

Annual Report and  
Financial Statements  
2013-14





De Grey Court

Cover image: Lord Mayor's Walk campus

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# Foreword



**“York St John University goes from strength to strength and as Chairman, I am delighted to lead the Board during this period of unprecedented success and transformation.”**

As a university which grew from two Anglican teacher training colleges, York St John is committed to the provision of excellent, open and progressive Higher Education that embraces difference, challenges prejudice and promotes justice. This has been a hugely successful year with achievement across the full range of the University’s activities – excellent student growth with strong progress in widening access to higher education; continuing improvements in the quality of the student experience; the deepening of relationships with a wide range of communities and partners; and all supported by greater financial strength and stability.

I am further delighted that the University’s progress is being recognised at a national level with its shortlisting in four categories in the prestigious Times Higher Education (THE) Awards and by winning the Strategic Planning Team of the Year Award at the THE Leadership and Management Awards. We will continue to strive to lead the way in the service we deliver for our students and, in support of this, the way in which we manage risk and monitor progress.

Our annual conferment ceremonies, held in the stunning setting of York Minster and conducted by our Chancellor, The Most Reverend and Right Honourable Dr John Sentamu, The Archbishop of York, are always a highlight. In November we were privileged to award honorary degrees to lawyer and human rights campaigner Shami Chakrabarti; paralympian Martine Wright; highly respected academic, Baroness Haleh Afshar; and former paralympian and President of the International Paralympic committee, Sir Philip Craven. They and our graduating students provide inspiration to us all.

The relationship between the Governing Body and the Vice Chancellor and his staff is a healthy one which is challenging and supportive in equal measure. The 2012-15 Strategic Plan was developed in partnership and jointly we are now engaged with its next embodiment for the 2015-20 period. Through our formal Committee structure and opportunities afforded at Board Away Days with the Strategic Leadership Team we are able to review progress, reflect on emerging trends and engage in forward-thinking on the potential for York St John University within global higher education in the years ahead. The Vice Chancellor and his team provide the Governing Body with exceptionally high quality data and information on the University’s performance at any moment in time together with commentary on the performance within the sector as a whole. This evidence-based approach to decision-making and the outstanding outcomes across a range of key performance indicators has given the Governing Body confidence to support the University’s decision to invest in its future with an ambitious estates development programme in excess of £25m over a four-year period. This investment is in support of the University’s strategic aims of growth, quality, community and resilience.



St John Central

During the 2013/14 academic year the term of office for a number of Governors came to an end and on behalf of the Board I would like to formally recognise the significant contribution made by these colleagues over the years. These departures have created opportunities to recruit new Board members and having undertaken a skills audit of the whole Board we are delighted once again to have been able to secure the services of a number of highly competent individuals who have already begun to make a contribution to the continued effective governance of the University.

This review provides me with an opportunity to express thanks, on behalf of the Board, to all of the staff of the University who through their talent and unstinting commitment have enabled the University to make such startling progress in such a short period of time.

Finally, it is with sadness that we announce the premature retirement of our Vice Chancellor, Professor David Fleming, in September 2015. My colleagues on the Board, past and present, are immensely appreciative of David's leadership and insight, as well as for the ambitious developments which he and his team have overseen so successfully. We look forward with great optimism but we, along with many others, will be extremely sorry to see him go.

These are exciting times for York St John University and I am certain that through the Governing Body, the Strategic Leadership Team, the academic and professional staff, and the students continuing to work together, the University's ambitions will not only be achieved but will be exceeded. Whilst the UK higher education sector is experiencing a period of rapid change and as a consequence some uncertainty, York St John continues to raise its ambition, raise its profile and achieve remarkable results.

Ann M Green CBE  
Chairman of the Governing Body and Pro Chancellor  
20 November 2014



Students in a seminar group

# Welcome from the Vice Chancellor



**“2013/14 has been another year of outstanding success for York St John University”**

I am delighted to introduce the University's 2013/14 Annual Report to you. Once again, thanks to the talent and commitment of our students and staff, the University has delivered another year of success and transformation. The University has further developed: its academic reputation; its high quality student experience – for which we are renowned; and its beautiful campus in the heart of the City of York. At the same time we have achieved growth in student recruitment and excellent financial results in a challenging environment.

