

**WEST AND NORTH-WEST CAMBRIDGE ESTATES BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017**

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Members of the Board

Mr Roger Bright (Chair, from 1 March 2016)

Ms Sara Weller (Deputy Chair, from 1 January 2016)

Dr Richard Foster (External member of University Finance Committee), until 31 March 2017

Professor Lindsey Greer (Head of the School of Physical Sciences, from 1 January 2016 until 31 December 2016)

Ms Naisha Polaine (External member, Head of Projects, UK Trade and Investment - Capital Investment – Regeneration, re-appointed October 2016)

Professor Nigel Slater (Pro-Vice-Chancellor for Enterprise and Regional Affairs, from 1 January 2016 until 31 December 2016)

Professor Susan Smith (Regent House member, from 1 October 2015 until 17 October 2016)

Mr Richard Anthony (Regent House member, from 1 January 2016)

Professor Duncan Maskell (Senior Pro Vice-Chancellor for Planning and Resources, from 1 January 2017)

Ms Louise Hardy (External member, from 20 March 2017)

Mr Graham Orton (External member, from 20 March 2017)

Directors

Ms Heather Topel, Acting Project Director, until 31 December 2016, Project Director from 1 January 2017

Mr Matthew Dawkes, Interim Finance Director, from 22 November 2015 to September 2016, Financial Director from September 2016

Mr Warren Forsyth, Operations Director, from 22 February 2016

Mr Gavin Heaphy, Construction Director

Mr Brian Nearney, Commercial Director

Nominated Officer

Dr Jonathan Nicholls, (Registrary) until 31 December 2016

Ms Emma Rampton, (Acting Registrary) from 1 January 2017 until 30 April 2017

Mr Anthony Odgers, Chief Financial Officer from 1 May 2017

REPORT OF THE BOARD

The Board presents its report and unaudited financial statements of the for the year ended 31 July 2017, together with commentary on the main areas of progress, and issues arising, for the project up to 30 September 2017. The West and North West Cambridge Estates Syndicate became the West and North West Cambridge Estates Board in August 2016.

2017 saw the new district of Cambridge, known as Eddington, open, welcoming its first residents, students and retailers to join the already opened and successful University of Cambridge Primary School. Early September saw Eddington open its doors to the wider Cambridge population with an open day full of tours, talks, events and opportunities to meet and question the design, construction, artistic and operations teams behind Eddington.

1. Principal activities

The Board's principal activity, which is set out in a University ordinance, is to be responsible for:

- i. the management, development, and stewardship of the North West Cambridge Estate (being the University's land and property holdings in the area between Madingley Road, Huntingdon Road, and the M11 motorway); and
- ii. the development and stewardship of the West Cambridge Estate (being the University's land and property holdings in the area bounded by Madingley Road, Clerk Maxwell Road, the Coton Footpath, and the M11).

The North West Cambridge Estate is a mixed use development on a 150 hectare site which will ultimately deliver up to 1,500 houses for private sale, 1,500 houses for University staff, 2,000 units of post graduate accommodation, 100,000 square metres of academic research and development space, a hotel, senior care housing, supermarket and community facilities including a primary school, community centre, health centre, and sports facilities.

The first phase of development includes approximately 700 homes for University and College staff, 700 units for market sale, 325 post-graduate student rooms, a local centre (including food store, shops, primary school, community centre), and other related facilities, open space and infrastructure.

The University's intention, in relation to its sustainability objectives, remains consistent with the October 2012 Report to the University's Regent House. These are being realised across the site in a number of ways including a network of cycle paths, a water recycling network and photo-voltaic cells.

The residential development is being delivered to Code for Sustainable Homes Level 5, meaning that domestic energy and water use will be amongst the lowest in the country. Mechanisms for delivering this include commitments to high standards of accessibility, daylighting, insulation and acoustic performance. Non-residential development is being delivered to BREEAM Excellent standards.

North West Cambridge Development's aim is to secure the University's long-term success by providing substantial community facilities, housing and commercial development for the city as a whole. It will provide the living and research accommodation needed to enable the University to grow its research capabilities and to retain its world class position. It will encourage substantial investment in the city of Cambridge and will help the University to recruit and retain the best staff and students from around the world.

2. Business review for the North West Cambridge Development

Development at North West Cambridge has provided the University with the unique opportunity to establish a new urban quarter of Cambridge. The North West Cambridge Development is different from most other housing developments in Cambridge because its aim is to secure the University's long-term success by providing substantial community facilities, housing and commercial development for the city as a whole. It is and will continue to provide the living and research accommodation needed to enable the University to grow its research capabilities and to retain its world class position. It will encourage substantial investment in the city of Cambridge and will help the University to recruit and retain the best staff and students from around the world.

