

GIRTON COLLEGE

ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2006

Girton College

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Girton College

Members of the Augmented Council

The members of the Augmented Council during the year were as follows:

Dame Ann Marilyn Strathern MA PHD FBA DBE
Arif Mohiuddin Ahmed MA PHD
Albertina Albors-Llorens LLM PHD
Harriet Dorothy Allen MA PHD MSC
Crispin Henry William Barnes BSC PHD
Kathleen Mary Veronica Bennett BSC PHD
Edward John Briscoe BA MPHIL PHD
Christopher David Cannon BA MA PHD
John Edward Davies MA PHD
Stuart Davis BA PHD
David Norman Dumville MA PHD
Colm Durkan BA PHD
Martin William Ennis MA PHD
Anne Fernihough MA PHD
Shaun David Fitzgerald MA PHD
Christopher John Bristow Ford MA PHD
Abigail Lesley Fowden MA PHD
Alexandra Mary Fulton BSC PHD
Frances Gandy MA
Sinead Maria Garrigan Mattar BA DPHIL
Patricia Gray BA PHD
Benjamin John Griffin MA PHD
Miranda Griffin MA PHD
Maureen Jane Hackett MA
Howard Peter Hodson MA PHD
Charity Ann Hopkins MA LLB OBE
Andrew Ronald Jefferies MA VETMB
Clive Lawson MA PHD
Ross Ian Lawther MA PHD
Karen Lesley Lee MA
Roger Allen Leigh BSC PHD
Deborah Lowther MA
Santa-Phani Gopal Madabhushi PHD
Melveena Christine McKendrick MA PHD LITTD FBA
Hazel Mary Mills BA DPHIL
Alfredo Gabriele Natali
Stephanie Margaret Palmer SJD LLM
Emma Pugh BSC PHD
Roland Ernest Randall MSC MA PHD
Deana Rankin BA DPHIL
Alastair James Reid MA PHD
Julia Margaret Riley MA PHD
Jochen Heiko Runde MPHIL PHD
Stuart Ashley Scott MA PHD
Hugh Richard Shercliff MA PHD
Dorothy Joan Thompson MA PHD FBA
Per-Olof Helge Wikstrom BA PHD
Ruth Margaret Williams MA PHD
Neil Wright PHD

Girton College

Professional Advisors

Auditors

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

Bankers

Barclays Bank plc
15 Bene't Street
Cambridge CB2 3PZ

Securities Manager

HSBC investment Management
78 St James's Street
London
SW1A 1HL

Solicitors

Taylor Vinters Solicitors
Merlin Place
Milton Road
Cambridge
CB4 0DP

Girton College

Report of the Augmented Council

Year Ended 30 June 2006

Scope of the Financial Statements

The enclosed financial statements are the consolidated financial statements of Girton College and its subsidiary undertaking Girton College Property Services Limited for the year ended 30th June 2006. The activities of student societies have not been consolidated.

Review of operations

During the financial year, the College continued to pursue its statutory objectives of education, religion, learning and research to the full extent of its resources.

The College provides teaching, pastoral care, library and IT facilities, social and sporting facilities, living accommodation and catering services from two sites in Cambridge. These operations are funded by fees and charges paid by College members (or on their behalf from public funds), supplemented where necessary to maintain the standard of education and research by income from the College's endowment and income from conferences and other external users of the College's facilities.

As at 1st October 2005, the College had 42 Official Fellows, 6 Research Fellows, 7 Professorial Fellows, 5 Supernumerary Fellows, 5 Non-Stipendiary Fellows, 25 Life Fellows, 16 Bye-Fellows, 499 undergraduates, 39 postgraduates and 197 research students in residence in Cambridge. Of these, 5 Official Fellows, 6 Research Fellows, 468 undergraduates, and 85 postgraduate and research students were living in College-owned or College-managed accommodation. The College also hosted 1 Visiting Fellow and 3 Visiting Fellow Commoners for varying periods during the year.

The College was responsible for providing a Director of Studies for each undergraduate, and for providing small-group teaching in addition to the teaching provided by the University. The College employed 42 College Lecturers in all the main subjects offered by the University to undergraduates, of whom 28 were also employed by the University or other institutions and 14 were employed solely by the College or under a share arrangement with another College. Of the 481 undergraduates entered for Tripos examinations, 71 obtained Firsts, 254 2:1s, 31 Class 2 (undivided), 87 2:2s, 13 Thirds and 25 other results. 10 students de-graded during the year. 48 postgraduate students graduated with Masters level degrees and 23 research students were awarded their PhDs.

The College provided a Tutor for each student and access to other forms of pastoral care including a chaplain, nurses and counsellors. The College also made grants to its official student bodies, the Junior Combination Room (JCR) and the Middle Combination Room to enable them to provide social support to their members. The College provided a cafeteria service which was available to all of its members throughout the year.

In its capacity as trustee of restricted funds totaling £24.7m (see note 12), the College awarded full bursaries (i.e. sufficient to cover all College rent, heating and kitchen fixed charges) to 10 home students. Childcare bursaries were awarded to six graduate students, five Fellows and four members of staff. The College also contributed 12.5% of the cost of the 59 Newton Trust bursaries awarded to Girton students.

The College also hosted 406 conferences and events.

Financial management and control

The College operates a devolved budgeting system under which individual budget holders are responsible for managing income and expenditure within their own areas of operation, and for bringing forward budget proposals through an annual budgeting process. Students, Fellows and members of staff are encouraged to participate in the process through their membership of the College's various executive committees. The Budget Sub-Committee of the Financial Planning Committee is responsible for turning the proposals into a coherent and transparent budget proposal which is part of a sustainable ten year financial plan. The budget proposal is considered in detail by the College Council before it is approved, to ensure that it is consistent with the College's strategic aims and objectives.