Our success is based in our strategy which is in turn built around four key words – Growth; Quality; Community; and Resilience – which frame everything we do.

It is important that the University continues to grow, and we again succeeded. Student recruitment from the UK and the European Union (EU) topped out at the upper limit of our Student Number Control (SNC) target, reflecting overall application growth of 23% from 2010 to 2014. It is also encouraging that the

majority of our growth has been from students living outside our immediate area with 87% of applicants accepting places residing outside the York postcode area. Recruitment from countries outside the EU was also our best ever and as a result we experienced a record student enrolment.

We did not grow, however, at the expense of quality. Our entry tariffs continue to increase, our student continuation rate of 95% places the University among the Top 10 in the higher education sector and our student achievement rate continues to improve. Such improvements cannot be made without an excellent environment within which our students and staff are based. So we have continued to invest in our estate with the addition of the award-winning St John Central student residence, the opening of Phase Two of our stunning sports park on Haxby Road and the opening of the remodelled Holgate Centre – our one-stop-shop for student services.

The University has also made progress with its research agenda. 50% more members of academic staff were entered for the Research Evaluation Framework (REF) and we look forward with anticipation to the announcement of the results in December 2014. In addition the University has made encouraging progress in its bid to be granted Research Degree Awarding Powers (RDAP). I am hopeful of a positive outcome during 2015. All of these factors are supporting the continued growth in the University's reputation – locally, nationally and internationally.

Links with the community, both in the UK and overseas, continue to expand. For example, the innovative Converge programme, a collaborative project with local mental health service providers, continues to provide educational opportunities for mental health service users. In addition, the University is an active participant in the York Cares programme and undertakes significant outreach activity with under-represented groups across Yorkshire.

Our undergraduate recruitment intake of 95.3% from state schools, 34.5% from lower-socio economic groups and 16.7% from low-participation neighbourhoods places the University significantly above the national average for these indicators.

Overseas our network of partnerships was instrumental in helping us achieve our growth in student numbers, while the University's innovative social economy collaboration with universities and communities in Spain, Portugal and South America was Highly Commended at the Times Higher Education Awards. Our own community is equally vital, so I was especially delighted the University achieved 88% satisfaction in the National Student Survey and, coincidentally, the same percentage of staff told us that York St John was a good place to work. The NSS has, however, recently presented the University with a new set of challenges as, disappointingly, the 2014 results saw overall satisfaction fall to 84%. I am determined this will be a temporary blip in our upward trajectory and a set of focused actions have been put in place to ensure that our performance recovers and the reported satisfaction level exceeds its previous figure. An essential element of this remains our work in partnership with the Students' Union, helping us focus on the components of the York St John experience which have the greatest impact on students. I and my colleagues are grateful for their continued support, insight and the hugely positive contribution they make to the University.

None of the above would be possible without the resilience provided by financial stability and effective risk management. So I am pleased we are able to report year-on-year income growth of 11.6%. Expenditure grew by just 6.7%, reflecting a growth in investment in academic staff and activity. As a result we achieved a surplus of 9.9% of turnover, a much improved performance on the previous year's already encouraging 6.6%. I am also pleased that our sector-leading approach to strategic planning and risk management was recognised at the 2014 Times Higher Education Leadership and Management awards where the University was awarded Strategic Planning Team of the Year.

The year has also contained many notable highlights. Many are covered throughout this report, but I would like to mention just a few. Our superb gardeners were again recognised for their outstanding work across our beautiful campus. Their 'Gold' in the Yorkshire in Bloom Awards was added to their list of achievements. We celebrated the diversity of our student body and the wider community through our involvement with the York Festival of India as well as Diwali celebrations. The year culminated with the Grand Depart of the Tour de France, which provided the University with a tremendous opportunity to showcase its talents. We provided 'Tourmakers', decorated our campus and hosted celebratory events, including an innovative cycle-powered cinema.

