

Roehampton University
Annual Report and Financial Statements
31 July 2015



Company Registration Number 5161359 (England and Wales)

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Company Registration Number	5161359
Registered Office	Grove House Roehampton Lane London SW15 5PJ
Auditors	BDO LLP 2nd Floor 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA
Bankers	Lloyds Bank 4th Floor 25 Gresham Street London EC2V 7HN
Solicitors	Shakespeare Martineau Birmingham B4 6AA

Chair of Council's Statement for the year ended 31 July 2015



The last financial year has seen the University continue to build on its reputation for excellence in teaching and research.

Our results in the 2014 Research Excellence Framework (REF) were exceptionally strong, with many subjects showing a significant improvement since the last exercise in 2008. Overall, 66% of our research is now classed as 'world-leading' or 'internationally excellent'. We submitted work by more than two-thirds of our academic staff, in 13 subject areas making Roehampton the most research-intensive modern university in the UK.

The University recorded a 6.0% market share in the main cycle of applications for 2015 entry, directly in line with the 2019 strategic target. This performance should be seen in the context of a falling number of people in the 17-19 age range nationally. Rising applications at postgraduate level led to a 19% increase in the number of postgraduate students compared to 2014.

We continue to introduce new subject areas into our portfolio of programmes, both on campus and online. Accounting was launched in September 2014 and Roehampton's new Law programme recruited its first cohort of students in 2015. With our partners Laureate, 2014/15 saw the launch of new online programmes in Public Health and Public Administration through Roehampton Online.

Degree results are continuing to improve, with 71% of undergraduates receiving a Upper Second-Class Honours (2:1) or a First-Class Honours (1st), a 9% increase on 2013/14 and the highest figure since Roehampton gained degree-awarding powers. Three major league tables, the Guardian University Guide, the Sunday Times Good University Guide, and the Complete University Guide have ranked Roehampton as the best modern university in London.

According to the most recent figures from the Destination of Leavers of Higher Education (DLHE) survey, 90.8% of graduates are in work or study six months after leaving us. The University has also recorded its strongest figures for the proportion of graduates in professional-level jobs, at 72.5%, which is 4.5% higher than in the previous survey.

The last year has seen a number of challenges. Following improving results in the National Student Survey (NSS) over the past 3 years, this year's results were lower than in the previous year. Satisfaction with learning resources and personal development are areas that will require particular focus in 2015/16. Despite these results, Roehampton maintained its position against other London universities and remains ranked 16 out of 25.

Retention of students is also an area that requires focus. The latest non-continuation data, which measures the proportion of first-degree students not continuing in higher education one year after enrolling at Roehampton, was 11.8% for those registered in 2012/13, compared to 9.8% in the previous year. The University will be taking steps in 2015-16 to address this.

We have launched the largest construction projects since Roehampton became an independent university in 2004, as we invest to improve our estate and respond to student demand. The first of these projects, Chadwick Hall, is now providing new student accommodation on the Downshire House estate. The Digby Stuart Accommodation project is due for completion in September 2016 and a new purpose-built library is due to be completed in late 2017.

Next year we plan to build on our achievements and address our challenges, in a year which will see us celebrate 175 years since the foundation of Whitelands College, a major milestone in the University's history. We will use the occasion to celebrate the fact that we have been providing higher education to women, through our Colleges, for longer than any other institution in the UK.

Sir David Bell
Chair of Council

Strategic Report for the year ended 31 July 2015

Introduction

The Members of Council have pleasure in presenting their strategic report for the year ended 31 July 2015.

Whilst 2014/15 continued to be a challenging year for the higher education sector, Roehampton had a strong student applications round and remained financially resilient. Considerable progress was made against the University's Strategic Plan for 2014/19. However, there are areas that require focus over the coming year, including both the National Student Survey and student retention, which remains below the sector average.

Highlights of the year

In addition to the achievements in the Chair's statement overleaf, 2014/15 saw a number of notable developments:

The growth of Roehampton Online, which the University delivers in partnership with Laureate, saw continued growth during the financial year. At 31 July, 4,458 students were enrolled on online programmes with Roehampton Online.

The University signed a number of significant partnership agreements, including the following:

- A partnership with Schiller International University, with students enrolled on Roehampton-validated programmes from September 2014. Schiller International University is an institution based in Florida, with campuses in Madrid, Heidelberg and Paris. Students are encouraged to study at all of the campuses, giving them a truly international experience.
- An agreement with the European University Business School (EUBS) was signed in January 2015, allowing our MBA and MSc in International Management to be offered to EUBS students studying at campuses in Barcelona, Munich, Geneva and Montreux.
- A partnership with QA Higher Education, signed in July 2015, provides entry routes for students from around the world to study in London. This relationship will see an International Foundation Programme, a Graduate Diploma and a Graduate Certificate, introduced to provide pathways for non-UK students to gain the study and language skills required to join undergraduate and postgraduate courses at Roehampton.

Alongside our strong Research Excellence Framework results, individual staff across the University have received significant accolades in the past year. In January 2015 Professor David Harsent (Department of English and Creative Writing) was named as the winner of the TS Eliot Prize for Poetry, for his Book *Fire Songs*. In June, Dr Susan Deacy (Department of Humanities) was announced as Roehampton's 10th National Teaching Fellow.

The commitment of the Roehampton Students' Union to environmental activities, particularly through the Growhampton project, has resulted in raising awareness and popularity of its work. The Hive Café, opened in May 2014 with a grant from HEFCE's NUS Sustainability Fund, recently secured £20,000 through a crowdfunding campaign to increase the size of the café. A focal point on campus for students, activities now extend into the evenings and spin-off projects such as a thrift shop allowing students to recycle unwanted clothing and a free cycle repair service.

Strategic Report for the year ended 31 July 2015

Commitment to students

Roehampton is focused on producing the kind of graduate that employers value: a critical thinker, able to adapt to a changing world, and with an ongoing passion for their subject. It is also committed to ensuring the student voice helps shape their experience with us, through our Student Partnership.



In 2014/15, students or their union representatives are involved in all key committees. Students' involvement on programme boards and approval panels helps integrate students' perspectives into how programmes are designed and how teaching is delivered.

Student Senate remains important in informing University decision-making and, in response to a recommendation from the most recent Institutional Audit by the Quality Assurance Agency, the University and Roehampton Students' Union have given our Student Partnership greater prominence in core communications.

In addition to ensuring the quality of their experience during their studies, there has been significant progress with regards to students' careers and employability. Work has focused on three broad areas:

Development of a Student Employability Communications Plan

Created in 2014, the plan aims to engage students in taking responsibility for their own career readiness and raises their aspirations towards graduate-level employment. Under the title 'Career Ready', the plan will coordinate communications across the University, including the central Careers service and academic departments, and present the opportunities and services available in a coherent and timely way.

Strategic Report for the year ended 31 July 2015

Promotion of the Career Mentoring Scheme

The scheme partners current students and recent graduates with alumni or supporters in established careers. It provides essential insights into the real world of work for the student participants and offers a valued opportunity for alumni to 'give something back' and maintain their relationship with Roehampton or its colleges.

Review of opportunities for Roehampton students to develop workplace skills

This comprehensive review will look both within and outside the curriculum and aims to ensure that the University's approach to supporting students into their careers is informed by sector best practice.

As part of the University's lifelong commitment to its student body, the Alumni Department, recently merged with our Careers Office, has made significant progress in a number of areas:

- Raising awareness of the Alumni Association to potential members, through communications, events, developing benefits and volunteer opportunities;
- Raising awareness to current students, by enabling a smooth transition from student to alumnus; and to staff internally, to identify opportunities for engagement between the alumni community and departments;
- Developing and launching a fundraising strategy that seeks to grow a culture of philanthropy at Roehampton;
- Placing emphasis on cultivating long-term relationships with alumni at the same time as fundraising for the new library;
- Working towards the launch of an online alumni relations portal which will create a more efficient way for the University to remain in contact with graduates and for them to connect with mentors.

Campus development

The most significant building programme in a generation across the University took form during 2014/15 with the beginning of works on a new 390-room hall of residence in the heart of Digby Stuart College and the construction of 210-rooms in the grounds of Downshire House. We will also be commencing construction of a new university library, due for completion in 2017. These projects are being undertaken to address pressures on student accommodation and to improve learning resources and spaces.

The new Digby Stuart accommodation, which will include a conference centre, will feature two courtyards to encourage community and quiet study outdoors. Accessible rooms will be included, and students will live in flats of between six and eight rooms, with shared living facilities. All bedrooms will be en suite with the higher floors offering panoramic views over south London and Richmond Park.

Chadwick Hall, which is in the grounds of Downshire House, has been named in honour of sculptor Lynn Chadwick and its students are part of Froebel College. The University received permission during 2014/15 from the Chadwick estate to re-cast one of the three statues which comprise his sculpture, The Watchers, which was part of the Downshire estate when it was purchased by the University. The sculpture will be re-installed in the grounds of Downshire house in 2015/16.

Strategic Report for the year ended 31 July 2015



Artist's impression of the Chadwick Hall, Downshire House Estate

At the heart of our campus plan is the creation of an inspirational new library. Designed by award winning architects Feilden Clegg Bradley Studios, the new building will provide a modern, adaptable learning environment, with spaces for individuals and group working, interactive and quiet study and for use by students, staff and the local community. It will also have new café facilities.

The new building will provide a stimulating and inspiring place to work, encouraging our students to raise their ambitions and help them succeed.

The existing library building will be renovated and will provide new teaching spaces and office accommodation, to enable the University to improve the already excellent experience it provides for its students.

Strategic Report for the year ended 31 July 2015

Key Performance Indicators and Risk Analysis

The University's Strategic Plan 2014/19 aims to ensure that by 2019 we will be:

- In the top third of universities in the country by performance in the National Student Survey for overall experience and every aspect of course satisfaction
- At or above the sector average in our student retention rates
- Considered as one of the best universities in the country to work for
- On course to be in the top third of institutions by the next Research Excellence Framework (expected 2020)

Key performance targets

To ensure we achieve these aims we are closely monitoring our progress against the Key Performance Indicators (KPI's) for each of the Strategic Plan priority areas. Highlights of recent activity are listed below:

Recruiting High-Quality Students				
Indicator	Measure	Baseline 2013	Target 2019	2015
Portfolio	New subject areas launched	n/a	3 new subjects launched	2 new subjects launched, in addition to one online programme
Applications	Market share (competitor group)	5.7%	6.0%	6.0%
Student quality	Average tariff on entry	281	300	275

Helping Students to Achieve Their Potential				
Indicator	Measure	Baseline 2012	Target 2019	2015
Overall satisfaction	% satisfaction in the National Student Survey (NSS)	85%	88%	83%
Quality of teaching	% satisfaction in NSS	86%	89%	85%
Assessment and feedback	% satisfaction in NSS	71%	73%	71%

Supporting Staff				
The University is currently developing an annual staff engagement survey to measure progress and ensure that staff satisfaction improves during the lifetime of the Strategic Plan				

Creating and Disseminating World-Class Ideas				
Indicator	Measure	Baseline	Target 2019	2015
Research	Ranked in the top third of institutions by grade point average in the Research Excellence Framework (REF)	2008 Research Assessment Exercise (RAE) 2.2	2.5	2014 REF 2.8
	Value of successful research bids and grants	2013 £0.85m	£1.7m	2015 £1.49m

Strategic Report for the year ended 31 July 2015

Helping Students to Achieve Their Potential				
Indicator	Measure	Baseline 2012	Target 2019	2015
Employability	% of students in employment or further study according to DLHE statistics	88%	90%	91%
Student satisfaction	% agree Personal Development section in NSS	80%	90%	79%
Graduate mentoring scheme	Number of students engaged with scheme	n/a	250	140
'Roehampton Friends'	Number of alumni actively engaged in activity, strong advocates of Roehampton	900	2,500	2,224

Creating a World Class Campus				
Indicator	Measure	Baseline 2012	Target 2019	July 2015
Learning resources	% satisfaction in NSS	81%	86%	80%
Organisation and management	% satisfaction in NSS	78%	80%	77%

Maintaining Financial Stability				
Indicator	Measure	Baseline 2013	Target 2019	July 2015
Financial stability	Liquidity	90 days	100 days	155 days
	Earnings before interest, taxes, depreciation and amortisation (EBITDA)	8.0%	10%	8.1%

Risk analysis

The University's Council has identified a number of high-level risks which it monitors on a regular basis. The Council is confident that these risks are well managed. The University maintains a fully scored and prioritised Strategic Risk Register, with each risk linked to one or more of the University's strategic objectives. The Finance Strategy Group (FSG) is responsible for the review of the Strategic Risk Register on a regular basis throughout the academic year as set out in the risk management policy. During 2014/15, the revised Strategic Risk Register was presented to all Audit Committee meetings and to subsequent Council meetings.

Departmental business plans for both the academic and administrative support departments are risk-focused. The Deputy Vice-Chancellor and the Deputy Provost for Academic Development are responsible for managing risk within the Academic Departments, while Directors of Administrative Support departments are responsible for managing their own risk. Both make use of the University's risk register to identify core areas of work needed to be undertaken to ensure adequate and effective risk management. Departments map out their planned actions in relation to each of these key areas of work and are challenged in follow-up meetings to ensure that actions can mitigate the risk identified for the University. This enables the University to maintain a greater level of control in relation to risk and to be more certain about its future direction and, crucially, the extent to which its mission can be achieved.

Strategic Report for the year ended 31 July 2015

The University has identified the following five significant risks:

- Changes in Government policy on future funding
- Student retention
- Student satisfaction
- The cost of supporting the pension schemes
- Disruption to IT infrastructure and information systems

Changes in Government policy

Planned activities to mitigate the risk of Government policy changes and building institutional resilience to external events include:

The launch of new subject areas	This enables us to widen the University's offer for prospective students.
Continuing to raise the quality of and invest in human and physical resources	This allows us to ensure that our overall offer to students is attractive and competitive.
A major focus on recruitment, marketing and our admission processes	Recent changes to our admissions processes allow us to respond promptly and accurately to our applicants' queries.
Diversifying our income streams	This continues to be achieved through developing key partnerships with external providers of education and through growth in the recruitment of our Roehampton Online students.
Maintaining the University's influence in sector-level discussions on emerging policy	The Vice-Chancellor is actively involved with Universities UK and other sector bodies.

