TRINITY HALL
CAMBRIDGE

ACCOUNTS FOR THE YEAR ENDED

30 June 2019

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Registered charity number
1137458

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TRINITY HALL
Operating and Financial Review
For the financial year ended 30 June 2019

Status
Trinity Hall, or The Master, Fellows and Scholars of the College or Hall of the Holy Trinity in the University of Cambridge, was founded by Bishop Bateman of Norwich in 1350. The College is an autonomous, self-governing community of scholars, and one of 31 Colleges within the University of Cambridge. The College is a registered charity and its registered charity number is 1137458.

Aims and objectives
The College is an institution of higher education. Its purposes are the advancement of education, religion, learning and research. The College admits (as junior members) undergraduate and graduate students matriculated in the University of Cambridge. It provides financial and other support to those of its members who require it in order to achieve its purposes and it supports teaching and research in the University. In furtherance of its objectives, the College maintains and manages an endowment of assets, including properties. Besides financial and tutorial support, it provides accommodation, catering and other services to its members and others. Governance arrangements for the College are set out on page 11.

Overview of the Year

This is the last report to a set of Trinity Hall accounts that I will have the pleasure of writing. At the end of next March, I will step down after fifteen years as Bursar of the College it has been an unbridled privilege to serve. So, given the foregoing perhaps it is disappointing that the results this year are so uneventful, though perhaps one should never wish for too dramatic an exit!

As last year, there have been no major changes to the Higher Education or RCCA SORPs, so these accounts are consistent with the previous issuance.

This year we are once again in broad equilibrium on the Consolidated Statement of Income and Expenditure (I&E) as measured by the total deficit before other gains and losses.

Balance Sheet growth has been modest, reflecting a difficult year for most investment markets, mitigated to some extent by continued progress at Cambridge & Counties Bank. As I write, there is still no resolution to the Brexit impasse and the resulting malaise and logjam it is causing in a multiplicity of different marketplaces. A General Election has, however, just been announced, so perhaps a return to functioning markets may finally be on its way – I won't hold my breath!

Achiements and Performance

The College reviews its achievements and performance in pursuit of its charitable purposes in the following respects:

- Propsective and current students - progress on admissions, broadening access, student support and academic performance;
- Research – the annual research fellowship competition and the destination of research fellows on completion of their appointments;
- Staff – academic and non-academic staff numbers and costs; and
- Financial performance – income and expenditure levels, balance sheet and endowment performance.

Students

During the year, the College educated 387 (382) undergraduate students and 245 (230) graduate students. This includes all students up to the time they receive their degree, regardless of the time spent at the College or whether they are still paying fees.

The College charges the following fees:

- College fees at externally regulated rates to undergraduates entitled to Student Support and to graduate students (with those undergraduate fees being paid by grant funding through arrangements approved by the Government), and a fee determined by the College annually to Overseas undergraduates and any Home/EU undergraduates not entitled to Student Support
- Accommodation and meal charges at reasonable rates.

Admissions
The College admits as students those who have the highest potential for benefitting from the education provided by the College and the University and recruits as academic staff those who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background.

In the 2019 admissions round a total of 148 Undergraduate offers were made to students, including five open offers as part of the intercollegiate open offer scheme. The table below summarises the offers made by subject type and gender, along with figures for the number of candidates who were ultimately confirmed in August 2019 for direct or deferred entry:

	Arts	Sciences	Total	Male	Female	Total
Offers	83 (67)	65 (65)	148 (132)	74 (66)	74 (66)	148 (132)
Acceptances	63 (53)	48 (47)	111 (100)	63 (47)	48 (53)	111 (100)

Including all applicants at UK schools but excluding the five open offers, the College made 81 offers to applicants from Maintained Schools, 40 from Independent Schools and 21 from other schools. Excluding schools in the ‘other’ category, 67% (62%) of all offers were made to applicants from the Maintained sector. Including only those applicants resident in the UK, 81 offers (70% (65%)) were to applicants from Maintained schools and 34 (30% (35%)) to applicants from Independent schools. This includes offers for deferred entry; the percentage of UK resident offer holders from Maintained Schools for entry in 2019, including deferrals from last year’s admissions round, is 68% (66%).

The Office for Students (OfS) sets School Type and socio economic targets for higher education institutions. The following targets were included in the University’s 2017-18 Access Agreement with the Office for Fair Access:

- to admit UK resident students from UK state-sector schools and colleges so that they fall within a range of 62-64% of the total intake, reaching the top of that range by 2019-20;
- to admit UK resident students from quintiles 1 and 2 of the Participation Of Local Areas (POLAR3) classification so that they fall within the range 10-13.0% of the total intake, reaching the top of that range by 2019-20;
- to admit UK resident students from supergroups 7 and 8 and groups 3a, 3b, 3c and 4b of the Output Area Classification (OAC) so that they comprise 8.2% of the total intake by 2019-20.

The proportion of UK resident students admitted to Trinity Hall in October 2019 from UK state sector schools and colleges was 67% (62%).

The proportion of UK resident students admitted to Trinity Hall in October 2019 from quintiles 1 and 2 of the POLAR3 classification was 12.6% (13.7%). 3.2% (2.7%)were from quintile 1.

The proportion of UK resident students admitted to Trinity Hall in October 2019 from the OAC supergroups above was 22.1% (13.7%).

Broadening Access

To raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to the College, the College continues to develop its activities and initiatives in a wide-ranging outreach programme. This includes an extensive schedule of visits to schools by the Schools Liaison Officer and Admissions Tutors and other academic staff, visits by schools to the College, open days, taster days, admissions symposia for teachers, as well as guidance and information on the College website for prospective applicants.

Student Support

In order to assist undergraduates entitled to Student Support, the College provides assistance to those of limited financial means through the Cambridge Bursary Scheme, a scheme operated in common with the University. (For the academic year 2018-19, the number of awards made was 74 (88), out of a Home/EU undergraduate population of 313 (338) [24% (26%)]; 45 (46) of the awards were at the maximum value of £3,500; and the average value of the awards was £2,839 (£2,674)). The Scheme is widely advertised on the University website, on college websites and in the Admissions Prospectus. In addition, the College provides further assistance to students through hardship grants and travel and long vacation residence awards.

In the 2019-20 academic year the College will be participating in a pilot top-up bursary scheme in addition to the Cambridge Bursary Scheme. The pilot scheme will increase levels of support available to first year UK and EU undergraduate students from low and middle income families.

To support the costs of graduate students, the College provides substantial financial assistance. This includes scholarships to fund fees and living costs and 'top-up' funding to fill funding shortfalls in students' funding packages. For the academic year 2018-19, £585,000 (£528,476) was spent on specific studentships for graduate students representing 99% (113%) of graduate fee income (£591,000 (£468,000)).

In addition to these specific awards the College supports its entire student body, both undergraduate and graduate, by subsidising their teaching and living arrangements with operational support from its endowment. This is taken annually from the total return of investment assets. For the accounting year 2018-19 the deficit on the Education Account exceeded £4.6 million (£3.9 million); thus support for each student of all classes averaged slightly in excess of £8,000 (£7,000).

The College also supports all students through a grant scheme to assist with the purchase of books and equipment, attendances at conferences, childcare and travel. In addition to its other programmes, the College operates a hardship scheme for all students in financial hardship.

Academic performance

In 2019, 28.9% (28.9%) of Trinity Hall candidates achieved first class honours, with a further 51.3% (46.8%) receiving a 2.1. A good number of Trinity Hall graduates continue to proceed to research fellowships and to other positions of academic distinction.

Research

For those wanting to pursue a career in academia, an important transitional step from PhD to a lectureship is the appointment of leading young academics to a Research Fellowship. The College is fortunate to have funding for five named research fellowships and there are usually six Research Fellows in College at any one time. Appointments to Research Fellowships are keenly contested, attracting many exceptional candidates from across the globe who take part in an open competition for the two posts awarded each year. Successful candidates in the 2019 competition came from the fields of Political Theory and Philosophy and Engineering. Research Fellows play an active role in College life and on leaving Trinity Hall have usually secured an excellent posting within the academic world.

Employees

In order to fulfil its charitable purposes of advancing education, religion, learning and research, the College employs as Fellows, College Lecturers, Supervisors, Directors of Studies, Tutors, a Dean and senior administrative officers, who with the Master ex officio, serve as charity trustees through being members of the Governing Body. The employment of the Master and Fellows is undertaken with the intention of furthering the College's aims and their employment directly contributes to the fulfilment of those aims.

