	45,145			39,995
Vasconcellos Bursary	193			164
Summary of Trust and Other Funds		1,253,955		1,070,982
Income from Bequests pending permanent use		-		-
Amalgamated Trust Reserve Fund or Undistributed Trust Reserve Income		<u>-</u>		<u>-</u>
			1,253,955	<u>1,070,982</u>
Assessable Income			<u>1,724,249</u>	<u>1,492,543</u>
iii. Trust & Other Funds Not Subject to Contribution				
Dr Clark's Theological Fund		863		
Cowlinge Trust		1,127		
Launcelot Fleming Fund		4,812		
Gutteridge Bequest		97		
Fletcher Bequest		328		
H & I Dean fund		354		
E T Clarke Milestones fund		<u>4,114</u>		
Summary of Trust and Other Funds			11,695	8,391
			<u>11,695</u>	<u>8,391</u>

**TRINITY HALL
NOTES TO THE ACCOUNTS**



	Note	2005 £	2005 £	2005 £	2004 £
19b. Deductible Items					
Half sums paid to Scholars, Exhibitioners, & Research Students				110,237	122,792
Half cost maintenance of Services in Chapel				12,290	8,608
Prizes Awarded				7,875	7,555
College Building Fund (Under Statute GII, 4vii)	19c			160,000	167,250
Sinking Fund payments (Under Statute GII, 4iv)				130,205	126,168
Insurance (Under Statute GII, 4viii)				34,213	52,726
Library expenses (Under Statute GII, 4xvii)				136,019	137,739
Research Fellows (Under Statute GII, 4xviii)				82,840	61,210
NUTO's (Under Statute GII, 4xix)				191,001	229,916
Pension Fund (Under Statute GII, 4ix)	19e			18,723	16,587
Fellows Loans (Under Statute GII, 4xv)				-	-
Donations for University Purposes:					
Careers service			50		
Friends of Fitzwilliam Museum			200		
			<u>250</u>		
Other sums approved under Statute GII, 4xxiii				-	-
				<u>883,653</u>	<u>935,601</u>
19c. Building Fund Under Statute GII, 4vii					
Balance as at 1 July 2004				-	-
Transfer for 2004/05 approved under GII, 4vii			160,000		
Interest			<u>-</u>		
				160,000	167,250
Less:					
Improvements to Buildings				<u>(160,000)</u>	<u>(167,250)</u>
Balance as at 30 June 2005				<u>-</u>	<u>-</u>
19d. Estates Repairs and Improvements					
Balance as at 1 July 2004				738,623	659,235
Transfer for 2004/05 approved under GII, 4v					
25% of: College Estate let at Rack Rent		322,600			
Assumed rent of unoccupied property		<u>-</u>			
		322,600	@ 25%	80,650	79,388
Less:					
Repairs and improvements on Estates				<u>-</u>	<u>-</u>
Balance as at 30 June 2005				<u>819,273</u>	<u>738,623</u>
19e. Pension Fund					
Balance as at 1 July 2004				161,603	169,602
Income				18,723	16,587
Less:					
Expenditure				<u>(44,677)</u>	<u>(24,586)</u>
Balance as at 30 June 2005				<u>135,649</u>	<u>161,603</u>

The Pension Fund also has units in the Trinity Hall Investment Fund.

20. PRIOR YEAR ADJUSTMENT

The prior year adjustment relates to the inclusion for the first time of the college operational and investment properties and the investment fund. The comparative figures have been amended to reflect this adjustment.

21. RELATED PARTY TRANSACTIONS

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.