Student retention

The latest non-continuation data, which measures the proportion of first-degree students not continuing in higher education one year after enrolling at Roehampton was 11.8% for those registered in 2012/13, compared to 9.8% in the previous year. Although the longer term trend in this area is positive, the most recent two years of results are a concern. Actions to address this during 2015/16 include:

Improving 'early warning' systems	Utilising data related to student performance and attendance to identify students most at risk of failing to progress to the next year of study.
Enhancing student advice and support	Ensuring that academic advice, in the form of personal tutors is well-used and consistent across programmes as well as ensuring that pastoral and welfare support is as robust as possible.
Reviewing tariff	Addressing the degree to which the University drops its tariff during the A-level confirmations process and Clearing, to ensure that it remains on track to meet its Strategic Plan target of 300 average tariff by 2019. This will have a direct impact on the level of non-continuation.

Strategic Report for the year ended 31 July 2015

Student satisfaction

After a consistent rise in scores in the National Student Survey over the three previous surveys, the University experienced a drop in satisfaction scores, including overall satisfaction dropping from 85% to 83%. In order to address this, an action plan has been put in place by the Deputy Vice-Chancellor & Provost. This encompasses a wide range of areas including:

Academic space	Improving the quality and availability of academic space, including specialist facilities and study spaces. Liaison between academic departments and Timetabling Unit is also being improved.
IT and learning resources	Investing in learning resources, including books and increasing the number of computers and the resilience of IT infrastructure.
Sharing best practice	Working with academic departments to ensure that those areas that performed strongly in the NSS share their approach to teaching and organisation. Particular focus is also being put on programmes with the lowest scores in the survey.

The cost of supporting the pension schemes

The University has staff in the Teachers' Pension Scheme, the Local Government Pensions Scheme and the Universities Superannuation Scheme. There is a significant financial risk to supporting these pension schemes. In order to monitor this risk the University has created a Pensions Working Group (PWG) Chaired by the PVC and Director of Finance: the group continues to monitor closely developments in the two main schemes, the Teachers' Pension Scheme and the Local Government Pensions Scheme.

The PWG is also responsible for monitoring the new auto-enrolment arrangements to make sure the University remains compliant as well as encouraging participation in the London Pensions Fund Authority (part of the Local Government Pensions Scheme) Employer Forum to ensure that its interests are aired.

Finally, during the budget setting process PWG ensures the University's budget includes adequate provision to support the costs of the pension schemes.

Disruption to IT infrastructure and information systems

Disruption to IT infrastructure and information systems has implications for the sustainability of the University, through the impact it has on students achieving their goals and their satisfaction and through staff being unable to work effectively. Whilst the University has robust IT infrastructure, several events and outages during the academic year have changed the priority of this risk.

The University continues to take a number of actions to reduce the risk of disruptions:

Improvements are being made to the software the University uses to automatically monitor and feedback on IT systems performance and availability	This will lead to a further increase in service levels to its customers.
In line with the sector, student service provision for email, data storage and web-based office applications (word processing, spreadsheets, etc.) are being outsourced.	The University has chosen the Microsoft 360 product and these services will be migrated from the current on-site systems with the aim of improving levels of service and reducing costs.

Strategic Report for the year ended 31 July 2015

Academic Review

Overview

The University has undertaken a large body of work in 2014/15 to build on its teaching and research strengths.

Introduction of new subject areas has been complemented by an ongoing process of curriculum development and review. External examiner reports have demonstrated that programmes are up to date in their approach. Improving methods of engaging students in teaching and in facilitating feedback from them are part of a continuous process. At the same time, the University has worked to build on its research profile. This resulted in 2014/15 not just in a successful REF outcome, but also in a large number of high-profile individual staff achievements.

Learning and teaching

2014/15 has been an important and exciting period for the progression of learning and teaching within the University.

In 2014 the University created a new post of Deputy Provost for Learning and Teaching to provide senior academic leadership to this area, in particular through chairing the University's Learning, Teaching and Quality Committee (LTQC). The new Deputy Provost also leads a re-organised learning and teaching team who, among other things, deliver Roehampton's externally-accredited higher education teaching programmes for new staff, established staff and postgraduate students. The University is committed to increasing the number of academic staff with higher education teaching qualifications. A recent audit by the Higher Education Academy (HEA) showed that Roehampton is well ahead of the sector in this respect.

Roehampton's commitment to learning and teaching in its staff development programmes forms part of the new Learning and Teaching Strategic Plan launched in autumn 2014. This plan aims, among other things, to meet our institutional goals:

- To provide a stimulating, supportive and personal learning environment that helps students grow as individuals and ensures all students have the opportunity to reach their full potential
- To ensure all students become the sort of graduate most valued by employers: a confident, critical thinker, adaptable, open to new ideas, able to work well with people from all walks of life, and with first-class communication skills

Last year's report highlighted the importance of providing high-quality feedback to students on their work. Roehampton's 2015 Learning and Teaching conference set out the progress we have made in this respect. Two years ago, most coursework assessment were submitted and marked on paper, today most is submitted online and the majority of students now receive their marks and feedback online (including some in audio files). This has greatly enhanced the quality of academic support to students, although we still need to be more consistent in promptness of feedback, as highlighted in the 2015 National Student Survey (NSS).

Building on our successful HEA-funded project on Transforming Assessment Practices, which reported in 2014, we are also making good progress in reviewing how we assess students and can better support their learning and attainment. One way is by using the online environment to support student learning. The 2015 Learning and Teaching conference showcased examples of colleagues at Roehampton using online formative assessment quizzes and tests with embedded feedback and interactive environments that can help students improve their performance. The University is also piloting the use of the Nearpod app, a classroom tool for teachers to engage students with interactive lessons and assessments, which students can access on a variety of devices. The app will enable us to boost interactive teaching and student engagement in lecture halls and seminar classes.

Strategic Report for the year ended 31 July 2015

The internationalisation of the curriculum at Roehampton has been another theme in recent reports. Since 2013, the Learning and Teaching team has been working with colleagues from around Europe on a large-two year international EU-funded TEMPUS project, PICASA, to support universities in the internationalisation of their curriculum. As Roehampton continues to attract more and more students internationally, and as the number of our international partnerships grows, we are working hard to embed a more global perspective in our offer, for example, through our international business, human rights and dance programmes.

We are working with the Students' Union to enhance the student programme representative role. In our enhancement of learning and teaching we have positioned students at the centre, ensuring that all projects around learning and teaching include a student project officer and, wherever possible, student consultants to advise on practice, for example, on the recent (2014/15) HEA-funded project 'Learning through Fellowship'.

Perhaps the most exciting innovation in relation to enhancing the student voice and feedback has been the e-learning platform Unitu. Piloted in Psychology in 2014/15, Unitu provides an opportunity for structured and supported student discussion and feedback on all aspects of their studies at Roehampton, and we are looking to extend adoption of the platform in other areas including Business in 2015/16.

Degree Classifications

The table below shows degree classifications achieved in 2014/15 compared to the prior year. This year the University graduated 3,505 students in total, including 704 teacher trainees.

Degree Classification	2013/14 %	2014/15 %
First Class Honours	13.5	17.1
Second Class Honours (Upper Division)	56.4	53.4
Second Class Honours (Lower Division)	27.5	26.1
Third Class Honours	2.6	3.4

Research

The University presented a very strong submission to the 2014 REF and 66% of our research was judged to be 'world-leading' or 'internationally-excellent'. We submitted a high percentage of eligible staff (67%) to 13 subject units, reflecting the high quality of research being undertaken across the University. We are the most research-intensive modern university in the UK, in terms of the proportion of staff submitted into the REF.

Judged on the impact of our research, 24% of our submissions were rated 4* (world-leading) and 55% 3* (internationally excellent).

Dance is our top performing subject, with 94% of research rated 4* and 3*, making it the highest rated department in its subject in the UK. We are ranked 3rd best of all universities in London for research quality in Education and the 4th best in the capital for English.

Strategic Report for the year ended 31 July 2015

Results by subject area:

REF Subject Areas	4*	3*	2*	1*	U
Health	14	57	29	-	-
Psychology	17	48	32	3	-
Business	-	39	45	16	-
Sociology	23	29	40	7	1
Anthropology	11	50	33	5	1
Education	20	51	26	3	-
Modern Languages & Linguistics	17	45	31	7	-
English	22	51	24	3	-
History	14	45	38	3	-
Theology	16	27	45	12	-
Dance	62	32	5	1	-
Drama	24	57	18	1	-
Communication, Culture & Media	29	32	27	12	-

Building on the new Research Strategy initiated in 2013/14, new structures and procedures implemented to enhance research include a research mentoring framework to provide individual support for all researchers, and a team of research facilitators based in academic departments to support research grant bidding and research impact work. In addition, a major investment was made in 50 full research studentships, attracting extremely strong candidates across the University.

The University received grants from a range of funders such as the Arts and Humanities Research Council, the Leverhulme Trust, and a wide variety of other funders, together bringing in £1.25 million in research funds to the University. Our research continues to have a major impact nationally and internationally.

Aisha Gill, Professor in Criminology in the Department of Social Sciences received the award for the Outstanding Impact in Public Policy from the Economic and Social Research Council (ESRC) for her research into forced marriage and 'honour killings'. Professor Gill has worked with the Home Office and others to help develop legislation, including the criminalisation of forced marriage under the 2014 Anti-Social Behaviour Crime and Policing Act.

Dr Beatrice Allegranti, Reader in Dance Movement Psychotherapy in the Department of Psychology directed a film, supported by leading dementia support organisations, to enhance public understanding of the condition. The film was shown at the Bergen International Festival in May 2015.

In January 2015, Professor of Creative Writing, David Harsent won the TS Eliot Prize for poetry for his collection *Fire Songs*. He has also performed works at high profile events at the Shakespeare's Globe Theatre and at Pembroke Lodge, Richmond Park, alongside Sir David Attenborough. The Royal Opera House also hosted a run of *The Cure*, an opera created by acclaimed composer Sir Harrison Birtwistle and featuring a libretto by Professor Harsent.

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Dr Pablo Romero Fresco, Reader in Translation and Filmmaking in the Department of Media, Culture and Language collaborated with the National Gallery to provide subtitling for deaf and hard-of-hearing people in galleries and museums across the UK. Dr Romero Fresco's previous work has included coordinating a pilot European Union-funded project to improve online communication between people who are deaf or hard of hearing and their MEPs.

Dr Kathryn Tempest, Senior Lecturer in Latin Literature and Roman History in the Department of Humanities was awarded a prestigious 12-month Leverhulme Fellowship to work on a new project: 'The Pseudepigrapha of Marcus Iunius Brutus'. This project involves the first-ever English language translation of 2,000 year-old letters, once believed to have been written by Marcus Brutus.

Dr Amanda Holt, Reader in Criminology from the Department of Social Sciences worked with the Home Office to create a guide to help family workers improve their ability to deal with adolescent to parent violence and abuse (APVA).

Miles Berry, Principal lecturer in Computing Education in the School of Education, won the 2015 BETT Award for Primary Digital Content for his work on the 'Switched on Computing' project. The scheme provides support for teachers to deliver a balanced computing curriculum and is in use in 5,000 schools across the UK.

Professor of Music in the School of Education, Adam Ockelford, was been awarded over £175,000 to expand the work of his children's music charity Soundabout to over 2,500 Children's Centres in the UK. The charity which works in partnership with the University, delivers training packages to special needs schools and centres that promote the use of interactive musical techniques to help self-expression and interaction as part of the 'Sounds of Intent' project.

Professor Jolanta Opacka-Juffry, Professor of Neuroscience in the Department of Life Sciences, has been at the forefront of research into so-called 'legal highs'. Her research into the drug Benzofury, in particular, has attracted widespread media commentary and has contributed to changes in UK policy, namely the Psychoactive Substances Bill, which is currently under review in the House of Commons.



Strategic Report for the year ended 31 July 2015

University Responsibility

Outreach and widening participation

The University is committed to widening participation and ensuring fair access to higher education. With a strong history of attracting students from a wide range of social and cultural traditions, Roehampton continues to recruit large numbers of students from diverse backgrounds and under-represented groups and is committed to their success as evidenced by our excellent degree classifications and employment outcomes.

The University is committed to consistently out-performing the national average on a range of indicators:

- Ethnicity, state school attendance, percentage of students from socioeconomic groups 4, 5, 6 and 7
- Non-continuation rate
- Graduate employment rates

We are extremely proud of our success in these areas and work is being carried out continuously to enhance areas where improvements can be made.

For 2013/14 entrants:

- 94.7% of young, full-time first-degree entrants to Roehampton came from state schools and colleges, substantially above the national average of 89.7%
- The proportion of young, full-time first degree entrants from the NS socioeconomic groups classification 4, 5, 6 or 7 at Roehampton was 44.3%, substantially above our benchmark of 38.5%
- The University's recruitment and marketing activities have led to successes in recruiting students from black and minority ethnic (BME) students. Roehampton has more than twice the average proportion of BME students; 53.4% of students who declare their ethnicity are from BME backgrounds, compared to the national average of 20.9%
- 19% of full-time first-degree entrants were mature students, with the majority having no previous experience of higher education
- 48% of the undergraduate first-year intake qualified for a full maintenance grant (having a household income below £25k)

Outreach undertaken at Roehampton aims to be progressive and multi-interventional, allowing us to work in partnership with identified schools and colleges to tailor activities to meet age-specific needs. Roehampton has long been committed to working closely with schools and colleges to foster collaborations that engender good practice, and the provision of sound information, advice and guidance to potential university students. School and college partners have been identified as meeting a range of widening participation criteria including school attainment data, percentage of students receiving free school meals, and low-participation postcodes. Roehampton works with its partners on a variety of outreach activities which for the 2014/15 academic year, included taster workshop sessions, personal statement workshops, attendance at Higher Education fairs and the Roehampton Compact Scheme.