The private benefit accruing to the Master and Fellows through salaries, stipends and employment related benefits is objectively reasonable, measured against academic stipends generally and are reviewed by the Stipends Committee which includes five external members. Annual pay increases normally follow national settlements applying to the university sector.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College. The aggregated emoluments paid to key management personnel were £573,000 (£501,000). Without the employment of Fellows, the College could not fulfil its charitable aims as a College in the University of Cambridge. The Trustees received no emoluments in their capacity as Trustees of the Charity. The College also employs 155 (148) other full or part time members of staff (FTE 131.87 (FTE 136.64)) to provide the professional and service support necessary to run the College. Total costs for academic and non-academic staff for the year were £6.5 million (£6.4 million).

Internal Beneficiaries

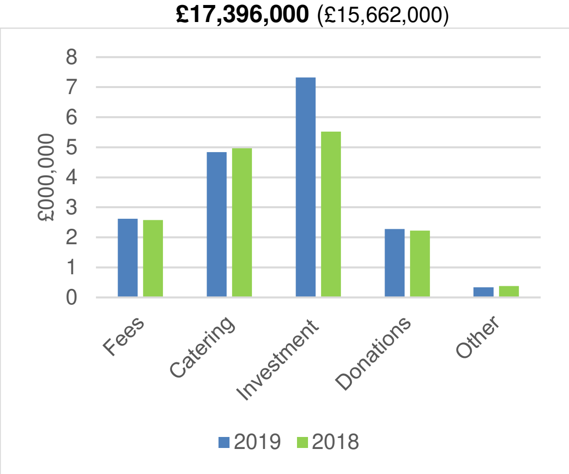
The Master and Fellows of the College also receive benefits as beneficiaries. These comprise research grants, book grants, etc. These benefits are provided with the intention of furthering the College's aims, primarily that of advancing research. The amounts of the benefits provided are objectively reasonable, measured against the academic benefits made available to other beneficiaries of the College.

Financial Performance

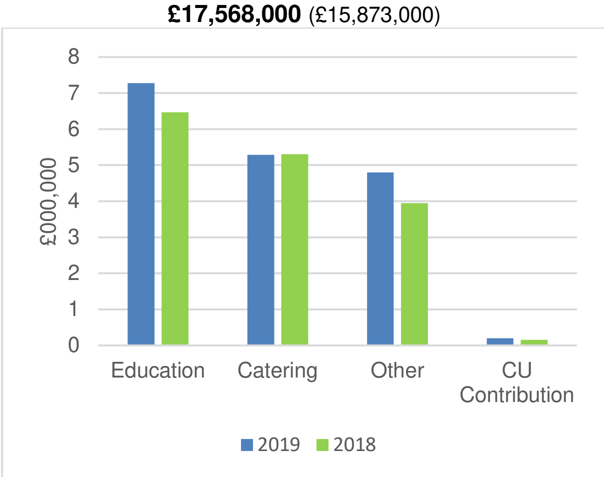
I&E in 2018-19

The **Consolidated Income and Expenditure Account** shows almost no change on last year's result, the deficit then of £211,000 has narrowed further to £172,000. On a volume of more or less £17.5 million we are in almost perfect balance – as ever this is more by luck than judgement.

Total Income 2019 v 2018
£17,396,000 (£15,662,000)



Total Expenditure 2019 v 2018
£17,568,000 (£15,873,000)



There is really very little to be said about the **income** lines: academic fees and residences and catering are virtually unchanged from a year earlier. Income taken from the endowment has risen

24.7% to £7,325,000 reflecting higher rents received from our investment properties. Elsewhere, the **expenditure** lines are similarly consistent with last year, save for an unremarkable £810,000 advance across all headings in the cost of education.

Some of the highlights of movement in the I&E which are deserving of mention include:

- We have a number for our part of the shortfall of the USS pension scheme: it is £457,000 according to the modeller USS has supplied
- We have been put on notice that the Pensions Regulator will seek to accelerate the period during which the comparatively modest deficit on the CCFPS staff pension scheme is closed and the scheme itself is moved to 'self-sufficiency'
- Last year's alarming number for all professional fees of £672,000 has moderated to £488,000
- Our wages bill increase for both academic and operational staff has been contained at £152,000
- Computer and IT expenditure, on the other hand, is up £154,000 or 54% reflecting a wholesale review of the College systems and servers - it is likely that higher spending in this area will continue for several years
- Last year the Foreign Exchange variance on our overseas fees and other payments was a negative, this year it was plus £184,000
- Lastly, it is never a pleasure paying tax, but it is gratifying to see our University Contribution (the mechanism whereby colleges redistribute wealth within the collegiate system) reached £201,000 – it was £36,000 in my first year in the job in 2004.

Balance Sheet and Endowment Performance
The **Consolidated Balance Sheet** total has grown to £320.5 million from £311.35, an increase of 2.95% and our lowest annual rate of growth for some time. The principal move was on the Investments line: up 7.5% from £266.48 million to £286.67 million. As ever, I would caution that this figure is misleading as an indicator of the College's overall wealth as it includes the various long-term loans Trinity Hall has taken out for investment purposes. If you strip out the capital value of the loans (now £50 million) but retain the underlying performance of the assets purchased with the money - my preferred measure of how the College is doing - we are left with £236.67 million or real growth of 4.4% which, satisfyingly, means that 74% of the Balance Sheet is accounted for by investment assets.

The twelve months to the end of June 2019 were very difficult for financial markets: other than US indices which were all up healthily, European markets were largely flat to slightly better, while UK stocks, large, medium and small cap, were all weaker, as were the leading Asian markers. Against this backdrop £9 million of Trinity Hall's £10 million improvement over the year can be attributed to the growth in Cambridge & County Bank's Enterprise or Book Value, following a further £10 million capital injection, the result of the PRA's thematic review of fast-growing Challenger banks. In other words, all our other investments, whether securities or property, cumulatively went sideways. This could have been a lot worse as many managers, and perhaps some colleges, lost money over the period.

At year end, we had almost £22 million of cash in hand, about £16.5 million of which were part of the proceeds of our most recent borrowing which is awaiting investment.

As forewarned last year, the period under review has seen two changes to our approach to managing our portfolios. The College's spending rule has been lowered to 3% from 3.5% with no adverse effect on cash-flow or the ability to meet our obligations. We have also regularised the application of all costs across the entirety of the College's assets (both restricted and unrestricted), thus allowing us to unitise the whole. This will greatly simplify the task of attributing investment performance to individual stakeholders in the endowment.

Cambridge & Counties Bank (CCB)
In line with my remarks here a year ago, CCB has adapted to the more competitive environment caused by the continued uncertainty around an unresolved Brexit and greatly enhanced regulatory burden. It has deliberately slowed volumes, invested in new systems and people and set less ambitious targets for the next three years, while last year's capital injection is bedded in. The upshot of all of this is that, for the first time, the Bank has narrowly missed its profit forecast (which was itself

a lowered estimate). From Trinity Hall's point of view as an investor our return on investment has more than halved and is currently just below 30% and we do not expect profit growth of much more than 12% for the next few years. On a more positive note, bad loans remain low, the Bank's arrears are some of the lowest in the industry and continue to fall and the Bank continues to be hugely profitable, especially when compared with its peers.

So, is CCB as attractive an investment as when we and the Cambridge County Council launched it in 2012? Probably not. On the other hand, do we have any other investments of any shape, colour or size, that offer anything approaching comparable returns. The answer is an emphatic no. When I step down as Bursar in the Spring, I will remain Vice Chairman of CCB and the College's representative on the Board. I look forward to CCB prospering, as it always has, and to being part of its success story – a story that also continues to amass admiring glances from within the banking industry and from those wishing to enter it.

Outlook

Last year under this heading I wrote about Brexit uncertainty. Amazingly, it is still with us.

I also reported on our most recent long-term borrowing which had added £25 million to our investment arsenal in August 2018. Normally, our policy is to be fully invested and I promised to report now on how we had got on putting these funds to work. As mentioned earlier, we still have approximately £16.5 million in the bank uninvested. Given how difficult markets (other than those in the US) have been during the last accounting year (to end June 2019), not being fully exposed to them has not cost us a lost opportunity. However, our failure to find sufficiently tempting prospects to go 'all in' is a testament, not only to our caution, but is also a reflection of the continued confusion over the economic outlook.

