

Charity Registration No: 1137471

HUGHES HALL

**RECOMMENDED CAMBRIDGE
COLLEGE ACCOUNTS**

**FOR THE YEAR ENDED
31 JULY 2023**

HUGHES HALL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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REFERENCE AND ADMINISTRATION DETAILS FOR THE YEAR ENDED 31 JULY 2023

Name of College:

The President and Fellows of Hughes Hall in the University of Cambridge

Address: Hughes Hall
Cambridge
CB1 2EW

Charity Commission Registered No: 1137471

Advisors:

Auditors Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Solicitors Ashton Legal
Chequers House
77-81 Newmarket Road
Cambridge
CB5 8EU

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

Bankers Lloyds Bank
3 Sidney Street
Cambridge
CB2 3HQ

Fund Managers Cazenove Capital
1 London Wall Place
London
EC2Y 5AU

Senior officers:

Head of House	Sir Laurie Bristow (from 01/10/2022) Dr Anthony Freeling (to 30/09/2022)
Bursar	Mr Jonathan Newby
Senior Tutor	Dr Tori McKee

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MEMBERS OF THE GOVERNING BODY FOR THE YEAR ENDED 31 JULY 2023

Charity Trustees (Members of the Governing Body)

The trustees of the College during the period 1 August 2022 to 31 July 2023 were:

Head of House Sir Laurie Bristow (President) * (from 1 October 2022)
Dr Anthony Freeling (President) * (to 30 September 2022)

Fellows:

Dr Farah Ahmed	Mr Jonathan Newby *
Mr Mark Anderson (resigned 31 March 2023)	Prof William Nuttall
Dr Stephen Axford	Prof Ajith Parlikad
Prof Michael Barrett	Prof Jorge Pinto-Da-Silva-e-Conceicao-Santos (from 1 September 2022)
Dr Jimmy Chan	Prof Jonathan Powell
Mr William Charnley	Mrs Laurel Powers-Freeling
Dr Othman Cole	Dr Perla Pucci
Dr Bart de Nijs	Dr Corinne Roughley
Dr Paula De Oliveira-Banca	Prof Ricardo Sabates-Aysa *
Prof Gishan Dissanaik	Dr Carole Sargent *
Prof John Doorbar	Prof Kishore Sengupta
Dr Pete Dudley	Dr Guillermo Serrano-Najera (from 1 February 2023)
Dr Fatmah Mish Ebrahim	Prof Eugene Shwageraus
Ms Emily Farnworth	Prof Nidhi Singal *
Prof Tamsin Ford	Dr Jeffrey Skopek
Dr Markus Gehring	Prof Jacob Stegenga
Prof Emanuele Giovannetti	Dr Martin Steinfeld
Prof Sara Hennessy	Prof Andreas Stylianides
Dr Sarah Hoare	Dr Livia Tomova
Prof Riikka Hofmann	Prof Paul Tracey
Dr Sonia Ilie *	Prof Caroline Trotter
Prof Bill Irish *	Prof Suzanne Turner
Dr Agnieszka Iwasiewicz-Wabnig	Dr Lars Vinx *
Dr Yury Korolev * (resigned 31 December 2022)	Prof Rupert Wegerif
Dr Alastair Lockhart	Dr Clive Wells
Dr Andrew Mackintosh (resigned 30 September 2022)	Dr Claire West *
Ms Mahnaz Malik *	Dr Jessica White
Dr David McCay	Dr Nigel Yandell
Dr Tori McKee *	

Those members of the Governing Body marked * (together with the student President and Secretary of the Middle Common Room) served as members of the College Council within the period.

HUGHES HALL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2023

OPERATING AND FINANCIAL REVIEW

Introduction

Hughes Hall (the 'College') is pleased to present its operating and financial review, together with the financial statements for the year ended 31 July 2023.

In September 2022, Dr Anthony Freeling, the College's President since 2014, concluded his presidential term. Upon retirement from Hughes Hall, Dr Freeling became the Acting Vice-Chancellor of the University of Cambridge. The College thanks Dr Freeling for his significant contributions over eight years, including: the construction of student rooms and communal study space at Gresham Court; defining the strategic vision and managing operations during a period of rapid growth; and most recently, navigating the College through the Covid-19 pandemic.

Sir Laurie Bristow became the tenth President of Hughes Hall in October 2022, and the sixteenth head of the College since its foundation in 1885. A career diplomat who served as the UK Ambassador to Azerbaijan and Russia, Sir Laurie was knighted in 2019 for services to British foreign policy, and served as UK Ambassador to Afghanistan before joining the College.

October 2022 saw 400 new members of College matriculating. The College continues to be ranked in the top ten largest colleges in Cambridge, with 965 students. It is also one of the most diverse in terms of nationality, background and age and our community comprises over 80 nationalities, from a very wide range of personal backgrounds and life experiences, united by the founding value of education for all.

During the academic year, the College continued its post-pandemic recovery, with after-effects still felt in areas such as wellbeing, student finance, recruitment, conferencing and research funding. The College continued its investment in tutorial support, including mental health counselling and bursaries and hardship funds, and implemented cost-of-living increases to support its staff during the challenging economic shifts of the year.

In Easter Term 2023, the President launched his 2030 Vision, with the core message that Hughes Hall is founded on three clear values: inclusion, innovation and impact. These values form the basis of the College's offer to students, researchers, staff and senior members, and to our benefactors and strategic partners. Our aim, like that of our founders, is to transform the lives of the people who come here to learn, to teach and to carry out research – and through them, to change society for the better.

We thank the whole College community for providing the inspiration to set out this vision and for the contributions of all members during the academic year 2022-2023.

The College

The College is the oldest graduate college in Cambridge yet wears its history lightly. The College owes its origins to the Cambridge Training College for Women, founded in 1885 and granted a Charter of Incorporation in July 2006. Today, we are known as 'Hughes Hall' and are one of 31 self-governing colleges within the University of Cambridge.

We have a record of being innovative: our Victorian benefactors were unique in admitting women graduates and offering provision for graduate students specifically. Once Cambridge finally admitted women undergraduates, the College became an integral part of the University's drive to develop graduate education. During this period the growing College developed its estate, extending the original building, renamed the Margaret Wileman Building, and erected the Chancellors' Court, Centenary and Fenner's buildings. In the last ten years, the College has raised more than £3m for scholarships, expanded its library and study facilities, increased its student accommodation by over 100 rooms and increased its staff to enhance both academic and pastoral support.

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REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 JULY 2023

The formal 'Fellows' of the College form the Governing Body, the highest authority in the College, and are the College's charity trustees. The College is committed to the election of a diverse Fellowship and is working to increase its gender and ethnic diversity and inclusiveness. The broader senior membership also comprises over 200 Honorary, Life, Visiting, Research, By and Quondam Fellows. This incorporates a wide range of scholars and professionals into the intellectual and communal life of the College and these individuals represent the core academic, cultural and institutional leadership of the College community.

An important feature of collegiate life at Hughes Hall is that students and the senior membership mix freely, with no separate provision at regular meals or in the use of the College's recreational facilities. Fostered by the egalitarian and mature atmosphere of the College, all members, whether student, Fellow or other senior member, have opportunities to share interests and learn from one another in the relaxed, supportive environment of the College.

The College has developed its distinctive intellectual strengths and reputation as a bridge between academia and the wider world, and 'The Bridge' initiative at Hughes Hall leverages the College's multi-disciplinary perspective, international nature and external focus to bring the research and expertise of its academic community to solve real world problems.

It drives research translation, allowing brilliant ideas to generate lasting change, and equips our researchers to progress successfully in their future careers, either within academia or in society more widely through a mix of well-defined programmes (Bridge Centres) and smaller projects and shared interest groups.

An integral part of the Bridge Centres is the Bridge Fellows scheme, which appoints individuals from non-academic walks of life to foster the College's links to the global business and policy community and to enhance the professional range of the College's senior membership. Uniquely, Bridge Fellows are elected as full members of the College's Governing Body, providing an external perspective alongside the academic trustees.

The key initiatives of 'The Bridge' are summarised below.

Climate change is one of the most important challenges for society today. The Hughes Hall **Centre for Climate Engagement (CCE)** builds a bridge from academic insight to boardroom action, to help companies reach net zero emissions and build climate resilience. CCE raises awareness of the governance, legal frameworks and best practices that can support this transition and provides tools for boards and legal practitioners to implement the change needed.

Cambridge Digital Innovation (CDI) stimulates interaction between industry professionals, policy-makers, academics, students and enthusiasts on the most exciting and impactful phenomena driving the digital revolution. A key focus of CDI as a Knowledge Hub is to help develop and translate knowledge from academia into practice and policy.

The **Digital Education Futures Initiative (DEFI)** aims to create a more inclusive global education system by building a community that offers a space for open dialogue, research and thought leadership on digital education's role in shaping a sustainable future. A key DEFI programme – **Camtree** – is creating a research platform for educators to promote improved outcomes in classrooms world-wide.

Oracy Cambridge aims to raise awareness of the importance of effective spoken communication, and ways that it can be taught and learned, amongst policy makers and practitioners, within the UK and internationally.

The **Impact Leadership Programme** provides transferable skills and experiences to complement academic research training. It is open to postdoctoral researchers and PhD students at Hughes and is relevant to those from all backgrounds interested in a variety of professional paths.

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REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 JULY 2023

The College also supports two further initiatives:

The Centre for Climate Engagement hosts the **Climate Governance Initiative**, in collaboration with the World Economic Forum, which mobilises boards of directors around the world to address climate change. It provides an international platform to coordinate a growing global network of national Chapters which in turn equip their members with the skills and knowledge needed to make climate a boardroom priority.

Chapter Zero is a not-for-profit business wholly owned by Hughes Hall which was set up to build a community of non-executive directors and equip them to lead crucial UK boardroom discussions on the impacts of climate change. Chapter Zero members are helping ensure that the companies on whose boards they sit are fit for the future and that global net zero ambitions are transformed into robust plans and measurable action. Chapter Zero is the UK Chapter of the Climate Governance Initiative.

Scope of the financial statements

The consolidated financial statements cover the activities of Hughes Hall, Hughes Hall Ltd, Hughes Hall Conference Company Ltd, Hughes Hall (Hong Kong) Ltd, and Chapter Zero Ltd.

Hughes Hall Ltd is a wholly owned subsidiary of Hughes Hall and its principal activity is to design and construct new buildings to expand the Hughes Hall estate. The Directors are all trustees of Hughes Hall.

Hughes Hall Conference Company Ltd is a wholly owned subsidiary of Hughes Hall and its principal activity is delivery of conferences and events. The Directors are all trustees of Hughes Hall.

Hughes Hall (Hong Kong) Ltd is a wholly owned subsidiary of Hughes Hall, incorporated and domiciled in Hong Kong. Its principal activity is the promotion of learning and education at Hughes Hall, University of Cambridge. It was set up to facilitate the processing of donations from Hong Kong based benefactors. It is audited separately in Hong Kong by local accountants to satisfy Hong Kong regulations and the Hughes Hall consolidated accounts include the draft Financial Statements for Hughes Hall (Hong Kong) Ltd for the year ended 31 July 2023.

