

ANNUAL  
REPORT  
AND  
ACCOUNTS

for the financial year ending 30 June 2018

DOWNING COLLEGE CAMBRIDGE



## COVER PHOTOGRAPH

Cadets of 'E' Company, No.2 Officer Cadet Battalion, outside the Hall at Downing, c.1917.

DCPH/2/4/7

# CONTENTS



3.	Financial Highlights
5.	Members of the Governing Body
9.	Officers and Principal Professional Advisors
11.	Report of the Governing Body
69.	Financial Statements
85.	Principal Accounting Statements
86.	Consolidated Statement of Comprehensive Income and Expenditure
87.	Statement of Changes in Reserves
88.	Consolidated Balance Sheet
89.	Consolidated Cashflow Statement
91.	Notes to the Accounts



# FINANCIAL HIGHLIGHTS



## DOWNING COLLEGE

We believe in the transformative power of a world-class education.

Founded in 1800, Downing College takes its name from Sir George Downing, 3rd Baronet, who bequeathed his fortune to establish a new college in Cambridge. Built in an elegant neo-classical style, Downing was the first College designed with an open campus layout, at that time a striking departure from the tradition of enclosed courtyards in the older foundations.

With over 200 years of history, set amidst 20 acres of magnificent grounds in the heart of the city, Downing College is a community of committed scholars and students, current and future leaders in their fields.

## FINANCIAL HIGHLIGHTS

	2018 £	2017 £	2016 £
<b>Income</b>			
Income	13,283,593	12,287,853	12,262,702
Donations and Benefactions Received	2,443,878	2,154,807	2,807,498
Conference Services Income	2,488,662	2,353,233	2,255,479
Unrestricted Surplus/(Deficit) before other gains and losses	(2,746)	(292,040)	713,374
Cost of Space (£ per m2)	157.56	154.08	151.19
College Fees:			
Publicly Funded Undergraduates	4,500/4,625	4,392/4,500	4,308/4,500
Privately Funded Undergraduates	8,670	8,475	7,974
Graduates	3,490	3,283	2,844
Loss on College Fee per Student	2,241	2,619	2,843
<b>Capital Expenditure</b>			
Investment in Historical Buildings	1,009,251	1,000,127	1,192,622
Investment in Student Accommodation	1,387,205	4,167,296	5,021,529
<b>Assets</b>			
Free Reserves	4,581,874	3,781,064	5,859,524
Investment Portfolio	47,657,411	45,572,131	40,064,265
Spending Rule Amount	1,940,402	1,796,342	1,733,277
Total Return	7.8%	14.5%	5.3%
Total Return: 3-year average	9.1%	10.2%	7.9%
Return on Property	7.0%	11.1%	11.2%
Return on Property: 3-year average	9.7%	10.4%	8.6%
Return on Securities	8.3%	16.2%	2.1%
Return on Securities: 3-year average	8.7%	10.0%	7.6%
Net Assets	195,387,216	191,647,922	185,102,323

# DOWNING COLLEGE, CAMBRIDGE CB2 1DQ

Patron: HRH The Duchess of Kent, GCVO

Visitor: The Crown

## MEMBERS OF THE GOVERNING BODY

Master: Mr Alan Peter Bookbinder BA (Oxon) MA (Harvard) MA

### The Fellows of the College (in order of Election) as of 1 October 2018

Paul Christopher Millett MA PhD, *Vice-Master*, Octavius Augustus Glasier Collins Fellow in Classics, University Senior Lecturer in Classics (1983)  
William Mark Adams MA MSc (London) PhD, Fellow in Geography, Moran Professor of Conservation and Development (1984)  
Trevor William Clyne MA PhD FREng, *Interim Dean*, Fellow in the Mechanics of Materials, Professor of the Mechanics of Materials (1985)  
Catherine Lynette Phillips BA (Queen's) MA (Toronto) PhD, R J Owens Fellow in English (1988)  
Graham John Virgo MA BCL (Oxon) QC (Hon), Fellow in Law, Professor of English Private Law, University Senior Pro-Vice-Chancellor (Education) (1989)  
David John Wales MA PhD ScD FRS FRSC, Fellow in Chemistry, Professor of Chemical Physics (1989)  
Christopher Allim Haniff MA PhD, *Fellows' Steward*, Fellow in Physics, Professor of Physics and Deputy Head of Department (1993)  
Nicholas Coleman BSc MB ChB (Bristol) PhD FMed Sci, Verjee Fellow in Medicine, Professor of Molecular Pathology (1994)  
Adam Noel Ledgeway BA (Salford) MA (Manchester) PhD (Manchester) FBA, Fellow in Italian, Professor of Italian and Romance Linguistics (1996)  
Ian Richard James MA MA (Warwick) PhD (Warwick), *Fellow Librarian*, Fellow in Modern and Medieval Languages, Reader in Modern French Literature and Thought (1996)  
Susan Elizabeth Lintott MA PhD (Kent), *Senior Bursar*, *Senior Treasurer of Downing Dramatic Society* (1997)  
Zoe Helen Barber MA PhD, Fellow in Materials Science and Metallurgy, Professor of Materials Science (2000)  
Sophia Demoulini BA (Wooster) MSc (Minnesota) PhD (Minnesota), Fellow in Pure Mathematics (2000)  
Ian Gareth Roberts BA (Wales, Bangor) MA (Salford) PhD (Southern California) LittD FBA, Fellow in Linguistics, Professor of Linguistics (2000)  
Michael Trevor Bravo BEng (Carleton) MPhil PhD, Fellow in Geography, University Senior Lecturer at the Scott Polar Research Institute (2001)  
David Robert Pratt MA PhD FRHistS, *Fellow Archivist*, *Keeper of Art and Artefacts*, Fellow in History (2001)  
Liping Xu, BSc (Beijing) PhD, Fellow in Engineering, University Lecturer in Turbomachinery (2004)  
Paul Derek Barker BSc (Imperial College London) DPhil (Oxon), *Graduate Tutor*, Fellow in Chemistry, University Senior Lecturer in Chemistry (2004)  
Guy Barnett Williams MA PhD, *Senior Tutor*, *President of the Downing Boat Club*, *Safeguarding Officer*, Fellow in Clinical Neurosciences, Assistant Director of Information Processing at the Wolfson Brain Imaging Centre (2004)  
Marcus Tomalin MPhil MA PhD, *Undergraduate Admissions Tutor*, *Tutor*, Fellow in English, University Research Associate in the Machine Intelligence Laboratory at the Department of Engineering (2004)  
Jay Theodore Stock BA (Trent) MA MSc (Guelph) PhD (Toronto), *Graduate Tutor*, Fellow in Archaeology and Anthropology, Reader in Human Evolution and Adaptability (2005)

Natalia Mora-Sitja BSc (Barcelona) MA (Barcelona) MSc (Oxon) DPhil (Oxon), *Tutor*, Fellow in History, University Senior Lecturer in Economic History (2005)

William O'Neill BSc (Essex) MSc (Essex) PhD (Imperial), *Tutor*, Stephen Peel Fellow in Engineering, Professor of Laser Engineering (2006)

Amy Catherine Goymour MA BCL (Oxon), *Tutor*, Fellow in Law, University Senior Lecturer in Land Law (2006)

Amy Louise Milton MA MSc PhD, *Praelector*, Ferreras Willetts Fellow in Neuroscience, University Lecturer in Experimental Psychology (2007)

Brigitte Steger MA MPhil (Vienna) PhD (Vienna), Fellow in Asian and Middle Eastern Studies, Senior Lecturer in Modern Japanese Studies (2007)

Jie Li BS (Wuhan) MS (Paris) PhD (Paris), Fellow in Engineering, University Lecturer in Fluid Dynamics (2009)

Keith James Eyeons MA MA (Nottingham) PhD, *Chaplain*, *Praelector*, *Secretary to the Governing Body*, Fellow in Theology (2010)

Robert Keith Harle MA PhD, *Dean*, Fellow in Computer Science, University Reader in Computer Science (2010)

Timothy James Burton MA MB BCHir PhD, *Tutor*, Fellow in Pharmacology, Clinical Lecturer in Translational Medicine & Therapeutics (2010)

Marta Morgado Correia BA (Lisbon) PhD, *Graduate Tutor*, Fellow in Biological Sciences, Senior Investigator Scientist at the MRC Cognition and Brain Sciences Unit (2010)

Alicia Hinarejos BA (Valencia) MPhil (Valencia) BA (UNED) MJur MPhil DPhil (Oxon), Fellow in Law, University Senior Lecturer in Law (2011)

Kamran Yunus BSc (Bath) MA PhD (Bath), *Admissions Tutor*, *Tutor*, Fellow in Chemical Engineering, Technical Officer at the Department of Engineering and Biotechnology (2012)

John Stuart Richer MA PhD, Fellow in Physics, Professor of Physics (2013)

Sarah Lilian Kennedy BA (Melbourne) LLB (Melbourne) PhD, *Fellow Development Ambassador*, Fellow in English (2013)

Monica Moreno Figueroa BA (Leon) MA (Mexico City) MA (London) PhD (London) MA, Fellow in Social Sciences, University Senior Lecturer in Sociology (2014)

Brendan Plant BEc (Sydney) LLB (Sydney) MSc (LSE) PhD, *Fellow Editor*, Hopkins Parry Fellow in Law (2014)

Harriet Groom MA MSc PhD, Henslow Research Fellow in Natural Sciences (Biological) (2015)

Andrew Nicholas Holding MChem (Oxon) PhD MRSC, *Senior Treasurer of the Amalgamation Club*, *Tutor*, Fellow in Biochemistry, Senior Research Associate at Cancer Research UK's Cambridge Institute (2015)

Ruth Ellen Nisbet BSc (UCL) PhD, *Senior Treasurer of the Boat Club*, Fellow in Biochemistry (2015)

Ewan James Jones BA MPhil PhD, *Graduate Tutor*, Fellow in English, University Lecturer in Nineteenth-Century Literature (2015)

Edward Cavanagh BA (Canberra) BA (Melbourne) MA (Witwatersrand) PhD (Ottawa), Isaac Newton Research Fellow in History (2016)

Priyanka Joshi MSc (Pune) PhD, Everitt Butterfield Research Fellow in Biomedical and Biological Sciences (2016)

Michael Crisp MEng PhD, Fellow in Engineering, University Lecturer in Phototonics and RF Systems (2017)

Nicholas Rawlinson BSc (Monash) PhD (Monash) MA, Fellow in Earth Sciences, BP Foundation McKenzie Professor of Earth Sciences (2017)

Zoe Kourtzi BSc (Crete) MA (Newark) PhD (Newark) MA, Angharad Dodds John Fellow in Cognitive Neuroscience, Professor of Experimental Psychology (2017)

Joanne Claire Finnie Jones MA (Aberdeen), *Director of Advancement* (2018)

António Ferraz de Oliveira BA MA (Warwick) PhD (Warwick), Whitworth Research Fellow in Geography (2018)

## Retirements and Resignations 1 July 2017–30 September 2018

Professor Geoffrey Grimmett MA (Oxon) DPhil (Oxon) DSc (Oxon) ScD FRS (retired 2018)

David John Feldman MA DCL (Oxon) PhD FBA FRSA (retired 2018)

## OTHER FELLOWS

### The Honorary Fellows

Giles Skey Brindley MA (London) MD FRS  
Sir Francis Graham Smith MA PhD FRS  
Sir Arnold Stanley Vincent Burgen FMedSci FRS  
Sir Alan Bowness MA CBE  
Dame Janet Abbott Baker CH DBE  
Alan Norman Howard MA PhD FRIC  
Sir Trevor Robert Nunn BA CBE  
Godfrey Michael Bradman FCA  
Sir Colin Brian Blakemore MA ScD FRS FmedSci  
FRSB FBPhS  
Martin John Kemp MA FBA  
Richard John Bowring MA PhD LittD  
David Stanley Ingram BSc MA PhD ScD OBE VMH FRSE  
Sir Quentin Saxby Blake MA CBE FCSD FRSL RDI FRA  
The Rt Hon Lord Collins of Mapesbury LLd FBA  
Sir David Anthony King ScD HonFREng FRS  
The Rt Rev'd Nicholas Thomas Wright MA DPhil DD  
Sir John Pendry MA PhD FInstP FRS  
Sir William Brian Vickers PhD DLitt FBA  
Aitzaz Ahsan MA LLB LLM Barrister at Law  
Professor John Lawrence Cardy MA PhD FRS  
Howard Eric Jacobson MA  
The Rt Hon Sir Kim Martin Jordan Lewison MA  
Air Chief Marshal Sir Stuart Peach BA MPhil GBE KCB  
ADC DL  
The Rt Hon Lord Lloyd-Jones MA LLB  
The Rt Hon Sir Richard George Bramwell McCombe MA  
Barry John Everitt BSc (Hull) MA PhD (Birmingham)  
ScD DSc FRS FMedSci  
Michael Apted BA CMG  
Martin Baker MA FRCO  
Stephen Chambers MA RA  
Caroline Elizabeth Wilson MA MA (Bruxelles) CMG  
Professor Geoffrey Grimmett MA (Oxon)  
DPhil (Oxon) DSc (Oxon) ScD FRS

### The Emeritus Fellows

Alfred Thomas Grove MA  
Ian Bonar Topping MA  
Robert John Richards MA PhD  
Charles Harpum MA LLB LLd  
Martin Joshua Mays MA PhD  
Philip Huson Rubery MA PhD ScD, *MCR Liaison Fellow*  
Charles Porter Ellington BA (Duke) MA PhD FRS  
Margery Ann Barrand BSc (London) PhD (London)  
Richard Michael Smith BA (London) MA (Oxon)  
PhD FBA  
Stafford Withington BEng (Bradford) PhD (Manchester)  
Peter James Duffett-Smith MA PhD  
Peter David Evans MA PhD ScD  
Paul Frederick Linden BSc (Adelaide) MSc (Flinders)  
PhD FRS  
Richard Keith Taplin BSc (LSE) MA MBE  
John Stuart Landreth McCombie MA MA (McMaster)  
Trevor William Robbins CBE MA PhD FRS  
Kenneth McNamara BSc (Aberdeen) PhD  
David John Feldman MA DCL (Oxon) PhD FBA FRSA

### Foundation Fellows

Humphrey William Battcock MA  
MBA (London Business School)  
Tadayoshi Tazaki MA  
Alwyn Wai-Yin Heong MA BA BM (Oxon)  
BCh (Oxon) MBA (Chicago)

## The Wilkins Fellows

Julian Robin Darley MA FEng  
Richard Alexander Frischmann MA  
Christian Flemming Heilmann MA  
The Lord Verjee MA CBE  
Richard Anthony Williams MA  
Jonathan Howard MA  
Christopher John Bartram MA FRICS  
Maria Ferreras Willetts MA (Oxon)  
Robert John MA DLitt (Swansea)  
Louise Arnell BA MA (Open) MA (Sussex)  
Robert Markwick MA MBA (Manchester)  
James Simon Edward Arnell MA  
Edward Gary Blankenship MLitt (Columbia) AIA  
Stephen Mark Peel MA (Yale)

## The Fellows Commoner

David Chambers BA (Oxon) MSc (LBS) MSc (LSE)  
PhD (LSE)  
John Geoffrey Hicks MA FEng (Emeritus)  
Barrie Hunt MA MEd (Exeter) FIMA CMath  
Timothy Rawle MA  
Peter Thomson MA (Emeritus)  
Gabrielle Bennett BA (Virginia) MA  
Penny Furniss MA  
Simon Walker MA

## Morgan Fellows

Ariel Gomez Diaz BSc (Bogota) MSc (ICL) MSc (Paris)  
PhD (Oxon)

## Bye-Fellows

Michael Ashby BA MPhil  
Richard Berengarten MA  
Alexander Bleistein BA  
Ian Bucklow PhD  
Matthew Carter BA MA MB BChir  
Andrew Cockburn MSci PhD  
Andrej Corovic MA MB BChir MRCP  
Justin Davies MA MChir FRCS  
William Day BA (Durham) MA BCL (Oxon)  
Eoin Devlin BA (Dublin) MLitt (Dublin) MPhil PhD  
Buffy Eldridge-Thomas BA  
Neda Farahi BSc (Edinburgh) PhD  
Timothy Hearn BSc (Birmingham) PhD MRSB  
Vicky Jones MA MB BChir MRCS  
Lucia Li MA MB BChir  
Yoncan Liu BA (Guangdong) MA (Guangdong)  
MPhil PhD  
Kathleen Liddell BSc (Melbourne) LLB (Melbourne)  
MBioeth (Monash) DPhil (Oxon)  
David Lowe MA ARAM,  
*Director of College and Chapel Music*  
Deepti Marchment BA MA MChir  
Catherine Maunder MA  
Aram Mooradian AADIPL PGDIP ARCH ARB  
John Morgan BA MSci MA PhD  
Alexandra Morris BA (London) MSc (London)  
PhD (London)  
Jill Pearson BA VETMC MRCVS  
William Schafer PhD  
Henry Shevlin BA BPhil (Oxon) PhD (CUNY)  
Gareth Taylor BA MA PhD  
Jenifer Varzaly MSt (Oxon) LLM (Adelaide)  
Michael Wakelam BSc (Birmingham)  
PhD (Birmingham)  
Xin-She Yang MSc (USTC) DPhil (Oxon)

## OFFICERS AND PRINCIPAL PROFESSIONAL ADVISERS

Master from 1 October 2018: Mr Alan Peter Bookbinder BA (Oxon) MA (Harvard) MA

Master to 30 September 2018: Professor Geoffrey Grimmett MA (Oxon) DPhil (Oxon) DSc (Oxon) ScD FRS

Senior Tutor: Dr Guy Williams MA PhD

Senior Bursar: Dr S E Lintott MA PhD (Kent)

### Actuaries

Cartwright Consulting Ltd  
Mill Pool House  
Mill Lane  
Godalming GU7 1EY

### Architects

Caruso St John  
1 Coate Street  
London E2 9AG

Robert Lombardelli Partnership  
St. Luke's House  
5 Walsworth Road  
Hitchin, Herts SG4 9SP

Francis Terry and Associates  
Unit 6 Ash House  
Crown Lane South  
Ardleigh  
Colchester CO7 7PL

Inland Revenue Charity No: X2938  
Charity Registration No: 1137455

### Auditors

PEM  
Salisbury House  
Station Road  
Cambridge CB1 2LA

### Bankers

Barclays Bank  
9–11 St Andrew's Street  
Cambridge CB2 3AA

### Property Managers

Carter Jonas LLP  
6–8 Hills Road  
Cambridge CB2 1NH

### Property Valuers

Carter Jonas LLP  
6–8 Hills Road  
Cambridge CB2 1NH

### Securities Managers

Partners Capital LLP  
5 Young Street  
London W8 5EH

### Solicitors

Stone King LLP  
3rd floor, Bateman House  
82–88 Hills Road  
Cambridge CB2 1LQ

Hewitsons LLP  
Shakespeare House  
42 Newmarket Road  
Cambridge CB5 8EP

Marks & Clerk LLP  
62–68 Hills Road  
Cambridge CB2 1LA



# REPORT OF THE GOVERNING BODY



# REPORT OF THE GOVERNING BODY

## The Financial Accounts

Downing College is a constituent college of the University of Cambridge, which is consistently ranked among the top universities in the world. Founded in 1800, the College is the 17th oldest of the University's 31 colleges, each of which is a self-governing community of academics. Originally founded for the encouragement of the study of law, medicine, and the cognate subjects of moral and natural science, the College accepts students in all subjects taught at the University. Each college is distinctive, reflecting in its architecture the moment of its founding and in its practices the history of its autonomous decision-making within the context of the University as a whole. The 'newest of the old' - and the 'oldest of the new', Downing came into being after a gap of over two centuries and some 69 years before the founding of the next college, the first women's college. Downing's neo-classical architecture and openness broke from the traditional model, providing 'room to think and space to breathe'. The trustees of this physical and intellectual heritage are the Governing Body, which consists, as of 1 October 2018, of 49 Fellows. Through membership of committees and participation in Governing Body meetings, students are able to influence decision-making.

For the academic year 2017-18, the community consisted of 48 Fellows, 464 undergraduates (including three visiting students), and 307 graduates, including 51 students who were 'writing up' and 62 part-time students. The work of the College is supported by 169 staff (FTE 135.3). On 1 October 2018, Mr Alan Bookbinder became the 18th Master, following the retirement of Professor Grimmett FRS. During his five-year tenure, Professor Grimmett presided over the transformation of the landscape, a cultural renaissance inspired by the opening of the Heong Gallery, and the introduction of the Morgan Fellowships, a new category of Fellowship that recognises high achievement in post-doctoral research, including within industry. Mr Bookbinder was formerly the Director of the Sainsbury Family Charitable Trusts, a position that he held for twelve years, after a career at the BBC, where he was Head of Religion and Ethics.

The accounts that follow consolidate those of the College and its wholly-owned subsidiaries, Downing College Developments Limited, Downing Cambridge Conferences Limited, and The May Ball Company Limited.

## The Undergraduates

Of the 464 undergraduates in residence, 56% were men and 44% women; of the 390 home and EU students, 38 were from the EU. There were a further 71 overseas students. Of the 352 home students, 61% were from state-maintained schools and 39% from the independent sector. Undergraduate numbers are determined by how many the College is able to accommodate. The target for entry, therefore, is static at approximately 128 new entrants in each year. Over the last five years, the total number of undergraduates (excluding visiting students) has ranged from 437 to 461, with an average of 446. Except for medicine and architecture, where numbers are controlled through a University-wide agreement, the College does not fix the number of students in any one subject, but rather assesses candidates across subjects. In 2017-18, overall undergraduate numbers reflected the shape of the University as a whole, with the exception of law and medicine, two historically strong subjects, where numbers were higher, and mathematics and natural sciences, of which the College had comparatively fewer students.

Admission to the University is highly competitive, with some 17,000 applicants each year. Applicant numbers have grown by 18% over the last ten years, while the number admitted has remained relatively constant at about 3,600;

that is, of those who apply, roughly 20% are successful. One of the more historically popular Colleges in terms of applications for admission, the number of applicants for admission in October 2017 increased by 39% to 793. Of those, 652 were interviewed, and 168 were offered places, including five candidates who had deferred entry until 2018. The College wishes to encourage applications, but stresses the high level of academic attainment required for success. For the past five years, direct applications have ranged between 570 and 793. In October 2017 ('the 2018 cycle'), the number of applicants was at a typical level: the College received 751 direct applications. In October 2018 ('the 2019 cycle'), there were 707 direct applications.

Downing and the University as a whole invests time and resources in (1) attracting individuals who can make the most of the educational experience with its emphasis on small-group supervision and (2) encouraging students from financially or socially disadvantaged backgrounds to aspire to higher education and consider applying to the University. For entry in 2018, all Colleges required a minimum of A\*A\*A for science subjects and A\*AA for arts and humanities. Historically, very few, if any, undergraduates declined their offers; however, with other universities offering financial inducements and low offers, the number has increased. Inevitably, some offer-holders do not achieve the A level and STEP grades that are a condition of entry. Of the 163 offers made, 126 candidates achieved their grades and matriculated in 2018.

The Colleges adhere to the five principles set out in the 2004 independent review 'Fair admissions to higher education: recommendations for good practice' ([www.admissions-review.org.uk](http://www.admissions-review.org.uk)), led by Professor Schwartz. These include the commitment to select students based both on their achievements and their potential, to use reliable and valid assessments, and to seek to minimise barriers for applicants. Until 2015, the Colleges were able to place weight on a candidate's AS UMS scores, as there was a demonstrable correlation in most subjects between high UMS scores at AS Level and results in the Tripos examinations. The University as a whole continues to invest in designing assessment tests, supported by research. A suite of pre-interview assessments has been developed, covering 14 subjects. A further 14 subjects are assessed at interview. This system will be in place for a minimum of three years in order to assess correlation with Tripos results. In considering whether to make an offer, the Colleges take into account contextual data, such as geodemographic data, including Output Area Classification (OAC) and Participation Of Local Areas (POLAR) (the record on progression to higher education) data on the school's performance at GCSE and success in sending students to Cambridge or Oxford; and individual circumstances (whether an applicant has been in care or their schooling has been disrupted by, for instance, difficult medical or personal circumstances). Nevertheless, such candidates must meet the terms of the standard offer. In the 2017 application cycle (i.e. those applying in October 2016 for entry in 2017 or later), the University accepted 24.7% of the 10,332 applicants from UK schools and colleges. Of those accepted, 83.1% exceeded the typical offer: the average number of A\*s achieved by accepted applicants from this cohort was 2.7. In measuring its success in encouraging widening participation, the University therefore uses an attainment level of A\*A\*A to define the pool of potential applicants. This standard is only reached by 7.6% of A Level students nationally.<sup>1</sup> The aim of the collegiate University is to contribute to "improved social mobility for the sector without compromising the integrity and fairness of Cambridge's admissions procedures and entry standards".<sup>2</sup>

## Examination Results

Of the 427 undergraduates who sat examinations in the Easter Term 2018, 112 gained first class results, which at 26% was ahead of last year's results. Nineteen students achieved the status of Foundation Scholar, having achieved a First in each of the years of their degree. While the College celebrates this improvement, the overall performance relative to that of other Colleges remains disappointing. For many years, the College could boast that it was always in the top third of the tables, but its position has remained stubbornly at 20th, although since 1997, its mean position is 13th. The subject

<sup>1</sup> <https://www.ucas.com/corporate/data-and-analysis/ucas-undergraduate-releases/ucas-undergraduate-end-cycle-data-resources/applicants-and-acceptances-groups-applicants-2017>

<sup>2</sup> [https://apis.officeforstudents.org.uk/accessplansdownloads/1920/UniversityofCambridge\\_APP\\_2019-2020\\_V1\\_10007788.pdf](https://apis.officeforstudents.org.uk/accessplansdownloads/1920/UniversityofCambridge_APP_2019-2020_V1_10007788.pdf)

profile of a College can affect the probability of the relative rankings: Faculties and Departments scale differently, and the position of Colleges with concentrations in particular subjects can rise or fall with those results. Nevertheless, there were many individual successes and in three subjects – Engineering, History, and Linguistics – undergraduates performed well above the University average, as did the students in all Part III subjects; nine Downing students were awarded a special prize for being close to the top of their class lists. Published class lists are now incomplete, as over one-third of students have asked for their names to be removed. It is, therefore, not possible to name all exceptional performances.