Strategic Report for the year ended 31 July 2015

The Roehampton Compact Scheme, currently in its third cycle, enables Roehampton to work collaboratively with a network of schools and colleges. As well as aiming to raise aspirations about university progression and promote Higher Education opportunities, the scheme supports students with the transition to Higher Education (HE) and through their orientation period. Targeted at Year 12 and Year 13 students, the scheme incorporates a variety of opportunities for partners and their students, designed to familiarise them with academic study at, and study skills for, HE level and to introduce them to general student life issues. Key to the success of these activities is sustained engagement, the provision of quality information and more personalised support. The aim is to aid the continuation of these students both at Roehampton and in HE more generally. *Liberate the Leader in You*, a key Year 12 Compact Scheme event, took place in March 2015 and aimed to empower participants by focusing on key leadership attributes such as self-confidence and decision-making, encouraging them to see the opportunities available to them after school or college and in particular to view university as a viable option.

Roehampton has also engaged in outreach activity outside of the school and college partnership network, including:

Summer University Experience Day held in July 2015

The day provided young people with the opportunity to experience taster sessions in a variety of subject areas as well as to learn more about student finance and funding and life outside the classroom.

Collaborative working with Higher Education Institutions (HEIs), schools and colleges

We continue to work collaboratively through our subscription membership of Aimhigher London South (AHLs). As part of the AHLs network collaboration with Linking London and AccessHE, Roehampton is supporting the enhanced provision of impartial information, advice and guidance across London, to close the gaps and improve the flow of information to schools. Currently, through this membership, we collaborate with a network of 10 other universities, 28 schools and three further education colleges. In 2014/15 Roehampton was involved in projects targeting care leavers and young people in care as well as parents who have limited or no experience of HE.

Cool to be Clever programme

In conjunction with Putney High School the *Cool to be Clever* programme was launched in July 2015. The programme targets approximately 50, Year 4 gifted and talented children from the Wandsworth primary schools who if they went to university would be the first in their family to do so. Year 4 children have been chosen as this age group (8-9) often sees a dip in attainment and it is also an age where aspirations can realistically be developed. The selected children will meet together termly for events at the University and Putney High School (PHS), covering topics such as life science, entrepreneurship, physics, creative writing and languages. Outside of the University sessions, Year 11 students from PHS provide mentoring support for the children, focusing on confidence building. The University-based sessions and mentor support will continue for the children throughout Year 4, 5 and 6. An annual celebration session for the children and their parents will be held at the University or PHS, with a graduation celebration at the end of the 3-year period. The aim, by the end of the 3-year project, is that the children's aspirations will have been cemented, parents will have confidence in university as a realistic option for their children, and the attainment levels of these children will have been raised.

Partnerships with the London Boroughs of Merton and Camden

These partnerships are developing and delivering sustained engagement programmes in the area of Creative Industries, to complement existing programmes relating to access to Oxbridge, medical schools and Russell Group institutions.

Strategic Report for the year ended 31 July 2015

Community engagement

In 2014/15 we have continued our outward and public-facing engagement with the local community and businesses, key projects include:

Working with businesses

- Wimbledon Bookfest** The University continues to be the exclusive Partner for Wimbledon Bookfest, one of the fastest growing literature festivals in the UK, which is held across Wimbledon every October. Approximately 10,000 people attend Bookfest events on Wimbledon Common and at venues in Merton, which feature not just literature, but also comedy, film and music. Under the agreement, the University brand is promoted heavily at the festival; our academic staff showcase their work at the festival through running or attending events, as well as through participation in the year-long Bookfest school engagement programme and the associated film programme, which culminates in an event at Wimbledon Curzon cinema. The festival also provides paid internship work for two English and Creative Writing students, as well as volunteering opportunities for many more.
- Unitemps** Unitemps offers temporary posts to our students and graduates. We have increased the number of local employers utilising the University's employment agency.
- Santander internships** Our Santander internships enable students to engage more formally with local business.
- Newsquest** The University provides financial support for the Wandsworth Guardian Young Supporters Scheme and provides paid interns for the newspaper.

Working with the local community

The University remains committed to serving the needs of the local community, contributing to the social and cultural life of the neighbourhood demonstrated through:

- Public lectures** The University has continued its annual Hopkins Lecture, organised annually in memory of the poet Gerard Manley Hopkins, who trained as a Jesuit priest at Manresa House (Parkstead). Previous Hopkins speakers have included Dr Rowan Williams, the former Archbishop of Canterbury, Sir Andrew Motion, the former poet laureate and Fiona Shaw, the actress.
- In May 2015, the annual University of Roehampton Ruskin Lecture at Whitelands College was given by author Sara Atwood, a specialist in the renowned Victorian critic and philanthropist John Ruskin's educational work.
- The University also continued to run a series of professorial lectures.
- Events and short courses** Academic departments regularly offer public lectures and specialist events. The Roehampton Dance Festival, for example, offers free classes each year during the festival period. The Psychology Department and the School of Education run extensive specialist professional

Strategic Report for the year ended 31 July 2015

development programmes and short courses.

Chaplaincy The University's Chaplaincy team hosts term-time lectures, religious festivals and annual interfaith celebrations on campus to which members of the local faith communities are invited. All these events are open to the local community.

Friday prayers for Muslims not only involve staff and students but also include patients from the local hospital.

We have an active engagement with the Methodist Circuit including worship, concerts and community activities.

The Anglican Chaplaincy links with the local Anglican Church in Roehampton for its Sunday services.

There were three chaplaincy lectures this year. The first, held at Whitelands College, was given by Kristen Aune on the subject of her recent book – "Christianity and the University Experience". The second was hosted by Digby Stuart College, where Professor Tina Beattie, from the Department of Humanities, spoke of her recent trip to the Vatican for the Synod on the family. Finally, a panel discussion on the poetry of Geoffrey Studdart-Kennedy was held at Southlands College, chaired by Rev Dr John Hall.

Student Volunteering The Roehampton Students' Union has undertaken a number of volunteering activities in the local area, including Make a Difference (MAD) projects in which our students help in local organisations. These include Thames River Challenge and WWT London Wetland Centre in Barnes.

The RSU in 2014/15 raised funds through their R.A.G. week for local charity Regenerate, in addition to national and international charities Crisis and Farm Africa. They have also supported Paradise Farm Cooperative in Wandsworth.

Staff

The University's commitment to its staff is reflected in the following on-going initiatives:

Interactions with staff representatives

Regular, independently chaired meetings are held between the University's management and the recognised trades unions (GMB and UCU) to discuss emerging staff issues. The trades unions are also represented on the University's Health & Safety and Equality & Diversity Committees.

Engagement with staff

The University engages with its staff in a wide variety of ways, such as having elected staff members to serve on both the University Council and Senate, as well as having the Vice-Chancellor attend departmental meetings and meet informally with small groups of new staff. Staff focus groups take place to help the University formulate strategy and we run departmental away days.

Dissemination of information and feedback on University business

This is supported through fortnightly newsletters, ad hoc all-staff emails and regular departmental committees and team meetings.

Strategic Report for the year ended 31 July 2015

Development and training activities

An appropriate mix of development and training activities for academic, professional and support staff further reflects the University's investment in its staff. These include: informal development opportunities, for example mentoring or peer observation of academic colleagues; participation in academic conferences; work shadowing; and attending formal training courses to support education and to maintain professional knowledge and expertise.

Staff wellbeing

As well as providing a range of rewards and benefits in addition to salary, including access to a defined benefits pension scheme, the University subscribes to an Employee Assistance Programme with lifestyle support which provides staff with access to free and confidential advice on a wide range of personal matters including legal, financial, family, and health and wellbeing. We have reviewed the Harassment & Bullying Policy and re-titled it as the Dignity at Work Policy which covers issues such as bullying and harassment at work, and updated the Flexible Working and Shared Parental Leave policies in line with changes in legislation.

A nationally developed pay and reward scheme

The University's main pay and reward scheme was developed nationally in conjunction with the trades unions and in line with the 2003 National Framework Agreement on pay equality. It is an incremental pay system supported by a factor-based job evaluation scheme. The University is committed to recognising high performance through its annual Academic Promotions Round and Professorial and Senior Staff Salary Reviews. Salary costs currently equate to 56.1% of the University's income, decreasing by 2.3% from 2013/14. Staff costs are still above the sector average of 52.6% (2013/14). In order to manage these costs effectively, the University has implemented rigorous procedures for managing the staffing establishment. Changes to the establishment and the filling of vacancies are reviewed by a senior management committee and require sign-off from the Deputy Vice-Chancellor as Chair.

Environmental sustainability

The University continues to work to meet its 2025 goal of 'creating a campus environment that is a stimulating and inspiring place in which to study, work and live, and which is environmentally sustainable'. Last year we worked closely with the Students' Union and staff members on initiatives which engaged students in work to raise awareness and improve knowledge of environment and sustainability issues across campus. Through a series of competitions and events, Student Switch Off engaged students in University residences to promote energy saving and recycling. During the campaign 29 students trained as Student Switch Off Ambassadors, over 700 photos were submitted in our competitions and over 500 students took part in the Climate Change Quiz (Digby Stuart and Southlands were in the top four colleges nationwide for quiz participation). The format of Green Impact was revised for 2014/15, with the team working directly with a newly appointed Green Impact Intern to increase environmental awareness. These projects will be developed with the continued engagement of the National Union of Students and the Roehampton Students' Union.

Growhampton continues to be a huge success across campus. The campus food-growing areas and The Hive in Digby Stuart College Square continue to be popular with staff and students. Following a successful crowd-funding campaign, development to double the capacity of The Hive has been completed and it continues to be a hub for sustainability.

Strategic Report for the year ended 31 July 2015

Significant steps have been made to reduce the University's energy consumption and its carbon footprint this year:

- Energy efficiency** Moving to new flexible gas and electricity contracts from September 2015 to benefit from lower wholesale prices when available.
- Installation of new LED lighting at Aspen, Willow and Linden halls of residence.
- Replacement of inefficient lighting with high-performance LED lighting at Digby Stuart, Southlands and Whitelands campuses.
- Replacement of inefficient air-conditioning systems at Froebel and Digby Stuart colleges with new, more efficient systems.
- Insulation of heating pipework in a number of buildings and plant rooms across the estate.

- Recycling clothing** Implementing a campaign with the RSU to collect and direct unwanted student possessions to the British Heart Foundation (BHF) through their *Bag It, Beat It* banner. We are awaiting the records of the weights of material collected and re-used but it was a huge improvement on the previous year. The BHF have good marketing and support for the scheme and using this we were able to reduce the waste removal costs for the University.

Transportation has been an area of innovation within the University and recent action includes:

- A comprehensive travel plan** The continued implementation of the University's first comprehensive Travel Plan, which covers a 5-year period and seeks to encourage the use of more sustainable transport in order to reduce the environmental impacts associated with staff, student and visitor travel, supported by the University's Travel Options Guide.
- Bicycle User Group and support for bike repairs** Our Bicycle User Group now has nearly 150 staff and student members. Kingston Eco-Op attend Market days during term time selling refurbished bicycles and offering a bicycle repair service for staff and students.
- Additional bike stands** New student residences at Chadwick Hall included 22 bike stands. Further cycle storage facilities will be provided in the new Digby Stuart accommodation project.

Finally, our Environmental Champions are actively promoting local environmental awareness and good practices. Eleven more Environmental Champions were trained in November 2014, most achieving the Chartered Institute of Environmental Health's Certificate in Environmental Principles and Best Practice. The network of over 50 trained staff and student Champions will be reviewed in 2015/16 to support their work to raise environmental awareness and improve environmental performance in their departments.

Strategic Report for the year ended 31 July 2015

Equality and diversity

The promotion of equality, diversity, mutual respect and understanding are part of the University's core values, and its commitment to implementing these values is evidenced in its day-to-day operations and is set out in its Strategic Plan 2014/2019.

The Equality and Diversity Committee (EDC) is responsible for the development of the University's equality and diversity strategy and for ensuring that the University has appropriate policies and procedures in place to meet its legal obligations. Over the last year, EDC, together with other stakeholders across the University, pursued a range of equality and diversity initiatives and activities including:

Publication of the Annual Equality Report and progression of Equality Objectives

EDC published the University's Annual Report which demonstrates how the University is meeting the aims of the Equality Duty and how it is progressing its Equality Objectives. The Equalities Review Working Group (an EDC subcommittee) progressed an action plan to support the implementation of the Equality Objectives. The report and objectives are available via: <http://www.roehampton.ac.uk/Corporate-Information/Diversity-and-Equal-Opportunities/>

Review and revision of policies and procedures

The Harassment & Bullying Policy and Procedures for Staff and Students was revised by EDC in consultation with key stakeholders and has been renamed the Dignity and Respect Policy. It sets out the University's position on harassment, bullying, victimisation and other related conduct prohibited under the Equality Act 2010. It also sets out procedures for dealing with issues relating to such conduct and enjoins all staff and students of the University to take personal responsibility to ensure that the dignity of staff and students is respected in working and learning environments whether on the University's premises, at external work and study related events, or in the virtual world.

Provision of equality and diversity training and equality awareness-raising

Equality training for all members of staff is mandatory. A number of training events were offered in 2014 including workshops on: diversity, dignity and respect; mental health awareness; intercultural awareness; working with students with a disability; and understanding and supporting students with dyslexia. The Students' Union also held awareness events including: the celebration of Lesbian, Gay, Bisexual and Transgender Week; Love Your Body, Love Your Mind (which considered mental health); and Don't Diss My Ability (which raised disability awareness).

Advancement of equality through student support and outreach

The University's Disability and Dyslexia Service (DDS) provides support and advice to students with specific learning difficulties and disabilities to enable them to successfully complete their programmes of studies. Support offered includes: one-to-one appointments and drop in sessions; assistance in applying for funding and accessing equipment; note-taking services, campus and library support, mentoring and specialist tuition; screening and diagnostic assessment; and digitisation services. Specialist staff advise on reasonable adjustments and support colleagues to implement these effectively. DDS also provides awareness training and works collaboratively to support inclusion of disabled students in all aspects of University life.

The University's Learning, Teaching & Quality Committee is considering how best to support students with disabilities and learning difficulties following the announcement of changes to the Disabled Students' Allowance.

Recent research by the Learning and Teaching team at Roehampton on the achievement of black and minority ethnic students informed the externally-accredited higher education teaching training that is available to all staff – and which all new staff without a HE qualification have to attend.

Strategic Report for the year ended 31 July 2015

The University continued to deliver targeted outreach activities designed to raise levels of attainment, aspiration and applications among under-represented groups. It also provided a range of bursaries and scholarships to help students from these groups to benefit from a Roehampton degree, offering financial support of up to £1,300 per year.