The proper use of finances and resources, in a manner which not only satisfies the requirements of internal control expected of a college, but also fulfils any legal or financial obligations as laid down by the Statutes and Ordinances, the Inland Revenue, Customs and Excise, the University of Cambridge and other authorities, is ensured by the College's Financial Regulations, which are approved by the College Council on the advice of the Bursar.

Girton College

Report of the Augmented Council – continued

Year Ended 30 June 2006

Cash flow, funding and liquidity

The College aims to break even before depreciation on its normal operations, and to build up its capital and reserves over time from unrestricted donations and bequests. Capital projects which cannot be funded from operational income are funded from specific appeals.

In 2005/06 the College's management accounts, after adjustments to eliminate capital items, showed an operating deficit before depreciation of £59,022 cf. a budgeted operating deficit of £24,020, to be funded from reserves. An operating deficit of £393,955 is budgeted for 2006/07.

Unrestricted bequests totalling £41,171 were received during the year and have been added to capital. Other unrestricted donation income has been taken to the income and expenditure account in accordance with College policy to fund part of the costs of the Development Office.

Restricted donations and bequests totalling £970,945 have been received for various other purposes, including scholarship, bursary and hardship funds, the Library and Archive Project, teaching fellowships, the refurbishment of student accommodation, the refurbishment of the bar and new sports pitches and pavilion (see below).

In contrast to the previous year, when the deficit on the income and expenditure account was £1,281,000, in 2005/06, the College's income and expenditure account showed a modest surplus of £110,000. This is the result of a combination of unusual circumstances: special dividends received in respect of certain investments; the sale of two non-core properties; and a strong flow of donations and bequests.

Capital projects

Development on the College's main site is constrained not only by funding but also by its location within the green belt and because the buildings are Grade II* listed. Wolfson Court is in a conservation area.

The main capital projects in progress during the financial year were:

Project	Budget £000	Status
Refurbishment of "Pear Trees" area for student and guest accommodation	800	Completed July 05

Project	Budget £000	Status
Refurbishment of JCR Corridor toilets	140	Completed Sept 05
New disabled ramp and entrance to Porters' Lodge	54	Completed Sept 05
Wheelchair-accessible flat at Wolfson Court	54	Completed Sept 06
Refurbishment of exterior of Tower Wing	150	Completed Sept 06

Girton College

Report of the Augmented Council – continued

Year Ended 30 June 2006

Future developments

The College has a number of major projects in development. Some of these will be unable to go ahead unless funds are raised specifically for those projects from donations and bequests. Projects in the planning phase include:

- Disabled access to Chapel Wing and Woodlands Wing
- The refurbishment of the interior of Tower Wing, including renovation of rooms in the Tower itself
- New sports pitches and pavilion
- Construction of a new wing to enclose Ash Court

In addition, the College is actively raising funds for :

- Teaching and Research Fellowships
- Childcare bursaries
- Student bursaries

On behalf of the Augmented Council

Deborah Lowther

Bursar

November 2006

Girton College

Responsibilities of the Council and the Augmented Council

Year Ended 30 June 2006

In accordance with the Statutes of the College, the Council is responsible for the administration of the affairs of the College and for the management of its property and income. For the purposes of approving the accounts and audit report, its membership is Augmented as described in the Statutes.

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

In causing the financial statements to be prepared, the Augmented Council has ensured that:

- suitable accounting policies are selected and applied consistently;

- judgements and estimates are made that are reasonable and prudent;

- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

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

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

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

Girton College

Independent Auditors' Report to the Augmented Council

Year Ended 30 June 2006

We have audited the financial statements which comprise the consolidated income and expenditure account, the consolidated statement of total recognised gains and losses, the consolidated balance sheet, the consolidated cash flow statement and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the College's Augmented Council, as a body, in accordance with College's Statutes and the Statutes of the University of Cambridge. Our audit work has been undertaken so that we might state to the College's Augmented Council 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 Augmented Council as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Augmented Council and Auditors

The Augmented Council's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the Augmented Council.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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

We are not required to consider whether the statement in the Augmented Council's Report concerning the major risks to which the College is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the College's risk management and control procedures.

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

Basis of Audit Opinion

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

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

Girton College

Independent Auditors' Report to the Augmented Council (continued)

Year Ended 30 June 2006

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the College's affairs as at 30 June 2006 and of the surplus of the College for the year then ended; and
- have been properly prepared in accordance with the College's Statutes and the Statutes of the University of Cambridge.

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

PETERS ELWORTHY & MOORE
Chartered Accountants and
Registered Auditor
CAMBRIDGE
15 December 2006

Girton College

Statement of Principal Accounting Policies

Year Ended 30 June 2006

Basis of preparation

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

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

Basis of accounting

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

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the College and its subsidiary undertaking Girton College Property Services Limited, a company registered in England and Wales. The College owns 100% of the issued share capital of the Company which amounts to £2. A separate balance sheet and related notes for the College are not included because Girton College Property Services is a design and build company and therefore the balance sheet of the College would not be materially different to the one included in the accounts. The activities of student societies have not been consolidated.

Recognition of income

Income from permanent capital funds and short-term deposits is credited to the Income and Expenditure Account in the year in which it becomes receivable.

Donations and benefactions of an income nature are shown as income in the year in which they become receivable.