## The Graduates

The primary admissions decision for postgraduate students sits with the University, but each postgraduate student must also be admitted by a College. The College offers financial support through a growing number of studentships: fully funded studentships are offered in machine learning in critical care (Voellm Hruska), psychology (Fritsch), geography (Whitworth), and chemistry (Whitworth). Partial funding is available in English (Monk) and Biological Sciences (Parke Davis). In addition, substantial grants are awarded in preventive medicine (Oon and Lander). Financial assistance is provided for attendance at conferences and to those experiencing unanticipated financial hardship. Membership of a College encourages the contact across disciplines that is not available in the departments and is one of the strengths of a collegiate university. Through a programme of academic and cultural events, the MCR Liaison Fellow ensures that the College remains relevant even for students working in distant laboratories. The College provides a tutorial service through its postgraduate tutors, who help with pastoral and welfare matters, but also provide the wisdom of experience on general academic matters. Once the degree has been completed, the College presents the student to the University for the awarding of the degree. With the expansion of postgraduate education, Colleges have struggled to provide sufficient accommodation. Downing is unusual, in that all of its postgraduate accommodation is on site, which the College believes aids the integration of the postgraduate community. Students are also able to take advantage of the College's educational and sporting facilities, e.g. the Library, the Sports Ground, the Gym and the Boat House. Postgraduate representatives attend meetings of the Governing Body and the committees that are relevant to the postgraduate experience.

In 2010, the Colleges agreed to support the University's objective of increasing postgraduate numbers by no more than 2% per year for the period 2011–2017, while undergraduate numbers remained static. Whereas the undergraduate community consists largely of Home students (76%), the postgraduate community is more international (34% Home students). Over the last fifteen years, the number of MPhil students in the University has grown from 2,338 to 2,941 (by 25.8%) and the number of PhD students has risen from 3,057 to 3,866 (by 26.5%); however, the distribution between MPhil and PhD has stayed largely the same. The Postgraduate Tutors are responsible for ensuring balance within the postgraduate community, through setting targets across types of postgraduate degree and disciplines. A postgraduate community that reflects in microcosm the characteristics of the University's postgraduate student body, in terms of subjects, gender and nationality, is, however, an ideal that is unlikely to be achieved. Applications, and therefore offers, are skewed by the availability of studentships, the global profile of a College, and its location. Downing's proximity to the Judge Business School and to Engineering is reflected in the relatively high proportion (27.8%) of Downing postgraduate students in the School of Technology, compared with the University average (21.4%). The relatively smaller number of students from the Arts and Humanities is, again, a function of location and funding: lack of public funding for postgraduate work, especially in the arts and humanities, means that the better-endowed Colleges, which are able to offer multiple studentships, tend to attract higher numbers of applicants. The current postgraduate community in Downing includes five in the Faculty of Architecture and History of Art, three in Asian and Middle Eastern Studies, one in Theoretical and Applied Linguistics, seven in English and three in Modern and Mediaeval Languages, which amounts to 16 or 7% of the total, whereas the University average is 11%. Besides the 132 funded students, there are 68 self-paying postgraduate students. Of those students registered for an MPhil, 38 of 55 are self

funded. Home/EU postgraduate students now have access to a Student Loan of up to £10,000, but only eight current students have taken out a loan. The College participates enthusiastically in the University Open Day for postgraduates, which it hopes will encourage applications to the College.

## The Fellows

At the start of the academic year, Professors Nick Rawlinson and Zoe Kourtzi joined the Fellowship. Professor Rawlinson holds the BP McKenzie Chair in Earth Sciences and works on seismology, Earth imaging and tectonophysics. He is President of the British Geophysical Association. Professor Kourtzi is Professor of Experimental Psychology and a Fellow of the Alan Turing Institute. She specialises in the area of lifelong learning and brain plasticity, aiming to understand the role of learning and experience in enabling humans of all ages to translate sensory experience into complex decisions and adaptive behaviours.

The achievements of members of the Fellowship were recognised within the University, their professional societies and beyond. Professor John Richer was awarded one of twelve prizes in the 25th annual Pilkington Awards for excellence in teaching. The Pilkington Prize was established in 1992 with funding from Sir Alistair Pilkington. The fund was recently augmented by a legacy from the late Clifford Anthony Ingram, a Downing alumnus, who also made a significant bequest to the College. Professor Richer joins seven Fellows and former Fellows who have won this prize. Professor Adam Ledgeway, Fellow in Italian, Professor of Italian and Romance Linguistics, and Chair of the Faculty of Modern and Medieval Languages, was elected a Fellow of the British Academy. Professor Graham Virgo, Fellow in English Law and Pro Vice-Chancellor for Education was appointed as the Senior Pro Vice-Chancellor, while retaining responsibility for Education. Two Honorary Fellows received perhaps the highest accolade in their professions: Professor Barry Everitt was elected as the first non-American President of the Society for Neuroscience and Lord David Lloyd Jones was appointed to the Supreme Court. At the other end of the Fellowship, Dr Priyanka Joshi, the Everitt Butterfield Research Fellow in Biomedical Sciences, has been named by Vogue as one of the 25 most influential women working in Britain in 2018 and was named the 2018 GG2 Young Achiever, which recognises Britain's most enterprising and talented black, Asian and minority ethnic high achievers. Dr Alwyn Heong became the third Foundation Fellow.

Each year, the College welcomes three Visiting Fellows in an exchange programme. This year's Keio Fellow was Naoki Kanayama, Professor of Civil Law at Keio University Law School. Kath Weston, Professor of Anthropology, came from the University of Virginia, and Cristina Negritto, Director and Assistant Professor of Molecular Biology, became the Pomona Fellow.

## Academic Societies

Subject-based societies, run by the students, provide occasions for Fellows, postgraduates and undergraduates from all years to meet, typically to hear talks by leading academics. While the College emphasises its interdisciplinary nature, the societies provide formal and informal opportunities to share experience and offer support. There are nine academic societies: the Blake Society, for the promotion of arts and humanities; the Brammer Geographical Society; the Cranworth Society, the largest student-run College law society in Cambridge; the Danby Society, the society for natural sciences, computer science, mathematics, and engineering; the Lord Guildford Society (Classics); the Mair Society (Engineering); the Maitland Society (History); the Mathias Society (Economics); and the Whitby Society, which brings together Downing's medical and veterinary students and supervisors.

Inevitably, the character of the societies in any one year is formed by its undergraduate organisers. Besides winning the 49th annual moot against Magdalene, the Cranworth Society organised events in London, including a talk by Lord David Lloyd Jones, alumnus, former Fellow, Honorary Fellow, and Justice of the Supreme Court of the United Kingdom. The Danby Society's programme focused on diagnostics (Dr Helen Lee) and the relationship with data (Professor Alionso Martinez-Arias). After confronting the rise and fall of America's neo-liberal order with Professor Gary Gerstle, examining the daily purchasing habits of anti-slavery activists (Dr Bronwell Everill), *The Environment: a History of a Concept* (Dr Paul Warde), and *Feathers in Early Modern European Hats* (Professor Ulinka Rublack), the Maitland Society held a different sort of event at which the Dr David Pratt Prize for the best costume was awarded for a stylish representation of 'coffee house culture'. The Whitby Society hosted talks by Dr Thakamma Ajithkumar, (Paediatric Oncologist at Addenbrooke's) and Mr Justin Davies, (Consultant Colorectal Surgeon and Director of Digestive Diseases at Addenbrooke's), on social media and surgery. The year ended with the customary transfer of power from this year's to next year's Whitby Society Committee at the grave, located in the Paddock, of Sir Busick Harwood, Downing's first Professor of Medicine. Professor O'Neill invited the Mair Society to his laboratory in the Institute for Manufacturing, and postgraduate student Tom Chudley shared his experiences using drones to study the changing landscapes in glacial Greenland.

## Downing Arts

In preparation for a new fundraising campaign, the College has thought carefully about its vision for the College. The Fellowship acknowledged the importance of placing its academic aspirations for the students in the wider human context, noting in particular the contribution of the arts to student wellbeing. The College therefore appointed David Lowe, a distinguished singing teacher, as its first Director of College and Chapel Music, with a remit to promote music of all genres within the College community. Over the summer, a former bath house turned computer room was repurposed into a music centre with two sound-proofed practice rooms. The College's student-run choir organised a tour to the United States of America, singing in Vermont and Montreal. Despite having one of the best organs in Cambridge (a 2014 Tickell organ), it has become difficult in recent years to admit undergraduate organ scholars; the College has therefore successfully advertised for postgraduate organ scholars, who both lead the choir and play the organ. Music in the Chapel is only one element in a programme that includes regular recitals in the Master's Lodge, Music Room and Heong Gallery, and concerts in the Howard Theatre. The Downing College Music Society, led by award-winning music scholars, fills each University term with a repertoire of classical, new, and experimental music.

The Downing College Music Society, the Jazz Society, the Poetry Society, and the Blake Society have all participated in the Heong Gallery's Arts After Dark programme. During the summer of 2017, the Heong Gallery exhibited *The Best of All Possible Worlds*, Quentin Blake's illustrations for The Folio Society. *Dame Elisabeth Frink: Larger than Life* brought together monumental bronzes and delicate works on paper from the collection of Chris Bartram (Land Economy, 1968) and the Ingram Collection. The Blake Society elaborated on the political nature of Frink's work by writing and designing letters of solidarity for prisoners of conscience across the world. The Gallery's catalogues have been admired for their design and praised – or criticised, depending on one's perspective – for being eccentrically academic. Dr Paul Millett contributed an article on 'Apuleius and his Golden Ass' to Quentin Blake's exhibition of his illustrations *The Best of All Possible Worlds*, and Dr Sarah Kennedy continued in this tradition by using Ted Hughes's *Crow* to explicate Frink's. The exhibition inspired a further collaboration with Adam Caruso of Caruso St John Architects, whose understanding of the space perfectly informed the placing of the sculpture. Stephen Chambers' 102 portraits of members of *The Court of Redonda* inspired Dr Michael Bravo to follow Inuit trails across the floor of the Gallery. The 2018 summer show asked *Do I Have to Draw You a Picture*, a show based on a core borrowed from the British Museum's extraordinary collection of prints and drawings. With its ninth exhibition, Stuart Pearson Wright's *Halfboy*, the College will have fulfilled its

obligation to fund public art under a Section 106 agreement. Since it opened in February 2016, The Heong Gallery has evolved into a major attraction for visitors with a taste for world-class contemporary and modern art. The Gallery's role in public outreach and in the lives of students has inspired donors to fund its activities for a further five years.

While constituents of the same University, all colleges have their individual personalities and cultures. With help from its alumni, Downing has broadened the parameters of the responsibilities of a college towards its members and the wider community. The College's purpose-built theatre and gallery perform dual functions: that of being locations in which students can exercise their creativity and of providing a necessary bridge between the College and the city beyond the gates. Designed by Quinlan Terry, The Howard Theatre nurtures the talents of students across the University and, with the exception of the Freshers' Play, all acting and non-acting roles are open to students from all colleges. *The Festival of New Writing*, now in its fourth year, featured nine original one-act plays, written by students from Downing and other colleges, and selected through an open competition. The construction of The Howard Theatre was just the start of The Howard Foundation's benefaction towards student theatre, and the Foundation has continued to support the Downing Dramatic Society and a culture of the arts at Downing. The Society's aim for 2017–18 was to promote diversity in the theatre scene at the College and in Cambridge: the College's first all-BME (Black and Minority Ethnic) production was directed by Sneha Sen, a 2nd Year Linguistics student, and brought together over twenty students from a variety of different cultural and ethnic backgrounds in a production of Shakespeare's *Twelfth Night*. The Society also hosted and funded foreign-language productions, such as *Love Letters* by Shan Chengju in Chinese at the Howard Theatre and *Rêver Peut Être* by Jean-Claude Grumberg at the Corpus Playroom. *The Festival of New Writing*, founded in 2015 by Stephen Bennett, is one of the biggest student-run new writing events in Cambridge. Organised by the New Writing Officers, Sophie Ball (2nd Year, Modern and Medieval Languages) and Nick Chevis (2nd Year, History) and supported by the John Family in memory of Angharad Dodds John, the Festival showcased nine independent student-run plays at the Howard Theatre, which were then judged by a panel including Downing alumnus Alex Lass (History of Art, 2008).

## Sports

The College has a tradition of participating enthusiastically in sports. The blues awarded to Downing students are indicative of excellence, but for many more, enthusiasm and optimism is more evident than exceptional success. Downing teams in badminton, basketball, men's football, men's hockey, women's lacrosse, and rugby, however, all play in first divisions. The team-building and leadership skills developed through team sports have served many of our alumni in their careers, enabling them to 'give back' to the College in financial and in other ways. If the Boat Club receives special attention, it is partly because of the large number of members: at the start of the year, 78 students were rowing, including 45 novices, with only nine dropping out by the Easter Term. Five crews rowed in the May Bumps, with strong performances from the Women's 1st and 2nd boats, and the Men's 3rd. In the last eight years, the women have eight times won the headship in either the Lents or Mays, and twice in both. This success is partly due to the support of the alumni, who coach, fund boats, and – most recently – have transformed empty space in the Boathouse into a home for the Cambridge Rowing Tank, a facility that is available for hire by other colleges, the University, town clubs, and schools. The purpose of the tank is dual: it will enable students to sharpen their technique away from a congested river and, in time, make the Boat Club financially self-sufficient. Since the Women's Oxford and Cambridge Boat Race transferred to the Thames in 2015, Downing has been represented in the crew. This year, Thea Zabell rowed in the winning boat and, because she earned a blue and gained an MSc in Systems Biology with a first class result, she qualified for and was awarded the Gabriel Oon Prize.

## The Development of the College

On 20 December 1717, Sir George Downing, 3rd Baronet signed his will. Some 100 years later, the College that he envisaged in this bequest took physical form, and three hundred years later, the College is celebrating 300 years of giving. The future of the College and the lives of its alumni are shaped by the past. In encouraging alumni to become donors, the College reminds members of the history that has influenced their own lives. The College Archivist, Jenny Ulph, has become a useful adjunct to the Development Office, preparing exhibitions and advising on a montage of pictures to celebrate forty years of women's rowing as part of the Cambridge Rowing Tank, and in anticipation of celebrating the 40th anniversary of the admission of women. Her work on commemorating Downing soldiers who died in the First World War resulted in the name of a member of staff being added to the Roll of Honour, reflecting the evolution in our definition of community.<sup>3</sup>

Given its financially unstable start in life, Downing has had to run in order to stand still. The richer colleges are able to use their endowments to repair the holes both in their finances and in their fabric, whereas Downing has had to rely on donations and income from its conference businesses, one of the first and most successful among the colleges. Among the many generous donors to the College, the Howard Foundation stands out. The Foundation's philanthropy is not just confined to the buildings that bear the Howard name: their many other investments in the College range from the unglamorous funding of a car park to the promotion of the College's cultural activities and support of student societies. In order to enhance the student experience or extend its activities, the College must seek alumni and friends whose philanthropic agenda matches such projects. Simply put, we cannot afford new activities unless someone else pays for them. Fortunately, our alumni and other supporters have recognised the contribution that projects such as the Heong Gallery can make to the lives of our students and the University. Together with the Gallery and the newly acquired Hepworth sculpture, the transformed entrance to the College is an invitation to visit, a useful response to the requirement for 'outreach'. Investing in beauty may seem a brave decision when tuition fees are under threat, but the College's financial health relies on its conference business, where first impressions count. The students benefit twice: they benefit from a subsidised education and from beautiful surroundings.

## The Heong Gallery at Downing College



Visitors to the Gallery from 6 February 2016 to 8 October 2018: 50,000+

This time last year, we were two years into an ambitious programme of exhibitions and arts programming, and it was already clear that the Gallery had made an unprecedented impact on student life, the College community and the cultural map of Cambridge. We were heartened by the consistent engagement of University and town alike, and diversified our output, with scholarly talks and symposia, as well as in-school art workshops exploring the themes spotlighted by the exhibitions. Downing's commitment to art and public access also resulted in a spectacular addition to our grounds, *Two Forms* (Divided Circle), 1969, a monumental bronze sculpture by Dame Barbara Hepworth, now on long-term loan to the College from the Hepworth Estate. In a year of many firsts, our exhibition showcasing British and American prints from The British Museum marked our first collaboration with a national museum collection, something that we hope to build upon in the future.

The future is what we must now address, safe in the knowledge that our nine mandatory exhibitions have demonstrated a need and an enthusiasm for what we offer. In the pipeline are exhibitions exploring the expressive technologies of screen printing; installations by Yoko Ono; and a year of programming that celebrates forty years of women at Downing with an exploration of women in art. Our existence beyond the initial three years has been secured by generous pledges for the next five years from alumni and supporters, who have ensured that world-class contemporary art has a future at Downing College.

Dr Prerona Prasad  
Exhibition Officer and Gallery Supervisor

The Best of All Possible Worlds:  
Quentin Blake and the Folio Society, 17 June–8 October 2017

Dame Elisabeth Frink:  
Larger than Life, 4 November 2017–6 February 2018

Stephen Chambers:  
The Court of Redonda, 24 February–20 May 2018 (Venice 2017)

DO I HAVE TO DRAW YOU A PICTURE?  
16 June–7 October 2018

### Advisory Board:

Louise Arnell, Downing College alumna, Wilkins Fellow, Trustee of the Pebble Trust  
George Bailey, Downing College alumnus, Managing Director, Dreweatts 1759  
Chris Bartram, Downing College alumnus, Wilkins Fellow, art collector  
Sophie Bowness, Cambridge University alumna, Trustee of the Hepworth Estate, art historian  
Gifford Combs, Cambridge University alumnus, Wilkins Fellow, collector  
Hamish Dewar, Downing College alumnus, conservator and restorer of art  
Penny Furniss, Downing College alumna, public relations consultant  
Martin Kemp, Downing College alumnus and Honorary Fellow, Emeritus Professor of Art, Oxford University  
Sir David King, Former Master of Downing College, former chairman of Kettle's Yard  
Tim Knox, Director of the Royal Collection  
Anthony Mould, Downing College alumnus, Fine Art agent and dealer  
Andrew Nairne, Director of Kettle's Yard  
Frank Salmon, Downing College alumnus and University Senior Lecturer, Department of History of Art, Cambridge University  
John Tancock, Downing College alumnus, former Sotheby's Vice President, curator and art historian

## PUBLIC BENEFIT

The College's purpose is to provide a world-class education to the students with the most potential in each subject, whatever their means, social background, or nationality.

The goal is to attract the best applicants from the widest range of schools and colleges, while actively supporting the University's widening participation targets, as agreed with the Office for Students (OfS). As a condition of charging above the basic tuition fee for Home/EU undergraduates beginning their courses in October 2018, the University made commitments on outreach, admissions and retention:

### Outreach

- to offer a commitment to the minimum number of places available on summer schools at the University;
- to offer a long-term, progressive and collaborative outreach project in the eastern region focused on attainment raising;
- to develop a new programme designed to improve the number of students from specific ethnic minority groups progressing to high tariff institutions;
- to embed the DfE-piloted STEP Support Programme within University provision.

### Admissions

- to admit UK resident students from UK state-sector schools and colleges so that they fall within a range of 62.0–64.0% 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
- 10.0–13.0% of the total intake, reaching the top of that range by 2019–20;
- to admit UK resident students from supergroup 8, groups 3a, 3b, 3c, 4b, 7a, 7b and 7c, and subgroups 4a1, 4a2, 4c2 and 6b3 of the Output Area Classification (OAC 2011) so that they comprise 13.9% of the total intake by 2021–22;
- to admit UK resident students from national Indices of Multiple Deprivation (IMD) deciles 1–3 so that they comprise 8.5% of the total intake by 2019–20.

### Retention

- to maintain our record of retention, with the rate of non-continuation in HE following year of entry to be 2.1% or less.

Of those home undergraduates whom the College matriculated in October 2018, 62.1% were from UK state-sector schools, 10.5% were from Low Participation Neighbourhoods (LPNs, i.e. POLAR quintiles 1 and 2), 9.8% were from OAC target groups, and 9.1% from IMD Deciles 1–3. Of those home undergraduates whom the College matriculated in October 2017, 57.8% were from UK state-sector schools, and 6.0% were from Low Participation Neighbourhoods (LPNs, i.e. POLAR quintiles 1 and 2), and 4.5% from supergroups 7 and 8.

## Widening participation

As part of the University's Area Links Scheme, Downing engages particularly, but not exclusively, with maintained-sector 11–16 and 11–18 schools, Further Education and Sixth Form Colleges in Cornwall, Devon, Plymouth, Torbay, Bournemouth, Poole and Dorset. Other Colleges concentrate on different parts of the country. Additionally, as part of the Connect to Cambridge scheme, Downing has partnered with Sir Harry Smith Community College, an 11–18 school in Peterborough. Organised by the School and College Liaison Officer, the programme, which includes visit to schools, residential courses, Open Days and Admissions Fairs, encourages students who may otherwise not consider higher education to look at all the university options available to them. Each of the College's full-time School and College Liaison Officers to date has been a recent Cambridge graduate and has typically held the position for a two-year stint, collaborating with the JCR Access Officer, Admissions Tutors and Fellows. The current School and College Liaison Officer is Jess Lister, an Emmanuel College graduate in History, who has been in post since July 2017.

Throughout 2018, outreach efforts have been concentrated on a partnership between the College and Villiers Park Educational Trust, a charity that helps able students from less-advantaged backgrounds to gain places at leading universities. A pilot project has been launched in Plymouth, which allowed 13 year-12 students from non-selective state schools to take part in an 'Inspiring Excellence' subject-specific residential course, aimed at raising attainment, before returning to run their own projects with younger students in their schools or sixth forms. Example projects included revision classes for younger students and a series of science experiment taster sessions for students in a nearby primary school. In October 2018, the second year of the project was launched, with the attendance at a launch event at the National Marine Aquarium in Plymouth of 43 students, representing 11 selective and non-selective schools in the Plymouth area. It is hoped that the project will continue for a third year into 2019.

Type of Activity	Number of events/ activities			Number of Students			No of Teachers		
	2017–18	2016–17	2015–16	2017–18	2016–17	2015–16	2017–18	2016–17	2015–16
Activities in Cambridge	3	10	3	91	236	93	5	28	8
Activities outside Cambridge	27	26	20	1,568	1,240	614	64	88	50
Staff development events	0	2	2	0	1	0	0	13	50
Summer Schools and Residential Events	8	10	7	169	158	149	15	18	16
<b>Total</b>	<b>38</b>	<b>48</b>	<b>32</b>	<b>1,828</b>	<b>1,635</b>	<b>856</b>	<b>84</b>	<b>147</b>	<b>124</b>

A number of additional events were held. The School and College Liaison Office visited multiple schools in the College's link regions, talking to students from Years 7 to 13. She also ran a series of events in Cambridge, including a successful Black and Minority Ethnic (BME) Taster day for Year 12 students, kindly supported by Admissions Tutor Dr Kamran Yunus and Professor of Physics, Professor Chris Haniff.

By partnering with Exeter College, Oxford and Merton College, Oxford, Downing was able to deliver eight Oxford and Cambridge Information Days in hub locations in the South West. A number of these take place in external venues, including the Eden Project, the Exeter Phoenix Theatre, and the National Maritime Museum in Falmouth. Forty current undergraduates from Cambridge and Oxford provided invaluable insight into the realities of life at the two universities.

These events provided support for over 437 students from 41 schools. The hub event in North Devon at PETROC College catered for students from some of the most rural regions in the country, and the College was pleased to see an increase in attendee numbers at all eight locations.

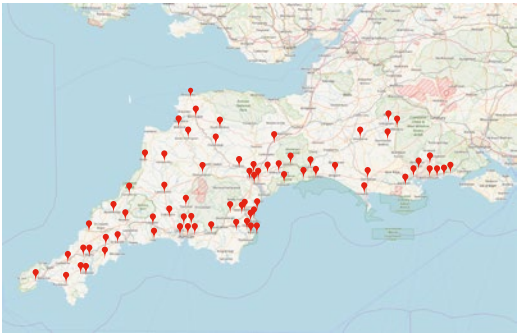
This year, the South West Residential course was held over three days. Sixty-eight students from the link area regions visited Downing to find out more about the application process – an 88% increase in attendee numbers from the previous year. The students visited departments, engaged in taster lectures, seminars and supervisions, and were able to gain a feel for life as a Cambridge undergraduate through evening social activities. Twenty-nine schools in total were represented from the link area regions. The event was fully funded, including up to £150 for travel costs, and continues to be one of the College’s most successful events, with an average rating of 4.8/5.0. It is hoped that many of these students will apply to Cambridge in this year’s admissions cycle.

Since 1999, when the programme began, 73 students from target schools in the South West have taken up places at Downing.

	2017–18	2016–17	2015–16
Applications	25	15	22
Offers	3	5	8
Acceptances	1	3	6

Increasingly, the College’s outreach activities focus on raising the aspirations of younger students. The College aims to develop further provision to ensure that all key stages of a student’s educational progression are supported. Downing recognises the importance of encouraging students to be enthusiastic about learning from an early age, raising these young people’s aspirations, and supporting their academic exploration so that they have the confidence to apply to highly selective institutions in the knowledge that they are capable of achieving the required grades and gaining a place.

VISITS BY THE SCHOOL AND  
COLLEGE LIAISON OFFICER



## Financial aid

Once here, students have access to several sources of financial support. This year, the College paid out 447 grants totalling £440,012 (2016–17: £432,200) for the purchase of books and equipment; attendance at conferences; travel; studentships; and bursaries in cases of financial hardship. Trusts and other restricted funds provided £182,238, £140,101 was met from general funds and £117,673 was paid through the Cambridge Bursary Scheme (2016–17: £143,875). Undergraduates received £323,918 of the total payments made, which amounted to 13.7% of the Tuition Fee. The remainder, £116,094, was paid to postgraduates, which amounted to 15.1% of the Postgraduate Fee.

Out of a Home and EU undergraduate population of 387, 80 Home and EU undergraduates received on average £2,899 through the Cambridge Bursary Scheme, which is operated in common with the University and other colleges. The Scheme forms part of the University's agreement with the Office for Students and provides benefits at a substantially higher level than the minimum required. Students whose household income is below £25,000 receive a maximum grant of £3,500 per year in addition to any government means-tested support. Those with incomes of up to £42,620 receive amounts that taper to £300. Forty-nine students (2016–17: 47) received the maximum award under this Scheme. For students who have matriculated since October 2016, the Cambridge Bursary Scheme has provided the same level of support, but the government grants are no longer available, now taking the form of an additional loan. The cost of the Scheme to the collegiate University is approximately £6.3 million per year. The scheme is currently under review. Following a survey completed in January 2015, the collegiate University is conducting research into alternative forms of financial support to ensure that students can fully participate in the student experience. Funding has recently been made available for research into the effectiveness of bursaries for access to higher education. The bursary impact evaluation will be published in 2019.