My thanks go to all of my colleagues at the University, whatever their role, who have made our success possible. They are both challenging and inspiring on a daily basis, and for that I am grateful.

Sadly, however, this is my final Annual Report as Vice Chancellor as I have announced my intention to retire in September 2015. It has been an enormous privilege and honour to lead this wonderful university since 2010. I will be very sorry to leave, but I am determined that my final year at York St John will bring even more success. The future will present challenges but I am confident the talent and commitment of our academic and professional staff; the strength of our management; the ambitious plans which we implement with rigour; and our high quality portfolio of courses all mean the University is well-placed to look to the future with optimism and confidence.



Professor David Fleming  
Vice Chancellor  
20 November 2014



# Governors & Directors of the University

The following persons served as Governors and Directors of the Company. Each year they sign a register of interests.

## Governors

		Date of appointment	Date of expiry of office
Representative of the Lord Archbishop of York	Rt Revd Dr Tom Butler <sup>1</sup>	01/09/2012	31/07/2015
Two Diocesan Nominees	Rt Revd James Bell	01/09/2009	31/07/2015
	Revd John Hadjoannou	01/09/2009	31/07/2015
Two Members of the Church of England or a church in communion with it	John Finnigan <sup>2</sup>	01/09/2005	31/07/2014
	Diana Gant <sup>3</sup>	01/09/2005	31/07/2014
General Synod Board of Education Representative	Dr Ann Lees <sup>4</sup>	01/10/2008	31/07/2017
Vice Chancellor, ex officio	Prof David Fleming	01/06/2010	
Staff Governor (elected)	Peter Gray	01/08/2013	31/07/2016
Student Governor (President of Students' Union), ex officio	Adam McSkimming	01/07/2012	30/06/2014
	Laura Jackson	01/07/2014	30/06/2015
Up to 8 Co-opted Governors	Gurdeep Kaur Chadha	01/09/2005	31/07/2014
	Ann Green <sup>5,6</sup>	11/07/2011	31/07/2017
	Jane Hanstock <sup>7</sup>	01/09/2006	31/07/2015
	Richard France	19/11/2012	31/07/2015
	Stephen Milner <sup>8</sup>	19/11/2012	31/07/2015
	Jon Hammond Booth	01/08/2013	31/07/2016
	Ian Wallace <sup>9</sup>	01/08/2013	31/07/2016
	Maggie Pavlou	01/09/2013	31/07/2016
	Cath Clelland	01/08/2014	31/07/2017
Russell Davidson	01/08/2014	31/07/2017	

<sup>1</sup> Chair of the Foundation Committee

<sup>2</sup> Chair of the Audit Committee; Chair of the Remuneration Committee to 31/07/2014

<sup>3</sup> Chair of the Human Resources Committee to 31/07/2014

<sup>4</sup> Chair of the Human Resources Committee from 01/08/2014

<sup>5</sup> Chairman of the Governing Body from 01/10/2011; Chairman of the Governance and Nominations Committee

<sup>6</sup> Change of category to "member of Church of England or a church in communion with it" from 01/08/2014

<sup>7</sup> Chair of the Finance and Capital Development Committee

<sup>8</sup> Chair of Audit Committee from 01/08/2014

<sup>9</sup> Change of category to "member of Church of England or a church in communion with it" from 01/08/2014

## Company information

York St John University is a company limited by guarantee with exempt charitable status (registered in England and Wales, number 4498683).

### Corporate Office

Lord Mayor's Walk  
York YO31 7EX

### Bankers

Barclays Bank plc  
Parliament Street  
York YO1 1XD

### External Auditors

KPMG LLP  
1 The Embankment  
Leeds LS1 4DW

### Internal Auditors

PWC LLP  
Benson House  
33 Wellington Street  
Leeds LS1 4JP

### Solicitors

Langleys  
Queens House  
Micklegate  
York YO1 6WG

# The University

The University began as two Anglican teacher training colleges, founded in York in 1841 (for men) and 1846 (for women). The values of its church foundation – a commitment to social justice; respect for the individual; and promoting the public good through work with communities and individuals – remain at its heart today.