Personally, I am encouraging colleagues to contemplate putting this money to work, particularly in US and UK equities. I believe that whatever the make-up of the new government to be elected on 13th December 2019, and whether it 'gets Brexit done' or undone, it will have to borrow heavily and throw money at the moribund UK economy. We are in for a mini boom and Trinity Hall should try to receive any benefit that results, even if this is only short-lived.

Separately, I am pleased to announce that the College's joint-venture with Tramco to invest in largely East Anglian brownfield sites, Aula Property Partners, is going to be renewed with a second similarly-sized and structured company.

The only capital work underway in College at the moment is the construction of the WongAvery Music Gallery in Avery Court, made possible thanks to the generous assistance of the Avery Tsui Foundation. The new building promises to be a wonderful addition to the College estate. Plans for major capital works to Cherry Tree Court and at the Wychfield Site are being drawn up and the financing for this will be the subject of a fundraising campaign in the future.

After over fifteen years in this wonderful role, stepping down at the end of March 2020 will be emotionally fraught. It has been an incredible honour to be charged with the responsibility not only to preserve Trinity Hall's wealth but to increase it so the whole collegiate community, in its widest sense, can expect to and continue to prosper. I am very grateful to my colleagues, now my friends, who not only trusted but actively encouraged me to do this.

What we have done, collectively, has worked to some extent, but there is always more that can be achieved. I hope I am leaving my successor a solid platform on which to perform their magic (I have no doubts about their conjuring powers) and I look forward to 'popping in' every now and then (but not too often!) to see how they are getting on.

I urge them though, when they stand to read the will of Thomas Eden, 21st Master of Trinity Hall, in Chapel before his commemorative Supper every December, to remember that the College is, as he so eloquently put it in 1643, a ‘poor society’. It always has been and it still is and, therefore, it continues to need all the help it can get.

On behalf of the Governing Body
Paul ffolkes Davis
05 November 2019

TRINITY HALL
Corporate Governance and Public Benefit Statement

Governance
The Master and Fellows constitute the Governing Body of the College and Junior Member representatives are invited to meetings (for unrestricted business). The Governing Body is constituted and regulated in accordance with the College Statutes. The body is responsible for the strategic direction of the College, for its on-going administration, and for the management of its finances and assets. Meetings are held eight times a year under the chairmanship of the Master. Supporting the Governing Body is a range of committees and advisory groups including: Finance, Fellowship, Development, Education Policy, Statutes & Ordinances, PREVENT and Buildings and Health & Safety. Responsibilities of the Governing Body are more fully described on page 15.

The Governing Body are also the Trustees of the charity and are listed on page 3, along with the principal officers.

On appointment, all Trustees are made aware of the Charity Commission's guidance on public benefit and that their duty as a Trustee is to ensure the Charity is carrying out its purposes for the public benefit. There is a Register of Interests of Trustees and declarations of interest are made systematically at all meetings.

Investment policy
Trinity Hall's endowment funds are managed day-to-day on a discretionary basis by selected leading financial services and property companies. All the College's investment managers have stated Environmental, Social and Governance (ESG) policies. The College monitors the performance of these managers through regular meetings of its Finance (Investments) and Finance (Property) Committees, which bodies also make recommendations to the Governing Body on asset allocation issues. Membership of these committees is composed of those Fellows of the College who are members of the Finance Committee, augmented by the presence of the managers of individual investment portfolios and external professional advisers in an advisory capacity.

Asset classes that can be held include, but are not limited to: UK and international large, medium and small cap equities, and unit trusts and investment trusts comprising these, property (held both directly and indirectly), fixed income instruments, hedge funds, private equity and venture capital funds, soft and hard commodities funds, all forms of derivatives and financial futures, and cash.

Trinity Hall adheres to Charity Commission guidelines and principles of general fiduciary law governing the requirement to invest to maximise returns consistent with the College's aims, interests and purposes.

Reserves policy
Trinity Hall manages its investment portfolios for the long-term - the aim being to increase the College's wealth over time in order that it will always be able to meet its obligations and responsibilities both to current and future generations. We employ a Total Return policy to determine the level of draw down from the endowment each year necessary to facilitate the College's operational spending requirements. This spending rule is calculated using a seven-year rolling average for the value of the College investments (net of loans) and is currently set at 3.0%. The sum drawn down each year is transferred to income where it is used to support the operations of the College. Any new donations or bequests received during the year are added to unrestricted funds, unless the donor has made it clear that the funds are to be spent on a specific project.

At 30 June 2019 Trinity Hall had £82.9 million (£78.7m) in restricted reserves and unrestricted reserves of £237.6 million (£232.6 m) of which £95.3 million (£95.8 m) is represented by fixed assets. The £142.3 million (£136.8 m) of unrestricted reserves that are not accounted for within fixed assets are invested and the total return policy is applied to it.

The purpose of a reserves policy is to ensure that a charity has sufficient funds to manage the risks (including financial) should everything go wrong. In the College's case, in addition to day-to-day running expenses, the cost of liabilities were the worst to happen is deemed to include the scale of the deficits on the USS and CCFPS pension schemes, any unexpected large-scale capital expenditure on the College estate and the increasing levels of support for academic activities because of the College's increasing wealth. Trinity Hall is unlike larger single-purpose charities with a direct appeal to the public. In common with other Oxbridge colleges it regards itself as a perpetual institution – a not unreasonable proposition given it has already been in continuous existence for 769 years. A guarantee of being able to function and meet its obligations for 4.5 years seems appropriate in the light of our responsibility to be there for future generations stretching out towards the infinite.

Fundraising
The approach taken by the College to fundraising activities is to support key projects, identified by the Governing Body as trustees as priorities in accordance with the College's Strategic Direction.

Fundraising techniques include telephone fundraising using live calls only, direct mail and e-mail, crowd-funding, the promotion of legacy giving and face-to-face fundraising by private meeting with potential major donors. The College may partner with professional fundraisers in line with the guidance laid out by the Fundraising Regulator.

The College has been registered with the Fundraising Regulator since 2017. There has been no failure to comply with its code and no complaints received since we have registered.

To protect vulnerable people and other members of the public the College acts in the following way:

- Before telephone fundraising, all people the College intends to call are sent a pre-call letter making clear that they can request not to receive the call. During the fundraising the list of those not wishing to receive a call is up-dated daily;
- During telephone fundraising calls, a request for a gift is made a maximum of three times (subsequent times at a lower level);
- Training is given on how to ask in this way without applying pressure to the recipient of the call;
- Training is also given on how to handle a call when contact is made with an obviously vulnerable person where we have previously been unaware of this vulnerability;
- We do not persist in asking for personal meetings if there is an indication that a meeting is not welcomed or wanted;
- We have a policy for fundraising from vulnerable people which can be found on our website.
- All other fundraising communications are by post and are issued no more than five times a year;
- Any members of our mailing list are able to opt of receiving communication from us by different channels and for different purposes, at any time.

Principal risks and uncertainties
As part of its supervision of the College's activities, the Finance Committee (Audit) identifies and considers the major risks to which the College is exposed, and establishes procedures to manage those risks.

There are our main types of economic risk, relating to:

- The safety of the College's buildings and facilities. These risks are mitigated primarily by management procedures, including compliance with relevant regulations, and alarm systems.
- The security of the College's assets. There are both physical security measures in place and established financial control procedures. Cyber security measures are also in place to protect information assets. Insurance arrangements are reviewed annually with professional advisers.
- Investment risks relating to the College's long term investments. The main risk mitigation measures are an asset allocation policy which provides diversification by type of investment, management of investments by carefully selected professional managers and oversight of asset allocation and investment performance by the Finance (Investments) and Finance

(Property) Committees which includes both Trustees and experienced investment professionals.

- The impact of adverse media coverage on levels of applications from potential students and on donations from alumni and other supporters. These risks are mitigated primarily by management actions which may include working with the University Communications Office and the hiring of crisis management professionals.

There are, as always, uncertainties regarding the future external environment within which the College will operate, most notably regarding higher education policy and funding. The Finance Committee considers however that the College will be able to respond effectively to changes in that environment.