The University has two members of staff dedicated to equality and diversity issues. The University continues to encourage applications from groups under-represented within the University and to hold a Disability Symbol award. The University guarantees an interview to all job applicants declaring a disability who meet the selection criteria. The University has gained membership of Athena Swan, demonstrating its commitment to advancing womens' academic careers in STEMM (Science, Technology, Engineering, Mathematics and Medicine).

The University is working to ensure that recent legislative changes in parental leave and other family-related rights legislation are reflected in its policies and practices and continues to work with staff and other stakeholders to facilitate a good work-life balance for its employees.

We continue to undertake equality monitoring to highlight any inequalities, investigate their underlying causes and identify actions that can be taken to remove any unfairness or disadvantage. During the last year, the University also commenced use of an eRecruitment system which captures data on protected characteristics. It is anticipated that this will facilitate greater understanding, analysis and monitoring of the University's workforce. The University continues to benchmark against approximately 80 other higher education institutions through the DLA Workforce Performance Indicators Questionnaire submitted annually.

Financial Review

Strategy for sustainability

The primary purpose of the University's Financial Strategy is to ensure that the University remains financially viable and that long-term success and sustainability are achieved in line with the 2025 goals. The current Financial Strategy contains a number of targets to be achieved within the life of the strategy; one of these targets is net liquidity of 100 days. As a result of the loan drawdown being in advance of the capital expenditure net liquidity days as at 31 July 2015 stood at 155 days.

The progress against all targets in the University's Financial Strategy are provided in the table below:

Indicator	Measure	July 2014	July 2015
Staffing	Total income as % of staff costs	171%	178%
Liquidity	Net liquidity days	91	155
Historical cost surplus or deficit	Historical cost surplus or deficit	0.4%	2.0%
Net cash flow from operating activities	Ratio of total net cash inflow from operating activities to total income	5.4%	10.0%
Discretionary reserves	Reserves	£29.5m	£32.6m
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	EBITDA as % of turnover	4.6%	8.1%

The University achieved a consolidated surplus for 2014/15 of £1.761m. This compares to a surplus of £0.353m in the previous financial year.

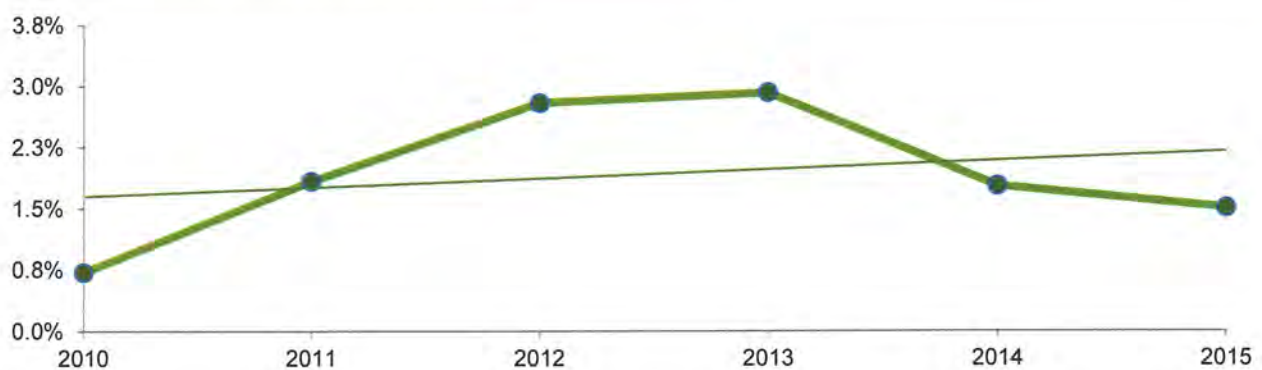
Surplus as a percentage of income for the past five years is illustrated in the table below:

Strategic Report for the year ended 31 July 2015

Financial Year to 31 July	2011	2012	2013	2014	2015
Surplus as % of Income	3.7%	3.0%	2.1%	0.4%	2.0%

A key financial indicator (KFI) in the University's Financial Strategy is the aggregate surplus for the past 3 years as a percentage of income. This KFI is calculated by taking the sum of the surplus for the past 3 years and dividing this by the sum of total income for the same period, and is illustrated in the chart below.

Aggregate Surplus	2011	2012	2013	2014	2015
Aggregate surplus for past 3 years as % of income	1.8%	2.8%	2.9%	1.8%	1.5%



The income for 2014/15 increased by £6.8m (8.2%) to £89.6m. Tuition fee income increased by £10.5m (20.9%) and income from Funding Council grants reduced by £5.5m (36.0%). These large variances are due to national changes in the funding regime which took effect from September 2012. These changes resulted in the removal of HEFCE teaching funding from a large majority of the University's undergraduate courses. Income from Home/EU undergraduates rose by £8.3m (27.6%) from £30.1m to £38.4m. 2014/15 was the first year where all Home/EU undergraduates were on the new regime. As well as this there was also an increase in the 2014/15 student intake. In contrast, income from postgraduate taught students fell by £0.3m (3.9%) to £7.6m. This reduction is due to a lower number of places available on the Postgraduate Certificate in Education (PGCE) programmes, and the continued Government focus on the School Direct route into teacher training.

Income from research grants and contracts was £0.4m (42.6%) higher than the previous year. The rise was a result of new research projects beginning during the year.

Other Operating Income increased by £1.3m (8.2%), due mainly to the additional student accommodation that the University leased in the year and an increase in conferencing activities.

Staff costs of £50.2m represent the most significant item of expenditure. Total staff costs increased by £1.8m. This figure also includes pension scheme adjustment costs (FRS17) of £0.807m and restructuring costs of £0.496m. The cost of living increase in 2014/15 comprised a 2% increase on basic pay and an average increment increase of 2.97% received by 344 members of staff.

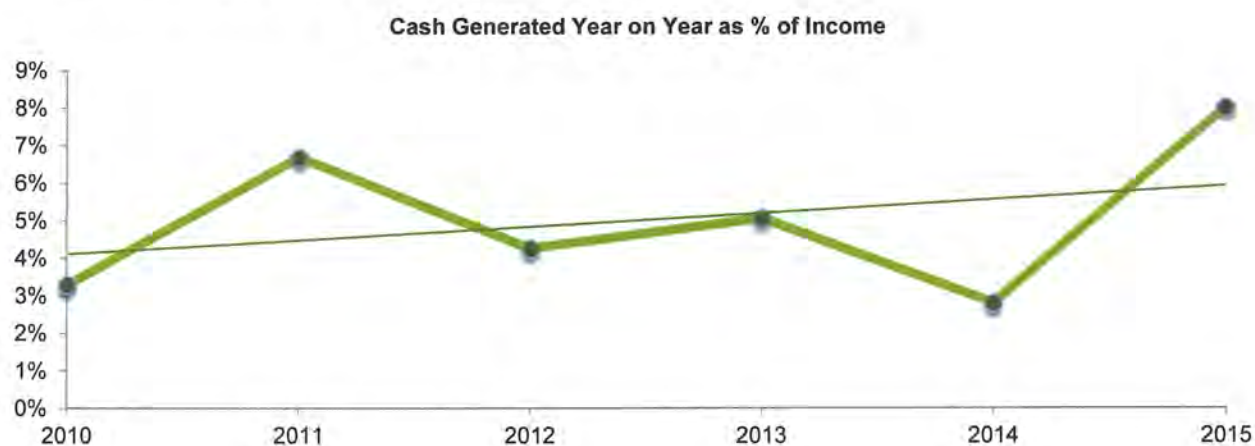
In 2014/15 Other Operating Expenses increased by £2.3m. The increase in expenditure resulted from the cost of additional leased accommodation acquired in the year and essential compliance work on buildings taking place a year earlier than initially planned. Interest Payable has increased by £1.1m which reflects the additional loan funding received in 2014/15. The FRS17 interest adjustment reduced by £0.142m compared to 2013/14.

Strategic Report for the year ended 31 July 2015

Balance sheet

Cash generated is a useful measure of the financial headroom the institution is creating from its operations. It is calculated as historical surplus + pension financing costs + depreciation – capital grants released. Cash generated as a percentage of income was higher in 2014/15 as a result of the increased surplus.

Cash generated over the past six years is illustrated in the chart below:



Tangible fixed assets total £131.6m. Assets in the course of construction (£26.5m) included Chadwick Hall student accommodation and the Digby Stuart accommodation.

The increases in Pension fund liability by £8.3m to £35.5m is a result of a combination of factors, including lower return on the scheme assets, changes in the life expectancy assumptions, and a fall in the discount rate (from 4.3% at 31 July 2014 to 3.8% at 31 July 2015).

Investments

The University uses predominantly a cash management service to manage its treasury activity. All surplus funds are invested for a maximum period to improve return. In May 2015 the University agreed an investment policy to ensure that funds are invested to maximise return, minimise risk and ethically; this policy is regularly reviewed. In order to promote best practice the University has formed an Investment Subcommittee to be responsible for monitoring and assessing all University investments. The Dove Bowerman and the Gerhard Weiler endowment funds are invested directly with investment fund companies; these funds had a value as at 31 July 2015 of £286,000 and £59,000 respectively.

Post balance sheet events

Post balance sheet events may have a significant effect on the values shown in the accounts, and occur after the balance sheet date but prior to the date on which the accounts are approved by Council. The Council has no post balance sheet events to report.

Approved by and signed on behalf of the Council

Nicholas Brookes

Director of the University and Chair of Finance and Estates Committee

Statement of Public Benefit for the year ended 31 July 2015

Roehampton University is an exempt charity under the terms of the Charities Act 2011. In preparing this statement of public benefit, the governors as Trustees of the University have had regard to the Charity Commission's guidance on the reporting of public benefit and its supplementary public benefit guidance on the advancement of education.

Object, vision and values

The University's object, vision and values reflect the institution's commitment to public benefit. The object is set out in Article 3.1 which provides that:

The object of the University shall be the establishment, conduct and development of a university for the advancement of higher and further education and as an institution for teaching and research.

Our vision is that we are committed to ensuring that all of our students, regardless of their background, fulfil their potential. They become the kind of graduate that employers value: a confident, critical thinker; adaptable, able to work well with people from all walks of life and with an ongoing passion for learning.

The institution's core values are embedded within the University's Strategic Plan which illustrates clearly the University's commitment to public benefit:

- We provide a personal learning experience, helping our students grow as individuals and become responsible citizens and leaders.
- We are focused on creating new knowledge and ideas that help us to understand our world and make it a better place.
- Our Student Partnership offers our students a say in how we run the University. We provide a wide range of opportunities for them to get involved, through volunteering, playing sport, music, or joining one of our many active student societies.
- We have a proud history stretching back 175 years through our four Colleges. Our history informs our ethos, built on community and partnership.

As outlined in our Strategic Report, the University is focused on working with our students, staff and the local community to achieve our vision.

Members of Council Report for the year ended 31 July 2015

Committee Membership

Members of Council present this report and the financial statements for the year ended 31 July 2015. The names of the current members of Council are listed below. All held office throughout the year unless otherwise indicated.

Members of Council and Directors	Sir David Bell – Chair Dr Susan Acheson (until 8 April 2015) Robert Alexander Nicholas Brookes – Vice-Chair John Constantine Janet Cooper Dr Ann David (from 16 March 2015) Roger Dawe CB, OBE Rev David Deeks Clare Delmar Noel Flannery Siobhan Kelly (<i>ex officio</i>) Terence Knight (until 1 May 2015) David Lochtie Stephen Ludlow Rev James McKinney Mark Neale CB Brian Newey Professor Laura Peters Professor Paul O'Prey (<i>ex officio</i>)	Employment Committee	Rev David Deeks – Chair Janet Cooper Janet Day Stuart Hannan (until 30 April 2015) Siobhan Kelly (<i>ex officio</i>) Brian Newey Professor Paul O'Prey (<i>ex officio</i>)
		Audit Committee	Noel Flannery – Chair John Constantine Roger Dawe CB, OBE Elaine Hutton Brian Newey Jeffery Onions QC
		Remuneration Committee	Sir David Bell – Chair (<i>ex officio</i>) Nicholas Brookes Janet Cooper Rev David Deeks Professor Paul O'Prey (<i>ex officio</i>)
Company Secretary and Clerk to the Council	Laurence Benson (until 18 May 2015) Andrew Skinner (from 18 May 2015)	Health & Safety Committee	John Constantine (Chair) Dr Ghazwa Alwani-Starr (<i>ex officio</i>) Laurence Benson (until 18 May 2015) Reggie Blennerhassett (<i>ex officio</i>) Jackie Brown (<i>ex officio</i>) Dr Patrick Brady (UCU) Simon Dorman (<i>ex officio</i>) Dr Stephen Driver (<i>ex officio</i>) (from 1 September 2015) Dr Mark Garner (<i>ex officio</i>) Irene Gerlach (GMB) Siobhan Kelly (<i>ex officio</i>) David Lochtie Paul MacCourt (<i>ex officio</i>) Professor Ann MacLarnon (<i>ex officio</i>) (from 1 September 2015) John Payne (<i>ex officio</i>) Dr Christopher Stephens (<i>ex officio</i>)
Estates Committee*	Terence Knight – Chair (until 1 May 2015) Mark Allen Nicholas Brookes Professor Lynn Dobbs (<i>ex officio</i>) Robert Erskine Siobhan Kelly Stephen Ludlow Professor Paul O'Prey (<i>ex officio</i>)	Nominations & Governance Committee	Sir David Bell – Chair (<i>ex officio</i>) Reggie Blennerhassett Nicholas Brookes Siobhan Kelly (<i>ex officio</i>) Terry Knight (until 1 May 2015) Professor Paul O'Prey (<i>ex officio</i>)
Finance & General Purposes Committee*	Nicholas Brookes – Chair Robert Alexander Clare Delmar Paul Fothergill Dennis Hone CBE Siobhan Kelly (<i>ex officio</i>) Terry Knight (until 1 May 15) Stephen Ludlow (from 2 May 2015) Professor Paul O'Prey (<i>ex officio</i>) Mark Neale CB		

*With effect from 30 September 2015, these two committees merged to form the Finance & Estates Committee when Mark Allen and Robert Erskine joined.

