



**Annual Report and
Financial Statements**
2018/19

Roehampton University Company Registration Number 5161359
(England and Wales)



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Company Registration Number
5161359

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Chair of Council's Welcome

The University of Roehampton and our four founding colleges share a common purpose, to change lives by helping our students to develop the confidence, knowledge and adaptability they need for a successful graduate career and fulfilling life. Our purpose guides our approach to delivering excellent teaching, world-class research and underpins the decisions we make to deliver an outstanding student experience.

At the heart of our success is our strong partnership with students. Listening to our students, understanding their needs, enabling them to shape their student experience and help us make decisions is at the core of our approach. In 2018/19 this was in part recognised when the University achieved a Silver Award in the Teaching Excellence and Student Outcomes Framework (TEF).

The Silver Award from the Office for Students (OfS) is clear recognition of our commitment to delivering high quality learning and teaching and delivering exceptional outcomes for all students, regardless of their background. The award panel commended the University for ensuring almost every full-time student achieves excellent outcomes, for a culture of staff development and reward and recognition, for our work on the attainment gap and assessment literacy, and for our engagement with employers.

To deliver an exceptional student experience, the University works in partnership with Roehampton Students' Union (RSU), our Colleges and members of Student Senate. In the National Student Survey (NSS) 2019, overall satisfaction with the University increased to 82.2%. Satisfaction also increased with the quality of teaching, learning opportunities, assessment and feedback, organisation and management, learning resources and academic support. The University now ranks third out of 20 major London universities for overall satisfaction in the NSS. One focus of the University's work has been to enhance the experience for commuting students through adapting services to better suit their needs, increasing access to core services, extending opening hours and improving the virtual learning environment.

Our investment in learning resources has focused on creating on-campus facilities and a digital learning environment that enables flexible approaches to individual study, group work and scholarship. We have worked to ensure that core texts are available to all students, resource lists reflect the diversity of our community and that our students have access to state-of-the-art equipment used in industry. Our work on academic support has focused on student engagement, which, through the use of big data, has enabled academic and support staff to make targeted interventions for at-risk students throughout the student lifecycle.

The latest Longitudinal Educational Outcomes (LEO) data highlights that on average, three years after graduation, Roehampton graduates earn £130 more than the average UK graduate and £1,150 more than the average graduate from a modern London university. Graduates in the creative arts and design and sports and exercise sciences perform particularly well, featuring in the top five in London for graduate earnings three years after graduation and students graduating in education, teaching and English in the top 25 universities in the sector.

Our commitment to delivering positive student outcomes for all students is further demonstrated in the latest Destinations of Leavers in Higher Education (DLHE) Survey results, which indicate 93% of students were in work or further study within six months of graduation. The success of our graduates is central to our vision and reflects our drive to embed work experience within and alongside study, increase visibility of the Career Mentoring Scheme and embed the Roehampton Graduate Attributes in programme design.

Academic staff at the University produce world-class research, across all of our academic departments, that enriches the world around us. Our research culture is internationally recognised for its quality, reach and significance. From international animal conservation, to blocking domestic violence, and to engaging the arts in tackling age-related disease, our research improves society, informs policy, expands our understanding of the world around us and changes lives.

The University's preparations for the Research Excellence Framework 2021 (REF2021) continue, with the Code of Practice that will define the University's approach to REF2021 already approved. In 2018/19, 233 research bids were submitted across the University to a range of trusts, foundations, funding bodies and industry. At the time of writing, 61 grants have been awarded to a total value of £1,881,267.

The current phase of our campus investment programme has focused on a new home for our Department of Media, Culture and Language, with teaching beginning in the new building from January 2020. The building will house a hub for student services, state-of-the-art film, television, photographic and sound studios, a 100-seat cinema, editing suites, and open and flexible learning and teaching spaces. The University has also continued to invest in other areas of campus, including a significant renovation programme across the legacy estate to classrooms and signage across each college.

In spring 2019, Professor Paul O'Prey CBE retired as Vice-Chancellor of the University. Professor O'Prey joined as Vice-Chancellor in 2004, and under his leadership navigated a challenging environment to ensure our students achieve the outstanding outcomes we see today. We are enormously grateful to Paul for all that he has done for the University. Our new Vice-Chancellor, Professor Jean-Noël Ezingoard, joined the University in May 2019 and has visited each academic and support department. The University is currently developing three enabling strategies that will focus on Student Education, Research and Knowledge Exchange and Sustainability, underpinned by our purpose and commitments.

These strategies will shape our journey over the years to come and be key to ensuring that we respond rapidly to the external environment, address the challenges we face and harness the opportunities they bring.

Sir David Bell
Chair of Council
November 2019





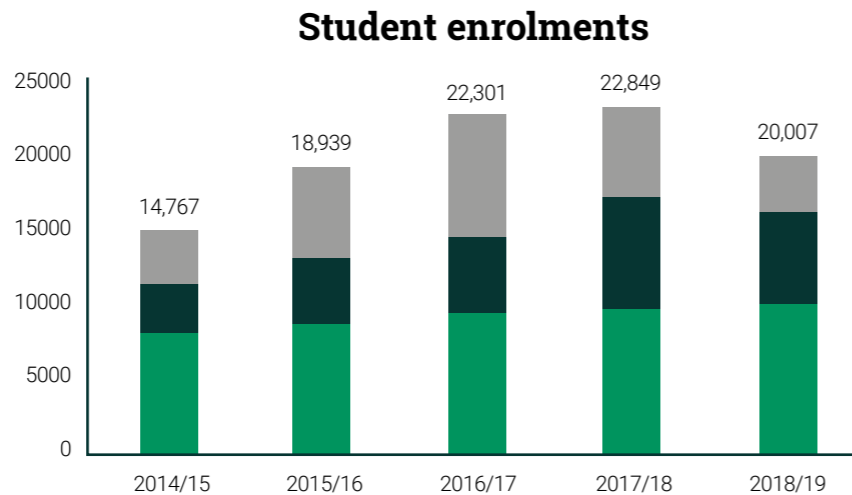
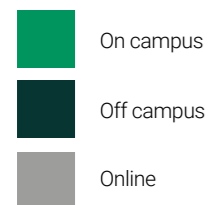
Strategic Report

The Strategic Report 2018/19 provides a summary of the University's activities over the 2018/19 financial year and performance against our Key Performance Indicators (KPIs) from the Strategic Plan 2019–2022.

Student population

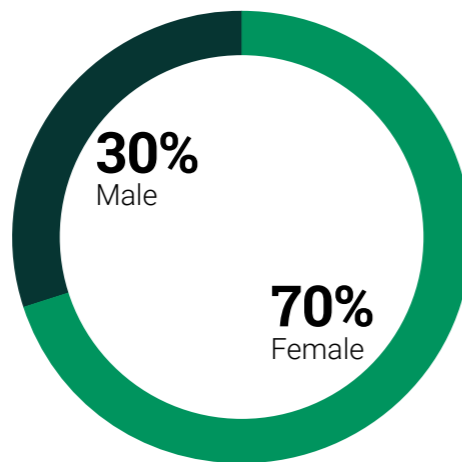
In 2018/19, the University of Roehampton had a total of 20,007 registered students (full person equivalent). Of these, 9,215 were on-campus students (46.1%), 7,474 off-campus students (37.4%) and 3,318 online students (16.6%).

The reduction in online student numbers reflects teach out with Laureate.



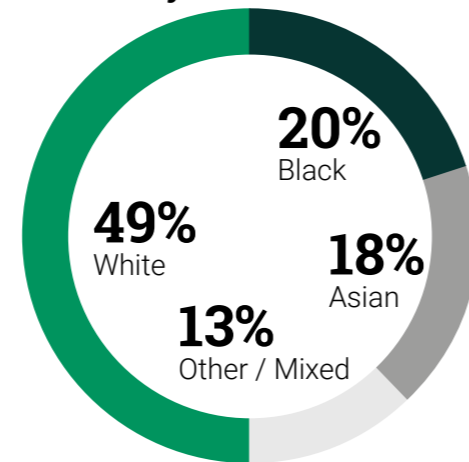
HESA returnable student enrolments between 2014/15 and 2018/19

Gender



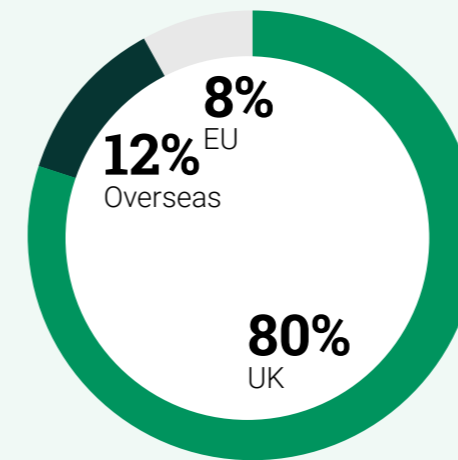
Gender split of on-campus students in 2018/19

Ethnicity



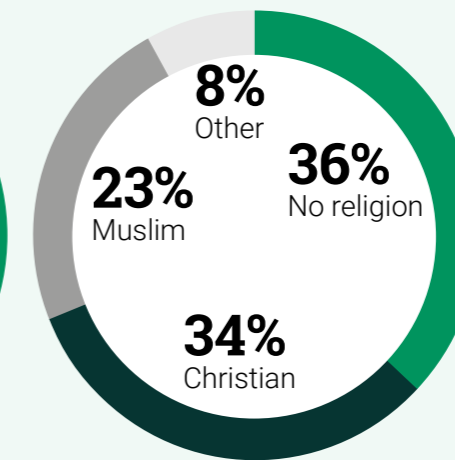
Ethnicity split of on-campus students in 2018/19

Domicile



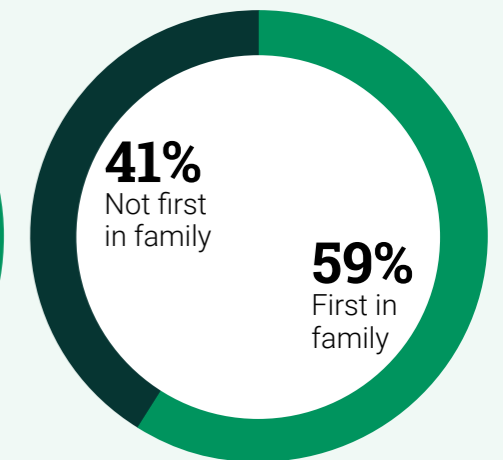
Domicile split of on-campus students in 2018/19

Religion



Religion split of on-campus students in 2018/19

First in family



First in family in higher education split of on-campus undergraduate students in 2018/19

Key performance indicators

The Strategic Plan 2019 – 2022 sets out the current KPIs our University measures itself against to monitor progress and success. The first annual progress report was presented to Council in October 2019. The KPIs identified in the Strategic Plan 2019 - 2022 are based on the University's strategic priorities, which are:

- Building our resilience and adapting to meet the challenges ahead.
- Enhancing our reputation for excellence in teaching and research.
- Creating a student experience that enriches the lives of all of our students, fosters a culture of positive wellbeing and values their voices.
- Building opportunities for our staff to develop and grow in a community that is open to the world.

The development of three enabling strategies, focusing on Student Education, Research and Knowledge Exchange and Sustainability, will identify a set of strategic priorities and objectives that will be reported on in the future.



Financial Review

The primary purpose of the University's Financial Strategy is to ensure that it remains financially viable and achieves long-term success and sustainability.

At a glance

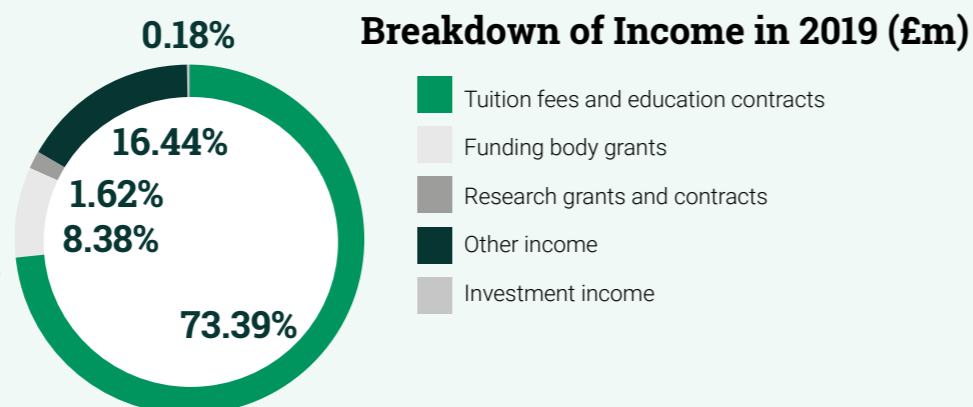
2019

Total net assets:
£32,716,000

Deficit: (**£3,237,000**)

Surplus: **£3,315,000**
excluding pension liability charges

Total income:
£139,876,000



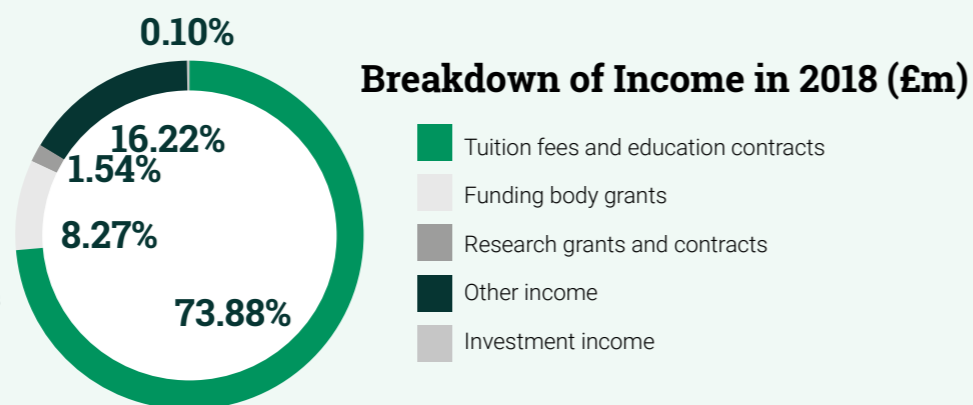
2018

Total net assets:
£53,032,000

Surplus: **£1,000,000**

Surplus: **£5,175,000**
excluding pension liability charges

Total income:
£134,636,000



The progress against the 2018 indicators is shown below.