Benefactions and donations accepted on condition that only the income may be spent are credited to the balance sheet as permanent capital funds. The income from a permanent capital fund is shown as income in the year that it is receivable. Income from a permanent capital fund that is not expended in the year in which it is receivable is, at the year-end, transferred from the income and expenditure account to a restricted or unrestricted expendable capital fund, as appropriate. When there is subsequent expenditure of accumulated income from a restricted capital fund, income is credited back to the income and expenditure account to match the expenditure.

Restricted benefactions and donations that are used to fund capital projects are initially credited to a restricted expendable capital fund, and then released over the same estimated useful life that is used to determine the depreciation charge for the capital project.

College fee income is recognised in the period for which it is received and includes all fees chargeable to students or their sponsors. The costs of any fees waived or written off by the College are included as expenditure.

Girton College

Statement of Principal Accounting Policies - continued

Year Ended 30 June 2006

Pension schemes

The College participates in the Universities Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Earnings-related Pension Scheme. The fund is valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years, the actuary reviews the progress of the scheme. Pension costs are accounted for over the period during which the College benefits from the employees' services.

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

Tangible fixed assets

a. Land and buildings

Land and buildings are stated at valuation. Where buildings have been revalued, they are valued on the basis of their depreciated replacement cost. The valuation in November 2002 was carried out by FPD Savills, Chartered Surveyors. Freehold buildings are depreciated on a straight line basis over their expected useful economic life of 50 years, having initially deducted from the valuation an amount to reflect accumulated obsolescence in use. Depreciation is not charged in the year of acquisition of an asset, but is charged in the year of disposal. Freehold land is not depreciated.

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

Finance costs which are directly attributable to the construction of buildings are capitalised as part of the cost of those assets.

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

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

The cost of additions to operational property shown in the balance sheet includes the cost of land where applicable.

b. Maintenance of premises

The College has a ten year rolling maintenance plan which is reviewed on an annual basis. The cost of routine maintenance is charged to the Income and Expenditure account as it is incurred.

c. Furniture, fittings and equipment

Furniture, fittings and equipment are written off in the year of acquisition except for assets costing more than £50,000 per individual item, which are capitalised and written off over their expected useful lives as follows:

Furniture and fittings	20% per annum
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Depreciation is not charged in the year of acquisition of an asset, but is charged in the year of disposal.

Girton College

Statement of Principal Accounting Policies - continued

Year Ended 30 June 2006

d. Rare books, silver, works of art and other assets not related to education

Rare books, silver, works of art and other assets not related to education are valued at the insured value. Assets deemed to be inalienable are not included in the balance sheet. Items of antique furniture and silver have been valued by Cheffins, Auctioneers and Valuers.

Investments

Investments are included in the balance sheet at market value. Investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value. Investment properties have been valued by FPD Savills, Chartered Surveyors.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Provisions

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

Foreign currencies

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

Taxation

The College is an exempt charity within the meaning of Schedule 2 of the Charities Act 1993 and is a charity within the meaning of Section 506 (1) of the Taxes Act 1988. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

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

Contribution under Statute G,II

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

Girton College

Consolidated Income and Expenditure Account

Year Ended 30 June 2006

		2006	2005
		£'000	£'000
Income	Note		
Academic Fees and Charges	1	2,020	1,760
Residences, Catering and Conferences	2	3,256	2,815
Endowment Income	3	2,355	1,415
Surplus on disposal of operational assets		746	-
Pension Scheme – Other Finance Income		-	3
Total Income		<u>8,377</u>	<u>5,993</u>
Expenditure			
Education	4	2,603	2,582
Residences, Catering and Conferences	5	5,039	4,555
Pension Scheme – Other finance costs		1	-
Total Expenditure	7	<u>7,643</u>	<u>7,137</u>
Operating Surplus/(Deficit)		734	(1,144)
Contribution under Statute G,II	6	60	1
		<u>674</u>	<u>(1,145)</u>
Transfer (to)/from accumulated income within restricted expendable capital		(564)	(136)
Net Surplus/(Deficit)		<u>110</u>	<u>(1,281)</u>

Girton College

Consolidated Statement of Total Recognised Gains and Losses

Year Ended 30 June 2006

	Restricted Funds		Unrestricted Funds		Total 2006 £'000	Total 2005 £'000
	Collegiate Purposes £'000	Designated Funds £'000	Undesignated Funds £'000			
Balance brought forward at 1 July 2005	21,935	5,318	58,510		85,763	82,873
Prior Year adjustments	-	-	(1,165)		(1,165)	(880)
Restated balances at 1 July 2005	21,935	5,318	57,345		84,598	81,993
Retained Surplus/(Deficit) for the Year	-	215	(105)		110	(1,281)
Appreciation of Investment Assets	1,459	337	1,337		3,133	3,370
Unspent Trust or Other Restricted Fund Income Retained by Funds	564	-	-		564	136
Actual return less expected return on pension scheme assets			398		398	71
Experience gains and losses arising on the scheme liabilities	-	-	(36)		(36)	(79)
Changes in the assumptions underlying the present value of scheme liabilities	-	-	(509)		(509)	(285)
Release of Deferred Capital Fund	(126)	-	-		(126)	(66)
Benefactions and Donations	758	150	90		998	677
Capital Grant Received from Colleges Fund	-	-	48		48	63
Transfers between Funds	63	152	(215)		-	-
Total Recognised Gains/(Losses) for the Year	2,718	854	1,008		4,580	2,605
Balance carried forward at 30 June 2006	24,653	6,172	58,353		89,178	84,598