Members of Council Report for the year ended 31 July 2015

Corporate Governance

Legal status

Roehampton University was incorporated as a Company Limited by Guarantee on 23 June 2004 and commenced trading on 1 August 2004. The University is an exempt charity for the purposes of the Charities Act 2011. In 2011 the University adopted the trading name University of Roehampton. The University's legal name remains Roehampton University.

The University is composed of four constituent Colleges, Froebel, Digby Stuart, Southlands and Whitelands, each of which has a Providing Body that owns the land on which the respective College is located. The University has long-term leases and associated management agreements with Froebel, Digby Stuart and Southlands Colleges. The University's relationship with Whitelands College is governed by a 2012 Deed of Adherence which sets out the terms on which the College is and shall continue to be a part of the University, and by a 2012 seven-year rolling Licence and Management Agreement which sets out the terms on which the University occupies and manages the College's buildings.

Statement of Corporate Governance

The University is committed to exhibiting best practice in all aspects of corporate governance. In 2011 the University engaged Dr Geoffrey Copland, former Vice-Chancellor of the University of Westminster, to carry out an independent effectiveness review of its governance processes and has now implemented the review's recommendations, which included streamlining and modernising its Articles of Association, with new Articles implemented in 2013.

The Committee of University Chairs (CUC) published a revised HE Code of Governance (the "new Code") to replace the 2009 Governance Code of Practice and General Principles of Governance. The new HE Code comprises a series of seven primary elements supported by: "must" statements prescribing essential components within each element; "should" statements that illustrate activities that would normally achieve the "must" statements; and "could" statements outlining examples of positive governance practices.

The new Code states that reporting on the adoption of the Code is a valuable source of assurance to stakeholders who need to have confidence in the governance arrangements of organisations within the sector. It further states that the primary elements are the hallmarks of effective governing bodies operating in the UK HE sector and 'apply or explain' means that in order to report that an institution has applied the Code a governing body needs to:

- be confident that it has in place all of the primary elements. In order to do so it will be necessary for a governing body to meet or exceed the requirements of the supporting 'must' statements that prescribe essential components within the element; or
- explain where it considers a whole primary element or supporting 'must' statements inappropriate. In such cases the rationale should be clearly noted and the alternative arrangements summarised.

The Nominations & Governance Committee undertook a review of the University's compliance with the new Code, including liaison with the Audit Committee and reporting to Council. The Committee found that the University's governance structures are already largely in line with the good practice outlined by the new Code but that there are a number of practices to be improved in order to achieve full compliance with all of the "must" statements. The areas for improvement were confirmed in the Internal Audit Governance Review and the recommendations are set out below.

Members of Council Report for the year ended 31 July 2015

Internal Audit Governance Review

The objectives of the Review were to evaluate and review the effectiveness and robustness of the current governance structures and management arrangements; and determine whether they meet minimum standards and best practice within the CUC guidelines and HE sector norms.

The Report on the Internal Audit Governance Review found adequate and effective University governance arrangements overall and highlighted areas of good practice and areas where improvements could be made.

The areas of good practice are: provision of management information; efficiency of Council's committee structure; and effective support for Council members provided by the University Secretariat.

The areas where improvement can be made are: Council's involvement in academic governance; induction and training for Council members; and diversity of Council and Committee membership.

The University has an action plan to address these recommendations during the 2015-16 academic year in order to improve its governance processes and achieve full compliance with the new Code.

The University is due for its quinquennial HEFCE Assurance Review in January 2016, which will also report on compliance with the new Code. The University expects to be fully compliant by the end of the academic year and will report accordingly in the next Annual Report.

Statement of responsibilities of Members of Council

The members of the Council, who are also the directors of the University for the purposes of company law are responsible for preparing the strategic report, the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the members of the Council to prepare financial statements for each financial year. Under that law the members of the Council have elected to prepare the group and University financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the members of the Council must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the University and of the surplus of income over expenditure of the group and University for that period.

In preparing these financial statements, the members of the Council are required to:

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

The members of the Council are also required to give a report in the financial statements which includes the legal and administrative status of the University. The members of the Council are responsible for keeping adequate accounting records that are sufficient to show and explain the University's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the

Members of Council Report for the year ended 31 July 2015

Companies Act 2006, its Articles of Association, the Accounts Direction as issued by the Higher Education Funding Council for England (HEFCE) and the Statement of Recommended Practice: Accounting for Further and Higher Education. They are also responsible for safeguarding the assets of the University and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Council are responsible for ensuring that the funds from HEFCE and the National College for Teaching and Leadership (NCTL) are used only in accordance with the Memorandum of Assurance and Accountability with the Higher Education Funding Council for England and any other conditions that the Funding Council may prescribe from time to time. Members of the Council must ensure there are appropriate financial and management controls in place in order to safeguard public and other funds and to ensure they are used properly. In addition, members of the Council are responsible for securing economical, efficient and effective management of the University's resources and expenditure, so that the benefits that should be derived from the application of public funds by the Funding Council are not put at risk.

Financial statements are published on the University's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the University's website is the responsibility of the members of the Council. The members of the Council's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Disclosure of information to Auditors

At the date of making this report, Council confirms that:

- So far as each Member of Council is aware, there is no relevant information needed by the University's auditors in connection with preparing their report of which the University's auditors are unaware
- Each Member of Council has taken all the steps that he/she ought to have taken as a Member of Council in order to make himself/herself aware of any relevant information needed by the University's auditors in connection with preparing their report and to establish that the University's auditors are aware of that information

Statement of the University's Structure of Corporate Governance

The University's governing body is the Council. The Council determines the ongoing strategic direction of the University. It approves major developments and is provided with regular and timely information on the overall financial performance of the University together with other information such as performance against funding targets, proposed capital expenditure, risk management, legal compliance, quality assurance, and personnel-related and Health & Safety matters.

The Council is composed of up to 20 members:

- Up to 15 independent members, one of whom shall normally have experience of working at a senior level in higher education, and eight of whom are nominated by the College Providing Bodies or equivalent
- An elected representative of academic staff
- An elected representative of academic support staff
- One member nominated by the University Senate
- The Vice-Chancellor
- The President of the Students' Union

Members of Council Report for the year ended 31 July 2015

Appointments to Council are a matter for the Council as a whole to determine. There is a majority of independent members on the Council. Members of Council are appointed for a term of office not exceeding three years and are eligible to serve two consecutive three-year terms. Exceptionally, Independent Council members may serve a third and final two-year term.

Council normally meets four times each year. It has six standing committees: Audit Committee, Employment Committee, Finance & Estates Committee, Health & Safety Committee, Nominations & Governance Committee, and Remuneration Committee. Council committees are formally constituted with terms of reference and composition set out in the University Regulations. All committees include lay members of Council and most committees also include external members with expertise in the committee's subject area. In addition, the Joint Honorary Awards Committee is a joint committee of Council and Senate.

The Audit Committee oversees an ongoing programme for reviewing the effectiveness of the University's system of internal control. It is responsible for meeting with the internal and external auditors, and reviews and discusses reports issued. The auditors have access to the Committee for independent discussion. The Committee also receives and considers reports to and from HEFCE as they affect the University's business, and monitors adherence to relevant regulatory requirements.

The Employment Committee sets the pay and conditions of staff, save where these are covered by the Remuneration Committee or associated employment policies, and monitors Health & Safety compliance in relation to employment matters.

From 30 September 2015 the Estates Committee and Finance & General Purposes Committee merged to form the Finance & Estates Committee which will oversee the remits of both previous committees. The Committee oversees the management and development of University property, in conjunction with the Providing Bodies of the constituent Colleges and on behalf of the University in accordance with the University's Strategic Plan and Campus Strategy. It also recommends to Council the University's annual revenue and capital budgets and receives updated forecasts during the course of the year. It also monitors investment and financing relating to capital developments.

The Health & Safety Committee has responsibility for ensuring the University's compliance with health and safety legislation, and for overseeing the management of health and safety in conjunction with the University's local health and safety committees.

The Joint Honorary Awards Committee considers and recommends candidates for the award of the Honorary Degrees and Fellowships of the University.

The Nominations & Governance Committee advises Council on the discharge of its responsibilities in relation to appointments to Council and to its standing committees, and is also responsible for reviewing the effectiveness of governance and for ensuring an appropriate balance of skills, experience and knowledge on Council and its Committees. The Committee has authority to make appointments to Council committees but the appointment of Members of Council and of Chairs of all Council committees is the responsibility of Council.

The Remuneration Committee determines the remuneration and benefits of senior post-holders and the Vice-Chancellor, save for the initial terms and conditions for the Vice-Chancellor, which are established by Council. The Vice-Chancellor is not present at Committee meetings when his remuneration is discussed.

In addition, the Clerk to the Council is responsible to the Council for ensuring that all applicable procedures and regulations are complied with, and maintains a register of financial and personal interests of the Members of Council. All members of Committees of Council are able to take independent professional advice in furtherance of their duties at the University's expense and have access to the Clerk to the Council.

Members of Council Report for the year ended 31 July 2015

Internal Control

As the governing body of the University, the Council is ultimately responsible for the University's system of internal control and for reviewing its effectiveness in the achievement of its policies, aims and objectives.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives. It can therefore provide reasonable but not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of University policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The Council has delegated to the Vice-Chancellor the day-to-day responsibility for maintaining a sound system of internal control that supports the achievement of the University's policies, aims and objectives, whilst safeguarding the public funds and assets for which he is personally responsible, in accordance with the responsibilities assigned to him in the Memorandum of Assurance and Accountability between the University and HEFCE. He is also responsible for reporting to Council any material weaknesses or breakdowns in internal control.

The University has a Risk Management Policy which was revised in 2015. The Council's role as defined under this policy is to:

- Set the tone and influence the culture of risk management within the University, including setting the standards and expectations of staff with respect to conduct and probity
- Approve major decisions affecting the University's risk profile or exposure
- Monitor the management of high-level risks
- Satisfy itself that the less high-level risks are being actively managed, with the appropriate controls in place and working effectively
- Annually review the University's approach to risk management and approve changes or improvements to key elements of its processes and procedures

The Council has reviewed the key risks to which the University is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Council is of the view that there is a formal ongoing process for identifying, evaluating and managing the University's high-level risks that has been in place for the period ended 31 July 2015 and up to the date of approval of the Annual Report and Financial Statements. This process is regularly reviewed by Council.

The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- Comprehensive budgeting systems with an annual budget which is reviewed and agreed by Council
- Regular reviews by Council of periodic and annual financial reports which indicate financial performance against forecasts
- Setting targets to measure financial and other performance
- Clearly defined investment appraisal guidelines
- The adoption of formal project management disciplines where appropriate

Members of Council Report for the year ended 31 July 2015

The University has appointed an internal audit service which operates in accordance with the requirements set out in the HEFCE Audit Code of Practice. The work of the internal audit service is informed by an analysis of the risks to which the University is exposed, and annual internal audit plans are based on this analysis. The analysis of risks is endorsed by the Council on the recommendation of the Audit Committee, and Audit Committee agrees an appropriate internal audit plan. Annually, the appointed Internal Auditor, Kingston City Group (KCG), provides Council with a report on internal audit activity in the University. The report includes KCG's independent opinion on the adequacy and effectiveness of the University's system of risk management, controls and governance and value for money processes. The internal audit plan includes an annual opinion on governance informed by the programme of work.

As the Accountable Officer, the Vice-Chancellor has responsibility for reviewing the effectiveness of the system of internal control. His review of the effectiveness of the system of internal control is informed by:

- The work of the internal auditors
- The work of the Executive Officers within the University who have responsibility for the development and maintenance of the internal control framework
- Comments made by the University's external auditors and the Funding Council auditors in their management letters and other reports

The Vice-Chancellor has been advised on the effectiveness of the system of internal control by the Audit Committee which oversees the work of the internal auditors. A plan to address weaknesses and ensure continuous improvement of the system is in place.

The Senior Management team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms which are embedded within the University's academic and administrative departments. The Senior Management team and the Audit Committee also receive regular reports from internal audit, which include recommendations for improvement. The Audit Committee's role in this area consists of a high-level review of the arrangements for internal control. The Council regularly considers risk and control and receives reports thereon from the Senior Management team and the Audit Committee.

The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its November 2015 meeting, the Council carried out the annual assessment of risk for the year ended 31 July 2015 by considering reports from the Senior Management team, internal audit and Audit Committee and taking account of events since 31 July 2015.

The report from internal audit considered the mechanisms by which the risk management framework and related processes, internal controls, assurance and performance management tools inter-relate with value for money and, together, combine to provide the Council with the necessary assurance to enable the University to make the disclosures required within the statement of internal control. It concluded that the University, overall, has an appropriate framework for delivering assurance to the governing body on key aspects of governance, risk management and internal control. The report concluded that assurance can be given of the adequacy of the control environment and that substantial assurance can be given of the effectiveness of the University's overall assurance and risk management arrangements.

Approved by and signed on behalf of the Council


Nicholas Brookes

Director of the University and Chair of Finance and Estates Committee

Independent Auditors' Report to Members of Council for the year ended 31 July 2015

We have audited the financial statements of Roehampton University for the year ended 31 July 2015 which comprise the Consolidated Income and Expenditure Account, Consolidated Statement of Total Recognised Gains and Losses, the Balance Sheets for the Group and the University, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the University's Council Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 124B of the Education Reform Act 1988. Our audit work has been undertaken so that we might state to the Council Members those matters we are required to state to them in an auditor's 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 University and the Council Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the University's Governing Body and Auditors

As explained more fully in the statement of responsibilities of the University's Council, the Members of Council (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, regulatory requirements and International Standards on Auditing (UK and Ireland) and the Audit Code of Practice issued by the Higher Education Funding Council for England. Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

In addition, we also report to you whether income from funding bodies, grants and income for specific purposes and from other restricted funds administered by the University have been properly applied only for the purposes for which they were received and whether income has been applied in accordance with the Statutes and, where appropriate, with the Memorandum of Assurance and Accountability with the Higher Education Funding Council for England.