The North West Cambridge Development will help the University to maintain its global research profile through the provision of affordable and suitable accommodation for University and College staff (primarily postdoctoral researchers), extensive academic and commercial research floor space, accommodation for post-graduate students and local centre facilities to support the new community. The development will also provide significant housing and facilities for the City more generally.

The first phase of development, which is coming to a conclusion, provides almost half the ultimate residential accommodation, as well as local centre facilities to help establish a quality of place and sense of community from the outset. Authority from Regent House to proceed with the first phase was sought in October 2012 and granted in January 2013. An extension to the first phase was subsequently granted in November 2014, and the first phase was comprehensively re-baselined in March 2016.

Throughout this time, the Board and, previously, the Syndicate, mobilised a design and construction team to deliver the first phase and realise the aspiration of the Development. A project of the size and complexity of the North West Cambridge Development presents significant challenges in its delivery. The University Council is regularly apprised of issues as they arise, as well as mitigation strategies to reduce the impact of these issues, through quarterly reports presented by the Chair of the Board and the Project Director. Since June 2016, uncertainties resulting from the UK Referendum outcome have given rise to potential changes in the financial outcomes of the development, in particular the land transfer model for market housing, which are being carefully monitored and mitigated where possible.

Notwithstanding these challenges, numerous University buildings in Phase 1 have been completed in 2017 and thus meet the strategic aims set for the project by the University.

During mid 2017 the first key worker housing tenants began to occupy the site and the remaining first phase University housing builds will be completed in early 2018. This will total 700 homes for University and College key workers, 325 post-graduate student rooms and 700 market residential units (which will be delivered by residential developers and occupied over the following years), a local centre (including food store, shops, primary school, doctors' surgery and community centre), and other related facilities, open space and infrastructure.

2.1 Key worker housing

Key worker housing for University and College staff forms the basis of the University's development in the first phase, with approximately 700 units comprising one, two and four bedroom (shared) flats. All of these homes will be let on a discounted rental basis to qualifying employees. The first 121 residential units have been let through the Board's trading arm, Lodge Property Services. The waiting list of University and other eligible staff for Phase 1 accommodation is over 350 strong. Residents' feedback on their experience of moving into Eddington and living there has been an overwhelmingly positive one.

The design of the housing was guided by advice from the Accommodation Syndicate and Accommodation Service, has marketed and let the staff housing on the North West Cambridge Development on behalf of the University, through Lodge Property Services, a wholly owned subsidiary company of the University.

The Office of Postdoctoral Affairs, which has been established to provide an academic, administrative and pastoral focus for the postdoctoral community, has a base in the North West Cambridge Development, which opened in September 2017.

The Board and project team are seeking to provide exemplar architecture and engineering that fulfil the sustainability and quality aspirations of the North West Cambridge Development Vision, within financial parameters that add to the University's balance sheet and does not infringe on other academic priorities.

2.2 Student accommodation

The first phase includes 325 student en-suite rooms for post-graduate students, in a complex called Swirles Court. Girton College began moving postgraduate students into Swirles Court in September 2017, and as of the start of the 2017 academic year commences, Swirles Court is fully occupied.

2.3 Local centre facilities

Primary School: The University of Cambridge Primary School was completed on schedule and to budget and welcomed its first pupils in September 2015. The primary school is the country's first primary-level University Training School, is linked with the Faculty of Education for teaching and research purposes, and will be a centre for teacher training. In its third year of operation, the school has admitted 300 pupils in reception, years 1, 2, 3 & 4.

University Nursery: A workplace nursery is being provided for University staff in the first phase, which will contribute to reducing pressure on the University's waiting list for nursery places. This is in addition to statutory early years' provision for 3 and 4 year olds which will be provided at the primary school. The nursery will be completed before the end of 2017 and is expected to launch in early 2018.

Community Centre: The Storey's Field Centre will open in 2017 and will provide community and performing arts facilities for the new and existing community. The management of the Community Centre is through a joint venture between the University and City Council, and a Centre Manager was appointed in July 2016 to focus on community development initiatives prior to, and during, the Centre's operations. A local temporary community facility opened to coincide with the first residents moving to Eddington and the Centre, its staff and the Community Development team have held several residential welcome events, such as a street party, and weekly drop-in session. A programme of opening events has been scheduled for the permanent centre, ranging from Arts exhibitions, to jazz evenings and exercise classes. The Storey's Field Community Trust oversees the Centre management and has actively monitored the building programme, branding, Centre staff recruitment and Centre offer.

