

Section A: Unaudited accounts in respect of academic activities

The scope and basis of preparation differ from the University's financial statements for 2021–22 in that these unaudited accounts exclude the income and expenditure, assets and liabilities of Cambridge University Press & Assessment (and its subsidiary undertakings) and also exclude from consolidation the associated Trusts. In order to distinguish these accounts from the University's financial statements they are referred to as unaudited accounts in respect of academic activities.

The unaudited accounts have been prepared following the same accounting policies as the audited financial statements for the year ended 31 July 2022. Investment income includes the full value of distributions from the Cambridge University Endowment Fund.

The Academic Group accounts included below reflect the consolidated position of the Academic University together with the 31 subsidiary undertakings listed against 'Academic' in Section B.

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME IN RESPECT OF ACADEMIC ACTIVITIES FOR THE YEAR ENDED 31 JULY 2022

	Note	Academic Group Year ended 31 July 2022 £m	Academic Group Year ended 31 July 2021 £m	Academic University Year ended 31 July 2022 £m	Academic University Year ended 31 July 2021 £m
Income					
Tuition fees and education contracts	<i>i</i>	376.2	339.5	362.5	332.1
Funding body grants	<i>ii</i>	197.3	212.9	197.3	212.9
Research grants and contracts	<i>iii</i>	551.8	588.6	540.9	580.4
Donations and endowments	<i>iv</i>	39.5	97.7	42.6	101.3
Other income	<i>vi</i>	191.5	182.0	172.6	167.8
Investment income	<i>vii</i>	115.3	101.8	108.4	100.6
Total income		1,471.6	1,522.5	1,424.3	1,495.1
Expenditure					
Staff costs					
- Staff costs excluding impact of USS deficit recovery	<i>viii</i>	742.2	703.5	721.3	684.9
- USS deficit recovery	<i>viii</i>	245.9	4.8	241.1	5.0
		988.1	708.3	962.4	689.9
Other operating expenses	<i>ix</i>	583.9	522.7	555.4	512.5
Depreciation	<i>ix, xiv</i>	85.1	88.0	84.5	87.3
Interest and other finance costs	<i>xi</i>	(146.9)	53.0	(146.9)	53.0
Total expenditure		1,510.2	1,372.0	1,455.4	1,342.7
Surplus before other gains and losses and share of surplus / (deficit) in joint ventures and associates		(38.6)	150.5	(31.1)	152.4
Share of operating surplus / (deficit) in joint ventures and associates		0.4	0.1	-	-
Gain on disposal of fixed assets		8.2	0.1	8.2	0.1
Gain / (loss) on other investments	<i>xvi</i>	63.5	548.7	54.6	518.5
Gain / (loss) on investment property	<i>xvi</i>	(2.9)	5.8	(2.9)	5.8
Surplus before tax		30.6	705.2	28.8	676.8
Taxation	<i>xii</i>	0.0	-	-	-
Surplus for the year		30.6	705.2	28.8	676.8
Other comprehensive expense:					
Actuarial loss		549.8	(4.5)	549.8	(4.5)
Loss arising on foreign currency translation		(1.2)	(0.1)	-	-
Total comprehensive income /(expense) for the year		579.2	700.6	578.6	672.3
Represented by:					
Endowment comprehensive income / (expense) for the year	<i>xxiv</i>	92.9	389.3	92.7	388.3
Restricted comprehensive income for the year	<i>xxv</i>	7.8	129.0	7.6	129.0
Unrestricted comprehensive income for the year		478.5	182.3	478.3	155.0
		579.2	700.6	578.6	672.3

Section A: Unaudited accounts in respect of academic activities (continued)

**UNAUDITED STATEMENT OF FINANCIAL POSITION IN RESERVES IN RESPECT OF ACADEMIC ACTIVITIES
AS AT 31 JULY 2022**

		Academic Group 31 July 2022	Academic Group 31 July 2021 (restated*)	Academic University 31 July 2022	Academic University 31 July 2021 (restated*)
	Note	£m	£m	£m	£m
Non-current assets					
Intangible assets	xiii	0.2	0.3	–	–
Tangible assets	xiv	2,461.9	2,440.1	2,468.6	2,446.3
Heritage assets	xv	82.2	77.4	82.2	77.4
Investments - other investments	xvii	3,438.8	3,075.3	3,378.1	3,019.8
Investments - investment property	xviii	562.3	589.9	562.3	589.9
Investments - joint ventures	xvii	0.7	0.5	–	–
		6,546.1	6,183.5	6,491.2	6,133.4
Current assets					
Stocks and work in progress	xvii	2.1	1.9	1.8	1.5
Trade and other receivables	xviii	240.2	244.5	243.3	244.5
Investments	xix	1,488.3	1,510.0	1,491.9	1,513.6
Cash and cash equivalents	xx	384.6	497.0	366.8	476.7
		2,115.2	2,253.4	2,103.8	2,236.3
Creditors: amounts falling due within one year	xxi	(1,667.8)	(1,599.0)	(1,660.1)	(1,584.8)
Net current assets		447.4	654.4	443.7	651.5
Total assets less current liabilities		6,993.5	6,837.9	6,934.9	6,784.9
Creditors: amounts falling due after more than one year	xxii	(969.5)	(1,112.0)	(968.9)	(1,111.8)
Pension liabilities	xxiii	(684.9)	(966.0)	(678.1)	(963.8)
Total net assets		5,339.1	4,759.9	5,287.9	4,709.3
Restricted reserves					
Income and expenditure reserve - endowment	xxiv	2,161.9	2,069.0	2,157.6	2,064.9
Income and expenditure reserve - restricted	xxv	190.0	182.2	189.6	182.0
Unrestricted reserves					
Income and expenditure reserve - unrestricted		2,987.2	2,508.7	2,940.7	2,462.4
Total reserves		5,339.1	4,759.9	5,287.9	4,709.3

* Refer to Note xxviii for details of the restatement.

Section A: Unaudited accounts in respect of academic activities (continued)

**UNAUDITED STATEMENT OF FINANCIAL POSITION IN RESERVES IN RESPECT OF ACADEMIC ACTIVITIES
AS AT 31 JULY 2022**

	Endowment £m	Restricted £m	Unrestricted £m	Total £m
Group				
Balance at 1 August 2020	1,679.7	153.3	2,226.3	4,059.3
(Deficit) / surplus for the year ended 31 July 2021	389.3	129.0	186.8	705.1
Other comprehensive expense	–	–	(4.5)	(4.5)
Total comprehensive (expense) / income for the year ended 31 July 2021	389.3	129.0	182.3	700.6
Release of restricted capital funds spent in the year ended 31 July 2021	–	(100.1)	100.1	–
Balance at 31 July 2021	2,069.0	182.2	2,508.7	4,759.9
Surplus for the year ended 31 July 2022	92.9	7.8	(71.3)	29.3
Other comprehensive expense	–	–	549.8	549.8
Total comprehensive income for the year ended 31 July 2022	92.9	7.8	478.5	579.2
Balance at 31 July 2022	2,161.9	190.0	2,987.2	5,339.1
University				
Balance at 1 August 2020	1,676.6	153.0	2,207.4	4,037.0
(Deficit) / surplus for the year ended 31 July 2021	388.3	129.0	159.5	676.8
Other comprehensive expense	–	–	(4.5)	(4.5)
Total comprehensive (expense) / income for the year ended 31 July 2021	388.3	129.0	155.0	672.3
Release of restricted capital funds spent in the year ended 31 July 2021	–	(100.0)	100.0	–
Balance at 31 July 2021	2,064.9	182.0	2,462.4	4,709.3
Surplus for the year ended 31 July 2022	92.7	7.6	(71.5)	28.8
Other comprehensive expense	–	–	549.8	549.8
Total comprehensive income for the year ended 31 July 2022	92.7	7.6	478.3	578.6
Balance at 31 July 2022	2,157.6	189.6	2,940.7	5,287.9