The principal risks and uncertainties that the College faces may be briefly summarised:

- The uncertainties around Brexit and the withdrawal of the United Kingdom from membership of the European Union may have a significant effect on the financial markets and it is possible that capital values of the College's endowment investments will be highly volatile and investment income may be adversely affected;
- The terms of any Brexit deal may have a negative impact on recruitment and retention of both academic and support staff;
- A continuing low interest rate environment may also adversely affect both investment markets and pension obligations;
- Uncertain economic conditions may adversely affect the College's conference activities which are a significant contributor to the College's overheads;
- Although the College has a programme of building renewal and improvements, it is always possible with buildings of the age of the College's estate that unexpected issues that may arise;
- Long-term plans for the regeneration of the College's estate will need to rely heavily on the generosity of the College's alumni and other supporters as well as the College's ability to invest in its facilities;
- The failure of academic fees to keep up with the rise in academic costs, as well as the inevitable uncertainties with a significant change to the funding of universities in England, mean that the funding and costs associated with the College's core activity will need to be kept under constant review;
- Reputational risk must always be a concern for a Charity with diverse operations and constituencies.

Safeguarding policy
Trinity Hall recognises that Fellows, staff and students of the College may sometimes work with children and other vulnerable individuals in the course of their duties. In this context, the College is committed to respecting the rights, wishes and well-being of individuals with whom it is working; taking all reasonable steps to protect them from physical, sexual and emotional abuse; promoting the welfare of children and vulnerable individuals, and ensuring their protection within a relationship of trust.

The College's Safeguarding Policy has been established to support these commitments and to ensure that the College fulfils its obligations under the Safeguarding Vulnerable Groups Act 2006 and subsequent legislation.

Environmental policy
In achieving excellence in teaching and research, Trinity Hall manages its activities, buildings and estates to promote environmental sustainability, conserves and enhances natural resources and prevents environmental pollution to bring about a continual improvement in its environmental performance.

Equal opportunities
The College is committed to the principle and practice of equal opportunities and aims to be an equal opportunities employer. The College's employment policy seeks to ensure that no job applicant or

employee receives less favourable treatment on any grounds that are unjustified in terms of equality of opportunities for all.

Public benefit statement
Public benefit is the way that a charity makes a positive difference to the public. Not everything that is of benefit to the public will be charitable. Public benefit in a charitable sense is only provided by activities which are undertaken to advance an organisation's charitable purposes.

In accordance with its Founding Charter and Statutes, the College's charitable purpose is to advance education, religion, learning and research for the public benefit by the provision, support and maintenance of a College in the University of Cambridge. A full statement of the public benefit it provides has been lodged with the Charity Commission. It is summarised as follows:

Education:
- The College provides, in conjunction with the University of Cambridge, an education for some 600 undergraduate and graduate students which is recognised internationally as being of the highest standard. This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society.
- The provision of teaching facilities and individual or small-group supervision, as well as pastoral, administrative and academic support through its tutorial and graduate mentoring systems.
- Social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

Research:
- The provision of Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- Supporting research work pursued by its other Fellows through promoting interaction across disciplines, providing facilities and grants for national and international conferences, research trips and research materials;
- Encouraging visits from outstanding academics from abroad.
- Encouraging the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

The College carries forward the tradition, continuous since its foundation, of being a place of spiritual and ethical reflection on the Christian faith and its implications for the individual and society. In particular the College:

- Maintains and supports the Chapel as a place of religious worship and holds a variety of religious services on weekdays and at weekends during term, which are open to the general public and visitors.
- Supports, through the College Dean, the emotional, mental and spiritual well-being of all members of the College community whatever their faith tradition or none.
- Maintains its historic connection with the work of the Church of England, particularly through its involvement with St Edward, King and Martyr, Cambridge.
- In addition to the Chapel's central role in College, the Catholic Chaplaincy celebrates mass at least three times annually, plus religious celebrations and/or services take place in College for faiths as diverse as Islam, Judaism, Hinduism and Sikhism.

The College maintains an extensive Library (including important special collections), so providing a valuable resource for students and Fellows of the College, members of other colleges and the University of Cambridge more widely, external scholars and researchers, as well as local children from maintained and other schools through educational visits and the public through regular exhibitions.

The resident members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in education, religion, learning or research. However, beneficiaries also include: students and academic staff from other colleges in Cambridge and the University of Cambridge more widely, visiting academics from other higher education institutions and visiting schoolchildren and alumni of the College who have an opportunity to attend educational events at the College or use its academic facilities. The general public are also able to attend various educational activities in the College such as exhibitions in the library and public rooms. Concerts open to the public are also held in College and external venues.

TRINITY HALL
Responsibilities of the Governing Body and Statement of Internal Control

The Governing Body is responsible for the administration and management of the College's affairs.

The Governing Body presents audited financial statements for each financial year. These are prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge and applicable United Kingdom Accounting Standards, including the Statement of Recommended Practice 'Accounting for Further and Higher Education Institutions', as interpreted by the University of Cambridge in their Recommended Cambridge College Accounts.

With reference to the above provisions, the Governing Body 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 Statues of the University.

In causing the financial statements to be prepared, the Governing Body has sought to ensure 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 internal financial control, however, can only provide reasonable, not absolute, assurance against material misstatement or loss.

The Governing Body is responsible for the maintenance and integrity of the corporate 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.

Opinion

We have audited the financial statements of Trinity Hall (the 'College') for the year ended 30 June 2019 which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the College's affairs as at 30 June 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes of the University of Cambridge; and
- the contribution due from the College to the University has been correctly computed as advised in the provisional assessment by the University of Cambridge and in accordance with the provisions of Statute G,II, of the University of Cambridge.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the College or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

PETERS ELWORTHY & MOORE
Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

Date:

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

Basis of preparation
The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and the Statement of Recommended Practice: Accounting for Further and Higher Education (the SORP).

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

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

Basis of consolidation
The consolidated financial statements include the College and its subsidiary undertakings, details of which are included in note 26. Intra-group balances are eliminated on consolidation. The results of subsidiaries acquired in the current year are consolidated from the date which control passed. Amounts attributable to non-controlling interests represents the share of profits on ordinary activities attributable to the interest of equity shareholders in subsidiaries which are not wholly owned by The College. The consolidated financial statements do not include the activities of student societies as these are separate bodies in which the College has no financial interest and over whose policy decisions it has no control.

Recognition of income

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

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

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

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

Restricted donations – the donor has specified that the donation must be used for a particular objective.
Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the College.
Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income.
Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.
Donations with no restrictions are recorded within the Statement of Comprehensive Income and Expenditure when the College is entitled to the income

Total Return
Investment fund and long dated borrowing fund income is credited to the income and expenditure account on a total return basis. Non-investment fund income is credited in the period in which it is earned. Income from restricted endowments not expended in accordance with the restrictions of the endowment is transferred from the income and expenditure account to restricted endowments.

Investment fund income taken to the income and expenditure account under the recognition of income on a total return basis is calculated at 3.0% (2018:3.5%) of an average of the market value of the investment assets. The long dated borrowing fund total return is calculated to ensure fund income matches the fund expenditure.

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

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

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

Tangible fixed assets

Land and buildings
Land and buildings are valued at depreciated 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.

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 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. They are not depreciated until they are brought into use.

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.

Equipment and motor vehicles
Furniture, fittings and equipment (excluding motor vehicles and art) costing less than £10,000 is written off in the year of acquisition. The organ which is included within plant and equipment is depreciated at 2% per annum, based on its expected useful life. 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	5%-20% per annum
Computer equipment	33% per annum

For assets which have a useful economic life of greater than 100 years an annual impairment review is undertaken to ensure the carrying value is still appropriate.

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.

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 periods of the leases.

Heritage/Silver assets
Silver assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material. The College does not consider that it holds any assets that should be classified as heritage assets.

Shared Equity Scheme Debtors
Debtors due from Fellows on "shared equity schemes" occur where the college has provided a portion of the finance of a house purchase and are included within debtors due after one year. Under the scheme rules these amounts are due for repayment on the earliest of: The date on which there is a future sale of the property or within two years of a Fellow ceasing to be an eligible Fellow whether by resignation, retirement death or otherwise, or a Fellow acquires the colleges' share of the value of the property.

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

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

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

Taxation
The College is a registered charity (number 1137458) and is exempt from taxation in respect of income or capital gains received under Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

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

Contribution under Statute G,II
The College is liable to be assessed for Contribution under the provisions of Statute G,II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The College may from time to time be eligible for such grants. The liability for the year is as advised to the

College by the University based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

Pension Schemes
The institution participates in the Universities Superannuation Scheme (the scheme). Throughout the current and preceding periods, the scheme was a defined benefit only pension scheme until 31 March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme in respect of the accounting period. Since the institution has entered into an agreement (the Recovery Plan that determines how each employer within the scheme will fund the overall deficit), the institution recognises a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense in the Statement of Comprehensive Income and Expenditure.