Chapter Zero Ltd is a company limited by guarantee of which Hughes Hall is the sole member and exercises control over the company. Chapter Zero is therefore a subsidiary of Hughes Hall and its principal activity is engaging industry with the challenges companies face in dealing with climate change. Up to three trustees of Hughes Hall sit on the board of Chapter Zero.

Aims and objectives of the College

The objectives of the College, as set out in our Royal Charter, are to:

- endow, maintain and carry on a college in Cambridge for graduates and for mature-age students qualified to be matriculated in the University of Cambridge; and
- promote education, learning and research in the University of Cambridge and elsewhere.

Public benefit

The College, in conjunction with the University of Cambridge, provides an education for mature undergraduate (aged 21 and above) and postgraduate students, which is recognised internationally as being of the highest standard.

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 JULY 2023

This education develops students academically and advances their leadership qualities and interpersonal skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group supervision for undergraduates, as well as pastoral, administrative and academic support for all students through its tutorial and mentoring systems; and
- social, cultural, intellectual, musical, recreational and sporting facilities which enable each of its students to realise their academic and personal potential to the full while studying at the College.

Teaching

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

The College provides teaching facilities and individual or small-group supervisions, as well as pastoral, administrative and academic support through its tutorial and welfare support systems. Its students can access social, cultural, musical, recreational and sporting facilities, enabling them to realise as much as possible of their academic and personal potential whilst studying at the College.

In 2022/23 Hughes Hall had 21 tutors, each with responsibility for a student group of up to 80 students. Seven of the tutors are Governing Body Fellows. The College has seven champion roles that provide more targeted support to students in specific areas: Race Equality, Disability, Gender Equality, LGBTQ+, Harassment Support and Parents and Caregivers.

Tutors are an important source of support, both for regular matters like grant applications, and for supporting other occasional issues, whether personal, financial, or academic. Tutors then follow up any issues raised, seeking support from the College team (Head of Welfare and Wellbeing, Senior Tutor and College Nurse) or the University's Student Support Service. The tutors meet regularly in term-time and discuss general issues relating to the student body and any individual issues where their collective experience and perspective can be of wider benefit. The tutorial team acts in strict confidence, as is appropriate.

The College appoints an Academic Convenor who is responsible for establishing a programme of events to enliven the academic life of the College and to build academic links between middle and senior members.

During the 2022-23 academic year, the College continued its focus on rebuilding its academic community following the pandemic through engaging widely, and reconnecting across the disciplines. This ties in with meeting its charitable objectives of providing the highest standard of education. Audience numbers for the various College events took time to return to pre-pandemic levels, but those who felt comfortable to re-engage valued the return to 'in person' activities. The MCR Academic Officer launched a successful new series of events entitled 'Pending Puzzles', which provided a platform for interdisciplinary engagement where students and seniors could consider and debate questions such as: '*do we want to live forever?*', '*how to make digital education inclusive*', and '*the value of AI in society*'.

Our series of annual dinners for students, senior members and invited guests continued in the following subject areas: Law (Charnley Dinner), Medicine (Zimmern Lecture and Dinner) and Humanities (Berg Rust Lecture). We were proud to launch an additional lecture and dinner, in partnership with the International School Partnership, and this Education Dinner discussed new ideas within the study of education, and celebrated the education community at Hughes Hall.

An end of year senior members symposium and dinner also took place, this year focussing on capturing links between the insights or learnings seniors have gained from their work, and the values agreed as critical to the 2030 Vision for the College: inclusive, innovative, impactful.

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REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 JULY 2023

Other events in the annual cycle continued, including Postdoc research events, the 3 Minute Thesis competition, and talks to mark important dates such as Black History Month (October), International Women's Day (March) and supporting LGBTQ+ rights and visibility (June).

The College's programme of music returned, and all College members, as well as local neighbours, enjoyed the chance to participate in informal musical evenings with repertoires across a wide range of styles. In conjunction with an inspiring Hughes Hall alumnus, a new weekend 'Festival of International Young Artists' was initiated and launched in May 2023. Two popular music cafes were held, at which students and seniors enjoyed sharing their musical talents within a friendly and supportive environment, and a mindfulness music session was held for students during Welfare Week.

Research

The College advances research through:

- providing Research Fellowships to outstanding academics in the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- connecting our academic talent with leaders in policy, practice and commerce, and enable lasting solutions to pressing problems through our translational initiative – 'The Bridge';
- supporting the research work of its students and Fellows by promoting interaction across disciplines, providing facilities for seminars and developing a community of researchers and providing grants for conferences, research trips and materials; and
- fostering academic networking by encouraging visits from outstanding academics as Visiting Fellows and Visiting Scholars.

The College maintains a Library (the Edwin Leong Library) which provides a valuable resource for students and Fellows of the College.

Funding

The College funds its activities from academic fees, charges for student accommodation and catering, income from its conferencing business and income from investments and donations. The two most significant ordinary income streams are income from student accommodation of £2.74m (£2.74m in 2021/22) and fees for graduate and unregulated undergraduate students of £3.68m (£3.32m in 2021/22). The College received £0.67m (£0.51m in 2021/22) in donations including £0.10m legacy donations (£0.15m in 2021/22).

In 2022/23 Hughes Hall had 827 fee-paying students (788 in 2021/22), plus 110 (82 in 2021/22) students no longer paying fees but yet to complete their course by, for example, writing up dissertations. They cover the full range of courses: Bachelors, Masters (and other 1-year postgraduate) and Doctoral courses. Most students were full-time, but 166 (159 in 2021/22) were part-time (MEd, MSt, Executive MBA, part-time MPhil and PhD). For fees purposes the number of students on a full-time equivalent basis was 745 (714 in 2021/22).

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REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 JULY 2023

Structure, Governance and Management

The Governing Body, comprising the President and Fellows, is responsible for the governance of the College; it meets formally twice per term and on other occasions if necessary. The President and Officers are accountable to the Governing Body. The Governing Body is constituted and regulated in accordance with the College Statutes and is the body responsible for the strategic direction of the College, and its members are the Charity's trustees.

The College Council has delegated responsibility from the Governing Body for all matters relating to the administration of the College. The College Council comprises the President, Vice-President, Senior Tutor, Bursar, Director of Institutional Advancement (non-voting member), Director of Strategy and the Bridge (non-voting member), seven other members of the Governing Body (the latter each elected by the Governing Body for periods of three years) and the President and Secretary of the Middle Common Room (MCR). The Officers of the MCR participate for Unreserved (Open) Business.

Declarations of interest are made at every Governing Body, Council and College Committee meeting.

The College has a number of sub-committees of Governing Body and of Council which are listed in the Governance section of this report. These include Audit and Risk Committee and Finance Committee. The responsibilities of Finance Committee include setting the strategy and processes for financial regulation within the College and the Audit and Risk Committee is responsible for ensuring that those processes are followed.

Financial and other support

Hughes Hall has several funds to assist students with financial support including funds for Scholarships, Prizes, Hardship and Travel.

Scholarships are administered by the Admissions Committee, and are awards made on academic grounds to applicants to the College. In 2022/23 Hughes Hall allocated awards to 14 students to the value of £113,007 (£102,404 in 2021/22) and administered awards to the value of £204,587 (£208,874 in 2021/22) from external benefactors.

In 2022/23 the College awarded prizes for outstanding academic achievement to the value of £6,575 (£5,300 in 2021/22) as follows:

- 9 x E.M. Burnett Prizes for Distinction in MAST or First Class in LLM/MCL
- 6 x E.M. Burnett Prizes for First Class in BA
- 1 x Lowman Prize for Education
- 23 x Johnston Prizes for Distinction in Masters courses (excluding MAST or LLM/MCL) or for a departmental or national / international prize
- 1 x Dineen Prize for PGCE
- 1 x Powell Prize for Distinction in Mphil
- 3 x JW Cook Prize in BA and LLM
- 1 x Grossman Prize in BA Economics

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REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 JULY 2023

Other Funds

Fund	Description	Total £ 2022/23	Total £ 2021/22
Hardship Bursaries	For unforeseen hardship in maintenance and/or accommodation	£25,690	£11,814
Conference Travel	For all postgraduates, and for undergraduates when a course requirement. Generously supported by a benefactor.	£24,701	£17,022
Varsity Sport	For athletes participating in University sports teams	£4,565	£4,307
Language Course Support	For students who study a language other than English alongside their course, normally through the Language Centre's programme (CULP)	£1,995	£1,425
Innominate Fund	For various financial needs up to £250, e.g. PhD Thesis binding, small hardship.	£3,662	£2,496

Fundraising and Alumni Relations

At Hughes Hall, academic fundraising is about matching ideas with people interested in supporting ideas. The College's strengths in law and education, along with the growing profile of the Bridge centres, provide excellent fundraising opportunities for people, research and the buildings in which they operate, as well as a way for alumni to actively engage with their college.

The College's Development Office works in partnership with the University of Cambridge on Alumni and Development related activities and with the Cambridge in America team in New York. Our popular annual Alumni Festival Weekend became a hybrid event in 2021, and this has continued, providing our global alumnus with a method of easily engaging with the College. With travel possible, the 2022-23 academic year saw a return to in-person activities and alumni engagement events around the world. The arrival of Sir Laurie Bristow as our President was a unique opportunity to re-engage with alumni in Hong Kong, Singapore, Delhi, Mumbai, and Dubai and both strengthen existing and forge new relationships. There was high attendance at all alumni events, whether at College, in London or abroad, especially among recent graduates, many of whom missed out on part of the usual student experiences due to the pandemic. During the year we were delighted to see alumni attending our annual dinners: Law (Charnley Dinner), Medicine (Zimmern Lecture and Dinner), Humanities (Berg Rust Lecture) and Education (International School Partnership Lecture and Dinner), as well as many enjoying the annual Alumni Garden Party in June 2023.

The latter half of the year saw the publication of the President's 2030 Vision and early preparations for a capital campaign. We believe that the increasing numbers of alumni willing to engage with the future needs of the College will drive our ambitious plans, and 2022-23 events demonstrated the strong support of our global alumni. The priority of the development team remains to grow the College's major gift opportunities and the regular giving programme, enhancing donor stewardship. We also continue to engage with donor prospects interested in research and subject areas that align with the academic and research priorities of the College.

The funds raised during the 2022-23 academic year focused on Scholarships and Bursaries, the Bridge Centres and unrestricted donations for general College needs. Fundraising projects included a successful Boat Club campaign for a new women's boat, our regular telephone campaign delivered by current students where alumni generously donate to our vital student support programme, and a Giving Week where the unrestricted donations made provide flexibility to the College as it grows.