Section A: Unaudited accounts in respect of academic activities (continued)

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

	Academic Group 2022 £m	Academic Group 2021 £m	Academic University 2022 £m	Academic University 2021 £m
i Tuition fees and education contracts				
Full-time home / EU students	137.3	142.3	137.3	142.3
Full-time overseas (non-EU) students	168.5	138.6	168.5	138.6
Other course fees	43.9	28.7	30.2	21.3
Research Training Support Grants	26.5	29.9	26.5	29.9
	376.2	339.5	362.5	332.1
ii Funding body grants				
Office for Students (OfS):				
Recurrent grant: teaching	18.8	17.8	18.8	17.8
Recurrent grant: research	144.3	133.7	144.3	133.7
Recurrent grant: museum funding	2.3	2.1	2.3	2.1
Other revenue grants	12.1	14.1	12.1	14.1
Total revenue grants	177.5	167.7	177.5	167.7
Capital grants recognised in the year	19.8	45.2	19.8	45.2
	197.3	212.9	197.3	212.9
iii Research grants and contracts				
Research councils	169.7	200.2	169.7	200.2
UK-based charities	166.1	160.9	164.8	160.8
European Commission	50.7	52.5	50.7	52.5
UK industry	24.1	22.4	23.3	21.4
UK government	50.7	49.2	50.5	49.1
Other bodies	90.5	103.4	81.9	96.4
	551.8	588.6	540.9	580.4
Total research grants and contracts income includes grants of £9.3m (2021: £41.6m) towards the cost of buildings and £14.0m (2021: £21.8m) for the purchase of equipment.				
iv Donations and endowments				
New endowments	4.2	43.6	4.2	43.6
Donations of, and for the purchase of, fixed assets	2.0	1.2	2.0	1.2
Donations of, and for the purchase of, heritage assets	4.9	3.7	4.9	3.7
Other donations with restrictions	11.6	36.9	11.6	36.9
Donations from subsidiary companies	1.4	-	4.8	3.6
Unrestricted donations	15.4	12.3	15.1	12.3
	39.5	97.7	42.6	101.3
Included within donations from subsidiary companies to the Academic University is £1.9m (2021: £1.0m) relating to capital donations received for the purchase of fixed assets.				
v Sources of grant and fee income				
Grant income from the OfS	22.0	23.5	22.0	23.5
Grant income from other bodies	175.2	189.4	175.2	189.4
Fee income for taught awards *	259.7	233.8	246.0	226.4
Fee income for research awards *	72.9	72.8	72.9	72.8
Fee income from non-qualifying courses †	43.7	32.9	43.7	32.9
	573.5	552.4	559.8	545.0

* Exclusive of Value Added Tax

Grant and fee income for the Academic Group consist of Tuition fees and education contracts of £376.2m (2021: 339.5m) and Funding body grants of £197.3m (2021: £212.9m). Grant income from the OfS relates to income received by the University for the provision of, or in connection with, education-related activities. This includes recurrent teaching funding and non-recurrent funding, such as grants for capital infrastructure. Grant income from other bodies reflects grants from UK Research and Innovation (UKRI), Research England and other bodies. Fee income for taught and research awards includes fees received for both undergraduate and postgraduate awards but excludes research training support grants. Fee income from non-qualifying courses are fees paid by students (or others on their behalf) for non-credit-bearing courses, further education courses, research training support or any other courses not included in the other categories. The above table excludes the grant income received and reported through other income (see Note vi).

Section A: Unaudited accounts in respect of academic activities (continued)

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

	Academic Group 2022 £m	Academic Group 2021 £m	Academic University 2022 £m	Academic University 2021 £m
vi Other income				
Other services rendered	70.9	55.7	58.0	47.1
Health and hospital authorities	22.0	21.6	22.0	21.6
Residences, catering, and conferences	8.9	4.4	8.7	4.3
Income from intellectual property	1.5	2.7	-	-
Rental income	22.9	22.6	20.5	20.2
Grants received (other than those included in Notes ii and iii above)	5.7	12.5	2.7	9.8
Transferred from Cambridge University Press & Assessment	30.3	28.1	30.3	28.1
Sundry income	29.3	34.4	30.4	36.7
	191.5	182.0	172.6	167.8

Other services rendered includes externally generated sales across a wide variety of activities such as University staff and equipment charged out on external projects, the provision of veterinary services, farming sales (crop and milk), and restoration services.

The transfers from Cambridge University Press & Assessment include the annual contribution of approximately 30% of the operational surpluses of these operations.

vii Investment income				
Income from non-current asset investments	110.5	97.8	103.6	96.6
Income from current asset investments and cash equivalents	4.8	4.0	4.8	4.0
	115.3	101.8	108.4	100.6
Credited to:				
Permanent endowment reserves	56.4	52.4	56.3	52.3
Expendable endowment reserves	11.3	10.2	11.3	10.1
Restricted reserves	2.7	2.3	2.7	2.3
Unrestricted reserves	44.9	36.9	38.1	35.9
	115.3	101.8	108.4	100.6

Section A: Unaudited accounts in respect of academic activities (continued)

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

viii Staff costs	Academic Group 2022 £m	Academic Group 2021 £m	Academic University 2022 £m	Academic University 2021 £m
Wages and salaries	529.7	502.2	512.4	486.7
Social security costs	61.1	54.0	57.5	52.8
Pension costs:				
Current service cost	160.1	154.5	160.1	152.5
Net change in underlying assumptions in calculating USS deficit recovery provision (see Note xxii)	237.1	(2.4)	232.4	(2.1)
Total pension costs (see below)	397.2	152.1	392.5	150.4
	988.1	708.3	962.4	689.9
The average number of staff employed in the year, expressed as full-time equivalents, was:	11,817	11,763	11,493	11,477

Following the update for the 2020 valuation of the Universities Superannuation Scheme (USS), the impact of the change in assumptions (net of contributions payable on staff costs resulting from the revised deficit recovery funding plan is noted above. The non-cash charge to staff costs resulting from the change in assumptions, including the change in discount rate, is £245.9m (2021: £4.8m). Cash contributions made to reduce the deficit in the year amounted to £8.8m (2021: £7.2m) resulting in a net charge to staff costs of £237.1m (2021: credit of £2.4m) for the year.

Remuneration and pay ratios of the Vice-Chancellor

The remuneration of the current Vice-Chancellor is detailed in the table below and relates to the year from 1 August 2021 to 31 July 2022 with the comparative relating to the year from 1 August 2020 to 31 July 2021.