Opinion on the financial statements

In our opinion, the financial statements:

- Give a true and fair view of the state of the Group's and the University's affairs as at 31 July 2015 and of the Group's income and expenditure, recognised gains and losses and statement of cash flow for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Education Reform Act 1988 and the Statement of Recommended Practice: "Accounting for Further and Higher Education Institutions"

Opinion on other matters required by the Higher Education Funding Council for England Audit Code of Practice

In our opinion, in all material respects:

- Funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and, if relevant, managed in accordance with relevant legislation

Independent Auditors' Report to Members of Council for the year ended 31 July 2015

- Funds provided by HEFCE have been applied in accordance with the Memorandum of Assurance and Accountability and any other terms and conditions attached to them
- The requirements of HEFCE's Accounts Direction have been met

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Members of Council including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- The parent University has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent University financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Council Members' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit



James Aston, Senior Statutory Auditor

For and on behalf of BDO LLP, Statutory Auditor
Gatwick
United Kingdom

Date: 25 November 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated Income and Expenditure Account for year ended 31 July 2015

	Notes	2015 £'000	2014 £'000
Income			
Funding Council grants	1	9,755	15,234
Academic fees and support grants	2	60,953	50,433
Research grants and contracts	3	1,494	1,048
Other operating income	4	17,247	15,937
Interest receivable and endowment income	5	107	109
Total income		89,556	82,761
Expenditure			
Staff costs	6	50,242	48,374
Depreciation / amortisation	7,9,10	3,439	3,147
Other operating expenses	7	31,590	29,256
Interest payable	8	2,609	1,656
Total expenditure		87,880	82,433
Surplus on continuing operations after depreciation of assets, disposal of assets and tax		1,676	328
Transfer from accumulated income within expendable endowments		85	25
Surplus for the year retained within general reserves	19	1,761	353

The income and expenditure of the University relates wholly to continuing operations.

Depreciation of assets is undertaken on an historical cost basis; no separate statement of historical cost surpluses and deficits is shown as it would be no different to the Income and Expenditure Account values.

Consolidated Statement of Total Recognised Gains and Losses for the year ended 31 July 2015

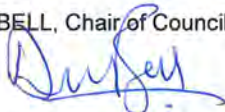
	2015 £'000	2014 £'000
Surplus on continuing operations after depreciation of assets, disposal of assets and tax	1,676	328
Appreciation of endowment asset investments	23	4
Actuarial (losses) in respect of pension scheme	(7,038)	(8,200)
Total recognised (losses) relating to the year	(5,339)	(7,868)
Total recognised (losses) since last Annual Report	(5,339)	(7,868)
Reconciliation		
Opening reserves and endowments	2,124	9,992
Total recognised (losses) for the year	(5,339)	(7,868)
Closing reserves and endowments	(3,215)	2,124

Balance Sheets as at 31 July 2015

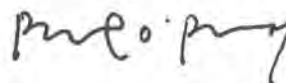
	Notes	Group 2015 £'000	Group 2014 £'000	University 2015 £'000	University 2014 £'000
Fixed assets					
Tangible assets	9	131,626	114,666	131,626	114,666
Intangible assets		-	-	-	-
Goodwill	10	95	104	95	104
Negative goodwill	10	(61,657)	(63,288)	(61,657)	(63,288)
Investments	11	-	-	2,129	129
		70,064	51,482	72,193	51,611
Endowment assets	12	642	704	642	704
Current assets					
Stocks and stores in hand		128	120	128	120
Debtors due within one year	13	5,488	2,790	5,401	3,375
Cash at bank and in hand		35,911	19,760	33,076	18,899
		41,527	22,670	38,605	22,394
Current liabilities					
Current liabilities within one year	14	(14,825)	(9,868)	(14,045)	(9,734)
Net current assets		26,702	12,802	24,560	12,660
Total assets less current liabilities		97,408	64,988	97,395	64,975
Creditors: Amounts falling due after one year	15	(54,983)	(25,305)	(54,983)	(25,305)
Provisions for liabilities and charges	16	(2,017)	(2,034)	(2,017)	(2,035)
Net assets excluding pension liability		40,408	37,649	40,395	37,635
Net pension liability	25	(35,521)	(27,139)	(35,521)	(27,139)
Net assets including pension liability		4,887	10,510	4,874	10,496
Represented by:					
Deferred capital grants	17	8,102	8,386	8,102	8,385
Endowments					
Restricted expendable endowments	18	642	704	642	704
Reserves					
Income and Expenditure Account excluding pension reserve		32,569	29,493	32,556	29,480
Pension reserve		(36,426)	(28,073)	(36,426)	(28,073)
Income and Expenditure Account including pension reserve	19	(3,857)	1,420	(3,870)	1,407
		4,887	10,510	4,874	10,496

The financial statements on pages 37 to 63 were approved and authorised for issue by Roehampton University Council on 23 November 2015 and signed on its behalf by:

SIR DAVID BELL, Chair of Council



PROF PAUL O'PREY, Vice-Chancellor



MR NICHOLAS BROOKES, Chair of Finance & Estates Committee



Consolidated Cash Flow Statement Year ended 31 July 2015

	Notes	2015 £'000	2014 £'000
Net cash inflow from operating activities	20	9,201	4,488
Returns on investments and servicing of finance	21	(1,866)	(768)
Capital expenditure and financial investments	22	(20,961)	(7,206)
Net cash inflow arising from acquisition	10	-	-
Cash (outflow) before financing		(13,626)	(3,486)
Financing	23	29,689	5,609
Increase in cash		16,063	2,123

Reconciliation of Net Cash Flow to Movement in Net Debt Year ended 31 July 2015

	Notes	2015 £'000	2014 £'000
Increase in cash in the year		16,063	2,123
Change in net debt resulting from cash flows	23	(29,689)	(5,609)
Movement in net debt resulting from cash flows	24	(13,626)	(3,486)
Inception of finance lease on acquisition	10	-	-
Movement in net debt		(13,626)	(3,486)
Net debt at 1 August	24	(5,911)	(2,425)
Net debt at 31 July		(19,537)	(5,911)

Principal Accounting Policies Year ended 31 July 2015

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Financial Statements.

Accounting Convention

The Financial Statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed asset investments and in accordance with both the Statement of Recommended Practice: Accounting for Further and Higher Education issued in 2007 and applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). They conform to guidance published by HEFCE and NCTL.

Basis of Consolidation

The consolidated Financial Statements reflect the total activities of the University and its subsidiaries, Roehampton Corporate Initiatives Limited, Roehampton Hosting Services Limited and Roehampton Construction Services Limited.

The University Council does not consider it appropriate to consolidate Roehampton Students' Union (RSU) Financial Statements into those of the University, as the University does not exercise dominant influence over RSU affairs. The RSU Financial Statements are therefore audited and published separately.

The University has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

Recognition of Income

Income from research grants and contracts is included to the extent of expenditure incurred during the year, together with any related contributions towards overhead costs. All income from short-term deposits is credited to the Income and Expenditure Account on a receivable basis.

The recurrent grants from Funding Councils represent the funding allocations attributable to the current financial year and are credited direct to the Income and Expenditure Account. Recurrent grants are recognised in line with planned activity. Any under-achievement against this planned activity is adjusted in-year and reflected in the level of recurrent grant recognised in the Income and Expenditure Account.

Non-recurrent grants from Funding Councils or other bodies received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants and amortised in line with depreciation over the life of the assets.

Tuition fee income is credited to income over the academic year in which the student is studying. Where tuition discounts are given for prompt payment these are deducted from income receivable. All bursaries and scholarships are recognised as expenditure.

Going Concern

After reviewing the University financial position forecasts and financial facilities, Council has a reasonable expectation that the University has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the University has continued to adopt the going-concern basis in preparing the Financial Statements.

Principal Accounting Policies Year ended 31 July 2015

Pension Schemes

The two principal pension schemes for the University's staff are the Teachers' Pension Scheme (TPS) and the London Pension Fund Authority (LPFA) Superannuation Scheme. In addition, a small number of staff are members of the Universities Superannuation Scheme (USS). The schemes are defined-benefit schemes which are externally funded and contracted out of the State Earnings-Related Pension Scheme.

As stated in Note 25, the TPS and USS are multi-employer schemes and the University is unable to identify its share of the underlying assets and liabilities of the schemes on a consistent and reasonable basis. The TPS is therefore treated as a defined-contribution scheme and the contributions recognised as they are paid each year. Contributions to the TPS and USS are charged to the Income and Expenditure Account so as to spread the cost of pensions over employees' working lives with the University in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of quinquennial valuations using a prospective benefit method for the TPS scheme and triennial valuations using a projected unit method for the USS scheme.

The assets of the LPFA are measured using closing market values. LPFA liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability. The increase in the present value of the liabilities of the scheme expected to arise from employee service in the period is charged to the operating surplus. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time, are included in pension finance costs. Actuarial gains and losses are recognised in the statement of total recognised gains and losses.

Enhanced Pensions

The actual cost of any enhanced ongoing pension to former members of staff is paid by the University annually. An estimate of the expected future cost of any enhancement to the ongoing pensions of former members of staff is charged in full to the University's Income and Expenditure Account in the year that the member of staff retires. In subsequent years a charge is made to provisions in the Balance Sheet using the enhanced pension spreadsheet provided by HEFCE.

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. The resulting exchange rate differences are dealt with in the determination of income and expenditure for the financial year.

Goodwill

Goodwill arising on acquisition represents the excess of purchase price over the fair value of the net liabilities acquired. Goodwill is capitalised and amortised over twenty years. Members of Council consider annually whether a provision against the value of goodwill is required.

Principal Accounting Policies Year ended 31 July 2015

Negative Goodwill

Negative goodwill arising on acquisitions is allocated to non-monetary assets. This negative goodwill is then retained on the Balance Sheet and released to the Income and Expenditure Account over the remaining useful life of those assets (40 years from 1 August 2008 in respect of buildings and 125 years from 1 August 2008 in respect of long-leasehold land). In the event the assets are disposed prior to the end of their useful life any remaining negative goodwill is released immediately. The excess of any negative goodwill above the value of non-monetary assets is released to the Income and Expenditure Account immediately.

Land and Buildings

Where the University acquires or constructs buildings, they are capitalised and depreciated as below. Any related grants are treated as deferred capital grants and released to income over the expected useful life of the buildings.

Additions and improvements to buildings costing less than £10,000 are written off in the year of completion. All other additions and improvements are capitalised.

Capitalised expenditure is stated at cost and depreciated over its expected useful life as follows:

Listed residences	50 years
New residences	40 years
Leasehold buildings	40 years
Leasehold land	125 years
Additional floors added/significant enhancements to existing buildings	25 years
New partitioning/alterations and improvements to existing buildings	10 years

Equipment

Additions costing less than £5,000 are written off. Capitalised expenditure is stated at cost. Equipment is depreciated over its expected useful life as follows:

Telephone equipment	7 years
General equipment purchased	3 years

Where equipment has been acquired with the aid of specific grants it is capitalised and depreciated as above. Any related grant is treated as a deferred capital grant and released to income over the expected useful life of the equipment.

Stocks

Stocks and stores represent materials held by the University cleaning and postal units and the Catering Department. They are valued at the lower of cost and net realisable value.

Principal Accounting Policies Year ended 31 July 2015

Cash Flows and Liquid Resources

Cash flows comprise increases or decreases in cash. Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. No investments, however liquid, are included as cash.

Liquid resources comprise assets held as a readily disposable store of value. They include term deposits, Government securities and loan stock held as part of the University's treasury management activities. They exclude any such assets held as Endowment Asset Investments.

Leases

Rental costs under operating leases are charged to expenditure in equal amounts over the period of the leases.

Leasing agreements that transfer to the University substantially all of the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged to the Income and Expenditure Account in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the useful economic lives of equivalent owned assets.

Maintenance of Premises

The University has a rolling maintenance plan, which is reviewed on an annual basis. The cost of routine corrective maintenance is charged to the Income and Expenditure Account as incurred.

Taxation

The University is an exempt charity within the meaning of Schedule 2 of the Charities Act 2011 and as such is a charity within the meaning of Section 506 (1) of the Taxes Act 1988. Accordingly, the University is potentially 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 where such income or gains are applied exclusively for charitable purposes. The University receives no similar exemption in respect of Value Added Tax.

Provisions

Provisions are recognised when the University has a 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.

Agency Arrangements

The Funds the University receives and disburses as paying agent on behalf of a funding body (or other body) where the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction are excluded from the Income and Expenditure Accounts. The balance and movement of these funds are disclosed at Notes 27, 28 and 29.

Notes to the Financial Statements Year ended 31 July 2015

1 Funding Council grants

	HEFCE £'000	NCTL £'000	2015 Total funds £'000	2014 Total funds £'000
Recurrent grants	7,777	-	7,777	12,428
Non-recurrent grants				
Higher Education Innovation Fund	461	-	461	575
Research Capital Investment Fund	74	-	74	71
Capital teaching and research grants	789	-	789	449
Capital teaching and research grants to deferred capital grants (Note 17)	(863)	-	(863)	(520)
Other NCTL grants	-	211	211	309
Release of deferred capital grants (Note 17)	1,306	-	1,306	1,922
	9,544	211	9,755	15,234

2 Academic fees

	2015 £'000	2014 £'000
Full-time students	47,981	39,028
Full-time students from European Union excluding UK	2,166	2,058
Full-time students charged overseas fees	6,403	6,050
Part-time fees	2,202	2,042
Short course fees	2,201	1,255
	60,953	50,433

3 Research grants and contracts

	2015 £'000	2014 £'000
Research Councils	627	393
UK-based charities	164	88
European Commission	356	379
Other grants and contracts	347	188
	1,494	1,048

4 Other operating income

	2015 £'000	2014 £'000
Residences, conferencing and catering	12,560	11,664
Other income- generating activities	3,530	2,562
Other grant income	1,044	1,572
Other income	72	98
Release of deferred capital grants (Note 17)	41	41
	17,247	15,937

Notes to the Financial Statements Year ended 31 July 2015

5 Interest receivable

	2015 £'000	2014 £'000
Income from short-term investments	93	109
Endowment income	14	-
	107	109

6 Staff

	2015 £'000	2014 £'000
Wages and salaries	40,206	38,914
Social security costs	3,482	3,370
Other pension costs including FRS 17 adjustments (Note 25)	5,946	5,338
Restructuring costs	608	752
	50,242	48,374

Analysis of staff costs by activity	2015 £'000	2014 £'000
Academic departments	31,737	31,465
Academic services	6,563	5,941
Research grants and contracts	702	500
Residences, catering and conferences	1,342	1,285
Premises	3,366	3,352
Administration	6,532	5,831
	50,242	48,374

The administration activity costs includes £608k (2014: £752k) of restructuring costs and £807k (2014: £592k) of pension costs relating to FRS17 (Note 25).