## The Student Support Initiative

During the year, the University launched the consultation phase of its Student Support Initiative. Its vision is “for any student from any background, talented enough to study at Collegiate Cambridge, to have the support they need to get here, to get the most out of our unique educational experience and make a difference in the world”. It aims to:

- Provide enhanced support to undergraduates in greatest financial need;
- Help Cambridge increase the size and quality of its postgraduate population, and
- Widen and develop student participation to ensure wellbeing and the best experience for all.

## TUITION FEES AT THE UNIVERSITY AND ITS COLLEGES

The University received a Gold Award in the Teaching Excellence Framework, enabling it to continue to charge Tuition fees for Home and EU undergraduates at the maximum permitted rate of £9,250 from 1 October 2017. Approval for this level of fees was also conditional on the signing of an Access Agreement with OFFA.<sup>4</sup> This financial year was the sixth of the new system. Since 2012–13, the tuition fee for new students has been paid either by the students themselves or on behalf of the students through the Student Loan Company. The Colleges collect these fees and pass half over to the University. The Colleges and the University now pay equal shares towards the Cambridge Bursary Scheme, and there is a redistribution of funds between Colleges to support the obligations of the less-well-endowed Colleges, such as Downing.

<sup>4</sup> <https://www.offa.org.uk/agreements/Final AA - University of Cambridge.pdf>

As a condition of charging the maximum fee, the Colleges and the University engage in substantial outreach activities to encourage all academically qualified students to apply for admission to Cambridge, whatever their backgrounds and financial circumstances.

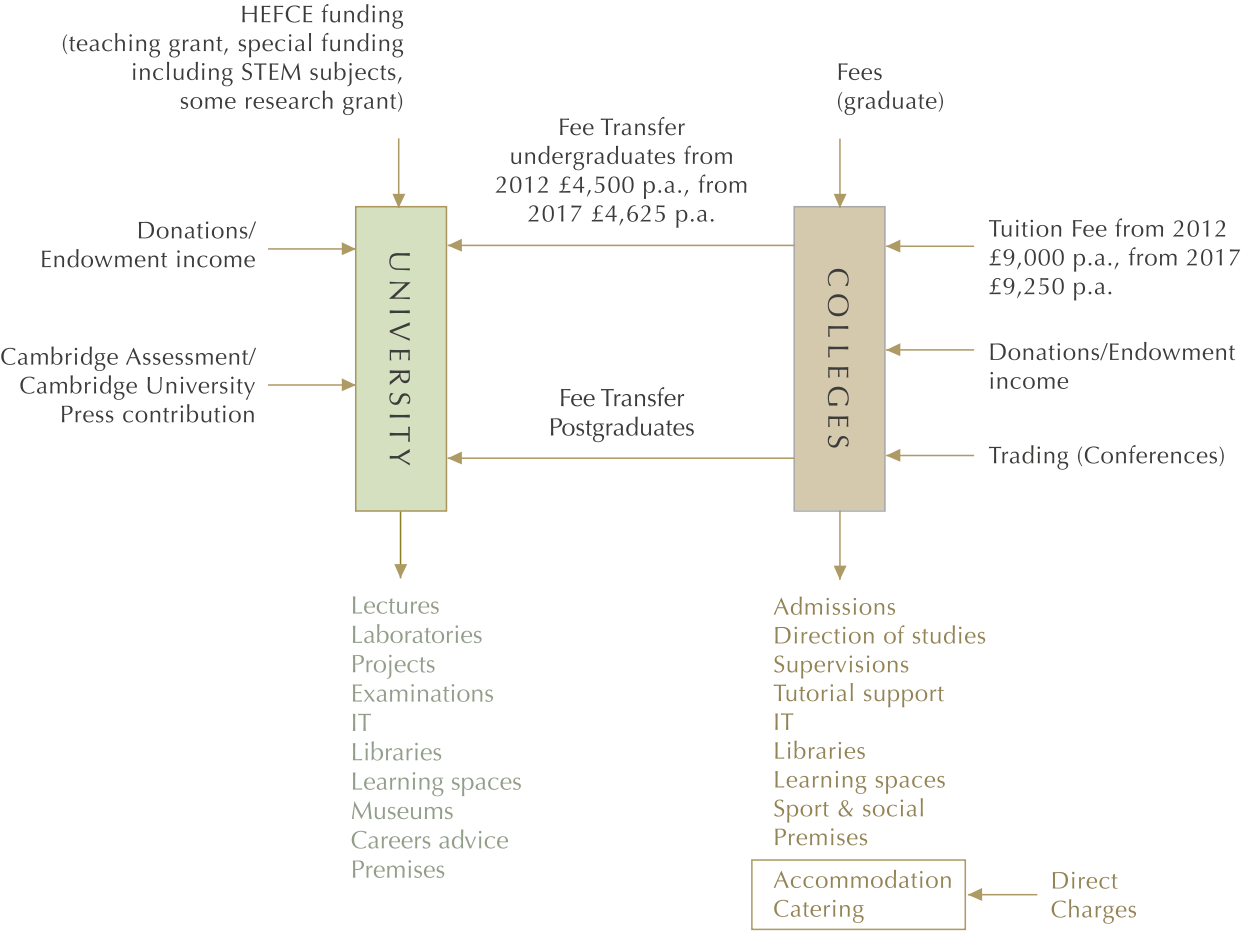
The £9,250 tuition fee is only a contribution to the real costs of offering the form of education that Cambridge provides. An internal study recently concluded that, taking arts, humanities and sciences together, it cost £18,500 per annum in 2015–16 to educate an undergraduate. This figure was calculated by applying to College costs the methodology used in the University's financial reporting to HEFCE in order to arrive at a combined figure. The chart overleaf lists the functions that the University and the Colleges each perform: the Colleges admit, matriculate, supervise, and then present undergraduates for degrees, taking responsibility for pastoral care. The University provides lectures and laboratories and examines and classifies students.

The distinguishing feature of an education at Cambridge or Oxford is the emphasis on small-group teaching, the costs of which are borne by the colleges. The maximum number of supervisions per year is 80, depending on the year and subject, approximately 11% of which involve just one student, although most (35%) involve groups of two. The basic rate is from £28.71 for supervision of one student up to £43.68 for supervising in groups of six or more. Colleges augment remuneration in different ways and have different contractual arrangements. For instance, Downing enhances the intercollegiate rate by 20%, if a Fellow teaches for 80 hours or more per year and contributes up to £300 towards academic expenses. This year, 18 Fellows received this enhancement of supervision pay. However, provision of supervisions costs considerably more than payments to supervisors: supervisions require a support organisation and, of necessity, take place in historical premises that are expensive to maintain. For Downing, the average cost of educating an undergraduate in 2017–18 was £8,336 (2016–17: £8,555) per year, almost double the amount received in fees.

While, broadly, there is parity of educational provision across the colleges, each college will have a different cost base, largely driven by the costs of its infrastructure and the balance in its Fellowship between University-employed Teaching Officers, who can be paid for supervising at the intercollegiate rate, and College Teaching Officers, whose stipend is paid by the College. In order to counter diseconomies of scale and to promote efficiency, colleges collaborate to provide various services, and share know-how and best practice in operational matters. Nevertheless, there is inevitably a disparity in resources and different approaches are adopted to meeting the shortfall between tuition fees and the cost of education. An intercollegiate taxation system redistributed £4.5 million in 2018, but of this, £2.7 million went in support of predominantly postgraduate colleges. Historically, colleges at Cambridge, more so than at other Universities, have been supported by philanthropic gifts from founders and alumni who appreciate the benefits of the costly education that they have received.

In 2017–18, Downing spent £4.8 million on Education, of which £3.8 million, or £8,336 per capita, was for undergraduates. Of the total amount, 47% was spent on Teaching, 14% on Tutorial, 14% on Admissions, 4% on Research, 10% on Scholarships and Awards, and 11% on other Educational Facilities.

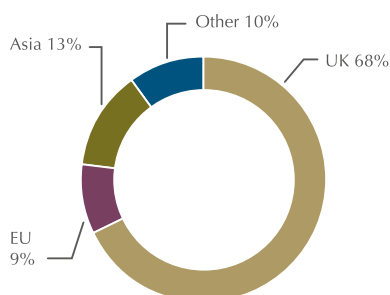
# UNIVERSITY AND COLLEGES: A SYMBIOTIC RELATIONSHIP



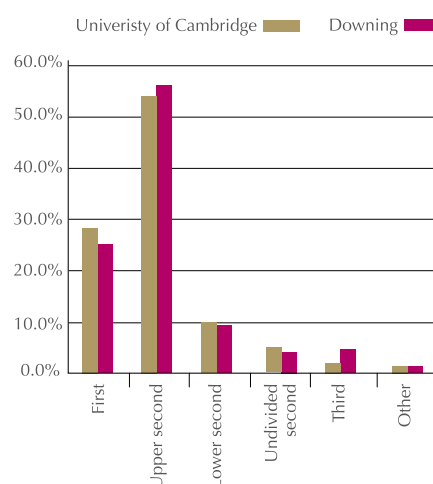
## UNDERGRADUATE NUMBERS 2017–18 AS OF 1 OCTOBER 2017

<i>Subject</i>	Year 1	Year 2	Year 3	Year 4	Years 5–6	Total 2017–18	Total 2016–17
Anglo-Saxon	0	0	0	0	0	0	0
Archaeology & Anthropology	0	0	0	0	0	0	0
Architecture	2	1	1	0	0	4	4
Asian & Middle Eastern Studies	1	1	2	0	0	4	3
Chemical Engineering	0	3	3	2	0	8	9
Chemical Engineering via Engineering	1	0	0	0	0	1	1
Chemical Engineering via Natural Science	3	0	0	0	0	3	3
Classics	4	5	3	0	0	12	13
Classics – 4yr	2	0	1	0	0	3	3
Computer Science	4	3	3	2	0	12	12
Economics	7	7	7	0	0	21	18
Education	2	1	1	0	0	4	4
Engineering	15	12	10	0	0	42	39
English	5	5	6	0	0	16	16
Geography	3	6	6	0	0	15	15
History	7	5	6	0	0	18	17
History of Art	1	4	1	0	0	6	8
Human, Social and Political Science	6	9	5	0	0	20	21
Land Economy	2	1	1	0	0	4	4
Law	12	13	16	0	0	41	41
Linguistics	1	2	1	0	0	4	4
Management Studies	0	0	0	4	0	4	4
Manufacturing Engineering	0	0	1	2	0	2	0
Mathematics	6	5	5	1	0	17	21
Medical Sciences	14	16	16	15	23	84	85
Modern Languages	4	3	2	7	0	16	16
Music	2	1	1	0	0	4	4
Natural Sciences (Biological)	10	7	11	5	0	33	34
Natural Sciences (Physical)	8	13	9	6	0	36	30
Philosophy	1	2	1	0	0	4	4
Psychological and Behavioural Sciences	3	6	1	0	0	10	10
Theology	1	2	1	0	0	4	4
Theology BTh	1	1	0	0	0	2	2
Veterinary Medicine	2	2	2	2	4	12	6
<b>Total</b>	<b>130</b>	<b>136</b>	<b>123</b>	<b>52</b>	<b>27</b>	<b>467</b>	<b>455</b>

UNDERGRADUATES  
BY REGION



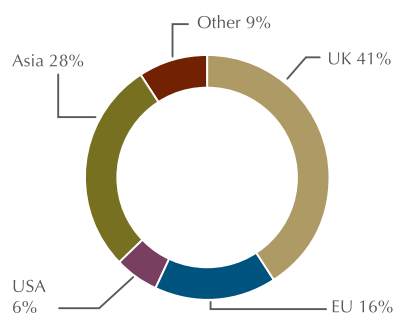
UNDERGRADUATE  
DEGREE CLASSIFICATIONS



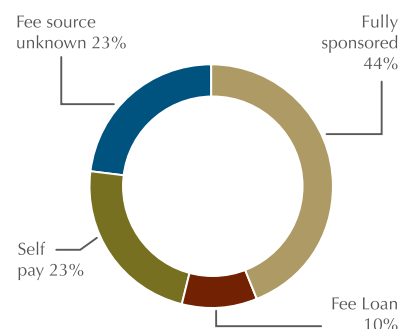
## PHD THESES SUCCESSFULLY DEFENDED BY DOWNING POSTGRADUATE STUDENTS 2017–18

Biochemistry (Infection and Immunity)	Exploring the role of Leucine Rich Repeat Kinase 2 within the innate immune system
Biological Anthropology	Ontogeny and functional adaptation of trabecular bone in the human foot
Biological Science (at MRC Laboratory of Molecular Biology)	Molecular and genetic analysis of neuropeptide signalling in mammalian circadian timekeeping
Biological Science (at MRC Laboratory of Molecular Biology)	Structural and functional characterisation of the nutrient sensing kinase GCN2
Biological Science (at MRC Laboratory of Molecular Biology)	A molecular genetic investigation of Dictyostelium macropinocytosis
Biological Science (at MRC Laboratory of Molecular Biology)	Sphingomyelin as a danger signal in cell-autonomous immunity
Biotechnology	Molecular and structural analysis of proteins involved in bacterial spore germination
Chemistry	Studies towards a Second-Generation Synthesis of the Aplyronines
Chemistry	Applications of C-H functionalisation in the synthesis of complex molecules: the total synthesis of K-252c (Staurosporinone) and novel $\beta$ -Lactam antibiotic mimics
Chemistry	Surface-functionalised carbon dots as versatile light harvesters for solar driven catalysis
Classics	Funerary archaeology and changing identities: community practices in Roman-period Sardinia
Clinical Neurosciences	Apathy and impulsivity in frontotemporal lobar degeneration syndromes
Earth Sciences	Epeirogeny of South America and evolution of Parnaíba basin, northeast Brazil
Engineering	Towards predictive Eddy resolving simulations for gas turbine compressors
Genetics	Transcription factor binding dynamics and spatial co-localization in human genome
Haematology (Wellcome Trust Clinician Programme)	The role of EZH2 in the induction and maintenance of acute myeloid leukaemia
History	Civil religion in Britain, 1707 - c. 1800
Land Economy	The economic performance of the Eastern European economies during the financial crisis: a comparative analysis of Poland with the Czech Republic and Hungary
Land Economy	Impact of payments for environmental services in developing countries: institutional and behavioural perspectives
Law	Companies in private law: attributing acts and knowledge
Management Studies	Contract design for collaborative response to service disruptions
Pathology	Mechanisms of human papillomavirus and host gene transcriptional deregulation in cervical carcinogenesis
Physics	Structural evolution in the dynamic plasticity of FCC metals
Plant Sciences	Frameworks for reprogramming lower plant systems
Politics & International Studies	The French Revolution as a liminal process: towards a political anthropology of radical social changes
Psychology	Behavioural and cellular basis of the vulnerability to develop compulsive heroin seeking habits
Psychology	Age-related changes in risky decision-making: experimental findings and real-world applications
Psychology	Cortical - basal ganglia circuits: control of behaviour and alcohol misuse
Social Anthropology	Living the Law of Origin: the Cosmological, Ontological, Epistemological, and Ecological Framework of Kogi Environment Politics

GRADUATES BY REGION



GRADUATES BY FEE TYPE



## SELECTED PUBLICATIONS BY DOWNING FELLOWS 2017–18

### Adams, Professor William

Evans, L.E. and Adams W.M. (2018) 'Elephants as Actors in the Political Ecology of Human-Elephant Conflict', *Transactions of the Institute of British Geographers*, 43: pp. 630-645.

### Barber, Dr Zoe

Banerjee, A., Baker, L.J., Doye, A., Nord, M., Heath, R.M., Erotokritou, K., Bosworth, D., Barber, Z.H., MacLaren, I. & Hadfield, R.H. (2017), 'Characterisation of amorphous molybdenum silicide (MoSi) superconducting thin films and nanowires', *Superconductor Science And Technology*, (2017) Vol. 30, Article No: 084010

### Bravo, Dr Michael

Bravo, M.T., 'Indigenous Evangelical Voyaging: Authorship and Perspective', in Craciun, A. and Terrall, M. (eds.), *Explorations, Encounters, and the Circulation of Knowledge, 1600-1830*, University of Toronto Press (Toronto, 2018), pp. 75–112.

### Cavanagh, Dr Edward

Cavanagh, E. (2018) 'Infidels in English Legal Thought: Conquest, Commerce, and Slavery in the Common Law from Coke to Mansfield, 1608-1774', *Modern Intellectual History*, Vol. 15 (1), pp. 1–35.

### Clyne, Professor William

Clyne, T.W. & Troughton, S.C. (2018), 'A review of recent work on discharge characteristics during plasma electrolytic oxidation of various metals', *International Materials Reviews*, Vol. 63, pp.1–36. <https://doi.org/10.1080/09506608.2018.1466492>

### Correia, Dr Marta Morgado

Huang, P., Carlin, J.D., Alink, A., Kriegeskorte, N., Henson, R.H. & Correia, M.M. (2018), 'Prospective motion correction improves the sensitivity of fMRI pattern decoding', *Human Brain Mapping*, Vol. 39(10), pp. 4018–4031.

### Goymour, Ms Amy

Goymour, A., Watterson, S. & Dixon, M. (eds.), *New Perspectives on Land Registration: Contemporary Problems and Solutions*, Hart Publishing (Oxford, 2018).

### Hinarejos, Dr Alicia

Hinarejos, A., 'Judicial Review' in Tridimas, T. and Schuetze, R. (eds.) *The Oxford Principles of European Union Law*, Oxford University Press (Oxford, 2018).

### Holding, Dr Andrew

Polson, E.S., Kuchler, V.B., Abbosh, C., Ross, E.M., Mathew, R.K., Beard, H.A., da Silva, B., Holding, A.N., Ballereau, S., Chuntharpursat-Bon, E., Williams, J., Griffiths, H.B.S., Shao, H., Patel, A., Davies, A.J., Droop, A., Chumas, P., Short, S.C., Lorgier, M., Gestwicki, J.E., Roberts, L.D., Bon, R.S., Allison, S.J., Zhu, S., Markowitz, F. & Heiko Wurdak, H. (2018), 'KHS101 disrupts energy metabolism in human glioblastoma cells and reduces tumor growth in mice', *Science Translational Medicine*, Vol.10 (454). doi: 10.1126/scitranslmed.aar2718.

### James, Dr Ian

James, I. (2018) 'Affectivité, sens et affects: Les émotions comme articulation de la vie biologique', *Acta Universitatis Carolinae Philologica*, Issue 3, pp. 23-31.

### Jones, Dr Ewan

Jones, E. (2018), 'Thermodynamic Rhythm: The Poetics of Waste', *Representations*, Vol. 144, pp. 60–88.

### Kennedy, Dr Sarah

Kennedy, S., *T.S. Eliot and the Dynamic Imagination*, Cambridge University Press (Cambridge, 2018).

### Kourtzi, Professor Zoe

Frangou P, Correia M, Kourtzi Z (2018) GABA, not BOLD, reveals dissociable learning-dependent plasticity mechanisms in the human brain. *eLife*, Vol. 7, e35854. doi: 10.7554/eLife.35854

### Ledgeway, Professor Adam

Ledgeway, A., *De la latină la limbile romanice. Schimbare morfosintactică și tipologică*, Editura Univers Enciclopedic (Bucharest, 2017).

### Milton, Dr Amy

Milton, A.L. & Holmes, E.A. (2018), 'Of mice and mental health: facilitating dialogue and seeing further', *Philosophical Transactions of the Royal Society B*, Vol. 373 (1742). pii: 20170022.

### Nisbet, Dr Ellen

Dorrell, R.G., Klinger, C.M., Newby, R.J., Butterfield, E.R., Richardson, E., Dacks, J.B., Howe, C.J., Nisbet, R.E.R. & Bowler, C. (2017) 'Progressive and biased divergent evolution underpins the origin and diversification of peridinin dinoflagellate plastids', *Molecular Biology and Evolution*, Vol. 34 (2), pp. 361-379.

**Plant, Dr Brendan**

Plant, B. (2018) 'Expert Evidence and the Challenge of Procedural Reform in International Dispute Settlement', *Journal of International Dispute Settlement*, Vol. 9 (3), pp.464–472.

**Pratt, Dr David**

Pratt, D., 'Charters and Exemption from Geld in Anglo-Saxon England', in Naismith, R. and Woodman, D.A. (eds.) *Writing, Kingship and Power in Anglo-Saxon England*, Cambridge University Press (Cambridge, 2018).

**Rawlinson, Professor Nick**

Civiero, C., Strak, V., Custódio, S., Silveira, G., Rawlinson, N., Arroucau, P. & Corela, C. (2018) 'A common deep source for upper-mantle upwellings below the Ibero-western Maghreb region from teleseismic P-wave travel-time tomography', *Earth and Planetary Science Letters*, Vol. 499, pp. 157-172.

**Richer, Professor John**

Ward-Thompson, D., Richer, J.S. & 112 colleagues (2017), 'First Results from BISTRO: A SCUBA-2 Polarimeter Survey of the Gould Belt', *The Astrophysical Journal*, Vol. 842 (1), Article ID 66.

**Steger, Dr Brigitte**

Steger, B. & Koch, A. (eds.) *Cool Japanese Men: Studying new masculinities at Cambridge*. Lit Verlag (Zurich, 2017).

**Stock, Dr Jay**

Macintosh, A.A., Pinhasi, R., Stock, J.R. (2017) 'Prehistoric women's manual labor exceeded that of athletes through the first 5500 years of farming in Central Europe', *Science: Advances*, Vol. 3 (11), eaao3893. doi: 10.1126/sciadv.aao3893

**Tomalin, Dr Marcus**

Tomalin, M. (2017), "'An Invaluable Acquisition": Sandglasses in Romantic Literature', *European Romantic Review*, Vol. 28 (6), pp. 729–749.

**Virgo, Professor Graham**

irgo, G., *The Principles of Trusts and Equity*, 3rd edition, Oxford University Press (Oxford, 2018).

**Wales, Professor David**

Wales, D.J. (2018) 'Exploring Energy Landscapes' *Annu Rev Phys Chem*, Vol. 69, pp. 401-425. doi: 10.1146/annurev-physchem-050317-021219

**Williams, Dr Guy**

Ersche, K.D., Acosta-Cabronero, J., Jones, P.S., Ziauddeen, H., van Swelm, R.P., Laarakkers, C.M., Raha-Chowdhury, R. & Williams, G.B. (2017), 'Disrupted iron regulation in the brain and periphery in cocaine addiction', *Translational Psychiatry*, Vol.7(2):e1040. doi: 10.1038/tp.2016.271.

**Yunus, Dr Kamran**

Gonzalez-Aravena, A.C., Yunus, K., Zhang, L., Norling, B. & Fisher, A.C. (2018) 'Tapping into cyanobacteria electron transfer for higher exoelectrogenic activity by imposing iron limited growth', *RSC Adv*, Vol. 8, pp. 20263-20274.

## COLLEGE GOVERNANCE

The College is a lay eleemosynary corporation established by Royal Charter. The Governing Body has all the powers of an ordinary person subject to the College's statutes and general law and is bound to act in a faithful and proper way in accordance with its purposes. Acting on the powers in the Charities Act 2006, the Secretary of State removed the exempt status of the Colleges of Oxford and Cambridge on 1 June 2010. The College was then registered with the Charity Commission on 12 August 2010 (Registered Number: 1137455). The Cambridge Colleges are classed as a special case for purposes of accounting and continue to publish accounts in the form stipulated by Statute G III of the University, *The Recommended Cambridge Colleges Accounts ('RCCA')*, which is based on Financial Reporting Standards and is compliant with the *Statement of Recommended Practice: Accounting for Further and Higher Education*. The Intercollegiate Colleges Accounts Committee advises on interpretation. The College is a charity within the meaning of the Taxes Act 1988, s 506 (1).

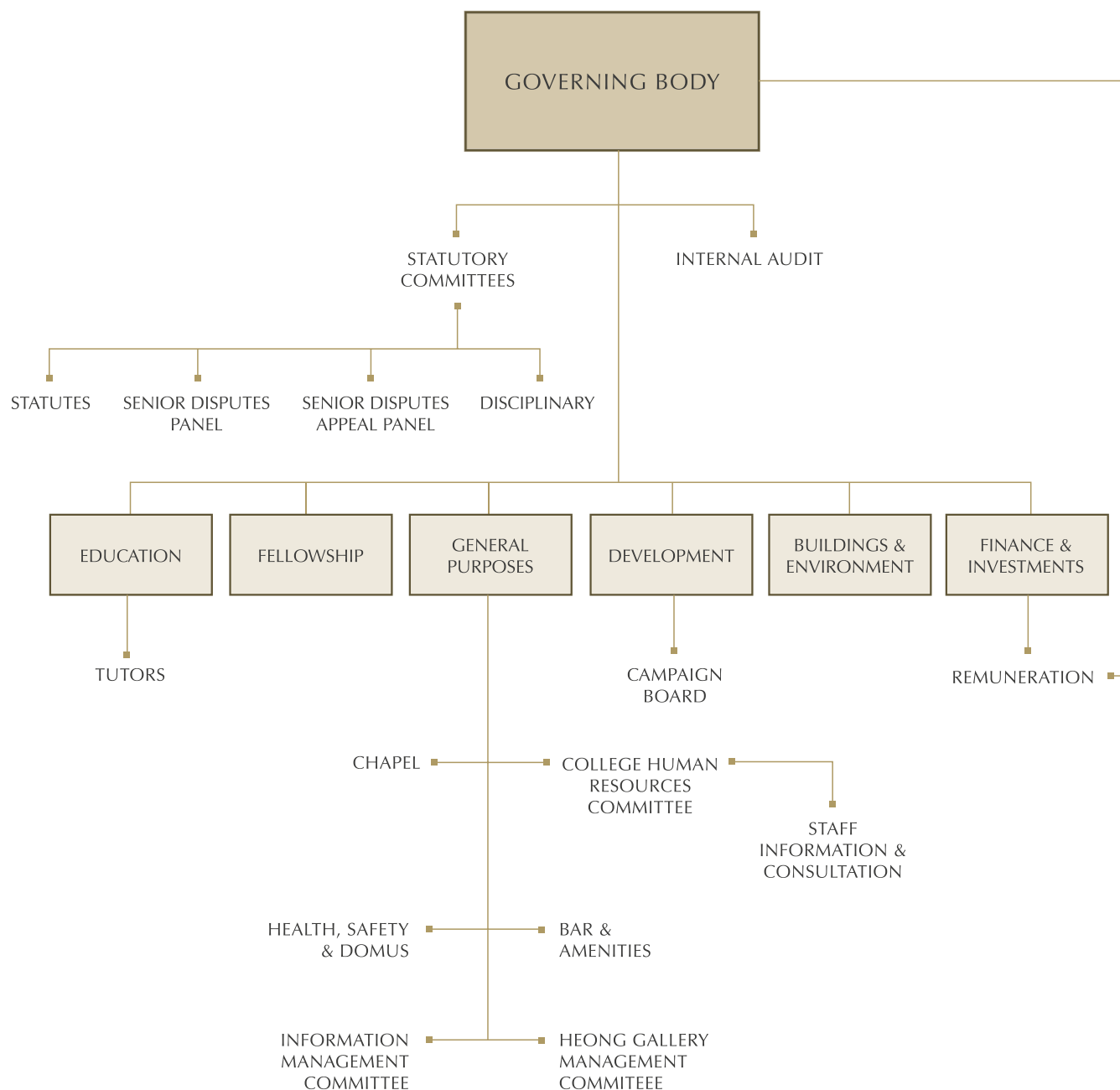
The Statutes that set out the arrangements for governance of the College were last completely revised during 2005 and approved by Her Majesty, with the advice of Her Privy Council on 9 May 2006, with approval given to amendments on 18 March 2009 and 8 March 2017. The Master is Chairman of the Governing Body; the Senior Tutor has overall responsibility for the admission, education and welfare of undergraduates and graduates; and the Senior Bursar has overall responsibility for the finances, the estate, and the administration of the College. Both the Senior Tutor and the Senior Bursar are accountable to the Governing Body. Members of the Governing Body serve until the earlier of retirement or the end of the academic year in which they reach 67 years of age. Members of the Governing Body in office during the period and at the date of this Report are listed on pages 5 and 6. With few exceptions, Fellows are chosen after interview on the basis of excellence in teaching and research and their commitment to providing direction of studies and supervisions across the principal subjects offered by the University. New members of the Governing Body are trained in the fulfilment of their responsibility for governance through a system of mentoring. All members of the Governing Body serve as trustees and have received training in their duties.