	2022 £000	2021 £000
Salary for the period	385	379
Deductions to reflect salary sacrifice arrangements	(10)	(9)
Net salary paid in the year	375	370
Taxable benefits in kind	52	24
Non-taxable benefits in kind	22	19
Total excluding employer pension contributions	449	413
Employer pension contributions	31	17
Payments made in lieu of pension	46	45
Total remuneration	526	475

Salary for the period is the basic contractual salary before adjusting for salary sacrifice arrangements under which, in common with other employees, the Vice-Chancellor sacrificed an amount of pay relating to enhanced opt-out benefits for Death in Service and Ill Health. The employer pension contributions reflect both the employer payments for these benefits over to the Universities Superannuation Scheme and the Vice-Chancellor's contribution of £9,617 (2021: £9,475).

Taxable benefits in kind include private healthcare of £2,732 (2021: £4,883) and accommodation, utilities and property taxes of £49,750 (2021: £18,657).

HMRC wrote to all universities in April 2019 to warn that proposed changes to HMRC's interpretation of the relevant legislation would likely result in the provision of any accommodation associated with employment becoming a taxable benefit from 6 April 2021. For many universities, including Cambridge, the subsequent change affected official residences occupied by university leaders. The University of Cambridge had to reassess, from 6 April 2021, the way in which it covers the costs of the Vice-Chancellor's Lodge. The Lodge is provided to the Vice-Chancellor as part of his employment contract and the post holder is contractually required to reside there. The taxable accommodation benefit has been calculated on a basis agreed with HMRC, using the 'employer-related living accommodation' rules. The University Council approved an equalisation payment to the Vice-Chancellor in post during 2021-22 to cover the additional costs arising from the change in tax position, given the exceptional circumstances of the change occurring during the Vice-Chancellor's contract. Equalisation payments made during the year relate to liabilities that arose during the current and previous years. These payments are not additional remuneration; they were made to ensure that the Vice-Chancellor's financial position was the same as it was before HMRC made this change. Such equalisation payments will not be made to the new Vice-Chancellor.

Non-taxable benefits include flights home and related airport transfers of £22,324 (2021: £5,117).

Pay ratios:

(a) The Vice-Chancellor's basic salary is 10.5 times (2021: 10.7) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University to its staff. The comparative ratio reflects the full year basic salary equivalent for the Vice-Chancellor.

(b) The Vice-Chancellor's total remuneration is 11.9 times (2021: 11.2) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the total remuneration paid by the University to its staff. The comparative ratio reflects the full year remuneration equivalent for the Vice-Chancellor. The increase is due primarily to the change in tax treatment for accommodation and increase in non-taxable benefits noted above.

The median pay calculation includes over 1,013 (2021: 832) agency staff employed on temporary contracts through the University's Temporary Employment Service (TES).

Section A: Unaudited accounts in respect of academic activities (continued)

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

viii Staff costs (continued)

Basic salary bandings for higher paid staff

The number of staff (FTE's) with a basic salary (including market pay supplements) in excess of £100,000 per annum, before salary sacrifice arrangements is outlined below:

	Clinical		Non-clinical		Total number	
	2022	2021	2022	2021	2022	2021
£100,001 - £105,000	33	12	34	54	67	66
£105,001 - £110,000	34	19	58	52	92	71
£110,001 - £115,000	5	35	44	17	49	52
£115,001 - £120,000	45	8	18	29	63	37
£120,001 - £125,000	13	6	23	20	36	26
£125,001 - £130,000	5	8	19	13	24	21
£130,001 - £135,000	6	2	9	8	15	10
£135,001 - £140,000	1	–	7	9	8	9
£140,001 - £145,000	–	–	14	11	14	11
£145,001 - £150,000	–	1	10	15	10	16
£150,001 - £155,000	–	–	11	6	11	6
£155,001 - £160,000	–	–	5	11	5	11
£160,001 - £165,000	–	–	7	5	7	5
£165,001 - £170,000	–	–	3	3	3	3
£170,001 - £175,000	–	–	5	4	5	4
£175,001 - £180,000	–	–	5	3	5	3
£180,001 - £185,000	1	–	3	3	4	3
£185,001 - £190,000	–	–	5	2	5	2
£190,001 - £195,000	–	–	1	3	1	3
£195,001 - £200,000	–	–	1	1	1	1
£200,001 - £205,000	–	–	–	1	–	1
£205,001 - £210,000	–	–	4	3	4	3
£210,001 - £215,000	–	–	1	1	1	1
£215,001 - £220,000	–	–	1	1	1	1
£220,001 - £225,000	–	–	2	–	2	–
£225,001 - £230,000	–	–	–	1	–	1
£230,001 - £235,000	–	–	–	1	–	1
£235,001 - £240,000	–	–	1	–	1	–
£240,001 - £245,000	–	–	1	1	1	1
£245,001 - £250,000	–	–	1	–	1	–
£295,001 - £300,000	–	–	–	–	–	–
£305,001 - £310,000	–	–	–	1	–	1
£335,001 - £340,000	–	–	–	1	–	1
£340,001 - £345,000	–	–	1	–	1	–
£345,001 - £350,000	–	–	–	–	–	–
£350,001 - £355,000	–	–	–	–	–	–
£355,001 - £360,000	–	–	–	–	–	–
£360,001 - £365,000	–	–	–	–	–	–
£365,001 - £370,000	–	–	–	–	–	–
£370,001 - £375,000	–	–	–	–	–	–
£375,001 - £380,000	–	–	–	1	–	1
£380,001 - £385,000	–	–	1	–	1	–
£385,001 - £390,000	–	–	–	–	–	–
£390,001 - £395,000	–	–	–	–	–	–
£395,001 - £400,000	–	–	–	–	–	–
£400,001 - £405,000	–	–	1	–	1	–
	143	91	295	281	438	372

The above bandings also include the Vice-Chancellor.

Compensation for loss of office

Aggregate payments for compensation for loss of office were paid to 440 members of staff in 2021-22 (427 in 2020-21):	2022	2021
	£000	£000
Payments in respect of loss of office	3,306	3,704

Under OfS revised guidance, payments made on termination of fixed term contracts should now be included within the disclosure of compensation for loss of office. As a result the comparative staff numbers and associated payments have been restated accordingly.

Key management personnel

The total remuneration of the Vice-Chancellor, the Pro-Vice-Chancellors, Chief Financial Officer and Registry for the year (or part thereof), comprising salary and benefits (taxable and non taxable), employer pension contributions and before salary sacrifice arrangements, was:	2,263	2,159
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The total Group pension cost for the year was:

	Employer contributions	Provisions (Note xxiii)	Total	Employer contributions	Provisions (Note xxiii)	Total
	2022	2022	2022	2021	2021	2021
	£m	£m	£m	£m	£m	£m
USS	113.5	237.1	350.6	110.6	(2.4)	108.2
CPS	21.2	17.7	38.9	20.9	15.2	36.1
NHSPS	2.9	–	2.9	2.6	–	2.6
Other pension schemes	4.9	–	4.9	5.3	(0.1)	5.2
	142.5	254.8	397.3	139.4	12.7	152.1