Analysis of staff costs by type of contract	2015 £'000	2014 £'000
Employment costs for staff on permanent contracts	46,604	45,830
Employment costs for staff on temporary contracts	3,030	1,792
Staff restructuring costs	608	752
	50,242	48,374

Total emoluments of staff Members of Council

The total emoluments of all staff members of Council in the year amounted to £446,847 (2014: £375,586). Employer pension contributions in respect of the staff members of Council totalled £59,244 (2014: £50,291) and were paid on behalf of four staff members of Council (2014: four staff members).

Notes to the Financial Statements Year ended 31 July 2015

The Vice-Chancellor's emoluments shown below include remuneration, employer's contributions for pension, and benefit covering medical insurance.

Vice-Chancellor	2015 £'000	2014 £'000
Salary costs	238	223
Pension	72	67
Taxable benefits	2	2
	312	292

The University's pension contributions to the Universities Superannuation Scheme (USS) for the Vice-Chancellor are paid at the same rates as all scheme members and in 2015 they amounted to £37,806 (2014: £35,524). The University makes a separate provision of 0.575% of his pensionable salary for each year of service after 1 August 2012. This pension is being provided on an unfunded basis and the actuarial provision for 2014/15 is £34,311 (2014: £32,000) (Note 16). The Vice-Chancellor accrued pension as at 31 July 2015 is £53,949 (2014: £48,792) gross per annum and the accrued tax-free lump sum total is £161,848 (2014: £146,375).

Remuneration of other senior staff	2015 No	2014 No
£100,000 - £110,000	7	-
£110,001 - £120,000	2	1
£120,001 - £130,000	1	1
£130,001 - £140,000	1	-
£140,001 - £150,000	1	1
£150,001 - £160,000	1	2
£160,001 - £170,000	1	-
£170,001 - £180,000	1	1

For senior staff gross salary, pension costs and any benefits are included. In 2014/15 one person was paid £101,113, the compensation was for loss of office and paid from non-public fund surpluses.

Staff numbers by major category (full-time equivalent)	2015 No	2014 No
Academic	444	450
Administrative	375	396
Other including technical and manual	146	142
	965	988

The staff FTE total includes temporary staff recruited through Unitemps.

Notes to the Financial Statements Year ended 31 July 2015

7 Other operating expenses

	2015 £'000	2014 £'000
Residences, conferencing and catering	1,631	1,879
Consumables and laboratory expenditure	1,747	1,641
Books and periodicals	1,320	1,238
Heat, light, water and power	1,531	1,539
Repairs and general maintenance	1,564	1,265
Grants and payments to the Students' Union	367	568
Property lease rentals	3,482	1,901
Auditors' remuneration (internal)	61	63
Auditors' remuneration (external)		
Audit of the University annual Financial Statements	48	42
Audit of subsidiary company financial statements	11	12
Audit of pension scheme and funding body statements	1	1
Tax and other services	12	16
Operating leases	126	205
Provision for doubtful debts	229	10
Travel, subsistence, catering and entertaining	1,521	2,226
Infrastructure	3,558	3,076
Printing, stationery and postage	798	619
Temporary Staff	1,679	1,817
Consultancies	564	536
Professional fees	1,270	1,939
Management fees	241	207
Scholarships and bursaries	4,476	3,264
Staff training	680	626
Advertising	766	598
Other student-related expenditure	2,681	2,504
Other expenses	1,039	617
Breakage costs for existing loans	-	660
Loan arrangement fee	187	187
	31,590	29,256

The University has a lease over the Mount Clare property, owned by Southlands College, which expires in 2026. The rental paid in the year was £400,000 (2014: £400,000). The property lease rental figure also includes £667,000 paid to Whitelands College as part of the licence and management agreement and £1,700,000 paid for Spring Mews students' accommodation in Vauxhall.

The total arrangement fees for the new Lloyds loan was £374,000, with £187,000 paid in 2013/14 and 2014/15.

Notes to the Financial Statements Year ended 31 July 2015

Members of Council and Directors

No Member of Council has received any remuneration or waived payment from the University during the year in their capacity as a Member of Council. Emoluments received by Council Members in their capacity as employees are included in Note 6. The total expenses paid to or on behalf of Members of Council were £1,305 (2014: £1,431). These represent travel and subsistence expenses incurred in attending Council Committee meetings and other events in their official capacity.

Analysis of expenditure (less staff costs) by activity

	Other operating expenses £'000	Depreciation /amortisation £'000	Interest payable £'000	2015 Total £'000	2014 Total £'000
Academic departments	5,022	265	-	5,287	4,551
Academic services	4,361	717	-	5,078	6,325
Research grants and contracts	476	-	-	476	425
Residences, catering and conferences	5,977	115	-	6,092	6,443
Premises	5,669	1,716	1,973	9,358	6,456
Administration	10,085	626	636	11,347	9,858
	31,590	3,439	2,609	37,638	34,058

	2015 £'000
Funding of depreciation charge	
Deferred capital grants released (Note 17)	1,347
General income	2,092
	3,439

8 Interest payable

	2015 £'000	2014 £'000
Loans not wholly repayable within five years	1,730	579
Finance lease interest payments	243	299
LPFA pension finance costs (Note 25) and enhanced pension finance cost	636	778
	2,609	1,656

Notes to the Financial Statements Year ended 31 July 2015

9 Tangible fixed assets Group and University

	Work in progress £'000	Leasehold land £'000	Leasehold buildings £'000	Freehold buildings £'000	Equipment £'000	Total £'000
Cost or valuation						
At 1 August 2014	6,461	27,150	99,034	3,279	21,140	157,064
Additions	20,224	-	161	-	1,636	22,021
Transfer	(171)	-	-	-	171	-
At 31 July 2015	26,514	27,150	99,195	3,279	22,947	179,085
Depreciation						
At 1 August 2014	-	624	22,641	614	18,519	42,398
Charge for year	-	124	3,092	91	1,754	5,061
At 31 July 2015	-	748	25,733	705	20,273	47,459
Net book values						
At 31 July 2015	26,514	26,402	73,462	2,574	2,674	131,626
At 1 August 2014	6,461	26,526	76,393	2,665	2,621	114,666
Financed by						
Capital grant	-	-	8,809	-	1,705	10,514
Other	26,514	26,402	64,653	2,574	969	121,112
	26,514	26,402	73,462	2,574	2,674	131,626

Any buildings that have been funded in whole or in part by exchequer funds are subject to the conditions in Annex E of the Memorandum of Assurance and Accountability between the University and HEFCE. Where these buildings form part of property owned by the four constituent Colleges or their Providing Bodies, they are similarly bound by the Memorandum of Assurance and Accountability.

Notes to the Financial Statements Year ended 31 July 2015

10 Goodwill

Group and University

Negative goodwill relating to Digby Stuart College, Southlands College, and now the London and Quadrant Froebel Trust buildings is being amortised in line with depreciation of the relevant assets.

Total goodwill	Positive Goodwill £'000	Negative Goodwill £'000
Cost		
At 1 August 2014	173	(71,100)
Additions	-	-
At 31 July 2015	<u>173</u>	<u>(71,100)</u>
Amortisation		
At 1 August 2014	(69)	7,812
Charge for year	(9)	1,631
At 31 July 2015	<u>(78)</u>	<u>9,443</u>
Net book values		
At 31 July 2015	<u>95</u>	<u>(61,657)</u>

11 Subsidiary undertakings

Roehampton Corporate Initiatives Limited (RCIL) is a wholly owned subsidiary of the University. The results of RCIL have been consolidated into the Financial Statements of the University. Separate audited financial statements have been prepared for the company to 31 July 2015. The company provides media and consultancy services to external clients. The investment in RCIL is £29,000. The University owns 100% of the ordinary shares of RCIL. In 2014/15 RCIL made a profit of £155,470, all of which is gift aided to the University.

Roehampton Hosting Services Limited (RHSL) is a wholly owned subsidiary of the University. The results of RHSL have been consolidated into the Financial Statements of the University. Separate audited Financial Statements have been prepared for the company to 31 July 2015. The company provides hosting and support services to external clients. The investment in RHSL is £100,000. The University owns 100% of the ordinary shares of RHSL. In 2014/15 RHSL made a profit of £47,407, all of which is gift aided to the University.

Roehampton Construction Services Limited (RCSL) is a wholly owned subsidiary of the University. The results of RCSL have been consolidated into the Financial Statements of the University. Separate audited Financial Statements have been prepared for the company to 31 July 2015. The company provides facility and management to the construction of student accommodation. The investment in RCSL is £2,000,000. The University owns 100% of the ordinary shares of RCSL. In 2014/15 RCSL made a profit of £383,607, all of which is gift aided to the University.

Roehampton Pathway Campus Limited (RPCL) was set up in May 2015 in partnership with QA Higher Education – a UK pathway provider to provide International Foundation Programmes and Pre-Masters courses. The University holds 50.1% of the ordinary shares of RPCL.

Notes to the Financial Statements Year ended 31 July 2015

12 Endowment assets

Group and University	2015	2014
	£'000	£'000
Balance at 1 August	704	725
Net (disposals)	(85)	(25)
Appreciation on revaluation	23	4
Balance at 31 July	642	704
Represented by		
Market value		
Fixed interest stocks	123	128
Equities	208	177
	331	305
Cash	311	399
Total	642	704
Fixed interest and equities at cost	277	245

13 Debtors: Amounts falling due within one year

	Group	Group	University	University
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Debtors	3,292	1,785	1,933	1,389
Amount owed subsidiary undertakings	-	-	1,381	793
Prepayments and accrued income	2,092	816	1,983	1,004
College debtors	-	-	-	-
Roehampton Students' Union loan	104	189	104	189
	5,488	2,790	5,401	3,375

The policy for calculating the bad debt provision is based on a sector-wide bench-marking exercise. The debtors figure includes a bad debt provision of £613k (2014: £785k) for student-related debt.

14 Creditors: Amounts falling due within one year

	Group	Group	University	University
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Secured loans	572	585	572	585
Finance leases	204	180	204	180
University creditors	5,209	2,372	4,069	2,365
Taxation and social security	1,785	1,701	1,785	1,695
Accruals and deferred income	7,055	5,030	7,415	4,909
	14,825	9,868	14,045	9,734

Notes to the Financial Statements Year ended 31 July 2015

15 Creditors: Amounts falling due after one year

Secured loans	Group	Group	University	University
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Between one and two years	635	572	635	572
Between two and five years	3,988	2,018	3,988	2,018
In five years or more	44,160	16,268	44,160	16,268
	48,783	18,858	48,783	18,858

Finance lease	Group	Group	University	University
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Between one and two years	229	204	229	204
Between two and five years	846	766	846	766
In five years or more	5,125	5,477	5,125	5,477
	6,200	6,447	6,200	6,447

Lender	Type of loan	Date drawn down	Total drawn at inception £'000	Period of loan	Interest rate
Lloyds	Term loan	Aug 2014	10,000	20 years	Fixed
Lloyds	Term loan	Aug 2006	4,600	20 years	Fixed
Lloyds	Term loan	Nov 2003	1,441	20 years	Fixed
Lloyds	Term loan	Oct 2004	6,500	25 years	Fixed
Salix	Term loan	July 2015	495	6 years	Interest-free
Salix	Term loan	Dec 2012	170	4 years	Interest-free
Salix	Term loan	Jan 2012	48	4 years	Interest-free
Salix	Term loan	Jan 2011	35	4 years	Interest-free
Salix	Term loan	Jan 2011	237	4 years	Interest-free

The borrowing from Lloyds is secured as part of a general charge over the property that is owned by the Providing Body of Digby Stuart College. Interest has been fixed on all of these loans for the duration of the loan period.

On 7th January 2014 the University signed a Revolving Credit Facility (RCF) with Lloyds for £15 million. As at 31st July 2014 only £10 million of this loan was drawn down. The University has successfully signed a new term loan facility with Lloyds for £75 million. The agreement was signed on 7th August 2014. This facility was used to refinance the RCF in full, the total cost of arranging this facility was £374,000. The first £45 million is fixed at a rate of 5.22% on 7th August 2014.

The University was successful in receiving £495,000 in funding from the HEFCE/Salix Revolving Green Fund. The Fund is intended to provide repayable grants for the University to undertake specific projects that will reduce carbon emission. The financial savings made as a result of these projects are used to replenish the Fund. The loan is a long-term grant and only repayable once reinvestment in relevant carbon management projects ceases.

Notes to the Financial Statements Year ended 31 July 2015

16 Provisions for liabilities and charges Group and University

	Enhanced pension provision	Kingston City Group pension provision	Vice- Chancellor unfunded pension provision
	£'000	£'000	£'000
At 1 August 2014	1,962	12	60
Utilised in year	(156)	-	-
Transfer from Income and Expenditure Account	128	5	35
Loss in respect of pension scheme recognised in the STRGL	(29)	-	-
At 31 July 2015	1,905	17	95

The University pays enhanced pension entitlements (EP) to staff who took early retirement after 1 April 1989 under the reorganisation programme which ended in 1993/94. The calculation of the cost of early retirement provisions charged to the Income and Expenditure Account in the year of retirement is based on the total capital cost of providing enhanced pensions with allowance for future investment returns at 4% in excess of price inflation. During 2014/15, actual payments of £156,742 (2014: £154,379) have been charged to the provision. The provision will be released against the cost to the University of enhanced pension entitlements over the estimated life expectancy of relevant employees.

In addition to the enhanced pensions which are being provided above, the University also provides enhanced pension contributions to a further 50 former employees. HEFCE is providing the University with additional funds each year to meet these contributions. Although HEFCE does not have a legal obligation to continue making these payments, the University expects them to do so. As the costs of these payments have been recognised as a liability in the Financial Statements of HEFCE (indicating HEFCE's expectation that they will be meeting these costs in the future) they have not been recognised as a liability in the University's Balance Sheet. Were the position to change, the estimated cost to the University of meeting these pension payments was £1.2 million as at 31 July 2015 (2014: £1.2 million).