The Governing Body, which meets eight times per year, discharges its responsibilities through the structure of committees shown in the following table. Representatives of the JCR and the MCR attend and participate in Governing Body meetings, each of the secondary Committees (with the exception of the Fellowships Committee), and most of the tertiary Committees. External advisers serve on the Investments meetings of the Finance Committee (6), the Development Committee (1), the Health, Safety, and Domus Committee (1), and the Remuneration Committee, which consists only of external members (5), with the Senior Bursar in attendance. Its remit is to review the recommendations of the Governing Body (taken on the advice of the Finance Committee) on the remuneration of its members. In essence, the Remuneration Committee can either accept or reduce (but not increase) the recommended level of remuneration. During periods of active fundraising, a Campaign Board offers advice on elements of College strategy.

Members of the Governing Body are required to act with integrity, to act in the College's interests without regard to their own private interests, and to manage the affairs of the College prudently, balancing long-term and short-term considerations. The direct cost of governance for 2017–18 was £44,299 (2016–17: £43,473).

The College is a legally autonomous body; however, it exists within the federal structure of the University. Matters of concern to all colleges and the University are discussed and acted on through a system of University-wide committees, such as the Colleges' Committee, of which all Heads of Houses are members, the Senior Tutors' Committee, which is chaired by the Vice-Chancellor, and the Bursars' Committee. Representatives of the Senior Tutors and Bursars sit on each other's committees and on the Colleges' Committee. These committees work through the building of consensus.

## THE COMMITTEE STRUCTURE



## COLLEGE FUNDING

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

### Academic Fees

Academic fees consist of the College Fee and grants to support teaching and research. Of these, the most significant source of funding is the tuition fee payable by or on behalf of undergraduates. From October 2012 to October 2016, the tuition fee for Home/EU students was set at £9,000, despite significant inflation in costs. The University participated in the first year of the Teaching Excellence Framework ('TEF') and was therefore able to charge Home and EU undergraduate and PGCE students admitted from 1 September 2017 at the higher-rate of £9,250. From these fees, half is passed to the University (see separate section on pp.24–26) and the College retains the other half of £1,751,745. Private and overseas fees are charged at £8,620 (per year of the course) and retained by the College, while the University charges a separate fee in an amount depending on the course. All fees paid by undergraduates are collected by the College, which acts as an agent for the University. The total fees that the College received for educating undergraduates, including the private fees payable by overseas students, was £2,359,610, which amounted to 21.8% of unrestricted income before donations and endowments (2016–17: £2,262,222 and 22.2%). Since 2014–15, the fee due from postgraduates is a proportion of a single fee charged by the University. The fee, which is calculated according to a complex formula that assigns weightings to different categories of postgraduate student, was £3,490 per full-time student.

Although there was an increase in costs, the modest increase in fees, coupled with an increase in student numbers, resulted in a decrease of 14.4% in the shortfall per student, from £2,619 to £2,241 (on a fully-allocated basis). Using a methodology consistent with that used by the University, the College has calculated that it costs £8,336 to educate an undergraduate (2016–17: £8,555). The decrease in the per capita cost is attributable to the fixed costs being spread over a greater number of students. The model, which allocates costs between undergraduates and postgraduates, calculated that the cost to support each postgraduate student was £4,315 (2016–17: £4,593). The costs are highly sensitive to the cost of providing space, which is affected by energy and labour costs. The funding shortfall is partly offset by income from charitable funds.

### The Colleges Fund

The Colleges Fund, which is funded through the intercollegiate taxation system, makes grants to Colleges with insufficient endowments. The College has received grants totalling £492,500 over the last ten years, but for the fifth consecutive year, the College was not awarded a grant.

### Stipends

Under the Cambridge system, the majority of the Fellows of a College are paid their principal stipends by the University. Remuneration systems among the Colleges differ. In Downing, Fellows who hold positions in the University – the majority – are paid for the supervisions that they undertake for Downing students (or for students of other Colleges in order to obtain exchange teaching) at an enhanced intercollegiate hourly rate, provided that at least 80 hours of supervisions are taught. Fellows are given rooms, including residential flats if single, and other benefits. The

intercollegiate rate for 2017–18 for an hour’s supervision of two students was £35.18. All of these costs, including the cost of maintaining premises, are included within the costs of Education in the *Consolidated Statement of Comprehensive Income and Expenditure*. Direct staff costs are shown in Note 8. In 2017–18, the cost per square metre of providing space was £157.56, compared with £154.08 in 2016–17, an increase of 2.3%. From time to time, Downing appoints College Teaching Officers (who are Official Fellows) in those subjects in which either there is a substantial need for undergraduate teaching, but for which the College has been unable to secure University Teaching Officers as Fellows, or for which it has received special funding that enables the College to support an additional Fellow in subjects in which it has a particular strength. At present, two full-time (History and Law), one fifth-time (English) and one quarter-time (Human, Social and Political Science) College Teaching Officers are funded by the College. Approximately £4.3 million of the College’s £48 million total endowment is required to support the College Teaching Officer posts.

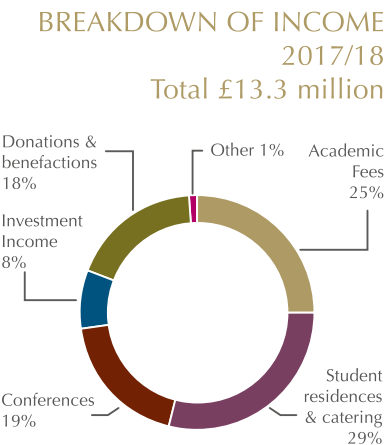
The cost of providing education is considerably greater than the money that the College receives from academic fees. Since 1999–00, the year in which the Government imposed a 21.8% cut in the College Fee, the cumulative shortfall has been £25.3 million. From the introduction of the £9,000 Tuition Fee in October 2012, the shortfall has been £9.6 million.

### Conferences

Through its subsidiary, Downing Cambridge Conferences Limited, the College continues to focus on building its commercial business, which consists of conferences and functions. Income from commercial activities is intended to cover the out-of-term portion of the year-round costs of the estate and the staff. Profits from this business, together with fundraising efforts, rigorous cost control, and more economically appropriate charging policies, are key contributors to the strategy needed to address the unfavourable business environment within which Oxbridge colleges operate.

### Trinity College

The College continues to benefit from the generosity of Trinity College through, for example, the discounted rent payable on the sports ground lease and from the support provided by The Isaac Newton Trust. The Trust has over the past three years contributed to the costs of two Research Fellowships. In addition, Trinity funds the University salaries of two Fellows (English and Social and Political Science) who are University Teaching Officers under a scheme that links the position to a College. In the past ten years, the College has benefited from £508,000 in funding from Trinity and the Isaac Newton Trust, both of which ensure that the less-well-endowed Colleges are able to provide resources and facilities equivalent to those of the other Colleges. The calculation excludes the benefit to the College of the Trinity University Teaching Officer Scheme.



## SIGNIFICANT POLICIES

### 1. RESERVES

1. Total Net Assets stood at £195.4 million at 30 June 2018. Of this amount, £153.3 million represents the net book value of the buildings, including the Revaluation Reserve of £36 million. As functional fixed assets, they cannot be spent as income. Of the remaining £42 million, £33.2 million consists of Permanent Restricted Endowment, and £4.5 million is attributable to the revaluation of works of art. At 30 June 2018, therefore, free reserves (General Reserve less pension liability of £1.8 million) stood at £4.6 million (2017: £3.8 million).
2. In formulating the reserves policy, the Governing Body has taken into account the guidance offered by the Charity Commission in its publication *Charity reserves: building resilience (CC19)* and carefully considered the factors that cause variations in income and sudden calls on cash. These are: student numbers; changes in the funding of higher education and the apportionment of tuition fees; the susceptibility of the conference business to corporate cutbacks and geopolitical events; the volatility of the investment portfolio caused by movements in world markets and unanticipated rental voids; and the impact on donations and benefactions of insufficient staff resource. The Governing Body has also considered examples of historical unanticipated expenditure, in particular those that have arisen from problems in the fabric of the buildings, e.g. dry rot or responses to changes in the law. The Reserves also support any liability arising from the USS and CCFPS final salary pension scheme for staff under FRS 102, Section 28 (2018: £1,801,130; 2017: £2,046,993).
3. The Governing Body therefore considers the assessment of whether the College has sufficient reserves should take into account a range of factors: annual operating expenditure met from unrestricted funds (£11 million), cash expenditure (operating expenditure minus depreciation plus capital expenditure – £13.6 million), working capital needs, unanticipated expenditure on repairs, known opportunities of uncertain timing, the refinancing risk on its £2 million of medium-term debt, the level of essential expenditure that can be supported by returns from restricted funds, the level of unapplied total return (£16.3 million), liquidity within the investment portfolio, the cash flow effect of the pension liability and the likelihood of increased employer contributions.
4. Recommendations to the Governing Body for the adoption of the annual budget, the five-year plan, or major incremental expenditure take these factors into account. The level of free reserves at the 35% of total income is uncomfortably low, given the College's aspirations; however, the Governing Body considers that the financial model is sufficiently resilient in the short term to allow time for the raising of endowment in a new fundraising campaign.

### 2. INVESTMENT PRINCIPLES (The 'SIP')

1. The College may invest in securities and in real or personal property. (See Statute XLVII, approved by Her Majesty in Council on 19 July 2005, and superseded by the full set of statutes approved on 9 May 2006). Since 1 August 1957, the College has operated an Amalgamated Fund made under the Universities and Colleges (Trusts) Act 1943, in which permanent capital, expendable capital, restricted funds (including trusts), and unrestricted funds hold units. Since 1 July 2010, the units of the Amalgamated Fund have also been invested in the College's commercial property portfolio.

2. The College manages its investments in securities and property to produce the highest return consistent with the preservation of capital value in real terms for the long term, net of costs and withdrawals to support its operating needs. A subsidiary aim is to enhance the value of the capital for future beneficiaries.
3. The Investment Committee sets the overall asset allocation and appoints advisors and managers. On 1 August 2009, the College appointed Partners Capital to advise on and manage the securities portfolio. Such appointments are reviewed at five-yearly intervals or in response to specific problems or opportunities. The review considers the risk/return parameters that have been given to the managers, whether these parameters still accord with the College's investment objectives, the performance benchmark resulting from these parameters, and the long-term investment objective. Following a review in 2014, the College decided to retain Partners Capital, but adjust the risk levels within the portfolio.
4. For the securities portfolio, the goal implies a time-weighted net return target of 7.5%, comprising inflation (approximated by a long-term education inflation rate of 3.5%) plus a spending rate of 4%, measured on a five-year trailing basis. The Investment Committee has set an additional goal of outperforming, net of all investment expenses, a composite benchmark, which comprises the sum product of the Strategic Asset Allocation and performance of each constituent asset class benchmark.
5. Risk in the securities portfolio is measured by a) Equivalent Net Equity Beta (ENEB) and b) the volatility of returns. Both of these metrics are assessed against the composite Strategic Asset Return benchmark. That benchmark currently reflects an expected return of 6.3% with a standard deviation of 12.0% and an ENEB of 75%.
6. The current benchmark by which performance is judged consists of Equities: 42%, MSCI ACWI NR with Developed Markets 100% Hedged to GBP Index; Fixed Income: 12%, FTSE A British Government All Stocks; Hedged Funds: 18%, HFRI Fund of Funds Composite; Cash: 1%, UK three-month LIBOR Index; Inflation Linked Bonds: 3%, FTSE A (Index Linked) British Government All Stocks; Commodities: 3%, S&P Goldman Sachs Commodity Index; and Private Equity: 21%, State Street All PE Index (lagged 3 months).
7. Tactical Allocation ranges were cash: 0–5%; Fixed Income: 0–18%; Hedge Funds: 5–35%; Equities: 20–65%; Private Equity: 10–30%; Commodities: 0–6%; and Inflation Linked Bonds: 0–10%. Portfolio rebalancing is normally undertaken on a quarterly basis to re-align asset allocations to targets.
8. The Investment Committee monitors the liquidity in the securities portfolio and has set a limit on illiquid financial assets, defined as assets that cannot be liquidated within a year. New agreements to purchase such assets will not be executed if the aggregate market value of all such illiquid assets exceeds 35% of the aggregate market value of the value of the securities portfolio.
9. The currency hedging policy is to target 60% exposure to GBP. These currency targets are applied across all investment assets, both liquid and illiquid.
10. The custodian for the majority of the securities is HSBC Private Bank (Luxembourg) S.A.

11. The College's property portfolio is managed by Carter Jonas LLP. Routine decisions are taken by the Senior Bursar acting on advice from Carter Jonas and the law firm Hewitsons. The College only invests directly in property held for strategic purposes. In the case of commercial property, the investment analysis must demonstrate an acceptable commercial yield. For any investment in external residential property for use by the College's students, the net yield must be positive, with the prospect of an appropriate capital gain. No such purchases are contemplated in the near term. Such purchases must also take account of the College's overall liquidity and income requirements.
12. The College's spending rule is designed to smooth spending and reduce the effect on income of fluctuations in market performance. The amount of return recognised in the *Consolidated Statement of Comprehensive Income and Expenditure* is equal to the weighted average of the prior year's spending adjusted for inflation measured by RPI + 1% (70% weight) plus the amount that would have been spent using 4.5% of the prior year's closing value of the investments (30% weight). In formulating this rule, the College had regard to the unapplied total return on invested funds. The unapplied total return stands at £16,260,000, which includes returns from commercial property since 1 July 2007.
13. All investments, including the parameters for the investment of cash, are overseen by the Investments Committee, with day-to-day management delegated to the Senior Bursar. Membership of the Investment Committee currently consists of three members of the Finance Committee and six external members with professional expertise. The Investment Committee reports to the Governing Body, which is responsible for authorising major changes of strategy, the appointment of fund managers, and all direct holdings of property.
14. This statement was last revised in November 2018.

### 3. INVESTMENT RISK

Given the relatively small size of its investment portfolio, the College must balance the need for stability in value with that for superior long-term returns. The College has adopted a strategic asset allocation designed to reduce the volatility of returns through a diversified portfolio of non-correlated assets, embracing some illiquidity in order to provide a suitable trade-off between risk and return. The asset allocation, liquidity, and the expected risk/return profile of the portfolio are regularly reviewed by the Investment Committee. Although the portfolio is well-diversified and takes into account the risk-adjusted returns of each asset class and its role within the portfolio (e.g. volatility reduction, provision of income, return enhancement, deflation hedge, or inflation hedge), the turmoil in the financial markets towards the end of 2008 resulted in most asset classes being affected negatively with assets with long historical trends of low correlation to each other moving in tandem. The College responded by conducting a detailed and careful analysis and concluded that its strategy is sound, but that implementation should be through the use of a third-party specialising in multi-asset class investing. During more-recent financial turbulence, the portfolio has behaved according to the modelling which informed its construction.

The portfolio has substantial exposure to currency movements, which is limited through foreign exchange forward contracts to target hedging 60% of the US Dollar, Euro and Japanese Yen exposure. Only currencies with potential exposure of greater than 5% of the portfolio are subject to currency management.

## 4. ETHICAL INVESTMENT

The College continues to keep under review its duty in regard to the ethical investment of its funds. In line with the findings of the Harries case (Bishop of Oxford v. Church Commissioners, 1992), the overriding principle guiding the College's investments is the financial return of the portfolio, unless such investments are contrary to the charity's aims. However, the Charity Commission (CC14) also acknowledges that, in some instances, a charity might accept lower returns if it might 'lose supporters or beneficiaries if it does not invest ethically'. Categories of exclusion that may fall within the definition of activities that are contrary to the charity's aims are companies whose activities violate human rights, the environment, and best practice in social and stakeholder matters. The College employs a firm of advisors that provides a range of pooled funds in which to invest. The Investment Committee is responsible for decisions on asset allocation, but does not select individual stocks. This model limits the College's ability to influence investment decisions in particular sectors; however, the managers are aware of areas of concern and regularly interrogate the holdings in the pooled funds. Partners Capital is a signatory of the UK Stewardship Code; its Stewardship Statement is informed by the United Nations' Principles for Responsible Investment.

As a UK charity, the College is not subject to taxes on income or capital gains. It also holds 501(c) (3) status in the USA, which means that it is recognised as a non-profit organisation and therefore exempt from US Federal Income Tax. To the extent that it holds investment assets in offshore vehicles, it does so to reduce the administrative costs of portfolio management, but only in jurisdictions that have signed up to the Common Reporting Standard, an information standard for the automatic exchange of tax and financial information on a global level.

## 5. RISK MANAGEMENT

The Governing Body's Risk Management Register is kept under review. The relevant Committees have considered the risks inherent in their areas of responsibility and have advised the Governing Body on the probability of occurrence and the likely impact, together with the steps taken in mitigation. Although risks can be identified and plans to deal with such risks formulated, the College is nevertheless exposed to a variety of risks, some of which cannot be addressed through insurance. The age of the estate, parts of which are 200 years old, means that problems inevitably occur, sometimes without warning and often at great expense. Annual results can be affected by large swings in student numbers, principally in the postgraduate community and mainly because of multiple applications and the uncertainty of funding. A wide range of the College's operations are affected by volatility in the financial markets and by recession in the real economy, the effects of which are hard to mitigate. All operations would be impacted by a pandemic. The College has made an appropriate plan to minimise anticipated problems.

Underpinning the sustainability of all activities is the need for financial resilience. A more substantial endowment would protect operations from disruption in the stock market and the world economy, as well as provide comfort against the immediate risks posed by Brexit and Government challenges to tuition fees. Increased and uncommitted resources would help attract high-quality staff and the research-active academics who are essential to the proper provision of teaching, as well as enable further investment in the innovation necessary to combat complacency and respond to changing social pressures. An increasing dependence on cloud-based systems brings with it known and unknown risks, which will require a greater emphasis on cyber security. Harm to the fabric of the buildings from atypical weather is a harbinger of the longer-term damage and disruption caused by changes in the climate.

## 6. THE ENVIRONMENT

Downing was the first College to sign the Cambridge Climate Change Charter on 19 February 2008 and has remained at the forefront of environmental improvement. In 2010, Quentin Blake (English, 1953), an Honorary Fellow and Children's Laureate, donated the drawing of a 'Green Griffin' to the College. The Green Griffin is the figurehead for the environmental awareness strategy.

The Domus is the focus of a constant programme of energy-saving improvements. Howard Court, the site of the Howard Theatre, with its ground source heating and grey-water reclamation systems, has seen recent improvements, including the installation of double glazing in many rooms in Howard Lodge. With works in J staircase and along the West Range, the total number of College buildings with extensive double glazing rose to twenty – no mean feat for a site with so many Grade I listed exteriors. All new building projects include double-glazing as standard. Solar PV panels on V staircase, Griphon House and Battcock Lodge contributed nearly 35,000KWh of electricity during the last year. Downing was one of the first Colleges to install charging stations for electric cars (2012), and these are made available to Fellows, staff, and College visitors. The programme of boiler replacement is coupled with centralised BMS control systems to optimise room temperatures according to monitored temperatures, both external and internal. Thirty-nine energy-efficient boilers have now been installed across the College, while twenty-nine remain to be renewed. The Library has benefited from a long-awaited transition to LED lighting, coupled with a phased programme of double glazing to all windows.

The College has benefitted from a revitalised environmental awareness in the Catering Department, with multiple new initiatives in progress. These include the reduction of food waste and the introduction of more recyclable containers. The College gardening team has eliminated the use of chemical treatments on the grounds and has increased the amount of on-site composting in progress. The College has also engaged closely with the local authority to improve its waste-management strategy and recycling, which involves promoting improved segregation of waste by students and the Housekeeping Department. In addition, the College stays in close communication with student Green representatives. From the introduction of Keep Cups in the Butterfield Café (at cost) to an engagement, in committees and elsewhere, with complex questions of divestment, JCR and MCR initiatives continue to be welcomed.

### Green Policy

The College will comply fully with environmental legislation and relevant officially-approved codes of practice, in order to:

- promote sound environmental-management policies and practices in all areas of its activities
- minimise the consumption of carbon-rich energy and of water
- minimise waste and pollution and operate effective waste management and recycling procedures
- increase awareness of environmental responsibilities among Fellows, students, staff and guests
- encourage modes of transport that minimise the environmental impact.

## Management Policy

The College aims to be at the forefront in environmental planning and implementation among Cambridge Colleges. It will achieve this by:

- researching techniques to achieve energy and waste reduction
- implementing stringent intra-College policies
- applying environmentally sustainable purchasing policies, including total supply chain and whole-life-costing techniques
- communicating targets, monitoring achievement and feeding back results to participants
- participating in local and national energy conservation programmes, such as Green Impact, Student Switch-Off, and Green Tourism.

## Scope

The Environmental Policy covers the following areas:

- reducing the carbon footprint by consuming less energy and converting to more environmentally-friendly sources of energy where practicable
- promoting recycling, aided by minimising and responsibly disposing of non-recyclable waste (e.g. under the WEEE regulations)
- reducing the per capita consumption of water
- monitoring consumption of energy and water, investigating anomalies and feeding information back to consumers
- using environmentally-sound building and refurbishment methods.

## Reducing Consumption

The College aims to meet or exceed all national and sector targets for carbon reduction. These targets include those under the CRC Energy Efficiency Scheme and those defined by the Cambridge Colleges:

- reducing carbon consumption by at least 80% by 2050 (baseline 2005).

## Recycling and Waste Management

The College undertakes to reduce the absolute quantity of waste generated and, specifically, the volume sent to landfill, year-on-year.

This reduction will be achieved by:

- purchasing items with reduced packaging
- reducing waste arising from food preparation by means of better stock control and portion management
- involving staff and students in correctly segregating waste streams to maximise recycling within the College
- working with the City Council and other waste disposal agencies to recycle more effectively
- creating new recycling channels where possible, and publicising these to staff, students, Fellows, and guests.

## Greater Environmental Awareness

The College will actively promote environmental awareness among Fellows, students, staff and conference guests.

Increased awareness will be achieved by:

- actively publicising national and local environmental initiatives, including regular feedback on College performance
- managing College initiatives through the Health, Safety, and Domus, the Buildings and Environment, and the General Purposes Committees
- involving JCR and MCR Green Officers in all appropriate initiatives, such as the Student Switch-Off Campaign
- including, where practicable, environmentally-based incentives in staff performance targets and in student rents
- monitoring and publicising energy-saving and environmental targets and performance, including informing conference guests of achievements via Green Tourism
- improving conformity with the qualification criteria for Green Tourism.

## Green Transport Policy

The College encourages responsible travel arrangements:

- generally, students may not bring motor vehicles to Cambridge
- Fellows, students and staff are encouraged to walk or bicycle to work; the College participates in the Cycle to Work Scheme
- by publicising information on routes, conference and non-conference guests are encouraged to come to the College by public transport
- work patterns may be adjusted, where possible, to facilitate use of public transport
- the College will provide incentives to staff to use public transport, if this is economically justified
- the College will work with the City Council on congestion-reducing initiatives
- the College has a programme to increase the number of bicycle racks

## Actions and Targets

The College will:

- continue the programme of remedial action to improve estate energy performance (insulation, etc.)
- support the efforts of Green Officers by providing past annual energy consumption data as requested
- participate in intra-College, University and national energy conservation competitions
- seek additional renewable energy opportunities.

## Progress on Green Initiatives

- In 2017, Downing achieved Gold in the 'Student Switch Off' Campaign.
- In 2017, the College achieved Gold Standard in the National Green Tourism awards.
- The College has participated in the University-wide Green Impact awards since their inception in 2014.
- The College continues to welcome and support environmental initiatives, as they emerge, from all parts of the College community, as can be seen by the recent expansion of green activities in the Catering Department.