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NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

ix Analysis of consolidated expenditure by activity

	Staff costs £m	Other operating expenses £m	Depreciation £m	Interest payable £m	2022 Total £m	2021 Total £m
Academic departments	304.1	59.4	6.5	-	370.0	356.4
Academic services	41.3	14.6	1.4	-	57.3	48.7
Payments to Colleges	-	84.7	-	-	84.7	80.4
Research grants and contracts	247.9	197.1	20.9	-	465.9	471.5
Other activities:						
Other services rendered	24.5	41.7	0.5	-	66.7	56.7
Intellectual property	7.9	16.3	-	-	24.2	9.5
Residences, catering and conferences	2.3	10.5	-	-	12.8	5.2
Other activities total	34.7	68.5	0.5	-	103.7	71.4
Administration and central services:						
Administration	70.1	45.9	1.2	0.2	117.4	82.8
General educational	6.5	34.4	-	-	40.9	37.0
Staff and student facilities	4.1	1.0	-	-	5.1	4.5
Development office	8.3	5.7	-	-	14.0	12.8
Other	2.4	2.1	(0.3)	-	4.2	8.7
Administration and central services total	91.4	89.1	0.9	0.2	181.6	145.8
Premises	18.6	70.5	54.9	-	144.0	134.7
Interest payable on bond liabilities	-	-	-	(161.1)	(161.1)	38.1
Pension cost adjustments for USS (see Note xxiii)	232.4	-	-	1.4	233.8	(1.2)
Pension cost adjustments for CPS (see Note xxiii)	17.7	-	-	12.6	30.3	26.2
Total per income and expenditure account	988.1	583.9	85.1	(146.9)	1,510.2	1,372.0

x Access and participation

The spend incurred directly by the University in respect of access and widening participation activities for the financial year ended 31 July 2022 is outlined below. As this is the first year of disclosure in the financial statements there is no comparative shown.

	2022 £m	2021 £m
Access investment	1.8	1.6
Financial support for students	5.2	4.9
Support for disabled students	1.5	1.0
Research and evaluation	0.2	0.2
	8.7	7.7

Included within the above spend are staff costs amounting to £2.5m (2020-21: £2.2m) which are included within the staff note disclosures in Note viii.

The above spend reflects the investment made by the Academic University only and does not reflect any additional spend undertaken by the individual Colleges on these activities. The Colleges are not consolidated as part of the University's financial statements. However, due to the collegiate nature of the University, the access and participation plans provided to the OfS annually include activities undertaken by both the University and the Colleges. The combined University and Colleges access and participation plans, which do not form part of the audited financial statements, can be found at:

<https://www.undergraduate.study.cam.ac.uk/access-and-participation-plans>

Section A: Unaudited accounts in respect of academic activities (continued)

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

xi Interest and other finance costs	Academic Group 2022 £m	Academic Group 2021 £m	Academic University 2022 £m	Academic University 2021 £m
Interest (credited) / payable and other finance costs on bond liabilities (see Note xxii)	(161.1)	38.1	(161.1)	38.1
Interest on pension liabilities (see Note xxiii)	14.0	12.2	14.0	12.2
Finance charge associated with the revaluation of forward exchange contracts	0.2	2.7	0.2	2.7
	(146.9)	53.0	(146.9)	53.0

The University is exposed to certain foreign currency transactions as part of its normal course of activities. The University enters into forward exchange contracts in order to provide greater certainty over the settlement exchange rates. To the extent that these contracts are unsettled at the balance sheet date they are revalued at that date with the resultant charge or credit being recognised through finance costs.

Interest payable and other finance costs on bond liabilities can be analysed as follows:

Bond liabilities - unsecured 2052 (fixed interest)	13.2	13.2	13.2	13.2
Bond liabilities - unsecured 2078 (fixed interest)	7.1	7.1	7.1	7.1
Bond liabilities - unsecured 2068 (index-linked, amortising from 2028)	(181.4)	17.8	(181.4)	17.8
	(161.1)	38.1	(161.1)	38.1

Included within the 2068 index-linked bond liabilities interest and finance costs is the adjustment to revalue the liabilities to their fair value at the balance sheet date. The credit recognised as a result of this revaluation is £182.2m (2021: charge of £17.0m).

For further details on these bond liabilities see Note xxii.

xii Taxation

Due to the exempt charity status of the University, the tax charge for UK Corporation Tax is typically nil. In addition, the University has £12.1m (2021: £12.1m) of unused Research Development Expenditure Credit (RDEC) brought forward from prior periods. This has not been recognised as an asset due to the lack of certainty that future taxable surpluses will be available against which to offset these credits.

xiii Intangible assets	2022 Total £m	2021 Total £m
Group		
Cost		
Opening balance	0.8	0.7
Additions	-	0.1
Disposals	-	-
Transfers (to) / from other balance sheet accounts	-	-
Transfers	-	-
Currency adjustments	-	-
Closing balance	0.8	0.8
Accumulated depreciation		
Opening balance	0.5	0.3
Charge for the year	0.1	0.2
Elimination on disposals	-	-
Transfers (to) / from other balance sheet accounts	-	-
Transfers	-	-
Currency adjustments	-	-
Closing balance	0.6	0.5
Net book value		
At 31 July	0.2	0.3
At 1 August	0.3	0.4

Software is the only type of intangible included above. Amortisation of intangibles, is included within 'other operating expenses' in the statement of comprehensive income.

Section A: Unaudited accounts in respect of academic activities (continued)

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

xiv Tangible assets	Non-Leasehold		Leasehold	Assets in	Equipment	2022	2021
	Land	Buildings	Buildings	construction		Total	Total
Group	£m	£m	£m	£m	£m	£m	£m
Cost							
Opening balance	338.4	1,695.8	333.2	345.3	421.0	3,133.7	2,952.3
Additions	-	-	-	83.2	23.5	106.7	193.8
Transfers	-	56.1	55.1	(111.2)	-	-	-
Transfers (to) / from investment properties	-	-	-	-	-	-	(1.1)
Disposals	-	-	-	-	(10.1)	(10.1)	(11.1)
Currency adjustments	-	-	-	-	0.3	0.3	(0.2)
Closing balance	338.4	1,751.9	388.3	317.3	434.7	3,230.5	3,133.7
Accumulated depreciation							
Opening balance	-	285.5	43.8	-	364.2	693.6	617.1
Charge for the year	-	48.4	9.0	-	27.7	85.1	88.0
Transfers (to) / from investment properties	-	-	-	-	-	-	(0.2)
Elimination on disposals	-	-	-	-	(10.1)	(10.1)	(11.2)
Currency adjustments	-	-	-	-	0.1	0.1	(0.1)
Closing balance	-	333.9	52.8	-	381.9	768.6	693.6
Net book value							
At 31 July	338.4	1,418.0	335.5	317.3	52.7	2,461.8	2,440.1
At 1 August	338.4	1,752.0	289.3	345.3	56.7	2,440.1	2,335.2

The net book value of leasehold land included in the above table is £30.8m (2021: £30.8m).