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REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 JULY 2023

Note on fundraising

The College is registered with the Fundraising Regulator and the College subscribes to the Fundraising Regulator's code of practice. All fundraising activity meets current standards and is reviewed by the Development Strategy Committee, which is accountable to College Council. The College does not use external professional fundraisers or commercial participators and carries out fundraising activities, primarily through its Development Office, in collaboration with Cambridge University Development and Alumni Relations office as appropriate. The College pursues a traditional approach to fund-raising, seeking alumni participation through regular giving schemes and approaches to donor prospects for supporting research-led initiatives in the College. In addition to seeking financial and other support for the College, the Development Office is also responsible for broader alumni relations.

Techniques used include face to face fundraising by private meeting, the promotion of legacy giving, telephone campaigns to members of the College's community and opportunities for online giving via the website. Training is given to all individuals who undertake fundraising activities to ensure that they know how to handle an obviously vulnerable person and to protect vulnerable people and the wider public from unreasonably intrusive, persistent methods or undue pressure. The College has received no complaints concerning fundraising activity in 2022-2023.

Financial Report

Income and Expenditure

For the financial year from 1 August 2022 to 31 July 2023 the Group recorded a surplus of £2.54m (£2.42m in 2021/22). Total income was £9.45m (£7.86m in 2021/22) before donations and legacies of £0.67m (£0.51m in 2021/22) and Colleges Grant of £1.15m (£1.20m in 2021/22).

Within the £9.45m, income from academic fees and charges increased to £4.45m as at 31 July 2023 (£4.02m as at 31 July 2022). Income from accommodation and catering for College Members decreased to £3.04m (£3.11m in 2021/22). Income from accommodation and catering for Conference guests increased to £0.67m (£0.32m in 2021/22) mainly from summer schools taking place in July 2023. There was £1.30m in investment and other income (£0.42m in 2021/22).

Ordinary expenditure during the year was £8.15m (£7.40m in 2021/22) which included a £0.49m (£0.48m in 2021/22) charge for depreciation. Capital funding costs of £0.72m (£0.73m in 2021/22) were all interest costs.

Bridge Centre's income during the year was £2.94m (£2.24m in 2021/22). The expenditure was £2.30m (£1.36m in 2021/22). The net surplus was £0.63m (£0.88m in 2021/22) during the year and this will be spent in the following year.

	2023 Total	2022 Total
	£	£
Ordinary Income	9,454,129	7,861,246
Ordinary Expenditure	(8,150,634)	(7,397,051)
Surplus on ordinary income	1,303,495	464,195
Donations received including legacy	672,380	506,724
New endowment	50,000	1,047,763
Capital Grant from Colleges Fund	1,147,000	1,203,000
Funding costs	(722,216)	(726,431)
Bridge Centres (net)	633,805	877,931
Effect of other gains, losses and charges	(542,834)	(951,901)
Total comprehensive income for the year	2,541,630	2,421,280

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 JULY 2023

Endowment and investment performance

The College's Investment Policy aims to protect the values of the portfolios in real terms by striking a balance between the interests of the present members of the College and future generations, whilst supporting the strategic vision of the College for its growth and expansion.

The investment portfolio is monitored and reviewed by the College's Investments Committee, which comprises the President, the Bursar, three other Fellows of the College, a MCR representative and three external members, who are expert in investment management. Membership of the Investments Committee is approved by Governing Body, and the Investment Policy is approved annually by the College Council.

As at July 2023, the College held investments in two financial investment portfolios, the Long Term Fund and Estates Development Fund, which are managed by its investment managers, Cazenove Capital, part of the Schroders Group. The College holds no direct investment in individual companies.

The Estates Development Fund is to be invested in assets with a high degree of capital preservation, of minimum risk and highly liquid as they are expected to be required by the College within the next five years to finance a major strategic development. The Long-Term Fund comprises the other College investment funds to be invested on a long-term basis with the aim of growing its value in real terms over the medium term with risk reduced through diversification within agreed range parameters.

The College held £41.46m (£39.13m in 2021/22) of investments and £2.03m (£1.32m in 2021/22) in cash and cash equivalents.

The Long-Term Fund was valued at £9.12m on 31 July 2023 and is invested as permanent capital. The investment managers have been set a target of Total Return of CPI +3.5%, over a rolling five-year period. The return on investment for the year was -0.9%, against the target of 13.6% (CPI +3.5%), with volatile equity markets and rising bond yields (so falling prices) the key reasons for the performance (£9.20m in 2021/22).

The Estates Development Fund was valued at £21.21m (£19.16m in 2021/22) on 31 July 2023. The managers measure the fund's performance against cash rates, with the key performance metric of beating inflation.

Total funds held by Cazenove at 31 July 2023 were £40.79m (£38.46m in 2021/22), including £10.46m (£10m in 2021/22) in Blackrock Sterling Fund from monies raised through a private placement in 2019.

Cazenove maintains a Socially Responsible Investment policy, conducting research into the social, environmental, ethical and corporate governance stance of the companies selected for investment and rating individual firms.

Statement in relation to investment in fossil fuels

There is strong interest from both the College's beneficiaries and the wider public regarding the College's investments in companies associated with fossil fuel extraction. While information on the College's investments is confidential and details are subject to confidentiality agreements with its investment managers, the College is able to report the following as at 31 July 2023.

In relation to the Estates Development Fund, valued at £21.21m, there is zero investment in fossil fuels within the fund.

In relation to the Long Term Fund, valued at £9.12m, at 31 July 2023 there was 1.9% energy exposure within the total portfolio, on equities including materials, utilities, and energy producing companies, equating to approximately £170k. The portfolio also holds funds which include wind, solar and other renewable sector investments. There are no plans to commit to any further allocation of funds to companies linked to fossil fuels. The timescale for disposal of these residual interests is that there will be zero investment in fossil fuels within the fund by 2030.

HUGHES HALL

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 JULY 2023

Capital expenditure and maintenance of buildings

The College is actively seeking to improve its facilities provision for students, with regular capital expenditure projects improving the quality of accommodation and social spaces provided.

Adaptations were made to Fenner's Building during 2023, creating a fully accessible student flat. Further alterations were made in the Margaret Wileman Building to promote accessibility including creating level-access routes and upgrading door access. External seating and planting at the front of the Margaret Wileman Building and internal decoration continued the improvement of the College environment. As part of our work to encourage sustainability across College operations, an electric College van was purchased, and two electric charging points installed.

During the financial year, the College had 385 rooms available for students to rent, 275 (including 11 flats/studios) were in buildings on the central College site surrounding the cricket field, 83 (including 1 family house) were in houses or developments owned or managed by the College, located in residential streets in the local area.

Reserves policy

As the College intends to continue to pursue its objectives in perpetuity, it views its investments strategically over the long term. The principal aim is to protect and maintain the real value of its endowment capital, and to continue to increase its unrestricted funds and reserves as much as possible over that extended period, whilst seeking an equitable funding balance between the interests and aspirations of present and future members, and the retention of an ability to cope with sudden unforeseen financial upheavals and opportunities. This aim has proven very valuable during the recent pandemic, during which the College has continued to monitor and manage its reserves closely.

The College has a policy of holding sufficient free reserves which are readily available in case of a revenue shortfall or other need for liquidity, and which therefore are invested in liquid assets within the College's overall investment portfolio. The policy target for free reserves is to be an amount broadly equivalent to six month's operational spend, currently £3.27m.

The College's level of liquid reserves has satisfied this target at all times during the previous three years. The value of the College's free reserves at 31 July 2023, was £9.62m, defined as the consolidated unrestricted reserves less fixed assets (£7.16m in 2021/22).

Remuneration Policy

No Trustee receives any remuneration, or any other benefit, for acting as a trustee of the College. Trustees only receive out-of-pocket expenses, incurred in the course of carrying out their duties as trustees. Outside of their role as a Trustee of the College, the President and any Fellow of the College may receive such remuneration and any other benefits in respect of any employment, or College Office or College Post, or other post or appointment, as the College's Ordinances authorise.

The College has a Remuneration Committee comprised of five non-conflicted trustees, which acts as an independent advisory body to the Governing Body. The Remuneration Committee is charged with the scrutiny and management of College policies on remuneration and benefits payable to the President and Fellows of the College.

- (a) remuneration and benefit policies;
- (b) salary and stipend scales;
- (c) honoraria, including bonuses;
- (d) terms and conditions of employment; and
- (e) any scheme of allowances and benefits.

Details of remuneration for key management personnel are outlined in Note 9. Details of related party transactions with Trustees are outlined in Note 29.

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 JULY 2023

Principal risks and uncertainties

The Governing Body as charity trustees has a responsibility to monitor, disclose and where feasible manage the major risks and uncertainties facing the College. The College monitors these risks by maintaining a Risk Register, which identifies the College's key risks, documents the controls used to mitigate their impact and/or likelihood, and at each review, records the additional mitigating actions which have taken place. The risks are reviewed at least termly and the Risk Register heat map, a visual representation of risk status and direction of travel, is updated to show any significant change in risk, whether rising or falling. The Risk Register is reviewed at each meeting of the Audit and Risk Committee, who report to the Governing Body and at each meeting of the Finance Committee, who report to Council.

The most significant risks at present relate to recovery post-Covid and economic pressures linked to the war in Ukraine:

- student welfare issues, stemming from the impact of Covid and the uncertain global outlook, causing a decline in mental wellbeing;
- increases in costs (logistics, food and raw materials costs) resulting from the global impact of Covid-19, the UK's departure from the European Union and the war in Ukraine;
- steep rises in energy costs increasing the College's operational running costs;
- increases in inflation and cost-of-living affecting student numbers and reducing the College's growth;
- movements in investment markets reducing the value of the investment assets;
- conferencing and catering operations negatively affected by food costs, alongside potential longer-term changes to the College's conferencing business model post-Covid;
- an uncertain economic and financial environment putting pressure on the College's ability to raise development funds; and
- health and safety risks within the College community due to the prevalence of Covid coupled with the impact of a severe winter flu strain; re-emergence of a vaccine-resistant strain of the Covid virus.

The following areas of institutional risk are being actively monitored by the College's Committees, and any identified rising risks reported at Council and Governing Body meetings.

- Education – inadequate student welfare provision impacting the wellbeing of the student body and negatively affecting the College's reputation; changes to the balance of membership (graduate/undergraduate) impacting both fee income and resource expenditure;
- People – major threat to health & wellbeing or security incident on College site affecting students' wellbeing or safety; recruitment and retention of staff and Fellows affecting performance and institutional knowledge impacting College operations;
- Estate – reduction in income impacting Estates maintenance reserves with health and safety and capital cost implications;
- Financial Sustainability – current economic climate with continued levels of inflation increasing the College's costs base, presenting challenges to existing College operations and future development plans; operational income and expenditure imbalances affecting covenant thresholds;
- Environmental - insufficient progress in carbon reduction initiatives resulting in projected failure to meet the zero carbon 2038 target, impacting energy expenditure and student trust and engagement; and
- IT infrastructure– increased risks associated with cyber security, threatening College operation.