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

Since 2010 The College contributes to a third scheme, The Cambridge Colleges Group Personal Pension Scheme (CCGPPS), a defined contribution scheme, for new employees. The scheme is administered by Aviva.

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

Reserves
Reserves are allocated between restricted and unrestricted reserves. Endowment reserves include balances which, in respect of endowment to the College, are held as permanent funds, which the College must hold to perpetuity. Restricted reserves include balances in respect of which the donor has designated a specific purpose and therefore the College is restricted in the use of these funds.

Critical accounting judgements
FRS102 makes the distinction between a group pension plan and a multi-employer pension scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in profit or loss in accordance with section 28 of FRS 102. The Governing Body are satisfied that the scheme provided by USS meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

TRINITY HALL
Consolidated Statement of Comprehensive Income and Expenditure Account
For the Year Ended 30 June 2019

		Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
		Year Ended 30 June 19	Year Ended 30 June 19	Year Ended 30 June 19	Year Ended 30 June 19	Year Ended 30 June 18	Year Ended 30 June 18	Year Ended 30 June 18	Year Ended 30 June 18
INCOME	**Note**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Academic fees and charges	1	2,501	117	-	2,618	2,454	119	-	2,572
Residence, catering and conferences	2	4,834	-	-	4,834	4,965	-	-	4,965
Endowment return transferred	3	4,620	1,627	(6,247)	-	3,433	2,378	(5,811)	-
Other investment income	3	132	62	7,131	7,325	444	62	5,012	5,518
Other income	5	334	-	-	334	379	-	-	379
Total income before donations and endowments		12,422	1,806	883	15,112	11,674	2,559	(798)	13,434
Donations	4	1,610	590	-	2,200	364	1,081	-	1,445
New endowments		-	-	71	71	-	-	563	563
Other capital grants for assets	4	-	12	-	12	-	220	-	220
Total Income		14,033	2,409	954	17,396	12,038	3,860	(236)	15,662
EXPENDITURE									
Education	6	5,085	2,192	-	7,277	4,363	2,104	-	6,467
Residence, catering and conferences	7	5,287	-	-	5,287	5,303	-	-	5,303
Other Expenditure	8	4,133	16	654	4,802	3,295	19	636	3,950
Contribution under statute G.II		123	79	-	201	75	78	-	153
Total expenditure		14,627	2,287	654	17,568	13,035	2,202	636	15,873
Surplus (deficit) before other gains and losses		**(594)**	122	300	(172)	**(997)**	1,658	(872)	(211)
Gains/(loss on disposal of fixed assets		-	-	-	-	2,065	-	-	2,065
Gains/(loss) on investments	3	6,509	599	3,330	10,438	15,623	788	6,853	23,263
Gains/(loss) on investments – non-controlling interest (NCI)		-	(26)	-	(26)	-	74	-	74
Gains/(loss) other		-	-	-	-	8,720	-	-	8,720
Surplus (deficit) for the year		5,915	694	3,630	10,240	25,411	2,520	5,980	33,911
Other comprehensive income									
Actuarial gain/(loss) in respect of pension schemes		(1,224)	-	-	(1,224)	589	-	-	589
Total comprehensive income for the year		4,691	694	3,630	9,015	26,000	2,520	5,980	34,500
Total comprehensive income for the year – Parent		4,691	674	3,630	8,995	26,000	2,403	5,980	34,383
Total comprehensive income for the year - NCI	29	-	20	-	20	-	117	-	117

	INCOME AND EXPENDITURE RESERVE			
STATEMENT OF CHANGE IN RESERVES	**Unrestricted**	**Restricted**	**Endowment**	**TOTAL**
	£000	**£000**	**£000**	**£000**
BALANCE AT 01 JULY 2018	232,644	11,966	66,747	311,357
Surplus/(Deficit) from income and expenditure statement	5,915	694	3,630	10,240
Other comprehensive income	(1,224)	-	-	(1,224)
Release of restricted capital funds spent in the year	-	-	-	-
Transfers between revaluation and income and expenditure reserve	320	(320)	-	-
Non-controlling interests acquired APP	-	185	-	185
Distributions to non-controlling interests APP	-	(29)	-	(29)
BALANCE AT 30 JUNE 2019	**237,655**	**12,496**	**70,377**	**320,529**

	INCOME AND EXPENDITURE RESERVE			
STATEMENT OF CHANGE IN RESERVES	**Unrestricted**	**Restricted**	**Endowment**	**TOTAL**
	£000	**£000**	**£000**	**£000**
BALANCE AT 01 JULY 2017	206,722	8,804	60,693	276,220
Surplus/(Deficit) from income and expenditure statement	25,411	2,520	5,980	33,911
Other comprehensive income	589	-	-	589
Release of restricted capital funds spent in the year	-	-	-	-
Transfers between revaluation and income and expenditure reserve	(75)	-	75	-
Non-controlling interests acquired APP	-	663	-	663
Distributions to non-controlling interests APP	-	(26)	-	(26)
BALANCE AT 30 JUNE 2018	**232,644**	**11,966**	**66,747**	**311,357**

TRINITY HALL
Consolidated Balance Sheet
As at 30 June 2019

	Note	30 Jun 19 £000	30 Jun 18 £000
Non Current Assets			
Fixed assets	10	95,355	95,846
Investments	11	286,665	266,482
		382,020	362,328
Current Assets			
Stock		369	334
Debtors	12	2,318	3,954
Cash	13	21,886	4,392
		24,572	8,680
Creditors: amounts falling due within one year	14	(3,267)	(3,424)
Net current assets		21,305	5,256
Creditors: amounts falling due after more than one year	15	(75,200)	(50,414)
Net assets excluding pension liability		328,125	317,171
Pension Liability	16	(7,596)	(5,814)
Net assets including pension asset/(liability)		320,529	311,357

Represented by:		**Total 30 June 19 £**	**Total 30 June 18 £**
Restricted Reserves			
Income and expenditure reserve-endowment reserve (Restricted)	17	70,377	66,747
Income and expenditure reserve-restricted reserve	18	12,496	11,966
		82,873	78,711
Unrestricted Reserves			
Income and expenditure reserve-unrestricted		237,655	232,644
TOTAL RESERVES		320,529	311,357

The financial statements were approved by the Governing Body on 05 November 2019 and signed on its behalf by:

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Paul ffolkes Davis
Bursar

TRINITY HALL
College Balance Sheet
As at 30 June 2019

	Note	30 Jun 19 £000	30 Jun 18 £000
Non Current Assets			
Fixed assets	10	95,883	96,374
Investments	11	282,452	251,569
		378,335	347,943
Current Assets			
Stock		369	334
Debtors	12	6,913	7,133
Cash	13	19,856	2,473
		27,138	9,940
Creditors: amounts falling due within one year	14	(2,986)	(2,598)
Net current assets		24,152	7,342
Creditors: amounts falling due after more than one year	15	(75,200)	(50,414)
Net assets excluding pension liability		327,287	304,871
Pension Liability	16	(7,596)	(5,814)
Net assets including pension asset/(liability)		319,690	299,058

Represented by:		Total 30 June 19 £	Total 30 June 18 £
Restricted Reserves			
Income and expenditure reserve-endowment reserve (Restricted)	17	70,377	66,747
Income and expenditure reserve-restricted reserve	18	11,566	11,213
		81,944	77,960
Unrestricted Reserves			
Income and expenditure reserve-unrestricted		237,747	221,096
TOTAL RESERVES		319,690	299,058

The financial statements were approved by the Governing Body on 05 November 2019 and signed on its behalf by:

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Paul ffolkes Davis
Bursar

TRINITY HALL
Consolidated Cash Flow Statement
at 30 June 2019

	Note	30 Jun 19 £000	30 Jun 18 £000
Net Cash (Outflow)/Inflow from Operating Activities	20	23,496	555
Cash flow from investing activities	21	(4,528)	399
Contribution to colleges fund		(201)	(153)
Cash flows from financing activities	21	(1,272)	(741)
(Decrease)/Increase in cash and cash equivalents in year		17,495	59
Cash and cash equivalents at the beginning of the year		4,392	4,333
Cash and cash equivalents at the end of the year	22	21,886	4,392