Girton College

Consolidated Balance Sheet

Year Ended 30 June 2006

	Note	2006 £'000	2005 £'000
Fixed Assets			
Tangible Assets	8		
Freehold land and buildings		45,887	46,522
Long leasehold land and buildings		470	506
Equipment		143	180
		<u>46,500</u>	<u>47,208</u>
Investments			
Freehold land and buildings		8,460	8,170
Fixed interest stocks, equities and cash		31,493	30,439
Other Fixed Assets		3,530	3,518
		<u>43,483</u>	<u>42,127</u>
Current Assets			
Stock		60	33
Debtors		203	273
Cash	9	4,476	651
		<u>4,739</u>	<u>957</u>
Creditors: amounts falling due within one year	10	<u>(831)</u>	<u>(923)</u>
Net Current Assets		<u>3,908</u>	<u>34</u>
Total Assets Less Current Liabilities		<u>93,891</u>	<u>89,369</u>
Creditors: amounts falling due after more than one year	11	<u>(3,860)</u>	<u>(3,991)</u>
Net Assets excluding pension liability		<u>90,031</u>	<u>85,378</u>
Pension Liability		<u>(853)</u>	<u>(779)</u>
Net Assets including Pension Liability		<u>89,178</u>	<u>84,599</u>

		Income/ Expendable Capital Funds £'000	Permanent Capital Funds £'000	2006 £'000	2005 £'000
Capital and Reserves					
Restricted funds held for Collegiate purposes	12	7,213	17,440	24,653	21,935
Unrestricted – Designated funds	12	1,988	4,184	6,172	5,318
Unrestricted – Undesignated funds excluding Pension Reserve	12	48,361	10,845	59,206	58,124
Pension Reserve Fund		(853)	-	(853)	(779)
Unrestricted – Undesignated funds including Pension Reserve		<u>47,508</u>	<u>10,845</u>	<u>58,353</u>	<u>57,345</u>
		<u>56,709</u>	<u>32,469</u>	<u>89,178</u>	<u>84,598</u>

Approved by the Augmented Council on 28th November 2006 and signed on their behalf by:

Prof Dame Marilyn Strathern
Mistress

Deborah Lowther
Bursar

Girton College

Consolidated Cash Flow Statement

Year Ended 30 June 2006

	2006 £000	2005 £000
Operating Activities		
Operating Surplus/(Deficit)	674	(1,144)
Depreciation	1,060	973
Profit on sale of operational assets	(746)	-
Pension Reserve Loss	14	(10)
Deferred Capital Fund Applied	(126)	(66)
Investment Income	(1,849)	(1,172)
Interest Payable	149	93
(Increase)/Decrease in Stocks	(27)	14
Decrease in Debtors	173	519
(Decrease)/Increase in Creditors	(181)	422
Net Cash Outflow from Operating Activities	(859)	(371)
Returns on Investments and Servicing of Finance		
Investment Income	1,733	1,160
Other Interest Received	115	12
Interest Paid	(149)	(93)
Net Cash Inflow from Returns on Investments and Servicing of Finance	1,699	1,079
Contribution to Colleges Fund	(1)	(2)
Capital Transactions		
Receipts from Sales of Operational Assets	933	-
Donations & Benefactions	908	677
Capital Grants Received from Colleges Fund	48	63
	1,889	740
Payments to Acquire Tangible Fixed Assets	(394)	(1,912)
Payments to Acquire Investment Assets	1,580	(2,663)
	1,186	(4,575)
Net Cash Inflow/(Outflow) from Capital Transactions	3,075	(3,835)
Net Cash Inflow/(Outflow) Before Financing	3,914	(3,129)
Financing		
Long Term Loans Received	-	3,825
Long Term Loans Repaid	(89)	(43)
Net Cash (Outflow)/Inflow from Financing	(89)	3,782
Increase in Cash in Year	3,825	653
Reconciliation of net cash flow to movement in net liquid assets		
Increase in Cash in the Year	3,825	653
Movement in Long Term Loans	89	(3,782)
Net change in debt	3,914	(3,129)
Net Funds brought forward at 1 July 2005	(3,132)	(3)
Net Funds carried forward at 30 June 2006	782	(3,132)

Girton College

Notes to the Accounts

Year Ended 30 June 2006

1. Academic Fees and Charges		2006	2005
		£'000	£,000
College Fees:			
Fee Income paid on behalf of Undergraduates eligible for Student Support (per capita fee £3177)		1,505	1,339
Other Undergraduate Fee Income			172
Matriculating pre 2004/5 per capita fee (£3,414)		138	-
Matriculating post 2004/5 per capita fee (£4,250)		43	-
Graduate Fee Income (per capita fee £1980)		288	249
Adjustments re previous years		46	-
Total		<u>2,020</u>	<u>1,760</u>
2. Residences, Catering and Conferences Income		2006	2005
		£'000	£,000
Accommodation			
College members		1,528	1,365
Conferences		394	349
Catering			
College members		660	559
Conferences		674	542
Total		<u>3,256</u>	<u>2,815</u>
3. Endowment Income			
	2006	2006	
	Income from	Income	
	Restricted	from	
	Funds for	Unrestricted	
	Collegiate	Funds	2006
	Purposes	£'000	Total
	£'000		£'000
Income from:			
Freehold land and buildings	-	359	359
Quoted Securities – Equities	573	564	1,137
Quoted Security – Fixed Interest	26	35	61
Cash	88	55	143
Donations and Benefactions	213	316	529
Deferred Appeal Reserve write down	126	-	126
	<u>1,026</u>	<u>1,329</u>	<u>2,355</u>
			<u>1,415</u>
Liability to Contribution under Statute G,11:		2006	2005
		£'000	£'000
Endowment income liable to Contribution		1,789	1,151
Endowment income not liable to Contribution		655	336
Total		<u>2,444</u>	<u>1,487</u>
Investment Management Costs			
Freehold land and buildings		33	26
Quoted securities		56	46
Total		<u>89</u>	<u>72</u>