HUGHES HALL

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 JULY 2023

Progress made against plans during the year

During the year the College continued to develop its distinctive academic profile through Bridge initiatives. Major grants and donations received by the Centre for Climate Engagement in 2022/23 were from the Hatton Trust, Conduit Trust, IKEA Foundation and Children's Investment Fund Foundation (CIFF) totalling £2.29m (2022: £1.51m).

The College continued to enhance the student experience, with a new Head of Welfare and Wellbeing joining the tutorial team, and adjustments to tutorial loads to ensure students receive additional pastoral support. The College continued to engage with University initiatives, notably the Access and Participation plan for widening access, the Strategic Review of Admissions and Outreach, the Review of Mental Health Provision and the Size and Shape review.

The College refined its masterplan for infrastructure developments over the next five years. The architects appointed by Governing Body in 2022 commenced concept design, with sustainability and community at the heart of the strategy for the development. Private placement funding secured in 2018/19 and the College's liquid funds will ensure the College can expedite decisions and maximise opportunities to develop a physical infrastructure to match its aspirations for the future.

The challenging economic environment of the post-Covid world was reflected in decisions made by the Trustees in supporting staff remuneration during 2022/23; the College implemented tactical cost-of-living increments as inflation continued to rise. The College continues to match pay rates set by the Living Wage Foundation, excluding other benefits provided to employees of the College, and keeps its pay policy under regular review, taking account of local and national recruitment conditions.

Positively, the College's catering and conference income has recovered nearly to pre-pandemic levels, however the principal detriments up to 31 July 2023 were utility costs increasing by 50% with further increases likely in 2023/24, and general inflationary pressures due to elevated levels of inflation throughout the year. The significant proportion of funds being held as cash reduced the potential impact on endowment assets during market turbulence.

The key concerns going forward are rises in inflation and cost of living affecting student applications and College operations, sustained economic pressure linked to the war in Ukraine and the possibility of a UK recession.

Plans for the future

Hughes Hall's purpose is to promote education, learning and research in the University of Cambridge and elsewhere, which has been encapsulated into the President's 2030 Vision, for the College to "*educate and nurture leaders of the future and, through them and our whole community, make a major contribution to global society.*" Hughes Hall is a Cambridge college for the 21st century - inclusive, innovative, impactful – and engages with the world beyond academia.

Our mission to deliver a major contribution to global society will be realised by:

- Nurturing and inspiring future leaders from diverse backgrounds
- Academic excellence in education and outstanding pastoral support
- Delivering public goods and societal impact which address global challenges
- Growing our reputation for research excellence
- Building our influence, reputation, and reach both nationally and internationally

HUGHES HALL

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 JULY 2023

The agenda for the year will focus on how the strategic vision of “inclusive, impactful and innovative” can be supported by departmental priorities:

- **Academic, tutorial, pastoral**

Our pastoral support will reflect the needs of our diverse population and support an ambitious and inclusive approach to Widening Participation. We will develop core features of the Impact Leadership Programme as a mainstream offering to students – developing future leaders and equipping people for success in the 21st century.

- **Equality, Diversity and Inclusion**

We will ensure opportunities are available to all who can and will benefit. We will create an environment where all members of our College can thrive and do their best work, and celebrate and build on our existing successes, including diversity in age and nationality of our students.

- **Estates and infrastructure**

We will transform our estate through delivering our development plan, to achieve a fit for purpose, sustainable home for Hughes Hall in 2030, increasing our convening power and improving our offer to all our members.

- **Development**

We will implement an ambitious strategy to transform our financial position and strategic partnerships, enabling us to achieve our Widening Participation, research, sustainability, and impact ambitions via a major campaign with a target that is significantly greater than our current levels of fundraising.

- **People**

We will achieve gender parity, across all active classes of Fellow, by 2030 or sooner. We will be innovative in bridging between students and seniors, particularly aiming to increase the confidence and sense of belonging for those new to Cambridge and the UK

- **The Bridge**

We will ensure that each Bridge programme is supported to achieve its goals, contributes to the wider life of the college, and has a clear trajectory through to 2030. We will increase visibility and understanding, and to identify opportunities for students and seniors to participate in the work of the Centres, to the benefit of both groups. This is an essential part of embedding translational activities within the core purpose of the College.

Corporate Governance

1. The following statement is provided by the Governing Body to enable readers of the financial statements to obtain a better understanding of the arrangements in the College for the management of its resources and for audit.
2. The College is a registered charity (registered number 1137471) and subject to regulation by the Charity Commission for England and Wales. The members of the Governing Body are the charity trustees and are responsible for ensuring compliance with charity law.

HUGHES HALL

REPORT OF THE TRUSTEES (continued) FOR THE YEAR ENDED 31 JULY 2023

Corporate Governance (cont.)

3. The Governing Body members are advised in carrying out their duties by a number of Committees, all of which meet at least twice per academic year:

Admissions Committee
Audit and Risk Committee
Bridge Committee
CCE Oversight Committee
DEFI Oversight Committee
Development Strategy Group
Estates Committee
Fellowships Committee
Finance Committee
Governance Committee
House Committee
Investments Committee
Prevent Committee
Remuneration Committee
Staff Strategy Committee

4. The principal officers of the College for the period are the President, the Bursar and the Senior Tutor.
5. It is the duty of the Audit and Risk Committee to keep under review the effectiveness of the College's internal systems of financial and other controls; to advise the Governing Body on the appointment of external and internal auditors; to consider reports submitted by the auditors, both external and internal; to monitor the implementation of recommendations made by the auditors; to make an annual report to the Governing Body. Membership of the Audit and Risk Committee consists of trustees Dr P Dudley, Prof W Irish, Mr W Charnley, Mrs L Powers-Freeling and Dr J Chan and external members Ms A Shakespeare and Dr M Bellamy.
6. There are Registers of Interests of Trustees, the Finance Committee and of the Audit and Risk Committee and other key personnel. Declarations of interest are made systematically at each of the meetings listed above.
7. The College's Trustees during the year ended 31 July 2023 are set out on page 3.

Statement of Internal Control

1. Governing Body is responsible for maintaining a sound system of internal control that supports the achievement of policy, aims and objectives while safeguarding the public and other funds and assets for which the Governing Body is responsible, in accordance with the College's Statutes.
2. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it therefore provides reasonable but not absolute assurance of effectiveness.
3. The systems of internal control are designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process was in place for the year ended 31 July 2023 and up to the date of approval of the financial statements.
4. Governing Body is responsible for reviewing the effectiveness of the system of internal control.
5. Governing Body's review of the effectiveness of the system of internal control is informed by the work of the various Committees, the Bursar, and other College officers, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

**REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 JULY 2023**

6. The College's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:
- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed by the Finance Committee on behalf of Council;
 - regular reviews by the Council of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
 - setting targets to measure financial and other performance;
 - clearly defined purchasing (asset purchase or capital investment) guidelines;
 - delegation of authority and segregation of duties; and
 - identification and management of risks.

Responsibilities of the Governing Body

Governing Body is responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The College's Statutes and the Statutes and Ordinances of the University of Cambridge require the Governing Body to prepare financial statements 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 these financial statements, the members of Governing Body are required to:

- select suitable accounting policies and then 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.

Governing Body is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the College and 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.

Governing Body is responsible for the maintenance and integrity of the corporate and financial information included on the College's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Mr Jonathan Newby
Bursar
Member of College Council and Governing Body

Date: 29 November 2023

HUGHES HALL

REPORT OF THE INDEPENDENT AUDITORS TO THE GOVERNING BODY OF HUGHES HALL FOR THE YEAR ENDED 31 JULY 2023

Opinion

We have audited the financial statements of Hughes Hall (the 'College') and its subsidiaries (the Group) for the year ended 31 July 2023 which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and College's affairs as at 31 July 2023 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Governing Body is responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees 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 course of 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.

HUGHES HALL

REPORT OF THE INDEPENDENT AUDITORS TO THE GOVERNING BODY OF HUGHES HALL (continued) FOR THE YEAR ENDED 31 JULY 2023

Opinion on other matters prescribed by the Statutes of the University of Cambridge

In our opinion based on the work undertaken in the course of the audit:

- The contribution due from the College to the University has been 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and College and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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:

- 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 the Governing Body

As explained more fully in the responsibilities of the Governing Body statement set out on page 16, the Governing Body 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 Governing Body 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 Governing Body are responsible for assessing the Group's and 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 Group or College or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Group through discussions with Trustees and other management, and from our knowledge and experience of the education sector;
- we obtained an understanding of the legal and regulatory framework applicable to the Group and how the Group is complying with that framework;

HUGHES HALL

REPORT OF THE INDEPENDENT AUDITORS TO THE GOVERNING BODY OF HUGHES HALL (continued) FOR THE YEAR ENDED 31 JULY 2023

- we obtained an understanding of the Group's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the Group; the Laws and regulations we considered in this context were Charities Act 2011, the Statutes of the University of Cambridge and taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items;
- in addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group and the College's ability to operate or to avoid material penalty; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policy were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the College's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

HUGHES HALL

REPORT OF THE INDEPENDENT AUDITORS TO THE GOVERNING BODY OF HUGHES HALL (continued) FOR THE YEAR ENDED 31 JULY 2023

Use of our report

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

PETERS ELWORTHY & MOORE

Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

Date:

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

**STATEMENT OF PRINCIPAL ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2023**

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, using the Recommended Cambridge College Accounts (RCCA) format, and applicable United Kingdom accounting standards, including Financial Reporting Standard 102 (FRS102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education issued in 2019.

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 8.

The College is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

The functional and presentational currency of the College is GBP. The level of rounding applied is to the nearest £.

Going concern

Students have returned to the College at the start of the new academic year and the majority of College activities have resumed with conference activity rising to pre-Covid levels.

The Trustees have prepared a budget for the duration of 2022/23 and cashflow forecasts for the period beyond the end of the financial year which have been stress tested based on a number of assumptions. They have considered the impact upon the College and its cash resources and unrestricted reserves. The College also has significant investments which could be realised if required.

Based upon their review the Trustees believe that the Group will have sufficient resources to meet its liabilities as they fall due for the foreseeable future and therefore have continued to adopt the going concern basis in preparing the financial statements

Basis of accounting

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

Basis of consolidation

The consolidated financial statements include the College and its subsidiary undertakings. Details of the subsidiary undertakings included are set out in note 27. Intra-group balances are eliminated on consolidation.

The Group assets show a lower level of reserves compared to the College as the latter includes administrative charges payable by its subsidiary Hughes Hall Ltd.

Recognition of income

Income is recognised in the statement of financial activities (SoFA) when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities. Income must only be recognised in the accounts of a charity when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the charity;
- Probable – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity;
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

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.

**STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)
FOR THE YEAR ENDED 31 JULY 2023**

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. Charitable donations are recognised on receipt or when the College is entitled to the income and the value can be measured reliably. 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; and
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

In 2022/2023, Hughes Hall operates a Total Return investment accounting policy for the Long Term Fund. The College allocated a proportion of the investment earnings, net of expenses, and capital appreciation, to the income and expenditure account each year. The allocation of income is determined by a spending rule set by the College, calculated as 3% of the average Total Market Value of the Long Term fund over the previous 5 financial years.

Other income

Income is received from a range of activities including accommodation, catering conferences and other services rendered and is recognised in the period in which the goods or services are delivered.

Legacy accounting policy

For legacies, entitlement is taken as the earlier of the date of which either: the College is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the College has been notified of the executor's intention to make a distribution. Where legacies have been notified to the College, or the College is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 JULY 2023

Cambridge Bursary Scheme

In 2022-23, payment of the Cambridge Bursaries to eligible students was made directly by the Student Loans Company (SLC). The College reimbursed the SLC for the full amount and the University of Cambridge and other Colleges paid their shares to the College.

Each College shows the gross payment made to eligible students within education expenditure and the contribution from the University and other Colleges as income within academic fees and charges.

The net payment of £43,243 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£272,023
Expenditure	£315,266

Foreign currency translation

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

Fixed assets

Land and buildings

Fixed assets are stated at deemed cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to 1 August 2014, the date of transition to SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

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. Freehold buildings are depreciated on a straight line basis over their expected useful lives of 70 years.

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.

The cost of additions to operational property shown in the balance sheet includes the cost of land. Furniture, fittings and equipment costing less than £2,000 per individual item or group of related items is written off in the year of acquisition. All other assets are capitalised and depreciated (on a straight line basis) over their expected useful life as follows:

Furniture and fittings	20.0% per annum
Kitchen equipment	12.5% per annum
Computer equipment	20.0% per annum

Leased assets

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 holds and conserves a number of collections, exhibits, artefacts and other assets of historical, artistic or scientific importance. Heritage assets acquired before 1 August 2014 have not been capitalised since reliable estimates of cost or value are not available on a cost-benefit basis. There have been no assets acquired or gifted since this date.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)
FOR THE YEAR ENDED 31 JULY 2023

Investments

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

Stocks

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

5,5ors

Short term debtors are measured at transaction price, less impairment.

Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price.

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.

Financial instruments

The College has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement and disclosure of financial instruments. Financial assets and liabilities are recognised when the College becomes party to the contractual provision of the instrument, and they are classified according to the substance of the contractual arrangements entered into.

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)
FOR THE YEAR ENDED 31 JULY 2023

Financial assets

Basic financial assets include trade and other receivables, cash and cash equivalents and investments in commercial paper (i.e. deposits and bonds). These assets are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method. Financial assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets carried at amortised cost the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate.

Other financial assets, including investments in equity instruments, which are not subsidiaries or joint ventures, are initially measured at fair value which is typically the transaction price. These assets are subsequently carried at fair value and changes in fair value at the reporting date are recognised in the Statement of Comprehensive Income. Where the investment in equity instruments is not publicly traded and where the fair value cannot be reliably measured, the assets are measured at cost less impairment. Investments in property or other physical assets do not constitute a financial instrument and are not included.

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of ownership are transferred to another party.

Financial Liabilities

Basic financial liabilities include trade and other payables, bank loans and intergroup loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at the reporting date. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

To the extent that the College enters into forward foreign exchange contracts which remain unsettled at the reporting date the fair value of the contracts is reviewed at that date. The initial fair value is measured as the transaction price on the date of inception of the contracts. Subsequent valuations are considered on the basis of the forward rates for those unsettled contracts at the reporting date. The College does not apply any hedge accounting in respect of forward foreign exchange contracts held to manage cash flow exposures of forecast transactions denominated in foreign currencies.

Financial liabilities are de-recognised when the liability is discharged, cancelled, or expires.

HUGHES HALL

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 JULY 2023

Taxation

The College is a registered charity (number 1137471) 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.

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.

Under the current rules of the scheme, Hughes Hall has always been a net recipient and not contributor.

Pension costs

Universities Superannuation Scheme (USS)

Significant accounting policies: The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Critical accounting judgements: FRS 102 makes the distinction between a group 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) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102. The directors are satisfied that 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 recovery plan in existence at the date of approving these financial statements.

Cambridge Colleges Federated Pension Scheme (CCFPS)

The College participates in the Cambridge Colleges Federated Pension Scheme, a defined benefit scheme. There are no current members of staff in the scheme. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the Scheme and are accounted for on the basis of providing pensions over the period during which the College benefits from the employees' services.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)
FOR THE YEAR ENDED 31 JULY 2023

Other pension schemes

The College also operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the College. The annual contributions payable are charged to the Income and Expenditure Account.

Critical accounting estimates and areas of judgement

The preparation of the College's accounts requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management consider the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities.

Income recognition – Judgement is applied in determining the value and timing of certain income items to be recognised in the accounts. This includes determining when performance related conditions have been met and determining the appropriate recognition timing for donations, bequests and legacies. In general, the later are recognised when at the probate stage.

Useful lives of property, plant and equipment – Property, plant and equipment represent a significant proportion of the College's total assets. Therefore, the estimated useful lives can have a significant impact on the depreciation charged and the College's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets, professional advice and anticipation of future events. Details of the carrying values of property, plant and equipment are shown in note 10.

Recoverability of debtors – The provision for doubtful debts is based on the College's estimate of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due.

Retirement benefit obligations – The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 26.

Management are satisfied that 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 accounts.

As the College is contractually bound to make deficit recovery payments to USS, this is recognised as a liability on the balance sheet. The provision is currently based on the USS deficit recovery plan agreed after the 2018 actuarial valuation, which defines the deficit payment required as a percentage of future salaries until 2028. These contributions will be reassessed within each triennial valuation of the scheme. The provision is based on management's estimate of expected future salary inflation, changes in staff numbers and the prevailing rate of discount. Further details are set out in note 26.

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.

HUGHES HALL

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 JULY 2023

	Note	2023 Unrestricted £	2023 Restricted £	2023 Endowment £	2023 Total £	Restated Unrestricted £	Restated Restricted £	2022 Endowment £	2022 Total £
Income									
Academic fees and charges	1	4,135,734	311,334	-	4,447,068	3,699,741	317,873	-	4,017,614
Accommodation, catering and conferences	2	3,708,419	-	-	3,708,419	3,424,323	-	-	3,424,323
Investment income	3	1,050,919	5,663	139,164	1,195,746	247,452	2,160	91,810	341,422
Endowment return transferred	3	163,152	76,619	(239,771)	-	175,972	54,493	(230,465)	-
Other income		102,896	-	-	102,896	77,886	-	-	77,886
Total income before donations and endowments		9,161,120	393,616	(100,607)	9,454,129	7,625,374	374,526	(138,655)	7,861,245
Donations		134,733	437,647	-	572,380	249,164	104,334	-	353,498
Legacy Donations		100,000	-	-	100,000	153,227	-	-	153,227
New Endowments		-	-	50,000	50,000	-	-	1,047,763	1,047,763
Capital grant from Colleges Fund		1,147,000	-	-	1,147,000	1,203,000	-	-	1,203,000
Bridge Centres Income	4	278,248	2,658,499	-	2,936,747	73,722	2,162,398	-	2,236,120
Total income		10,821,101	3,489,762	(50,607)	14,260,256	9,304,488	2,641,258	909,108	12,854,853
Expenditure									
Education	5	4,504,582	669,551	-	5,174,133	4,100,055	612,945	2,500	4,715,500
Accommodation, catering and conferences	6	3,433,954	-	-	3,433,954	3,006,682	-	-	3,006,682
Other expenditure	7	228,429	(1,615)	37,949	264,763	369,573	(4,464)	36,190	401,299
Bridge Centres Expenditure	4	-	2,302,942	-	2,302,942	-	1,358,189	-	1,358,189
Total expenditure	8	8,166,965	2,970,878	37,949	11,175,792	7,476,310	1,966,670	38,690	9,481,671
Surplus/(deficit) before other gains and losses		2,654,136	518,884	(88,556)	3,084,464	1,828,177	674,589	870,418	3,373,184
Loss on disposal of fixed assets		(1,086)	-	-	(1,086)				
Gain on investments	11	(353,982)	(5,918)	(153,662)	(513,562)	(625,683)	(12,089)	(306,446)	(944,218)
Surplus for the year		2,299,068	512,966	(242,218)	2,569,816	1,202,494	662,500	563,972	2,428,966
Other comprehensive income									
Actuarial (loss) / gain in respect of pension schemes	17	(28,186)	-	-	(28,186)	(7,683)	-	-	(7,683)
Total comprehensive income for the year		2,270,882	512,966	(242,218)	2,541,630	1,194,811	662,500	563,972	2,421,283

The notes on pages 34 to 51 form part of these accounts.

HUGHES HALL

STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 JULY 2023

Group	Income and expenditure reserve			Total
	Unrestricted £	Restricted £	Endowment £	
Balance at 1 August 2022	43,189,517	2,548,100	8,461,970	54,199,587
Surplus from income and expenditure statement	2,299,068	512,966	(242,218)	2,569,816
Other comprehensive income	(28,186)	-	-	(28,186)
Transfer between funds	-	(2,500)	2,500	-
Balance at 31 July 2023	45,460,399	3,058,566	8,222,252	56,741,217

College	Income and expenditure reserve			Total
	Unrestricted £	Restricted £	Endowment £	
Balance at 1 August 2022	43,794,176	2,538,633	8,461,970	54,794,779
Surplus from income and expenditure statement	2,347,604	489,615	(242,218)	2,595,001
Other comprehensive income	(28,186)	-	-	(28,186)
Transfer between funds	-	(2,500)	2,500	-
Balance at 31 July 2023	46,113,594	3,025,748	8,222,252	57,361,594

Group	Income and expenditure reserve			Total
	Unrestricted £	Restricted £	Endowment £	
Balance at 31 July 2021	41,994,706	1,885,600	7,897,998	51,778,304
Surplus from income and expenditure statement	1,202,494	662,500	563,972	2,428,966
Other comprehensive income	(7,683)	-	-	(7,683)
Balance at 31 July 2022	43,189,517	2,548,100	8,461,970	54,199,587

College	Income and expenditure reserve			Total
	Unrestricted £	Restricted £	Endowment £	
Balance at 31 July 2021	42,320,685	1,620,262	7,897,998	51,838,945
Surplus from income and expenditure statement	1,481,174	918,371	563,972	2,963,517
Other comprehensive income	(7,683)	-	-	(7,683)
Balance at 31 July 2022	43,794,176	2,538,633	8,461,970	54,794,779

The notes on pages 34 to 51 form part of these accounts.