1. ACADEMIC FEES AND CHARGES

	30 Jun 19 £000	30 Jun 18 £000
College fees:		
Fee income received at the regulated Undergraduate rate	1,452	1,581
Fee income received at the unregulated Undergraduate rate	442	387
Fee income received at the Graduate rate	591	468
Other income	16	17
	2,501	2,454
Cambridge Bursaries Income	117	119
	2,618	2,572

2. RESIDENCES, CATERING AND CONFERENCES INCOME

		30 Jun 19 £000	30 Jun 18 £000
Accommodation	College Members	2,314	2,269
	Conferences	794	735
Catering	College Members	834	1,066
	Conferences	892	895
		4,834	4,965

3. ENDOWMENT AND INVESTMENT INCOME

3a. Analysis

	Total 30 Jun 19 £000	Total 30 Jun 18 £000
Income from:		
Non-Investment fund	132	444
Investment fund total return	6,323	5,919
Other investment income		
	6,456	6,363

3b. Summary of total return

	30 Jun 19 £000	30 Jun 18 £000
Endowment income from:		
Assets included in the Investment fund	7,131	5,012
Assets not included in the Investment fund	132	444
Gains/(losses) on Endowment Assets:		
Land and buildings	3,957	3,088
Quoted and other securities and cash	6,482	20,176
Total return for the year	17,702	28,720
Total return transferred to the income and expenditure account (see note 3a)	(6,247)	(5,811)
Total return transferred to the Balance Sheet (Boat Club & St Edwards)	(76)	(108)
Investment managers costs (see note 3c)	(654)	(636)
Unapplied Total Return for the year included within the Statement of Total Recognised Gains and Losses (see note 21)	10,724	22,165

3c. Investment management costs

	30 Jun 19 £000	30 Jun 18 £000
Investment management costs	654	636
	654	636

4. DONATIONS

	30 Jun 19 £000	30 Jun 18 £000
Unrestricted donations	1,610	364
Restricted donations	602	1,301
	2,213	1,665

5. OTHER INCOME

	30 Jun 19 £000	30 Jun 18 £000
Other income	334	379
	334	379

6. EDUCATION EXPENDITURE

	30 Jun 19 £000	30 Jun 18 £000
Teaching	2,777	2,599
Tutorial	846	715
Admissions and Access	560	501
Research	852	713
Scholarships and Awards	1,230	1,079
Other Educational Facilities	1,012	859
	7,277	6,467

7. RESIDENCES, CATERING AND CONFERENCES EXPENDITURE

		30 Jun 19 £000	30 Jun 18 £000
Accommodation	College Members	2,619	2,511
	Conferences (incl. marketing costs)	818	733
Catering	College Members	944	1,180
	Conferences	905	879
		5,287	5,303

8. ANALYSIS OF EXPENDITURE

8a. ACTIVITY 2019	Note	Staff & Fellows Payroll Costs (Note 9) £000	Depreciation (Note 10) £000	Other Operating Expenses £000	Total £000
Education	6	3,318	438	3,521	7,277
Residences, Catering and conferences	7	3,041	1,148	1,098	5,287
Other	8c	669	-	3,464	4,133
		7,028	1,587	8,083	16,697
8b. ACTIVITY 2018					
Education	6	2,871	422	3,175	6,467
Residences, Catering and Conferences	7	2,924	1,157	1,222	5,303
Other	8c	620	-	2,674	3,295
		6,415	1,578	7,071	15,064

8c. OTHER EXPENDITURE

	30 Jun 19 £000	30 Jun 18 £000
Investment and property management		
Third party costs	340	305
Internal costs	235	194
	574	499
Long dated borrowing interest and set-up charges	2,486	1,955
Fundraising	689	659
Alumni	154	65
Miscellaneous	121	116
Sale of land in Aula Ltd	109	-
	4,133	3,295

8d. AUDITORS REMUNERATION

	30 Jun 19 £000	30 Jun 18 £000
Other operating expenses include:		
Audit fees payable to the College's external auditors	24	24
	24	24

9. STAFF COSTS

	College Fellows & Fellow Commoners 30 Jun 19 £000	Non-Academics 30 Jun 19 £000	Total 30 Jun 19 £000	Total 30 Jun 18 £000
Staff Costs*				
Emoluments	1,460	3,984	5,444	5,355
Social Security Costs	120	311	431	416
Other Pension Costs	611	542	1,153	644
	2,191	4,837	7,028	6,415
Average Staff Numbers				
Academic	59	-	59	61
Non-Academic	-	148*	148	155
Fellow Commoners	17	-	17	12
	76	148	223	228

* The full-time equivalent number for non-academic employees for 2018/19 is 131.87 (2018: 136.64)
The number of officers and employees of the College, including Head of House, who received emoluments in the following ranges was:

	30 Jun 19 £000	30 Jun 18 £000
£100,000 - £110,000	2	0
£110,001 - £120,000	0	0
£120,001 - £130,000	0	1
£130,001 - £140,000	1	0

Key management personnel
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College. This includes aggregated emoluments paid to key management personnel.

	30 Jun 19 £000	30 Jun 18 £000
Key management personnel	573	501

The Trustees received no emoluments in their capacity as Trustees of the Charity

10. FIXED ASSETS

Fixed Assets Group

Tangible Assets	Land & Buildings £000	Equipment £000	Heritage Assets £000	30 Jun 19 Total £000	30 Jun 18 Total £000
Cost or valuation					
At the beginning of the year	91,166	13,495	-	104,661	105,776
Additions	1,125	40	-	1,165	1,618
Disposals at Cost/Valuation	-	(80)	-	(80)	-
Transfer to Investment assets	-			-	(2,733)
Revaluation during the year	-			-	
At the end of the year	92,291	13,455	-	105,746	104,661
Depreciation					
At the beginning of the year	7,030	1,785	-	8,815	7,410
Provided for the year	1,438	149	-	1,587	1,578
Eliminated on Disposal		(10)	-	(10)	-
Transfer to Investment assets					(173)
Revaluation during the year					-
At the end of the year	8,468	1,924	-	10,391	8,815
Net book value					
At the end of the year	83,824	11,532	-	95,355	95,846
At the beginning of the year	84,136	11,710	-	95,846	98,366

Fixed Assets College

Tangible Assets	Land & Buildings £000	Equipment £000	Heritage Assets £000	30 Jun 19 Total £000	30 Jun 18 Total £000
Cost or valuation					
At the beginning of the year	91,694	13,495	-	105,189	106,304
Additions	1,125	40	-	1,165	1,618
Disposals at Cost/Valuation	-	(80)	-	(80)	-
Transfer to Investment assets	-	-	-	-	(2,733)
Revaluation during the year	-	-	-	-	
At the end of the year	92,819	13,455	-	106,274	105,189
Depreciation					
At the beginning of the year	7,030	1,785	-	8,815	7,410
Provided for the year	1,438	149	-	1,587	1,578
Eliminated on Disposal	-	(10)	-	(10)	-
Transfer to Investment assets	-	-	-	-	(173)
Revaluation during the year	-	-	-	-	-
At the end of the year	8,468	1,924	-	10,391	8,815
Net book value					
At the end of the year	84,352	11,531	-	95,883	96,374
At the beginning of the year	84,664	11,710	-	96,375	98,895

The insured value of freehold land and buildings as at 30 June 2019 was £123,521,000
Land and buildings are valued at depreciated replacement cost.
The valuation on 30 June 2012 was carried out by Gerald Eve, Chartered Surveyors.