Girton College

Notes to the Accounts

Year Ended 30 June 2006

4. Education Expenditure		2006	2005
		£'000	£'000
Teaching		1,363	1,309
Tutorial		239	233
Admissions		189	175
Research		434	486
Scholarships and awards		252	257
Other Educational Facilities		126	122
Total		<u>2,603</u>	<u>2,582</u>
5. Residence, Catering and Conferences Expenditure		2006	2005
		£'000	£'000
Accommodation	College Members	2,120	1,983
	Conferences	994	930
Catering	College Members	1,332	1,187
	Conferences	593	455
Total		<u>5,039</u>	<u>4,555</u>
6. Contribution Under Statute G,II		2006	2005
		£'000	£'000
Endowment Income as per Income and Expenditure Account (note 3)		2,355	1,415
Less: items not assessable to Contribution:			
Donations, Bequests and Deferred Appeal Reserve	655	336	
Items deductible from external revenue	<u>312</u>	<u>316</u>	
		(967)	(652)
Assessable Income		<u>1,388</u>	<u>763</u>
Less: Deductible items (note 18)		(598)	(740)
Net assessable income		<u>790</u>	<u>23</u>
Assessment: £0 - £250,000 @ 2%		5	1
£250,000 - £500,000 @ 7%		18	-
£500,000+ @ 13%		<u>37</u>	<u>-</u>
		<u>60</u>	<u>1</u>
Actual Contribution Payable		<u>60,281</u>	<u>733</u>

Girton College

Notes to the Accounts

Year Ended 30 June 2006

7a Analysis of 2006 Expenditure by Activity	Staff Costs (Note 15) £'000	Other Operating Expenses £'000	Depreciation £'000	Total £'000
Education (Note 4)	1,692	743	168	2,603
Residences, Catering and Conferences (Note 5)	2,210	1,936	893	5,039
Other	-	1	-	1
	<u>3,902</u>	<u>2,680</u>	<u>1,061</u>	<u>7,643</u>

Included in the above costs are £265,251 of development costs including alumni relations.

7b. Analysis of 2005 Expenditure by Activity	Staff Costs (Note 15) £'000	Other Operating Expenses £'000	Depreciation £'000	Total £'000
Education (Note 4)	1,576	714	292	2,582
Residences, Catering and Conferences (Note 5)	2,151	1,723	681	4,555
	<u>3,727</u>	<u>2,437</u>	<u>973</u>	<u>7,137</u>

8a. Fixed Assets

	Freehold Land & Buildings £'000	Long Leasehold Land & Buildings £'000	Furniture, Fittings and Equipment £'000	Total £'000
Original Cost				
As at 1 July 2005	48,319	535	260	49,114
Additions	515	-	18	533
Disposals	(188)	-	-	(188)
As at 30 June 2006	<u>48,646</u>	<u>535</u>	<u>278</u>	<u>49,459</u>
Accumulated Depreciation				
At 1 July 2005	1,797	29	80	1,906
Charge for the Year	969	36	55	1,060
Disposals in year	(7)	-	-	(7)
At 30 June 2006	<u>2,759</u>	<u>65</u>	<u>135</u>	<u>2,959</u>
Net Book value				
At 30 June 2006	<u>45,887</u>	<u>470</u>	<u>143</u>	<u>46,500</u>
At 30 June 2005	<u>46,522</u>	<u>506</u>	<u>180</u>	<u>47,208</u>

The insured value of Freehold Buildings at 30 June 2006 was £81,995,260.

Girton College

Notes to the Accounts

Year Ended 30 June 2006

8b. Investment Assets	2006 £'000	2005 £'000
As at 1 July 2005	42,127	36,100
Additions	14,432	19,201
Disposals	(14,907)	(15,259)
Appreciation/(depreciation) on revaluation	2,400	2,431
Increase/(Decrease) in Cash Balances held by Fund Managers	(569)	(346)
As at 30 June 2006	<u>43,483</u>	<u>42,127</u>

Represented by:

	2006 £'000	2005 £'000
Freehold Land and Buildings	8,460	8,170
Quoted Securities – Fixed Interest	2,853	2,904
Quoted Securities – Equities	23,193	26,455
Alternative Investments	4,935	-
Cash held for Reinvestment	512	1,080
Antique Furniture, Works of Art etc	3,530	3,518
	<u>43,483</u>	<u>42,127</u>

The College is also the joint beneficiary with another organisation of a trust which owns a number of properties in Ealing, West London. Rental income less expenses is divided equally between the beneficiaries. When tenants vacate the properties, they are sold and the proceeds of the sales (less expenses) are divided equally between the beneficiaries. At 30 June 2006, the College's share in the six remaining properties is worth £764,000 (gross), this amount is not included within Investment Assets.

9. Cash	2006 £'000	2005 £'000
Bank Deposits	4,474	650
Cash in Hand	2	1
	<u>4,476</u>	<u>651</u>

10. Creditors: amounts falling due within one year	2006 £'000	2005 £'000
Long Term Loans	115	90
Student Prepayments	49	52
Other Creditors	667	781
	<u>831</u>	<u>923</u>

11. Creditors: amounts falling due after more than one year	2006 £'000	2005 £'000
Long Term Loans	3,579	3,693
Student Prepayments	281	298
	<u>3,860</u>	<u>3,991</u>

Girton College

Notes to the Accounts

Year Ended 30 June 2006

12. Capital and Reserves	Income/ Expendable Capital Funds	Permanent Capital Funds	Total 2006 £'000	Total 2005 £'000
<i>Restricted Funds:</i>				
Trust Funds	1,436	17,440	18,876	16,026
Donations & benefactions	322	-	322	455
Deferred capital funds	5,455	-	5,455	5,454
	<u>7,213</u>	<u>17,440</u>	<u>24,653</u>	<u>21,935</u>
<i>Unrestricted Funds:</i>				
<i>Designated Funds:</i>				
Special Funds	1,635	4,184	5,819	4,987
Donations & benefactions	353	-	353	331
	<u>1,988</u>	<u>4,184</u>	<u>6,172</u>	<u>5,318</u>
<i>Undesignated Funds:</i>				
Corporate Capital	-	10,772	10,772	10,133
Donations & benefactions	72	73	145	130
Pension Reserve	(853)	-	(853)	(779)
Other General Capital	48,289	-	48,289	47,861
	<u>47,508</u>	<u>10,845</u>	<u>58,353</u>	<u>57,345</u>
	<u>56,709</u>	<u>32,469</u>	<u>89,178</u>	<u>84,598</u>

Reconciliation of Movement in Capital Reserves

	Restricted Funds		Unrestricted Funds				Total 2006 £'000	Total 2005 £'000
	Income/ Expendable Capital Funds £'000	Permanent Capital Funds £'000	Designated Funds		Undesignated Funds			
			Income/ Expendable Capital Funds £'000	Permanent Capital Funds £'000	Income/ Expendable Capital Funds £'000	Permanent Capital Funds £'000		
Balance as at 1 July 2005	6,336	15,599	1,650	3,668	47,145	10,200	84,598	81,993
Increases in Year	2,361	1,841	564	516	1,528	645	7,455	5,885
Decreases in Year	(1,484)	-	(226)	-	(1,165)	-	(2,875)	(3,280)
Balance as at 30 June 2006	<u>7,213</u>	<u>17,440</u>	<u>1,988</u>	<u>4,184</u>	<u>47,508</u>	<u>10,845</u>	<u>89,178</u>	<u>84,598</u>

Girton College

Notes to the Accounts

Year Ended 30 June 2006

12. Capital and Reserves continued

Analysis of Restricted and Designated Funds

	Restricted Funds 2006 £'000	Designated Funds 2006 £'000	Total 2006 £'000	Total 2005 £'000
Fellowship Funds	8,707	1,695	10,402	10,295
Scholarship Funds	5,155	-	5,155	3,706
Prizes Funds	355	174	529	477
Hardship Funds	564	325	889	697
Bursary Funds	2,397	92	2,489	2,610
Travel Grants Funds	372	18	390	403
Other Funds	7,103	3,868	10,971	9,064
	<u>24,653</u>	<u>6,172</u>	<u>30,825</u>	<u>27,253</u>

Capital is invested in the following categories of assets

	Restricted Funds		Unrestricted Funds				Total 2006 £'000	Total 2005 £'000
	Income/ Expendable Capital Funds £'000	Permanent Capital Funds £'000	<i>Designated Funds</i>		<i>Undesignated Funds</i>			
			Income/ Expendable Capital Funds £'000	Permanent Capital Funds £'000	Income/ Expendable Capital Funds £'000	Permanent Capital Funds £'000		
Tangible								
Fixed Assets	5,427	-	-	-	40,983	90	46,500	47,208
Investment Assets	28	17,263	-	3,993	14,662	7,537	43,483	42,127
Net Current Assets	1,758	177	1,988	191	(1,539)	1,333	3,908	34
Sinking Fund	-	-	-	-	(1,885)	1,885	-	-
Creditors: more than one year	-	-	-	-	(3,860)	-	(3,860)	(3,991)
Pension Liability	-	-	-	-	(853)	-	(853)	(779)
Total	<u>7,213</u>	<u>17,440</u>	<u>1,988</u>	<u>4,184</u>	<u>47,508</u>	<u>10,845</u>	<u>89,178</u>	<u>84,598</u>

13. Policy on Management of Reserves

The income or expendable capital of restricted funds is used only for the purposes for which the funds were originally given or bequeathed to the College. The income or expendable capital of unrestricted funds may be used either for the general educational purposes of the College or for a particular purpose designated by Council. The Council may designate or re-designate unrestricted funds as it deems appropriate depending on the College's financial situation. The permanent capital of restricted funds is invested for the long-term with a view to maintaining its real value. Expendable capital is also invested for the long-term unless expenditure is planned. Expendable capital required for specific projects is held in the form of cash.

14. Capital Commitments

	2006 £'000	2005 £'000
Commitments contracted for at 30 June 2006	<u>-</u>	<u>162</u>

Girton College

Notes to the Accounts

Year Ended 30 June 2006

15. Staff	College		Other		Total 2006 £'000	Total 2005 £'000
	Fellows 2006 £'000	Academics 2006 £'000	Academics 2006 £'000	Non- Academics 2006 £'000		
Staff Costs						
Emoluments	788	49	2,407		3,244	3,115
Social Security Costs	52	2	161		215	212
Other Pension Costs (see note 16)	106	1	336		443	400
	<u>946</u>	<u>52</u>	<u>2,904</u>		<u>3,902</u>	<u>3,727</u>
Average Staff Numbers						
Academic	54	16	-		70	66
Non-Academic – full time equivalent	-	-	124		124	121
	<u>54</u>	<u>16</u>	<u>124</u>		<u>194</u>	<u>187</u>

No officers or employees of the College, including the Head of House, received emoluments over £70,000.

16. Pension Schemes

The College's employees belong to two principal pension schemes, the Universities Superannuation Scheme (USS) and the Cambridge Colleges Federation Pension Scheme (CCFPS). The total pension cost for the period was £443,000 (2005: £400,000).

Universities Superannuation Scheme

The institution participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. The institution is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

The latest actuarial valuation of the scheme was at 31 March 2005. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest) and the rates of increase in salary and pensions. In relation to the past service liabilities the financial assumptions were derived from market yields prevailing at the valuation date. It was assumed that the valuation rate of interest would be 4.5% per annum, salary increases would be 3.9% per annum (plus an additional allowance for increases in salaries due to age and promotion in line with recent experience) and pensions would increase by 2.9% per annum. In relation to the future service liabilities it was assumed that the valuation rate of interest would be 6.2% per annum, including an additional investment return assumption of 1.7% per annum, salary increases would be 3.9% per annum (also plus an allowance for increases in salaries due to age and promotion) and pensions would increase by 2.9% per annum. The valuation was carried out using the projected unit method.

At the valuation date, the value of the assets of the scheme was £21,740 million and the value of the past service liabilities was £28,308 million indicating a deficit of £6,568 million. The assets therefore were sufficient to cover 77% of the benefits which had accrued to members after allowing for expected future increases in earnings.

Girton College

Notes to the Accounts

Year Ended 30 June 2006

16. Pension Schemes continued

The actuary also valued the scheme on a number of other bases as at the valuation date. Using the Minimum Funding Requirement prescribed assumptions introduced by the Pensions Act 1995, the scheme was 126% funded at that date; under the Pension Protection Fund regulations introduced by the Pensions Act 2004 it was 110% funded; on a buy-out basis (ie assuming the Scheme had discontinued on the valuation date) the assets would have been approximately 74% of the amount necessary to secure all the USS benefits with an insurance company; and using the FRS17 formula as if USS was a single employer scheme, the actuary estimated that the funding level would have been approximately 90%.

The institution contribution rate required for future service benefits alone at the date of the valuation was 14.3% of pensionable salaries but the trustee company, on the advice of the actuary, decided to maintain the institution contribution rate at 14% of pensionable salaries.

Surpluses or deficits which arise at future valuations may impact on the institution's future contribution commitment. An additional factor which could impact the funding level of the scheme is that with effect from 16 March 2006, USS positioned itself as a "last man standing" scheme so that in the event of the 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 and reflected in the next actuarial valuation of the scheme.

The next formal triennial actuarial valuation is due as at 31 March 2008. The contribution rate will be reviewed as part of each valuation.

The total pension cost for the College was £107,000 (2005: £139,000). The contribution rate payable by the College was 14% of pensionable salaries.

Cambridge Colleges Federated Pension Scheme

The College is a member of a multi-employer defined benefit scheme, the Cambridge Colleges Federated Pension Scheme, in the United Kingdom. The Scheme is a defined benefit final salary pension scheme that was originally set up, under an interim Trust Deed, on 19 July 1977 as a defined benefit scheme. It has been approved by the HM revenue & Customs under Chapter I of Part XIV of the Income & Corporation Taxes Act 1988. The College's employees covered by the Scheme are contracted – out of the State Second Pension (S2P).

The College has elected to change benefits for new entrants joining on or after 1 April 2004 by:

- Capping service at 40 years (previously uncapped)
- Paying unreduced pensions from age 65 (previously 60); and
- Increasing pensions in payment in line with the Retail Price Index (RPI) limited to 5% pa compound (previously RPI).

The date of the most recent full actuarial valuation was at 31 March 2005. These FRS17 valuation results used the valuation data updated by an Actuary who is not an employee or officer of the College and / or its subsidiaries.

The contribution made by the College in respect of the 12 month period ended 30th June 2006 was £336,000, including special contributions of £100,615. The major assumptions used by the actuary were:

Girton College

Notes to the Accounts

Year Ended 30 June 2006

16. Pension Schemes continued

	31 March 2006	31 March 2005	30 June 2004
Discount rate	4.9%	5.4%	5.8%
Price Inflation Assumption	3.0%	3.0%	3.0%
Rate of increase in salaries	3.75%	3.75%	3.8%
Rate of increase in pensions in deferment			
- Guaranteed minimum pension (GMP)	3.75%	3.75%	3.8%
- Excess pension	3.0%	3.0%	3.1%
Rate of increase in pensions in payment			
- GMP accrued up to 5 April 1988	0.0%	0.0%	0.0%
- GMP accrued after 5 April 1988	2.25%	2.25%	2.3%
- Excess pension over GMP and pension accrued after 5 April 1997			
- for members as at 31 March 2004	3.0%	3.0%	3.1%
- for members joining on or after 1 April 2004	2.5%	2.5%	2.6%

In addition, standard actuarial mortality tables as used in the actuarial valuation for the Trustees were used.

The assumptions used in 2006 are more conservative than those used in 2005. This is due to the lower gross redemption yields on Corporate AA rated bonds.