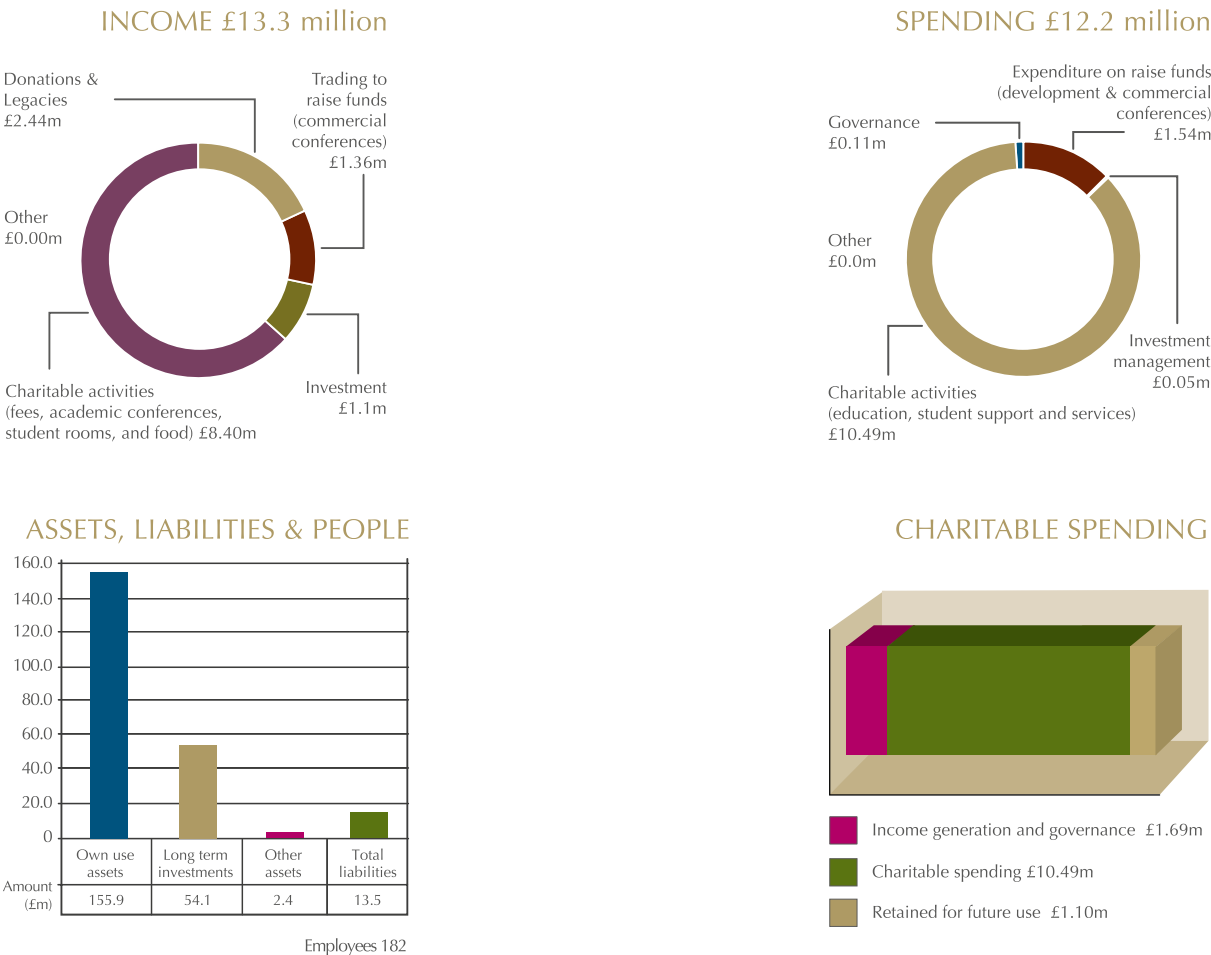
## RESULTS IN THE FORMAT REPORTED TO THE CHARITY COMMISSION

The *Summary Information Return* ('SIR') that is made annually to the Charity Commission is based on *The Charities Statement of Recommended Practice*, which has a different emphasis from that of the standard profit and loss model of accounts that informs *The Statement of Recommended Practice: Accounting for Further and Higher Education, 2015* and the *Recommended Cambridge Colleges Accounts* ('RCCA') as mandated by the University of Cambridge Statute G III and Ordinance XIV. The RCCA focuses users' attention on the efficiency and viability of an entity as measured by the surplus or deficit on the period's operations; it provides sufficient detail for the reader to be able to assess the financial health of the main categories of activity. In parallel with the RCCA's *Consolidated Statement of Comprehensive Income and Expenditure*, the SIR counts in its definition of income all the funds flowing into the entity, including capital donations to endowment but breaks down expenditure into different categories.

By highlighting the costs of governance, investment management and trading to raise funds, the SIR frames an entity's efficiency in terms of its success in keeping administration costs to a minimum. When published on the Charity Commission's website, information is presented pictorially. The pie charts illustrate the College's dependence on current and past donations (18% of income) to support its £10.49 million spending on its charitable activities. The charts also provide a measure of profitability on trading to raise funds. That contribution, however, should not be taken at face value: the commercial conference business absorbs overhead costs that would otherwise fall on charitable activities.

A further chart shows the extent to which funds have been used to support the current year's activities and the extent to which they have been retained for future use, although in many cases that division reflects the terms of the donations.

Compared with 2016–17, income for 2017–18 increased by 8.1% to £13.3 million. Income from charitable activities increased by 8.0%, with the most significant rise being from student fees and conference income. Income from commercial conferences was slightly down by 4.4% from last year's £1.43 million; charitable (i.e. academic) conferences increased by 21.5% to £1.1 million. Spending on charitable activities increased by 3.5% to £10.5 million. Of the £13.3 million in income received during 2017–18, £1.1 million was retained for future use.



# FINANCIAL REVIEW

## Income and expenditure

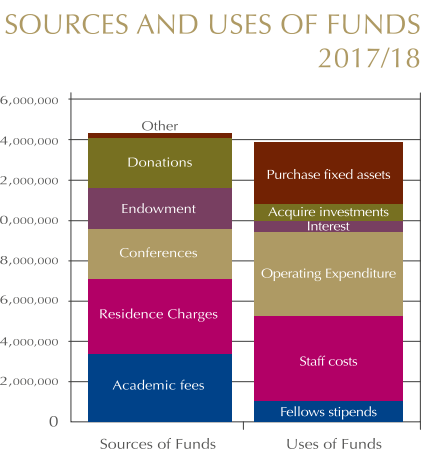
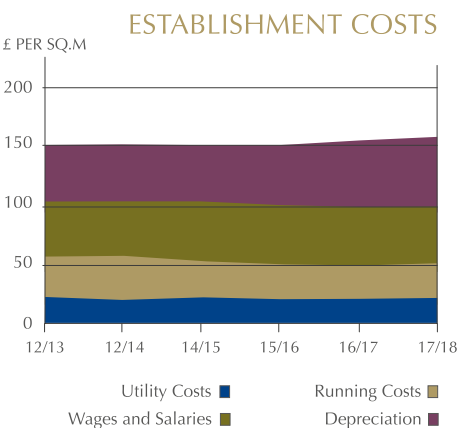
- Total income before donations and endowments up by 7.4% at £10.8 million
- Improved unrestricted deficit before other gains and losses: £0.003 million vs £0.3 million)
- Costs up 3.0%
- Surplus for the year: £3.7 million

The year’s activities resulted in a surplus of £3.7 million, which included gains on investment of £2.3 million. The column in the accounts that shows the activities funded by unrestricted income measures the efficiency of operations. This year, income all but covered expenditure, due principally to an increase in conference income and a higher number of postgraduates than anticipated, paying a greater amount in per capita fees. After the freezing of the Home/EU undergraduate fee since its introduction in 2012, the University’s participation in the Teaching Excellence Framework, permitted an increase from £9,000 to £9,250 from 1 October 2017. In real terms, the College’s half-share has declined in value to £3,805. During the same period, the obligation to fund the Cambridge Bursary Scheme has increased from an average of £87 per capita per year to £300 per capita per year. By 2020, that contribution will have increased to £375, bringing the total cost of the Scheme to £145,000 per year. The cost of an undergraduate education was £8,336 for the 2017–18 year and that of a postgraduate £4,315. The College must, therefore, bear the expense of a significant subsidy, not all of which can be met from trust funds: the College, therefore, continues to implement cost controls through better purchasing, seeks out opportunities to enhance its commercial activities, and relies on philanthropic giving.

## Staff Costs

The main driver of expenditure is staff costs, both academic and non-academic. The salary component of costs, without pension and national insurance costs, increased by 3.4% from £4.5 million to £4.7 million, reflecting the addition of four full-time equivalent staff posts. The total cost correspondingly rose to £5.3 million from £5.2 million. As a percentage of total expenditure of £12.0 million, total salary costs amounted to 43.8% (2017: 44.1%). Of total income before donations and endowments, total salary costs accounted for 48.5% (2017: 51.0%).

Staff costs must be contained, and yet it is increasingly difficult to do so: the number of both permanent and casual staff has grown in response to increases in activity and the higher expectations of students and guests. The tight market in Cambridge for both skilled and unskilled labour continues to put pressure on salaries, which together with the additional pension costs resulting from auto-enrolment, the consequent greater take-up of the pension benefit, and the aspiration to match the level of the ‘real living wage’ for permanent employees, adds to the wage bill. A cost-of-living increase of 1.7% was awarded to both academic and support staff. Given that wage inflation was 2.2%, containment at these levels is unsustainable over the long term, especially given that the median level of non-academic staff pay is £18,283 (2017: £18,122). A gender pay analysis at April 2017 identified a gap between the pay that male and female non-academic staff receive, with men receiving 3.0% more than women in a total staff population of 93 men and 123 women. Although the gap is well below the national average, nevertheless, if the gap is to be addressed, the finding puts further upward pressure on salaries.



## Student Rents

The rent roll, which is in principle in the College's control, amounted to £3.2 million. Rents are set in negotiation with the JCR and MCR using a cost-attribution model that is intended to cover costs, but not make any profit. The model uses budget figures in order to set the rent for the following year. In order to make the cost of living clear to potential applicants, the College adopted a policy of 'no hidden charges', one of only 17 Colleges where there are no additional accommodation-related charges. Similarly, the Residence Charge also incorporates the traditional 'kitchen fixed charge', which means that Downing is one of only eight Colleges that do not impose a charge for catering whether or not the facilities are used. In the College's view, this transparency gives certainty; however, it is difficult to counter the students' perception that rents are unfairly high compared with those of other Colleges where the headline rate does not tell the whole story. Included within the charge is insurance cover for students, which includes cover for their possessions and personal liability. Student meals are charged at a mark-up on food alone to allow for wastage, with no charge levied for the cost of labour, utilities, insurance, or facilities. The resulting average Residence Charge for undergraduates is £162.43 per week and for postgraduates is £165.41, with the difference reflecting the distribution of differently banded rooms. The median undergraduate residence charge per week is £169 and for postgraduates is £159. There is a range of contract options at 29, 30, 38–39 (charged at 36–37) and 51 weeks. All undergraduates with 38 (charged at 36) week contracts, are eligible for an automatic bursary, depending on their financial circumstances. Contract lengths are shorter than at other Russell Group universities, many of which are only able to accommodate first-year students, whereas the College can accommodate undergraduates for the duration of their courses. Of the current 546 rooms, 418 are occupied by undergraduates and 128 (including 9 flats), are occupied by postgraduates. The College anticipates adding to its room stock through the conversion of offices on the boundary, as they become available, and the conversion of 26 Lensfield Road, the purchase of which completes ownership of the southern boundary, with the exception of the Doctor's Surgery at 48. The profit and cash flow from the conference business, which returned £2.5 million in income, helps to compensate for the shortfall in student rental income, which cannot cover 52 weeks of costs.

The College's endowment distributed £1.9 million for spending purposes, which consisted of 55% unrestricted and 45% restricted income. Compared with the investments of the majority of colleges and all those founded before it, the College's endowment is small.

## DEVELOPMENT: ALUMNI RELATIONS AND FUNDRAISING

- New pledges made and cash received: £2.3 million
- Total gifts recorded in the accounts: £2.4 million
- Legacies: £0.6 million
- Participation rate (undergraduates): 14%
- Number of gifts received: 934

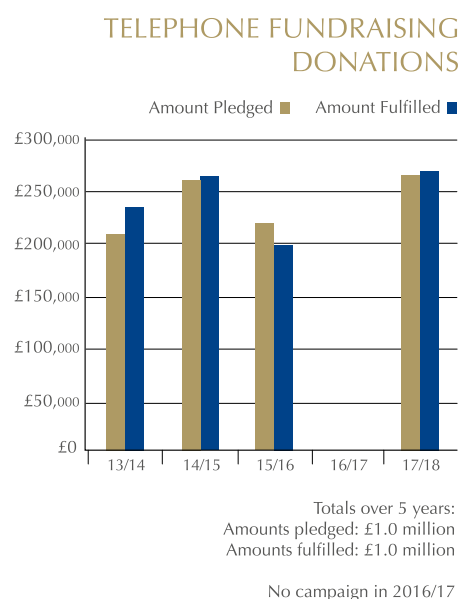
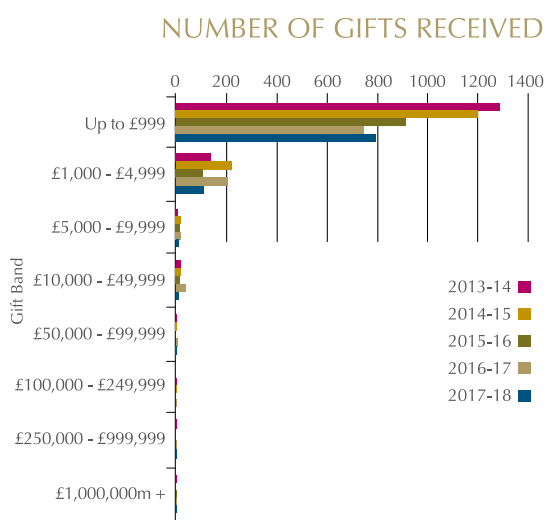
Donations from alumni are gifts from the past to the present and the future, in recognition of the benefits that they have received often as a result of previous donors. Some gifts are spontaneous, but most are the result of implied or explicit appeals, which has meant that the continuing vacancy in the post of the Development Director throughout the financial year will have stalled the programme. The effects may not have been visible in the current year's financial results, as the pledges and cash received are from donors with whom the Fellowship has a relationship or in fulfilment of a past promise. The drop in participation rates from 22% to 14% tells its own story and is indicative of the under-resourcing of the office.

In anticipation of a new campaign, the Fellowship participated in two workshops, facilitated by Simon Pennington of More Associates. Given that Fellows were free to choose which workshop they attended, there was remarkable consistency in their vision for the College. Three themes emerged: the influence of architecture on experience; the importance of culture to wellbeing; and the need for funding in resource-starved higher education. The physical character of the College reflected its values and was seen as important in developing students' characters; the spaciousness of the College encouraged the free-thinking necessary to prepare citizens for civil society; its openness should signal accessibility at all levels, in widening participation and in graduate life. Downing had become a cultural force in Cambridge: its artistic and cultural life was seen as important to student wellbeing, the creation of a community, and a balanced experienced. The College should aim to attract the brightest and the best by providing funding at all levels: undergraduate bursaries; postgraduate studentships, and research fellowship positions. Yet, a balance needed to be struck between strengthening the endowment, appeals for infrastructure projects, and 'immediate spend' funding for nurturing postgraduates and young academics.

It was recognised that donors capable of making transformative gifts had a multitude of calls on their generosity, and that the next stage would be to shape these themes in a way that demonstrated to potential donors how their philanthropic aims were aligned with Downing's ambitions.

In August 2018, the position of Director of Advancement was finally filled, and the College welcomed Ms Jo Finnie Jones, a highly experienced development professional.

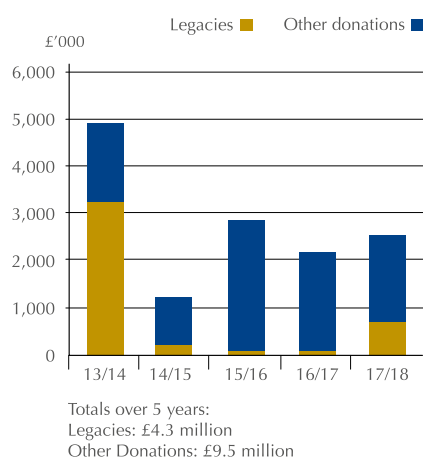
The following tables show the Status of Members out of Residence and Donors in 2017–18, 2016–17 and 2015–16; and attendance at Alumni and Donor events in 2018–19, 2017–18, 2016–17 and 2015–16.



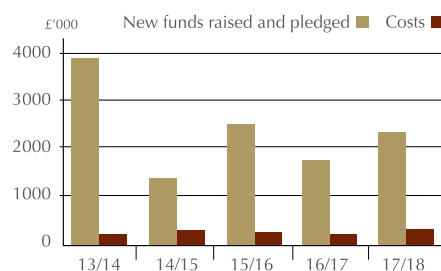
## STATUS OF MEMBERS OUT OF RESIDENCE AND DONORS

	2017-18	2016-17	2015-16
<b>MEMBERSHIP DATABASE</b>			
Number of members (living and deceased)	11,977	11,721	11,555
including former undergraduates	9,813	9,677	9,554
including former graduates	2,164	2,044	2,001
Deceased	2,715	2,647	2,327
Living members	9,262	9,074	9,228
Address known (members in contact)	8,339	7,893	7,960
including former undergraduates	6,587	6,329	6,404
including former graduates	1,752	1,564	1,556
% Address known	90%	87%	86%
email address known	7,289	6,907	6,840
% email address known (of those whose address is known)	87%	88%	86%
Address unknown	923	1,181	1,225
Request not to be mailed	214	93	72
<b>PARTICIPATION RATES</b>			
Living donors this financial year	1,018	1,519	1,481
including former undergraduates	906	1,421	1,336
including former graduates	73	96	99
including others	39	2	46
Members who have ever contributed to the College	3,978	3,898	3,860
Living members in contact who have contributed	3,254	3,219	3,181
% of total living members	35%	35%	34%
% of members in contact	39%	41%	40%
Participation Rate this financial year of living members	11%	17%	16%
Participation Rate this financial year of living members in contact	12%	12%	19%
% former undergraduates	14%	14%	21%
% former graduates	4%	4%	6%

### DONATIONS & LEGACIES



### NEW FUNDS RAISED & PLEDGED AND FUNDRAISING COSTS



## EVENTS AND OTHER FORMS OF CONTACT

Event Attendance by Financial Year (1 July–30 June)

	2018–19		2017–18		2016–17		2015–16	
	Total	Alumni	Total	Alumni	Total	Alumni	Total	Alumni
1749 Reception: July	102	40	64	27	67	26	94	37
Year Reps Meeting: September	32	29	30	27	32	27	34	30
Alumni Day: September	145	88	164	105	140	80	156	94
Association Dinner: September	125	78	121	83	133	77	171	111
Parents Lunch: November	105	1	118	—	164	—	155	—
London Event: November			—	—	95	80	120	89
Catalysis Conference: March			—	—	79	27	95	32
Reunion Dinner: March			139	135	178	171	160	156
Segreants Dinner: April			73	62	38	33	78	60
MA Awards Dinner: May			118	82	128	93	125	89
Donors Garden Party: June			217	107	207	91	308	126
Graduands Reception: June			323	84	308	83	280	75
Other events			559	391	481	308	657	272
<b>Total</b>			<b>1,926</b>	<b>1,103</b>	<b>2,050</b>	<b>1,096</b>	<b>2,273</b>	<b>1,105</b>



[www.twitter.com/downingcollege](https://www.twitter.com/downingcollege)  
Followers: 4,289  
Tweets: 5,568



[www.flickr.com/photos/downingcollege](https://www.flickr.com/photos/downingcollege)  
Photos: 3,139



[www.facebook.com/downingcollege](https://www.facebook.com/downingcollege)  
Fans: 6,081



Downing College LinkedIn Group  
Members: 1,165

# CONFERENCE SERVICES

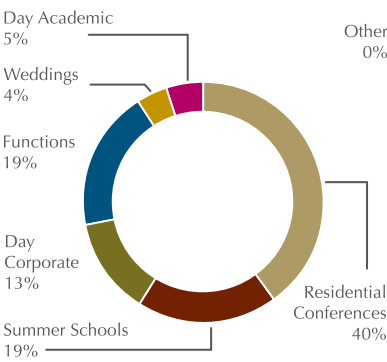
- Conference Services income: £2.5 million – up 5.8%
- Charitable Conferences: £1.1 million – up 25.5%
- Occupancy rate for en-suite rooms increased by 0.8% to 43.3%

At £2.5 million, the 5.8% uplift in conference-services income continues the trend of increasing income, which has nearly doubled over the last 10 years. Since the welcome emphasis on the arts in the College, the Theatre is increasingly being used for College-sponsored events that are charged at a nominal rate. The tension between student use of facilities and commercial booking has, therefore, become more acute. College events, including seven student plays, the *Festival of New Writing*, which is open to all members of the University, and the Heong Gallery symposia, attended by members of the public, occupied 33 days. Term-time conference availability is typically reduced by five weeks.

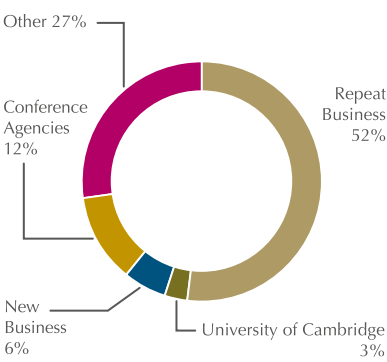
Pressure on meeting rooms continues to place an upper limit on the number of conference bookings. As a consequence, income from accommodation only increased by 1.8% to £1.0 million, but reflected an increase in total room nights and the occupancy rate of the higher-value superior en-suite rooms. Spare capacity is offered as bed and breakfast through universityrooms.com, but, as this business sector is labour intensive, capacity is only released when Conference Services are certain that it cannot be sold to corporate conferences, although these are less likely to occupy space at weekends. As the long vacation is the only time at which it is possible to undertake refurbishment of accommodation, it is often the case that a significant number of rooms are taken out of service, again limiting the number of commercial bookings.

A substantial share of the uplift came from catering income, which increased by 12.9% to over £1.1 million as a result of better use of those function rooms that are available all year round. The College continues to be a popular venue for weddings, including four alumni weddings of the nine held during 2017–18. While members of the College community are always welcome to celebrate their weddings in the College, the current strategy is to prioritise the marketing of conferences, rather than external weddings. The success of the 2018 conference season will help to offset the loss of income caused by the three-month refurbishment of the West Lodge function rooms.

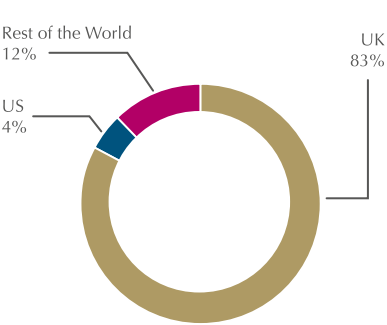
INCOME BY BUSINESS SECTOR



INCOME BY BUSINESS SOURCE



INCOME BY REGION



## DOWNING DRAMATIC SOCIETY



### 2017

16–18 February	The Importance of Being Earnest
9–11 March	Festival of New Writing
8–10 June	Arcadia
23–24 October	MIST: Diazepam
3–4 November	Love Letter
16–18 November	Twelfth Night

### 2018

9 February	The 36 Hour Plays
19–24 February	Whodunnit
5–10 March	A Festival of New Writing 2018
4–9 June	Dido Queen of Carthage
21–24 November	Under Milk Wood

## INVESTMENTS

- Total Return: 7.8%
- £32.1 million in securities: 8.3% total return
- £15.6 million in property: 7.0% total return and fully let
- Endowment Drawdown: £1.9 million; an increase of £0.1 million and purchasing power preserved
- Additions to the securities portfolio: £1.1 million
- Additions to the property portfolio: £0.2 million

The combined securities and property portfolio returned 7.8% after deducting all costs and fees, down on last year's excellent 14.5% return. The performance of the securities portfolio of 8.3% was supported by underlying asset managers on average outperforming their respective benchmarks by +1.2% and the strong returns of the private equity asset class (14.7%). Since inception, the portfolio has returned an annualised 8.4%, ahead of the Strategic Asset Allocation Composite Benchmark, which has returned an annualised 7.9%. Over the last three years, the portfolio has returned 8.7% p.a., compared to a 6.7% p.a. return for the Strategic Asset Allocation Composite Benchmark. At 30 September 2018, 60% of the securities portfolio was in sterling, with 30% USD and 10% in other currencies. Of the securities portfolio, 31% was invested in illiquid assets (23% Private Equity, 8% Private Debt), within the agreed target of 35% illiquidity.

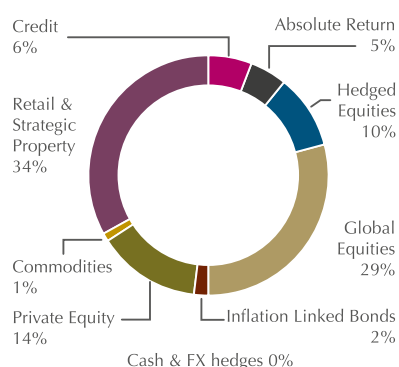
The decision taken in 2012 to introduce further risk-assets into the portfolio has led to an increase in allocations to private equity, public equity and private debt, resulting in a corresponding rise from 55% to 75% Equivalent Net Equity Beta ('ENEB'). The calculation reflects the correlation with equity markets within all investments in the portfolio on a look-through basis. As a very long-term investor with increasingly resilient alternative sources of cash and a predictable rental stream from the property portfolio, the College can withstand high levels of volatility in market valuations and currency movements and significant illiquidity. At 30 September 2018, the ENEB for the securities portfolio stood at 75% and at 65% for the total investment portfolio, including property.

The spending rule reflects a notional withdrawal from the portfolio in that investments typically remain untouched: the spending rate attributed to the securities component is netted against additions to the portfolio from fundraising activity or met from other sources of income. The Committee has determined, therefore, that the portfolio can afford to take advantage of the illiquidity premium (estimated to be between 3% and 4%) by investing in private markets, particularly in private debt through the Phoenix Fund II, which is 8% of the portfolio, excluding investment property. The long-term target for investments in private equity is 26% of the asset allocation, excluding investment property. At 30 September 2018, 31% of the securities portfolio is in illiquid investments, but 39% of the securities portfolio has quarterly or better liquidity, of which 23% has daily liquidity.

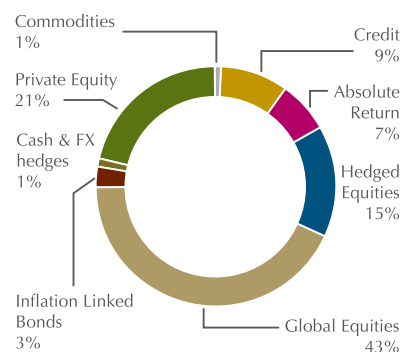
### Fossil Fuel Divestment Debate

Prompted by students' concern about a future affected by climate change, the Committee considered the arguments for and against divestment of companies extracting fossil fuels. The complexity of the fund-of-funds investment model makes divestment particularly challenging but also makes the possibility of engagement – often seen as a better route than exclusion – more remote. Partners Capital, which adheres to the UK Stewardship Code, can exercise influence on active managers through due diligence, monitoring, and reporting but is one step removed from interaction with

ASSET ALLOCATION AT  
30 JUNE 2018 (inc. property)



ASSET ALLOCATION AT  
30 JUNE 2018 (exc. property)



company boards and cannot influence passive funds, which are often more economical to hold. The College may exclude any investment that is contrary to its aims but must justify in financial terms any other exclusions. Given that wholesale divestment would be impossible in the short-term and that the substitution of passive funds would increase costs, the Committee agreed to consider other options, including the offsetting of fossil fuel exposure with an investment in clean technology funds. The Committee agreed to take a decision in the academic year 2018–19 on how best to meet their own and students’ concerns without sacrificing returns.