11. FIXED ASSETS INVESTMETNS AND ENDOWMENT ASSETS

Total Investment Assets	30 Jun 19 Group £000	30 Jun 18 Group £000	30 Jun 19 College £000	30 Jun 18 College £000
Balance as at 1 July 2018	266,482	227,936	251,569	223,294
Additions	58,377	35,789	56,451	35,057
Disposals	(43,026)	(26,227)	(30,675)	(26,303)
Transfer from tangible assets	-	4,625	-	4,625
Appreciation on revaluation	10,343	33,625	10,617	24,162
Decrease in Cash Balances	(5,511)	(9,267)	(5,511)	(9,267)
Balance as at 30 June 2019				
	286,665	266,482	282,452	251,569
Represented by:				
Freehold Land and Buildings	59,126	56,664	54,913	41,750
Quoted Securities – Equities	162,503	158,680	161,009	157,186
Quoted Securities – Indirect Property	3,164	3,343	3,164	3,343
Alternative Investments	2,702	2,464	2,702	2,464
Unquoted Securities – Equities	55,471	36,122	55,471	36,122
Investment In Subsidiary Undertakings	-	-	1,494	1,494
Cash held at Brokers	3,698	9,209	3,698	9,209
	286,665	266,482	282,452	251,569

12. DEBTORS

	30 Jun 19 Group £000	30 Jun 18 Group £000	30 Jun 19 College £000	30 Jun 18 College £000
Members of the College	-	29	-	29
Amounts due from Subsidiary Undertaking	-	-	4,767	4,037
Other Debtors	1,735	3,334	1,564	2,476
Prepayments and accrued income	582	591	582	591
	2,318	3,954	6,913	7,133

13. CASH

Bank Deposits	3	3	3	3
Current Accounts	21,881	4,388	19,851	2,469
Cash in Hand	1	1	1	1
	21,886	4,392	19,856	2,473

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade creditors	568	1,209	506	384
Members of the College	116	88	116	88
Contribution to Colleges Fund	213	159	213	159
Accruals and deferred income	1,534	1,799	1,534	1,799
Other	837	169	617	169
	3,267	3,424	2,986	2,598

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

Barclays,PRICOA and PIC loans (Investment borrowing)	65,000	40,000	65,000	40,000
Cambridge Colleges Bond Issue (Operational borrowing)	10,000	10,000	10,000	10,000
Deferred income	200	414	200	414
	75,200	50,414	75,200	50,414

The Barclays bank loan is repayable in 2047 and bears interest at a blended rate of 4.86%.
During 2014 the College borrowed from institutional investors, collectively with other colleges, the College's share being £10 million. The loans are unsecured and repayable during the period 2043-2053 and are at fixed rates of approximately 4.4%. Although issued through a funding vehicle, the College has no responsibility for the obligations of any other of the issuing colleges.
During 2016 the College borrowed £15 million from the Pricoa Capital Group on private placement, coupon 1.98%, maturity 31 July 2056.
During 2018 the College borrowed £25 million from the Pension Insurance Corporation on private placement, coupon 2.59%, maturity 5 October 2068.

16. PENSION LIABILITIES

	CCFPS 2019	USS 2019	Total 2019	Total 2018
Balance at the beginning of the year CCFPS/USS	5,567	247	5,814	6,199
Recognised in profit and loss	425	174	599	586
Contributions paid by the College	(323)	283	(40)	(382)
Actuarial gain/(loss) recognised in OCI	1,224	-	1,224	(589)
Balance at the end of the year CCFPS/USS	6,893	704	7,596	5,814

17. ENDOWMENT FUNDS

	Restricted Permanent Endowments £000	30 Jun 19 Total £000	30 Jun 18 Total £000
Balance at the beginning of the year:	66,747	66,747	60,693
New endowments received	71	71	563
Transfers	-	-	75
Increase in the market value of investments	3,559	3,559	5,418
Balance at the end of the year	70,377	70,377	66,747
Representing:			
Fellowship funds	22,465	22,465	21,320
Scholarship funds	17,129	17,129	16,236
Prize funds	1,498	1,498	1,422
Hardship funds	6,164	6,164	5,814
Travel grant funds	2,959	2,959	2,809
Other funds	20,161	20,161	19,146
	70,377	70,377	66,747

18. RESTRICTED RESERVES

Group and College	Capital grants unspent £000	Permanent Unspent and other Restricted Income £000	Restricted expendable endowment £000	30 Jun 19 Total £000	30 Jun 18 Total £000
Balance at the beginning of the year:	316	7,773	3,124	11,213	8,804
Income receivable from endowment asset investments	7	1,524	97	1,627	2,378
New Donations	12	108	601	721	1,421
Expenditure	(29)	(1,750)	(496)	(2,275)	(2,182)
Transfers	(320)	-		(320)	-
Increase in the market value of investments	17	415	169	601	788
Balance at the end of the year:	3	8,069	3,494	11,566	11,213
Comprising:					
Capital	-	-	3,494	3,494	3,068
Unspent income	3	8,069	-	8,072	8,140
Balance at the end of the year	3	8,069	3,494	11,566	11,213
Representing:					
Fellowship funds	-	3,115	164	3.279	3,078
Scholarship funds	-	1,392	1,335	2,727	2,570
Prize funds	-	206	45	251	230
Hardship funds	-	453	189	643	563
Travel grant funds	-	311	28	339	300
Other funds	3	2,591	1,733	4,327	4,472
College balance	3	8,069	3,494	11,566	11,213
NCI Group B/Fwd:				753	-
Non-controlling interest share of comprehensive income for the year				20	117
Non-controlling interests acquired APP				185	663
Distributions to non-controlling interests APP				(29)	(26)
Group balance				**12,496**	**11,966**

19. MEMORANDUM OF UNAPPLIED TOTAL RETURN

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

	30 Jun 19 Total £000	30 Jun 18 Total £000
Unapplied Total Return at the beginning of the year	166,703	144,538
Unapplied Total Return for the year (see note 3b)	10,724	22,165
Unapplied Total Return at the end of the year	177,427	166,703

20. RECONCILIATION OF CONSOLIDATED SURPLUS TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	Note	30 Jun 19 Total £000	30 Jun 18 Total £000
Surplus for the year		9,015	34,500
Adjustment for non-cash items			
Depreciation of tangible fixed assets	10	1,587	1,578
(Gain)/loss on endowments, donations and investment property		(10,186)	(32,988)
Pension costs less contributions payable		1,783	(385)
(Increase)/Decrease in stocks		(35)	(12)
(Increase)/Decrease in debtors		1,637	1,047
(Increase)/Decrease in creditors		24,630	296
Contribution to College Fund		201	153
Loss on disposal of fixed assets		70	-
Adjustment for investing or financing activities			
Investment income		(7,131)	(5,012)
Interest payable		1,272	741
Interest receivable		-	-
Investment costs		654	636
Net Cash Flow from Operating Activities		23,496	555

21. CASH FLOWS

CASH FLOWS FROM INVESTMENT ACTIVITIES

Non-current investment disposal		48,537	35,494
Inflation swap disposal		-	-
Investment income		7,131	5,012
Investment costs		(654)	(636)
Endowment funds invested		(58,377)	(37,853)
Payments made to acquire non-current assets		(1,165)	(1,618)
Net Cash Flow from Investing Activities		(4,528)	399

CASH FLOWS FROM FINANCING ACTIVITIES

Bank loans acquired:	15		
Cambridge Colleges bond Issue interest paid		(444)	(444)
Pricoa loan interest paid		(297)	(297)
PIC loan interest paid		(532)	-
Net Cash Flow from Financing Activities		(1,272)	(741)

22. ANALYSIS OF CASH AND BANK BALANCES

	At the beginning of the year £000	Cash Flows £000	At the end of the year £000
Bank overdrafts	-	-	-
Cash at bank and in hand	4,392	17,494	21,886
Net funds	4,392	17,494	21,886

23. CAPITAL COMMITMENTS

	30 Jun 19 £000	30 Jun 18 £000
Capital commitments as at 30 June 2019 are as follows:		
Authorised and contracted	-	-
Authorised by not yet contracted for	-	-

24. FINANCIAL COMMITMENTS

As at 30 June 2019 the College had no annual commitments under non-cancellable operating leases.

25. PENSION SCHEMES

The College participates in two defined benefit pension schemes, the Universities Superannuation Scheme (USS) and the Cambridge Colleges Federated Pension Scheme (CCFPS) and two defined contribution schemes, the Cambridge Colleges Group Personal Pension Scheme (CCGPPS) and NEST. The total pension cost for the period was £696,000 (2018: £644,000).

Universities Superannuation Scheme

The total cost charged to the profit and loss account is £174,000 (2018: £148,000) as shown in note 16.

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

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

The 2017 valuation was the fourth valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £60 billion and the value of the scheme’s technical provisions was £67.5 billion indicating a shortfall of £7.5 billion and a funding ratio of 89%.

The key financial assumptions used in the 2017 valuation are described below. More detail is set out in the Statement of Funding principles.