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

	Long term rate of return expected 2006	Value at 31 March 2006 £000	Long term rate of return expected 2005	Value at 31 March 2005 £000	Long term rate of return expected 2004	Value at 30 June 2004 £000
Equities	7.5%	3,126	7.5%	2,285	8.0%	1,875
Bonds (including cash)	4.3%	1,407	4.7%	1,311	5.1%	1,191
Property	6.5%	133	6.5%	97	7.0%	217
Total market value of assets		4,666		3,693		3,283
Present value of scheme liabilities		(5,519)		(4,472)		(3,872)
Net pension liability		(853)		(779)		(589)

The main reason for the change in the financial position of the Scheme is the change in the economic assumptions, significantly offset by the better than expected investment returns and contributions in excess of those required to cover the cost of accruing pension benefits.

Girton College

Notes to the Accounts

Year Ended 30 June 2006

16. Pension Schemes continued

The following results were measured in accordance with the requirements of FRS 17:

Analysis of amounts charged to operating profit

	12 Months ended 31 March 2006 £000	9 Months ended 31 March 2005 £000
Current service cost	243	146
Life assurance premium	25	23
Total operating charge	<u>268</u>	<u>169</u>

Analysis of amount credited to other finance income

	12 Months ended 31 March 2006 £000	9 Months ended 31 March 2005 £000
Expected return on pension scheme assets	246	170
Interest on pension scheme liabilities	(247)	(167)
Net return	<u>(1)</u>	<u>3</u>

Analysis of the amount recognised in Statement of Total Recognised Gains and Losses (STRGL)

	12 Months ended 31 March 2006 £000	9 Months ended 31 March 2005 £000
Actual return less expected return on pension scheme assets	398	71
Experience gains and losses arising on scheme liabilities	(36)	(79)
Changes in assumptions underlying the present value of the scheme liabilities	(509)	(285)
Actuarial loss recognised in STRGL	<u>(147)</u>	<u>(293)</u>

Movement in surplus during the year

	12 Months ended 31 March 2006 £000	9 Months ended 31 March 2005 £000
Deficit in scheme at beginning of the year	(779)	(589)
Movement in year:		
Current service costs including life assurance	(268)	(169)
Contributions	342	269
Other finance income	(1)	3
Actuarial loss	(147)	(293)
Deficit in scheme at end of the year	<u>(853)</u>	<u>(779)</u>

Girton College

Notes to the Accounts

Year Ended 30 June 2006

16. Pension Schemes continued

History of experience gains and losses

	12 Months ended 31 March 2006	9 Months ended 31 March 2005
Difference between the expected and actual return on scheme assets: Amount (£000)	398	71
Percentage of scheme assets	9%	2%
Experience loss on scheme liabilities: Amount (£000)	(36)	(79)
Percentage of the present value of the scheme liabilities	(1%)	(2%)
Total amount recognised in Statement of Total Recognised Gains and Losses: Amount (£000)	(147)	(293)
Percentage of the present value of the scheme liabilities	(3%)	(7%)

17. Prior Year Adjustments

- (i) As a result of the adoption of FRS 17 as at 30th June 2006, a prior year adjustment arises in respect of the introduction of the scheme liability as at 30th June 2006 in the sum of £778,775. A deferred pension debtor amounting to £193,333 has been written off to reserves as a result of the adoption of FRS 17.
- (ii) During the year the College wrote off a debtor of £190,849 to Corporate Capital. This was a balance that related back to the old style of statutory accounts, and therefore should have been written off on the adoption of RCCA.
- (iii) During the year the College made a further adjustment of £2,490 to restate balances, which are immaterial in nature.

Girton College

Notes to the Accounts

Year Ended 30 June 2006

18. Contribution Assessment

a. Assessable Income

	2006 £'000	2006 £'000	2005 £'000	2005 £'000
<u>I External Revenue</u>				
College Estates let at Rack Rent	392		416	
Dividends and interest gross	<u>257</u>		<u>192</u>	
		649		608
Less:				
Insurance of College Buildings	35		39	
Agency, management charges	62		130	
Transfer to Estates Repairs & Improvements Fund	98		104	
Sinking Fund payments under Statute GII4(iv)	<u>117</u>		<u>114</u>	
		<u>(312)</u>		<u>(387)</u>
		337		221
<u>II Trust & Other Funds Subject to Contribution:</u>				
Dividends and interest gross		1,050		542
Assessable Income		<u>1,387</u>		<u>763</u>

b. Deductible Items

Half sums paid to Scholars, Exhibitioners & Research Students	40		34
Prizes	9		11
College Fees for Overseas Students	7		9
Half maintenance of Chapel expenditure	-		2
Net expenditure on College Library	127		153
College Teaching Officers	149		168
College Research Fellows	64		140
College Building Fund (under Statute GII4(vii))	187		187
Donations for University purposes:			
University Counselling Service	10		9
Other sums approved under Statute G11,4xxiii	5		27
	<u>598</u>		<u>740</u>

Girton College

Notes to the Accounts

Year Ended 30 June 2006

18. Contribution Assessment continued

c. Building fund under Statute GII, 4 (vii)

	2006 £'000	2005 £'000
Balance at 1 July 2005	555	368
Transfer approved under GII, 4 (vii)	187	187
Balance at 30 June 2006	<u>742</u>	<u>555</u>

d. Estates Repairs and Improvements Fund

	2006 £'000	2005 £,000
Balance at 1 July 2005	426	322
Transfer approved under GII, 4 (vii)	98	104
25% of College Estate let at Rack Rent		
Balance at 30 June 2006	<u>524</u>	<u>426</u>

19. Related Party Transactions

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