## Property

With the exception of a small investment in a residential property fund, the property portfolio consists almost exclusively of the shops and offices on the Regent Street border. Owned for opportunistic and defensive purposes, these properties are classified as part of the Investment Portfolio, yet only share some of the characteristics of financial investments. Despite being the main route between the station, the Ring Road, and the City Centre, Regent Street remains a tertiary location for shops: it is, therefore, difficult to attract tenants with strong covenants. By year end, however, all 23 units were occupied, with the exception of the former offices in 90–92 Regent Street, a property that was given planning consent for a change of use to student accommodation. The property portfolio stood at £15.6 million (some 33% of the total portfolio of £47.7 million), an increase of 2.5% (excluding the 6.0% of income yield). In the previous five years, the property holdings have been as high as £17.1 million, with a £4.1 million reduction in value reflecting the change of use of Parker’s House from an investment property to an operational property, Battcock Lodge, in which students are housed. A drop in value, which might be misread as a weakening of financial health, is in fact a positive investment in the student experience.

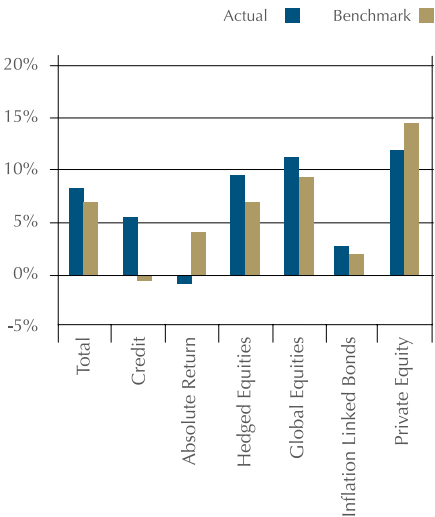
## Distributions for Spending

During 2017–18, the spending rule delivered £1.9 million in support of current operations, broadly similar to that in previous years. The spending rule ensures that investment returns are smoothed to protect operations from the volatility of returns and that the amount available for spending is known in advance. Spending, therefore, is not affected by market movements in the short term but will adjust over the long term. The relatively small increase reflects the adjustments through smoothing that have compensated for the overspend in times of portfolio losses and poor returns. The formula, which increases 70% of the previous year’s distribution in line with inflation, progressively incorporates investment performance by taking an amount equal to 4.5% of 30% of the value of the endowment measured over the last twelve quarters. The distribution for 2018–19 increased modestly (by 5.7%) from £1.11 per unit for 2017–18 (on a unit value of £26.60) to £1.17 per unit on a unit value of £27.35. The distribution for 2018–19 represents a yield of 4.51% on the three-year average fund unit value and 4.29% on the closing fund unit value as at 30 June 2018. The yield in both calculations has fallen below 4.5%, indicating that the portfolio’s value has recovered from the overspend between 2009 and 2016, which was a significant consequence of the 2008 financial crash. Any spending rate lower than 4.5% means that the portfolio retains returns as a cushion against future downturns.

### ENDOWMENT & TOTAL RETURN

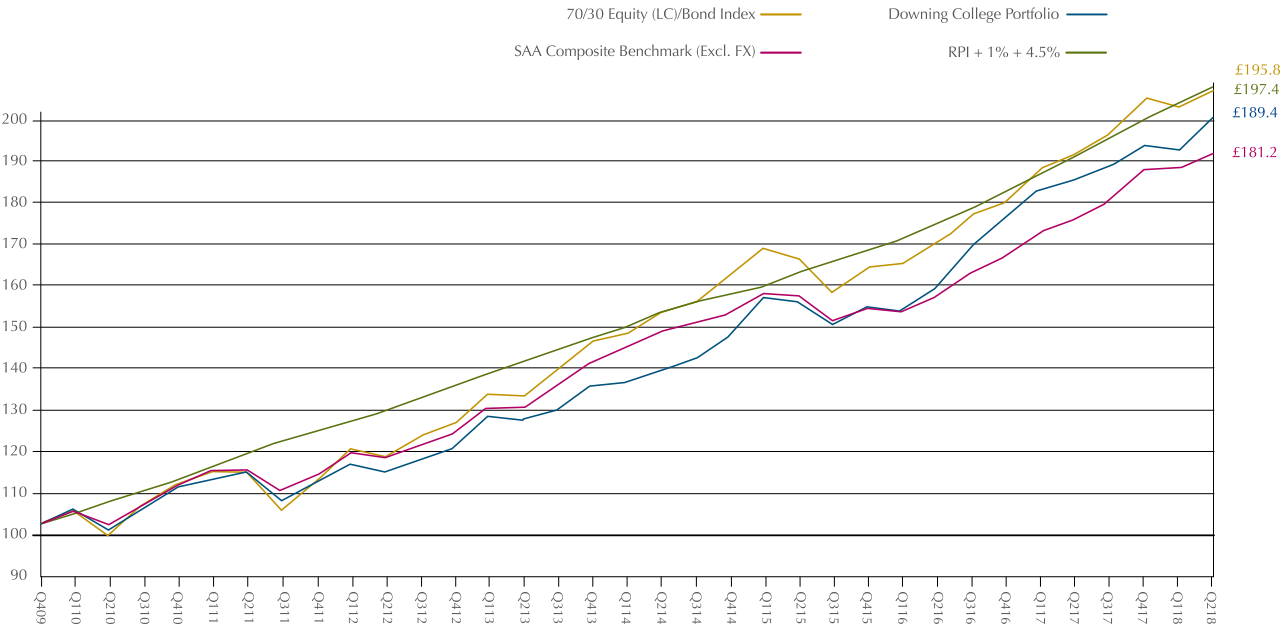


### SECURITIES RETURN AGAINST BENCHMARKS



In setting the spending rule, the Committee is conscious of the need to achieve balance between the claims of present and future beneficiaries and aims to preserve the purchasing power of the endowment, measured by RPI + 1% after distributions. Given the rate of educational inflation versus investment returns, the preservation of purchasing power has proved difficult. Since the inception of this portfolio in the fourth quarter of 2009, educational inflation has run at 42.3%, while the total return on the portfolio has been 101.0 %. In order to preserve the purchasing power of the portfolio over this period, a spend rate of 4.2% would have been required, a target which this year has been reached.

CUMULATIVE PERFORMANCE SINCE INCEPTION - value of £100 invested



## Composition of Investment Portfolio

	30 June 2018 £	30 June 2017 £	30 June 2016 £
<b>1. Securities</b>			
Core Portfolio Cash*	617,305	338,453	379,316
Forward Foreign Exchange Hedges	(431,382)	483,190	(878,316)
Fixed Income	—	—	—
Credit	3,000,554	3,350,341	3,267,673
Absolute Return	2,253,875	1,776,241	1,615,736
Hedged Equities	4,748,065	4,392,744	4,169,060
Global Equities	13,924,992	12,248,823	11,403,731
Private Equity	6,629,677	6,516,750	5,507,627
Inflation Linked Bonds	919,697	895,418	695,428
Commodity Fund	444,627	400,870	—
Total	32,107,410	30,402,831	26,160,255
Other Private Equity**	—	—	—
TOTAL SECURITIES	32,107,410	30,402,831	26,160,255
<b>2. Property</b>			
Office	4,230,000	4,000,000	3,946,412
Retail	10,661,000	10,743,600	9,957,600
Property Development	659,000	425,700	—
TOTAL PROPERTY***	15,550,000	15,169,300	13,904,012
<b>TOTAL PORTFOLIO</b>	<b>47,657,410</b>	<b>45,572,131</b>	<b>40,064,267</b>

\* Includes donated cash and shares held at nil value.

\*\* Includes donated shares in three new ventures, held at nil value.

\*\*\* This excludes the residential properties: 96A Regent Street, 76 Regent Street and 70 Regent Street. These have a combined value of £2,255,000, but are treated as the College's operational property in the accounts. Because the costs of a formal valuation would outweigh the likely benefits, the values given are provided by Carter Jonas on the basis of an informal assessment.

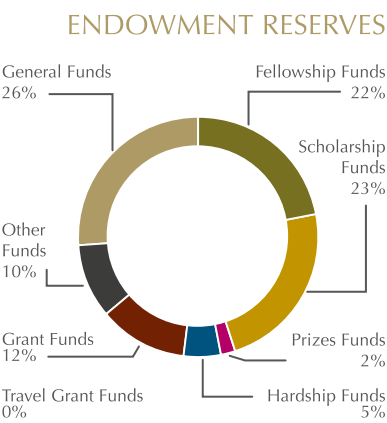
# CAPITAL AND RESERVES

- £195.4 million in capital and reserves (including buildings) – up 2.0%
- £153.2 million in buildings – up 0.7%
- £47.7 million in investment assets – up 4.6%
- £1.1 million in benefactions and donations transferred to the Partners Capital portfolio
- £4.6 million in general reserves – up 21.2% (£0.8 million)

By year end, the College’s capital base had increased by £3.7 million (2.0%). This improvement includes an increase in general reserves of 21.2% (£0.8 million), which at year end stood at £4.6 million. The transfer to the designated buildings reserve following the value of building works undertaken during the year was more than offset by capital grants received for buildings. The value of investments held by general reserves increased by 13.2% (£0.5 million).

The overall improvement in capital and reserves was the result of (i) a breakeven on operations, (ii) unspent returns and donations on the investment portfolio of £2.7 million and (iii) an actuarial gain of £0.2 million on the closed staff pension scheme, Cambridge Colleges Federated Pension Scheme, and USS. Benefactions of £1.1 million added to the endowment were in addition to contributions of £0.8 million to building projects and of £0.2 million to annual costs. The capital donations, combined with a return of 8.6% in the Securities Portfolio and 7.0% in the Property Portfolio, led to an overall increase of £2.1 million in Investment Assets. At the end of the year, Investment Assets stood at £47.7 million, an increase of 4.6%.

Taken together, these transactions accounted for an addition of £3.7 million for an ending balance on capital and reserves of £195.4 million.



## Cash Flow

- Operating cash flow<sup>5</sup>: £0.5 million
- Change in cash balances in year: £0.4 million increase
- Total capital expenditure: £3.1 million
- Total capital expenditure excluding donor-funded and financed projects: £2.0 million

Cash consumed by all activities resulted in an increase of £0.4 million in cash balances, with cash of £1.5 million held at year end. Cash generation from operating activities before the effects of working capital amounted to £0.5 million, an increase on last year's figure of £0.2 million, reflecting the improved operating performance. Endowment income, less interest payable, contributed a further £1.6 million of cash. The ending cash position includes the deposit paid for the acquisition of 26 Lensfield Road.

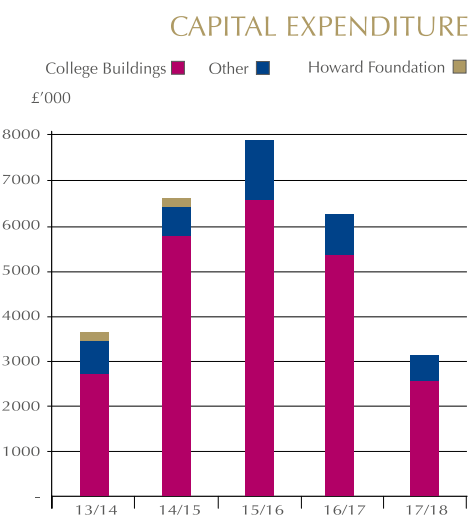
## Investment For The Future

Through the transformative power of education, the College invests in the future. The investment in people begins with outreach. While the College has responsibility for widening participation in higher education in the South West, outreach extends to the many school children and members of the community who visit the Heong Gallery. A three-year partnership with Villiers Park's Inspire2Involve programme provides a term-time residential experience that the College cannot provide while its own students are in residence<sup>6</sup>.

Donations received over the past five years have endowed teaching positions in Engineering and Neuroscience. Over a quarter of the College's Fellowships are supported by endowments. During the year, the College received funds to endow a further Research Fellowship, the Kim and Julianna Silverman Fellowship: £5.7 million is now available to support these highly-competitive positions, often the first step in an academic career. A development programme targeted at securing funding for postgraduate studentships resulted in the College being able to offer a studentship in using machine learning to improve critical care. Additional resources have been invested in the student experience, including wellbeing, mental health, attainment and graduate integration. Two additional posts were approved: a Director of Widening Participation and a Director of College and Chapel Music.

Over the last decade, building works have focused as much on communal spaces, such as the Howard Theatre, the Howard Building, the Butterfield Bar and café and the Gallery, which enhance the student experience, as on the provision and maintenance of accommodation. The Theatre and the Gallery facilitate a cultural programme that is second to none among Cambridge Colleges and benefits Cambridge as a whole. These facilities, together with high-quality accommodation, provide the stream of income from commercial use that is necessary to sustain the College's principal activity, providing a world-class education.

These facilities not only enhance the student experience: they also provide the stream of income that is necessary to subsidise the cost of education.



<sup>5</sup> Surplus before other gains and losses before depreciation, interest payable, investment income, changes in working capital and restricted and endowment donations.

<sup>6</sup> <https://www.villierspark.org.uk/our-courses-and-programmes/inspire-2-involve/>

## Ten Year Capital Programme

### At 1 October 2018

Net current rooms refurbished or acquired in last ten years (2009–18): 114 (21%)

Total Student  
Rooms: 546

### Restoration and Major Refurbishment

Year	Building	Number of Student Rooms if Applicable
2009	V Staircase	
2010	Howard Theatre	
	Boathouse Flood prevention	
	Master's Lodge Flat	
	H Stair Bathrooms and Kitchen	
2011	Master's Lodge Roof	
	Parker's House Top Floor (Conference use)	
	K and L Staircase Bathrooms	
	Howard Lodge bathrooms	
2012	Griphon House (formerly 14 Regent St)	
	Butterfield Building	
2013	Chapel Ramp	
	Rose Garden Flat (part)	
	40/42 Lensfield Road	19
2014	D Staircase	4
	Chapel and Organ	
	Howard Building Refurbishment	
	MCR and Offices	
2015	S staircase	5
2016	Battcock Lodge	
2016	M Staircase communal areas	
2017	44/46/56/58 Lensfield Road	35
2018	J Staircase communal areas	
2018	Boathouse accommodation	6
Total		69

## New and Acquired Buildings, Land, and Leases

Year	Location	Number of Student Rooms if Applicable
2009	70 Regent Street	6
	Howard Theatre	
	Groundsman's Store (Barton Road)	
2010	Griphon House (formerly 14 Regent St)	22
2011	Parker's House (top floor change of use)	
2012	Nil	
2013	<i>Barton Road Development Consortium</i>	
2014	Battcock Lodge	78
2015	New Maintenance Building	
2017	52 (and 54) Lensfield Road	10
Total (excluding sold houses)		116

## Sale of Operational Property and Termination of Leases

Year	Property	Number of Student Rooms if Applicable
2012	65 Lensfield Road (and 1 Downing Archway)	12
2013	1, 2 and 3 Gonville Place (leases terminated)	26
2016	25 Parkside, 65 Devonshire Road	33
Total		71

## Financial Outlook

In assessing the College's financial resilience, stakeholders wish to know the size of the College's endowment and whether or not the College can make ends meet. Both questions have multiple answers: the endowment can be said to be £54.1 million, £48.4 million, or £47.7 million, depending on whether or not the value of works of art (unlikely to be sold) is included. £12.5 million in long-term debt would reduce all of these figures by that amount. Similarly, there are two measurements of outcome: £3.6 million in surplus or just about break-even. None of these answers is entirely satisfactory. A well-endowed College with a substantial inflow of investment income to support existing operations can withstand reductions in other income streams and also fund evolution without depending on current philanthropy. Since its rocky beginnings, Downing has never been in this fortunate position. Instead, the College has learned to share its site with a conference business that remains one of the best among Cambridge Colleges, but is not, of course, immune to economic downturns and competition. Given the attractiveness of its riparian rivals, the College must ensure that its facilities and service remain of the best. The benefit to the students is twofold: a subsidised education and facilities such as the Howard Theatre, the Heong Gallery and comfortable accommodation that enhance the student experience.

Funding for higher education has been under almost continuous review in a struggle to balance the public good with the private good through different systems of payment. The introduction of the Tuition Fee changed the way in which universities are funded, shifting the burden from the tax payer to the student. A review of post-18 higher education by Philip Augur, due in early 2019, will focus on choice, value for money, access and skills provision. Fees for 2018–19 were held at the same level, although the increase in costs – from pensions to energy – is relentless. The freeze in the £9,000 since its introduction in October 2012 with just one inflationary increase to £9,250 in October 2017 has resulted in a cumulative loss in purchasing power of £800,000. The teaching of undergraduates is the College's principal activity and main source of academic income amounting to £2.4 million, some 21.8% of overall operating income (excluding donations). Fees, however, at present only cover 55% of the costs. If the funding model changes and this income source is cut, the College will struggle financially – especially in the face of increasing pressure to fund initiatives to further widening participation in higher education. The shortfall is supported by the endowment. These funds, however, must also support the costs of operating a twenty-acre Grade I listed site in central Cambridge that are not covered by student charges and commercial income

The College, therefore, must continue to focus on fundraising, principally from alumni, who have been the beneficiaries of past generosity, beginning 300 years ago with the writing of Sir George Downing, 3rd Baronet's will.

## Plans For The Future

Generations of Downing students and Fellows have enjoyed the spaciousness of the College, with buildings that have a remarkable capacity to absorb 546 students, 49 Fellows, and 169 staff, without disturbing the tranquillity of the Domus. Nevertheless, the University's ambition is to expand postgraduate numbers in support of its global standing as one of the very best research universities in the world. As every student of the University is required to belong to a college, this policy has required the cooperation of the colleges. Increased numbers put increased pressure on accommodation and student facilities. Downing has responded to this need by adding to the student room stock by purchasing 52 and 26 Lensfield Road when they became available and by gaining planning consent for the conversion of offices at 90–92 Regent Street into student accommodation. These capital projects, of course, require funding. The spaciousness that is

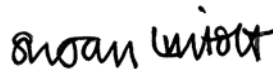
one of the College's defining features presents possibilities: the challenge is to respond to need without destroying a defining characteristic. To that end, the College will commission a master plan for the development of the estate for the next twenty years. That plan will inform the capital element of the next fundraising campaign.

Further investment is necessary in people. This year, the decision was taken to create two new positions: a Director of Widening Participation, whose role will be to develop the existing programme of outreach and recruitment to ensure that the College complies with the targets for widening participation agreed with the Office for Students, and a Director of College and Chapel Music to promote participation in musical events. The structure of Collegiate Cambridge demands that academics balance their responsibilities in their departments and colleges, competing pressures that introduce fragility in the system. The sustainability of the model will need an imaginative response that will inevitably require funding.

On behalf of the Governing Body:



Alan Bookbinder, Master



Dr Susan Lintott, Senior Bursar

Date: 18 December 2018

## COLLEGE STATISTICS AND FINANCIAL HIGHLIGHTS

**Financial Year End:** 2018 2017 2016 2015 2014

### 1. Education

Tompkins Tables \* 20 20 12 9 11

#### Undergraduate classification of degrees

1st	112	89	111	119	116
2:1	224	217	195	222	213
2	16	15	20	16	13
2:2	35	35	34	34	54
3	18	9	11	7	9
Pass	18	20	21	17	13
DDH (Deemed to have deserved honours)	3	6	2	6	1
Ordinary	0	0	0	0	0
Fail	1	0	3	0	5

Number of Special Prizes<sup>7</sup> 9 10 14 21 19

#### Graduate degrees awarded:

PhD (including MB PhD)	29	26	31	39	39
MPhil, LLM, MBA <i>et al</i>	80	75	67	51	61
MB BChir	11 (inc 1xVetMB)	11 (inc 0xVetMB)	8 (inc 1xVetMB)	10 (inc 2xVetMB)	7 (inc 2xVetMB)

### 2. Admissions

#### Number of Open Days

College Open Days	2	2	3	3	5
University Open Days	2	2	2	2	2
South-West Open Days	2	2	2	1	1

Numbers visiting College and South-West Open Days 191 159 185 269 336

% subsequently applying to Downing (in October following) 26% 24% 15% 27% 27%

Applicants from South-West initiative (October following) 25 21 25 27 30

Applicants from South-West non-selective schools (included above) 10 15 22 25 22

Admissions from South-West non-selective schools 3 6 5 2 4

Applicants from low participation neighbourhoods 34 60 28 31 16

Admissions from low participation neighbourhoods 7 6 4 4 2

\* The table ranks the results of the undergraduates in 29 of the Colleges, expressing the results as a proportion of the score that would be achieved if everyone were to get a First. Five points are awarded for a First, three for a 2:1, two for a 2:2, and one for a Third.

<sup>7</sup> Special Prizes are awarded to those in the top 2.5% of their University Class List

## COLLEGE STATISTICS AND FINANCIAL HIGHLIGHTS

<b>Financial Year End:</b>	2018	2017	2016	2015	2014
Total Number of Applicants for Undergraduate Courses (in October following)	751	793	570	699	733
% Women: % Men	51:49	47:53	48:52	48:52	48:52
Applicants from Maintained Schools	310	329	228	322	341
% Maintained: % Independent	59:41	57:43	62:38	64:36	62:38
Admissions (Including Summer Pool)	126	133	128	126	124
% Women: % Men	44:56	49:51	49:51	38:62	44:56
Admissions from Maintained Schools	59	73	65	67	62
% Maintained: % Independent	58:42	64:36	59:41	60:40	61:39
Applications by subject					
Asian & Middle Eastern Studies	5	5	4	6	4
ASN&C	1	—	1	1	—
Archaeology & Anthropology	3	1	—	—	—
Architecture	26	35	17	21	25
Chemical Engineering via Engineering	7	6	4	12	9
Chemical Engineering via Natural Sciences	10	12	11	13	14
Classics	9	9	4	10	5
Computer Science	23	21	11	12	10
Economics	33	42	45	55	69
Education	4	4	4	3	2
Engineering	107	131	70	113	73
English	29	23	13	20	22
Geography	17	36	25	21	30
History	22	35	11	20	14
History of Art	4	6	8	2	2
Human, Social & Political Sciences	41	34	36	48	30
Land Economy	12	24	10	12	15
Law	98	102	72	75	84
Linguistics	7	6	3	2	3
Mathematics	29	35	24	32	43
Medicine	105	57	59	75	76
Modern & Medieval Languages	13	7	10	15	19
Music	1	—	1	1	1
Natural Sciences (Biological)	56	64	52	37	67
Natural Sciences (Physical)	43	66	41	51	54
Philosophy	7	6	5	5	5
Psychological & Behavioural Sciences	26	13	19	29	47
Theology	3	2	3	2	2
Veterinary Medicine	10	13	7	6	8

## COLLEGE STATISTICS AND FINANCIAL HIGHLIGHTS

<b>Financial Year End:</b>	2018	2017	2016	2015	2014
Ratio of Applications to Offers	4.2:1	4.7:1	3.6:1	4.9:1	4.8:1
% Applicants who are admitted	16.4%	15.9%	23.3%	18.3%	17.2%
% South-West Applicants who are admitted	10.0%	20.0%	27.2%	20.0%	9.1%
Total University Full-Time Undergraduates <sup>8</sup>	12,077	11,926	11,820	11,786	11,781
% Female: % Male	47:53	47:53	46:54	46:54	46:54
Total Full-Time Downing Undergraduates <sup>8</sup>	461	447	437	441	446
% Female: % Male	45:55	43:57	42:58	40:60	41:59
Numbers of Undergraduates leaving before graduating	1	—	2	1	4
Total University Full-Time Postgraduates <sup>8</sup>	6,799	6,548	6,486	6,444	6,579
% Female: % Male	46:54	46:54	44:56	44:56	44:56
Total Downing Full-Time Postgraduates <sup>8</sup>	194	167	164	148	163
% Female: % Male	48:52	50:50	49:51	43:57	44:56
Total University numbers admitted to current course in the previous twelve months which attract undergraduate fees <sup>8</sup>	3,791	3,647	3,634	3,651	3,617
% Female: % Male	48:52	49:51	48:52	48:52	47:53
Downing numbers admitted to current course in the previous twelve months which attract undergraduate fees <sup>8</sup>	144	144	140	131	137
% Female: % Male	40:60	47:53	48:52	37:63	42:58
Total University numbers admitted to full-time postgraduate courses in the previous twelve months <sup>8</sup>	4,074	3,962	3,812	3,853	4,015
% Female: % Male	47:53	47:53	46:54	45:55	46:54
Downing numbers admitted to full-time postgraduate courses in the previous twelve months <sup>8</sup>	114	105	98	77	88
% Female: % Male	46:54	48:52	50:50	48:52	48:52
<b>3. Composition of Full-time Students<sup>8</sup></b>					
<b>Undergraduates</b>					
Home	352	355	351	363	370
EU	38	28	31	27	31
Overseas	71	64	55	51	45
<b>Total</b>	<b>461</b>	<b>447</b>	<b>437</b>	<b>441</b>	<b>446</b>

<sup>8</sup> Cambridge Student Statistics Office figures (excluding incoming exchange and visiting students).

## COLLEGE STATISTICS AND FINANCIAL HIGHLIGHTS

Financial Year End:	2018	2017	2016	2015	2014
<b>Postgraduates</b>					
Home	65	52	61	56	58
EU	36	36	34	39	41
Overseas	93	79	69	53	64
<b>Total</b>	<b>194</b>	<b>167</b>	<b>164</b>	<b>148</b>	<b>163</b>

### 4. Financial Support

Financial Support for Students: Number of Students Receiving Grants

Cambridge Bursary Scheme	80	84	87	99	106
Cambridge Commonwealth, European and International Trust	15	8	10	9	32
Gates Cambridge Trust	1	2	1	1	2
Average value of Cambridge Bursary Scheme Grants	£2,899	£2,787	£2,870	£2,737	£2,644

### 5. Accommodation

Average Weekly Rent Undergraduate Study Bedroom	£162.43	£157.50	£143.26	£134.06	£130.43
Average Weekly Rent Graduate Study Bedroom	£165.41	£166.23	£142.77	£135.26	£131.72
Undergraduates Housed in College Accommodation	412	403	379	375	374
Graduates Housed in College Accommodation	134	126	115	96	108
Total Units of Student Accommodation	547	537	494	489	488

### 6. Student Catering Income

Lunch	£99,110	£86,317	£76,659	£80,581	£86,013
Dinner	£85,654	£70,941	£77,540	£78,311	£88,769
Café	£117,774	£129,086	£148,567	£144,740	£130,068
Formal Hall	£63,278	£54,661	£54,123	£57,970	£50,204

### 7. Conference & Functions

Conference and Function Income	£2,488,662	£2,353,233	£2,255,479	£2,218,512	£2,042,832
Total Room nights	16,486	14,947	14,507	16,767	15,337
Capacity Utilisation Total Conference Rooms	41.2%	39.6%	34.0%	34.2%	31.6%
En-suite Rooms	43.3%	42.5%	32.5%	30.5%	32.0%
Average Price Achieved per Room Used	£61.97	£67.15	£63.69	£53.07	£55.68

## COLLEGE STATISTICS AND FINANCIAL HIGHLIGHTS

**Financial Year End:** 2018 2017 2016 2015 2014

### 8. Development and Fundraising

Development Campaign Cash Recognised (including by The Segreants Trust)	£2,471,158	£2,181,170	£2,838,613	£1,382,303	£4,904,293
Living donors as a % of members in contact	39%	41%	40%	42%	42%
Participation Rate this Financial Year of Living Members in Contact	12%	19%	19%	16%	17%
Direct Fundraising Costs:					
Donations Raised excluding Legacies	4:1	6:1	7:1	3:1	6:1
Donations Raised including Legacies	6:1	6:1	7:1	3:1	13:1
Donations Raised including Legacies (5-year average)	7:1	8:1	8:1	8:1	9:1

### 9. Income and Expenditure <sup>9</sup>

% Unrestricted Surplus (Deficit) before other gains and losses / Unrestricted Income	(0.0%)	(2.8%)	6.7%	(4.2%)	—
% Unrestricted Surplus (Deficit) before other gains and losses / Free Reserves	(0.1%)	(7.7%)	12.2%	(8.7)%	—
Staff costs as a % of Income before Donations and Endowments	48.5%	51.0%	51.8%	52.4%	—
£ per sq.metre cost of upkeep of Buildings	£157.56	£154.08	£151.19	£152.11	£150.87

### 10. Charitable Funds

Charitable Funds Invested (including Works of Art, etc.)	£54,057,847	£51,883,719	£45,787,011	£44,773,846	£43,751,076
Endowment Assets less loans per Full-Time Students	£61,224	£62,474	£58,086	£58,032	£54,599
Capital Value per Unit	£27.35	£26.56	£24.10	£23.90	£22.69
Spending Rule Amount <sup>10</sup>	£1,940,402	£1,796,347	£1,733,277	£1,673,712	£1,617,819
Spending Rule Amount as % Income before Donations and Endowments	17.9%	17.8%	18.3%	18.1%	—
Spending Rule Amount as % Investment Portfolio	4.0%	4.0%	4.3%	4.2%	4.4%
Performance of Core Securities Portfolio (net of fees)	8.3%	16.2%	2.1%	12.1%	8.9%
Annual Three-year Cumulative	8.7%	10.0%	7.6%	10.6%	6.5%
Annual Five-year Cumulative	9.4%	9.9%	6.7%	9.1%	8.1%
Performance of Property Portfolio	7.0%	11.1%	11.2%	8.8%	5.8%
Annual Three-year Cumulative	9.7%	10.4%	8.6%	7.4%	8.3%
Annual Five-year Cumulative	8.7%	8.9%	9.0%	10.1%	11.2%

<sup>9</sup> Due to the change to FRS102 some of the figures prior to the 2014–15 year are not available.

<sup>10</sup> The Spending Rule is the amount determined that can be spent and still preserve the purchasing power of the endowment for the long-term. It also constitutes the amount of the total return recognised in the income and expenditure account (note 3a).

## COLLEGE STATISTICS AND FINANCIAL HIGHLIGHTS

Financial Year End:	2018	2017	2016	2015	2014
<b>11. Inflation Measurements</b>					
RPI	3.4%	3.5%	1.6%	1.0%	2.6%
RPIX	3.4%	3.8%	1.7%	1.1%	2.7%
Tender Price Inflation (October – October)	1.4%	3.6%	4.9%	6.8%	4.9%
Davis Langdon Tender Price Index					
<b>12. The Fellowship</b>					
Fellowship (as of 1 October 2018)	49	48	50	50	47
University Principal Employer	36	38	38	37	33
Professors	13	15	15	14	13
Readers	3	2	2	3	3
Senior Lecturers	8	8	7	7	6
Lecturers	4	5	7	7	8
Other	8	8	7	6	3
College Teaching Officers	3	3	3	3	3
Other Fellows	2	2	2	3	5
Research Fellowships	4	3	4	3	2
Administrative + Chaplain	4	2	3	4	4
Female	17	16	16	16	14
Male	32	32	34	34	33
Resident (including the Master)	4	2	4	3	3
Non-Resident	45	46	46	47	44
<b>13. Support Staff</b>					
Support Staff Headcount	169	165	165	147	155
Female	101	100	98	88	90
Male	68	65	67	59	65
Turnover					
Appointments	59	34	49	32	36
Retirements	2	2	3	5	5
Resignations	45	36	35	33	19
Deceased	—	—	—	—	—
Dismissal/Redundancy	8	3	8	2	1
Days Sickness	1,616	1,715	766	952	618
Reports under RIDDOR	3	3	—	—	—

## COLLEGE STATISTICS AND FINANCIAL HIGHLIGHTS

Financial Year End:	2018	2017	2016	2015	2014
<b>14. Pensions</b>					
Members in the USS Pension Scheme	72	69	73	74	76
Members in Money Purchase Scheme	106	98	89	74	72
Members in the CCFPS Pension Scheme	1	1	1	1	2
Members of Previous College Staff Scheme (Retired)	3	3	4	5	5
<b>15. Environmental Measures</b>					
Water Use	£84,722	£92,840	£91,428	£86,832	£74,713
Gas Use	£128,585	£153,959	£142,429	£137,732	£167,491
Electricity Use	£224,617	£209,950	£204,516	£208,470	£178,146
Gas unit price (p/kWh)	1.04p	1.77p	1.76p	1.78p	2.32p
Electricity unit price (p/kWh)	10.54p	10.80p	10.33p	10.06p	9.236p
<b>16. Governance</b>					
Freedom of Information requests	46	30	42	56	61





# FINANCIAL STATEMENTS



## STATEMENT OF RESPONSIBILITIES OF THE COLLEGE'S GOVERNING BODY

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

The College's Statutes and the Statutes and Ordinances of the University of Cambridge require that financial statements are prepared for each financial year which give a true and fair view of the state of affairs of the College and of the surplus or deficit of the College for that period. In preparing those financial statements the Governing Body is required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Governing Body is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the College and to enable them to ensure that the financial statements comply with the Statutes of the University of Cambridge. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# INDEPENDENT AUDITORS' REPORT TO THE GOVERNING BODY OF DOWNING COLLEGE

## OPINION

We have audited the financial statements of Downing College (the 'College') for the year ended 30 June 2018, which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated Balance Sheet, 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 2018 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 Report of the Governing Body 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 Report of the Governing Body 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, 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.

## AUDITOR'S 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/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). 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  
CAMBRIDGE

Date: 20 December 2018



STATEMENT  
OF PRINCIPAL  
ACCOUNTING  
POLICIES



## BASIS OF PREPARATION

The financial statements have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge and applicable United Kingdom accounting standards. In addition, the financial statements comply with the Statement of Recommended Practice: Accounting for Further and Higher Education (the SORP).

The Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate that all fee income is spent for educational purposes. The analysis required by the SORP is set out in note 6.

## BASIS OF ACCOUNTING

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

## BASIS OF CONSOLIDATION

The consolidated financial statements include the College and its subsidiary undertakings. Details of the subsidiary undertakings included are set out in note 10. Intra-group balances are eliminated on consolidation.

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.

### Grant income

Grants received from non-government sources (including research grants from non-government sources) are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance related conditions have been met.

Income received in advance of performance related conditions is deferred on the balance sheet and released to the Consolidated Statement of Comprehensive Income and Expenditure in line with such conditions being met.

## 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 Consolidated 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:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.
2. 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.
3. Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income.
4. 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 Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

## Investment income and change in value of investment assets

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.

## Total return

The College operates a total return policy with regard to its endowment assets (including property). The endowment spending policy is specifically designed to stabilise annual spending levels and to preserve the real value of the endowment portfolio over time. The spending policy attempts to achieve these two objectives by using a long-term targeted spending rate combined with a smoothing rule, which adjusts spending gradually to changes in the endowment market value. The actual rate of spending for 2018 when measured against the previous year's market value was 4.2%.

## Other income

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

## Cambridge Bursary Scheme

In 2017-18, payment of the Cambridge Bursaries has been made by the College to eligible students via the Student Loans Company (SLC) and the University of Cambridge has reimbursed the College for their portion. The College has shown the gross payment made to eligible students via the SLC and a contribution from the University as Income under "Academic Fees and Charges".

The net payment of £116,287 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£117,673
Expenditure (see note 4)	£233,960

## 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 contracts, at contract rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

## FIXED ASSETS

### Land and Buildings

Buildings are stated at valuation, the aggregate surplus or deficit is transferred to a revaluation reserve included within Reserves.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the College.

Freehold land is not depreciated as it is considered to have an indefinite useful life. A full asset valuation of the operational estate for accounts purposes was carried out by Gerald Eve LLP, Surveyors, as at 30 June 2016. Freehold buildings are depreciated on a straight line basis over their expected useful economic lives of 100, 50, or 20 years.

The earliest buildings, designed by William Wilkins, form a significant part of the Domus and are listed as Grade I<sup>1</sup>. All other buildings on the Domus come within the curtilage of those buildings and are therefore subject to some of the same restrictions. The Listing imposes an obligation to repair and restore. All repairs that restore value are capitalised, as are improvements. Other repairs are charged against income. For insurance purposes, the replacement cost of the buildings has been valued at £140.8 million.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of a 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.

Land held specifically for development, investment and subsequent sale is included in current assets at the lower of cost and net realisable value.

The cost of additions to operational property shown in the balance sheet includes the cost of land. All other assets are capitalised and depreciated over their expected useful life as follows:

Library books	30 years
Furniture and equipment	10 years
Catering equipment	5 years
Information Technology	3 years

## Leased assets

Leases in which the College assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance leases are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

## Heritage assets

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

<sup>1</sup> Details of the listing can be found at: <http://historicengland.org.uk/listing/the-list/results?q=Downing+College>

## INVESTMENTS

Fixed asset investments are included in the balance sheet as follows:-

### a) Securities

Securities are included at their open market value.

### b) Works of Art

Works of art and silver are shown in the accounts at their market value as assessed by Townley Valuation Services Limited on 7 November 2017.

### c) Subsidiary Undertakings

Investments in subsidiary undertakings are recorded at costs less any provision for impairment in value, and eliminated on consolidation.

### d) Unlisted investments

Unlisted investments are carried at costs less any provision for permanent diminution in value, unless they are listed on a recognised stock exchange in which case their open market value is used, or there has been a more recent funding round in which case this value is used to value all investments made to the fund.

### e) Property

Investment properties are included at open market valuation. An annual assessment was carried out by Carter Jonas as at 30 June 2018.

## 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.

## CONTINGENT LIABILITIES AND ASSETS

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events, not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the College a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College.

Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes.

## TAXATION

The College is a registered charity (number 1137455) and also a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Sections 478 to 488 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. The College is a partially exempt organisation for VAT purposes. With the approval of H M Revenue and Customs, it has adopted a methodology that enables it to recover part of the VAT on its expenses. Though recovered VAT significantly exceeds the VAT previously recoverable under the old CVCP Guidelines, input tax on purchases is, nevertheless, largely irrecoverable. In 2017-18, the College received £141,736 in refunds on purchases of £5.5 million.

The College's subsidiary companies, Downing College Developments Limited, Downing Cambridge Conferences Limited and The May Ball Company Limited are not subject to these exemptions and are liable for Corporation Tax. However, all taxable profits of the subsidiaries are gift aided to the College, thereby extinguishing any corporation tax that may be assessable.

## 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 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 COSTS

The College participates in the Universities Superannuation Scheme (the scheme). With effect from 1 October 2017, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing benefits (for all members), as well as defined contribution benefits. 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 attributed to individual institutions and a scheme-wide contribution rate is set. The College 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. As required by Section 28 of FRS 102 "Employee benefits", the College therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the College recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

The College participates in the Cambridge Colleges Federated Pension Scheme (CCFPS), a defined benefit scheme which is externally funded and until 31 March 2017 was contracted out of the State Second Pension (S2P). As CCFPS is a federated scheme and the College is able to identify its share of the underlying assets and liabilities, the College values the fund as required by Section 28 Employee Benefits of FRS102 'Retirement Benefits'. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the amount calculated under FRS102 guidelines.

The College also operates defined contribution pension schemes and the pension charge represents the amounts payable by the College to the funds in respect of the year.

## CRITICAL ACCOUNTING JUDGEMENTS

FRS102 makes the distinction between a group pension plan and a multi-employer 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 Universities Superannuation Scheme. 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 Council and Governing Body are satisfied that the scheme provided by Universities Superannuation Scheme 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.

All other accounting judgements and estimates are detailed under the appropriate accounting policy.

## 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.



PRINCIPAL  
ACCOUNTING  
STATEMENTS



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2018

	Note	Unrestricted £000	Restricted £000	Endowment £000	2018 Total £000	Unrestricted £000	Restricted £000	Endowment £000	2017 Total £000
<b>Income</b>									
Academic fees and charges	1	3,325	—	—	3,325	3,096	—	—	3,096
Residences, catering and conferences	2	6,283	—	—	6,283	5,931	—	—	5,931
Investment income	3	3	—	1,075	1,078	2	—	888	890
Endowment return transferred	3	1,067	873	(1,940)	—	990	806	(1,796)	—
Other income		161	—	—	161	186	—	—	186
<b>Total income before donations and endowments</b>		<b>10,839</b>	<b>873</b>	<b>(865)</b>	<b>10,847</b>	<b>10,205</b>	<b>806</b>	<b>(908)</b>	<b>10,103</b>
Donations		236	92	—	328	201	98	—	299
New endowments		—	73	1,216	1,289	—	57	725	782
Other capital grants for assets		—	820	—	820	—	1,104	—	1,104
<b>Total income</b>		<b>11,075</b>	<b>1,858</b>	<b>351</b>	<b>13,284</b>	<b>10,406</b>	<b>2,065</b>	<b>(183)</b>	<b>12,288</b>
<b>Expenditure</b>									
Education	4	3,873	896	—	4,769	3,787	875	—	4,662
Residences, catering and conferences	5	6,865	3	—	6,868	6,459	4	—	6,463
Other expenditure		340	1	48	389	452	2	102	556
<b>Total expenditure</b>	6	<b>11,078</b>	<b>900</b>	<b>48</b>	<b>12,026</b>	<b>10,698</b>	<b>881</b>	<b>102</b>	<b>11,681</b>
<b>Surplus/(deficit) before other gains and losses</b>		<b>(3)</b>	<b>958</b>	<b>303</b>	<b>1,258</b>	<b>(292)</b>	<b>1,184</b>	<b>(285)</b>	<b>607</b>
Gain on investments		540	39	1,742	2,321	2,315	120	3,520	5,955
<b>Surplus for the year</b>		<b>537</b>	<b>997</b>	<b>2,045</b>	<b>3,579</b>	<b>2,023</b>	<b>1,304</b>	<b>3,235</b>	<b>6,562</b>
<b>Other comprehensive income</b>									
Actuarial gain / (loss) in respect of pension schemes	15	160	—	—	160	(16)	—	—	(16)
<b>Total comprehensive income for the year</b>		<b>697</b>	<b>997</b>	<b>2,045</b>	<b>3,739</b>	<b>2,007</b>	<b>1,304</b>	<b>3,235</b>	<b>6,546</b>

The notes on pages 92 to 117 form part of these accounts

## STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 30 JUNE 2018

		Income and expenditure reserve				
	Note	Unrestricted £000	Restricted £000	Endowment £000	Revaluation reserve £000	Total £000
<b>Balance at 1 July 2017</b>		124,013	2,282	29,091	36,262	191,648
Surplus from income and expenditure statement		537	997	2,045	—	3,579
Other comprehensive income		160	—	—	—	160
Release of restricted capital funds spent in year		1,260	(1,260)	—	—	—
Transfers between reserves		366	—	—	(366)	—
<b>Balance at 30 June 2018</b>		<b>126,336</b>	<b>2,019</b>	<b>31,136</b>	<b>35,896</b>	<b>195,387</b>

		Income and expenditure reserve				
	Note	Unrestricted £000	Restricted £000	Endowment £000	Revaluation reserve £000	Total £000
<b>Balance at 1 July 2016</b>		120,976	1,642	25,856	36,628	185,102
Surplus from income and expenditure statement		2,023	1,304	3,235	—	6,562
Other comprehensive income		(16)	—	—	—	(16)
Release of restricted capital funds spent in the year		664	(664)	—	—	—
Transfers between reserves		366	—	—	(366)	—
<b>Balance at 30 June 2017</b>		<b>124,013</b>	<b>2,282</b>	<b>29,091</b>	<b>36,262</b>	<b>191,648</b>

The notes on pages 92 to 117 form part of these accounts

## CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2018

	Note	2018 £000	2017 £000
<b>Non-current assets</b>			
Fixed Assets	9	155,937	154,836
Investments	10	54,100	51,884
		210,037	206,720
<b>Current Assets</b>			
Stocks		170	167
Trade and other receivables	11	779	604
Cash and cash equivalents	12	1,532	1,169
		2,481	1,940
<b>Creditors: amounts falling due within one year</b>	13	(2,830)	(2,465)
<b>Net current (liabilities) / assets</b>		(349)	(525)
<b>Total assets less current liabilities</b>		209,688	206,195
<b>Creditors: amounts falling due after more than one year</b>	14	(12,500)	(12,500)
<b>Provisions</b>			
Pension provisions	15	(1,801)	(2,047)
<b>Total net assets</b>		195,387	191,648
<b>Restricted reserves</b>			
Income and expenditure reserve – endowment reserve	16	31,136	29,091
Income and expenditure reserve – restricted reserve	17	2,019	2,282
		33,155	31,373
<b>Unrestricted reserves</b>			
Income and expenditure reserve – unrestricted		126,336	124,013
Revaluation reserve		35,896	36,262
		162,232	160,275
<b>Total reserves</b>		195,387	191,648

The financial statements were approved by the Governing Body on 23 November 2018 and signed on its behalf by:



Alan Bookbinder, Master

The notes on pages 92 to 117 form part of these accounts

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 £000	2017 £000
<b>Surplus for the year</b>		3,579	6,562
<b>Adjustment for non-cash items</b>			
Depreciation		1,995	1,901
Gain on Endowments, Donations and Investment Property		(2,273)	(5,853)
Increase in stocks		(3)	(4)
(Increase) / decrease in trade and other receivables		(175)	236
Increase / (decrease) in creditors		114	(578)
Pension costs less contributions payable		(86)	(27)
<b>Adjustment for investing or financing activities</b>			
Investment income		(1,078)	(890)
Interest payable		551	514
Profit of disposal of non-current fixed assets		—	—
<b>Net cash inflow from operating activities</b>		2,624	1,861
Proceeds from sales of non-current fixed assets		—	—
Non-current investment disposal		—	1
Investment income		2,142	1,757
Endowment funds invested		(759)	(1,207)
Withdrawal of deposits		—	—
Payments made to acquire non-current assets		(3,096)	(6,167)
<b>Cash flows from investing activities</b>		(1,713)	(5,616)
Interest received		3	2
Interest paid		(551)	(514)
New unsecured loan		—	2,000
<b>Cash flows from financing activities</b>		(548)	1,488
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		363	(2,267)
<b>Cash and cash equivalents at beginning of the year</b>		1,169	3,436
<b>Cash and cash equivalents at end of the year</b>	12	1,532	1,169

The notes on pages 92 to 117 form part of these accounts



# NOTES TO THE ACCOUNTS



## NOTES TO THE ACCOUNTS

### 1. Academic Fees and Charges

	2018 £000	2017 £000
College fees:		
Fee income received at the regulated undergraduate rate	1,752	1,696
Fee income received at the unregulated undergraduate rate	608	566
Fee income received at the graduate rate	770	605
	3,130	2,867
Cambridge Bursaries Income	118	144
Research/Teaching Grants	64	75
Other income	13	10
<b>Total</b>	<b>3,325</b>	<b>3,096</b>

### 2. Income from residences, catering and conferences

	2018 £000	2017 £000
Accommodation		
College Members	3,075	2,902
Conferences	1,221	1,222
International programmes	139	132
Catering		
College Members	720	676
Conferences	1,030	900
International programmes	98	99
<b>Total</b>	<b>6,283</b>	<b>5,931</b>

### 3. Endowment return and Investment Income

	2018 £000	2017 £000
<b>3a. Analysis</b>		
Total return contribution (see note 3b)	1,940	1,796
Other interest receivable	3	2
	1,943	1,798

## NOTES TO THE ACCOUNTS CONTINUED

### 3b. Summary of Total Return

	2018 £000	2017 £000
<b>Income from:</b>		
Land and buildings	939	787
Quoted and other securities and cash	136	101
<b>Gains on investment assets:</b>		
Land & Buildings	147	839
Quoted and other securities and cash	2,131	4,348
Investment management costs (see note 3c)	(48)	(102)
<b>Total return for year</b>	<b>3,305</b>	<b>5,973</b>
Total return transferred to income and expenditure reserve	(1,940)	(1,796)
<b>Unapplied total return for year included within Statement of Comprehensive Income and Expenditure (see note 18)</b>	<b>1,365</b>	<b>4,177</b>

### 3c. Investment Management Costs

	2018 £000	2017 £000
Land and buildings	18	18
Quoted and other securities and cash	30	84
<b>Total</b>	<b>48</b>	<b>102</b>

### 4. Education expenditure

	2018 £000	2017 £000
Teaching	2,227	2,272
Tutorial	671	637
Admissions	659	586
Research	198	187
Scholarships and awards	495	486
Other educational facilities	519	494
<b>Total</b>	<b>4,769</b>	<b>4,662</b>

Included within Scholarships and Awards are payments under the Cambridge Bursary Scheme amounting to £233,960 (2017 - £236,770).

## NOTES TO THE ACCOUNTS CONTINUED

### 5. Residences, catering and conferences expenditure

		2018 £000	2017 £000
Residential Accommodation	College Members	3,229	3,029
	Conferences	1,484	1,428
Catering	College Members	996	944
	Conferences	1,159	1,062
<b>Total</b>		<b>6,868</b>	<b>6,463</b>

Conferences expenditure above is on a fully costed basis, which includes a significant contribution to the absorption of overheads. However, on a direct cost basis the conferences profit would be £1,029,163 (2017 - £975,926).

### 6. Analysis of Expenditure by Activity

6a) Analysis of 2017/2018 expenditure by activity	Staff Costs (Note 8) £000	Other Operating Expenses £000	Depreciation £000	Total £000
Education	2,119	2,166	484	4,769
Residences, Catering and Conferences	3,030	2,344	1,494	6,868
Other	113	259	17	389
	<b>5,262</b>	<b>4,769</b>	<b>1,995</b>	<b>12,026</b>

6b) Analysis of 2016/2017 expenditure by activity	Staff Costs (Note 8) £000	Other Operating Expenses £000	Depreciation £000	Total £000
Education	2,138	2,055	469	4,662
Residences, catering and conferences	2,892	2,163	1,408	6,463
Other	122	417	17	556
	<b>5,152</b>	<b>4,635</b>	<b>1,894</b>	<b>11,681</b>

The above expenditure includes £425,033 as the direct cost of fundraising (2017 - £364,385). This expenditure includes the costs of alumni relations.

## NOTES TO THE ACCOUNTS CONTINUED

### 7. Auditors' remuneration

	2018 £000	2017 £000
<b>Other operating expenses include:</b>		
Audit fees payable to the College's external auditors	19	19
Other fees payable to the College's external auditors	3	3

### 8. Staff Costs

	College Fellows £000	Non-Academics £000	Total 2018 £000	Total 2017 £000
<b>Staff Costs</b>				
Emoluments	862	3,817	4,679	4,525
Social Security Costs	49	289	338	324
Other Pension Costs	53	192	245	303
	<b>964</b>	<b>4,298</b>	<b>5,262</b>	<b>5,152</b>
<b>Average Staff Numbers (Full-time Staff Equivalents)</b>				
	No	No	No	No
Academic	47	—	47	48
Non-Academic	1	134	135	137
<b>Total</b>	<b>48</b>	<b>134</b>	<b>182</b>	<b>185</b>

The Governing Body comprises 48 Fellows, of which 46 are stipendiary.

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

#### Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College. Therefore the Trustees who include the Master, Senior Bursar, Vice-Master, Secretary to the Governing Body and Senior Tutor are the key management personnel.

	2018 £000	2017 £000
Aggregate Emoluments	170	155

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

## NOTES TO THE ACCOUNTS CONTINUED

### 9. Tangible Fixed Assets

Group and College	College Buildings and Site £000	Furniture fittings and equipment £000	Library Books £000	Total £000
Cost				
As at 1 July 2017	153,470	8,320	891	162,681
Additions at cost	2,573	485	38	3,096
Disposals	—	—	—	—
Revaluation	—	—	—	—
As at 30 June 2018	156,043	8,805	929	165,777
Depreciation				
As at 1 July 2017	1,403	6,044	398	7,845
Charge for the year	1,459	505	31	1,995
Disposals	—	—	—	—
Revaluation	—	—	—	—
As at 30 June 2018	2,862	6,549	429	9,840
Net Book value				
As at 30 June 2018	153,181	2,256	500	155,937
As at 1 July 2017	152,067	2,276	493	154,836

The insured value of freehold land and buildings as at 30 June 2018 was £140,775,289 (2017 - £134,538,078).

The value of the land, included in College Buildings and Site, as at 30 June 2018 was £53,445,272 (2017 - £53,445,272).

## NOTES TO THE ACCOUNTS CONTINUED

### 10. Investments Consolidated and College

	2018 £000	2017 £000
As at 1 July	51,884	45,787
Additions	3,525	5,136
Disposals	(3,092)	(5,481)
Gains	1,415	6,684
Increase / (decrease) in cash balances held at fund managers	368	(242)
As at 30 June	54,100	51,884

#### Represented by:

Property	15,550	15,170
Securities	31,490	30,064
Cash with agents	617	338
Works of art	5,274	5,232
Over distribution of market value of funds	709	620
Investment in Cambridge Colleges Funding Plc	5	5
Investment in Cambridge Colleges Funding II Plc	5	5
Land	450	450
Total	54,100	51,884

### Subsidiary Company

At 30 June 2018 Downing College held an investment in the following companies:

Subsidiary Undertaking	Holding	Proportion of voting rights	Country of Incorporation
Downing College Developments Limited	Ordinary	100%	United Kingdom
Downing Cambridge Conferences Limited	Ordinary	100%	United Kingdom
The May Ball Company Limited	Ordinary	100%	United Kingdom

Downing College Developments Limited was incorporated on 20 January 1999. The principal activity of the company is development of student accommodation and other facilities. This company is included in these consolidated financial statements.

Downing Cambridge Conferences Limited was incorporated on 2 April 2007. The principal activity of the company is the provision of non-educational conference facilities. This company is included in these consolidated financial statements.

The May Ball Company Limited was incorporated on 28 July 2010. The principal activity of the company is to administer the operation of the bi-annual College May Ball. This company is included in these consolidated financial statements.

## NOTES TO THE ACCOUNTS CONTINUED

### 11. Trade and other receivables

	Consolidated 2018 £000	College 2018 £000	Consolidated 2017 £000	College 2017 £000
Members of the College	169	169	84	84
Amounts due from subsidiary companies	—	1,514	—	853
University fees	—	—	4	4
Other receivables	489	199	420	207
Prepayments	121	121	96	96
<b>Total</b>	<b>779</b>	<b>2,003</b>	<b>604</b>	<b>1,244</b>

### 12. Cash and cash equivalents

	Consolidated 2018 £000	College 2018 £000	Consolidated 2017 £000	College 2017 £000
Bank deposits	501	501	1	1
Current accounts	1,028	195	1,165	273
Cash in hand	3	3	3	3
<b>Total</b>	<b>1,532</b>	<b>699</b>	<b>1,169</b>	<b>277</b>

### 13. Creditors: amounts falling due within one year

	Consolidated 2018 £000	College 2018 £000	Consolidated 2017 £000	College 2017 £000
Trade creditors	849	840	1,078	837
Members of the College	203	203	195	195
Amounts due to subsidiary companies	—	—	—	—
University fees	7	7	—	—
Other creditors	1,771	1,516	1,192	1,183
<b>Total</b>	<b>2,830</b>	<b>2,566</b>	<b>2,465</b>	<b>2,215</b>

## NOTES TO THE ACCOUNTS CONTINUED

### 14. Creditors: amounts falling due after more than one year

	Consolidated 2018 £000	College 2018 £000	Consolidated 2017 £000	College 2017 £000
Long term bank loan	5,500	5,500	5,500	5,500
Other loans	7,000	7,000	7,000	7,000
Total	12,500	12,500	12,500	12,500

The long term bank loan is due for repayment in 2048 at a fixed interest rate of 4.64%.

During 2013-14 the College borrowed £5m from institutional investors in a private placement done collectively with other Colleges, although each College's loan is separate from those of the others. The loans are unsecured and repayable during the period 2043-2053 and are at fixed interest rates of approximately 4.4%. The College has agreed a financial covenant of the ratio of borrowings to net assets, and has been in compliance with the covenant at all times since incurring the debt.

During 2017-18, the College borrowed £2m from the bank as an unsecured loan for a period of 10 years at a fixed interest rate of 3.07%.

### 15. Pension provisions

Group and College	CCFPS £000	USS £000	2018 £000	2017 £000
Balance at beginning of year	1,596	451	2,047	2,058
<b>Movement in year:</b>				
Current service cost	13	—	13	13
Contributions	(52)	(29)	(81)	(88)
Change in expected contribution	—	(68)	(68)	(9)
Other finance cost	42	8	50	57
Actuarial (gain) / loss	(160)	—	(160)	16
Balance at end of year	1,439	362	1,801	2,047

## NOTES TO THE ACCOUNTS CONTINUED

### 16. Endowment funds

Restricted net assets relating to endowments are as follows:

Consolidated and College	Restricted permanent endowments £000	Unrestricted permanent endowments £000	2018 Total £000	2017 Total £000
<b>Balance at beginning of year</b>				
Capital	19,279	9,812	29,091	25,856
New donations and endowments	1,175	41	1,216	725
Increase in market value of investments	575	254	829	2,510
<b>Balance at end of year</b>	<b>21,029</b>	<b>10,107</b>	<b>31,136</b>	<b>29,091</b>
<b>Analysis by type of purpose:</b>				
Fellowship Funds	6,910	—	6,910	5,805
Scholarship Funds	6,707	530	7,237	7,027
Prize Funds	442	22	464	439
Hardship Funds	1,524	—	1,524	1,414
Bursary Funds	44	—	44	43
Grant Funds	3,750	10	3,760	3,511
Other Funds	1,652	1,576	3,228	3,116
General Funds	—	7,969	7,969	7,736
	<b>21,029</b>	<b>10,107</b>	<b>31,136</b>	<b>29,091</b>
<b>Analysis by asset</b>				
Property	6,564	3,155	9,719	9,372
Investments	14,193	6,821	21,014	19,504
Cash	272	131	403	215
	<b>21,029</b>	<b>10,107</b>	<b>31,136</b>	<b>29,091</b>

## NOTES TO THE ACCOUNTS CONTINUED

### 17. Restricted funds

#### Consolidated and College

	Capital grants unspent £000	Permanent unspent and other restricted income £000	2018 Total £000	2017 Total £000
<b>Balance at beginning of year</b>				
Capital	—	1,304	1,304	1,180
Accumulated income	440	538	978	462
	<b>440</b>	<b>1,842</b>	<b>2,282</b>	<b>1,642</b>
New grants	820	—	820	1,104
New donations	—	165	165	155
Investment income	—	873	873	806
Increase in market value of investments	—	39	39	120
Expenditure	—	(900)	(900)	(881)
Capital grants utilised	(1,260)	—	(1,260)	(664)
<b>Balance at end of year</b>	<b>—</b>	<b>2,019</b>	<b>2,019</b>	<b>2,282</b>
Comprising Capital	—	1,361	1,361	1,304
Accumulated income	—	658	658	978
	<b>—</b>	<b>2,019</b>	<b>2,019</b>	<b>2,282</b>

#### Analysis of other restricted funds/donations by type of purpose

Fellowship Funds	—	231	231	174
Scholarship Funds	—	305	305	279
Prize Funds	—	19	19	19
Hardship Funds	—	2	2	2
Bursary Funds	—	1,158	1,158	1,073
Other Funds	—	304	304	735
	<b>—</b>	<b>2,019</b>	<b>2,019</b>	<b>2,282</b>

## NOTES TO THE ACCOUNTS CONTINUED

### 18. Memorandum of Unapplied Total Return

	2018 £000	2017 £000
Unapplied total return at beginning of year	14,895	10,718
Unapplied total return for the year	1,365	4,177
Unapplied total return at end of year	16,260	14,895

### 19. Capital commitments

	2018 £000	2017 £000
Capital commitments at 30 June 2018 are as follows:		
Authorised and contracted	737	1,157
Authorised but not yet contracted for	285	567

### 20. Financial Commitments

	2018 £000	2017 £000
At 30 June 2018, the College had annual commitments under non-cancellable operating leases as follows:		
<b>Land and buildings:</b>		
Expiring within one year	9	7
Expiring between two and five years	37	28
<b>Other:</b>		
Expiring within one year	7	8
Expiring between two and five years	2	7

## NOTES TO THE ACCOUNTS CONTINUED

### 21. Pension Schemes

In addition to the defined contribution scheme for assistant staff the College participates in two defined benefit schemes, the Universities Superannuation Scheme (USS), and the Cambridge Colleges Federation Pension Scheme (CCFPS). The total pension cost for the year ended 30 June was as follows:

	2018 £000	2017 £000
USS: Contributions	247	278
CCFPS: Charged to income and expenditure account	55	57
Other pension schemes: Contributions	84	60
	<b>386</b>	<b>395</b>

#### *Universities Superannuation Scheme*

The latest available full actuarial valuation of the scheme was at 31 March 2014 ("the valuation date"), which was carried out using the projected unit method. The valuation as at 31 March 2017 is underway.

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

The 2014 valuation was the third 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 £41.6 billion and the value of the scheme's technical provisions was £46.9 billion indicating a shortfall of £5.3 billion. The assets therefore were sufficient to cover 89% of the benefits which had accrued to members after allowing for expected future increases in earnings.

Defined benefit liability numbers for the scheme have been produced using the following assumptions:

	2018	2017
Discount rate	2.64%	2.57%
Pensionable salary growth	n/a	n/a
Price inflation (CPI)	2.0%	2.41%

## NOTES TO THE ACCOUNTS CONTINUED

### 21. Pension Schemes continued

The main demographic assumption used relates to the mortality assumptions. Mortality in retirement is assumed to be in line with the Continuous Mortality Investigation's (CMI) S1NA tables as follows:

Male members' mortality	98% of S1NA ["light"] YoB tables – No age rating
Female members' mortality	99% of S1NA ["light"] YoB tables – rated down 1 year

Use of these mortality tables reasonably reflects the actual USS experience. To allow for further improvements in mortality rates the CMI 2014 projections with a 1.5% pa long term rate were also adopted. The current life expectancies on retirement at age 65 are:

	2018	2017
Males currently aged 65 (years)	24.5	24.4
Females currently aged 65 (years)	26.0	26.6
Males currently aged 45 (years)	26.5	26.5
Females currently aged 45 (years)	27.8	29.0
	2018	2017
Scheme assets	£63.6bn	£60.0bn
Total scheme liabilities	£72.0bn	£77.5bn
FRS 102 total scheme deficit	£8.4bn	£17.5bn
FRS 102 total funding level	88%	77%

## NOTES TO THE ACCOUNTS CONTINUED

### 21. Pension Schemes continued

#### *Cambridge Colleges' Federated Pension Scheme*

The College is also a member of a multi-employer defined benefits scheme, the Cambridge Colleges Federated Pension Scheme (CCFPS). The liabilities of the plan have been calculated for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Cambridge Colleges' Federated Pension Scheme, at 31 March 2018 but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

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

	2018 % p.a.	2017 % p.a.
Discount rate	2.70	2.60
Increase in salaries	2.75	2.85
Retail Price Index (RPI) assumption	3.25	3.35
Consumer Price Index (CPI) assumption	2.25	2.35
Pension increases in payment (RPI max 5% p.a.)	3.15	3.25
Pension increases in payment (CPI max 2.5%)	1.80	1.85

The underlying mortality assumption is based upon the standard table known as S2PA on a year of birth usage with CMI\_2017 future improvement factors and a long-term rate of future improvement of 1.25% p.a. (2017: S2PA with CMI\_2016 future improvement factors and a long term future improvement rate of 1% p.a.). This results in the following life expectancies:

- Male aged 65 now has a life expectancy of 21.9 years (previously 22.1 years)
- Female age 65 now has a life expectancy of 23.8 years (previously 23.9 years)
- Male age 45 now and retiring in 20 years has a life expectancy of 23.3 years (previously 23.5 years)
- Female age 45 now and retiring in 20 years would have a life expectancy of 25.4 years (previously 25.4 years)

## NOTES TO THE ACCOUNTS CONTINUED

### 21. Pension Schemes continued

#### *Employee Benefit Obligations*

The amounts recognised in the balance sheet as at 30 June 2018 (with comparative figures as at 30 June 2017) are as follows:

	2018 £000	2017 £000
Market value of scheme assets	(6,439)	(6,560)
Present value of scheme liabilities	5,000	4,964
<b>Net defined benefit (liability)</b>	<b>(1,439)</b>	<b>(1,596)</b>

The amounts recognised in the income and expenditure account for the year ending 30 June 2018 (with comparative figures for the year ending 30 June 2017) are as follows:

	2018 £000	2017 £000
Current service cost	13	13
Interest on net defined benefit liability	42	44
<b>Total charge</b>	<b>55</b>	<b>57</b>

Changes in the present value of the scheme liabilities for the year ending 30 June 2018 (with comparative figures for the year ending 30 June 2017) are as follows:

	2018 £000	2017 £000
Present value of scheme liabilities at beginning of period	6,560	6,085
Current service cost (including employee contributions)	13	13
Benefits paid	(203)	(209)
Interest on scheme liabilities	168	168
Actuarial (gains) / losses	(99)	503
<b>Present value of Scheme liabilities at end of period</b>	<b>6,439</b>	<b>6,560</b>

## NOTES TO THE ACCOUNTS CONTINUED

### 21. Pension Schemes continued

Changes in the fair value of scheme assets for the year ending 30 June 2018 (with comparative figures for the year ending 30 June 2017) are as follows:

	2018 £000	2017 £000
Market value of scheme assets at beginning of period	4,964	4,509
Contributions paid by the College	52	53
Employee contributions	1	1
Benefits paid	(203)	(209)
Interest on scheme assets	126	123
Return on assets, less interest included in profit and loss	60	487
<b>Market value of Scheme assets at end of period</b>	<b>5,000</b>	<b>4,964</b>
Actual return on scheme assets	187	611

The major categories of scheme assets as a percentage of total Scheme assets at 30 June 2018 (with comparative figures at 30 June 2017) are as follows:

	2018	2017
Equities	64%	67%
Bonds & Cash	30%	27%
Properties	6%	6%
<b>Total</b>	<b>100%</b>	<b>100%</b>

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

## NOTES TO THE ACCOUNTS CONTINUED

### 21. Pension Schemes continued

Analysis of the remeasurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2018 (with comparative figures for the year ending 30 June 2017) are as follows:

	2018 £000	2017 £000
Actuarial return less expected return on scheme assets	60	487
Experience gains and losses arising on scheme liabilities	(112)	155
Changes in assumptions underlying the present value of scheme liabilities	212	(658)
<b>Actuarial gain / (loss) recognised in OCI</b>	<b>160</b>	<b>(16)</b>

Movement in net defined benefit liability during the year ending 30 June 2018 (with comparative figures for the year ending 30 June 2017) are as follows:

	2018 £000	2017 £000
Deficit in scheme at beginning of year	(1,596)	(1,576)
Recognised in Profit and Loss	(55)	(57)
Contributions paid by the College	52	53
Actuarial gain recognised in SOCIE	160	(16)
<b>Deficit in scheme at the end of the year</b>	<b>(1,439)</b>	<b>(1,596)</b>

## NOTES TO THE ACCOUNTS CONTINUED

### 21. Pension Schemes continued

#### *Funding Policy*

Actuarial 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 actuarial valuation are different to those adopted under FRS102.

The last such valuation was as 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 28 June 2018 and are as follows:

- Annual contributions of not less than £39,105 p.a. payable for the period from 1 July 2018 to 30 April 2031.

These payments are subject to review following the next funding valuation, due as at 31 March 2020.

#### *Defined Contribution Pension Schemes*

The College operates a defined contribution pension scheme in respect of certain employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the College amounting to £84,416 (2017 - £59,970) of which £7,596 (2017 - £11,904) was outstanding at the year end.

## NOTES TO THE ACCOUNTS CONTINUED

### 22. Contingent Liabilities

As disclosed in note 21, with effect from 16 March 2007, the Universities Superannuation Scheme (USS) positioned itself as a “last man standing” scheme so that in the event of an insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers.

### 23. Related Party Transactions

Owing to the nature of the College’s operations and the composition of its Governing Body, it is inevitable that transactions will take place with organisations in which a member of the Governing Body has 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.

### 24. Sir Mortimer Singer Fund

Other Unrestricted Funds includes the Sir Mortimer Singer Fund which was funded from a bequest of Sir Mortimer Singer, a Fellow Commoner of the College. The money was appointed to the College by Lady Singer upon the trusts declared by a deed dated 25 March 1952. The Pension Trust Fund was also set up from this bequest. Below are the movements on these Funds in the year.

	Singer Fund £000	Pension Trust £000
Opening Balance at 1 July 2017	6,418	247
Income	174	10
Expenditure	—	(10)
Change in Market Value of Investments	123	7
Closing Balance at 30 June 2018	6,715	254

## NOTES TO THE ACCOUNTS CONTINUED

### 25. Analysis of Movement in Total Funds

	Donations £000	Closing Balance £000
<i>Restricted Permanent Funds</i>		
Alcan Prize Fund	-	11
Angharad John Fellowship	-	340
Alwyn Heong Fund	-	291
Barry Moore Economics Prize Fund	-	16
Bathey Fund	-	10
Beinan Lu Fund	-	3
B J Everitt Prize Fund	-	18
Blankenship Book Fund	-	14
Blankenship Law Fund	-	28
Bradbrook Fund	-	14
Buchanan Fund	-	281
Charles Campbell Book Fund	-	4
S M and H Haniff Prize	-	33
Cockerell Fund	-	26
Collins Fund	-	222
Darley Fund	-	346
Darley Sands Postgraduate Studentship	42	155
Downing Association Fund	-	44
Edward Collins Fund	-	131
Ernest William Denham Fund	-	31
Everitt Fund	-	2
Everitt Butterfield Fund	10	882
Fahrenwaldt Fund	-	15
Ferreras Willetts Fund	-	318
Florence & David Jacobs Memorial Prize	-	8
Carried forward	52	3,243

## NOTES TO THE ACCOUNTS CONTINUED

### 25. Analysis of Movement in Total Funds continued

	Donations £000	Closing Balance £000
<i>Restricted Permanent Funds</i>		
Brought forward	52	3,243
Fritsch Fund	-	462
Fu Fund	-	5
Gamlingay Fund	-	88
Geoffrey Grimmett Prize	-	7
Gelber Bequest	10	10
Graystone Fund	-	199
Gulbenkian Fund	-	2
Hall Fund	-	12
Harold Hargreaves Prize	-	6
Harris Fund	-	506
Harrison Prize Fund	-	3
Hopkins Parry Fund	-	1,216
Hugh Brammer Fund	-	72
Ivor Evans Fund	-	24
Jan Hruska Fund	-	291
Jean Ruhman Fund	-	11
John Hawkins Mays Wild Fund	-	9
John Maples America Fund	-	172
Joseph Tchong Prize	2	9
Johnston Fund	-	2
Judy Petty Book Prize & Scholarship	-	25
Kim Silverman Research Fellowship	888	888
Percy Lander Research Fund	-	294
Lander Fund	-	13
Carried forward	952	7,569

## NOTES TO THE ACCOUNTS CONTINUED

### 25. Analysis of Movement in Total Funds continued

	Donations £000	Closing Balance £000
<i>Restricted Permanent Funds</i>		
Brought forward	952	7,569
Landrum & Brown Scholarship Fund	-	14
Lord Butterfield Fund	-	188
Mays Wild Fund	12	670
Alfred Monk Fund	-	255
John H Morrison Prize in Law	-	28
Moullin Fund	-	3
Oon Khye Beng Ch'hia Tsio Memorial Fund	-	442
Oon Khye Beng Ch'hia Tsio Memorial Prize Fund	-	156
Professor Gabriel Oon Prize	-	7
Osler Fund	-	113
Owens Fund	-	428
Peter Mathias Economics Prize Fund	-	2
Pilley Fund	-	405
Platt Fund	-	32
Professor Audus Botanical Fund	-	18
Richards Fund	-	59
Robertson Research Fellowship Fund	-	823
Robson Physics Prize	-	8
Robson Postgraduate Fund	-	336
Saint Fund	-	48
Saunders Fund	-	49
Savile Fund	-	150
Schreiner Fund	-	72
Seton Fund	-	85
Carried forward	964	11,960

## NOTES TO THE ACCOUNTS CONTINUED

### 25. Analysis of Movement in Total Funds continued

	Donations £000	Closing Balance £000
<i>Restricted Permanent Funds</i>		
Brought forward	964	11,960
Seton Cavendish Fund	96	2,160
Sir Arthur Watts Choral Awards	-	14
Stephen Peel Fellowship Fund	-	340
Stevens Fund	-	5
Susan & Geoffrey Eggington Scholarship	-	18
TG Jones Fund	-	830
Thomas Fund	-	22
Thrower Fund	19	66
Treherne Fund	-	108
Unwin Fund	-	66
Verjee Fund	-	307
Verney Fund	-	1
Warner-Lambert Fund	-	278
Whitby Memorial Fund	-	449
White Fund	-	8
Whitelegg Fund	-	64
Whitworth Fund	-	2,337
Wicks Travel Fund	-	15
Wilsey & Lerch Scholarship in Economics	-	23
Wyatt Fund	-	2
Postgraduate Studentship Fund	1	1
Student Hardship Endowment	7	373
Student Support Endowment	60	461
1970's Grant Fund	-	83
Carried forward	1,147	19,991

## NOTES TO THE ACCOUNTS CONTINUED

### 25. Analysis of Movement in Total Funds continued

	Donations £000	Closing Balance £000
<i>Restricted Permanent Funds</i>		
Brought forward	1,147	19,991
Alumni Sport Fund	-	59
Fundraising - Teaching	13	197
Fundraising - Access	33	662
Catalysis - Teaching & Learning	2	179
Catalysis - Research & Discovery	-	15
Catalysis - Heritage & Environ	3	34
Catalysis - Support & Services	14	232
Catalysis - Culture & Community	0	12
Other	4	64
	1,213	21,445
<i>Restricted expendable</i>		
Bartram Fund	-	143
Colin Hill Fund	-	1
Colonel Anderson Trust Fund	-	116
Goodey Fund	-	187
Richens Fund	-	658
Treherne Prize Fund	-	18
The Great Tradition	35	80
Catalysis Research Fund	-	123
Fundraising – Buildings	-	53
Other	908	224
	943	1,603
<b>Total Restricted Funds</b>	<b>2,159</b>	<b>23,048</b>

## NOTES TO THE ACCOUNTS CONTINUED

### 25. Analysis of Movement in Total Funds continued

	Donations £000	Closing Balance £000
<i>Unrestricted Permanent Funds</i>		
Clark Fund	-	3
French Fund	-	37
Jarvis Fund	-	46
Library Endowment Fund	-	1,259
Richmond Fund	-	236
Stenning Fund	-	63
Stevenson Fund	-	1
Whalley-Tooker Fund	-	19
Yates Fund	-	10
Young Fund	-	211
Singer Fund (Pension Trust)	-	254
Smyth Bequest	-	566
Fleet Bequest	-	60
Deryk Prosser Fund	-	486
Corporate Capital Fund	-	1,040
General Capital	—	5,816
	—	10,107
<b>Total Restricted Funds</b>	<b>2,159</b>	<b>33,155</b>

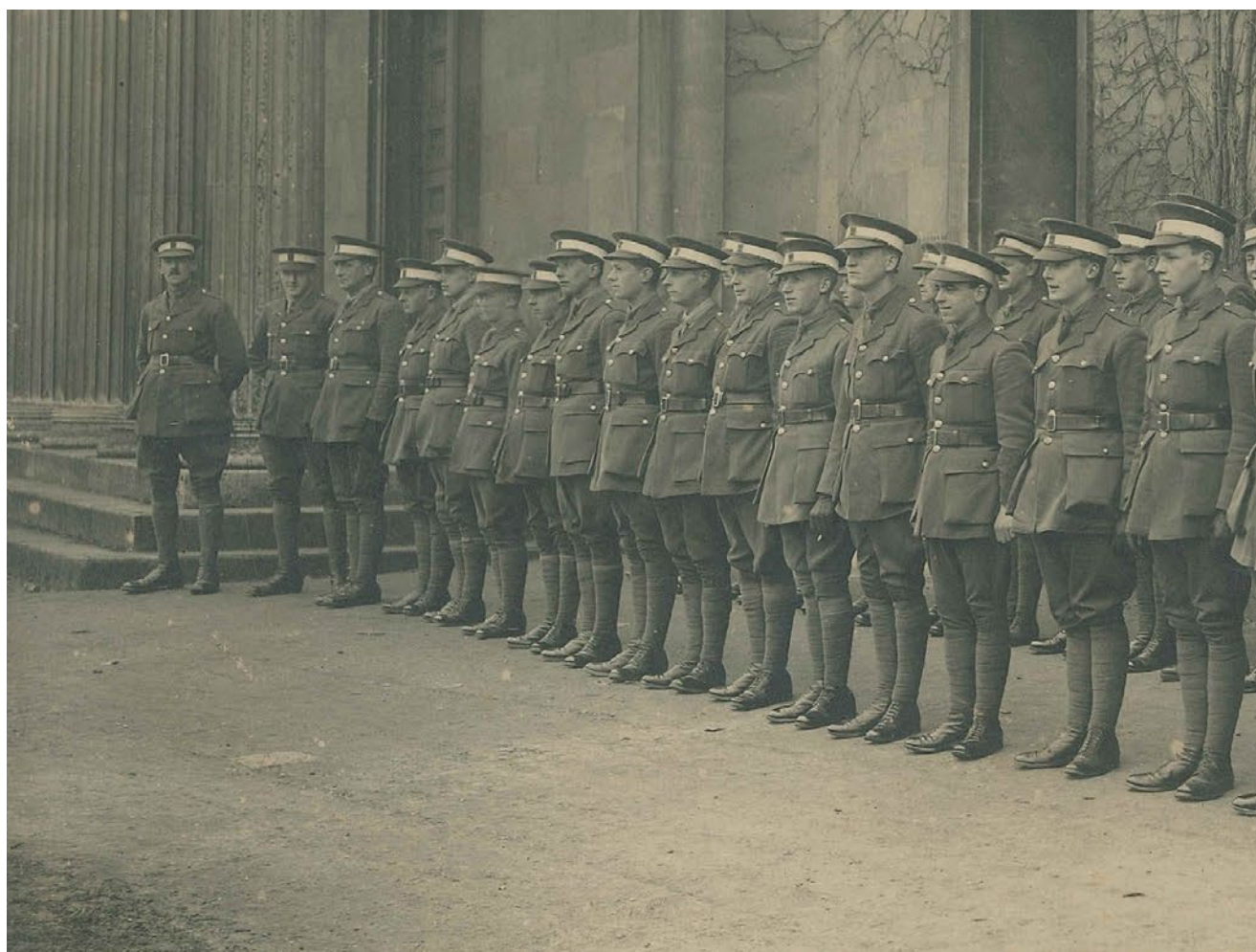
## NOTES TO THE ACCOUNTS CONTINUED

### 25. Analysis of Movement in Total Funds continued

	Donations £000	Closing Balance £000
<i>Unrestricted</i>		
Designated Buildings	—	117,285
Corporate Capital Fund	—	18,842
Singer Fund (Will Trust)	—	6,715
General Capital and Other	246	(19,174)
Revaluation Reserves	—	40,323
Pension Reserves	—	(1,801)
<b>Total Unrestricted Funds</b>	<b>246</b>	<b>162,190</b>
<b>Total Reserves</b>	<b>2,405</b>	<b>195,345</b>







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