Supermarket: The designs for the supermarket meet the University's aspirations for the integration of the supermarket within the local centre of the new development, and the retail provision for grocery and other items is an important part of the North West Cambridge community. The supermarket, Sainsbury's, completed on time and opened in the Summer 2017. It, along with Argos, are a welcome addition to the local centre, bringing facilities and a vibrancy to the site and local neighbourhoods.

Hotel: A hotel will form part of the later delivery of facilities within the first phase of development. The response from the market has confirmed a larger scale hotel than previously envisaged, with serviced apartments to provide an expanded range of options to site visitors. The hotel will include a range of amenity facilities that will be open to both hotel visitors and wider development residents and visitors, including a restaurant and bar. Key terms have been agreed with a preferred hotel developer which, subject to contract, will see the delivery of a hotel with an internationally recognised brand. The Quality and Sustainability Panel are playing a key role in ensuring the design of the hotel meets University expectations.

Senior Care: A good level of interest is being shown by owners/operators of senior care facilities through an on-going consultation process, which will see the appointment of a preferred care operator in 2018. The brief for the senior care facility has been developed with inputs from the Cambridge Institute of Public Health. Separate from the senior care facility, the Health Care provider for the Health Centre in the heart of Eddington will be selected by 2018 ready for the Health Centre to open that year.

2.4 Market housing

The first phase of development includes a number of sites for market housing development.

The first market housing to be delivered on site will be by Hill Limited, which has launched the Athena development (for the first 240 sale homes). The show home and marketing suite opened in September 2017 and first completions are planned for spring 2018.

2.5 Sustainability

The University's intention, in relation to its sustainability objectives, remains consistent with the October 2012 Report to the University's Regent House. These are being realised across the site in a number of ways including the provision of a site-wide district heating system, a network of cycle paths, a water recycling network and photo-voltaic cells on the roofs of buildings.

The residential development is being delivered to Code for Sustainable Homes Level 5, so that domestic energy and water use will be amongst the lowest in the country. Mechanisms for delivering this include commitments to high standards of accessibility, daylighting, insulation and acoustic performance. Non-residential development is being delivered to BREEAM Excellent standards. For Lot 7, the Community Centre, the University's sustainability requirements have been exceeded as the building has received a Design Stage BREEAM certification of outstanding. As considerations develop for Phase 2, alternative targets to deliver the University's sustainability objectives are being considered, to ensure that the overall development aims are being achieved.

2.6 Public art

The Public Art Strategy is in its fifth year of implementation, and the Artists-in-Residence programme generated interest and activity on the site. Artists over the last year have collaborated with the University of Cambridge Museums, Land Economy, the Department of Engineering (Sustainability), and most recently the Office of Postdoctoral Affairs.

Permanent works in the first phase include a 'tea-house' and pixel wall designed by Winter + Hoerbelt that is located in the landscaped Western Edge, and David Batchelor is progressing with his piece that reflects Newton's light spectrum that will be situated in the local

community Centre square. The first completed work, designed by Ruth Proctor, "We are all under the same sky" has been installed at the primary school.

2.7 On-site activities

Extensive progress has been achieved on the development site over the last year, with all University contracts let and fully mobilised, a safe project environment established and over 5 million hours of work delivered on site, with in excess of 1,200 people working on site at peak activity.

The Primary School was completed in 2015, 2016 saw a further two forms of entry for the school's first year of pupils in September 2015.

Significant change has been seen across all of the building lots over the period, including the following major milestones:

- The District Heating Network has been completed on time and on budget, and the Energy Centre, with the tallest point on the site is now erected (the Energy Centre chimney) and operating, providing heat and hot water to the occupied units.
- The Community Centre has achieved a BREEAM Design Stage Certification of Outstanding, which exceeds the BREEAM Excellent requirements of the site.
- Lot 2 (264 key worker apartments), which commenced in November 2015, has achieved sectional completion and is now accepting its first residents. The retail units are ready for tendering and in the meantime, a strategy is being developed for interim uses.
- The Sainsbury's supermarket is complete and open.
- Lot 8 is fully occupied with key workers.
- The first phase of the water recycling network has been delivered through creation of a network of swales and ditches, a two stage channel and lake in the Western Edge of the development and an extensive network of water pipes to deliver the water across the site.
- Lot 5, 325 postgraduate students, is now in the possession of Girton College and fully occupied.