Indicator	Measure	July 2018	July 2019
Staffing	Staff costs as a % of Income	46.5%	46.5%
Liquidity	Net liquidity days	88	83
Historical cost surplus or deficit	Historical cost surplus or deficit as a % of income	0.7%	-2.3%
Surplus excluding pension movements	As a % of total income	3.8%	2.4%
Net cash flow from operating activities	Total net cash inflow from operating activities as a % of total income	8.7%	10.2%
Discretionary reserves	Reserves as a % of income (excluding pension provision)	64.0%	64.1%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	EBITDA as % of income	11.8%	10.3%

Earnings before interest, taxes, depreciation and amortisation

Earnings before interest, taxes, depreciation and amortisation is a commonly used measure of financial performance. EBITDA allows for comparability between organisations and also measures an organisation's actual operating performance. For the purpose of calculating EBITDA as a percentage of income, adjustments are made for, interest (note 8), deferred capital grants (note 2), depreciation (note 10), amortisation (note 11, 12), pension liability charges (note 7) and pension interest (note 8). EBITDA remains above the University target of 10% as a percentage of turnover.

Results

The consolidated deficit for 2018/19 is £3.2m and this compares with a surplus of £1.0m in the previous financial year. The main reasons for a deficit arising in the year relate to unforeseen legal rulings in respect of the London Government Pension Scheme (LGPS) and changes to the USS deficit recovery plan, based on the 2017 valuation. These changes are explained in the Pensions section below. If all pension charges are excluded, the University would have made a surplus of £3.3m in 2018/19.

Pensions

In 2018/19 the total comprehensive income for the year includes an actuarial loss of £17.1m compared with an actuarial gain in 2017/18 of £24.9m. This is reflected as an increase in Pension fund liability of £20.6m. Following professional advice, the University revised the assumptions used to calculate the pension fund valuation for the LGPS pension scheme. Changes have been made to the discount rate, salary increases, pension increases and mortality rates. The discount rates were reduced from 2.9% at 31 July 2018 to 2.1% at 31 July 2019. The LGPS pension liability charge for the year is £2.6m, as shown in note 7 and the overall movement in the defined benefit obligation (note 18) is £20.3m. Part of these costs relate to a ruling that has been made regarding age discrimination arising from changes in public sector pension schemes. The Court of Appeal judgements were made in cases affecting judges' pensions (McCloud) and firefighter pensions (Sergeant). In addition, on 22 January 2018, the Government published the outcome to its Indexation and Equalisation of Guaranteed Minimum Pension in Public Service Pension Schemes consultation, concluding that the requirement for public service pension schemes to fully price protect the Guaranteed Minimum Pension element of individuals' public service pension would be extended to those individuals reaching State Pension Age (SPA) before 6 April 2021. HM Treasury published a Ministerial Direction on 4 December 2018 to implement this outcome, with effect from 6 April 2016, again this has affected the LGPS liability.

As a result of changes in the Universities Superannuation Scheme (USS) deficit recovery plan, which is based on the 2017 valuation, the University's pension liability increased reflecting proposed changes in the percentage employer contribution and increased length of time over which the recovery plan exists. Therefore the University pension movement relating to USS as shown in note 7 staff costs was £3,018,000. The total provision shown on the balance sheet now is £4,738,000. In September 2019 the 2018 valuation was agreed, as a result of the timing this was classified as a non-adjusting post balance sheet event. Had the 2018 valuation been used the charge to staff costs would have been £1,067,649 instead of £3,018,000.

Income

Income has increased by £5.2m (3.9%) compared with the prior year. The main drivers of this increase are additional income from Funding Council grants, which increased by £0.6m (5.2%), arising from additional funding from Research England in the form of the Global Challenges Research Fund (GCRF) and an increase in the recurrent teaching grant. Total tuition fee income increased by £3.1m (3.1%), this is as a result of income from full-time Home/EU students increasing by £2.0m (2.3%) from £86.9m to £88.9m, and income from full-time international students increasing by £1.2m (18.9%) to £7.6m. In contrast, total tuition fee income from part-time students decreased from £5.8m to £5.7m.

Expenditure

Income from research grants and contracts increased by £0.2m (9.3%) to £2.3m, this is mainly as a result of new research contracts awarded to the Department of Social Sciences and Department of Life Sciences. Other Operating Income increased by £1.1m (5.3%), mainly as a result of increases in conferencing activities and student accommodation lettings.

Total expenditure rose in 2018/19 by £9.4m (7.1%) to £143.1m. This is due in large part to the increased costs of staff (£2.5m) and other operating expenditure (£6.6m) to support the teaching activities of the University and depreciation (£0.4m) resulting from the completion of major capital projects.

In 2017/18 the University ran a staff reduction exercise, as a result a provision was created (note 18), the exercise was completed in September 2018 and therefore £1.8m has been released from other provisions.

Staff costs

Staff costs of £69.1m represent the most significant item of expenditure. Staff costs remained stable compared with the prior year. In 2017/18, the University ran a staff reduction exercise, as a result a provision was created to a value of £1.8m. The provision was released in 2018/19 and, due to this exercise, the University saw a reduction of £1.7m in staff costs. However, the pension liability charge increased by £2.9m (100%)

compared to the prior year. This figure includes pension scheme adjustment costs for the LGPS (FRS 102 post-employment benefits) of £2.6m (2018: £2.8m) and a USS pension provision movement of £3.0m. The cost of living increase in 2018/19 included the nationally agreed 2% increase on basic pay.

Balance sheet

Tangible fixed assets total £217.0m; additional fixed assets in the year total £11.9m, this figure includes the cost of renovation to the Sir David Bell Building, which will become home to the Department of Media, Culture and Language and student services.

Heritage assets total £310,000 and comprise the Carl Hahn Robert Graves Collection, which was donated by Carl Hahn this year.

Liquidity and reserves

The level of income and expenditure reserves has reduced by £20.3m to £32.1m, mainly from the increase in the LGPS pension liability and impact of the USS pension provision obligation.

Cash
2017/18: **£30,499** | 2018/19: **£30,658**

Liquidity
2017/18: **88 days** | 2018/19: **83 days**

Investments

The University predominantly uses a cash management service to manage its treasury activity. All surplus funds are invested to maximise return. In February 2019, the University agreed an investment policy to ensure that funds are invested ethically to maximise returns and minimise risks within appropriate investments. This policy is regularly reviewed by the Finance and Estates Committee. The Dove Bowerman and the Gerhard Weiler endowment funds are invested directly with Investec Wealth & Investment Limited. As of 31 July 2019, these funds had a value of £314,021 and £67,841 respectively and are included note 19, Endowment Reserves.

Post balance sheet events

Post balance sheet events may have a significant effect on the values shown in the accounts, and occur after the balance sheet date but prior to the date on which the accounts are approved by Council. In respect of the USS pension scheme, a new Schedule of Contributions based on the 2018 actuarial valuation has been agreed. As a result, the provision for the obligation to fund the deficit of the USS pension would reduce by £1,950,351. Had the 2018 valuation been approved before year end, the result for the University's Financial Statements would have been a reduced deficit of £1,286,649.

Student Experience

The University, in partnership with Roehampton Students' Union, the Colleges, members of Student Senate and our student body, aims to deliver an outstanding student experience that enriches the lives of all students, fosters a culture of wellbeing and values their voices.

In 2018/19 the University expanded its use of big data, which underpins the Student Engagement Dashboard, to enable academic and support staff to improve the timeliness of interventions for at-risk students throughout the student lifecycle. Across all levels of study, students are personally supported by a dedicated team to ensure that they receive the support they need.

To effectively understand the experiences of students, the University undertakes a range of exercises to gather student feedback, including University-level and national surveys. Action plans are created with students as a result of their feedback, published online and reviewed on an ongoing basis. In the National Student Survey (NSS) 2019, overall satisfaction with the University increased to 82.2%. The University now ranks third out of 20 major London universities for overall satisfaction in the NSS.

Satisfaction also increased in the NSS with the quality of teaching, learning opportunities, assessment and feedback, organisation

and management, learning resources and academic support. Investment in learning resources has focused on creating on-campus facilities and a digital learning environment that enables flexible approaches to individual study, group work and scholarship.

In response to student feedback, the University has focused on enhancing the experience for commuting students through adapting services to better suit their needs. Initial steps have included extending the opening hours of core services, improving the accessibility of the virtual learning environment to reduce the need to visit campus to receive academic support, and working with local stakeholders to improve transport in the local area. To reduce the commuting costs for students, personalised timetables have been introduced designed around student needs. Students highlighted that they were asked to travel too often to campus for short periods of time, costing them money and impacting on their learning, and their family, caring and working


responsibilities. To address this, timetables are designed with blocks of activity over several days, rather than every day. The new entrant's survey shows 80% of students over the past two years have been satisfied with their timetables, up eight percentage points since 2013. Induction timetables are embedded in a welcome week app; and personalised academic timetables are accessed by students via the student portal. An SMS lecture cancellation service has also been introduced.

At the heart of university life at Roehampton are four colleges: Digby Stuart, Froebel, Southlands and Whitelands. Each college provides enhanced levels of pastoral support and play a pivotal role in the transition to university for all new students. Wellbeing officers, chaplains and wardens are there when students need help. The colleges sustain a flourishing culture of co-curricular voluntary and community activity. Colleges provide students with opportunities to get involved in music, sport and projects working with local communities.

Alongside the colleges, Roehampton Students' Union (RSU) plays a major role in student life. RSU has 60 clubs and societies that support students to build friendships, gain confidence and develop skills. Nearly half of all undergraduate students are a member of at least one club or society. RSU offers volunteering opportunities on campus, in the local community and abroad, supporting students to develop skills in work-based settings. Over 400 students have volunteered this year across 71 activities with 40 providers, up from 328 students in 2017/18.

The wellbeing team works with academic departments, the colleges and the RSU to support students in making the successful transition to university and to support students to be successful in their studies. The team includes mental health practitioners, counsellors and disability and dyslexia advisors.





86%

of respondents felt their role made a meaningful contribution to the overall success of the University

Staff Experience

The University strives to meet ambitious targets set out in the Strategic Plan 2019–2022, including cultivating a culture of growth and inclusion amongst staff. This is underpinned by staff development and induction activity, with a programme of continuous professional development events throughout the year designed to support all staff throughout their careers.

In 2017/18, the University ran its second Staff Engagement Survey. In the results, 86% of respondents felt their role made a meaningful contribution to the overall success of the University and 80% recognised the University's values. In response to the survey the University develop an action plan to enhance the experience for all colleagues that focused on improving recruitment, career development, staff wellbeing and university policies.

A number of examples of positive outcomes have come out of the survey to date. For example, in 2018/19 the University established a health and wellbeing group to provide information, activities and events that help staff support and improve their wellbeing in and outside of the workplace. The group also developed regular fitness activities and an online calendar has been created with regular and one-off activities for staff to choose from.

Staff development is enhanced by active staff communities, including LGBT+, BAME, EU Staff and Early Career networks. Free flu-vaccination are available to all staff, as are allotments where members of staff and their families can grow fruit and vegetables. The University is also continuing to support EU and international staff in preparation for the United Kingdom's planned withdrawal from the European Union.

Academic staff development is led by the Learning and Teaching Enhancement Unit which works with every academic department to ensure that teaching excellence is embedded in practice, and which encourages staff to share innovative ideas, best practice, and pedagogies with demonstrable impact.

Learning, Teaching and Student Success

In 2018/19 the University achieved a Silver Award in the Teaching Excellence and Student Outcomes Framework (TEF).