University	Non-Leasehold		Leasehold	Assets in	Equipment	2022	2021
	Land	Buildings	Buildings	construction		Total	Total
Cost	£m	£m	£m	£m	£m	£m	£m
Opening balance	338.4	1,700.1	333.2	348.4	415.3	3,135.4	2,952.7
Additions	-	-	-	83.8	23.1	106.8	195.0
Transfers	-	56.2	55.1	(111.3)	-	(0.0)	-
Transfers (to) / from investment properties	-	-	-	-	-	-	(1.1)
Disposals	-	-	-	-	(10.1)	(10.1)	(11.2)
Closing balance	338.4	1,756.3	388.3	320.9	428.3	3,232.2	3,135.4
Accumulated depreciation							
Opening balance	-	285.8	43.9	-	359.4	689.1	613.2
Charge for the year	-	48.5	9.0	-	27.1	84.6	87.3
Transfers (to) / from investment properties	-	-	-	-	-	-	(0.2)
Elimination on disposals	-	-	-	-	(10.1)	(10.1)	(11.2)
Closing balance	-	334.3	52.9	-	376.4	763.6	689.1
Net book value							
At 31 July	338.4	1,422.0	335.4	320.9	51.9	2,468.6	2,446.3
At 1 August	338.4	1,414.3	289.3	348.4	55.9	2,446.3	2,339.5

The net book value of leasehold land included in the above table is £30.8m (2021: £30.8m).

Section A: Unaudited accounts in respect of academic activities (continued)

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

xv Heritage assets	Academic Group 2022 £m	Academic Group 2021 £m	Academic University 2022 £m	Academic University 2021 £m
Opening balance	77.4	73.6	77.4	73.6
Additions in the year	4.8	3.8	4.8	3.8
Closing balance at 31 July	82.2	77.4	82.2	77.4

The University holds and conserves certain collections, artefacts and other assets of historical, artistic or scientific importance. Most of these are housed in the University's nationally accredited museums and collections and in its libraries, providing a valuable research and educational resource locally, nationally, and internationally as well as an unrivalled opportunity to present the University's work to a wide audience. Other collections are held in academic departments or are on display as public art. Major collections include those held by the University Library and the Fitzwilliam Museum.

In respect of its major collections, the University's practice, in accordance with the national accreditation standards, is: to preserve, conserve, and manage the objects in its care; to augment the collections where appropriate and within the resources available; to enable and encourage access to and use of the collections for teaching and research; and to enable wide access to and engagement with the collections by members of the public.

As stated in the statement of significant accounting policies of the consolidated financial statements, heritage assets acquired since 1 August 1999 have been capitalised. The majority of assets held in the University's collections were acquired before 1 August 1999; because reliable estimates of cost or valuation are not available for these assets on a cost-benefit basis they have not been capitalised.

Additions for the current and previous four years were as follows:	2022 £m	2021 £m	2020 £m	2019 £m	2018 £m
Acquisitions purchased with specific donations	-	-	-	-	1.1
Value of acquisitions by donation	4.8	3.7	1.6	1.4	2.2
Total acquired by, or funded by, donations	4.8	3.7	1.6	1.4	3.3
Acquisitions purchased with University funds	-	0.1	-	-	-
Total acquisitions capitalised	4.8	3.8	1.6	1.4	3.3

xvi Non-current asset investments

a) Other investments

	Academic Group 2022 £m	Academic Group 2021 £m (restated *)	Academic University 2022 £m	Academic University 2021 £m (restated *)
Opening balance	3,075.3	2,583.7	3,019.8	2,558.2
Additions in the year	296.4	72.5	296.5	70.8
Disposals in the year	(80.1)	(133.8)	(76.6)	(132.5)
Share of operating surplus / (deficit) in joint ventures and associates	0.2	0.1	-	-
Valuation gains / (losses) on investments	147.0	552.8	138.4	523.3
Closing balance at 31 July	3,438.8	3,075.3	3,378.1	3,019.8
Represented by:				
CUEF units (see Note vii)	3,111.3	2,911.3	3,107.7	2,907.7
CMAF units	143.6	-	143.6	-
Securities	12.9	12.3	11.7	11.1
Spin-out and similar companies	170.9	151.6	108.2	94.3
Investments in subsidiary undertakings	-	-	5.9	5.8
Other	0.1	0.1	1.0	0.9
	3,438.8	3,075.3	3,378.1	3,019.8

* Refer to Note xxviii for details of the restatement.

The University operates a unitised fund, the Cambridge University Endowment Fund (CUEF), for long-term investment in respect of individual restricted endowments and other balances. A number of subsidiary undertakings, Cambridge Colleges and other associated bodies also hold units in the CUEF. The assets of the CUEF were held in the following categories:

	31 July 2022		31 July 2021	
	£m	%	£m	%
Public equity	1,645.6	41.1%	1,709.7	45.0%
Private investment	962.5	24.1%	741.8	19.5%
Absolute return	665.6	16.6%	501.7	13.2%
Credit	97.5	2.4%	114.1	3.0%
Real assets	398.2	10.0%	388.1	10.2%
Fixed interest / cash	231.1	5.8%	343.9	9.1%
Total value of fund	4,000.5	100.0%	3,799.3	100.0%

Public equity includes all equity stocks traded on a liquid market, together with related non-publicly traded index funds and derivatives.

Private investment includes investments where initial capital commitments are drawn down over a period, and the proceeds of the investments once disposed of are returned over the life of each fund. The underlying investments include both unlisted equities and corporate credits (such as bonds, loans, and other claims). Absolute return includes investments in trading strategies which are in some degree independent of overall equity market movements. Funds where different equities are simultaneously held (long) and sold (short) are included in this category.

Credit includes corporate securities (such as bonds and loans) traded on a liquid public market.

Real assets includes investments which are expected in some degree to increase in nominal value to match inflation. This category includes commercial property, and securities which reflect the level of commodity values. Inflation-linked government securities are, however, included in the fixed interest category below.

Fixed interest / cash includes cash at bank and on deposit, government securities, the net value of foreign currency contracts and any amounts receivable in general, less amounts payable, including those arising from holding derivative contracts.

Section A: Unaudited accounts in respect of academic activities (continued)

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

The assets of the CUEF are included in the following balance sheet captions in proportion to the number of units held by the relevant funds:

	Academic Group 2022 £m	Academic Group 2021 £m (restated *)	Academic University 2022 £m	Academic University 2021 £m (restated *)
Non current asset investments (see Note xvi)	3,111.3	2,906.1	3,107.7	2,902.5
Current asset investments (see Note xix) - balances held on behalf of:				
Subsidiary undertakings	-	-	3.6	3.6
Colleges	322.6	252.1	322.6	252.1
Other associated bodies	649.8	646.3	649.8	646.3
Total included in current asset investments	972.4	898.4	976.0	902.0
Derivative financial instrument liability	(42.8)	(5.2)	(42.8)	(5.2)
Secured borrowings	(40.4)	-	(40.4)	-
Total value of units	4,000.5	3,799.3	4,000.5	3,799.3

* Refer to Note xxviii for details of the restatement.

b) Investment properties

	Academic Group 2022 £m	Academic Group 2021 £m	Academic University 2022 £m	Academic University 2021 £m
Opening balance	589.9	574.8	589.9	574.8
Additions in the year	7.7	17.8	7.7	17.8
Disposals in the year	(32.5)	(9.4)	(32.5)	(9.4)
Transfers (to)/from other balance sheet accounts	-	0.9	-	0.9
Net gains from fair value adjustments	(2.9)	5.8	(2.9)	5.8
Closing balance	562.3	589.9	562.3	589.9
Represented by:				
North West Cambridge development	346.4	368.4	346.4	368.4
Other investment property	215.8	221.5	215.8	221.5
	562.3	589.9	562.3	589.9

Phase 1 of the North West Cambridge (NWC) development is substantially complete and includes accommodation for University staff and students, infrastructure and community facilities. The NWC development, including land has been valued as at 31 July 2022 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuation was prepared in accordance with the RICS valuation - Global Standards (January 2022 edition) and the national standards and guidance set out in the UK national supplement (November 2018 edition) (collectively "the Standards") published by the Royal Institution of Chartered Surveyors (RICS) and FRS102. The valuation was undertaken on a fair value basis. The result is a revaluation loss in the carrying value of the investment of £14.8m (2021: £7.2m). Other investment property is also revalued annually with properties valued in excess of £0.5m undertaken by an independent external valuer and the balance valued internally by a registered valuer within University's own Estates Management team. The annual valuation of these properties has resulted in a gain on investment of £11.9m (2021: £13.0m).

Section A: Unaudited accounts in respect of academic activities (continued)

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

xvii	Stocks and work in progress	Academic Group 2022 £m	Academic Group 2021 £m	Academic University 2022 £m	Academic University 2021 £m
	Goods for resale	0.4	0.3	-	-
	Other stocks	1.7	1.6	1.8	1.5
		2.1	1.9	1.8	1.5
xviii	Trade and other receivables				
	Amounts due within one year				
	Research grants recoverable	119.8	118.0	120.9	118.0
	Amounts due from group undertakings	30.9	29.2	43.8	38.6
	Trade debtors	37.7	49.1	31.2	44.1
	Other debtors	51.8	48.2	47.5	43.8
		240.2	244.5	243.3	244.5
xix	Current asset investments		(restated *)		(restated *)
	CUEF units held on behalf of other entities (see Note vii)	972.4	898.4	976.0	902.0
	Money market investments	221.2	311.2	221.2	311.2
	Other current asset investments	294.7	300.4	294.7	300.4
		1,488.3	1,510.0	1,491.9	1,513.6
xx	Cash and cash equivalents		(restated *)		(restated *)
	Money market investments with maturity less than three months	359.8	476.9	359.7	476.7
	Cash at bank and in hand and with investment managers	24.8	20.1	7.1	-
		384.6	497.0	366.8	476.7
xxi	Creditors: amounts falling due within one year		(restated *)		(restated *)
	Bank overdraft (see Note xxvii)	-	4.8	10.1	4.7
	Finance leases (see Note xxvii)	0.1	0.1	0.1	0.1
	Research grants received in advance	257.5	266.7	257.5	266.7
	Other creditors and deferred income	215.0	217.0	172.5	173.2
	Amounts due to group undertakings	5.1	2.0	21.8	25.2
	Derivative financial instruments liabilities	43.4	5.4	43.4	5.4
	Investments and cash equivalents held on behalf of subsidiary undertakings	820.5	836.8	828.5	843.3
	Investments and cash equivalents held on behalf of Colleges and other associated bodies	326.2	266.2	326.2	266.2
		1,667.8	1,599.0	1,660.1	1,584.8

Amounts due to other group undertakings relate to amounts which are owed to entities consolidated as part of the Annual Report and Accounts of the University but which are not consolidated as part of the Academic Group.

Deferred income of £38.8m (2021: £46.1m) is included above for the Academic Group and £38.8m (2021: £29.0m) for the Academic University as at 31 July 2022.

* Refer to Note xxviii for details of the restatement.

Section A: Unaudited accounts in respect of academic activities (continued)

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

xxii Creditors: amounts falling due after more than one year	Academic	Academic	Academic	Academic
	Group	Group	University	University
	2022	2021	2022	2021
	£m	£m	£m	£m
Bond liabilities - unsecured 2052 (fixed interest)	343.1	343.0	343.1	343.0
Bond liabilities - unsecured 2078 (fixed interest)	297.8	297.8	297.8	297.8
Bond liabilities - unsecured 2068 (index-linked, amortising from 2028)	281.8	464.0	281.8	464.0
Secured CUEF borrowings	40.4	-	40.4	-
Finance leases	1.0	1.0	1.0	1.0
Accruals and deferred income	5.4	6.2	4.8	6.0
	969.5	1,112.0	968.9	1,111.8

On 17 October 2012 the University issued £350m of 3.75% unsecured bonds due October 2052. The bonds were issued at 98.168% of their principal amount. The proceeds of issue, less directly attributable transaction costs, amounted to £342m. Interest at 3.75% p.a. is payable on 17 April and 17 October each year and commenced on 17 April 2013. In addition, on 27 June 2018 the University issued £300m of 2.35% unsecured bonds due June 2078. The bonds were issued at 99.552% of their principal amount. The proceeds of issue, less directly attributable transaction costs, amounted to £297.8m. Interest at 2.35% p.a. is payable on 27 June and 27 December each year and commenced on 27 December 2018.

The bonds will be redeemed at their principal amounts of £350m and £300m on 17 October 2052 and 27 June 2078 respectively. The bonds are initially 'measured at the proceeds of issue less all transaction costs directly attributable to the issue. After initial recognition, the bonds are measured at amortised cost using the effective interest rate method. Under this method the discount at which the Bonds were issued and the transaction costs are accounted for as additional interest expense over the term of the bonds.

Also on 27 June 2018 the University issued £300m of index-linked bonds (the "Indexed bonds") due June 2068. The Indexed bonds were issued at 98.893% of their principal amount. Interest is payable annually in arrears on 27 June each year and commenced on 27 June 2019. The interest charged is calculated as the product of 0.25% p.a. and the Limited Index Ratio. The Indexed bonds will be redeemed in accordance with the Amortisation Schedule multiplied by the Limited Index Ratio or may be redeemed earlier at the option of the University. The Indexed bonds are accounted for as complex financial instruments and were initially recognised at fair value at the transaction date which was deemed to be the face value of the bonds (net of discount) of £296.7m. Transaction costs were immediately expensed on initial recognition of the bonds. Subsequently the bonds are re-measured to their fair value at each consecutive reporting date with any increase or decrease in liability recognised through finance costs in the statement of comprehensive income. As at 31 July 2022 the Indexed bonds were revalued downwards to £281.8m (2021: £464.0m) based on an average price of three independent valuation, decreasing the liability and resulting in a fair value adjustment credit through finance costs of £182.2m (2021: charge of £17.0m).

All the bonds referred to above are listed on the London Stock Exchange.

The secured CUEF borrowings are held in the investment property Special Purpose Vehicle (SPV). The loan carries interest at a fixed rate of 2.98%, being the seven-year UK Government Gilt rate at inception of 1.48% plus 1.5%. Interest is paid quarterly in arrears on 30 January, 30 April, 30 July and 30 October. The capital is repayable on 30 April 2029.

The movement in net debt is disclosed in Note xxvii.

xxiii Pension liabilities

Group	CPS	USS deficit	Other	Total	Total
	£m	recovery	£m	2022	2021
	£m	£m	£m	£m	£m
Opening balance	807.7	158.1	0.2	966.0	936.6
Movement in year:					
Current service cost	44.9	-	7.0	51.9	49.8
Past service cost	-	-	-	-	-
Contributions	(28.4)	-	(7.0)	(35.4)	(35.7)
Administration expenses	1.2	-	-	1.2	1.0
Interest on liability	12.6	1.4	-	14.0	12.2
Currency adjustments	-	-	(0.1)	(0.1)	-
Net change in underlying assumptions (see Note viii):					
- change in underlying assumptions	-	245.9	-	245.9	4.8
- USS deficit contributions payable	-	(8.8)	-	(8.8)	(7.2)
	-	237.1	-	237.1	(2.4)
Actuarial (gain) / loss	(549.8)	-	-	(549.8)	4.5
Closing balance at 31 July	288.2	396.7	0.1	685.0	966.0
University					
Opening balance	807.7	156.1	-	963.8	934.0
Movement in year:					
Current service cost	44.9	-	7.0	51.9	49.8
Past service cost	-	-	-	-	-
Contributions	(28.4)	-	(7.0)	(35.4)	(35.6)
Administration expenses	1.2	-	-	1.2	1.0
Interest on liability	12.6	1.4	-	14.0	12.2
Currency adjustments	-	-	-	-	-
Net change in underlying assumptions (see Note viii):					
- change in underlying assumptions	-	241.1	-	241.1	5.0
- USS deficit contributions payable	-	(8.7)	-	(8.7)	(7.1)
	-	232.4	-	232.4	(2.1)
Actuarial (gain) / loss	(549.8)	-	-	(549.8)	4.5
Closing balance at 31 July	288.2	389.9	-	678.1	963.8

The net liability in respect of the Cambridge University Assistants' Contributory Pension Scheme (CPS) represents the present value of this defined benefit scheme's obligations to provide future benefits in relation to past service, less the assets of the scheme. For additional information please refer to the audited financial statements of the University.

Section A: Unaudited accounts in respect of academic activities (continued)

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to fund deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation.

The latest available complete actuarial valuation of the Retirement Income Builder section of the scheme is at 31 March 2020 (the valuation date), which was carried out using the projected unit method. Subsequent to finalisation of the 2020 scheme valuation, USS Trustees have continued to undertake monitoring activities and to issue interim monitoring reports.

The major assumptions used to calculate the obligation are:

	2022	2021
Discount rate	3.33%	0.89%
Pensionable salary growth *	3.0% - 5.0%	1.0% - 5.0%

The salary range reflects higher and lower salary in various entities and years included in the calculation of USS deficit provision

Sensitivity analysis

As set out in the accounting policies, there are some critical judgements made in estimating the obligation to fund the USS deficit.

The sensitivity of the principal assumptions used to measure the USS deficit provision are set out below:

Change in assumptions at 31 July 2022

- Impact of a 0.5% p.a. decrease in discount rate
- Impact of a 0.5% p.a. increase in salary inflation over duration
- Impact of a 0.5% p.a. increase in salary inflation year 1 only
- Impact of a 0.5% increase in staff changes year one only
- Impact of a 0.5% increase in staff changes over duration
- Impact of a 1.0% increase in deficit contributions from April 2021
- 1 year increase in term

Approximate impact

Liability increases by £17m
Liability increases by £17m
Liability increases by £2m
Liability increases by £17m
Liability increases by £11m
Liability increases by £28m
Liability increases by £34m

xxiv Endowment reserves

Group	2022		2021	
	Permanent £m	Expendable £m		Total £m
Balance at 1 August	1,722.0	347.0	2,069.0	1,679.9
New endowments received	2.8	1.4	4.2	43.5
Transfers from restricted and unrestricted reserves	3.0	28.1	31.1	-
Investment income	56.4	11.3	67.7	62.6
Expenditure	(43.3)	(12.6)	(55.9)	(52.2)
Valuation gains on investments	41.0	4.8	45.8	335.2
Balance at 31 July	1,781.9	380.0	2,161.9	2,069.0
Capital	1,521.8	304.0	1,825.9	1,783.7
Unspent income	260.1	76.0	336.0	285.3
Balance at 31 July	1,781.9	380.0	2,161.9	2,069.0
Representing:				
Trust and Special Funds:				
Professorships, Readerships, and Lectureships	875.0	96.4	971.4	944.8
Scholarships and bursaries	268.7	19.8	288.5	279.8
Other	594.0	263.8	857.8	810.0
General endowments	44.2	-	44.2	34.4
Group total	1,781.9	380.0	2,161.9	2,069.0
University				
Balance at 1 August	1,718.1	346.8	2,064.9	1,676.6
New endowments received	2.8	1.4	4.2	43.5
Transfers from restricted and unrestricted reserves	3.0	28.1	31.1	-
Investment income	56.3	11.3	67.6	62.4
Expenditure	(43.3)	(12.6)	(55.9)	(52.2)
Valuation gains on investments	41.0	4.8	45.7	334.6
Balance at 31 July	1,777.8	379.8	2,157.6	2,064.9
Capital	1,517.7	303.8	1,821.5	1,779.6
Unspent income	260.1	76.0	336.1	285.3
Balance at 31 July	1,777.8	379.8	2,157.6	2,064.9

Section A: Unaudited accounts in respect of academic activities (continued)

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

xxv Restricted reserves

	Unspent capital grants £m	Unspent research grants £m	Specific donations £m	Other Restricted Reserves £m	2022 Total £m	2021 Total £m
Group						
Balance at 1 August	8.7	47.6	94.3	31.6	182.2	153.1
Donations and grants recognised in the year	31.1	39.1	11.6	0.1	81.9	154.6
Investment income	0.2	-	1.4	1.0	2.6	2.3
Expenditure	0.8	(28.7)	(14.9)	-	(42.8)	(40.1)
Capital grants spent	(32.5)	-	-	-	(32.5)	(100.1)
Valuation gains / (losses) on investments	-	-	0.7	0.5	1.2	12.4
Transfer from unrestricted income	-	-	-	(2.7)	(2.7)	-
Balance at 31 July	8.3	58.0	93.1	30.6	190.0	182.2
University						
Balance at 1 August	8.3	47.6	94.3	31.8	182.0	153.0
Donations and grants recognised in the year	31.1	39.1	11.6	0.1	81.9	154.4
Investment income	0.2	-	1.4	1.0	2.6	2.3
Expenditure	0.7	(28.7)	(14.9)	-	(42.9)	(40.1)
Capital grants spent	(32.5)	-	-	-	(32.5)	(100.0)
Valuation gains / (losses) on investments	-	-	0.7	0.5	1.2	12.4
Transfer from unrestricted income	-	-	-	(2.7)	(2.7)	-
Balance at 31 July	7.8	58.0	93.0	30.7	189.6	182.0

xxvi Capital commitments

	Academic Group 2022 £m	Academic Group 2021 £m
Commitments for capital expenditure:		
Commitments contracted at 31 July	102.6	234.7
Authorised but not contracted at 31 July	127.8	66.5
Commitments for capital calls on investments	683.8	568.3

xxvii Reconciliation of Net Debt

An analysis of the movement in net debt for the year ended 31 July 2022 is provided below:

	At 1 August 2021 £m (restated *)	Cash changes £m	Non-cash changes £m	At 31 July 2022 £m
Cash and cash equivalents (see Note xx)	497.0	(112.4)	-	384.6
Money market investments and other liquid current asset investments (see Note xix)	611.6	(95.7)	-	515.9
Debt due within one year (see Note xxi):				
- Bank overdraft	(4.8)	-	4.8	-
- Finance leases	(0.1)	0.1	(0.1)	(0.1)
Debt due after more than one year (see Note xxii):				
- Finance leases	(1.0)	-	-	(1.0)
- Secured CUEF borrowings	-	(40.4)	-	(40.4)
- Bond liabilities (unsecured 2052 fixed interest)	(343.0)	-	(0.1)	(343.1)
- Bond liabilities (unsecured 2078 fixed interest)	(297.8)	-	-	(297.8)
- Bond liabilities (unsecured 2068 index-linked, amortising from 2028)	(464.0)	-	182.2	(281.8)
Net debt		(2.1)	186.8	(63.7)

Net debt excludes cash and cash equivalents held within the CUEF but includes the Group's other liquid current asset investments that are excluded from cash and cash equivalents under FRS102. Management's view is that this definition is representative of the Group's available liquid resources.

Net debt includes the non-cash fair value adjustment to revalue the CPI-linked bond at the balance sheet date. This represents a valuation of the liability at a point in time and is not necessarily reflective of the final repayment value on redemption of the bond. As such, management's view is that an adjusted net cash position (removing the cumulative effects of the fair value adjustment of (£14.9m) but including the accretion in the value of CPI-linked Bond of £25.1m) of (£318.4m) is more representative of the underlying borrowing position of the Academic Group.

* Refer to Note xxviii for details of the restatement.

*Section A: Unaudited accounts in respect of academic activities (continued)***NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES****xxviii Prior year restatement**

The Group and University has restated prior year comparatives as follows:

1) Cash and cash equivalents

During the course of the year a review of the disclosure of cash and cash equivalents has been undertaken which identified certain misclassifications. Amounts are reclassified as current asset investments as a result of this review. The impact of the restatement on prior year comparatives is detailed below:

(a) Money market investments of £178.4m have been reclassified due to the fixed term of the relevant deposits exceeding three months at inception. Previously, the Group had disclosed as cash and cash equivalents deposits where less than three months of the term remained at the balance sheet date; and

(b) Short-term highly liquid investment funds of £300.4m have been reclassified as they do not meet the definition of a cash and cash equivalent in FRS 102 of being subject to insignificant risk of changes in value.

The prior year has been adjusted in the statement of financial position to decrease cash and cash equivalents and increase current asset investments by £478.8m. The adjustment has no impact on the statement of comprehensive income or statement of changes in reserves.

2) Non-current asset investments

During the course of the year, a review of the presentation of the CUEF has been undertaken to present the assets and liabilities of the consolidated position of the CUEF on a gross basis, to eliminate intercompany transactions and to include the cash flows of the CUEF in the statement of cash flows. The following item is reclassified as a result of this review:

(a) Derivative liabilities of £5.2m were previously included in Investments - other investments in non-current assets in the statement of financial position. These are to be separately disclosed in Creditors: amounts falling due within one year, to show the gross asset and liability position. This adjustment has no impact on the statement of comprehensive income or statement of changes in reserves.

The restatements described above have also been reflected in the relevant notes to the accounts.

Section A: Unaudited accounts in respect of academic activities (continued)

NOTES TO THE UNAUDITED ACCOUNTS IN RESPECT OF ACADEMIC ACTIVITIES

xxix SUMMARY CONSOLIDATED FINANCIAL INFORMATION

Financial summary (unaudited)

The financial summary set out below has been extracted from the financial statements of the Academic Group as reported in the Cambridge University Reporter for the five years ended 31 July 2022.

(a) Summary consolidated statement of comprehensive income (£m)	2022	2021	2020	2019	2018
Total income	1,471.6	1,522.5	1,660.9	1,485.2	1,308.4
Total expenditure	1,510.2	1,372.0	1,277.4	1,576.5	1,224.6
Surplus / (deficit) before other gains and losses	(38.6)	150.5	383.5	(91.3)	83.8
Share of operating surplus / (deficit) in joint ventures	0.4	0.1	(0.2)	–	–
Gain on disposal of fixed assets *	8.2	0.1	5.1	–	–
Gain / (loss) on investments	60.6	554.5	(99.6)	126.2	96.9
Surplus before tax	30.6	705.2	288.8	34.9	180.7
Surplus for the year	30.6	705.2	288.8	34.9	179.5
Actuarial gain/(loss)	549.8	(4.5)	(120.1)	(169.8)	99.1
Other comprehensive income for the year	(1.2)	(0.1)	–	–	1.6
Total comprehensive income / (expense) for the year	579.2	700.6	168.7	(134.9)	280.2
Represented by:			168.8		
Endowment comprehensive income / (expense) for the year	92.9	389.3	(28.0)	112.8	114.5
Restricted comprehensive income for the year	7.8	129.0	126.7	121.5	74.3
Unrestricted comprehensive income / (expense) for the year	478.5	182.3	(168.8)	(369.2)	91.4
	579.2	700.6	(70.1)	(134.9)	280.2
Adjusted consolidated statement of comprehensive income					
Surplus for the year	30.6	705.2	288.8	34.9	179.5
Less: (Gain) / loss on investments	(60.6)	(554.7)	99.6	(126.2)	(96.9)
Less: CPI-linked bond fair value adjustment	(182.2)	17.0	98.8	51.5	–
Less: USS pension deficit recovery reflected in staff costs	245.9	4.8	(140.3)	204.9	5.6
Less: Donation, endowment and capital grant income	(79.7)	(206.3)	(188.4)	(208.3)	(120.9)
Less: Research Development Expenditure Credit (net of tax)	–	–	–	–	(0.5)
Less: Transfer of assets from Cambridge University Press & Assessment	–	–	–	(22.6)	(24.4)
Less: Special contributions from Cambridge University Press & Assessment	–	–	(217.5)	–	–
Adjusted deficit for the year	(46.0)	(34.0)	(59.0)	(65.8)	(57.6)
(b) Summary consolidated balance sheets (£m)	2022	2021	2020	2019	2018
Non-current assets	6,546.1	6,178.5	5,567.7	5,338.6	4,929.0
Current assets	2,115.2	2,253.2	478.7	2,222.2	2,292.3
Total assets	8,661.3	8,431.7	6,046.4	7,560.8	7,221.3
Current liabilities	(1,667.8)	(1,593.8)	(1,431.0)	(1,744.3)	(1,717.6)
Non-current liabilities	(1,654.4)	(2,078.0)	10,661.8	(1,925.9)	(1,478.2)
Income and expenditure reserve - endowment	2,161.9	2,069.0	1,679.9	1,707.9	1,595.1
Income and expenditure reserve - restricted	190.0	182.2	153.1	127.4	97.0
Income and expenditure reserve - unrestricted	2,987.2	2,508.7	2,226.3	2,055.3	2,333.4
Total reserves	5,339.1	4,759.9	4,059.3	3,890.6	4,025.5
Net debt	(63.7)	(2.1)	(139.6)	(137.8)	(75.6)
Less: CPI-linked bond fair value adjustment	14.9	167.3	150.3	51.5	–
Add: accretion of CPI-linked bond (cumulative adjustment)	(25.1)	(15.6)	(9.0)	(7.3)	(1.3)
Adjusted net debt	(73.9)	149.6	1.7	(93.6)	(76.9)

* Prior to 2019-20 any gain/loss on disposal of fixed assets was included in "other income" and not separately disclosed on the face of the statement of comprehensive income