A project of this scale has many complex interfaces which have affected the programmed delivery dates, but the University's aspirations for the development remain on track and completion of the first phase of the University's build is planned for early 2018.

2.8 Operations

As the site transitions from a construction site to an operational development, a number of structures and processes have been implemented to support the establishment of the new community. An Operations Director was appointed in early 2016, and has worked to develop an Operations Plan that is being implemented. This includes appointment of the site-wide Total Facilities Management Contractor, Mears, who commenced operations in October 2016. The Operations Director is also actively working with the appointed Centre Manager for the Storey's Field Centre to support community development initiatives in the early stages of occupation.

Operations of the site will be delivered through a number of subsidiary companies, including an Estate Management Company, Housing Company and Heat Company which will provide the client-facing services that future occupants will use. These Companies have been established, registered and the recruitment of external expert directors has been achieved. Portal Estate Management Services is responsible for the building and site maintenance of the University controlled areas. Lodge Property Services manages all tenancies. Core Sustainable Heat Management oversees the activities of the Energy Centre, including the metering and billing of heat and hot water usage.

2.9 *Later Phases of Development*

In April 2015 the University Council agreed to progress with investigation of the content, scope and funding models for a second phase of development, with the intention that the case for a second phase could be taken to the Regent House for review in 2017. A project team has been mobilised to consider the options for a second phase, including alternative funding models and different housing types to meet a range of needs from University staff at all levels. These options were considered by the University Council in April 2017 and again in September 2017 ready for the business case for Phase 2 to be presented to the Council, and then Regent House, in late 2018/ early 2019. The business case will consider both qualitative and financial success criteria for the second phase, and identify trade-offs that will inform decision-making throughout the implementation of the phase, should it proceed.

2.10 *The Next Year*

In the 2017/18 year, the North West Cambridge Development will continue to be a fully operational site and new part of the City, as all of the University's development is completed and market housing starts to become occupied. To support this transition a series of operational plans have been developed to establish the North West Cambridge Development as a positive and welcoming environment for people to live and work. This includes both facilities management functions to ensure the quality of environment meets the University's aspirations, and also community development support.

3. Financial Review

During 2016 a full review of cost and income was undertaken which set specific Financial Metrics for the project to be measured against. The Council receives a quarterly report, presented by the Board's chair, detailing performance against these metrics, which include a peak borrowing requirement, internal rate of return and net present value.

The KPIs are heavily dependent on the rental income from the Key Worker Units. The rental model governing the amount of rent to charge tenants is complex and is proving to be very difficult to manage at an operational level. The model makes forecasting income erratic. The forecast rents are continually reviewed by the Board. A full rent review is being undertaken in the year to July 2018.

The Development is fully in Construction phase. Construction and fee spend in the period amounted to £107 Million (2016 £150 Million). 2018 will see a continued tapering of spend as the estate moves into the operational stage.

With the exception of some minor expenditure incurred in operating the estate, all expenditure incurred to date has been capitalised as it relates to the creation of assets (in line with normal accounting policies).

The activities of the Board have to date been funded through monies made available by the University, of which the Board is part. A Department for Education grant of £3.3m has part funded the new school on site. To 31 July 2017 the Board had utilised £320m of its University facility.

4. Business review for the West Cambridge Development

In March 2014, the Planning and Resources Committee established a warrant to allow for detailed masterplanning and working up of a new planning application for the West Cambridge site.

West Cambridge is the University's opportunity to establish a world-class, well connected research and development environment focused on the physical sciences and technology that benefits Cambridge, the region and the UK – one that provides facilities that help the University to retain its globally competitive position by continuing to attract and retain the world's best academics and researchers, as well as one that supports entrepreneurship and collaboration with industry.

The masterplanning and intensification proposals for the West Cambridge site are underway, and a new planning application was submitted in June 2016, and remains under consideration by the City Council. The new proposals allows for over 190,000sq.m. of additional academic development and 155,000sq.m. of commercial research development. The development proposal includes:

- new academic faculty and research facilities, and buildings for commercial research organisations and research institutes;
- expansion of the existing Sports Centre;
- additional nursery provision;
- additional amenities for site users;
- an energy strategy to support sustainable energy across the site;
- new and improved open spaces including a linear park and sustainable urban drainage systems;
- extensive sustainable transport measures, including new and improved pedestrian and cycle connections, additional bus routes, implementation of a site-wide travel plan, and co-ordination with the City Deal proposals;
- vehicular access principally from Madingley Road, and new multi-storey car parks
- a shared facilities hub.