Notes to the Financial Statements Year ended 31 July 2015

17 Deferred capital grants

	Funding Council £'000	Other grants £'000	Total £'000
At 1 August 2014			
Buildings	7,116	323	7,439
Equipment	947	-	947
	<u>8,063</u>	<u>323</u>	<u>8,386</u>
Cash received			
Buildings	-	200	200
Equipment	863	-	863
	<u>863</u>	<u>200</u>	<u>1,063</u>
Release to Income and Expenditure Account			
Buildings	(617)	(41)	(658)
Equipment	(689)	-	(689)
	<u>(1,306)</u>	<u>(41)</u>	<u>(1,347)</u>
At 31 July 2015			
Buildings	6,499	482	6,981
Equipment	1,121	-	1,121
	<u>7,620</u>	<u>482</u>	<u>8,102</u>

18 Restricted permanent and expendable endowments

	Gerhard Weiler £'000	Honora Naughton £'000	Dove Bowerman £'000	The Ebb and Flow Fund £'000	
At 1 August 2014	48	5	261	21	
Appreciation in endowment asset for year	(2)	-	25	-	
Income for year	14	-	-	-	
Expenditure for year	(1)	-	-	(9)	
At 31 July 2015	<u>59</u>	<u>5</u>	<u>286</u>	<u>12</u>	
	Society of the Sacred Heart Fund (RUSH) £'000	Jewish Resource Centre £'000	Society of the Sacred Heart Fund £'000		Total £'000
At 1 August 2014	313	29	27		704
Appreciation in endowment asset for year	-	-	-		23
Income for year	-	1	-		15
Expenditure for year	(61)	(2)	(27)		(100)
At 31 July 2015	<u>252</u>	<u>28</u>	<u>-</u>		<u>642</u>

Notes to the Financial Statements Year ended 31 July 2015

19 Reserves

a) Income and Expenditure Account

	Group 2015 £'000	Group 2014 £'000	University 2015 £'000	University 2014 £'000
At 1 August 2014	1,420	9,267	1,407	9,254
Net surplus after depreciation of assets, disposal of assets and tax	1,761	353	1,761	353
Actuarial (loss) in respect of pension scheme	<u>(7,038)</u>	(8,200)	<u>(7,038)</u>	(8,200)
At 31 July 2015	(3,857)	1,420	(3,870)	1,407
Balance represented by				
Pension reserve	(36,426)	(28,073)	(36,426)	(28,073)
Income and Expenditure Account excluding pension reserve	<u>32,569</u>	29,493	<u>32,556</u>	29,480
	<u>(3,857)</u>	1,420	<u>(3,870)</u>	1,407

b) Total Reserves

	Income and Expenditure Account £'000	Pension reserve £'000	Total £'000
Group			
At 1 August 2014	29,493	(28,073)	1,420
Net surplus /(deficit) after depreciation of assets, disposal of assets and tax	3,076	(1,315)	1,761
Actuarial gain in respect of pension scheme	-	(7,038)	(7,038)
At 31 July 2015	32,569	(36,426)	(3,857)
University			
At 1 August 2014	29,480	(28,073)	1,407
Net surplus /(deficit) after depreciation of assets, disposal of assets and tax	3,076	(1,315)	1,761
Actuarial gain in respect of pension scheme	-	(7,038)	(7,038)
At 31 July 2015	32,556	(36,426)	(3,870)

20 Reconciliation of consolidated operating surplus on continuing operations to net cash inflow from operating activities

	2015 £'000	2014 £'000
Net surplus on continuing operations	1,676	328
Depreciation / amortisation (Notes 9 & 10)	3,439	3,148
Deferred capital grants released to income (Note 17)	(1,347)	(1,963)
Interest receivable (Note 5)	(107)	(109)
Interest payable (Note 8)	1,973	877
Pension cost less contributions payable	1,315	1,210
(Increase) in stocks	(8)	(3)
Decrease / (Increase) in debtors	(2,698)	427
Increase in creditors	4,946	532
Increase in provisions	12	41
Net cash inflow from operating activities	9,201	4,488

Notes to the Financial Statements Year ended 31 July 2015

21 Return on investments and servicing of finance

	2015 £'000	2014 £'000
Interest received from short-term investments	107	109
Interest paid	(1,973)	(877)
	(1,866)	(768)

22 Capital expenditure and financial investment

	2015 £'000	2014 £'000
Tangible assets acquired (Note 9)	(22,021)	(7,723)
Net movement on endowments	(3)	(3)
Deferred capital grants received (Note 17)	1,063	520
Net cash outflow from capital expenditure and financial investment	(20,961)	(7,206)

23 Analysis of changes in finance during the year

	Total £'000
At 1 August 2014	26,070
New loans	30,498
Finance lease repayments	(224)
Loan capital repayment	(585)
Net amount of received / (repaid) in year	29,689
At 31 July 2015	55,759

24 Analysis of changes in net debt

	At 1 August 2014 £'000	Cash flows £'000	Non-cash changes £'000	At 31 July 2015 £'000
Cash at bank and in hand	19,760	16,151	-	35,911
Cash held within endowments	399	(88)	-	311
Debt due within one year	(585)	585	(572)	(572)
Debt due after one year	(18,857)	(30,498)	572	(48,783)
Finance leases	(6,628)	224	-	(6,404)
	(5,911)	(13,626)	-	(19,537)

25 Pensions

The University's employees belong to three principal pension schemes, the Teachers' Pensions Scheme (TPS), the Universities Superannuation Scheme (USS) and the Local Government Pension Scheme (LGPS). All are defined benefit schemes. The total pension cost for the year ended 31 July 2015 was £5.9m (2014: £5.3m); this includes an amount of £160,000 (2014: £160,000) being notional interest in respect of enhanced pension entitlements for staff who have taken early retirement. The calculation of the cost of early retirement provisions charged to the Income and Expenditure Account in the year of retirement is based on the total capital cost of providing enhanced pensions with allowance for future investment returns at 4% in excess of price inflation.

Notes to the Financial Statements Year ended 31 July 2015

Teachers' Pension Scheme

Under the definitions set out in Financial Reporting Standard 17 - Retirement benefits, the Teachers' Pension Scheme (TPS) is a multi-employer pension scheme. As the TPS is underwritten by central government and the University has no future obligation to make contributions to the scheme, this is effectively a defined contribution scheme in so far as it affects the University. As a result, contributions to this scheme are accounted for as if the scheme was a defined contribution scheme.

The University has set out below the information available on the Scheme and the implications for the University in terms of the anticipated contribution rates. The employers' contribution rates for the University's academic staff were 14.1% of pensionable salaries from 1 August 2014 to 31 July 2015.

The Teachers' Pension Scheme is a statutory, contributory, unfunded, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 1997, as amended. Contributions are credited to the Exchequer on a "pay as you go" basis under arrangements governed by the Superannuation Act 1972. A notional asset value is ascribed to the Scheme for the purposes of determining contribution rates.

The last valuation of the TPS related to the period 1 April 2004 to 31 March 2012. The Government Actuary's report of June 2014 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £191.5 billion. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £176.6 billion. The assumed real rate of return is 3% in excess of prices and 1.25% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed gross rate of return is 5.06%.

The next formal actuarial valuation is due as at 31 March 2016

Local Government Pension Scheme (LGPS)

The Local Government Pension Scheme (LGPS) is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 July 2015 was £2.0m (2014: £2.5m) of which employer's contributions totalled £2.0m (2014: £1.8m) and employees' contributions totalled £0.7m (2014: £0.7m). The employer's contribution rate for administrative and manual staff for the period 1 August 2014 to 31 July 2015 was 15.5%. The employer contributions expected to be paid into the scheme during the year ending 31 July 2015 amount to £1.9m.

Financial Reporting Standard (FRS) 17 - Retirement Benefits

The following information is based upon a full actuarial valuation of the Fund at 31 March 2007 updated to 31 July 2015 by a qualified independent actuary.

Notes to the Financial Statements Year ended 31 July 2015

The major assumptions used by the actuary were:

	31 July 2015 %	31 July 2014 %
Retail price index increases	3.5	3.5
Consumer price index increases	2.6	2.7
Salary increases	4.4	4.5
Pension increases	2.6	2.7
Discount rate	3.8	4.3

The assumed life expectancies from age 65 were:

Life Expectancy from 65 (years)	31 July 2015	31 July 2014
Retiring Today		
Males	21.7	21.6
Females	25.3	25.2
Retiring in 20 years		
Male	24.1	23.9
Female	27.6	27.5

The estimated asset allocation for Roehampton University as at 31 July 2015 is as follows:

	Value at 31 July 2015 £'000	Proportion %	Value at 31 July 2014 £'000	Proportion %
Equities	21,245	44%	19,686	44%
LDI / Cashflow matching	6,946	15%	2,736	6%
Target return portfolio	9,334	19%	12,814	29%
Infrastructure	2,579	6%	1,496	3%
Commodities	216	0%	477	1%
Property	1,508	3%	1,228	3%
Cash	6,201	13%	6,203	14%
Total market value of assets	48,029	100%	44,640	100%

The following amounts, at 31 July 2015, were measured in accordance with the requirements of FRS 17:

Analysis of the amount shown in Roehampton University's Balance Sheet	31 July 2015 £'000	31 July 2014 £'000
Estimated asset share	48,029	44,640
Present value of funded liabilities	(83,248)	(71,476)
Present value of unfunded liabilities	(302)	(303)
Net pension deficit	(35,521)	(27,139)

Notes to the Financial Statements Year ended 31 July 2015

Analysis of amounts charged to staff costs in the Income and Expenditure Account	31 July 2015 £'000	31 July 2014 £'000
Employer service cost (net of employee contributions)	2,882	2,430
Losses on curtailments	-	-
Total operating charge	2,882	2,430
Analysis of the amount that is credited to interest payable in the Income and Expenditure Account	31 July 2015 £'000	31 July 2014 £'000
Expected return on pension scheme assets	2,625	2,307
Interest on pension liabilities	(3,133)	(2,925)
Net return on pension scheme	(508)	(618)
The actual return on assets during the year was £1,976,000.		
Analysis of the amount recognised in the Statement of Total Recognised Gains and Losses (STRGL)	31 July 2015 £'000	31 July 2014 £'000
Actual return less expected return on pension fund assets	(649)	(1,587)
Experience gains	(3)	1,545
Change in financial and demographic assumptions underlying the fund liabilities	(6,415)	(8,158)
Actuarial (loss) recognised in the STRGL	(7,067)	(8,200)
Analysis of movement in the present value of the scheme liabilities	31 July 2015 £'000	31 July 2014 £'000
Opening present value of the defined benefit obligation	(71,779)	(59,575)
Movement in the period		
Current service cost	(2,882)	(2,430)
Interest cost	(3,133)	(2,925)
Contributions by members	(854)	(759)
Actuarial (losses)	(6,418)	(6,516)
Losses on curtailments	-	-
Estimated unfunded benefits paid	26	25
Estimated benefits paid	1,490	401
Closing present value of the defined-benefit obligation	(83,550)	(71,779)
Analysis of the movement in the fair value of the scheme assets	31 July 2015 £'000	31 July 2014 £'000
Opening fair value of employer assets	44,640	41,846
Movement in the period		
Expected return on assets	2,625	2,307
Contributions by members	854	759
Contributions by the employer	2,075	1,838
Actuarial (losses)	(649)	(1,684)
Estimated benefits paid	(1,516)	(426)
Closing fair value of employer assets	48,029	44,640

Notes to the Financial Statements Year ended 31 July 2015

Projected Pension Expense for the year to 31 July 2016	31 July 2016 £'000
Service cost	3,309
Net interest on the defined liability (asset)	1,383
Total	4,692
 Employer contributions	 2,071

Amounts for the current and previous four periods are as follows:

	2015 £'000	2014 £'000	2013 £'000	2012 £'000	2011 £'000
Defined benefit obligation	(83,550)	(71,779)	(59,575)	(57,229)	(47,147)
Plan assets	48,029	44,640	41,846	34,569	32,859
Deficit	(35,521)	(27,139)	(17,729)	(22,660)	(14,288)
Experience adjustment on plan liabilities	(3)	1,642	31	(6)	5,675
Experience adjustment on plan assets	(649)	(1,684)	4,772	(1,696)	634

Universities Superannuation Scheme

The University participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated 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 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.

Contingent Liabilities and Assets

A contingent liability exists in relation to the pension valuation recovery plan, since the University is an employer of members within the scheme. The contingent liability relates to the amount generated by past service of current members and the associated proportion of the deficit. Given that the scheme is a multi-employer scheme and the company is unable to identify its share of the underlying assets and liabilities, the contingent liability is not recognised as a provision on the balance sheet.

Pension Costs

The University participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited. The University is required to contribute a specified percentage of payroll costs to the pension scheme to fund the benefits payable to the company's employees. In 2015, the percentage was 16% (2014: 16%). The company 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.

Notes to the Financial Statements Year ended 31 July 2015

The total cost charged to the profit and loss account is £683,000. There was neither a prepayment nor an accrual at the end of the financial year in respect of these contributions. The disclosures below represent the position from the scheme's financial statements.

The latest available triennial actuarial valuation of the scheme was at 31 March 2011 ("the valuation date"), which was carried out using the projected unit method. The 2014 valuation is not yet finalised and is under consultation in order to agree a recovery plan which will include a reduction in future benefits and an increase in employer contributions. It is expected that employer contributions will increase to 18% from 1 April 2016.

The 2011 valuation was the second valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £32.4 billion and the value of the scheme's technical provisions was £35.3 billion indicating a shortfall of £2.9 billion. The assets therefore were sufficient to cover 92% of the benefits which had accrued to members after allowing for expected future increases in earnings.

FRS 17 liability numbers have been produced for the using the following assumptions:

	2015	2014
Discount rate	3.3%	4.5%
Pensionable salary growth	3.5% in the first year and 4.0% thereafter	4.4%
Price inflation (CPI)	2.2%	2.6%

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

Male members' mortality	S1NA (light) year of birth tables – no age rating
Female members' mortality	S1NA (light) year of birth tables – rated down 1 year

Use of these mortality tables reasonably reflects the actual USS experience. To allow for further improvements in mortality rates the CMI 2009 projections with a 1.25% pa long term rate were also adopted for the 2014 FRS17 figures, for the March 2015 figures the long term rate has been increased to 1.5% and the CMI 2014 projections adopted, and the tables have been weighted by 98% for males and 99% for females. The current life expectancies on retirement at age 65 are: