



Financial Statement
31 July 2010

Company Registration Number
5161359 (England and Wales)

**Roehampton
University**

**Annual Report and Financial
Statements**

31 July 2010

Company Registration Number
5161359 (England and Wales)

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Rev Professor June Boyce-Tillman (until 8 March 10)
Nicholas Brookes (Vice-Chair from 1 May 10)
Canon Peter Bruinvels (from 12 October 09)
Rt Rev Dr Richard Cheetham
Gary Coates (until 5 July 10)
John Constantine (from 11 October 10)
Rev John Cooke (from 1 August 09 until 31 July 10)
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David Parrott (from 12 October 09)
Professor Paul O'Prey
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Company Secretary and Clerk to the Council

Robin Geller

Operating and Financial Review Year to 31 July 2010

Audit Committee	Noel Flannery – Chair (from 1 August 09) Nicholas Brookes (until 31 July 10) John Constantine (from 11 October 10) Roger Dawe (from 8 March 10) Sister Mary Hinde (from 24 November 09) Noel Rajaratnam (until December 10) Richard Walton (until 30 April 10) Elaine Hutton (from 1 May 10) Jeffery Onions (from 1 December 09)
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Company Registration Number	5161359
Registered Office	Grove House Roehampton Lane London SW15 5PJ

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Auditors	BDO LLP Emerald House East Street Epsom Surrey KT17 1HS
Bankers	Barclays Bank PLC London SW18 2PR
Solicitors	Eversheds London EC4A 4JL

Operating and Financial Review Year to 31 July 2010

Introduction

This report reviews the University's activities in the year 2009-10 in the context of the challenges and risks within which it operates. In England, the Higher Education sector is regulated primarily by the Higher Education Funding Council for England, with both the Training and Development Agency for Schools and the Learning and Skills Councils also maintaining an oversight of areas of activity which they fund directly. All UK universities undertake research and teaching and other activities, although the focus and balance of activities varies. In 2008-09, institutions generated some £25 billion in income of which £8.8 billion comprised Funding Council grants. The size of institutions varies widely, with income generated ranging from £1 billion for the largest institution to £5 million for the smallest. Roehampton University's turnover for 2009-10 was £69 million.

1 Statement of Public Benefit

Roehampton University is an exempt charity under the terms of Charities Act 2006. In preparing this statement of public benefit, the University has had due regard to the Charity Commission's guidance on the reporting of public benefit and its supplementary public benefit guidance on the advancement of education.

1.1 Objects, Vision and Values

The University's objects, vision and values reflect the institution's commitment to public benefit. The Objects are set out in its Memorandum of Association 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

The University's vision gives a particular focus to the benefits that both the student and society receive as a result of a Roehampton education. The vision is:

Challenging, inspiring and supporting students to grow as individuals and to be responsible citizens and leaders in a complex world

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

As Roehampton University we are defined by the high quality and strategic focus of our teaching and research, a commitment to serving our local communities in London, a distinctive approach to higher education and by the way we put into action a clear set of values:

- *We challenge, inspire and support our students as individuals, to grow intellectually, personally and spiritually*
- *We prepare our students to be responsible citizens and leaders in a fast-changing, complex world*
- *We are committed to serving the needs of local communities and to contributing to the economic, social and cultural success of South and West London*

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- *We work to promote social justice, through our outreach and teaching programmes, and through research, consultancy and engagement with communities*
- *We encourage learning, creativity and the arts as ways of nurturing the human spirit and improving the quality of life*
- *We are engaged in the pursuit of truth through reason, research and debate based on freedom of thought and expression*
- *We promote equality, diversity, mutual respect and understanding*

Students who attend Roehampton University benefit directly from the quality of the education they receive and the opportunity this offers them to pursue satisfying and meaningful careers. Those careers allow them to contribute to the public purse and to support themselves and their families. Their studies, as well as activities outside the classroom, allow our students to acquire skills and knowledge that enable them to be fully contributing members of society, prepared to engage actively in their communities. The University's commitment to preparing its students for responsible citizenship, through modules such as Questioning Citizenship, gives them the capacity to act as informed participants in society and in its democratic processes. Many of our graduates will also have the ability and the desire to take on significant leadership roles as a result of the education they receive here. The composition of our student body also ensures that many Roehampton graduates serve as inspiring role models in their communities.

Members of staff at Roehampton engage actively in public debates on their areas of expertise. They frequently contribute to those debates through direct participation as well as through interviews given to the media. Their insights into current events and discoveries help to shape and inform public opinion.

For example, Professor of Catholic Studies, Tina Beattie has participated in public debates on Newsnight, Sky News and the BBC, in the lead up to Pope Benedict XVI's trip to the United Kingdom. Professor Beattie researches in the field of Catholic theology and gender, human rights and women's rights, and theology and the visual arts. She also works with Catholic NGOs Cafod and Progressio in areas such as HIV and AIDS and other campaigns.

Dr Claire Ozanne contributed to Radio 4's Saving Species programme with a piece from a sacred forest in Ethiopia, a unique wooded island refuge in a desert of over-tilled land where Claire and her colleagues conducted the first ever wildlife survey of this refuge. The biologists discovered a new bird for Ethiopia and involved the local children in their discoveries.

The research carried out by Roehampton staff also provides a range of benefits.

A new study by the University's Centre for Research on Nationalism, Ethnicity and Multiculturalism (CRONEM) has shown that at a time of public cuts and economic downturn the problem of destitution and homelessness among most vulnerable populations is likely to become even more urgent. The research, titled *The Unwanted – Social and Cultural Determinants of Alcohol Abuse and Homelessness among Eastern European Migrants in England*, was led by Dr Michal Garapich. The project will be of vital importance for local government institutions as well as the voluntary organisations dealing with the issues of homelessness and substance abuse among new migrant populations.

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Criminologist Dr Aisha Gill has called for legal changes to address acid violence. Dr Gill has advised the Crown Prosecution Service at the early stages of several cases of so called 'honour killings', and was one of the international expert advisers who attended an Expert Group Meeting on Gender-Based Violence organised by the United Nations Division for the Advancement of Women in Addis Ababa, Ethiopia in May 2009. It was at this meeting that legislative changes were recommended to address acid violence.

Other examples of the public benefit offered by the University include its widening participation programme; its community engagement, particularly in sport; and its public education programmes.

1.2 Widening Participation

Roehampton is committed to offering students from diverse backgrounds the opportunity to benefit from a university education. The University devotes significant resources to outreach activities as well as to its scholarship and bursary programmes. Its student body reflects this commitment:

- 96.3% of students are from the state sector (compared to the sector average of 88%)
- 38% of students are from National Statistics Social Economic Classifications 4 to 7 (compared to the sector average of 29.5%)
- 30% of students are from Black and Minority Ethnic backgrounds

Roehampton offers a financial support package of up to £1,300 per year to students from groups that are under-represented in higher education. This includes both a bursary and scholarship component.

The University also delivers an extensive and well-established programme of targeted outreach activities designed to raise levels of attainment, aspiration and applications among under-represented groups. Highlights include:

- An academic mentoring programme through which Roehampton students work with secondary schools in the local region to offer academic support and act as role models for pre-GCSE students
- Taster and progression days for schools in our region that are identified as having low progression to HE
- Masterclasses for gifted and talented students that are arranged through the Local Authority and direct contact with target schools, in a variety of subjects

The University is also committed to ensuring that all students benefit from an excellent teaching and learning experience. The University has recently invested in providing additional academic student support to students who are less well-prepared for the demands of a university programme. A wide range of extra-curricular activities are also available, including the opportunity to engage in community volunteering programmes. We provide an extensive student welfare programme which includes health services, counselling, support for disabled students, sport and exercise facilities, and careers and financial advice.

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1.3 Community Engagement

The University is committed to serving the needs of local communities and to contributing to the economic, social and cultural success of South and West London. The University hosts many public lectures that are advertised in the local community and free of charge. Many of the University's facilities are open to the public and are used for sporting activities and public events. Regular users include the Barnes Netball Club and the London Thames Fencing Club. The University also hosts an annual 10K fun run for students, staff and the public.

The University engages proactively with the local community in a wide variety of ways. Some recent examples include:

- A series of Junior Entrepreneurship masterclasses offered to local schoolchildren during the summer term, run in collaboration with Young Enterprise London
- The London Orchard Project – an orchard planted at the University as part of a programme aimed at improving communities' access to local food
- The Enterprising Roehampton Awards organised in collaboration with Wandsworth Council and hosted by the University. They recognise local companies, individuals and organisations that provide excellent service to the community

Sport is an area in which the University is particularly active in the community. In addition to hosting and organising the 10K Roehampton fun run, noted above, the University also hosts the start of the London to South Coast bike ride every year. However, the Move Project offers the best example of the University's commitment to sport and community, particularly to local youth. Since it was established in 2007, the Move Project has worked with over 350 young people from Roehampton and Battersea. The project has provided a wide range of activities that includes football, cheerleading, street dance, parkour, basketball and cricket. The young people who participate in the programme learn not only to play sport but also to develop their skills, and to engage and work with positive role models who are Roehampton students. One arm of the project, Move into Coaching, has seen 38 students, community members and young people gain coaching qualifications and deliver over 250 voluntary hours of coaching in the local community.

The University has established the Community Dance Company, 2nd Nature, composed of Roehampton third-year students and local school and FE students, which has performed at Sadlers' Wells. A community tennis programme was also recently developed at the University in which students work with local schools and community groups to provide tennis for the local community.

1.4 Public Education

In addition to traditional learning as part of a degree programme, the University offers a range of short courses and continuing professional development programmes aimed at the wider community. These courses help individuals to maintain their professional accreditations and also to increase their skills and employability. While many of these have fees associated with them, the University recently offered free training courses as part of a programme called Creative Futures. The initiative was supported by local individuals, businesses and organisations including Pearson, Haymarket Media

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Group and London First. The 40 one-day courses that constituted Creative Futures were aimed at people looking to enter or advance within the creative industries during the recession.

2 Strategy and Risk Analysis

2.1 Strategic Plan

The University's Strategic Plan was approved by Council in March 2006 and runs until December 2011. The Strategic Plan has three overarching aims and associated objectives which in order of priority are:

Priority One To consolidate a sustainable reputation for excellent teaching, research and knowledge transfer, focused in specific and distinctive areas of core strength, by ensuring

- Academic excellence in teaching, research and knowledge transfer
- An internationally competitive and academically coherent portfolio of programmes that meet the needs and demands of future students
- A vibrant and sustainable research culture
- An enterprise culture embedded across the University
- A sustainable model for teaching
- High levels of student satisfaction and success
- High levels of staff satisfaction and success

Priority Two To provide a first-rate experience of university for both students and staff, by ensuring

- High-quality space and facilities
- A co-ordinated approach to the creative development and use of the campus
- A stimulating, supportive, friendly environment for staff and students
- The University is a cultural and intellectual hub for the community

Priority Three To establish a robust organisational infrastructure, by ensuring

- Good governance
- Robust arrangements for business continuity
- A safe and sustainable environment
- Efficient, cost-effective delivery of all our activities
- The development of high-quality reputation and profile
- Sound business planning

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2.2 Key Performance Targets

Key performance targets have been set for each of the aims above and progress against achieving these is reported in detail to Council in June each year. A selection of these is included below.

Priority One

50% increase in income from postgraduate, overseas and part-time students by December 2010

The total amount raised in fees from these sources was £7,867k in 2009-10, an increase of 89% on the 2004-05 baseline figure of £4,161k.

25% increase in external research income by December 2011

External research income of £1,005k was accounted for in 2009-10, against £835k in 2004-05, a rise of 20%.

At least a 50% reduction in programme combinations by December 2006

Programme combinations were reduced from 1500 in 2005 to 421 by 2007. There are currently 170 active combinations.

One private study station per 10 students by September 2009 in line with sector norms

30 new workstations were provisioned in the library and 10 in Southlands in 2009-10.

280 average total tariff points on entry by October 2011

Average tariff entry points for students in 2009/10 was 269. This has risen almost 50 points since 2006/7, when it stood at 221.

Maintain Investors in People status by December 2011

Investors in People re-accreditation was achieved in June 2010.

Priority Two

100% of student bedrooms networked by December 2011

All student bedrooms in halls of residence now have cabled or wireless internet access.

1:10 ratio of students to open-access computers by December 2011

703 open access computers are available across campus. The target is set against FTE students, which would currently require 40 additional PCs to exceed the target. The University plans to install an additional 75 computers over the summer so will meet this target in advance of the target date.

Remote access to all electronic learning resources by September 2008

Off-site access to all e-learning resources is now available.

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Priority Three

Reduce CO2 emissions from University buildings by a minimum of 15% (against 2006-07 base) by December 2011

In 2009, the University has successfully applied for two Salix interest-free loans to fund energy-efficient projects for a total of £540k. The University has installed Voltage Optimisation equipment at the four colleges between August 2009 and April 2010 and has replaced old-inefficient light fittings at its Learning Resource Centre with T5 energy-efficient lamps with motion and daylight sensor in August 2010. These projects are expected to save around 700T CO2 per year. To date saving of c.350T has been achieved. The University has also invested in Smart Meters in order to monitor more accurately energy and water usage at a building level and have a better understanding their usage.

Growth in other income sources so that HEFCE and TDA teaching grants account for less than 50% of total income by December 2011

The proportion of total income from HEFCE and TDA sources represented 48% of total income in 2009-10, compared to 61% in 2004-05.

£500k raised through philanthropic giving by December 2011

In addition to the £857k raised in 2008-09 a further £102k was raised in 2009-10.

2.3 Looking Forward

During 2008-09 the Vice-Chancellor proposed a longer-term vision for the University with the publication of his paper *Roehampton 2025 – Creating a Distinctive Identity and Long-Term Strategic Goals for Roehampton University*:

The fundamental premise that underpins this long-term vision for the University is that our sustainability as an independent institution is dependent on two things: having a distinctive profile and making sure that all our activities are of the highest quality.

This paper identifies eight goals which will be developed into the University's new Strategic Plan 2012-15 which is scheduled to be approved by Council in March 2011. The eight goals are:

1. To establish an international reputation in learning and teaching in subject areas which combine excellence and critical mass
2. To be ranked in the top third of UK universities for quality of research
3. To be recognised as one of the top ten universities in the UK for student satisfaction
4. To be regarded as one of the best universities to work for in the UK
5. To prepare students to be responsible and confident citizens and leaders in a complex world, by offering all students the opportunity to engage with major issues of importance to contemporary society
6. To be the top 'new university' in London for graduate employability
7. To create a campus environment that is a stimulating and inspiring place in which to study, work and live, and which is environmentally efficient
8. To establish significant and innovative partnerships with institutions and organisations in the UK and abroad which have world-class reputations

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2.4 Risk Analysis

The University's Council has identified a number of high-level risks that it monitors on a regular basis. The Council is confident that these risks are well managed.

The format of the risk register, and associated processes, is being reviewed by the Audit Committee following a review undertaken by the University Secretary, the Director of Finance and the Head of Planning. The new structure of the risk register will provide clarity and consistency which will help in monitoring, addressing and the reporting of risk within the University.

The University considers its current dependence on public funds for teaching, research and capital maintenance as the largest risk facing the institution. This risk has increased in magnitude with the UK Government's plans to significantly reduce university state funding. A sophisticated modelling tool has been developed to allow the Senior Management team to model the impact of the funding reductions and to engage in extensive scenario planning. At the same time, the University is examining all of its costs with a view to making significant reductions. A portfolio review is taking place simultaneously that will see an increased focus on areas of quality and strength that also have a critical mass of highly qualified students.

The recommendations of the Browne Review, the Government's response to this and the outcome of the Government's Comprehensive Spending Review mean that tuition fees will almost certainly rise but a cap will remain. Given the reduction in government funding, the University will have no choice but to raise tuition fees to a level that will allow the institution to continue to be financially sustainable. However the University recognises that there is a risk that doing so could have a significant impact on demand for places. The University is working to ensure that the University's offering will be able to attract students willing to pay increased fees.

The University has also identified the rising cost of supporting pension schemes as a major risk. With a number of schemes currently reviewing their own sustainability there is a real concern that employers' contribution rates could rise to unaffordable levels.

3 Academic Review

3.1 Academic Excellence

The student body at Roehampton University comprises 6,560 (74%) undergraduate and 2,345 (26%) postgraduate students. 3,829 (43%) are mature students 6,679 (75%) are women and 2,226 (25%) men, and Black and Minority Ethnic (BME) students comprise 36% of the population. We are therefore a diverse community as befits our vision, which sees our role as: "Challenging, inspiring and supporting students to grow as individuals and to be responsible citizens and leaders in a complex world".

We aim to be among the best at whatever we do and see excellence in learning and teaching as a core responsibility for all academic staff. The University is keen to develop opportunities for enterprise activity through the delivery of learning and teaching and research to different audiences and in different modes. Our delivery of the Creative Futures programme funded through a successful bid to

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HEFCE's Economic Challenge Investment Fund is an example of how research-led teachers are engaging with industry partners to develop expertise within the workplace and the University.

The aim of the academic restructuring programme undertaken during the last year was to provide a structure that would help enhance the quality of our provision by providing a clear focus for academic activity. The new structure is now in place and ten new Academic Departments will launch at the start of this academic year. New Heads of Department have been appointed and rearrangement of space has created departmental 'homes' to promote a greater sense of community for colleagues and students. Administrative structures have been arranged to provide enhanced professional support.

3.2 Student Experience

The University continues to place great emphasis on the quality of the student's experience both inside and outside the classroom and see this as core to all we do. Working with the Student Union, mechanisms for greater involvement of the student voice have been developed. An innovative development is the creation of a Student Senate that will provide a forum for students to influence decisions as equal partners in the development of the University. Other developments include enhancing existing levels of student involvement at programme level, for example, in the review and validation of programmes.

Quality enhancement activity this year has particularly focused on developing better approaches to assessment and feedback. We continue to place a strong emphasis on staff development and an approach that embeds enhancement and development work into actual activities. All new academic staff entering the profession is expected to undertake professional training validated by the Higher Education Academy (HEA).

The University created and piloted the Money Doctors Programme now used in over 60 universities and which is supported by the FSA. Money Doctors is an educative programme that uses different tools including a board game and podcasts to help participants manage their finances more effectively.

3.3 Academic Portfolio

The University portfolio is routinely scrutinised; however, in anticipation of the changes in funding that are expected to follow the Comprehensive Spending Review, an early review of the complete portfolio is planned for the autumn term. This will consider academic activity in the round and the interplay between teaching, research and enterprise activity. It will aim to ensure activity is sustainable and will recognise the importance of diversifying income streams.

During the year consideration has been given to enhancing our record in relation to student employment. A review of how we develop the employability of our students has been undertaken, resulting in the creation of the post of Director of Student Development to oversee the co-ordination of the strands of activity and work on skills development that enhance employability.

We continue to build our existing areas of excellence. For example, the Social and Biological Anthropology teams have been brought together to provide an innovative new programme of learning

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at undergraduate level and build an interdisciplinary research agenda that will in turn expand the existing postgraduate activity.

3.4 Research

We continue to address the probable demands of the new Research Excellence Framework (REF) and have worked hard to ensure that resources are focused where they are needed and are delivering results. Particular emphasis has been given to developing research grant applications. A database of research outputs and activity that will enable better dissemination of information has been commissioned and is now near to launch following a pilot project to evaluate its ease of use.

3.5 Collaboration

Collaborative activity with selected partners remains an important element of our academic activity. One exciting development that has been consolidated this year is the signing of a Memorandum of Agreement to build collaboration with the Whitman School of Management, Syracuse University. This will enable us to offer two new Masters level programmes in collaboration with Whitman as well as to promote collaborative research.

4 Corporate Responsibility

4.1 Staff

The University continues to place considerable value on the contribution and quality of its workforce. Employment strategy is considered by the Employment Committee, a committee of the University Council. In addition, regular, independently chaired, meetings are held between the University's management and the recognised trades unions (GMB and UCU) to discuss emerging staff issues.

Staff are kept informed through team meetings, termly staff forums, weekly newsletters and ad hoc all-staff e-mails. In addition, during periods of significant change, staff workshops and away-days are used to involve staff in the decision-making processes.

The University was re-accredited with Investors in People status in 2010 and has held the status continuously, throughout the organisation, since 2004.

Staff wellbeing is central to the University's mission. As well as providing a range of rewards and benefits, the University subscribes to an employee assistance programme to provide staff with advice on a wide variety of personal matters. Following the success of last year's event, two staff wellbeing days were held in the year (February and July) to promote many of the activities and facilities available for staff, e.g. gym, sports clubs, physiotherapy, cycling to work, volunteering and environmental champions who promote campus biodiversity and carbon reduction. The University also works with the Financial Services Authority to provide financial planning advice to both students and staff.

The Southern Universities Management Services (SUMS) undertook a staff wellbeing audit during the year. The review followed Health & Safety Executive guidelines and its outcomes will inform plans and strategies in the coming years.

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The University's main pay and reward scheme was developed in conjunction with the trades unions and in-line with the 2003 National Framework Agreement on pay equality. A second scheme, for senior staff, was developed in 2008 in conjunction with an independent external advisor using national benchmark data from the University and Colleges Employers' Association (UCEA).

Salary costs currently equate to 61% of the University's income, decreasing from 63% in 2008-09. This fall was largely due to the *Flexible Futures* programme where 69 staff took advantage of either voluntary severance or early retirement, reducing pay costs by £1.6m in 2009-10. This will rise by a further £200k in 2010-11. Despite the reduction, staff costs are still above the sector average of 57% (2008-09) and various measures are being taken to reduce them further. For example, the academic restructuring project removed considerable duplication and has improved efficiency of processes to realise a further £345k of savings in 2010-11 and it is anticipated that these savings will increase to £500k in 2011-12 as transitional posts are phased out through natural attrition. In addition, vacancies are being reviewed by the University's Financial Strategy Group and now require sign-off from the Vice-Chancellor or Deputy Vice-Chancellor before they can be filled. Further work is also being undertaken to reduce temporary staff costs and a review is being undertaken of the University's subject portfolio.

4.2 Sustainability

The University is committed to improving its environmental performance and good progress has been made in the year, with the University rising 39 positions to be 41st in the People & Planet's Green League Table which benchmarks the environmental performance of 137 British universities.

Significant contributing factors have been the development of and appointment to the new post of Environmental Manager; the incorporation of environmental awareness training into the induction of new staff; and the University's network of over 30 Environmental Champions receiving training accredited by the Chartered Institute of Environmental Health.

The University continues to make progress on reducing its carbon footprint towards meeting the requirements of the forthcoming Carbon Reduction Commitment. A number of projects are being pursued including the installation of PowerPerfactor voltage optimisation equipment across the campus which has already realised a 10% reduction in our electricity usage equating to an annual CO₂ saving of c.350T. Work continues to update our Carbon Management Plan and to improve our utilities metering system.

In addition, significant maintenance work has been undertaken on the physical estate with many buildings being refurbished and equipment replaced. As a result, the percentage of the University's estate in category A&B ("As New" or "Sound, operationally safe and exhibiting only minor deterioration") has risen from 53% to 92%, and the functional suitability (fitness for purpose) of the estate categorised as 1&2 ("Excellent" and "Good") has risen from 84% to 97%. Space utilisation has also improved as a result of the academic restructuring project. Average office space per academic member of staff has dropped from 18m² to 13m².

Other activity has included participating in Degrees Cooler, a Defra-funded initiative aimed at greening universities through behavioural change. Roehampton is one of only 20 universities admitted

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onto this two-year project which aims to bring about behavioural change in staff and students, engaging them to recycle more, use less energy, eat more-sustainable, local food and reduce non-essential flying. One component, Green Impact, saw the creation of 15 staff teams which competed to maximise their environmental performance and were rewarded at the end of the year with an awards ceremony.

In 2009 Roehampton was the first University selected to receive a £20k Transport for London (TfL) grant to produce a Corporate Travel Plan. The plan was completed early in 2010 and is being used to promote environmentally friendly travel aimed at reducing congestion, improving air quality and contributing to healthier living. TfL continues to work closely with the University to provide cycle racks and improved lighting and signage. In addition, a Bicycle User Group (BUG) was formed in the year and has already attracted 100 members. In June, the BUG competed in the London Cycle Challenge aiming to achieve the highest number of cycle miles in a month. The team finished 2nd out of over 100 teams.

4.3 Equality and Diversity

Equality and diversity are promoted widely across the University and are embedded in all aspects of University life including the curriculum. For example, the Questioning Citizenship module, developed by the University's Centre of Excellence in Teaching and Learning on Social Justice and Human Rights (CRUCIBLE), is available to all undergraduates across all programmes.

Similarly, all staff receive Diversity and Equal Opportunity (D&EO) training as part of their induction and have access to an on-line self-assessment tool for refreshing awareness. This is supplemented by a highly innovative approach to diversity awareness facilitated by actors using dramatic performance to challenge misperceptions and beliefs.

D&EO issues are managed by a dedicated committee which is chaired by the Pro Vice-Chancellor. The D&EO committee meets termly to develop policies and strategies and monitor compliance. For example, this committee developed the University's Single Equality Scheme (SES) in 2006 and is now monitoring implementation of the accompanying action plan. Similarly, the committee developed the relevant skills and understanding in undertaking impact assessments and is now responsible for impact assessment of all policies, strategies and significant planned changes in the University.

In conjunction with its four constituent Colleges, the University supports a large chaplaincy team who advise students and staff in a range of faiths. Their inter-faith based activities do a great deal to promote awareness and understanding between faiths, and bring communities together with music, storytelling and reflection and by debating common issues such as the environment. In addition, the team support projects such as the Armagh Venture which, since 1972, has brought together Protestant and Catholic secondary-school pupils for an annual one-week residential retreat at the University.

Disabled students and staff receive support from a team of expert dedicated staff located in central Student Services. In addition, disabled students and the staff that teach them are supported by co-ordinators located within subject areas. Staff are also supported by the HR Department and

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Health & Safety Office for workplace assessments and needs. In 2009-10 £195k was invested in enhancing accessibility across the campus.

The University's gender and ethnicity profiles for staff are shown below.

Staff numbers by FTE	2010	%	2009	%
Male	369	40%	396	37%
Female	557	60%	592	63%
	926		988	
Full-time	696	75%	724	73%
Part-time	188	20%	202	20%
Part-time hourly	42	5%	62	6%
	926		988	
Disabled	62	7%	61	6%
Ethnic minority	153	17%	195	20%

All figures expressed in full-time equivalency
 Figures from the 2009 and 2010 HESA Staff Return

4.4 Community

The University works closely with the local community on a range of initiatives. Through the Student Services Directorate and the Student Union, the University has a substantial programme of volunteering, much of it benefiting the immediate community, while local charities, together with the main regeneration project, have historically been the main beneficiaries of the Student Union Rag Week. The University is represented both on the Roehampton Partnership and the Roehampton Forum and also helps organise the annual Enterprising Roehampton Awards together with Wandsworth Borough Council. Through the Centre of Excellence in Teaching and Learning on Social Justice and Human Rights (CRUCIBLE) the University has several community initiatives including support for refugee academics, helped by the Council for Assisting Refugee Academics, and a project on Knowing Roehampton which will encourage the creation of both historical and present-day records of living in Roehampton using photographs, songs and music, and story-telling.

The University has also been working closely with its local borough councils of Richmond, Wandsworth and Hammersmith & Fulham on projects with local schools, including providing leadership and governance in the creation of a new Federation in Fulham, and Trust Schools in Wandsworth and Richmond. A Strategic Statement has been prepared with Wandsworth Borough Council which describes the developing relationship between the University and the Council across a range of issues including school governance, sport and culture and which is planned as a model for similar work with the other councils.

Through the central Widening Participation Team, many initiatives are undertaken with local schools and colleges in Wandsworth, Richmond, Kingston, Hammersmith & Fulham and Hounslow, as well as further afield within the Home Counties. Examples of projects include working with a group of young people in Local Authority care (Hammersmith & Fulham) delivering a targeted set of learning activities on campus across six weeks, involving academic staff, support staff and student ambassadors; FE to HE transition projects (year-long) with young BTEC learners from colleges in south London to assist

Operating and Financial Review Year to 31 July 2010

their progression to HE; and sponsorship and support of South Thames College's annual 'Young Learner of the Year Award' to encourage aspiration and progression to HE. A great variety of outreach projects with local schools and colleges in south London include academic taster sessions delivered by academic staff in subjects ranging from computing to psychology, creative writing to sport science, and modern languages to performance studies. For 2009-10 a new initiative will see us working with primary schools in the Roehampton ward designed to introduce Year 6 students to university generally.

The academic Schools at Roehampton also undertake outreach with local schools and colleges, including offering all-day taster sessions in subjects such as creative writing, psychology and English literature. Academic staff and postgraduate neurobiology students from the School of Human and Life Sciences have also worked with a local Tamil community group to encourage and support school-age children to study science. School of Education staff and their students have worked with local Roehampton primary schools and Wandsworth Council as part of the national 'Big Draw' initiative to engage local children in arts projects.

To encourage more strategic engagement with local London schools, the University has established a Secondary Schools Partnership Group consisting of ten schools which will work closely with Roehampton to identify and pursue collaborative projects in an efficient and effective process.

The University further engages with the community through external partners by involvement with Aimhigher and Lifelong Learning Networks. It is represented on the Area Partnership Committee of London South Aimhigher and has links with Surrey Aimhigher, London West Aimhigher, South London Lifelong Learning Network, West London Lifelong Learning Network and Aspire, being an affiliate member of the last of these.

Finally, the University has a strong engagement with community sport through its leadership of one of the London Pro-Active organisations, the capital's equivalent of County Sports Partnerships. It also has a highly innovative programme called Move, funded by the Football Foundation, which seeks to raise ambition using sport and dance as a catalyst for skills development with children on the local council estate.

5 Financial

5.1 A Financial Strategy for Sustainability

In 2009 the Council approved a new Financial Strategy for the University, the primary purpose being to ensure that Roehampton University remains financially viable and that long-term success and sustainability are achieved in line with the 2025 goals. The new Financial Strategy was developed in the context of an economic crisis unprecedented in its severity and scope, and in response to current predictions of a significant reduction in future Government spending. The University must therefore take immediate action to prepare for an imminent and serious financial threat by building its reserves to levels that provide a more reasonable degree of protection. At the same time, the University must maintain its current momentum in building a reputation for both academic excellence and high levels of student satisfaction, which are both critical to the long-term success and sustainability of the University. The Financial Strategy contains a number of action points to be achieved within the life of

Operating and Financial Review Year to 31 July 2010

the strategy. Council have received regular progress reports on the status of these action points, some of which are highlighted below:

Targets Achieved in 2009-10

- Develop processes and structures to identify and respond to new income-generating opportunities by April 2010
- As the University implements a new academic structure, confirm how the University staff budget will be controlled by August 2009
- Improve efficiency and reduce cost by streamlining administrative processes by August 2010
- Review and revise the Value for Money Strategy
- Develop benchmarking analysis on borrowing in the Higher Education sector and sensitivity analysis to allow the Council to set an agreed ceiling for the University by January 2010
- Develop a set of Financial Performance Indicators to report measurable progress against the Financial Strategy by November 2009

Targets for 2010-11

- Set the surplus target at a minimum 2% of turnover and achieve this by July 2011 to build reserves and cash balances. In 2009-10 the surplus was 1.6% of turnover: the main reason the target was not achieved was the cost of the academic restructure project that was funded from revenue
- Develop a formal asset replacement programme by August 2011
- Develop/review the HR and Staffing Strategy to ensure it is aligned to the 2025 goals and the Financial Strategy

5.2 2009-10 Financial Review of the Year

The University's surplus after tax for the year to 31 July 2010 was £1,094k. This compares to a surplus of £6k in the previous financial year.

Surplus/deficit as a percentage of income for the past five years compared to the higher education sector average is illustrated in the table below:

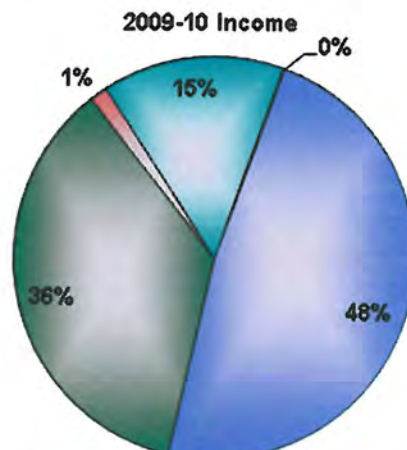
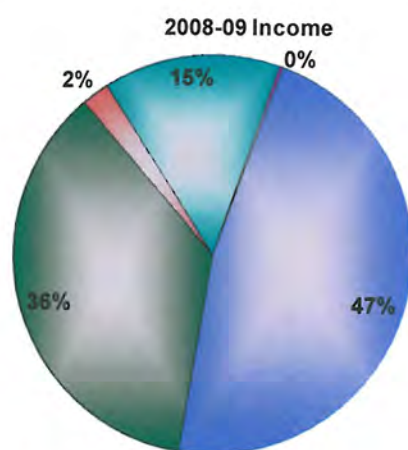
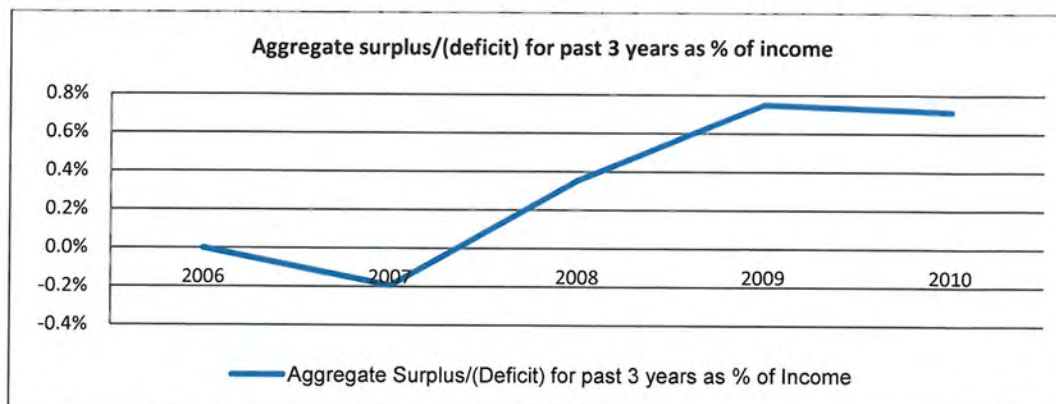
Financial Year to 31 July	2006	2007	2008	2009	2010
Surplus/(deficit) as % of income	-1.6%	1.9%	0.5%	0.0%	1.6%
Higher Education sector average	1.2%	0.9%	2.0%	1.9%	0.9%*

* The HE sector average for 2010 is taken from the latest available forecast.

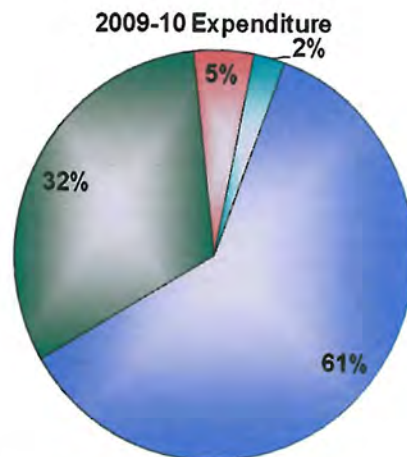
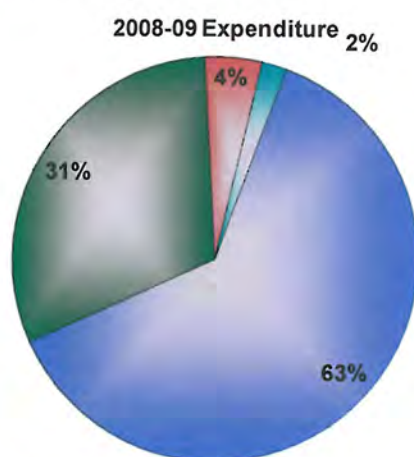
A key financial indicator (KFI) in the University's Financial Strategy is the aggregate surplus/(deficit) for the past 3 years as a percentage of income. This KFI is calculated by taking the sum of the surplus/(deficit) for the past three years and dividing this by the sum of total income for the same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

Operating and Financial Review Year to 31 July 2010

	2006	2007	2008	2009	2010
Aggregate surplus/(deficit) for the past 3 years as % of income	0.0%	-0.2%	0.4%	0.8%	0.7%



- Funding Council Grants
- Academic Fees and Support Grants
- Research Grants and Research Contracts
- Other Operating Income
- Interest Receivable

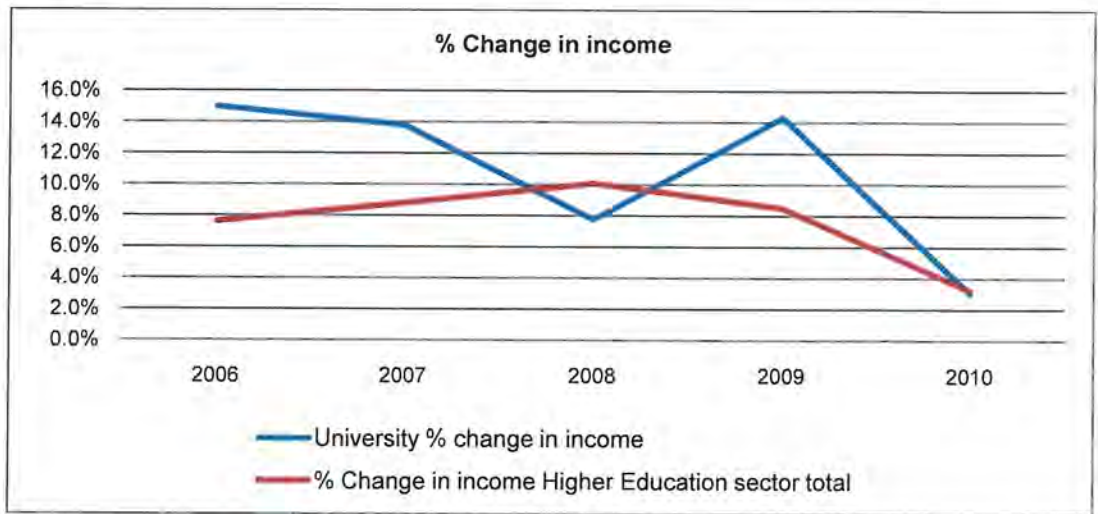


- Staff Costs
- Other Operating Expenses
- Depreciation
- Interest Payable

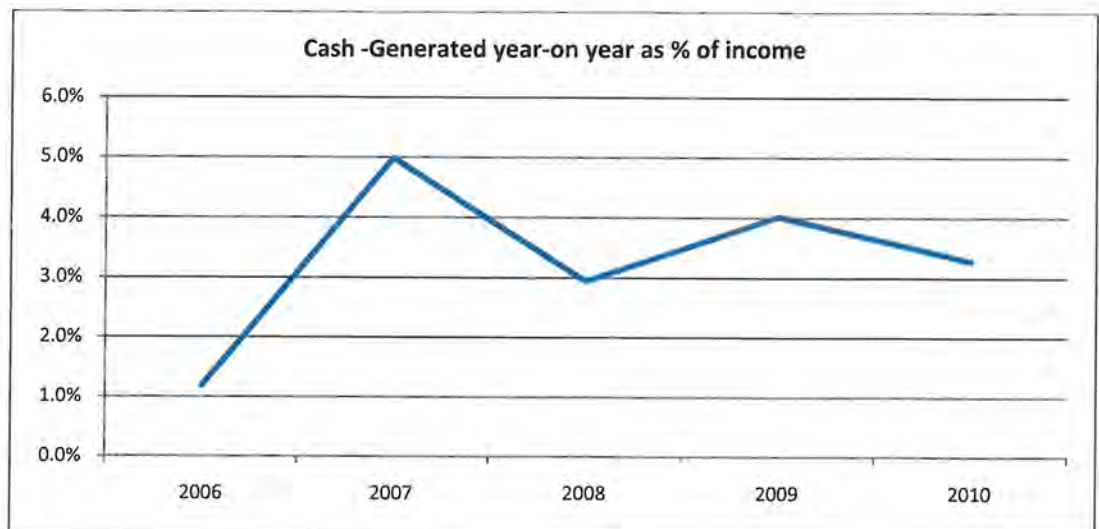
Operating and Financial Review Year to 31 July 2010

The University's income for 2009-10 increased by £2.0m (3%). Tuition fee income increased by £0.6m (2%). Income from Funding Council grants increased by £1.6m (5%), due to additional deferred capital grants released and £0.8m increase in the recurrent grant. Income from research grants and contracts was £0.5m (52%) less than the previous year. Other Operating Income rose by £0.5m (5%).

In a funding climate where cost inflation has been and may continue to be higher than increases in Government funding, the University needs to grow income in order to be sustainable. Income growth and diversity are key elements of the Financial Strategy. The chart below illustrates growth in income for the past five years compared with the sector average:

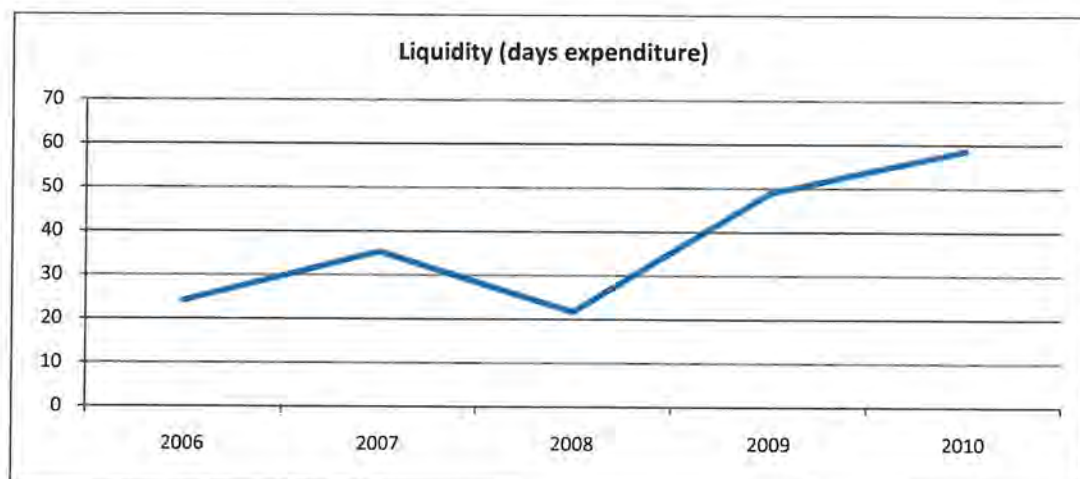


Cash generated is a useful measure of the financial headroom the institution is creating from its operations. It is calculated as historic surplus + pension financing costs + depreciation – capital grants released. Cash generated over the past five years is illustrated in the chart below:



Operating and Financial Review Year to 31 July 2010

The University aims to improve its liquidity ratio to 90 days' worth of expenditure. There has been an overall improvement in the ratio over the past five years and at the end of July 2010 the ratio was 59 days, as illustrated below:



Staff costs of £41.6m, which represent the most significant item of expenditure at 61% compared with 63% for the previous financial year, reduced by £0.6m (1.4%). The reduction is primarily as a result of the Flexible Futures program. In 2010 Other Operating Expenses rose by £0.9m (4.0%). Interest Payable rose by £0.4m, primarily as a result of the FRS17 financing charges.

5.3 Changes in Reporting

The FRS8 amendments have resulted in additional disclosure in the accounts with regards to staff Council members' remuneration. In line with the amendments the members of the University's Senior Management team have also been required to disclose any transactions between them and connected persons.

5.4 Investments

The University uses predominantly a cash management service to manage its treasury activity. All surplus funds are invested for a maximum period of time to improve the return on surplus funds. Direct investment is also used for some of the University's endowment funds. These funds are invested with investment management companies.

5.5 Payment of Creditors

The University endeavours to abide by the payment terms negotiated with suppliers and to act in accordance with the relevant legislation.

5.6 Accounting Systems

Work continues on financial systems development with the full implementation of web requisitioning and the expansion of on-line payment facilities in 2010-11.

Operating and Financial Review Year to 31 July 2010

5.7 Post Balance Sheet Events

Post Balance Sheet events 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. On 1 August 2010 the University merged its activities with those of Southlands College. At that date all assets, liabilities and activities of Southlands College were transferred to the University.

6 Corporate Governance

6.1 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 1993.

The University is composed of four constituent Colleges - Froebel, Digby Stuart, Southlands and Whitelands - each of which has a Providing Body. The University has long-term leases and associated management agreements with Froebel, Digby Stuart and Southlands Colleges. The University's relationship with Whitelands is governed by a Deed of Adherence.

6.2 Statement of Corporate Governance

The University is committed to exhibiting best practice in all aspects of corporate governance. This summary describes the manner in which the University has applied the principles set out in the July 2008 version of Section 1 of the Combined Code on Corporate Governance issued by the London Stock Exchange. Its purpose is to help the reader of the accounts understand how the principles have been applied.

In the opinion of the Council, the University complies with the provisions of the Combined Code insofar as they apply to the Higher Education sector, and it has complied throughout the year ended 31 July 2010.

In March 2009, the Committee of University Chairs (CUC) issued an updated Guide for Members of Higher Education Governing Bodies in the UK which includes the Governance Code of Practice and General Principles of Governance. Although the Code is voluntary, the Council has had regard to the Code in developing its governance structures and practices. The University complies with the principles set out in the Guide.

6.3 Statement of Responsibilities of the Members of Council

The members of the Council, who are also the Directors of Roehampton University for the purposes of company law, present audited financial statements for each financial year in accordance with applicable law and United Kingdom Generally Accepted Accounting Principles. Within the terms and conditions of the Financial Memorandum agreed between the Higher Education Funding Council for England (HEFCE) and Roehampton University, the Council prepares financial statements for each financial year in accordance with the Statement of Recommended Practice: Accounting for Further

Operating and Financial Review Year to 31 July 2010

and Higher Education. The financial statements give a true and fair view of the state of affairs of the University and the results for that year. In preparing the financial statements, the Council:

- Selects suitable accounting policies and applies them consistently
- Makes judgements and estimates that are reasonable and prudent
- States whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepares financial statements on the going concern basis, unless it is inappropriate to assume that the University will continue in operation

The Council also gives a report in the financial statement which includes the legal and administrative status of the University. The Council is responsible for the keeping of proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the University, and which enable it to ensure that the financial statements are prepared in accordance with its Memorandum and Articles of Association, the Accounts Direction issued by HEFCE, the Statement of Recommended Practice: Accounting for Further and Higher Education and applicable UK law and financial reporting standards, as well as reflecting best practice in public sector corporate governance. The Council is responsible for taking steps that are reasonably open to it in order to safeguard the assets of the University and to prevent and detect fraud and other irregularities.

Members of Council are responsible for ensuring that funds from the HEFCE are used only in accordance with the Financial Memorandum with the Funding Council and any other conditions that the Funding Council may prescribe from time to time. Members of Council also ensure that appropriate financial and management controls are in place in order to safeguard public and other funds and to ensure they are used properly. In addition, members of 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.

6.4 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; and
- 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.

6.5 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.

Operating and Financial Review Year to 31 July 2010

The Council is composed of 23 members:

- 11 independent members, 4 of whom are nominated by the Colleges
- 4 members appointed by the College Governing bodies
- 4 members appointed by the College Providing bodies
- An elected representative of academic staff
- An elected representative of academic support staff
- Vice-Chancellor
- President of the Student's Union

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 no more than two consecutive terms.

Council normally meets four times each year. It has six standing committees: Audit Committee, Employment Committee, Estates Committee, Finance and General Purposes Committee, Nominations and 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 the President of the Student Union and most committees also include external members with expertise in the committee's subject area.

The Finance and General Purposes Committee, among other things, recommends to Council the University's annual revenue and capital budgets and receives updates to the estimates during the course of the year.

The University's Remuneration Committee determines the remuneration and benefits of the Vice-Chancellor and other senior post-holders save that the initial terms and conditions for the Vice-Chancellor are established by Council.

The University's Employment Committee sets the pay and conditions of staff, save where these are covered by the Remuneration Committee or associated employment policies, and monitors the implementation of health & safety compliance in relation to employment matters.

The Estates Committee oversees the management and development of University property, in conjunction with the constituent Colleges and on behalf of the University in accordance with the University's Strategic Plan and Campus Strategy. The Committee also ensures that the University is compliant with health & safety, environmental and other relevant legislation.

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 from HEFCE as they affect the University's business, and monitors adherence to relevant regulatory requirements.

The Nominations and 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. The Committee has authority to make appointments to

Operating and Financial Review Year to 31 July 2010

Council committees but the appointment of members of Council and of Chairs of all Committees is the responsibility of Council.

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 the 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.

6.6 Internal Control

As the governing body of Roehampton 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 the day-to-day responsibility to the Vice-Chancellor, as Chief Accounting Officer, 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 Financial Memorandum between Roehampton 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 2010. 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 2010 and up to the

Operating and Financial Review Year to 31 July 2010

date of approval of the Annual Report and Financial Statements. This process is regularly reviewed by the 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

Roehampton University has appointed an internal audit service which operates in accordance with the requirements set out in Accountability and Audit: HEFCE 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 Head of Internal Audit provides Council with a report on internal audit activity in the University. The report includes the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the University's system of risk management, controls and governance processes. The internal audit plan includes an annual review of governance.

As the Chief Accounting 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-

Operating and Financial Review Year to 31 July 2010

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 2010 meeting, the Council carried out the annual assessment of risk for the year ended 31 July 2010 by considering reports from the Senior Management team, internal audit and Audit Committee and taking account of events since 31 July 2010. The report from internal audit considered the assurance mechanisms by which the risk management framework and related processes, internal controls assurance and performance management tools inter-relate and, together, combine to provide the Council with the necessary assurance to enable the University to make the necessary disclosures 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. It identified some areas for improvement in the detailed operation of the University's framework for risk management. The report concluded that assurance can be given to the adequacy of the control environment and that substantial assurance can be given to the effectiveness of the University's overall assurance and risk management arrangements.

Signed on behalf of the Council



Robin Geller

Company Secretary and Clerk to the Council

Independent Auditors' Report Year to 31 July 2010

Independent Auditors' Report to the Members of Council of Roehampton University

We have audited the financial statements of Roehampton University for the year ended 31 July 2010 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. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the University's Council and Auditors

The Council members' (who are also the Directors of the company for the purposes of company law) responsibilities for preparing the annual report and the financial statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice on Accounting in Further and Higher Education, and for being satisfied that the financial statements give a true and fair view, are set out in the Statement of Responsibilities of Members of Council.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) and the Audit Code of Practice issued by the Higher Education Funding Council for England.

We report to you our opinion as to whether the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice on Accounting in Further and Higher Education, have been prepared in accordance with the Companies Act 2006, and give a true and fair view. We also report to you whether, in our opinion, the information given in the Report of Council is consistent with those financial statements.

In addition, we report to you if, in our opinion, the University has not kept adequate accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Council members' remuneration specified by law are not made.

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 Financial Memorandum with the Higher Education Funding Council for England.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Statement of

Independent Auditors' Report Year to 31 July 2010

Corporate Governance and Internal Control and the Statement of Responsibilities of the Members of Council. We consider the implications for our report if we become aware of any mis-statements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and Audit Code of Practice issued by the Higher Education Funding Council for England. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council members in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the University and the Group, consistently applied and adequately disclosed.

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

Opinion

In our opinion:

- The financial statements give a true and fair view of the state of affairs of the Group as at 31 July 2010 and of its surplus of income over expenditure for the year then ended
- The financial statements give a true and fair view of the state of affairs of the University as at 31 July 2010
- The financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice: Accounting for Further and Higher Education
- The financial statements have been properly prepared in accordance with the Companies Act 2006
- The information given in the Report of the Members of Council is consistent with the financial statements
- Income from the Higher Education Funding Council for England, Training and Development Agency for Schools, grants and income for specific purposes and from other restricted funds administered by the University have been applied only for the purposes for which they were received; and
- Income has been applied in accordance with the University's statutes and where appropriate with the applicable Financial Memorandum with the Higher Education Funding Council for England

Independent Auditors' Report Year to 31 July 2010



James Aston (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor, Epsom

Date 24 November 2010

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

Consolidated Income and Expenditure Account Year to 31 July 2010

	Notes	2010 £'000	2009 £'000
Income			
Funding Council grants	1	33,250	31,642
Academic fees and support grants	2	24,799	24,217
Research grants and contracts	3	1,005	1,528
Other operating income	4	10,102	9,651
Interest receivable	5	94	166
Total income		69,250	67,204
Expenditure			
Staff costs	6	41,572	42,145
Depreciation/amortisation	9,10	3,314	3,039
Other operating expenses	7	21,564	20,709
Interest payable	8	1,706	1,305
Total expenditure		68,156	67,198
Surplus on continuing operations after depreciation of assets, disposal of assets and tax	19	1,094	6

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.

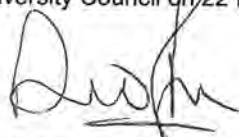
Consolidated statement of total recognised gains and losses Year to 31 July 2010

	2010 £'000	2009 £'000
Surplus on continuing operations after deprecation of assets and disposal of assets	1,094	6
Appreciation of endowment asset investments	24	859
Actuarial gain/(loss) in respect of pension scheme	1,420	(8,316)
Total recognised gain/(loss) relating to the year	2,538	(7,451)
Total recognised gains/(losses) since last Annual Report	2,538	(7,451)
Reconciliation		
Opening reserves and endowments	85	7,536
Total recognised gains/(losses) for the year	2,538	(7,451)
Closing reserves and endowments	2,623	85

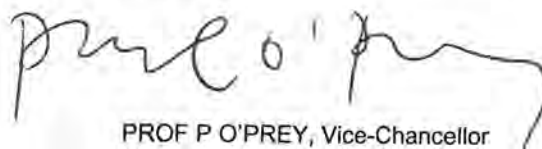
Balance Sheets as at 31 July 2010
Company Registration Number 5161359 (England and Wales)

	Notes	Group 2010 £'000	Group 2009 £'000	University 2010 £'000	University 2009 £'000
Fixed assets					
Tangible assets	9	71,302	70,322	71,302	70,322
Intangible assets					
Goodwill	10	137	146	137	146
Negative goodwill	10	(28,685)	(29,426)	(28,685)	(29,426)
Investments	11			29	29
		42,754	41,042	42,783	41,071
Endowment assets	12	928	904	928	904
Current assets					
Stocks and stores in hand		57	10	57	10
Debtors due within one year	13	2,890	3,040	3,045	3,204
Debtors due after one year	13	—	720	—	720
Cash at bank and in hand		10,421	8,621	10,168	8,374
		13,368	12,391	13,270	12,308
Creditors: amounts falling due within one year	14	(8,426)	(7,009)	(8,370)	(6,968)
Net current assets		4,942	5,382	4,900	5,340
Total assets less current liabilities		48,624	47,328	48,611	47,315
Creditors: amounts falling due after one year	15	(14,523)	(14,799)	(14,523)	(14,799)
Provisions for liabilities and charges	16	(1,790)	(2,843)	(1,790)	(2,843)
Net assets excluding pension liability		32,311	29,686	32,298	29,673
Net pension liability	26	(16,010)	(16,633)	(16,010)	(16,633)
Net assets including pension liability		16,301	13,053	16,288	13,040
Represented by:					
Deferred capital grants	17	13,678	12,968	13,678	12,968
Endowments					
Specific endowments	18	928	904	928	904
Reserves					
Income and Expenditure Account excluding pension reserve	19	18,530	16,639	18,517	16,626
Pension reserve		(16,835)	(17,458)	(16,835)	(17,458)
Income and Expenditure Account including pension reserve		1,695	(819)	1,682	(832)
		16,301	13,053	16,288	13,040

The financial statements on pages 34 to 62 were approved and authorised for issue by Roehampton University Council on 22 November 2010 and signed on its behalf by:



SIR D BELL, Chair of Council



PROF P O'PREY, Vice-Chancellor



MR N BROOKES, Chair of Finance & General Purposes Committee

Consolidated Cash Flow Statement Year to 31 July 2010

	Notes	2010 £'000	2009 £'000
Net cash inflow from operating activities	21	4490	5,172
Returns on investments and servicing of finance	22	(727)	(612)
Capital expenditure and financing investments	23	(2,390)	1,897
Cash inflow/(outflow) before financing		1,373	6,457
Financing	24	471	(430)
Increase/(decrease) in cash	25	1,844	6,027

Reconciliation of net cash flow to movement in net debt Year to 31 July 2010

	Notes	2010 £'000	2009 £'000
increase/(decrease) in cash in the year	25	1,844	6,027
Change in net debt resulting from cash flows	24	(471)	430
Debt acquired on acquisition	10	—	(7220)
Movement in net debt		1,373	(763)
Net debt at 1 August		(5,253)	(4,490)
Net debt at 31 July		(3,880)	(5,253)

Principal Accounting Policies Year to 31 July 2010

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 TDA.

Basis of Consolidation

The consolidated financial statements reflect the total activities of the University and its subsidiary Roehampton Corporate Initiatives Limited.

The University Council does not consider it appropriate to consolidate Roehampton University Student Union's (RSU's) financial statements into those of the University, as the University does not exercise dominant influence over RSU's affairs. The RSU's 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.

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.

Principal Accounting Policies Year to 31 July 2010

Pension Schemes (continued)

As stated in note 26, the TPS is a multi-employer scheme and the University is unable to identify its share of the underlying assets and liabilities of the scheme 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 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 to 31 July 2010

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 will be 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 after 1 August 2001	3 years
General equipment purchased before 1 August 2001	5 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 College Catering Departments. They are valued at the lower of cost or realisable value.

Principal Accounting Policies Year to 31 July 2010

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.

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 1993 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 University acts as an agent in the collection and payment of learner support funds. Related payments received from HEFCE and subsequent disbursements to students are excluded from the Income and Expenditure Account and are shown separately in note 27, except for the 5% of the grant received which is available to the University to cover administration costs relating to the grant. The University employs one member of staff dedicated to the administration of learner support funds, applications and payments.

Notes to the Financial Statements Year to 31 July 2010

1 Funding Council grants

	HEFCE £'000	TDA £'000	2010 Total funds £'000	2009 Total funds £'000
Recurrent grants	22,410	6,517	28,927	28,147
National Teaching Fellowship Scheme	5		5	—
Centres of Excellence in Teaching & Learning	477		477	486
Higher Education Innovation Fund	487		487	342
Research Capital Investment Fund (RCIF)	249		249	272
Teaching Quality Enhancement Fund	—		—	292
Capital teaching and research grants	2,343		2,343	2,325
Matched Funding for Voluntary Giving	155		155	49
JISC – Enterprise Architecture	215		215	101
JISC – Project RODA	8		8	
JISC- Employer Engagement Project	51		51	50
Economic Challenge Investment Fund	171		171	18
Capital teaching and research grants to deferred capital grants (note 17)	(2,592)		(2,592)	(2,597)
Other TDA grants		911	911	829
Release of deferred capital grants (note 17)	1,843		1,843	1,328
	25,822	7,428	33,250	31,642

2 Academic fees

	2010 £'000	Restated 2009 £'000
Full-time students	18,286	18,142
Full-time students from European Union (EU) excluding UK	1,113	1,163
Full-time students charged overseas fees	3,142	2,998
Part-time fees	1,770	1,518
Short course fees	488	396
	24,799	24,217

3 Research grants and contracts

	2010 £'000	2009 £'000
Research Councils	284	660
UK based charities	238	136
European Commission	77	14
Other grants and contracts	406	718
	1,005	1,528

Notes to the Financial Statements Year to 31 July 2010

4 Other operating income

	2010 £'000	2009 £'000
Residencies, conferencing and catering	5,055	4,616
Other income-generating activities	3,346	3,181
Other grant income	1,546	1,542
Other income	115	272
Release of deferred capital grants (note 17)	40	40
	10,102	9,651

5 Interest receivable

	2010 £'000	2009 £'000
Income from short-term investments	94	166
	94	166

6 Staff

Staff costs	2010 £'000	2009 £'000
Wages and salaries	34,288	34,151
Social security costs	2,894	2,849
Other pensions costs, including FRS 17 adjustments (note 26)	4,248	3,828
Voluntary severance provision	—	1,000
Restructuring costs	142	317
	41,572	42,145

Analysis of staff costs by activity	2010 £'000	2009 £'000
Academic departments	25,202	25,140
Academic services	3,617	4,415
Research grants and contracts	300	557
Residences, catering and conferences	578	1,021
Premises	3,223	2,771
Administration	8652	8,241
Total per Income and Expenditure Account	41,572	42,145

Analysis of staff costs by type of contract	2010 £'000	2009 £'000
Employment costs for staff on permanent contracts	41,200	40,000
Employment costs for staff on temporary contracts	230	1,828
Staff restructuring costs	142	317
	41,572	42,145

Notes to the Financial Statements Year to 31 July 2010

6 Staff (continued)

Total Emoluments of Staff Members of Council

The total emoluments of all staff members of Council in the year amounted to £314,621. Employer pension contributions in respect of the staff members of Council totalled £37,676 and were paid on behalf of three staff members of Council.

The Vice-Chancellor's emolument shown below includes remuneration, employer's contributions for pension and benefit covering medical insurance. For senior staff gross salary, pension costs and any benefits are included.

Vice-Chancellor	2010 £'000	2009 £'000
Salary costs	192	191
Pension	30	26
Taxable benefits	1	1
	223	218

The University also provides the Vice-Chancellor with accommodation that HMRC has confirmed does not constitute a taxable benefit in kind. The University's pension contributions to the Universities Superannuation Scheme (USS) for the Vice-Chancellor are paid at the same rates as for the academic staff and in 2010 they amounted to £30,119 (2009: £25,520).

Remuneration of Other Senior Staff	2010 No	2009 No
£110,001 - £120,000	2	2
£120,001 - £130,000	3	3
£130,001 - £140,000	1	1
	6	6

Staff Numbers by Major Category (Full-Time Equivalent)	2010 No	2009 No
Academic	416	433
Administrative and clerical	351	416
Other, including technical and manual	159	139
	926	988

Notes to the Financial Statements Year to 31 July 2010

7 Other operating expenses

	2010 £'000	Restated 2009 £'000
Residences, conferencing and catering	918	955
Consumables and laboratory expenditure	2,410	2,185
Books and periodicals	979	1,038
Heat, light, water and power	1,124	1,374
Repairs and general maintenance	639	668
Grants to Students' Union	347	373
Property lease rentals	826	602
Auditors' remuneration (internal)	50	49
Auditors' remuneration (external)	44	58
Auditors' remuneration in respect of non-audit service (taxation)	14	13
Operating leases	177	64
Provision for doubtful debts	512	84
Travel, subsistence, catering and entertaining	741	740
Infrastructure	2,524	1,926
Printing, stationery and postage	777	781
Temporary staff	2,447	2,253
Consultancies	800	942
Scholarships and bursaries	3,630	3,486
Staff training	596	470
Advertising	334	392
Other student-related expenditure	1,447	1,435
Other expenses	228	821
	21,564	20,709

Included within external auditors' remuneration is an amount of £40,378 (2009: £54,476) in respect of the audit of the University.

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 (2009: £400,000).

Members of Council and Directors

No Member of Council has received any remuneration/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 is included in note 6. The total expenses paid to or on behalf of 23 Members of Council were £654. These represent, travel and subsistence expenses incurred in attending Council, Committee meetings and other events in their official capacity.

Notes to the Financial Statements Year to 31 July 2010

7 Other Operating Expenses (continued)

Analysis of expenditure (less staff costs) by activity

	Other operating expenses £'000	Depreciation £'000	Interest payable £'000	2010 Total funds £'000	2009 Total funds £'000
Academic departments	3,142	9	—	3,151	3,023
Academic services	2,915	1,503	—	4,418	3,914
Research grants and contracts	579	—	—	579	825
Residence, catering and conferences	3,352	15	433	3,800	3,201
Premises	2,905	1,659	387	4,951	5,156
Administration	8,671	128	886	9,685	8,934
	21,564	3,314	1,706	26,584	25,053

Funding of depreciation charge

	£'000
Deferred capital grants released (note 17)	1,843
General income	1,471
	3,314

8 Interest payable

	2010 £'000	2009 £'000
Loans not wholly repayable within five years	821	778
LPFA pension finance costs (note 26) & Enhanced pension finance cost (note 16)	885	527
	1,706	1,305

Notes to the Financial Statements Year to 31 July 2010

9 Tangible fixed assets

	Work in progress £'000	Leasehold land £'000	Leasehold buildings £'000	Freehold buildings £'000	Equipment £'000	Total £'000
Cost or valuation						
At 1 August 2009	173	15,400	58,442	2,034	16,099	92,148
Additions	1,963	—	753	1,245	1,065	5,026
Transfer	(173)	—	68	—	105	—
Disposals	—	—	—	—	(1,253)	(1,253)
At 31 July 2010	1,963	15,400	59,263	3,279	16,016	95,921
Depreciation						
At 1 August 2009	—	64	8,950	203	12,609	21,826
Charge for year	—	64	1,818	62	2,102	4,046
Disposals	—	—	—	—	(1,253)	(1,253)
At 31 July 2010	—	128	10,768	265	13,458	24,619
Net book values						
At 31 July 2010	1,963	15,272	48,495	3,014	2,558	71,302
At 1 August 2009	173	15,336	49,492	1,831	3,490	70,322
Financed by:						
Capital grant	1,588	—	10,418	—	1,284	13,290
Other	375	15,272	38,077	3,014	1,274	58,012
	1,963	15,272	48,495	3,014	2,558	71,302

Any buildings that have been funded in whole or in part by exchequer funds, if disposed of, are subject to paragraphs 52 to 54 of the Financial Memorandum between the University and HEFCE that may require part or all of the proceeds to be repaid to the Council. Where these buildings form part of property owned by the four constituent Colleges or their Providing Bodies, they are similarly bound by the Financial Memorandum.

Notes to the Financial Statements Year to 31 July 2010

10 Goodwill

Positive goodwill has been amortised from 1 August 2006 in accordance with the accounting policy.

Negative goodwill relates to Digby Stuart College, and is being amortised in line with depreciation of the relevant assets.

	Positive Goodwill Total £'000	Negative Goodwill Total £'000
Total Goodwill		
Cost		
At 1 August 2009	173	(30,167)
Additions	—	—
At 31 July 2010	<u>173</u>	<u>(30,167)</u>
Amortisation		
At 1 August 2009	(27)	741
Charge for year	(9)	741
At 31 July 2010	<u>(36)</u>	<u>1,482</u>
Net book values		
At 31 July 2010	<u>137</u>	<u>(28,685)</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 Roehampton University. Separate audited financial statements have been prepared for the company to 31 July 2010. The company provides media and consultancy services to external clients. The investment in RCIL is £29,000.

12 Endowment assets

Group and University	2010 £'000	2009 £'000
Transferred on 1 August	904	45
Additions	38	858
(Reduction)/appreciation on revaluation	(14)	1
Balance at 31 July	<u>928</u>	<u>904</u>
Represented by:		
Market value		
Fixed interest stocks	59	97
Equities	121	103
	<u>180</u>	<u>200</u>
Cash	748	704
Total	<u>928</u>	<u>904</u>
Fixed interest and equities at cost	<u>155</u>	<u>193</u>

Notes to the Financial Statements Year to 31 July 2010

13 Debtors

	Group 2010 £'000	Group 2009 £'000	University 2010 £'000	University 2009 £'000
Amounts falling due within one year				
Debtors	1,501	1,852	1,400	1,676
Amount owed by Group undertakings:				
Subsidiary undertakings			256	290
Prepayments and accrued income	556	690	556	740
College debtors	756	430	756	430
Roehampton Students' Union loan	77	68	77	68
	2,890	3,040	3,045	3,204
Amounts falling due after one year				
Southlands College loan	–	720	–	720
Roehampton Students' Union loan	–	78	–	78
Provision for Roehampton Students' Union loan	–	(78)	–	(78)
	–	720	–	720
	2,890	3,760	3,045	3,924

The bad debt provision has been calculated based on a sector wide bench marking exercise. The debtors figure includes a bad debt provision of £512k for student related debt.

14 Creditors: amounts falling due within one year

	Group 2010 £'000	Group 2009 £'000	University 2010 £'000	University 2009 £'000
Secured loans	526	499	526	499
University creditors	2,453	1,573	2,445	1,554
Taxation and social security	1,531	1,488	1,531	1,487
Accruals and deferred income	3,916	3,449	3,868	3,428
	8,426	7,009	8,370	6,968

Notes to the Financial Statements Year to 31 July 2010

15 Creditors: amounts falling due after one year

Secured Loans	Group 2010 £'000	Group 2009 £'000	University 2010 £'000	University 2009 £'000
Between one and two years	799	526	799	526
Between two and five years	1,848	1,748	1,848	1,748
In five years or more	11,876	12,525	11,876	12,525
	14,523	14,799	14,523	14,799

Lender	Type of loan	Date drawn down	Total drawn at inception £'000	Period of loan	Interest rate
Barclays	Term loan	Apr 2005	4,625	25 years	Fixed
Lloyds TSB	Term loan	Aug 2006	4,600	20 years	Fixed
Lloyds TSB	Term loan	Aug 2008	1,441	20 years	Fixed
Lloyds TSB	Term loan	Aug 2008	6,500	20 years	Fixed

The borrowing from Barclays Bank is secured by a charge over the freehold interest in Downshire House and the leasehold interest in the Molly Davies PE and Dance building. Interest has been fixed at 5.14% per annum for the duration of the loan period.

The borrowing from Lloyds TSB 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. The £4.6 million drawn down loan has interest at 4.935%, the £1.441 million drawn down loan has interest at 5.495% and the £6.5 million drawn down loan has interest at 5.661%.

With effect from midnight on 31 July 2008, the liability to repay the bank loans transferred from Digby Stuart College to the University in accordance with a novation agreement. Given the nature of the lease agreements over the land and buildings, The Digby Stuart College Trust continues to offer a mortgage of the freehold of the main College site as ultimate security for these loans.

The University was successful in receiving £250,000 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 to 31 July 2010

16 Provisions for liabilities and charges

	2010 £'000			2009 £'000			
	Enhanced Pension	Voluntary Severance	Total	Enhanced Pension	PAYE/NI	Voluntary Severance	Total
At 1 August	1,843	1,000	2,843	1,119	60	—	1,179
Utilised in year	(144)	(1,000)	(1,144)	(141)	(60)	—	(201)
Transfer from Income and Expenditure Account	91	—	91	40	—	1,000	1,040
Gain/loss in respect of pension scheme	—	—	—	825	—	—	825
At 31 July	1,790	—	1,790	1,843	—	1,000	2,843

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 2009-10, actual payments of £144,213 (2008-09: £140,961) 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 2010 (2009: £1.5 million).

Notes to the Financial Statements Year to 31 July 2010

17 Deferred capital grants

	Funding Council £'000	Other grants £'000	Total £'000
At 1 August 2009			
Buildings	10,020	524	10,544
Equipment	2,424	—	2,424
	12,444	524	12,968
Cash received			
Buildings	—	—	—
Equipment	2,592	—	2,592
	2,592	—	2,592
Release to Income and Expenditure			
Buildings	(697)	(40)	(737)
Equipment	(1,145)	—	(1,145)
	(1,842)	(40)	(1,882)
At 31 July 2010			
Buildings	9,323	484	9,807
Equipment	3,871	—	3,871
	13,194	484	13,678

18 Specific endowments

	Gerhard Weiler £'000	Honora Naughton £'000	Dove Bowerman £'000	The Ebb and Flow Fund £'000
31 July 2009	40	5	179	28
Appreciation in endowment income for year	3	1	30	
Expenditure for year	(1)	(1)		(1)
31 July 2010	42	5	209	27

	Society of the Sacred Heart Fund £'000	Jewish Resource Centre £'000	Society of the Sacred Heart Fund £'000	Total £'000
31 July 2009	652			904
Appreciation in endowment income for year	8	2	25	69
Expenditure for year	(42)			(45)
31 July 2010	618	2	25	928

Notes to the Financial Statements Year to 31 July 2010

19 Reserves

a) Income and Expenditure Account

	Group 2010 £'000	Group 2009 £'000	University 2010 £'000	University 2009 £'000
At 1 August	(819)	7,491	(832)	7,477
Net (deficit)/ surplus after depreciation of assets and disposal of assets	1,094	6	1,094	7
Actuarial gain/(loss) in respect of pension scheme	1,420	(8,316)	1,420	(8,316)
At 31 July	1,695	(819)	1,682	(832)
Balance represented by				
Pension reserve	(16,835)	(17,458)	(16,835)	(17,458)
Income and Expenditure Account excluding pension reserve	18,530	16,639	18,517	16,626
	1,695	(819)	1,682	(832)

b) Total Reserves

Group	Income and Expenditure Account £'000	Pension reserve £'000	Total £'000
At 1 August 2009	16,639	(17,458)	(819)
Net surplus after depreciation of assets and disposal of assets	1,891	(797)	1,094
Actuarial loss in respect of pension scheme		1,420	1,420
At 31 July 2010	18,530	(16,835)	1,695

University	Income and Expenditure Account £'000	Pension reserve £'000	Total £'000
At 1 August 2009	16,626	(17,458)	(832)
Net surplus after depreciation of assets and disposal of assets	1,891	(797)	1,094
Actuarial loss in respect of pension scheme		1,420	1,420
At 31 July 2010	18,517	(16,835)	1,682

20 Operating leases

The annual commitment under operating leases in respect of equipment is as follows, on leases expiring:

	2010 £'000	2009 £'000
Within one year	—	47
Between two and five years	—	9
Over five years	—	—
	—	56

Notes to the Financial Statements Year to 31 July 2010

21 Reconciliation of consolidated operating surplus/(deficit) on continuing operations to net cash inflow from operating activities

	2010 £'000	2009 £'000
Net surplus/(deficit) on continuing operations	1,094	6
Depreciation/amortisation (note 9, 10)	3,314	3,039
Deferred capital grants released to income (note 17)	(1,882)	(1,368)
Interest receivable (note 5)	(94)	(166)
Interest payable (note 8)	821	778
Pension cost less contributions payable	797	186
Decrease/(increase) in stocks	(47)	14
Decrease/(increase) in debtors	149	360
(Decrease)/increase in creditors	1,391	1,484
(Decrease)/increase in provisions	(1,053)	839
Net cash inflow from operating activities	4,490	5,172

22 Return on investments and servicing of finance

	2010 £'000	2009 £'000
Interest received from short-term investments	94	166
Interest paid	(821)	(778)
	(727)	(612)

23 Capital expenditure and financial investment

	2010 £'000	2009 £'000
Tangible assets acquired (note 9)	(5,026)	(1,688)
Net cash acquired with Digby Stuart College		283
Net movement on endowments	44	704
Deferred capital grants received (note 17)	2,592	2,598
Net cash outflow from capital expenditure and financial investment	(2,390)	1,897

24 Analysis of changes in finance during the year

	Mortgages and loans £'000	Total £'000
At 1 August 2009	14,578	14,578
New loan	250	250
Capital repayment	(499)	(499)
Loan debtor	720	720
Net amount received (repaid) in year	471	471
At 31 July 2010	15,049	15,049

Notes to the Financial Statements Year to 31 July 2010

25 Analysis of changes in net debt

	At 1 August 2009	Cash flows £'000	Non-cash changes £'000	At 31 July 2010 £'000
Cash at bank and in hand	8,621	1,800	–	10,421
Cash held within endowments	704	44	–	748
Loan debtor	720	(720)	–	–
Debt due within one year	(499)	499	(526)	(526)
Debt due after one year	(14,799)	(250)	526	(14,523)
	(5,253)	1,373	–	(3,880)

26 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 2010 was £4.4 million (2009: £4.3 million), this included an amount of £144,213 (2009: £140,961) 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.

Teachers' Pension Scheme

Under the definitions set out in Financial Reporting Standard 17 - Retirement Benefits, the Teacher's 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 2009 to 31 July 2010.

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

Notes to the Financial Statements Year to 31 July 2010

26 Pensions (continued)

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 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 million. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2008, and as part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution has been assessed at 19.75%, plus a supplementary contribution rate of 0.75% (to balance assets and liabilities as required by the regulations within 15 years), giving a Standard Contribution Rate (SCR) of 20.5%. This translates into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement has also introduced, effective for the first time from the 2008 valuation, a 14% cap on employer contributions payable.

The 2006 interim actuarial review, published in June 2007, did not recommend any changes to the SCR and concluded, as at 31 March 2006, and using the above assumptions, that the Scheme's total liabilities amounted to £176,600 million.

A copy of the Government Actuary's 2004 valuation report and 2006 interim valuation report can be found on the TeacherNet website at www.teachernet.gov.uk/pensions.

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 2010 was £2.5 million (2009: £2.6 million) of which employer's contributions totalled £1.8 million (2009: £1.9 million) and employees' contributions totalled £712,000 (2009: £714,000).

The employer's contribution rate for administrative and manual staff for the period 1 August 2009 to 31 March 2010 was 17%. The employer contributions expected to be paid into the scheme during the year ended 31 July 2011 amount to £1.9 million.

Notes to the Financial Statements Year to 31 July 2010

26 Pensions (continued)

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 2010 by a qualified independent actuary.

The major assumptions used by the actuary were:

	2010 %	2009 %
Retail price index increases	3.2	3.6
Consumer price index increases	2.7	
Salary increases	4.7	5.1
Pension increases	2.7	3.6
Discount rate	5.4	6.0
Expected return on assets		
Equities	7.3	7.5
Target Return Portfolio	4.5	6.2
Alternative asset	6.3	6.7
Cash	3.0	3.0
Other Bonds	5.4	—

With regard to mortality assumptions life expectancy is based on the PFA92 and PMA92 tables, projected to calendar year 2033 for non-pensioners and 2017 for pensioners. Based on these assumptions, average future life expectancies at age 65 are summarised below:

	2009 and 2010	
	Males	Females
Current pensioners	19.6 years	22.5 years
Future pensioners	20.7 years	23.6 years

The University's share of assets in the fund and the expected rates of return were:

	Value at 31 July 2010 £'000	Proportion %	Value at 31 July 2009 £'000	Proportion %
Equities	19,633	69%	16,748	68%
Target Return Portfolio	3,414	12%	2,529	10%
Alternative Asset	4,268	15%	3,610	15%
Cash	569	2%	1,670	7%
Bonds	569	2%	—	—
Total market value of assets	28,453		24,557	

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

	31 July 2010 £'000	31 July 2009 £'000
Analysis of the amount shown in Roehampton University's Balance Sheet		
Estimated asset share	28,453	24,557
Present value of Funded liabilities	(44,236)	(40,816)
Present value of unfunded liabilities	(227)	(374)
Net pension deficit	(16,010)	(16,633)

Notes to the Financial Statements Year to 31 July 2010

26 Pensions (continued)

	31 July 2010 £'000	31 July 2009 £'000
Analysis of amounts charged to staff costs in the Income and Expenditure Account		
Employer service cost (net of employee contributions)	1,809	1,522
Losses on curtailments	23	58
Total operating charge	1,832	1,580

	31 July 2010 £'000	31 July 2009 £'000
Analysis of the amount that is credited to other finance income in the Income and Expenditure Account		
Expected return on pension scheme assets	1,741	1,801
Interest on pension liabilities	(2,512)	(2,270)
Net return on pension scheme	(771)	(469)

The actual return on assets during the year was £2,520,000.

	31 July 2010 £'000	31 July 2009 £'000
Analysis of the amount recognised in the Statement of Total Recognised Gains and Losses (STRGL)		
Actual return less expected return on pension fund assets	779	(3,415)
Experience (losses) arising on the fund liabilities	137	—
Change in index used for future pension increases from RPI to CPI	2,375	—
Change in financial and demographic assumptions underlying the fund liabilities	(1,871)	(4,076)
Actuarial gain/(loss) recognised in the STRGL	1,420	(7,491)

	31 July 2010 £'000	31 July 2009 £'000
Analysis of movement in the present value of the scheme liabilities		
Opening present value of the defined benefit obligation	(41,190)	(33,013)
Movement in the period:		
Current service cost	(1,809)	(1,522)
Interest cost	(2,512)	(2,270)
Contributions by members	(712)	(714)
Actuarial loss	(1,734)	(4,076)
Change in index used for future pension increases from RPI to CPI	2,375	—
Losses on curtailments	(23)	(58)
Estimated unfunded benefits paid	22	24
Estimated benefits paid	1,120	439
Closing present value of the defined benefit obligation	(44,463)	(41,190)

On 22 June 2010 it was announced in the Chancellor's Emergency Budget that increases to public sector pensions will in future be linked to the Consumer Prices Index (CPI) rather than the Retail Prices Index (RPI). These revised pension increases will be effective from 1 April 2011.

It is expected that CPI will be significantly lower than RPI in future periods, thus reducing the pension scheme liability. The resultant reduction in liabilities of £2,375,000 has been recognised as a credit within the statement of total recognised gains and losses.

Notes to the Financial Statements Year to 31 July 2010

26 Pensions (continued)

Analysis of the movement in the fair value of the scheme assets	31 July 2010 £'000	31 July 2009 £'000
Opening fair value of employer assets	24,557	24,057
Movement in the period:		
Expected return on assets	1,741	1,801
Contributions by members	712	714
Contributions by the employer	1,806	1,863
Actuarial gain/(loss)	779	(3,415)
Estimated benefits paid	(1,142)	(463)
Closing fair value of employer assets	28,453	24,557

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

	2010 £'000	2009 £'000	2008 £'000	2007 £'000	2006 £'000
Defined benefit obligation	(44,463)	(41,190)	(33,013)	(31,138)	(30,514)
Plan assets	28,453	24,557	24,057	24,691	20,656
Deficit	(16,010)	(16,633)	(8,956)	(6,447)	(9,858)
Experience adjustment on plan liabilities	137	—	1,834	107	(3)
Experience adjustment on plan assets	779	(3,415)	(4,124)	1,069	813

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 linked to individual institutions and a scheme-wide contribution rate is set. The University 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.

The latest actuarial valuation of the scheme was at 31 March 2008. This was the first valuation for USS under the new 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.

Notes to the Financial Statements Year to 31 July 2010

26 Pensions (continued)

The valuation was carried out using the projected unit method. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest), the rates of increase in salary and pensions and the assumed rates of mortality. The financial assumptions were derived from market yields prevailing at the valuation date. An "inflation risk premium" adjustment was also included by deducting 0.3% from the market-implied inflation on account of the historically high level of inflation implied by Government bonds (particularly when compared to the Bank of England's target of 2% for CPI which corresponds broadly to 2.75% for RPI per annum).

To calculate the technical provisions, it was assumed that the valuation rate of interest would be 6.4% per annum (which includes an additional assumed investment return over gilts of 2% per annum), salary increases would be 4.3% per annum (plus an additional allowance for increases in salaries due to age and promotion reflecting historic scheme experience, with a further cautionary reserve on top for past service liabilities) and pensions would increase by 3.3% per annum.

Standard mortality tables were used as follows:

Male members' mortality	PA92 MC YoB tables – rated down 1 year
Female members' mortality	PA92 MC YoB tables – no age rating

Use of these mortality tables reasonably reflects the actual USS experience but also provides an element of conservatism to allow for further improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

Males (females) currently aged 65	22.8 (24.8) years
Males (females) currently aged 45	24.0 (25.9) years

At the valuation date, the value of the assets of the scheme was £38,842.6 million and the value of the schemes' technical provisions was £28,135.3 million indicating a surplus of £707.3 million. The assets therefore were sufficient to cover 103% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The actuary also valued the scheme on a number of other bases as at the valuation date. On the scheme's historic gilts basis, using a valuation rate of interest in respect of past service liabilities of 4.4% per annum (the expected return on gilts), the funding level was approximately 71%. Under the Pension Protected Fund regulations introduced by the Pensions Act 2004 the scheme was 107% funded; on a buy-out basis (i.e. assuming the scheme had discontinued on the valuation date) the assets would have been approximately 79% of the amount necessary to secure all the USS benefits with an insurance company; and using the FRS17 formula as if USS was a single-employer scheme, using a AA bond discount rate of 6.5% per annum based on spot yields, the actuary estimated that the funding level at 31 March 2008 was 104%.

Notes to the Financial Statements Year to 31 July 2010

26 Pensions (continued)

The technical provisions relate essentially to past service liabilities and funding levels, but it is also necessary to assess the ongoing cost of newly accruing benefits. The cost of future accrual was calculated using the same assumptions as those used to calculate the technical provisions except that the valuation rate of interest assumed asset outperformance over gilts of 1.7% per annum (compared to 2% per annum for the technical provisions) giving a discount rate of 6.1% per annum; also the allowance for promotional salary increases was not as high. There is currently uncertainty in the sector regarding pay growth. Analysis has shown very variable levels of growth over and above general pay increases in recent years, and the salary growth assumption built into the cost of future accrual is based on more stable, historic, salary experience. However, when calculating the past service liabilities of the scheme, a cautionary reserve has been included, in addition, on account of the variability mentioned above.

The institution contribution rate required for future service benefits alone at the date of the valuation was 16% of pensionable salaries and the trustee company, on the advice of the actuary, agreed to increase the institution contribution rate to 16% of pensionable salaries from 1 October 2009.

Since 31 March 2008 global investment markets have continued to fall and at 31 March 2009 the actuary has estimated that the funding level under the new scheme-specific funding regime had fallen from 103% to 74%. This estimate is based on the funding level at 31 March 2008, adjusted to reflect the fund's actual investment performance over the year and changes in market conditions (market conditions affect both the valuation rate of interest and also the inflation assumption which in turn impacts on the salary and pension increase assumptions).

On the FRS 17 basis, using a AA bond discount rate of 7.1% per annum based on spot yields, the actuary estimated that the funding level at 31 March 2009 was 86%. An estimate of the funding level measured on a buy-out basis at that date was approximately 46%.

Surpluses or deficits which arise at future valuation may impact on the University's future contribution commitment. A deficit may require additional funding in the form of higher contribution requirements, where a surplus could, perhaps, be used to similarly reduce contribution requirements. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Assumption	Change in assumption	Impact on scheme liabilities
Valuation rate of interest	Increase/decrease by 0.5%	Decrease/increase by £2.2 billion
Rate of pension increases	Increase/decrease by 0.5%	Increase/decrease by £1.5 billion
Rate of salary growth	Increase/decrease by 0.5%	Increase/decrease by £0.7 billion
Rate of mortality	More prudent assumption (move to long cohort future improvements from the medium cohort adopted at the valuation)	Increase by £1.6 billion

USS is a "last man standing" scheme so that in the event of the insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

Notes to the Financial Statements Year to 31 July 2010

26 Pensions (continued)

The trustee believes that over the long term, equity investment and investment in selected alternative asset classes will provide superior returns to other investment classes. The management structure and targets set are designed to give the fund a bias towards equities through portfolios that are diversified both geographically and by sector. The trustee recognises that it would be possible to select investments producing income flows broadly similar to the estimated liability cash flows. However, in order to meet the long-term funding objective within a level of contributions that it considers the employers would be willing to make, the trustee has agreed to take on a degree of investment risk relative to the liabilities. This taking of investment risk seeks to target a greater return than the matching assets would provide whilst maintaining a prudent approach to meeting the fund's liabilities. Before deciding to take investment risk relative to the liabilities, the trustee receives advice from its investment consultant and the scheme actuary, and considers the views of the employers. The strong positive cash flow of the scheme means that it is not necessary to realise investments to meet liabilities. The trustee believes that this, together with the ongoing flow of new entrants into the scheme and the strength of covenant of the employers, enables it to take a long-term view of its investments. Short-term volatility of returns can be tolerated and need not feed through directly to the contribution rate. The actuary has confirmed that the scheme's cash flow is likely to remain positive for the next ten years or more.

The next formal triennial actuarial valuation is due as at 31 March 2011. The contribution rate will be reviewed as part of each valuation and may be reviewed more frequently.

27 Access to learner support funds

	2010 £'000	2009 £'000
Balance at 1 August	10	27
Funding Council grants	212	236
Interest earned	1	5
	223	268
Disbursed to students	(203)	(256)
Audit fees	(2)	(2)
Balance at 31 July	18	10

Funding Council Access Grants are available solely for students; the University acts only as paying agent. The grants and related disbursements are therefore excluded from the Income and Expenditure Account.

Notes to the Financial Statements Year to 31 July 2010

28 Incorporated Froebel Education Institute (IFEI)

	2010 £'000	2009 £'000
Total accommodation income collected	700	742
Total expenditure	(658)	(714)
Management fee to Roehampton University	(37)	(26)
Balance at 31 July	5	2

Roehampton University has agreed to act as Incorporated Froebel Education Institute's (IFEI) agent to provide management services for IFEI in relation to the London and Quadrant accommodation buildings. The income and related expenditure is therefore excluded from the Income and Expenditure Account.

29 Black and Minority Ethnic Recruitment and Retention (BMERR)

	2010 £'000	2009 £'000
Balance at 1 August	—	—
Total payment received from TDA	24	10
	24	10
Disbursed to students	(24)	(10)
Balance at 31 July	—	—

30 TDA training salaries

	2010 £'000	2009 £'000
Total payment received from TDA, excluding VAT	2,683	2,475
Disbursed to students	(2,592)	(2,325)
Administration fee	(55)	(49)
Balance at 31 July	36	101

The Training Salary Grant is solely for students: the University acts only as paying agent. The grants and related disbursements are therefore excluded from the Income and Expenditure Account; only the administration fee is included.

31 Related party disclosures

The relationship between the University, the Colleges and the Providing Bodies is a complex one involving cross membership and substantial financial transactions.

The following disclosure is required under FRS 8, Related Party Transactions.

During the financial year 2009-10 two member of the Southlands College governing body, Stephen Ludlow and Reverend David Deeks and one member of the Whitelands College Governing body, Right Reverend Dr Richard Cheetham were also members of the University Council.

The University has Deeds of Adherence with both Colleges that govern the relationship of mutuality between the separate parties.

32 Post Balance Sheet Events

On 1 August 2010 the University merged its activities with those of Southlands College. At that date all assets, liabilities and activities of Southlands College were transferred to the University.



Roehampton University
Erasmus House
Roehampton Lane
London
SW15 5PU
Telephone +44 (0)20 8392 3000
www.roehampton.ac.uk