This masterplan will also enable the redevelopment of the Cavendish Laboratory and integration of the Department of Engineering onto the West Cambridge site.

The site-wide proposals facilitate relocation of the Cavendish Laboratory (Department of Physics) and relocation of the department of Engineering to the West Cambridge site.

The masterplanning for the West Cambridge site was directed by the West Cambridge Site Development Board (WCSDB), which reported both to the Planning & Resources Committee and the West and North West Cambridge Estates Board. To ensure more integrated oversight by the Board, the WCSDB was disbanded in July 2017 and replaced with an Academic Board. The strategic and infrastructural aspects of West Cambridge now sit firmly with the Board.

The Board will be looking to ensure as far as practicable that the development of both the North West and West Cambridge sites is complementary and that the scope for synergies is realised.

In 2017, under the Pro-Vice Chancellor for Enterprise and Business Relations, a working group is to be established to consider the commercial opportunities across both West and North West Cambridge sites.

5. Governance and Risk Management

The Board was established by Ordinance¹. The Syndics was a quasi-board, meeting monthly, responsible for the strategic direction of the development. The Board now meets bi-monthly, with an appointed external Chair. The Board are supported by an Executive team, including a full time Project Director and Financial Director, and a Head of Corporate Governance, as well as Directors individually responsible for Construction, Commercial activities and Operations. The Executive team is responsible for operational matters within the strategic context set by the Board. The Board operates within budgets which are approved by the University's Finance Committee and is required by Ordinance to produce an annual report and accounts covering its activities.

Governance Review

A project of the size and complexity of the North West Cambridge Development will present significant challenges in its delivery. An extensive audit was undertaken by a sub-committee of the University's Audit Committee in late 2015 and early 2016. This culminated in two reports that confirmed the project will still achieve the strategic aims set by the University but also made a number of recommendations as to the future governance and management of the North West Cambridge Development as well as other major University projects.

Considerable progress has been made in implementing the recommendations of the Audit Group reports, including a review of the reporting arrangements between the Board and other University bodies, appointment of a new Chair of the Board, appointment of a full-time Finance Director, review of the membership of the Board, transition of the Syndicate to a Board and, significantly, re-baselining of the entirety of the Phase 1 proposition to reflect appropriate consideration of inflation, contingency requirements, and market conditions. The transition from Syndicate to Board was changed by Ordinance in August 2016. New Board members have been recruited in early 2017 and new external expert members continue to be considered for extra skills and succession planning. The Board continues to monitor the very few outstanding recommendations from the Audit Group Reports, most of which are outside the Board's control. The implementation progress is also regularly reported to the University Council.

The governance arrangements for the project now also include a Risk & Audit Committee, which specifically reviews construction, income and operational risks to the project on a quarterly basis. The University's internal auditors, conduct internal audit reports on specific aspects of the project and present their findings to the Risk & Audit Committee. The Chair of the Board also reports formally to the Council on a quarterly basis.

¹ Page 135, Statutes and Ordinances of the University of Cambridge

6. Scope of Accounts and Audit Status

The accounts include only income and expenditure arising on the development of the North West Cambridge site. Income arising from existing buildings on the West and North West Cambridge sites is reported separately to the University via its Estate Management Division. Similarly income and expenditure associated with the University Farm in this area is included in the accounts of the University Farm. There is no requirement to report income and expenditure associated with academic departments as this lies outside the ambit of the Board. All of the income and expenditure mentioned above, including that attributable to the Board, is included within the audited accounts of the Chancellor, Masters and Scholars of the University of Cambridge.

There is no requirement to undertake a formal external audit of these accounts, which do not constitute statutory accounts.

ON BEHALF OF THE BOARD



Mr R Bright, Chair

13.2.18

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2017

	Note	2017	2016
		£000's	£000's
Turnover	1	3	3
Cost of Sales		-	-
Gross profit		3	3
Administrative expenses		(864)	(539)
Other Income		-	5,986
Operating result	2	<u>(861)</u>	<u>5,450</u>
Interest receivable and similar income	3	-	8
Result on ordinary activities before taxation		<u>(861)</u>	<u>5,458</u>
Tax on loss on ordinary activities	4	-	-
Result for the financial period		<u>(861)</u>	<u>5,458</u>

All results derive from acquired and continuing operations.

There are no differences between the profit for the financial period and its historical cost equivalent.

BALANCE SHEET AS AT 31 JULY 2016

	Note	2017 £000's	2016 £000's
Fixed Assets			
Tangible Assets	6	362,775	245,063
Current Assets			
Debtors	7	260	309
Cash at bank (held by the University of Cambridge)		4,677	21,567
		4,937	21,876
Creditors: amounts falling due within one year	8	(15,588)	(18,954)
Net current (liabilities)/assets		(10,651)	2,922
Net assets		352,124	247,985
Financed by			
Loan (from the University of Cambridge)		320,000	215,000
Investment of Equity (from the University of Cambridge)		24,291	24,291
Grant for the Department of Education		3,301	3,301
Profit and loss reserve		4,532	5,393
Total finance	9	352,124	247,985

The financial statements on pages
and were signed on its behalf by:

were approved by the Board on

Mr R Bright
Chair

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

1. Accounting policies

a) Basis of preparation

The financial statements include only income and expenditure arising on the development of the North West Cambridge site.

b) Basis of accounting

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Syndicate's financial statements except as noted below.

The financial statements have been prepared in accordance with the historical cost convention.

c) Tangible fixed assets

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset on a straight line basis as follows:

Freehold buildings 2% - 5%

Freehold land is not depreciated.

Where there is an indication that the carrying amount of a fixed asset may not be recoverable, an impairment review will be carried out in accordance with the requirements of FRS11, "Impairment of Assets". If the carrying amount is higher than the recoverable amount, the asset will be written down accordingly.

1. Turnover	2017	2016
	£000's	£000's
An analysis by geographical market is set out below:		
United Kingdom	<u>3</u>	<u>3</u>

2. Operating Result

Operating result for the financial period is stated after charging

Utilities for properties	-	(33)
Council tax for properties	-	(12)
Rent for Trinity gas field	5	5
Depreciation	859	570

3. Interest receivable and similar income	2017	2016
	£000's	£000's
Interest received on cash deposits	-	8

4. Tax on result of ordinary activities

No tax charge arises on operating activities

5. Employee information		
Wages and salaries	1,673	1,330
Social security costs	207	159
Pension costs	351	257
	<u>2,231</u>	<u>1,746</u>

The average number of persons employed by the Board during the year expressed as full time equivalents, was 16 (2016:15)

These costs are carried forward in the costs of tangible fixed assets.

6. Tangible Fixed Assets	Land and Buildings	Assets in Construction	Grand Total
	£000's	£000's	£000's
Cost			
At 1 August 2016	19,502	226,407	245,909
Additions at cost	-	118,571	118,571
Transfers			-
At July 2017	<u>19,502</u>	<u>344,978</u>	<u>364,480</u>

Accumulated Depreciation

At 1 August 2016	846	-	846
Charge for the year	859	-	859
At 31 July 2017	<u>1,705</u>	<u>-</u>	<u>1,705</u>

Net Book Value

At 31 July 2017	17,797	344,978	362,775
At 31 July 2016	18,656	226,407	245,063

7. Debtors	2017	2016
	£000's	£000's
Prepayments	260	309
	<u>260</u>	<u>309</u>

8. Creditors: amounts falling due within one year

Trade Creditors	7,978	11,768
Other Creditors	7,610	7,186
	<u>15,588</u>	<u>18,954</u>

9. Reconciliation of movement in financing	2017	2016
	£000's	£000's
Opening financing	247,985	113,127
Result for financial year	(861)	5,458
Additional loan financing	105,000	129,400
Closing financing	352,124	247,985

10. Financial commitments

The Board has entered into a number of building contracts

Project	Value of contract 2017	Value of work completed at 31 July 2017	Value of contract 2016	Value of work completed at 31 July 2016
	£000's	£000's	£000's	£000's
Madingley Road/Huntingdon Road	3,692	3,581	3,659	3,542
Site Wide Infrastructure	61,175	59,352	49,900	39,124
District Heating	3,415	3,364	3,421	3,299
Primary School	11,770	11,599	11,691	11,472
Lot 1&3	84,773	77,996	84,225	52,009
Lot 2	75,561	63,900	75,561	27,390
Lot 5	28,023	27,599	26,253	22,953
Lot 7	10,094	8,492	10,094	4,495
Lot 8	15,025	14,822	14,413	10,260
Energy Centre	3,531	3,425	3,422	3,299

11. Ultimate parent undertaking and controlling party

The Board is a constituent part of the University of Cambridge. It is governed by the Statutes and Ordinances of the University. The results of the Board are consolidated into the financial statements of the University of Cambridge, which are published in the *Cambridge University Reporter*.