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
Discount rate (forward rates)	Years 1-10: CPI-0.53% reducing linearly to CPI-1.32% Years 11-20: CPI+2.56% reducing linearly to CPI +1.7% by year 21 Years 21+: CPI+1.7%

25. PENSION SCHEME (Continued)

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2017 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2017 valuation
Mortality base table	Pre- retirement: 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females Post retirement: 96.5% of SAPS S1NMA "light" for males and 101.3% of RFV00 for females
Future improvements to mortality	CMI_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	2019	**2018**
Males currently aged 65	24.6	24.5
Females currently aged 65	26.1	26.0
Males currently aged 45	26.6	26.5
Females currently aged 45	27.9	27.8

A new deficit recovery plan was put in place as part of the 2017 valuation, which requires payment of 5% of salaries over the period 1 April 2020 to 30 June 2034. The 2019 pension liability provision reflects this plan. The provision figures have been produced using the following assumptions as at 31 March 2018 and 2019.

	2019	**2018**
Discount rate	2.44%	2.64%
Pensionable salary growth	n/a	n/a
Price inflation (CPI)	2.11%	2.02%

Since the year end, following the completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed. This amends the existing deficit recovery plan as set out in the 2017 valuation Schedule of Contributions. This new plan requires deficit payments of 2% of salaries from 1 October 2019 to 30 September 2021 and then payments of 6% of salaries from 1 October 2021 to 31 March 2028. As at 30 June 2019 and assuming all other assumptions used to calculate the provision remain unchanged, this would have resulted in a revised provision of £175,707, a decrease of £281,570 from the current year end provision.

Cambridge Colleges Federated Pension Scheme

The College is a member of a multi-employer defined benefit scheme, the Cambridge Colleges Federated Pension Scheme, in the United Kingdom. The Scheme is a defined benefit final salary scheme that was originally set up, under an interim Trust Deed, on 9 July 1977 as a defined benefit scheme. The Scheme is deemed to be a registered pension scheme under the terms of Schedule 36 of the Finance Act 2004.

The major actuarial assumptions at the balance sheet date were:

	30 June 2019	**30 June 2018**
Discount rate	2.25%	2.70%
Increase in salaries	2.90%	2.75%
RPI assumption	3.40%	3.25%
CPI assumption	2.40%	2.25%
Pension increases in payment (RPI Max 5% pa)	3.30%	3.15%
Pension increases in payment (CPI Max 2.5% pa)	1.90%	1.80%

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2018 future improvement factors and a long term rate of future improvement of 1.25% pa (2018: S2PA with CMI_2017 future improvement factors and a long term future improvement rate of 1.25% pa). This results in the following life expectancies:

25. PENSION SCHEME (Continued)

- Male age 65 now has a life expectancy of 21.8 years
- Female age 65 now has a life expectancy of 24.00 years
- Male age 45 now and retiring in 20 years has a life expectancy of 23.1 years
- Female age 45 now and retiring in 20 years has a life expectancy of 25.5 years

Employee Benefit Obligations

The amounts recognised in the balance sheet are as follows:

	30 Jun 2019 £000	**30 Jun 2018 £000**
Present value of Scheme liabilities	(18,817)	(16,375)
Market value of Scheme assets	11,925	10,809
Net defined benefit asset/(liability)	**(6,892)**	**(5,567)**
The amounts recognised in profit or loss are as follows:		
Current service cost	229	263
Administrative expenses	21	19
Interest on net defined benefit (asset)/liability	151	156
(Gain)/loss on plan changes	22	-
Total	424	438
Changes in the present value of the plan liabilities are as follows:		
Present value of plan liabilities at beginning of period	16,375	16,458
Current service cost (including employee's contributions)	326	374
Interest on plan liabilities	441	428
Actuarial losses/(gains)	2,022	(479)
Benefits paid	(369)	(406)
(Gain)/loss on plan changes	22	
Present value of plan liabilities at end of period	**18,817**	**16,375**
Changes in the fair value of the plan are as follows:		
Market value of plan assets at beginning of period	10,809	10,526
Interest on plan assets	290	272
Return on assets, less interest included in profit and loss	811	125
Contributions by College	323	214
Employee contributions	94	111
Benefits paid	(403)	(440)
Market value of plan at end of period	**11,924**	**10,809**

The major categories of plan assets as a percentage of total Scheme assets were:

	30 Jun 19	**30 Jun 18**	**30 Jun 17**	**30 Jun 16**
Equities and Hedge Funds	57%	64%	67%	59%
Bonds & Cash	34%	30%	27%	35%
Property	9%	6%	6%	6%
Total	100%	100%	100%	100%

The plan has no investments in property occupied by, assets used by or financial instruments by the College.

Analysis of the re-measurement of the net defined liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2019 (with comparative figures for the year ending 30 June 2018) are as follows:

25. PENSION SCHEMES (Continued)

	30 Jun 19	30 Jun 18
Actual return less expected return on plan assets	811	125
Experience gains and losses arising on plan liabilities	(34)	(305)
Changes in assumptions underlying present value of plan liabilities	(2001)	769
Actuarial gain/(loss) recognised in OCI	**(1,224)**	**589**

Movement in surplus/(deficit) during the year ending 30 June 2019 (with comparative figures for the year ending 30 June 2018):

	30 Jun 19	30 Jun 18
Surplus/(deficit) in plan at beginning of year	(5,567)	(5,932)
Recognised in profit and loss	(424)	(438)
Contributions paid by the College	323	214
Actuarial gain/(loss) recognised in OCI	(1,224)	589
Surplus/(deficit) in plan at the end of the year	**(6,892)**	**(5,567)**

Funding Policy

Funding valuations are carried out every three years on behalf of the Management Committee, acting as the Trustee of the Scheme, by a qualified independent actuary. The actuarial assumptions underlying the funding valuation are different to those adopted under FRS102. The last valuation was at 31 March 2017. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall. These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 3 June 2018 and are as follows:

- Annual contributions of not less than £170,487 pa payable for the period from 1 July 2018 to 31 March 2034.

The total pension cost, after personal health insurance contributions, for the year ended 30 June 2019 (see note 9) were as follows:

	30 Jun 19 £000	30 Jun 18 £000
USS: charged to I&E	631	148
CCFPS: charged to I&E	425	438
CCGPPS: Contributions	75	46
NEST: contributions	22	15
	1,153	644

26. PRINCIPAL SUBSIDIARY AND ASSOCIATED UNDERTAKINGS AND OTHER SIGNIFICANT INVESTMENTS

The College's investment in subsidiary undertakings represents 100% of the share capital of Aula Limited, Trinity Hall Residences (1) Limited, Aula Hospitality Limited, Aula America and Aula (2) Ltd, all of which are incorporated in England except Aula America which is incorporated in Delaware. 90.09% of Aula Property Partnership LLP was acquired in August 2017.

The College's subsidiary company in Hong Kong, Trinity Hall (Hong Kong) Limited, a company limited by guarantee has not been consolidated. The company was 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. We are currently in the process of de-registering the company in Hong Kong.

27. RELATED PARY 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.

In addition, the College has provided loans to its fellows as part of a Shared Equity Scheme. These amounts are included in debtors, £569,423 (2018: £569,423).

28. CONTINGENT LIABILITIES AND ASSETS

USS Pension Scheme

A contingent liability exists in relation to the pension valuation recovery plan, since the College is an employer of members within the scheme. The contingent liability relates to the amount generated by past service of current members and the associated proportion of the deficit. Given that the scheme is a multi-employer scheme and the College is unable to identify its share of the underlying assets and liabilities, the contingent liability is not recognised as a provision on the balance sheet. The associated receivable from the scheme in respect of the College's expenditure is similarly not recognised.

29. NON-CONTROLLING INTERESTS

Non-controlling interests represent the interests of minority shareholders in the total comprehensive income and net assets of Aula Property Partnership LLP where the College holds less than 100% of Total Members Interest in the LLP. The movement in non-controlling interests in the statement of total comprehensive income and restricted reserves of the Group were as follows:

	30 Jun 19	**30 Jun 18**
Opening balance as at 01 July 2017	754	-
Total comprehensive income attributable to non-controlling interests	20	117
Acquisition of non-controlling interest	185	663
Dividends paid to non-controlling interests	(29)	(26)
	930	**754**

30. POST BALANCE SHEET EVENT

USS Pension Scheme

Since the year end, following the completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed. This amends the existing deficit recovery plan as set out in the 2017 valuation Schedule of Contributions. The new plan required deficit payments of 2% of salaries from 1 October 2019 to 30 September 2021 and then payments of 6% of salaries from 1 October 2021 to 31 March 2028. As at 30 June 2019 and assuming all other assumptions used to calculate the provision remain unchanged, this would have resulted in a revised provision of £422,416 a decrease of £281,569 from the current year end provision and a lower charge through the Statement of Comprehensive Income of £281,569.