The Silver Award from the Office for Students is clear recognition of the University's commitment to delivering high quality learning and teaching and delivering exceptional outcomes for all students, regardless of their background. The award panel commended the University for ensuring almost every full-time student achieves excellent outcomes, for a culture of staff development and reward and recognition, for our work on the attainment gap and assessment literacy, and for engagement with employers.

At the heart of the University's success is a strong partnership with students. Listening to students, understanding their needs, enabling them to shape their student experience and help make decisions is at the core of the approach. Students are genuine partners in improving teaching quality and student outcomes. Chaired by the Vice-Chancellor, Student Senate was established nine years ago as a joint committee of Council and Senate. Its members are elected representatives of the students' union, colleges and academic departments. Student Senate formally consults on major strategy, policies and issues and the student members decide how to spend an annual £50,000 budget. Recent projects include work on mental health and reducing the attainment gap.

Investment in learning resources has focused on delivering on-campus facilities and a digital learning environment which enables flexible approaches to individual study, group work and scholarship. Core texts are available to all students, resource lists reflect the diversity of our community and students have access to state-of-the-art equipment used in industry. Work on academic support has focused on student engagement, which through the use of big data has enabled academic and support staff to make targeted interventions for at risk students throughout the student lifecycle.

In 2018/19 Re-Imagining Attainment for All 2 (RAFA2) came to the end of its HEFCE/OfS funding. RAFA2 focused on developing student-led initiative to closing the attainment gap between BAME students and their white counterparts. The outcome has been the development of a range of projects including a focus on decolonising the curriculum and improving the diversity of academic literature. Toolkits have also been co-created between academic staff and students to help develop curricular that reflect the diversity of the student body.



93% of students who graduated last year were in work or further study within six months

The latest Longitudinal Educational Outcomes data highlights that on average, three years after graduation, Roehampton graduates earn £130 more than the average UK graduate and £1,150 more than the average graduate from a modern London university. Graduates in the creative arts and design and sports and exercise sciences perform particularly well, featuring in the top 5 in London for graduate earnings three years after graduation and students in education and teaching and english in the top 25 of universities in the sector.

The latest Destinations of Leavers in Higher Education (DLHE) Survey results indicate that 93% of students were in work or further study within six months of graduation. The success of our graduates is central to our vision and reflects our drive to embed work experience within and alongside study, increase visibility of the Career Mentoring Scheme and embed the Roehampton Graduate Attributes in programme design.

Putting personal skill development at the centre of the student experience at Roehampton has encouraged a more dynamic, and ambitious, approach to curriculum design and new programme development. Roehampton Graduate Attributes are now defined across each programme, providing a framework for shaping the curriculum.

Roehampton Graduate Attributes

At the University of Roehampton, we inspire curiosity and creativity in our students and lifelong passion for knowledge. Our graduates are open to new ideas, adaptable to change and able to work well with people from all walks of life. Roehampton graduates can communicate their ideas clearly and effectively in all kinds of ways. A Roehampton degree builds confidence and resilience, enabling our students to take the lead and make a difference.

At Roehampton, our academic programmes support students to:

- Tackle real world problems with research-informed approaches and solutions.
- Collect and critically analyse complex information and data from a wide variety of sources.
- Communicate their ideas clearly and effectively in writing, in speech and through the creative and performing arts.
- Look for ways to improve their performance.
- Network effectively and present themselves professionally.
- Navigate the digital world.
- Develop hands-on experience of the working environment.

- Make decisions to high ethical standards.
- Recognise commitments to social responsibility.

Professional recognition is at the heart of academic staff development. The staff development programme, ENHANCE, provides continuous professional development (CPD) for academic and professional service staff including routes to external recognition. These CPD activities ensure that those working with students, no matter their level, have opportunities to enhance, enrich and progress their practice in a supportive and stimulating environment. Fellowship of the Higher Education Academy has risen from 62% in 2014 to 93% of all academic staff in 2018, reflecting the University's commitment to the recognition of excellent teaching. Academic staff at all levels involved in the annual Learning and Teaching Festival and our Teaching.



58

Successful PhD completions in 2018/19

In 2018/19, the University received £2.2m in research income and £3.5m in Quality-related Research (QR) funding from Research England.

Research

Academic staff at the University produce world-class research, across all academic departments, that enriches the world around us. Roehampton's research culture is internationally recognised for its quality, reach and significance.

In 2018/19, the University received £2.2m in research income and £3.5m in Quality-related Research (QR) funding from Research England. Roehampton academics continue to develop the impact of their work proactively, and impact activity has grown significantly across the institution in 2018/19. Notable successes in this period have ranged from informing public policy, to influencing professional best practice and shaping public perception and opinion. In addition, successful funding applications will also enable the delivery of substantial impact projects in 2019 and 2020.

The following represents some of the most high profile impact stories of 2018/19:

Dr James Davies' (Life Sciences) research on overprescribing of antidepressants led him to form the Council for Evidence-based Psychiatry and the All Party Parliamentary Group for prescribed drug dependence, and through these fora has been advocating for changes to NICE guidelines around the prescription of antidepressants. In May 2019, the Royal College of Psychiatrists (RCP) issued a new position statement based on this research and advocacy.

Dr Mike Brown's (Humanities) Wellcome Trust-funded 'Surgery and the Emotions' project has involved extensive engagement with surgical and nursing professional organisations, including the submission of written evidence to the Commission on the Future of Surgery. The Commission Report, published late 2018, cites the team's research and explicitly acknowledges their recommendations concerning improved emotional support for surgeons.

In December 2018, the project was awarded Follow-on Funding for public engagement, which will enable a further programme of engagement events with surgeons, patients, and surgical support staff to be delivered over the course of 2019.

Professor Clare McManus (English and Creative Writing) has been awarded £314,000 for a Leverhulme Research Grant in collaboration with King's College London. Entitled 'Engendering the Stage', the project will uncover archival evidence for women's presence on the early modern stage. Planned impact work with Shakespeare's Globe, the Stratford Festival and performers will enhance existing impact activity arising from English and Creative Writing's early modern drama research. Along with Andy Kesson (PI on the AHRC-funded 'Before Shakespeare' project), Professor McManus' research has changed casting and performance practices at major and independent theatre companies.

Dr Shelley Trower's (English and Creative Writing) AHRC-funded 'Memories of Fiction' project was awarded £80,000 in Follow-on Funding for a year-long public engagement project that will include a touring theatre production, collaboration with the British Library on a public oral history database, a radio programme, and engagement with libraries professionals and policymakers. The project begins in September 2019, and will substantially enhance the existing 'Memories of Fiction' impact, which already included work with library professionals organisations, a successful play at Omnibus Theatre, and engagement with the APPG for Libraries.

Other grants awarded to academics across the University include:

- £139,471 from the Templeton Religious Trust, awarded to Professor Fiona Ellis (Humanities) for 'The Quest for God: Towards a Philosophically and Experimentally Based Theology of Desire'.
- £95,700 from the Royal Society in the form of a Newton International Fellowship awarded to Giulio Facchini, mentored by Dr Andrea Perna (Life Sciences), for 'From self-organisation to biological function: an exploration on the floatability of self-organised biological structures'.
- £93,983 from the Wellcome Trust, awarded to Dr Adele Costabile (Life Sciences) for 'Prebiotic intervention study in children with Autism Spectrum Disorders (ASDs)'.
- £41,094 from Bosch Stiftung, awarded to Professor Bryony Hoskins (Social Sciences) for 'Identifying effective programme interventions for teaching and learning European Citizenship for disadvantaged young people'.
- £34,059 from the AHRC, awarded to Dr Jonathan Skinner (Life Sciences) for 'Rehabouring Heritage: tying tangible and intangible marine heritage to the performing arts to develop community engagement in food security and sustainable tourism in East Africa coastal communities'.

Postgraduate completions remain stable across the institution, with 58 successful PhD completions in 2018/19.

Outreach, Participation and Community Engagement

Outreach and Participation

The University works with its partners on a variety of outreach activities. For the 2018/19 academic year, these included personal statement workshops, attendance at higher education fairs, student life presentations and information about study abroad.

Other initiatives included:

- COMPASS – (the University of Roehampton Compact Scheme). The initiative aims to help teenagers to develop the skills, knowledge and confidence to progress onto higher education.
- A continuation of Re-imagining Attainment for All 2 (RAFA 2). RAFA 2 is a student-led initiative focusing on the process of academic assessment in higher education, with the aim of critically analysing and addressing the attainment gap between black/African/Caribbean/black British, and white students. Additionally, RAFA 2 is exploring the attainment gap between Muslim women students and white students in general.

- The delivery of the Pathways to Law programme continued in 2018/19. The programme, which is run in partnership with the Sutton Trust, seeks to support students from widening participation backgrounds who aspire to have careers in Law.
- Cool to be Clever – a collaborative outreach project run with Putney High School. The programme aims to inspire and raise the aspirations of 50 gifted and talented Year 4 children from primary schools in Wandsworth, who would be the first in their family to go to university.
- Aim Higher – Through its work with Aim Higher London South, the University support the enhanced provision of impartial information, advice and guidance across London, to close the gaps and improve the flow of information to schools. The University also won the Institution of the year 2019 award at Aim Higher London Practitioner Awards.

Community engagement

In 2018/19, the University continued its focus on partnership development and public engagement with the local community and businesses. Projects included:

- An ongoing agreement with the Booker Prize Foundation to distribute 3,500 copies of a contemporary fictional novel, as part of the RoeReads initiative. The featured book in 2018/19 was *Exit West* by Mosin Hamid. Copies were distributed across campuses for free and staff and students were able to attend a session about the book with the author.
- The Department of Life Sciences joined the annual science communication event Pint of Science, which aims to broaden public understanding of science by bringing lectures from professional scientists and researchers into pubs.
- In 2018/19, the University signed a partnership with Premiership football club Crystal Palace. The agreement includes work experience opportunities for students, the involvement of Crystal Palace staff in careers-related events and activities and extensive links between Crystal Palace Ladies FC and the University of Roehampton Women's Football programme. Students are also engaged in active research projects in relation to discrete modules and dissertations, a significant number of students have gained employment on match days, taken on voluntary placements and attended fixtures. The partnership also brings together the University and the Palace for Life Foundation, a community engagement programme that works with over 13,000 young people in south London every year, including through schools and colleges in the Croydon area.

- An ongoing range of volunteering and sustainability initiatives through RSU, including the Growthampton project. Growthampton continues to work as an educational tool and community builder, developing employability skills, bolstering youth development, enhancing physical and mental health, whilst improving diet and overall public health. The project also won the 'Healthier Places' award at the Sustainable City Awards 2019 for best practice in promoting working-environments and cultures which benefit the well-being of workers or citizens, such as work-space, facilities and social community initiatives.
- In 2018/19, the University signed an expanded agreement with Wimbledon Bookfest. The agreement means the University is a principal partner for the next five years for the festival and associated schools programme, which now works with over 70 schools in south

London. The new agreement will also see a new series of TED-style lectures, for the public and for school pupils, delivered by leading Roehampton staff.

- The University continued to maintain its links with approximately 400 schools through the School of Education, with a growing School Direct network.
- The University has also signed agreements this year with the Print Room at the Coronet, a theatre based in Notting Hill, and with the People Show, a theatre company based in Whitechapel. Each of these partnerships has provided the opportunity for students to undertake work placements and for staff to engage with the organisations. These partnerships also build on the University's existing agreements with Battersea Arts Centre and Barnes Children's Literature Festival.



The delivery of the Pathways to Law programme continued in 2018/19. The programme, which is run in partnership with the Sutton Trust, seeks to support students from widening participation backgrounds who aspire to have careers in Law



Responsible University

Equality, diversity and inclusion

Equality, diversity and inclusion are included as strategic priorities in the Strategic Plan 2019–2022. In 2017/18, the University introduced new structures to govern equality, diversity and inclusion activity that continue to evolve. The University also approved the Trans, Non-Binary and Intersex Equality Policy in 2018/19.

Publication of the Annual Equality Report and progression of Equality Objectives

Equality, Diversity and Inclusion Committee (EDIC) publish the University's Annual Equality Report, which demonstrates how we are meeting the aims of the Equality Duty and how we are progressing our its Equality Objectives. The University published its Gender Pay Report demonstrating an average median gap of 5.21%, which is below the sector average.

Charters and awards

The University ranked 188 in the Stonewall Equality Workplace Index in 2018/19. This was a rise of 211 places on 2017/18, the largest increase of any organisation in a single year. To support work on improving the experience for lesbian, gay, bi-sexual and trans members of staff and students a complex action plan is in place, supported by UR Pride (the staff equality network for LGBT+ staff).

Bio-diversity

The University occupies a mature estate in South West London, home to rich biodiversity. The site is open to the public to enjoy during the day. Local schools and forest schools are frequent visitors. A biodiversity group comprising academic experts and professional services staff oversees the preservation of the rich natural environment on campus. We are home to an urban orchard which receives support from the Urban Orchard project.

Modern slavery and human trafficking

The University supports the UK Government's objectives to eradicate modern slavery and human trafficking and continues to take action to promote ethical business practices and policies to protect workers from being abused and exploited in our business and supply chain. The University published a Slavery and Human Trafficking Statement on the website, pursuant to Section 54 of the Modern Slavery Act 2015, which sets out the steps taken by the University during the year ending 31 July 2019, to ensure that slavery and human trafficking are not taking place in the supply chain or in any part of the business.



Risk and Uncertainty

The University's Council has overall responsibility for risk and uncertainty, that is delegated to the Vice-Chancellor to manage on a day-to-day basis.

The Vice-Chancellor and the senior members of staff in the University who are members of the Vice-Chancellor's Advisory Group (VCAG) are responsible for risk management, and review of the high-level risk register on a regular basis throughout the academic year as set out in the Risk Management Policy.

The University maintains a fully scored and prioritised High-Level Risk Register (HLRR), with each risk linked to one or more of the University's strategic objectives and underpinned by a detailed risk register that identifies mitigating actions. The high-level and detailed risk registers are updated and presented to each meeting of Audit Committee and subsequent meetings of Council.

The University has also promoted greater involvement by academic and support departments in the risk management process to ensure that risks are identified and managed at the appropriate level within the organisation. A revised approach to aligning business planning and risk management is currently being developed. Members of the VCAG consider all department risk registers when updating the University HLRR. The HLRR is used to identify core areas of work required to be undertaken to ensure adequate and effective risk management. Departments map out their planned actions in relation

to each of these key areas of work. This enables the University to maintain a greater level of control in relation to risk and to be more certain about its future direction and, crucially, the extent to which its mission can be achieved.

Top priority high-level risks

As of 31 July 2019, the University had identified three risks with the highest priority:

- Government policy on future funding or places.
- Effects of the UK withdrawal from the EU.
- Student recruitment.

Government policy on future funding or places

The current political and economic climate has caused significant uncertainty within the higher education sector. In order to mitigate this risk, the Vice-Chancellor and senior staff maintain the University's influence in sector-level discussions on policy through engagement with senior Government officials. The University ensures that it is compliant at all times with the relevant

immigration and consumer protection legislation and guidance, as well as undertaking regular financial forecasting and scenario planning to build resilience.

Effects of the UK withdrawal from the European Union

The decision to leave the European Union and the prolonged withdrawal negotiations process has caused significant uncertainty for the University. The University implemented an Action Plan in October 2016, outlining actions to mitigate any potential negative impacts from the UK leaving the EU. For example, the University has implemented actions to mitigate loss of EU staff and has increased EU student recruitment and marketing activities. The University actively engages in consultations at a sector level to help shape any future policy and monitors the likely impact on possible student and staff recruitment of any legislation as a result of exiting the EU. At the time of writing, planning is focused on a 'no-deal' scenario, with all worst-case possibilities begin overseen by a working group that reports to VCAG.

Student recruitment

Over the last six years, there have been significant shifts in the sector in regard to the number of students enrolling for study, and whilst the University has experienced growth in student recruitment during this period, ongoing uncertainty continues to identify this as a high-level risk. Proposed change to student fee levels are at the time of writing unlikely to be introduced and projections continue to indicate that the impact of Brexit is likely to lead to a reduction in student enrolments from 2020, coupled with the demographic decline in the number of school leavers until 2021. The University continues to respond robustly to these challenges to mitigate this risk, including through the successful launch of Adult Nursing and the development of Computing programmes, as well as new approaches to conversion.

This strategic report is approved and signed on behalf of the Council.



Sir David Bell
Chair of Council
November 2019





Members of Council Report

Statement of Public Benefit

Roehampton University is an exempt charity under the terms of the Charities Act 2011. In preparing this statement of public benefit, the governors as Trustees of the University have had regard to the Charity Commission's guidance on the reporting of public benefit and its supplementary public benefit guidance on the advancement of education and is confident that it complies with all elements of Charity Law. The University's purpose is defined in the Articles of Association as: 'the establishment conduct and development of a University for the advancement of higher and further education and as an institution for teaching and research.'

Our Purpose is to:

- Change lives by helping our students to develop the confidence, knowledge and adaptability they need for a successful graduate career and fulfilling life.
- Understand and help to improve our world through a spirit of curiosity and discovery.
- Support, encourage and challenge each other in a friendly and inclusive community that values people as individuals.

Our Commitment is to provide:

- A community of learning based on partnership that encourages and supports all of our students and staff to achieve their aspirations.
- An excellent education that enables our students to prepare themselves for a successful and fulfilling career in a rapidly changing world.
- A curriculum that meets the needs and expectations of both students and employers, and that reflects the diversity of modern society.
- An excellent research environment that makes a positive contribution to our understanding of the world and helps to improve lives.
- A community that is characterised by friendliness, openness, inclusion and freedom of thought and expression.
- A wide range of opportunities for our students to develop interests beyond their course of study, encouraging them to grow as individuals.
- A network for communities and partners who share our values to work together in common purpose.

Committee membership

Members of Council, who are the directors of the University for the purposes of company law, present this report and the financial statements for the year ended 31 July 2019. The names of the current members of Council and those who served during the year in question are listed below. All held office throughout the year unless otherwise indicated.

Members of Council and Directors

Sir David Bell (Chair)
Mark Allen (from 18 March 2019)
Sister Lorna Brockett
Dr Sultana Choudhry
Janet Cooper OBE (Vice-Chair)
Professor Ann David
Roger Dawe (until 7 March 2019)
Sister Christine Edwards
Professor Jean-Noël Ezingard (ex officio from 1 May 2019)
Dennis Hone CBE
Rev Margaret Jones
Tim Macquiban (from 18 March 2019)
James Alexander McKinney (until 18 January 2019)
Mark Neale CBE (until 30 April 2019)
Sidney Brian Newey (until 10 October 2019)
Chukwuemeka Chika Obinna Goodluck Nwagu (ex officio until 30 June)
Daniel O'Donoghue (ex officio from 1 July 2019)
Professor Paul O'Prey CBE (ex officio until 30 April 2019)
Professor Laura Peters
Sheena Pindoria
Nancy Richards (from 26 November 2018)
Kevin Thomas
Phil Walker (from 18 March 2019)

Members of Finance and Estates Committee

Dennis Hone CBE (Chair)
Mark Allen
Sister Christine Edwards
Professor Jean-Noël Ezingard (ex officio from 1 May 2019)
Paul Fothergill (until 13 February 2019)
Sophie Landry (from 24 June 2019)
Mark Neale CBE (until 30 April 2019)
Chukwuemeka Chika Obinna Goodluck Nwagu (ex officio until 30 June)
Daniel O'Donoghue (ex officio from 1 July 2019)
Professor Paul O'Prey CBE (ex officio until 30 April 2019)
Phil Walker (from 18 March 2019)

Members of Audit Committee

Kevin Thomas (Chair)
Roger Dawe (until 7 March 2019)
Brian Newey (until 10 November 2019)
Vince Paine (from 24 June 2019))
Sheena Pindoria

Members of Remuneration Committee

Members of Remuneration Committee
Janet Cooper (Chair)
Sir David Bell
Dennis Hone CBE (from 1 October 2019)
Sheena Pindoria (from 1 October 2019)

Members of Health and Safety Committee

Rev Margaret Jones (Chair)
Mark Ellul (Vice-Chair)
Mark Allen
Reggie Blennerhassett (ex officio)
Stephen Driver (ex officio)
Andy Lamb (ex officio)
Frances Coleman (ex officio)
Dr Christopher Stephens (ex officio)
Dr Gulliver Ralston (ex officio)
Dr Mark Garner (ex officio)
Simon Dorman (ex officio)
Dr Richard Keogh (ex officio)
Dr Aleata Alstad-Calkins (ex officio)
George Walker (ex officio)
Alison Carlisle (ex officio)
Dr Patrick Brady (ex officio)

Members of Nominations and Governance Committee

Sir David Bell (Chair)
Janet Cooper OBE (Vice-Chair)
Professor Paul O'Prey (ex officio until 30 April 2019)
Professor Jean-Noël Ezingard (ex officio from 1 May 2019)
Kevin Thomas (from 1 October 2019)
Sheena Pindoria (from 1 October 2019)
Chukwuemeka Chika Obinna Goodluck Nwagu (ex officio until 30 June 2019)
Daniel O'Donoghue (ex officio from 1 July 2019)
Reggie Blennerhassett

Members of Equality, Diversity and Inclusion Committee

Professor Paul O'Prey CBE (until 30 April 2019)
Professor Jean-Noël Ezingard (from 1 May 2019)
Sister Lorna Brockett
Chukwuemeka Chika Obinna Goodluck Nwagu (ex officio until 30 June 2019)
Levi Mbiya (ex officio from 1 July 2019)
Reggie Blennerhassett (ex officio)
Professor Anna Gough-Yates (ex officio)
Mark Ellul (ex officio)
Andy Lamb (ex officio)
Dr Christopher Stephens (ex officio)
Alison Carlisle (ex officio)
James Chater (ex officio, from 1 August 2019)
Linda Cronin (ex officio)

Clerk to Council

Andrew Skinner (until 30 September 2018)
Dr George Turner (from 1 October 2018)



Statement of Corporate Governance

for the year ended 31 July 2019 and the period up to the date of approval

The University is composed of four constituent Colleges: Froebel, Digby Stuart, Southlands and Whitelands.

Legal status

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

The University is composed of four constituent Colleges: Froebel, Digby Stuart, Southlands and Whitelands, each of which has a Providing Body that owns the land on which the respective College is located. The Colleges are non-autonomous and the University has contractual arrangements with each of their Providing Bodies governing the Colleges' respective relationships with the University, including the use of their

property, sole management of all services and facilities relating to the property, control of income and expenditure relating to same, and the University's autonomous conduct of the business of the University as a whole, including the employment of all staff and the conduct of all academic affairs.

The Office for Students

In 2017/18 the University applied to the Office for Students (OfS) to register as an Approved (Fee Cap) provider. The University received confirmation from the OfS on 15 October 2018 that its application had been successful and, as such, the University is now listed on the Register of Higher Education providers officially recognised by the OfS.

Statement of the Responsibilities of the Members of Council

The members of the Council are responsible for preparing the strategic report, the annual report and the financial statements, in accordance with applicable law and regulations.

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

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

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

The members of the Council are also required to give a report, which includes the legal and administrative status of the University. The members of the Council are responsible for keeping adequate accounting records that are sufficient to show and explain the University's transactions and disclose, with reasonable accuracy, at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006, its Articles of Association, the Accounts Direction as issued by the OfS and the Statement of Recommended Practice: Accounting for Further and Higher Education. They are also responsible for safeguarding the assets of the University and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Disclosure of Information to Auditors

At the date of making this report, Members of Council confirm that:

- So far as each Member of Council is aware, there is no relevant information needed by the University's auditors in connection with preparing their report of which the University's auditors are unaware
- Each Member of Council has taken all the steps that they ought to have taken as a Member of Council in order to make themselves 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.



Corporate Governance Structure

The HE Code of Governance was published by the Committee of University Chairs (CUC) in 2014 and updated in June 2018. The HE Code comprises a series of seven primary elements supported by "must" statements prescribing essential components within each element; "should" statements that illustrate activities that would normally achieve the "must" statements; and "could" statements outlining examples of positive governance practices. The University is compliant with the HE Governance Code.

The Council

The University's governing body is the Council, which 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 and safety matters.

The Council is composed of up to 20 members:

- Up to 15 independent members, one of whom shall normally have experience of working at a senior level in higher education, and eight of whom are nominated by the College Providing Bodies or equivalent.
- A member elected by the Academic Staff, subject to approval by Council.
- A member elected by the Academic Support Staff, subject to the approval of Council.
- One member nominated by the Senate.
- The Vice-Chancellor.
- The President of the Students' Union.

The University's governing body is the Council, which determines the ongoing strategic direction of the University.

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 up to three consecutive three-year terms.

Council normally meets four times each year. It has six standing committees: Audit Committee, Finance and Estates Committee, Health and Safety Committee, Nominations and Governance Committee, Equality, Diversity and Inclusion 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 Audit Committee, Finance and Estates Committee and Remuneration Committee also include external members with expertise in the committee's subject area. In addition, the Joint Honorary Awards Committee is a joint committee of Council and Senate.

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

The **Finance and Estates Committee** oversees Campus Strategy and the management and development of University property, in conjunction with the Providing Bodies of the constituent Colleges and on behalf of the University, in accordance with the University's Strategic Plan. It also recommends to Council the University's annual revenue and capital budgets, and receives updated forecasts during the course of the year. It also monitors investment and financing relating to capital developments and receives reports about staffing.

The **Health and Safety Committee** has responsibility for ensuring the University's compliance with health and safety legislation, and for overseeing the management of health and safety.

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

The **Equality, Diversity and Inclusion Committee** discharges the Council's responsibilities in relation to equality, diversity and inclusion matters general, and promotes equality, diversity and inclusion

throughout the institution. The Committee is made up of members of Council and senior staff of the University, and includes a student representative and representatives from recognised University trade union branches.

The **Remuneration Committee** determines the remuneration and benefits of senior post-holders and the Vice-Chancellor, save for the initial terms and conditions for the Vice-Chancellor, which are established by Council. The Committee is chaired by an independent member of Council. The Vice-Chancellor is not a member of Committee and shall be in attendance by invitation to provide relevant information to the Committee, except for where discussion relates to their own performance or remuneration.

The **Joint Honorary Awards Committee** considers and recommends candidates for the award of the Honorary Degrees and Fellowships of the University. It is a joint committee of Senate and Council.

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

Statement of Internal Control

for the year ended 31 July 2019 and the period up to the date of approval

As the governing body of the University, the Council is ultimately responsible for the University's system of internal control and for reviewing its adequacy and 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. The system is risk based and can therefore provide reasonable but not absolute assurance of adequacy and effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of University policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The Council has delegated to the Vice-Chancellor the day-to-day responsibility for maintaining a sound system of internal control that supports the achievement of the University's policies, aims and objectives, whilst safeguarding the public funds and assets for which he is personally responsible, in accordance with the responsibilities assigned to him in the terms and conditions issued by the Office for Students (OfS).

The Vice-Chancellor 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 2016. 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 business, 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 2019 and up to the date of approval of the Annual Report and Financial Statements. This process is regularly reviewed by Council.

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

- Comprehensive budgeting 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.

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

As the Accountable Officer, the Vice-Chancellor has responsibility for reviewing the adequacy and effectiveness of the system of internal control. The Vice-Chancellor's review of the adequacy and effectiveness of the system of internal control is informed by:

- The work of the internal auditors.
- The work of the senior staff 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 OfS auditors in their management letters and other reports.

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

The report concluded that assurance can be given of the adequacy of the control environment and that substantial assurance can be given of the adequacy and effectiveness of the University's overall assurance and risk management arrangements.



embedded within the University's academic and administrative departments. The Senior Management team and the Audit Committee also receive regular reports from internal audit, which include recommendations for improvement. The Audit Committee's role in this area consists of a high-level review of the arrangements for internal control.

The Council regularly considers risk and control and receives reports thereon from the Senior Management team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its November 2019 meeting, the Council carried out the annual assessment of risk for the year ended 31 July 2019 by considering reports from the Senior Management team, internal audit and Audit Committee and taking account of events since 31 July 2019.

The report from internal audit considered the mechanisms by which the risk management framework and related processes, internal controls, assurance and performance management tools inter-relate with value

for money and, together, combine to provide the Council with the necessary assurance to enable the University to make the disclosures required within the statement of internal control. It concluded that the University, overall, has an appropriate framework for delivering assurance to the governing body on key aspects of governance, risk management and internal control. The report concluded that assurance can be given of the adequacy of the control environment, and that substantial assurance can be given of the adequacy and effectiveness of the University's overall assurance and risk management arrangements. There are no significant control weaknesses to disclose.

Approved by and signed on behalf of the Council.

Sir David Bell
Chair of Council
November 2019



Auditor's Report

Independent Auditor's Report to Members of Council of Roehampton University Limited

Opinion

We have audited the financial statements of the University of Roehampton (the University) and its subsidiaries (the Group) for the year ended 31 July 2019 which comprise the Consolidated and University Statement of Comprehensive Income, the Consolidated and University Balance Sheets, the Consolidated and University Statement of Changes in Reserves, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the Group's and of the University's affairs, as of 31 July 2019, and of the Group's and the University's income and expenditure, gains and losses, changes in reserves and of the group's cash flows for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Statement of Recommended Practice: Accounting for Further and Higher Education.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and University in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The council members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- The council members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the University's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The council are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information including the Chair of Council's Welcome, Strategic Report and Members of Council Report and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Strategic Report and the Members of Council Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- The Strategic Report and the Members of Council Report have been prepared in accordance with applicable legal requirements.

Opinions on other matters required by the Office for Students (OfS) and Research England

In our opinion, in all respects:

- Funds from whatever source administered by the higher education institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation
- Funds provided by the OfS and Research England have been applied in accordance with the Terms and Conditions of Funding and any other terms and conditions attached to them
- The requirements of the OfS's accounts direction have been met.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the University and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Members of Council Report.

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

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

Responsibilities of the council

As explained more fully in the council members responsibilities statement set out on page 31, the council are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the council members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the council are responsible for assessing the Group and the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the council either intend to liquidate the Group or the University or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes

our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Use of our report

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the University's council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the council members as a body, for our audit work, for this report, or for the opinions we have formed.

Paula Willock (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor, Gatwick

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



Financial Statements for the year end 31 July 2019

Statement of Comprehensive Income for the year ended 31 July 2019

	Notes	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Income					
Tuition fees and education contracts	1	102,310	102,310	99,225	99,225
Funding body grants	2	11,678	11,678	11,102	11,102
Research grants and contracts	3	2,253	2,253	2,062	2,062
Other income	4	22,923	22,807	21,777	21,794
Investment income	5	250	238	135	131
Total income before endowments and donations		139,414	139,286	134,301	134,314
Endowments and donations	6	462	462	335	335
Total income		139,876	139,748	134,636	134,649
Expenditure					
Staff costs	7	59,402	59,402	59,776	59,776
Movement in pension provisions	7	5,665	5,665	2,807	2,807
Other operating expenses	9	64,996	64,911	57,945	57,958
Depreciation	10,11,12	7,709	7,709	7,297	7,297
Interest and other finance costs	8	5,338	5,338	5,807	5,807
Total expenditure		143,110	143,025	133,632	133,645
(Deficit)/surplus before other gains losses and share of operating surplus of joint ventures		(3,234)	(3,277)	1,004	1,004
Loss on revaluation of investments	19	(3)	(3)	(4)	(4)
(Deficit)/Surplus		(3,237)	(3,280)	1,000	1,000
Actuarial (loss)/ profit in respect of pension schemes	23	(17,079)	(17,079)	24,858	24,858
Total comprehensive (expenditure)/ income for the year		(20,316)	(20,359)	25,858	25,858
Represented by					
Restricted Endowments comprehensive expenditure for the year		(59)	(59)	(39)	(39)
Unrestricted comprehensive(expenditure)/ income for the year		(20,257)	(20,300)	25,897	25,897
		(20,316)	(20,359)	25,858	25,858
(Deficit)/Surplus for the year attributable to:					
University		(3,237)	(3,280)	1,000	1,000

All items of income and expenditure relate to continuing activities and is attributed to activity in the UK.

Consolidated and University Balance Sheets as at 31 July 2019

Company registration number 5161359 (England and Wales)

	Notes	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Non-current assets					
Goodwill	10	60	60	69	69
Negative goodwill	12	(55,133)	(55,133)	(56,764)	(56,764)
Net amount of goodwill and negative goodwill		(55,073)	(55,073)	(56,695)	(56,695)
Fixed assets	11	217,004	215,895	214,391	215,282
Heritage assets		310	310	-	-
Investments	13	-	2,130	-	2,130
		162,241	165,262	157,696	160,717
Current assets					
Stocks		118	118	99	99
Trade and other receivables	14	16,367	16,162	13,147	13,914
Investments	15	570	570	629	629
Cash and cash equivalents		30,658	28,271	30,499	27,366
		47,713	45,121	44,374	42,008
Creditors: amounts falling due within one year	16	(27,074)	(26,685)	(20,460)	(20,254)
Net current assets		20,639	18,434	23,914	21,754
Total assets less current liabilities		182,880	183,698	181,610	182,471
Current liabilities					
Creditors: amounts falling due after more than one year	17	(92,683)	(92,683)	(92,971)	(92,971)
Provisions					
Pension provisions	18	(57,481)	(57,481)	(33,779)	(33,779)
Other provisions	18	-	-	(1,828)	(1,828)
Total net assets		32,716	33,534	53,032	53,893
Restricted reserves					
Restricted endowments	19	570	570	629	629
Unrestricted reserves					
Income and Expenditure Account excluding pension reserve		32,146	32,964	52,403	53,264
Total reserves		32,716	33,534	53,032	53,893

The financial statements were approved and authorised for issue by Roehampton University Council on 25 November 2019 and signed on its behalf by:



Sir David Bell
Chair of Council



Professor Jean-Noël Ezingard
Vice-Chancellor



Mr Dennis Hone
Chair of Finance & Estates Committee

Consolidated and University Statement of Changes in Reserves
Year ended 31 July 2019

	Notes	Income and expenditure account		Total excluding non controlling interest
		Endowment £'000	Unrestricted £'000	£'000
Group				
Balance at 1 August 2017		668	26,506	27,174
(Loss)/surplus from the income and expenditure statement		(39)	1,039	1,000
Other comprehensive income	23	–	24,858	24,858
Total comprehensive (expenditure)/income for the year		(39)	25,897	25,858
Balance at 31 July 2018		629	52,403	53,032
Balance at 1 August 2018		629	52,403	53,032
Surplus/(loss) from the income and expenditure statement		(59)	(3,178)	(3,237)
Other comprehensive expenditure	23	–	(17,079)	(17,079)
Total comprehensive expenditure for the year		(59)	(20,257)	(20,316)
Balance at 31 July 2019		570	32,146	32,146
University				
	Notes	Income and expenditure account		Total excluding non controlling interest
Balance at 1 August 2017		668	27,367	28,035
(Loss)/Surplus from the income and expenditure statement		(39)	1,039	1,000
Other comprehensive income	23	–	24,858	24,858
Total comprehensive (expenditure)/income for the year		(39)	25,897	25,858
Balance at 31 July 2018		629	53,264	53,893
Balance at 1 August 2018		629	53,264	53,893
(Loss)/surplus from the income and expenditure statement		(59)	(3,221)	(3,280)
Other comprehensive expenditure	23	–	(17,079)	(17,079)
Total comprehensive expenditure for the year		(59)	(20,300)	(20,359)
Balance at 31 July 2019		570	32,964	33,534

Consolidated Statement of Cash Flow
Year ended 31 July 2019

	Notes	31 July 2019 £'000	31 July 2018 £'000
Cash flow from operating activities			
(Deficit)/ Surplus for the year		(3,237)	1,000
Adjustment for non-cash items			
Depreciation	11	9,331	8,920
Amortisation goodwill	10	9	8
Benefit of acquisition of Colleges released to income	12	(1,631)	(1,631)
Decrease/(increase) in stock		(19)	20
Increase in debtors	14	(3,220)	(4,437)
Increase/(decrease) in creditors	16	4,511	(1,025)
Increase in pension provision	18	7,510	4,236
(Decrease)/Increase in other provisions	18	(1,828)	1,361
Share of operating (surplus)/deficit in subsidiaries gift aid		–	–
Receipt of donated assets		(310)	–
Adjustment for investing or financing activities			
Investment income	5	(250)	(135)
Interest payable	8	4,451	4,439
Endowment income	19	3	4
Amortisation of capital grants	2	(1,009)	(1,103)
Net cash inflow from operating activities		14,311	11,657
Cash flow from investing activities			
Capital grant receipts		1,019	799
Investment income		250	135
Payments made to acquire fixed assets		(11,944)	(6,794)
Endowments		13	–
		(10,662)	(5,860)
Cash flow from financing activities			
Interest paid		(5,102)	(4,189)
Interest element of finance lease		(236)	(250)
Endowment cash received		(3)	(4)
New secured loans		2,962	–
		(883)	(581)
Repayments of amounts borrowed		(274)	(246)
Capital element of finance lease		(3,536)	(5,270)
		(3,536)	(5,270)
Increase in cash and cash equivalents in the year		113	527
Cash and cash equivalents at beginning of the year		30,798	30,271
Cash and cash equivalents at end of the year		30,911	30,798
Cash per balance sheet		30,658	30,499
Current Investments: Short term deposits	15	253	299
		30,911	30,798



Principal Accounting Policies Year ended 31 July 2019

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 established in England and Wales for the purposes of the Charities Act 2011.

Significant judgments and estimates

In preparing these financial statements Members of Council have made the following judgements:

- Determine whether leases entered into by the University either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the University's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash generating unit, the viability and expected future performance of that unit.
- The underlying estimate in relation to the estimate of the present value of the obligation in respect of the funding deficit plan for the USS pension scheme such as the salary inflation over the period of the funding deficit plan and the discount rate used.
- The judgement for the USS and TPS is that they are multi-employer schemes (note 23).

- The critical underlying estimate in relation to the estimate of the pension defined benefit scheme obligation such as standard rates of inflation, mortality, discount rate and anticipated future salary increases. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual defined benefit expense.
- The bad debt provision is calculated based on an individual debtor basis.
- The depreciation charge is calculated based on estimates on asset useful economic lives and expected residual value.

Basis for preparation

These financial statements have been prepared in accordance with the accounting policies set out below, the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2014 and in accordance with Financial Reporting Standards (FRS 102). The University is a public benefit entity and therefore has applied the relevant public benefit requirements of FRS 102.

Basis of consolidation

The consolidated financial statements include the University and all its subsidiaries, Roehampton Corporate Initiatives Limited, Roehampton Hosting Services and Roehampton Construction Services Limited for the financial year to 31 July 2019. Intra group transactions are eliminated on consolidation.

The consolidated financial statements do not include the income and expenditure of Roehampton Students' Union (RSU) as the University does not exert control or dominant influence over policy decisions.

Associated companies and joint ventures are accounted for using the equity method. The University accounts for its share of transactions from joint operations and jointly controlled assets in the Statement of Comprehensive Income.

Income recognition

Income from the sale of goods or services is credited to the Statement of Comprehensive Income when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Fee income is stated gross of any expenditure which is not a discount and credited to the Statement of Comprehensive Income over the period in which students are studying. Where the amount of the tuition fee is reduced by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Investment income is credited to the Statement of Comprehensive Income on a receivable basis.

Funds the University receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the University where the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Grant funding

Government revenue grants including funding council block grant and research grants are recognised in income on a systematic basis over the periods in which the University recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Grants (including research grants) from non-government sources are recognised in income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Endowments and donations

Non-exchange transactions without performance related conditions are classed as donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with the restriction, at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the University is entitled to the funds.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms applied to the individual endowment fund.

There are four main types of donations and endowments identified with the reserves specified that the donation must be used for a particular objective.

2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income.

3. Restricted expendable endowments – the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital and any income streams.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital grants

Government capital grants are recognised in income over the expected useful life of the asset. Other capital grants are recognised in income when the University is entitled to the funds subject to any performance related conditions being met.

Going concern

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

Accounting for retirement benefits

The two principal pension schemes for the University's staff are the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). In addition, a number of staff are members of the Universities Superannuation Scheme (USS). The schemes are defined benefit schemes which are externally funded and were contracted out of the State Second Pension (S2P). Each fund is valued every three years by professionally qualified independent actuaries.

The USS and TPS are multi-employer schemes for which it is not possible to identify the assets and liabilities to University members due to the mutual nature of the schemes and therefore these schemes are accounted for as a defined contribution retirement benefit schemes. A liability is recorded within creditors for any contractual commitment to fund past deficits within the schemes.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the University pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Statement of Comprehensive Income in the periods during which services are rendered by employees.

Defined benefit plan

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. The Group recognises a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Enhanced benefits

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 Statement of Comprehensive Income in the year that the member of staff retires. In subsequent years a charge is made to provisions in the Balance Sheet to reflect the update to estimated future cost using data provided by OfS.

Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

Foreign currency

Transactions in foreign currencies are translated to sterling at the foreign exchange rate ruling at that date of receipt. Foreign exchange differences arising on translation are recognised in surplus or deficit.

Intangible assets and goodwill

Goodwill arises on consolidation and is based on the difference between the fair value of the consideration given for the undertaking acquired and the fair value of its separable net assets at the date of acquisition. Goodwill is amortised over 20 years representing the remaining estimated economic lives of the long life assets to which the goodwill relates.

Intangible assets are amortised over the remaining estimated economic life of the assets. Goodwill and intangible assets are subject to periodic impairment reviews as appropriate.

Negative goodwill

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

Fixed assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to FRS 102, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the University. Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over their expected useful lives 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

Leasehold land is depreciated over the life of the lease up to a maximum of 125 years.

No depreciation is charged on assets in the course of construction.

Heritage assets

Heritage assets comprise of the Carl Hahn Robert Graves Collection, a catalogue of the works of the British poet, Robert Graves, donated by Carl Hahn. It is the University's intention to preserve this collection and to be a specialist cultural resource. The assets are accounted for at their fair value on the date of donation and recognised in income on that date.

Equipment

Equipment, including computers and software, costing less than £5,000 per individual item is recognised as expenditure. All other equipment is capitalised.

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

Telephone equipment	7 years
General equipment purchased	3 years

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet

Borrowing Costs

Borrowing costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method.

Cash and cash equivalents

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.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value and an original maturity of three months or less.

Financial instruments

Basic financial instruments are held at amortised cost using the effective interest rate method or cost and are subject to an annual impairment review. All loans, deposits and investments are classified as basic instruments in accordance with FRS 102.

Finance leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.



Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the term of the lease.

Taxation

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Para 1 of schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478–488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The University receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT allocated to fixed assets is included in their cost.

The University's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

- the University has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

A contingent liability arises from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanently restricted fund which the University must hold in perpetuity.

Other restricted reserves include balances where the donor has determined a specific purpose and therefore the University is restricted in the use of these funds.

1. Tuition fees and education contracts

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Full-time home and EU students	88,930	88,930	86,925	86,925
Full-time international students	7,673	7,673	6,454	6,454
Part-time students	5,707	5,707	5,846	5,846
	102,310	102,310	99,225	99,225

2. Funding body grants

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Recurrent grants				
Office for Students	6,438	6,438	5,918	5,918
Research England	3,450	3,450	3,438	3,438
National College for Teaching and Leadership	30	30	72	72
Amortisation of deferred capital grant	1,009	1,009	1,103	1,103
Specific grants				
Higher Education Innovation Fund	623	623	498	498
Catalyst Fund Call B	128	128	73	73
	11,678	11,678	11,102	11,102

There are no unfulfilled conditions and other contingencies associated with the above grants, and no other forms of government assistance have directly benefitted the group.

3. Research grants and contracts

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Research council	847	847	916	916
Research charities	592	592	617	617
Government (UK and overseas)	492	492	431	431
Industry and commerce	143	143	44	44
Other	179	179	54	54
	2,253	2,253	2,062	2,062

4. Other operating income

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Residence, catering and conferences	17,184	16,577	16,347	16,364
Other income-generating activities	5,227	5,727	4,455	4,455
Other revenue grants	476	486	967	967
Other income	36	17	8	8
	22,923	22,807	21,777	21,794

5. Investment income

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Investment income on endowments	12	12	12	12
Other investment income	238	226	123	119
	250	238	135	131

6. Endowments and donations

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Donations with restrictions	140	140	252	252
Unrestricted donations	322	322	83	83
	462	462	335	335

7. Staff Costs

	Group 2019 £'000	University 2019 £'000	Restated Group 2018 £'000	Restated University 2018 £'000
Staff costs				
Salaries	46,595	46,595	45,920	45,920
Social security costs	5,090	5,090	4,918	4,918
USS pension liability charge	3,018	3,018	(36)	(36)
LGPS pension liability charge	2,647	2,647	2,843	2,843
Other pensions costs	7,517	7,517	7,202	7,202
Restructuring costs	200	200	1,766	1,766
	65,067	65,067	62,583	62,583

As a result of changes in the Universities Superannuation Scheme (USS) deficit recovery plan, which is based on the 2017 valuation, the university's pension liability increased reflecting proposed changes in the percentage employer contribution and increased length of time over which the recovery plan exists (see note 17 & 23). Revisions to the benefit arrangements have increased the University pension liability provision by £3,018,000 in the year. The impact of the 2018 USS scheme valuation is detailed in note 27.

The LGPS pension liability charge for the year is £2.6m, part of this cost relates to a ruling that has been made regarding age discrimination arising from public sector pension scheme as a result of the transition arrangements. Court of Appeal judgements were made in cases affecting judges pensions (eg McCloud) and firefighter pensions (eg Sergeant). The rulings have implications for LGPS employers.

Vice-Chancellor's Emoluments

The University of Roehampton ('The University') determines senior pay in accordance with its Senior Manager Remuneration Guidance which is approved by Council and which follows published guidance from the Committee of University Chairs (CUC) and the Office for Students (OfS). The Vice-Chancellor's salary is set by the University Remuneration Committee. The Vice-Chancellor is not a member of Committee and shall be only in attendance by invitation to provide relevant information to the Committee except for where discussion relates to their own performance or remuneration. The Committee is chaired by a member of the University Council who is not the Chair of Council. Prior to reviewing the Vice-Chancellor's annual salary, the Chair of Council conducts a performance development review reviewing performance and setting objectives. Plans and targets for the coming year are also agreed. The Remuneration Committee uses the latest CUC and Universities & Colleges Employers Association (UCEA) benchmark data for the UK Higher Education sector and takes into account the specific context and challenges for the University, as well as the experience and length of service of the incumbent Vice-Chancellor.

Key institutional headline achievements in 2018/19 delivered through the leadership of both the previous and current Vice-Chancellor included the following:

- The awarding of Teaching Excellence and Student Outcomes Framework (TEF) Silver to the University
- Roehampton graduates performed well in employability outcomes. In the latest Longitudinal Educational Outcomes (LEO) data outlined that 82.8% of the University's graduates earned above the sector average. It showed that, on average, three years after graduation, Roehampton graduates earn £130 more than the average UK graduate and £1,150 more than the average graduate from a modern London university. In the latest Destinations of Leavers in Higher Education (DLHE) Survey, 93% of Roehampton students were in work or further study within six months after graduation, with 73% in graduate-level employment.
- In the National Student Survey (NSS) 2019, overall satisfaction with the University increased to 82.2% (from 82.1% in 2018). The University also saw rises in seven of the nine NSS benchmarks, with the largest improvements in satisfaction with learning resources increasing to 86.4% (84.3% in 2018), assessment and feedback 74.0% (71.9% in 2018) and academic support rising to 79.0% (77.2% in 2018).
- The delivery of major projects across the University, including enhancement to teaching facilities and student services.
- During the 2018/19 academic year, a total of 233 bids were submitted across the University for funding to support research. At the time of writing, 61 grants had been awarded for a total value of £1,881,267.
- Improvement in the experience of commuting students, including enhancements to the virtual learning environment and launching a shuttle bus service in early 2018/19, which was expanded in time for the new academic year in response to student feedback.

The current Vice-Chancellor was appointed on 1 May 2019 and was therefore not employed for the full financial year (2018/19). If he had been, his salary would have been 7.0 times the median basic salary of all staff and his total remuneration would have been 8.1 times the median total remuneration of all staff. The median basic salary is calculated on a full-time equivalent basis for salaries paid by the University to all its staff and the median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the University to all its staff. There is no comparative figure for 2017/18 for the current Vice-Chancellor.

For the former Vice-Chancellor the comparative figure would be 7.85 times the median of basic salary and 10.75 times the median of total remuneration. Had the former Vice Chancellor been in the role for the full 2018/19 financial year his basic salary would have been 8.1 times the median basic salary of all staff and his total remuneration would have been 11.5 times the median total remuneration of all staff. The median basic salary is calculated on a full-time equivalent basis for the salary paid by the University to its staff including agency staff and the median total remuneration is calculated on a full-time equivalent total remuneration paid by the University to all its staff.

Former Vice-Chancellor (resigned 30 April 2019)	2019 £'000	2018 £'000
Salary	216	276
Pension contributions	39	49
Taxable benefits	2	3
	257	328
The cost of provision of accommodation	6	7
	263	335

Vice-Chancellor (appointed 1 May 2019)	2019 £'000	2018 £'000
Salary	62	-
Pension contributions	10	-
Taxable benefits	-	-
	72	-

The former Vice-Chancellor's emoluments include medical insurance, a taxable benefit which the Remuneration Committee has determined presents a value for money benefit to the University. Non-taxable benefits provided to the former Vice-Chancellor include living accommodation, this is provided in order to fulfil the requirements of the role. The cost of provision of this benefit is £6,520 which has been calculated based on a P11d living accommodation valuation.

For the current Vice-Chancellor pension contributions to The Teachers' Pension Scheme are paid at the same rate as all scheme members.

For the former Vice-Chancellor, the University's pension contributions to the Universities Superannuation Scheme (USS) is paid at the same rate as all scheme members. The former Vice-Chancellor's accrued USS pension as at 31 July 2019 is £67,083 (2018: £63,797) gross per annum and the accrued tax-free lump sum total is £201,251 (2018: £191,391). The accrued lump sum has accumulated over 29 years of membership of the USS scheme, the last 15 of which have been with Roehampton University. The University also makes a separate provision of 0.575% of pensionable salary for each year of service after 1 August 2012 until 31 July 2016, then 1.675% of pensionable salary for each year of service from 1 August 2016 until 31 August 2019. This arrangements ends in August 2019 and a monthly pension will be paid. This pension is being provided on an unfunded basis and the actuarial provision for 2018/19 is £195,000 (2017/18: £111,000) (Note 18).

The former Vice Chancellor continued in the role of University President from 1st May 2019 until 31st August 2019, for which he received a remuneration of £86,886.

Remuneration of other higher paid staff excluding Vice-Chancellor	2019 No	2018 No
£100,000 - £104,999	-	3
£105,000 - £109,999	2	3
£110,000 - £114,999	-	-
£115,000 - £119,999	-	1
£120,000 - £124,999	2	1
£125,000 - £129,999	3	2
£135,000 - £139,999	-	1
£140,000 - £144,999	1	-
£145,000 - £149,999	1	-
£175,000 - £179,999	1	1
£180,000 - £184,999	-	1
	10	13

Remuneration of other higher paid staff, excluding employer's pension contributions and loss of office payments.

Staff numbers by major category (full-time equivalent)	2019 No	2018 No
Academic	490	499
Administrative	371	417
Other including technical and manual	78	113
	939	1,029

The staff FTE total includes the University's temporary staff.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. The note below shows the total cost for four key management personnel, all of whom also receive pension contributions from the University.

	2019 £'000	2018 £'000
Key management personnel compensation	1,027	999

Compensation for loss of office	2019 £'000	2018 £'000
Total amount paid	165	1,676
Number of people to whom this is payable	9	57

Total emoluments of staff Members of Council

No Member of Council has received any remuneration or waived payment from the University during the year in their capacity as a Member of Council. Emoluments received by Council Members in their capacity as employees are included in this note. The total expenses paid to or on behalf of 3 (2018: 1) Members of Council was £2,025 (2018: £175). These represent travel and subsistence expenses incurred in attending Council Committee meetings and other events in their official capacity.

8. Interest and other finance costs

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Loan interest	4,215	4,215	4,189	4,189
Finance lease interest	236	236	250	250
Net charge on pension scheme	887	887	1,368	1,368
	5,338	5,338	5,807	5,807

9. Analysis of other operating expenses by activity

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Academic departments and related services	34,036	34,036	29,070	29,070
Academic services	5,497	5,497	5,389	5,389
Administration and central services	8,807	8,807	9,072	9,072
Premises	8,473	8,473	6,603	6,603
Residences, catering and conferences	6,665	6,580	6,385	6,399
Research grants and contracts	1,518	1,518	1,426	1,425
	64,996	64,911	57,945	57,958
Other operating expenses include:				
Auditors' remuneration (internal)	65	65	67	67
Auditors' remuneration (external)				
Audit of the University's Annual Financial Statements	45	45	44	44
Audit of subsidiary companies' Financial Statements	11	-	11	-
Non-audit services - pension and US Fed aid return	3	3	2	2
Non-audit services - tax and other services	14	3	30	16
Operating leases (note 21)	3,546	3,546	3,427	3,427

10. Intangible assets

	Group 2019 £'000	University 2019 £'000
Opening balance	69	69
Amortisation charge for the year	(9)	(9)
Closing balance	60	60

11. Tangible fixed assets

Group	Freehold land and buildings £'000	Leasehold land £'00	Leasehold buildings £'000	Equipment £'000	Buildings under construction £'000	Total £'000
Cost or valuation						
At 1 August 2018	22,581	54,204	170,078	34,853	460	282,176
Additions	–	–	960	1,846	9,138	11,944
Transfer	–	–	35	20	(55)	–
At 31 July 2019	22,581	54,204	171,073	36,719	9,543	294,120
Depreciation						
At 1 August 2018	1,208	1,200	36,973	28,404	–	67,785
Charge for year	432	300	4,874	3,725	–	9,331
At 31 July 2019	1,640	1,500	41,847	32,129	–	77,116
Net book values						
At 31 July 2019	20,941	52,704	129,226	4,590	9,543	217,004
At 31 July 2018	21,373	53,004	133,105	6,449	460	214,391
University						
Cost or valuation						
At 1 August 2018	22,581	54,204	170,969	34,853	460	283,067
Additions	–	–	960	1,846	9,138	11,944
Transfer	–	–	35	20	(55)	–
At 31 July 2019	22,581	54,204	171,964	36,719	9,543	295,011
Depreciation						
At 1 August 2018	1,208	1,200	36,973	28,404	–	67,785
Charge for year	432	300	4,874	3,725	–	9,331
At 31 July 2019	1,640	1,500	41,847	32,129	–	77,116
Net book values						
At 31 July 2019	20,941	52,704	130,117	4,590	9,543	217,895
At 31 July 2018	21,373	53,004	133,996	6,449	460	215,282

Freehold land and buildings and leasehold land were revalued as at 31 July 2014 by Gerald Eve using depreciated replacement costs for specialist buildings and existing use market value for other non-specialist buildings.

The buildings under construction costs relate to the Sir David Bell Building.

12. Negative Goodwill

Group and University

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

	Negative Goodwill £'000
Cost	
At 1 August 2018	(71,100)
Additions	–
At 31 July 2019	(71,100)
Released to income and expenditure account	
At 1 August 2018	14,336
Release for year	1,631
At 31 July 2019	15,967
Net book values	
At 31 July 2019	(55,133)
At 31 July 2018	(56,764)

13. Non-Current Investments

University	Note	£'000
At 1 August 2018	22	2,130
Additions		–
At 31 July 2019		2,130

14. Trade and other receivables

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Amount falling due within one year:				
Research grants receivables	251	251	693	693
Other trade receivables	11,310	10,961	9,656	9,541
Other receivables	1,257	1,257	860	859
Prepayments and accrued income	3,549	3,548	1,938	1,902
Amounts due from subsidiary companies	–	145	–	919
	16,367	16,162	13,147	13,914

15. Current Investments

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Short term investment in shares	317	317	330	330
Short term deposits	253	253	299	299
	570	570	629	629

16. Creditors: Amounts falling due within one year

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Secured loans	3,139	3,139	919	919
Obligations under finance leases	309	309	282	282
Trade payables	2,894	2,879	1,368	1,363
Other creditors	629	559	585	556
Amounts owed to subsidiary companies	-	642	-	639
Social security and other taxations payable	2,209	2,209	2,166	2,166
Deferred government capital grants	853	853	997	997
Accruals and deferred income	17,041	16,095	14,143	13,332
	27,074	26,685	20,460	20,254

Deferred Income

Included with accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Donations	215	215	270	270
Research grants received on account	309	309	560	560
Grant income	219	219	188	188
Other income	1,365	1,079	1,258	1,096
	2,108	1,822	2,276	2,114

17. Creditors: Amounts falling due after more than one year

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Deferred government capital grants	5,789	5,789	5,635	5,635
Obligations under finance leases	5,158	5,158	5,459	5,459
Secured loans	81,736	81,736	81,877	81,877
	92,683	92,683	92,971	92,971

Analysis of secured and unsecured loans:

Due within one year or on demand (note 16)	3,139	3,139	919	919
Due between one and two years	3,293	3,293	2,674	2,674
Due between two and five years	13,575	13,575	9,808	9,808
Due in five years or more	64,868	64,868	69,395	69,395
Due after more than one year	81,736	81,736	81,877	81,877
Total secured and unsecured loans	84,875	84,875	82,796	82,796
Secured loans repayable by 2034	81,736	81,736	81,877	81,877

Lender	Total drawn at inception £'000	Date drawn down	Term	Interest rate %	Borrower
Lloyds	30,000	April 2016	18 years	Fixed	University
Lloyds	45,000	Aug 2014	20 years	Fixed	University
Lloyds	4,600	Aug 2006	20 years	Fixed	University
Lloyds	1,441	Nov 2003	20 years	Fixed	University
Lloyds	6,500	Oct 2004	25 years	Fixed	University
Salix	664	July 2015	6 years	Interest-free	University
Amber Green LEEF 2 LLP	2,961	Aug 2018	10 years	Fixed	University

The borrowing from Lloyds is secured as part of a general charge over the property that is owned by the Providing Body of Digby Stuart College. Interest has been fixed on all of these loans for the duration of the loan period. The £4.6 million drawn-down loan has interest at 4.935%, the £1.4 million drawn-down loan has interest at 5.495%, and the £6.5 million drawn-down loan has interest at 5.661%.

The University signed a term loan facility with Lloyds for £75.0m on 7 August 2014, in order to fund the construction of two halls of accommodation and a new library. The first £45.0m is fixed at a rate of 5.220% drawn on 7 August 2014. The second tranche of £30.0m is fixed at a rate of 4.719% drawn on 29 April 2016.

The University was successful in receiving £664,281 in funding from the Office for Students/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 loan and only repayable once reinvestment in relevant carbon management projects ceases.

The University signed a loan facility with Amber Green LEEF 2 LLP for £2,961,717 on 3 August 2018 to fund an energy efficiency redevelopment project. The loan has a fixed interest rate of 2.00% per annum.

The carrying value of the secured assets (Digby Stuart College) is £22,031,250 and the carrying value of the finance lease secured assets is £5,576,562

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Analysis of obligation under finance lease:				
Due within one year or on demand (note 16)	309	309	282	282
Due between one and two years	339	339	309	309
Due between two and five years	1,197	1,197	1,105	1,105
Due in five years or more	3,622	3,622	4,045	4,045
Due after more than one year	5,158	5,158	5,459	5,459
Total	5,467	5,467	5,741	5,741

18. Provisions for liabilities and charges

	Other Provisions £'000	USS Pension Obligation (note 23) £'000	Enhanced Pension £'000	Defined Benefit Obligations (note 23) £'000	Kingston City Group Pension Provision £'000	Former Vice- Chancellor's Pension Provision £'000	Total Pensions Provisions £'000
Group							
At 1 August 2018	1,828	1,684	1,422	30,310	33	330	35,607
Utilised in year	(1,828)	–	(149)	–	–	–	(1,977)
Addition/ (reduction) in year	–	3,054	209	20,389	4	195	23,851
At 31 July 2019	–	4,738	1,482	50,699	37	525	57,481
University							
At 1 August 2018	1,828	1,684	1,422	30,310	33	330	33,607
Utilised in year	(1,828)	–	(149)	–	–	–	(1,977)
Addition/ (reduction) in year	–	3,054	209	29,389	4	195	23,851
At 31 July 2019	–	4,738	1,482	50,699	37	525	57,481

Enhanced pension

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 Statement of Comprehensive Income 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 2018–19, actual payments of £149,197 (2018: £151,917) 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 29 former employees. The Department for Education is providing the University with additional funds each year to meet these contributions. Although the Department for Education 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 the Department for Education (indicating the Department of Education'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 £0.8m as at 31 July 2019 (2018: £0.8m).

Other provision

In 2017/18 the University ran a staff reduction exercise, as a result a provision was created of £1.8m. The provision was released in 2018/19 and due to this exercise the University saw a reduction in staff costs of £1.7m.

Former Vice-Chancellor's Pension Provision

For the former Vice-Chancellor, the University also makes a separate provision of 0.575% of pensionable salary for each year of service after 1 August 2012 until 31 July 2016, then 1.675% of pensionable salary for each year of service from 1 August 2016 until 31 August 2019. This pension is being provided on an unfunded basis and the actuarial provision for 2018/19 is £195,000 (2017/18: £111,000).

USS Pension Obligation

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are set out below and further information is provided in note 23.

The adoption of the new deficit recovery plan following the 2017 actuarial valuation has given rise to a significant increase in the deficit provision which has increased from £83.1 million to £248.4 million. £165.1 million of this increase is attributable to the change in the deficit contributions contractual commitment. See also note 7 in respect of significant one-off pension costs / gains. More details on the 2017 actuarial valuation are set out in note 23.

Since the year end, following the completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed of which more detail is given in note 23 & 27. As at 31 July 2019 and with all other assumptions used to calculate the provision unchanged, this would have resulted in a revised provision of £2,787,785, a decrease of £1,950,351 from the current year end provision.

The major assumptions used to calculate the obligation are:

	2019	2018
Discount rate	1.58%	2.16%
Salary growth	3%	3%

Sensitivity analysis

As set out in the accounting policies, there are some critical judgements made in estimating the obligation to fund the USS deficit. The sensitivity of the principal assumptions used to measure the USS deficit provision are set out below:

Change in assumptions at 31 July 2019	Reduction in Provision Approximate impact
0.5% pa decrease in discount rate	£19,932
0.5% pa increase in salary inflation over duration	£200,613
0.5% pa increase in salary inflation year 1 only	£23,001
0.5% increase in staff changes over duration	£206,776
0.5% increase in staff changes year 1 only	£23,691
1% increase in deficit contributions from April 2020	£60,563
1 year increase in term	£91,096

19. Endowment Reserves

Group and University

Restricted net assets relating to endowments are as follows:

Capital	Restricted permanent endowments £'000	Restricted expendable endowments £'000	2019 Total £'000	2018 Total £'000
Balance at 1 August 2018 Capital	235	–	235	239
Accumulated income	151	243	394	429
	386	243	629	668
New endowments	3	–	3	–
Investment income	12	–	12	12
Expenditure	(8)	(63)	(71)	(47)
(Decrease)/ increase in market value of investments	(3)	–	(3)	(4)
Total endowment comprehensive income/(expenditure) for the year	4	(63)	(59)	(39)
Balance at 31 July 2019	390	180	570	629
Represented by:				
Capital	235	180	415	478
Accumulated income	155	–	155	151
	390	180	570	629
Analysis by type of purpose:				
Scholarships and bursaries Prize funds	314	151	465	529
General	76	–	76	71
	–	29	29	29
	390	180	570	629
Analysis by assets				
Current and non-current asset investments			317	330
Cash & cash equivalents			253	299
			570	629

20. Capital and other Commitments

Provision has not been made for the following capital commitments at 31 July 2019.

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Commitments contracted for	2,062	2,062	–	–

21. Lease obligations

Total rentals payable under operating leases:	31 July 2019 Land and Buildings £'000	31 July 2018 Land and Buildings £'000
Payable during the year	3,546	3,427
Future minimum leases payments due:		
Within one year	3,638	3,546
Between one and 5 years	14,551	14,182
More than five years	1,467	5,013
Total lease payments due	19,656	22,741

The amount paid during the year includes £667,000 (2018: £667,000) paid to Whitelands College as part of the licence and management agreement, £400,000 (2018: £400,000) for the lease over the Mount Clare property owned by Southlands College, which expires in 2026 and payments made for the Spring Mews students' accommodation in Vauxhall.

22. Subsidiary undertakings and joint venture

Roehampton Corporate Initiatives Limited (RCIL) is a UK incorporated company, a wholly owned subsidiary of the University. The results of RCIL have been consolidated into the Financial Statements of the University. Separate audited financial statements have been prepared for the company to 31 July 2019. The company provides media and consultancy services to external clients. The investment in RCIL is £29,000. The University owns 100% of the ordinary shares of RCIL. In 2018/19 RCIL made a profit of £295,444, all of which is paid to the University as a qualifying charitable donation.

Roehampton Hosting Services Limited (RHSL) is a UK incorporated company, is a wholly owned subsidiary of the University. The results of RHSL have been consolidated into the Financial Statements of the University. Separate audited Financial Statements have been prepared for the company to 31 July 2019. The company provides hosting and support services to external clients. The investment in RHSL

is £100,000. The University owns 100% of the ordinary shares of RHSL. In 2018/19 RHSL made a profit of £144,428, all of which is paid to the University as a qualifying charitable donation.

Roehampton Construction Services Limited (RCSL) is a UK incorporated company, is a wholly owned subsidiary of the University. The results of RCSL have been consolidated into the Financial Statements of the University. Separate audited Financial Statements have been prepared for the company to 31 July 2019. The company provides facility and management to the construction of student accommodation. The investment in RCSL is £2,000,000. The University owns 100% of the ordinary shares of RCSL. In 2018/19 RCSL made a profit of £1,031 all of which is paid to the University as a qualifying charitable donation.

Roehampton Pathway Campus Limited (RPCL) was set up in May 2015 in partnership with QAHE(UR) Limited – a UK pathway provider to provide International Foundation Programmes and Pre-Masters courses. The University holds 50.1% of the ordinary shares of RPCL and this is accounted for as a joint venture.

23. Pensions

The University's employees belong to three principal pension schemes, the Teachers' Pension Scheme (TPS), the Universities Superannuation Scheme (USS) and the Local Government Pension Scheme (LGPS). All three are defined benefit schemes. The total pension cost for the year ended 31 July 2019 was £9.2m (2018: £9.2m) this includes an amount of £149,000 (2018: £152,000) being notional interest in respect of enhanced pensions entitlements for staff who have taken early retirement. The calculation of the cost of early retirement provisions charged to the Statement of Comprehensive Income in the year of retirement is based on the total capital cost of providing enhanced pensions with allowances for future investment returns of 4% in excess of price inflation.

Teachers' Pension Scheme

As the Teachers' Pension Scheme (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 16.48% of pensionable salaries from 1 August 2018 to 31 July 2019.

The Teachers' Pension Scheme is a statutory, contributory, unfunded, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010, and the Teachers' Pension Scheme Regulations 2014. 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 2012 to 31 March 2016. The Government Actuary's report of March 2019 revealed that the total liabilities of the Scheme (pensions currently in payment

and the estimated cost of future benefits) amounted to £218.1 billion. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £196.1 billion. The assumed real rate of return is 2.8% in excess of prices and 1.25% in excess of earnings. The rate of real earnings growth is assumed to be 2.20%. The assumed gross rate of return is 4.45%.

Universities Superannuation Scheme

The University participates in the Universities Superannuation Scheme (the scheme). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The 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. As required by Section 28 of FRS102 "Employee benefits", the University therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the University has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the University recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

FRS 102 makes the distinction between a Group Plan and a multi-employer scheme. A Group Plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and presents (typically) an industry-wide scheme such as that provided by USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise

from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in profit or loss. The directors are satisfied that the scheme provided by USS meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

The total contributions paid in 2018/19 was £1.0m (2018: £1.0m). The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2017 ("the valuation date"), which was carried out using the projected unit method. As at the year end a valuation as at 31 March 2018 was underway but not yet complete. Since the University cannot identify its share of Retirement Income Builder section of the scheme assets and liabilities, the following disclosures reflect those relevant for the section as a whole.

The 2017 valuation was the fourth valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £60.0 billion and the value of the scheme's technical provisions was £67.5 billion indicating a shortfall of £7.5 billion and a funding ratio of 89%.

The key financial assumptions used in the 2017 valuation are described below. More detail is set out in the Statement of Funding Principles.

Discount rate (forward rates)	Years 1–10: CPI – 0.53% reducing linearly to CPI – 1.32% Years 11–20: CPI + 2.56% reducing linearly to CPI + 1.7% by year 21 Years 21+: CPI + 1.7%
Pension increase (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2017 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2017 valuation
Mortality base table	Pre-retirement: 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females. Post retirement: 96.5% of SAPS S1NMA "light" for males and 101.3% of RFV00 for females.
Future improvements to mortality	CMI_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

The current life expectancies on retirement at age 65 are:

	2019	2018
Males currently aged 65 years	24.6	24.5
Females currently aged 65 years	26.1	26.0
Males currently aged 45 years	26.6	26.5
Females currently aged 45 years	27.9	27.8

Scheme assets	2019	2018
Total scheme liabilities	£67.4bn	£63.6bn
FRS 102 total scheme deficit	£79.2bn	£72.0bn
FRS 102 total funding level	£11.8bn	£8.4bn
	85%	88%

	2019	2018
Discount rate	2.44%	2.64%
Pensionable salary growth	n/a	n/a
Price inflation (CPI)	2.11%	2.02%

A new deficit recovery plan was put in place as part of the 2017 valuation and is set out in the new Schedule of Contributions dated 28 January 2019. This requires payment of 5% of salaries over the period 1 April 2020 to 30 June 2034. In accordance with the requirements of FRS 102 and the SORP, the University has made a provision for this contractual commitment to fund the past deficit. In the prior year, the deficit payments were 2.1% of salaries up to March 2031.

The 2018 actuarial valuation was finalised after the year end which indicated a shortfall of £3.6 billion and a funding ratio of 95%.

Since the year end, following the completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed. This amends the existing deficit recovery plan as set out in the 2017 valuation Schedule of Contributions. This new plan requires deficit payments of 2% of salaries from 1 October 2019 to 30 September 2021 and then payments of 6% of salaries from 1 October 2021 to 31 March 2028. As at 31 July 2019 and assuming all other assumptions used to calculate the provision remain unchanged, this would have resulted in a revised provision of £2,787,784.

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 2019 was £4.2m (2018: £3.9m) of which employer's contributions totalled £3.1m (2018: £2.9m) and employees' contributions totalled £1.1m (2018: £1.0m). The employer's contribution rate for administrative and manual staff for the period 1 August 2018 to 31 July 2019 was 13.67%.

The following information is based upon a full actuarial valuation of the Fund at 31 March 2017 updated to 31 July 2019 by a qualified independent actuary.

The major assumptions used by the actuary were:

	2019 %	2018 %
Consumer price index increases	2.25	2.10
Salary increases	3.75	3.60
Pension increases	2.25	2.10
Discount rate	2.10	2.90

The assumed life expectancies from age 65 were:

Life Expectancy from 65 (years)	2019	2018
Retiring Today		
Males	20.6	20.7
Females	23.8	23.6
Retiring in 20 years		
Male	22.0	22.2
Female	25.4	25.2

The estimated asset allocation for Roehampton University as at 31 July 2019 is as follows:

	Value at 31 July 2019 £'000	Proportion %	Value at 31 July 2018 £'000	Proportion %
Equities	41,533	55%	41,032	60%
Target return portfolio	19,358	25%	14,982	22%
Infrastructure	4,368	6%	3,366	5%
Property	6,944	9%	5,195	8%
Cash	4,021	5%	3,105	5%
Total market value of assets	76,224	100%	67,680	100%

Analysis of the amount shown in Roehampton University's statement of comprehensive income	31 July 2019 £'000	31 July 2018 £'000
Service cost	5,725	5,780
Net interest on the defined liability	841	1,332
Administration expenditure	88	81
Total	6,654	7,193

The following amounts, at 31 July 2019, were measured in accordance with the requirements of FRS 102:

Analysis of the amount shown in Roehampton University's balance sheet	31 July 2019 £'000	31 July 2018 £'000
Fair value of Fund assets (bid value)	76,224	67,680
Present value of the defined benefit obligation	(126,762)	(97,741)
Present value of unfunded obligations	(161)	(249)
Net pension deficit	(50,699)	(30,310)

Re-measurement in other comprehensive income	31 July 2019 £'000	31 July 2018 £'000
Return on fund assets in excess of interest	4,789	2,114
Change in financial assumptions	(22,634)	17,705
Change in demographic assumptions	964	4,907
Experience gain on defined benefit obligation	68	-
	(16,813)	24,726

Reconciliation of opening & closing balances of the present value of the defined benefit obligation	31 July 2019 £'000	31 July 2018 £'000
Opening defined benefit obligation	97,990	112,766
Movement in the period		
Current services cost	4,667	5,753
Interest cost	2,830	3,032
Changes in financial assumptions	22,634	(17,705)
Changes in demographic assumptions	(964)	(4,907)
Experience (gain) on defined benefit obligation	(68)	-
Estimated benefits paid net of transfer in	(2,344)	(2,000)
Past service costs including curtailments	1,058	27
Contributions by Scheme participants and other employers	1,140	1,050
Unfunded pension payments	(20)	(26)
Closing defined-benefit obligation	126,923	97,990

Reconciliation of Opening balances of the fair value of fund assets	31 July 2019 £'000	31 July 2018 £'000
Opening fair value of employer assets	67,680	61,986
Movement in the period		
Interest on assets	1,989	1,700
Return on assets less interest	4,789	2,114
Administration expenses	(88)	(81)
Contributions by employer including unfunded	3,078	2,937
Contributions by scheme participants and other employers	1,140	1,050
Estimated benefits paid plus unfunded net of transfers in	(2,364)	(2,026)
Closing fair value of employer assets	76,224	67,680

Projected Pension Expense for the year to 31 July 2020	31 July 2020 £'000
Service cost	6,211
Net interest on the defined liability (asset)	1,032
Administration expenses	99
Total	7,342
Employer contributions	3,140

24. Related party disclosures

During the financial year 2018/19 Chukwuemeka Chika Obinna Goodluck Nwagu (until 30 June 2019) and Daniel O'Donoghue (from 1 July 2019) were members of University Council and Presidents of Roehampton Students' Union. In 2018/19 the University gave Roehampton Students' Union a block grant and payments for services totalling £681,000 (2017/18 £675,000).

The University has taken advantage of the exemption available in FRS 102, Related Party Transactions not to disclose transactions with its wholly owned subsidiaries.

25. The National College for Teaching and Learning training salaries

	2019 £'000	2018 £'000
Balance at 31 July 2018	(24)	12
Total payment received from the NCTL excluding VAT	2,138	1,857
Disbursed to students	(1,987)	(1,893)
Balance at 31 July 2019	127	(24)

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.

26. Financial instruments

	Group 2019 £'000	University 2019 £'000	Group 2018 £'000	University 2018 £'000
Financial assets				
Financial assets measured at amortised cost				
Trade and other receivables	16,367	16,162	13,147	13,914
Investments- short term investment in shares	317	317	330	330
Investments- short term deposits	253	253	299	299
Cash and cash equivalents	30,658	28,271	30,499	27,366
Total	47,595	45,003	44,275	41,909
Financial liabilities				
Financial liabilities measured at amortised cost				
Loans payable	84,875	84,875	82,796	82,796
Other creditors	29,415	29,026	24,894	24,688
Total	114,290	113,901	107,690	107,484

27. Post Balance Sheet Events

As set out in note 18 in respect of the USS pension scheme, a new Schedule of Contributions based on the 2018 actuarial valuation has been agreed. This results in a decrease of £1,950,351 in the provision for the Obligation to fund the deficit on the USS pension which would be £2,787,785. This adjustment will be reflected in the University's Financial Statements for the year ended 31 July 2020.