HUGHES HALL

CONSOLIDATED AND COLLEGE BALANCE SHEET AS AT 31 JULY 2023

	Note	2023 Consolidated £	2023 College £	2022 Consolidated £	2022 College £
Non-Current Assets					
Fixed assets	10	35,844,431	36,286,094	36,034,516	36,476,526
Investments	11	41,456,289	41,456,289	39,130,734	39,130,734
Total non-current assets		<u>77,300,720</u>	<u>77,742,383</u>	<u>75,165,250</u>	<u>75,607,260</u>
Current Assets					
Stocks	12	19,377	19,377	21,263	21,263
Trade and other receivables	13	795,820	1,256,495	665,028	919,892
Cash and cash equivalents	14	2,029,458	1,550,152	1,317,925	1,143,481
Total current assets		<u>2,844,655</u>	<u>2,826,024</u>	<u>2,004,216</u>	<u>2,084,636</u>
Creditors: amounts falling due within one year	15	<u>(2,741,578)</u>	<u>(2,544,233)</u>	<u>(2,166,574)</u>	<u>(2,093,812)</u>
Net current assets/(liabilities)		<u>103,077</u>	<u>281,791</u>	<u>(162,358)</u>	<u>(9,176)</u>
Total assets less current liabilities		77,403,797	78,024,174	75,002,892	75,598,084
Creditors: amounts falling due after more than one year	16	(20,124,650)	(20,124,650)	(20,309,731)	(20,309,731)
Provisions					
Pension provisions	17	(537,930)	(537,930)	(493,574)	(493,574)
Total net assets		<u>56,741,217</u>	<u>57,361,594</u>	<u>54,199,587</u>	<u>54,794,779</u>
Restricted reserves					
Income and expenditure reserve – endowment reserve	18	8,222,252	8,222,252	8,461,970	8,461,970
Income and expenditure reserve – restricted reserve	19	3,058,566	3,025,748	2,548,100	2,538,633
		<u>11,280,818</u>	<u>11,248,000</u>	<u>11,010,070</u>	<u>11,000,603</u>
Unrestricted Reserves					
Income and expenditure reserve – unrestricted		45,460,399	46,113,594	43,189,517	43,794,176
Total Reserves		<u>56,741,217</u>	<u>57,361,594</u>	<u>54,199,587</u>	<u>54,794,779</u>

The accompanying notes on pages 34 to 51 are an integral part of this balance sheet.

The financial statements were approved by the Governing Body on 29th November 2023 and signed on their behalf by:

Mr Jonathan Newby
Bursar
Member of College Council and Governing Body

HUGHES HALL

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2023

	Note	2023 £	2022 £
Net cash inflow from operating activities	21	3,562,509	5,077,439
Cash flows from investing activities	22	(1,949,120)	(4,969,508)
Cash flows from financing activities	23	(901,856)	(901,678)
Increase/(Decrease) in cash and cash equivalents in the year		711,533	(793,747)
Cash and cash equivalents at beginning of the year		1,317,925	2,111,672
Cash and cash equivalents at end of the year	14	2,029,458	1,317,925

The notes on pages 34 to 51 form part of these accounts.

HUGHES HALL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

1	Academic fees and charges	2023	2022
		£	£
	Colleges fees:		
	Fee income received at the regulated undergraduate rate	457,077	524,373
	Fee income received at the unregulated undergraduate rate	1,002,167	945,437
	Fee income received at the graduate rate	2,676,490	2,229,931
		<u>4,135,734</u>	<u>3,699,741</u>
	Other income:		
	Research Fellow Support (funded through donations)	39,311	39,368
	Bursaries (Cambridge Bursary Scheme and other donations)	272,023	248,505
	Teaching and Other Income	-	30,000
	Total	<u>4,447,068</u>	<u>4,017,614</u>
2	Income from accommodation, catering and conferences	2023	2022
		£	£
	Accommodation		
	College members	2,735,587	2,735,385
	Conferences	445,157	219,652
	Catering		
	College members	303,450	373,177
	Conferences	224,225	96,109
	Total	<u>3,708,419</u>	<u>3,424,323</u>
3	Endowment return and investment income		
	The Total Return investment accounting policy only applies to the Long Term Fund		
		2023	2022
		£	£
3a	Analysis of Endowment income		
	Total return contribution (see note 3b)	239,771	230,465
	Land and buildings	38,082	32,510
	Quoted securities	633,393	186,856
	Income from short-term investments	379,444	28,086
	Other investment income	5,663	2,160
	Total	<u>1,296,353</u>	<u>480,077</u>
3b	Summary of total return	2023	2022
		£	£
	Income from:		
	Quoted and other securities and cash	139,164	91,810
	Gains/(losses) on endowment assets:		
	Quoted and other securities and cash	(180,323)	(344,490)
	Investment management costs (see note 3c)	(37,949)	(36,190)
	Total return for the year	<u>(79,108)</u>	<u>(288,870)</u>
	Total return transferred to income and expenditure reserve (see note 3a)	<u>(239,771)</u>	<u>(230,465)</u>
	Unapplied total return for year included within Statement of Comprehensive Income and Expenditure (see note 20)	<u>(318,879)</u>	<u>(519,335)</u>

HUGHES HALL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

3c Investment management costs	2023 £	2022 £
Quoted securities – equities including in Total return	37,949	36,190
Quoted securities – equities	63,108	55,140
Total	<u>101,057</u>	<u>91,330</u>

4 Bridge Centres (Restricted)

	Source of Funding	Income £	Expenditure £	2023 Total £	2022 Total £
HEE Academic Research Evaluation	Health Education England	-	(79,794)	-	79,794
Oracy Cambridge	Various	36,015	(41,998)	(1,994)	3,989
Inquiring Learners	Dr Ron Zimmern	10,000	(14,704)	4,028	8,732
Digital Education Futures Initiative (DEFI)	Dipont, Various	127,498	(164,268)	157,682	194,452
Cambridge Teacher Research Exchange (Camtree)	Dipont, Various	(5,213)	(125,283)	69,731	200,227
Centre for Climate Engagement (CCE)	Hatton Trust, Conduit Trust, ECF, SMU	965,192	(882,461)	473,577	390,846
Boards for Climate Action	CIFF & Ikea Foundation	1,345,305	(856,266)	1,047,645	558,606
Cambridge Digital Innovation (CDI)	Various	179,702	(138,168)	222,402	180,868
Totals		<u>2,658,499</u>	<u>(2,302,942)</u>	<u>1,973,071</u>	<u>1,617,514</u>

5 Education expenditure

	2023 £	2022 £
Teaching	1,420,962	1,299,270
Tutorial	1,052,489	954,288
Admissions	1,049,208	962,755
Research	603,270	633,528
Scholarships and awards	501,050	456,388
Other educational facilities	547,154	409,271
Total	<u>5,174,133</u>	<u>4,715,500</u>

HUGHES HALL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

6	Accommodation, catering and conferences expenditure	2023 £	2022 £
	Accommodation College members	2,533,122	2,649,935
	Conferences	412,210	73,751
	Catering College members	280,991	240,026
	Conferences	207,631	42,970
	Total	3,433,954	3,006,682
7	Other Expenditure	2023 £	2022 £
	Loan Interest	25,198	26,505
	Bond Interest	191,467	191,424
	Other expenditure including USS	48,098	183,370
	Total	264,763	401,299

8a Analysis of 2022/23 expenditure by activity

	Staff costs (Note 9) £	Other operating expenses £	Depreciation £	Total £
Education (Note 5)	2,620,759	2,405,298	148,076	5,174,133
Accommodation, catering and conferences (Note 6)	1,346,793	1,741,650	345,511	3,433,954
Other (Note 7)	-	263,602	1,161	264,763
Bridge Centres	997,305	1,305,637	-	2,302,942
Totals	4,964,857	5,716,187	494,748	11,175,792

Expenditure includes fundraising costs of £251,990 (2022: £237,504). This expenditure does not include £101,552 (2022: £82,520) towards the costs of alumni relations.

8b Analysis of 2021/22 expenditure by activity

	Staff costs (Note 9) £	Other operating expenses £	Depreciation £	Total £
Education (Note 5)	2,428,224	2,142,903	144,373	4,715,500
Accommodation, catering and conferences (Note 6)	1,134,549	1,535,264	336,869	3,006,682
Other (Note 7)	-	400,444	856	401,300
Bridge Centres	297,484	1,060,705	-	1,358,189
Totals	3,860,257	5,139,316	482,098	9,481,671

8c	Auditors' remuneration	2023 £	2022 £
	Other operating expenses include:		
	Audit fees payable to the College's external auditors	31,000	23,100
	Other fees payable to the College's external auditors	2,075	2,809
		33,075	25,909

HUGHES HALL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

9	Staff costs				
	Consolidated	Academic	Non-academic	2023	2022
		£	£	Total	Total
				£	£
	Staff costs:				
	Salaries	1,635,109	2,658,495	4,293,604	3,356,769
	National Insurance	152,081	230,330	382,411	288,817
	Pension costs	135,608	153,234	288,842	214,671
		<u>1,922,798</u>	<u>3,042,059</u>	<u>4,964,857</u>	<u>3,860,257</u>
		Average staff	numbers 2023	Average staff	numbers 2022
		Number of	Full time	Number of	Full time
		Fellows	Equivalent	Fellows	equivalent
	Academic	24	37	22	28
	Non-academic	2	65	2	52
	Total	<u>26</u>	<u>102</u>	<u>24</u>	<u>80</u>

Full time equivalent numbers also include fellows.

At the balance sheet date there were 54 (2022: 55) members of the Governing Body. During the year the average number receiving remuneration was 26 (2022: 24) shown above.

The number of officers and employees of the College, including Head of House, who received remuneration in the following ranges was:

	2023	2022
£100,001 - £110,000	1	-
£110,001 - £120,000	1	-
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-

Remuneration includes salary, employer's national insurance contributions, employer's pension contributions plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College. During the year there were 5 (2022: 5) members of the key management team who are the President, Bursar, Senior Tutor, Director of Strategy and the Bridge and Director of Institutional Advancement. The aggregated remuneration paid which consists of salary, employer's national insurance contributions, employer's pensions contributions, plus any taxable benefits either paid, payable or provided, gross of any salary sacrifice arrangements.

	2023	2022
	£	£
Aggregated remuneration	529,644	422,282

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

HUGHES HALL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

10 Tangible Fixed Assets Consolidated

	Freehold land £	Freehold buildings £	Motor vehicle £	Furniture fittings and equipment £	Kitchen equipment £	Total £
Cost						
As at 1 August 2022	15,584,741	25,432,689	11,000	553,054	81,630	41,663,114
Additions at cost	-	-	51,599	262,619	6,029	320,247
Disposals	-	-	(11,000)	(163,732)	(53,524)	(228,256)
As at 31 July 2023	<u>15,584,741</u>	<u>25,432,689</u>	<u>51,599</u>	<u>651,941</u>	<u>34,135</u>	<u>41,755,105</u>
Depreciation						
As at 1 August 2022	-	5,127,309	11,000	421,540	68,749	5,628,598
Charge for the year	-	375,069	10,320	102,532	6,827	494,748
Disposal	-	-	(11,000)	(148,148)	(53,524)	(212,672)
As at 31 July 2023	<u>-</u>	<u>5,502,378</u>	<u>10,320</u>	<u>375,924</u>	<u>22,052</u>	<u>5,910,674</u>
Net book value						
As at 31 July 2023	<u>15,584,741</u>	<u>19,930,311</u>	<u>41,279</u>	<u>276,017</u>	<u>12,083</u>	<u>35,844,431</u>
As at 31 July 2022	<u>15,584,741</u>	<u>20,305,380</u>	<u>-</u>	<u>131,514</u>	<u>12,881</u>	<u>36,034,516</u>

Tangible Fixed Assets College

	Freehold land £	Freehold buildings £	Motor vehicle £	Furniture fittings and equipment £	Kitchen equipment £	Total £
Cost						
As at 1 August 2022	15,584,741	25,876,948	11,000	549,372	81,631	42,103,692
Additions at cost	-	-	51,599	261,114	6,027	318,740
Disposal	-	-	(11,000)	(163,734)	(53,524)	(228,258)
As at 31 July 2023	<u>15,584,741</u>	<u>25,876,948</u>	<u>51,599</u>	<u>646,752</u>	<u>34,134</u>	<u>42,194,174</u>
Depreciation						
As at 1 August 2022	-	5,127,310	11,000	420,105	68,750	5,627,165
Charge for the year	-	375,070	10,320	101,371	6,826	493,587
Disposal	-	-	(11,000)	(148,148)	(53,524)	(212,672)
As at 30 July 2023	<u>-</u>	<u>5,502,380</u>	<u>10,320</u>	<u>373,328</u>	<u>22,052</u>	<u>5,908,079</u>
Net book value						
As at 31 July 2023	<u>15,584,741</u>	<u>20,374,568</u>	<u>41,279</u>	<u>273,424</u>	<u>12,082</u>	<u>36,286,094</u>
As at 31 July 2022	<u>15,584,741</u>	<u>20,749,638</u>	<u>-</u>	<u>129,266</u>	<u>12,881</u>	<u>36,476,526</u>

The insured value of freehold land and buildings as at 31 July 2023 was £42,091,471 (2022: £38,836,568).

The consolidated cost of freehold buildings and assets in construction consists of the costs incurred by the College less the surplus recorded in the accounts of Hughes Hall Limited, a subsidiary undertaking, and eliminated on consolidation.

HUGHES HALL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

11 Investments Consolidated and College

	2023 £	2022 £
As at 1 August 2022	39,130,734	34,857,424
Additions	7,955,122	4,078,659
Disposals proceeds	(4,798,957)	(3,641,162)
Gains	(513,562)	(944,218)
Increase in cash balances held at fund managers	(317,048)	4,780,031
As at 31 July 2023	<u>41,456,289</u>	<u>39,130,734</u>
Represented by:		
Property	667,716	667,716
Quoted securities - equities	5,819,908	5,888,629
Quoted securities - bonds	11,069,309	8,251,440
Quoted securities - Multi-asset fund	1,246,192	1,315,299
Quoted securities - Alternatives & Funds	2,272,639	2,310,076
Cash in hand	20,380,525	20,697,574
	<u>41,456,289</u>	<u>39,130,734</u>

12 Stocks

	Group 2023 £	College 2023 £	Group 2022 £	College 2022 £
Goods for resale	13,525	13,525	15,844	15,844
Other stocks	<u>5,852</u>	<u>5,852</u>	<u>5,419</u>	<u>5,419</u>
	<u>19,377</u>	<u>19,377</u>	<u>21,263</u>	<u>21,263</u>

13 Trade and other receivables

	Group 2023 £	College 2023 £	Group 2022 £	College 2022 £
Members of the College	288,092	288,092	398,019	398,019
Other receivables	171,979	3,542	35,399	7,904
Prepayments and accrued income	302,133	277,994	202,177	176,858
Amounts owed by subsidiary company	-	686,867	-	337,111
Other taxes and social security	33,616	-	29,433	-
	<u>795,820</u>	<u>1,256,495</u>	<u>665,028</u>	<u>919,892</u>

14 Cash and cash equivalents

	Group 2023 £	College 2023 £	Group 2022 £	College 2022 £
Short-term money market investments	318,646	318,646	317,387	317,387
Bank deposits	29,541	29,541	29,286	29,286
Current accounts	1,681,271	1,201,965	971,252	796,808
Total	<u>2,029,458</u>	<u>1,550,152</u>	<u>1,317,925</u>	<u>1,143,481</u>

HUGHES HALL NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

15 Creditors: amounts falling due within one year

	Group 2023 £	College 2023 £	Group 2022 £	College 2022 £
Bank loan	185,081	185,081	179,639	179,639
Trade creditors	277,870	246,067	256,926	215,817
Members of the College	764,377	764,377	928,706	928,706
University fees	3,477	3,477	45,717	45,717
Other taxes and social security	364,080	321,573	210,548	203,200
Accruals and deferred income	1,146,693	1,023,658	545,038	520,733
	<u>2,741,578</u>	<u>2,544,233</u>	<u>2,166,574</u>	<u>2,093,812</u>

16 Creditors: amounts falling due after more than one year

	Group 2023 £	College 2023 £	Group 2022 £	College 2022 £
Long term bank loan	2,624,650	2,624,650	2,809,731	2,809,731
Other loans	17,500,000	17,500,000	17,500,000	17,500,000
	<u>20,124,650</u>	<u>20,124,650</u>	<u>20,309,731</u>	<u>20,309,731</u>

Private Placement Bonds

Private placement money of £4.34 million was borrowed at a fixed interest rate of 4.4% and £3.16 million was borrowed at a fixed interest rate of 4.45%. Of the Bond for £4.34 million, £2.41 million is due for repayment in full on 30 October 2043 and £1.93 million is due for repayment on 30 October 2053. The additional Bond for £3.16 million at 4.45% is repayable in full on 31 January 2044. These Bonds are unsecured.

The College secured a further loan of £10 million at a fixed interest rate of 3.05%. The loan is due for repayment in full on 2 February 2059.

17 Pension provisions Consolidated and College

	CCFPS £	USS £	2023 £	2022 £
Balance at beginning of year	168,767	324,807	493,574	312,188
Movement in year:				
Current service cost	4,030	-	4,030	4,030
Contributions	(9,870)	(31,444)	(41,314)	(18,988)
Change in expected contributions		36,289	36,289	184,417
Other finance cost	6,414	10,751	17,165	4,244
Actuarial loss	28,186	-	28,186	7,683
Balance at end of year	<u>197,527</u>	<u>340,403</u>	<u>537,930</u>	<u>493,574</u>

HUGHES HALL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

18 Endowment funds

Restricted net assets relating to endowments are as follows:

Group and College	Restricted permanent endowments £	Unrestricted permanent endowments £	2023 Total £	2022 Total £
Balance at beginning of year	2,921,088	5,540,882	8,461,970	7,897,998
New donations and endowments	50,000	-	50,000	1,047,764
Net transfer from/(to) income and expenditure account	2,500	-	2,500	(2,500)
Increase/(decrease) in market value of investments	(98,933)	(193,285)	(292,218)	(481,292)
Balance at end of year	<u>2,874,655</u>	<u>5,347,597</u>	<u>8,222,252</u>	<u>8,461,970</u>
Analysis by type of purpose:				
Fellowship Fund	98,957	-	98,957	50,727
Student Support Fund	493,392	-	493,392	511,225
Scholarship	2,197,306	-	2,197,306	2,274,136
Other Funds	85,000	-	85,000	85,000
General endowments	-	5,347,597	5,347,597	5,540,882
	<u>2,874,655</u>	<u>5,347,597</u>	<u>8,222,252</u>	<u>8,461,970</u>
Analysis by asset				
Investments	2,785,402	5,181,563	7,966,965	7,916,622
Cash	89,253	166,034	255,287	545,348
	<u>2,874,655</u>	<u>5,347,597</u>	<u>8,222,252</u>	<u>8,461,970</u>

HUGHES HALL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

19 Restricted Reserves

Group	Permanent Unspent and Other Restricted Income £	Restricted expendable endowment £	Bridge Centres £	2023 Total £	2022 Total £
Balance at beginning of year	765,624	164,961	1,617,514	2,548,100	1,885,600
New donations	356,697	80,951	2,658,499	3,096,147	2,736,278
Investment income	76,619	5,663	-	82,282	56,653
Increase/(decrease) in market value of investments	(2,965)	(2,952)	-	(5,917)	(12,089)
Expenditure	(255,660)	(101,944)	(2,302,942)	(2,659,546)	(2,118,342)
Transfer between funds	(793)	(1,707)	-	(2,500)	-
Balance at end of year	940,523	144,972	1,973,071	3,058,566	2,548,100
Fellowship Funds	31,902	-	-	31,902	34,679
Scholarship Funds	432,830	-	-	432,830	439,852
Prize Funds	13,557	6,796	-	20,353	21,791
Student Support Funds	215,267	8,070	-	223,337	235,814
Other Funds	246,387	130,106	-	376,493	175,300
Bridge Centres	580	-	1,973,071	1,973,651	1,617,514
Travel Funds	-	-	-	-	23,150
	939,943	144,972	1,973,071	3,058,566	2,548,100

HUGHES HALL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

19

College	Permanent Unspent and Other Restricted Income £	Restricted expendable endowment £	Bridge Centres £	2023 Total £	2022 Total £
Balance at beginning of year	756,530	164,961	1,617,141	2,538,632	1,620,262
New donations	334,960	80,951	2,672,863	3,088,774	2,473,837
Investment income	76,619	5,663	-	82,282	56,653
Increase in market value of investments	(2,965)	(2,953)	-	(5,918)	(12,089)
Expenditure	(256,273)	(101,943)	(2,317,306)	(2,675,522)	(1,600,030)
Transfer	(793)	(1,707)	-	(2,500)	-
Balance at end of year	<u>908,078</u>	<u>144,972</u>	<u>1,972,698</u>	<u>3,025,748</u>	<u>2,538,633</u>
Fellowship Funds	31,902	-	-	31,902	34,679
Scholarship Funds	432,830	-	-	432,830	439,852
Prize Funds	13,557	6,796	-	20,353	21,791
Student Support Funds	215,267	8,070	-	223,337	235,814
Other Funds	214,522	130,106	-	344,628	166,206
Bridge Centres	-	-	1,972,698	1,972,698	1,617,141
Travel Funds	-	-	-	-	23,150
	<u>908,078</u>	<u>144,972</u>	<u>1,972,698</u>	<u>3,025,748</u>	<u>2,538,633</u>

20 Memorandum of Unapplied Total Return

	2023 £	2022 £
Unapplied Total Return at beginning of year	7,440,967	7,960,303
Unapplied Total (Loss)/Return for year (see note 3b)	(318,879)	(519,335)
Unapplied Total Return at end of year	<u>7,122,088</u>	<u>7,440,968</u>

HUGHES HALL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

21 Reconciliation of consolidated surplus for the year to net cash inflow from operating activities

	2023 £	2022 £
Surplus for the year	2,541,630	2,421,283
Adjustment for non-cash items		
Depreciation	494,748	482,098
Gain on endowments	513,562	944,218
Decrease/(increase) in stocks	1,886	(5,699)
Decrease/(increase) in debtors	(130,792)	91,641
Increase/(decrease) in creditors	569,562	577,503
Increase/(decrease) in provisions	44,356	181,386
Adjustment for investing or financing activities		
Investment income	(1,195,746)	(341,422)
Loan interest payable	83,993	88,351
Bond interest payable	638,224	638,080
Loss on the sale of non-current assets	1,086	-
Net cash inflow from operating activities	<u>3,562,509</u>	<u>5,077,439</u>

22 Cash flows from investing activities

	2023 £	2022 £
Proceed from sales of non-current fixed assets	14,500	450
Non-current investment disposal	4,500,000	3,800,000
Net investment income	156,626	123,894
Endowment funds invested	(6,300,000)	(8,800,000)
Payments made to acquire non-current assets	(320,246)	(93,852)
Total cash flows from investing activities	<u>(1,949,120)</u>	<u>(4,969,508)</u>

23 Cash flows from financing activities

	2023 £	2022 £
Loan interest paid	(83,993)	(88,351)
Bond interest paid	(638,224)	(638,080)
New secured loans	-	-
Repayment of amounts borrowed	(179,639)	(175,247)
Total cash flows from financing activities	<u>(901,856)</u>	<u>(901,678)</u>

HUGHES HALL NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

24 Consolidated reconciliation and analysis of net debt

	At 1 August 2022 £	Cash Flows £	Other non- cash changes £	At 31 July 2023 £
Cash and cash equivalents	1,317,925	711,533	-	2,029,458
Borrowings: Amounts falling due within one year				
Bank Loan	(179,639)	(5,443)	-	(185,082)
Borrowings: Amounts falling due after more than one year				
Long term bank loan	(2,809,731)	185,081	-	(2,624,650)
Other loans	(17,500,000)	-	-	(17,500,000)
	<u>(19,171,445)</u>	<u>891,171</u>	<u>-</u>	<u>(18,280,273)</u>

25 Financial Instruments

	2023 £	2022 £
Financial assets		
Financial assets at fair value through Statements of Comprehensive income		
Listed equity investments	20,408,048	17,765,444
Financial assets that are debt instruments measured at amortised cost		
Cash and cash equivalents	22,409,982	22,015,499
Debtors	460,071	433,418
Financial liabilities		
Financial liabilities measured at amortised cost		
Loans	20,309,731	20,489,370
Trade creditors	277,870	256,926
Other creditors	1,128,457	1,139,254

26 Pension Scheme

In addition to the defined contribution scheme 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 31 July was as follows:

	2023 £	2022 £
USS: Employer Contributions	109,547	79,079
Stakeholder scheme: Employer Contributions	179,294	135,592
	<u>288,841</u>	<u>214,671</u>

Please note the 30 June 2023 date used in Note 26a, University Superannuation Scheme (USS) and Note 26b, Cambridge Colleges Federation Pension Scheme (CCFPS) is based on the report sent for disclosure by the two schemes.

HUGHES HALL NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

26 Pension Scheme (continued)

a. University Superannuation Scheme (USS)

The total cost charged to the profit and loss account is £31,444 (2022: £9,118).

Deficit recovery contributions due within one year for the institution are £36,288 (2022: £184,417).

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2020 (the valuation date), and was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles).

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% p.a.

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	2023	2022
Males currently aged 65 (years)	24.0	23.9
Females currently aged 65 (years)	25.6	25.5
Males currently aged 45 (years)	26.0	25.9
Females currently aged 45 (years)	27.4	27.3

A deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2023	2022
Discount rate	5.52%	3.31%
Pensionable salary growth	1.50%	1.50%

HUGHES HALL NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

26 Pension Scheme (continued)

b. Cambridge Colleges Federation Pension Scheme (CCFPS)

The College operates a defined benefits plan for the College's employees of the Cambridge Colleges' Federated Pension Scheme (CCFPS).

The liabilities of the plan have been calculated, at 30 June 2023, for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Cambridge Colleges' Federated Pension Scheme, 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 were as follows:

	2023	2022
	% p.a.	% p.a.
Discount rate	5.20	3.80
Retail Price Index (RPI) assumption	3.40*	3.45*
Consumer Price Index (CPI) assumption	2.80*	2.75*

* For 1 year only, we have assumed that RPI will be 9% and CPI will be 7% (2022: 11% and 9% respectively). The caps under the Rules are applied to assumed pension increases.

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2022 future improvement factors and a long-term rate of future improvement of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements (2022: S3PA on a year of birth usage with CMI_2021 future improvement factors and a long-term future improvement rate of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Male aged 65 now has a life expectancy of 21.4 years (previously 21.9 years)
- Female age 65 now has a life expectancy of 23.9 years (previously 24.3 years)
- Male age 45 now and retiring in 20 years has a life expectancy of 22.6 years (previously 23.2 years)
- Female age 45 now and retiring in 20 years would have a life expectancy of 25.3 years (previously 25.7 years)

The amounts recognised in the Balance Sheet as at 30 June 2023 (with comparative figures as at 30 June 2022) are as follows:

	2023	2022
	£	£
Present value of plan liabilities	(637,470)	(710,098)
Market value of plan assets	439,943	541,331
Net defined benefit (liability)	<u>(197,527)</u>	<u>(168,767)</u>

HUGHES HALL NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

26 Pension Scheme (continued)

The amounts to be recognised in the income and expenditure account for the year ending 30 June 2022 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023 £	2022 £
Current service cost	-	-
Administrative expenses	4,030	4,030
Interest on net defined benefit liability	6,414	2,955
Total charge	<u>10,444</u>	<u>6,985</u>

Changes in the present value of the plan liabilities for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023 £	2022 £
Present value of plan liabilities at beginning of period	710,098	828,143
Current service cost	-	-
Benefits paid	(40,789)	(36,837)
Interest on plan liabilities	26,216	14,577
Actuarial losses	(58,055)	(95,785)
Present value of Scheme liabilities at end of period	<u>637,470</u>	<u>710,098</u>

Changes in the fair value of plan assets for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023 £	2022 £
Market value of plan assets at beginning of period	541,331	664,174
Contributions paid by the College	9,870	9,870
Benefits paid	(40,789)	(36,837)
Administration expenses paid	(4,070)	(4,370)
Interest on plan assets	19,802	11,622
Return on assets, less interest included in profit and loss	(86,201)	(103,128)
Market value of Scheme assets at end of period	<u>439,943</u>	<u>541,331</u>
Actual return on plan assets	(66,399)	(91,506)

The major categories of plan assets as a percentage of total Scheme assets at 30 June 2023 (with comparative figures at 30 June 2022) are as follows:

	2023	2022
Equities	49%	52%
Bonds & Cash	38%	34%
Properties	13%	14%
Total	<u>100%</u>	<u>100%</u>

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

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

26 Pension Scheme (continued)

Analysis of the remeasurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023	2022
Return on assets, less interest included in income and expenditure	(86,201)	(103,128)
Expected less actual plan expenses	(40)	(340)
Experience gains and losses arising on plan liabilities	(54,745)	(81,679)
Changes in assumptions underlying the present value of plan liabilities	112,800	177,464
Remeasurement of net defined benefit liability recognised in OCI	<u>(28,186)</u>	<u>(7,683)</u>

Movement in net defined benefit asset/(liability) during the year ending 30 June 2023 (with comparative figures for the year ending 30 June 2022) are as follows:

	2023 £	2022 £
Net defined benefit asset/(liability) at beginning of year	(168,767)	(163,969)
Recognised in Profit and Loss	(10,444)	(6,985)
Contributions paid by the College	9,870	9,870
Remeasurement of net defined benefit liability recognised in OCI	(28,186)	(7,683)
Net defined benefit asset/(liability) at end of year	<u><u>(197,527)</u></u>	<u><u>(168,767)</u></u>

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 actuarial valuation was as at 31 March 2020. 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 21 May 2021 and are as follows:

- Annual contributions of not less than £6,111 per annum payable for the period to 31 August 2029.

These payments are subject to review following the next funding valuation, due as at 31 March 2023.

c. Stakeholder Scheme

The College also operates a defined contribution scheme under the stakeholder rules for employees. The pension charge for the year was £179,294 (2022: £135,592).

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

27 Principal subsidiary and associated undertakings and other significant investments

Subsidiary Company

At 31 July 2023 Hughes Hall held an investment in the following companies:

Undertaking	Company Numbers	Activity	Incorporation	%
Hughes Hall Limited	03238129	Design and build of new residential accommodation	United Kingdom	100%
Hughes Hall (Hong Kong) Limited	1661877	Providing advancement and promotion of learning and education at Hughes Hall, University of Cambridge	Hong Kong	100%
Hughes Hall Conference Company Limited	00038077	Provision of conference services	United Kingdom	100%
Chapter Zero Limited	12062028	Membership organisation and climate change research	United Kingdom	100%

28 Contingent Liabilities

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.

29 Related Party Transactions

Owing to the nature of the College's operations and the composition of the Governing Body, it is inevitable that transactions will take place with organisations in which a Governing Body member may have an interest. All transactions involving organisations in which a member of the Governing Body may have an interest are conducted at arm's length and in accordance with the College's normal procedures.

The College maintains a register of interests for all members of the Governing Body and where any member of the Governing Body has a material interest in a College matter they are required to declare that fact. During the year no fees or expenses were paid to Fellows in respect of their duties as Trustees.

Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for any private catering. The Trustees remuneration is overseen by the Finance Committee.

The salaries paid to Trustees in the year are summarised in the table below:

From	To	2023 Number	2022 Number
£1	£10,000	16	13
£10,001	£20,000	-	1
£20,001	£30,000	2	3
£30,001	£40,000	2	1
£40,001	£50,000	1	2
£50,001	£60,000	1	1
£60,001	£70,000	1	2
£70,001	£80,000	-	-
£80,001	£90,000	1	-
£90,001	£100,000	2	-
£100,001	£110,000	-	1
Total		26	24

The total Trustee salaries were £626,639 for the year (2022: £577,709). The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £161,438 for the year 2023 (2022: £138,814).

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

29 Related Party Transactions (continued)

During the year 9 Trustees received grants from the College towards their research totalling £5,834 (2021/2022: £8,731) under a new initiative to support Fellows' research.

In the 2022/23 financial year, none of the Hughes Hall trustees had significant control of the other organisation. The value in 2022/23 was £nil (2021/22: £9,100,545) for the one organisation which was the Cambridge Trust.

The College has a number of trading subsidiary undertakings which are consolidated into these accounts. All subsidiary undertakings are 100% owned by the College and are detailed in note 27.

The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.