York St John is committed to the provision of excellent, open and progressive Higher Education that embraces difference, challenges prejudice and promotes justice. Building on this, we aim to:

- Provide widely-accessible opportunities for lifelong learning, underpinned by scholarship and research.
- Extend and deepen the University's external contribution regionally, nationally and globally.
- Foster a supportive, creative, critical and reflective community which promotes personal and professional development for both students and staff.

York St John University is a diverse community of 6467 students from over 100 countries and 710 staff.

We have a strong track record of employability and enterprise with 92.4% of our graduates undertaking further study, employment or starting a business within six months of leaving university. 72.4% progress directly to graduate jobs.

The University contributes approximately £60 million to the local economy every year and helps to create 1100 jobs in the city. Since 2009, the University's enterprise programme has successfully supported and established over 70 new businesses. In addition our comprehensive incubation and mentoring service has provided intensive business assistance to over 150 businesses and supports over 350 graduate business enquiries per annum.

We have invested £24 million over the last two years and have plans to invest a further £25 million over the next four years.



# Charity status and public benefit

York St John University is a company limited by guarantee and an exempt charity under the terms of the Charities Act 2011 and is regulated by the Higher Education Funding Council of England (HEFCE). The Charity Commission gives clear guidance on the reporting of public benefit and in determining the University's objectives and activities. The Board of Governors has complied with the Commission's guidance and in particular the supplemental guidance on the advancement of education (our primary objective as defined in our Instrument of Government).

Public benefit forms an integral part of all our activities and is embedded in our key strategic aims. The principal beneficiaries of the University's services are our students and our community.

Our student intake in September 2013 included 1484 undergraduate and 209 FT PGCE and 137 PT PGCE students eligible for full state support.

All prospective students are made aware of the availability of financial support. In 2013/14 we provided £4.1 million in financial support for students and we have budgeted a further £5.8 million to support students in 2014/15.

In 2013 entrants from the lowest socio-economic groups constituted 34.5% of our student body. A further 16.7% were from low participation neighbourhoods.

In 2013/14 the University continued to invest in its campus and the student experience as part of its strategic aim of developing a 'sport and wellbeing for all' agenda. The facilities on Haxby Road in York, Phase Two of which opened in the summer of 2014, are available to students and staff as well as to our wider community. They offer a wide variety of sporting and wellbeing activities, including team and individual sports as well as activities for leading a healthy lifestyle.

The University hosts a diverse series of public lectures each year which are popular with students, staff and members of the local community and which encourage the sharing of knowledge within our community and the dissemination of research and current opinion to our staff, students and guests. Overall the University welcomed over 1400 visitors who attended of its lecture programme.

In support of the charitable work of the University we received donations to the value of £12,000 in 2013/14, from alumni, to whom we are incredibly grateful.



# Strategic Report

## Strategy 2012-15

York St John University strives to be excellent in all it does. The University has, and continues to build, a strong reputation as a high quality, friendly university, renowned for its academic excellence, strong community spirit and a magnificent campus based in the heart of the city of York. The strategic plan for 2012-15 has helped us to build on our success.

Our strategic aims are to:

- Enhance the quality of the student experience, with a particular focus on learning and teaching, so that our graduates develop skills for life and work.
- Nurture and retain the sense of community built up over 170 years.
- Deliver growth in our student numbers – Home/ EU, international and postgraduate.
- Ensure our financial and organisational resilience.

### Strategic Aims

Our University's aims comprise leading strategies, focusing on the key areas of activity, and enabling strategies, which underpin everything we do.

### Leading strategies

- Develop innovative, inclusive and high quality teaching, learning and assessment practices that actively engage students and lead to an exceptional learning experience for students and staff.
- Develop a strong, vibrant and sustainable research culture that informs our teaching, inspires our students and staff, enables research excellence, and enhances our academic reputation.
- Build our reputation in the international community so that we are recognised as a quality University that develops staff and produces graduates with skills for life and work in the global community.
- Provide opportunities for all students to develop the employability and enterprise skills they need to achieve their career potential.
- Achieve University recruitment and widening participation targets.
- Provide high quality, integrated and evidence-based student support services.

### Enabling strategies

- Enhance the communication of the brand and profile of the University, increasing its reputation for exceptionality in learning and teaching, the student experience and for quality graduates.
- Provide an inclusive environment that promotes equality and embraces diversity.
- Provide inspiring and sustainable environments and facilities that enhance the student and staff experience.
- Become an exemplar of best practice within the sector and the city by reducing the University's environmental impact.
- Ensure the University's financial strategy underpins its corporate aspirations, aligns resources to its strategic plan and enhances financial sustainability.
- Be a good employer that values, develops and engages its employees.
- Provide accessible and resilient ICT and Library services that enhance communication, business systems and information discovery by students and staff.

# 2013/14 – Highlights

AUGUST – OCTOBER



Our Strategic Leadership Team was strengthened with new appointments, including Professor Alyson Tobin who joined from the University of St Andrews as Deputy Vice Chancellor.



Caroline's Rainbow Foundation (CRF), tenants in the Phoenix Centre, the University's business incubator, launched a Safer Travel App, which has traveller welfare at its core.

Picture: York St John student Rebecca Dowlen pictured with CRF's Richard Stuttle.



We achieved an 88% overall satisfaction rate in the National Student Survey, moving us up to 34th position in the country.



The University also opened its latest accommodation – the stunning St John Central.



Major campus developments were completed, including a refurbished Dining Room and the opening of the 'one-stop-shop' in the Holgate Centre.



Design students Stuart Featherstone and Ashleigh Cleet were shortlisted in the Design in Light competition and New Design Awards 2014.



We were one of the highest climbers in the 2013 Times/Sunday Times Good University Guide, moving up 16 places to 64th overall.

England rugby coach and former player Mike Catt visited York St John and met sports teams and staff to learn more about the future of sport development at York St John.



Our gardeners won yet another award – this time Gold at the Yorkshire in Bloom awards.





The Rt. Hon. Dr Vince Cable MP, Secretary of State for Business, Innovation and Skills, visited the University and met with start-up businesses in the Phoenix Centre.



We were delighted to act as host for the York Festival of India, which ended with a fabulous Diwali celebration.



We were named as a finalist in the prestigious Times Higher Education (THE) University of the Year Award.

In addition, we were Highly Commended for our International Collaboration and also received nominations for Outstanding Employer Engagement and Excellence & Innovation in the Arts.

Film & TV students won Best Factual Film award at the Royal Television Society Awards for their documentary 'Exploring the Unexplained – A Journey into Spiritualism'.



Honorary degrees were awarded to Sir Philip Craven, Shami Chakrabarti, Martine Wright and Professor Haleh Afshar.

Picture: Sir Philip and Shami Chakrabarti with the Chancellor, Archbishop Dr. John Sentamu, Chairman of Governors, Ann M Green CBE, and Vice Chancellor, Professor David Fleming.



December saw the retirement of Deputy Vice Chancellor, Professor David Maughan-Brown, after a distinguished career in higher education in South Africa and the UK.



Phoenix Centre tenants continued to gain recognition and success.

Inspired Youth launched films about the Samaritans and young people's awareness of dementia; and David Turner (pictured above) received orders for his beautiful and distinctive carved pumpkins from West End musical, *Wicked* and BBC's *Strictly Come Dancing*.



The 'Dimidium' art exhibition, in conjunction with the Schoolhouse Gallery, showcased the diverse talents of Fine Art students at York St John University.



York St John alumnus, Bella Hardy, was awarded Folk Singer of the Year at the Radio 2 awards.



St John Central, our newest accommodation block, was shortlisted in the prestigious RICS (Royal Institute of Chartered Surveyors) Pro-Yorkshire Awards.



We celebrated Healthy Body Image Week as part of our strategy to develop sport and wellbeing for all.

Picture: Left to right are Samantha Culpeck, who has appeared on Channel 4's Undateables, Nic Streatfield, Head of Student Services, Prof Pam Dawson, Dean of the Faculty of Health & Life Sciences and Emma Woolf, Times journalist and presenter of Channel 4's Supersize vs Superskinny.

MAY - JULY



Our sports teams saw success in British Universities & Colleges Sport (BUCS). The Rugby League won the Northern Conference cup final, and the Netball 1sts achieved their second successive promotion.



Our partnership with multinational insurance specialists Hiscox saw the announcement of the winner of the 'Tomorrow's Workplace' competition to design an installation for their new York HQ. Designer Andrew Cannon was the winner with his Aqua Tower concept.

Picture: Pro Vice Chancellor Sue Reece with Ken Shuttleworth, Make Architects; and Alan Millard, Chief Operating Officer, Hiscox UK.



The entrepreneurial talents of Film and Television Production student Jordan Ryan Madeley were recognised at the second annual Duke of York Young Entrepreneur Awards.



In August we opened Phase Two of the Haxby Road Sports Park, including our professional-standard 3G all-weather pitch.

Picture: Chief Operating Officer, David Chesser (left) and Vice Chancellor, Professor David Fleming (right) with Sam Orange, YSIActive.



The University was awarded the Strategic Planning Team of the Year Award at the Times Higher Education Leadership and Management Awards.

Picture: Host Rob Brydon with Vice Chancellor, Professor David Fleming and Strategic Analysts Andrew Fern and Caitlin Rushby.



Create 14, our annual showcase for our creative arts students, opened to rave reviews.



Product Design student Joseph Farmer designed a TdF inspired t-shirt for the Heart of York cycle event, pictured with ride organiser, Phil McMahon.



Preparations for the Tour de France Grand Depart were in full flow. We decorated the roof of the Fountains Learning Centre.



Our undergraduate Design programme was ranked as the top course of its kind in The Guardian's University Guide 2015.



A unique interactive sound sculpture created by David Young, lecturer in Music Production, as part of his three-year MA Composition project, went on display at the Yorkshire Sculpture Park. His Theremin Bollards were also on show at the National History Museum in London and at the Galtres Parklands Festival, near Helmsley.



The YSJ Students' Union won Small and Specialist Union of the Year at the National Union of Students Awards.

Picture: Collecting the award are Gabby Wilson, YSJSU Vice President, Education (left) and Laura Jackson, YSJSU President.



# Progress Report

This report covers:

- Progress made against its strategic aims and key performance indicators;
- The University's financial performance and position, including the liquidity position;
- The objectives, policies and processes the University uses for managing its capital; and
- Financial risk management objectives.

2013/14 was another year of significant progress for York St John University. As the challenges facing the English higher education sector have grown, so has York St John's quality and reputation for providing an excellent student experience – but the University can go much further. Our strategy, with its four pillars of Growth, Quality, Community and Resilience, continue to provide the framework within which we will achieve our goals. As we move forward the University is developing its new strategy, which will be announced in Spring 2015 and which will take the University to 2020.

## Growth

York St John University has experienced sustained growth with progress made against the overwhelming majority of performance indicators. As a result, the University is well-placed to continue to achieve its ambitious plans.

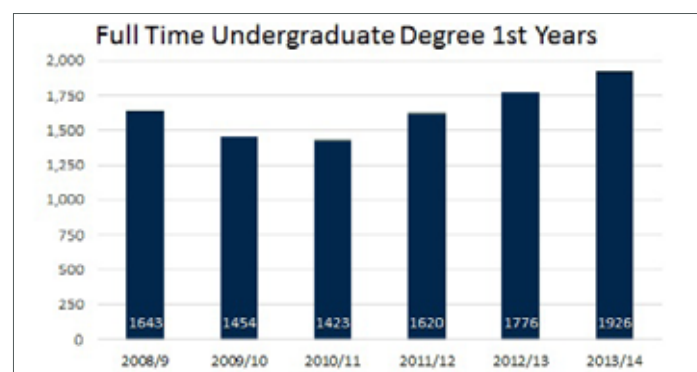
In a rapidly evolving and increasingly competitive operating environment, the University must ensure its programme portfolio is attractive, interesting and engaging.

As a result it undertakes a process of constant and rigorous portfolio review. In 2013/14 this led to the introduction of new undergraduate programmes in: Accounting and Finance; Business Management top-up degrees; Computer Science; Youth & Community Work; and revalidated and repackaged options in Sport which resulted in a 16% growth in applications. There was also the introduction of new routes as part of the School Direct teacher training initiative and new postgraduate taught developments included new awards in the Faculty of Health & Life Sciences.

Developments for 2014/15 include new undergraduate opportunities in: Biomedical Sciences; Creative Writing,

Early Childhood Studies, Performance; Sociology; and top-up degrees with Qualified Teacher Status (QTS) for Foundation degrees. Postgraduate developments are focused on developing: MA/ MSc progression routes for all undergraduate programmes; school-based PGCE strands; and the development of a wider Continuous Professional Development (CPD) framework, particularly in Business and Biomedical Science disciplines.

York St John posted record student recruitment results in 2013/14. In 'Home' (UK/EU) markets the University experienced a 6% growth in applications on the previous year, leading to growth of 55% since 2009/10. This led to 1483 new entrants, a 16% increase over two years.





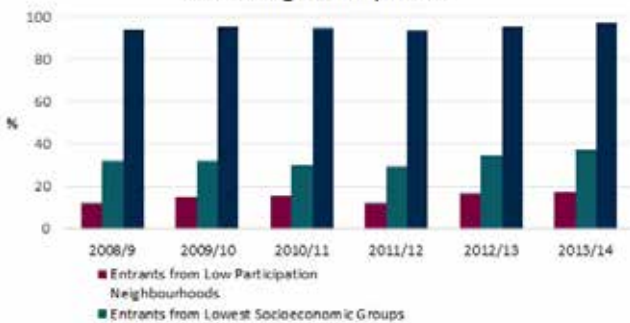
The University also enjoyed success in its work in widening access to higher education for students from under-represented and minority groups as it made significant progress against its key performance indicators. Recruitment rose from:

- State schools from 93.8% of the intake in the previous year to 95.3%;

- Low participation neighbourhoods (LPNs) from 12% to 16.7%;
- Lower socio-economic groups from 29% to 34.5%;
- Black and minority ethnic groups from 3.5% to 3.7%.

There were also increases in recruitment for part-time students and for mature students. All of this highly encouraging progress was made within a context of increasing entry standards and intense competition. The University continues to support this vital area of work with a comprehensive programme of off- and on-campus activities; successful collaborative work with colleagues from Higher York; and through the implementation of targeted communications which are already helping to boost attendance at events, by building connections with applicants and growing progression to York St John.

**Widening Participation**



As the University moves forward activity will focus on the: development of the University's brand and reputation; restructuring and redesign of the website; review and remodelling of the programme portfolio; and the enhanced monitoring and evaluation of all outreach, recruitment, marketing and communications activity.

There was also successful growth as a result of the University's work in international markets. The increased demand for pre-sessional programmes was addressed with the introduction of a new 15-week module. This has improved progression onto full undergraduate and postgraduate programmes which are already proving to be a success. New international entrants grew year-on-year by 63% and there were 64 courses with an international student. The University also achieved a growth in applications for entry to the University in 2014 of 25% and as a result experienced the enrolment of record numbers of international students.

Conversion of applications to enrolments remains a key activity and new initiatives have been introduced, for example, the launch of new digital communications to support international profile-raising, student recruitment, partner relationships and conversion; the development of new strategic partnerships in Vietnam, Singapore and Japan; and the hosting of a successful International Week in March 2014 which brought together agents, representatives and partners for five days of briefings and networking.

A vital aspect of the University's ability to grow is its retention of UK Visas and Immigration Highly Trusted sponsor status. The University was therefore delighted this was retained following an inspection during which the University exceeded the necessary standard for all three core measures.

## Quality

**The delivery of innovative and engaging learning and teaching is a key element of York St John's drive to improve student engagement and achievement.**

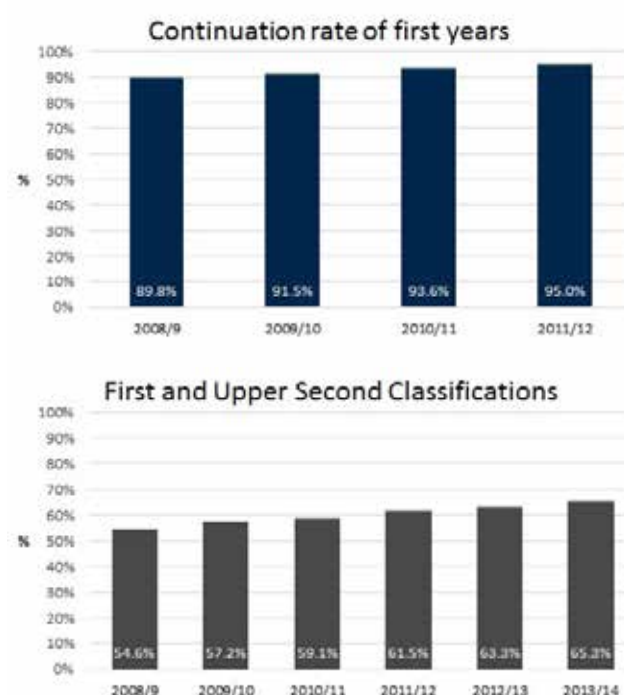
The University was delighted to achieve real progress in a number of important academic indicators.

- Year-on-year the University has increased its entry tariffs, with the mean 'tariff points on entry' figure now sitting close to 300 points (three B grades at A level) on a consistent basis.

- The student continuation rate from year one to year two continued its upward momentum and reached 95%. It has increased every year for four years.

- The overall completion rate climbed to 89% of initial entrants and has also shown consistent improvement – now for three years.

- But students don't just complete their studies, they achieve good results. The proportion of undergraduates gaining a First or 2:1 classification rose to 65.3%, up from 59.1% in 2010/11 – an indicator of the ability of our students and staff, as well as of the focus the University has on a valued and rewarding student experience.



The greater use of technology is one way in which improvements in academic performance have been supported. For example:

- 26 academics have worked with their students to deliver learning with iPads – and in doing so improve their digital literacy;
- Upgrades to *Moodle*, the University's virtual learning environment (VLE) have saved time in giving feedback to students;
- Video technology has been piloted to support assessment activity in Languages.

Continued investment in the University's Information and Learning Services provides the infrastructure within which learning and teaching can flourish. New developments and initiatives include:

- More investment to increase the range of learning resources available to students;
- New PCs and iMacs to enable flexible working for students;
- Wireless installed across campus;
- Improved student experience results, including satisfaction in the National Student Survey (NSS) with library resources (82%, up from 72% in 2011) and with IT resources (87%, up from 81% in 2011).

Enhanced student support has also played an important role. The University's work with the Higher Education Academy's (HEA) *Retention and Success* programme has led to better data analysis and as a result more effective, timelier and better targeted support for students; and *YSJ Active*, which is dedicated to providing high quality opportunities for sport, exercise and recreation, supports the University's wellbeing activity and has supported the delivery of a more inclusive approach to fitness among all students. In addition, the innovative *Converge* programme, a partnership with the NHS which uses the creative arts to support users of mental health services, was shortlisted for a Times Higher Education award for Innovation in the Arts.

Research is increasingly important at York St John. The University aims to develop a strong, vibrant and sustainable research culture that informs teaching, inspires students and staff, enables research excellence and enhances its reputation. Developments in 2013/14 have included a high quality submission as the University bids to be granted Research Degree Awarding Powers (RDAP). We are hopeful of a positive outcome.

In addition the 2014 Research Evaluation Framework (REF) submission was made in November. 50% more staff were submitted than in the previous exercise in 2008, a direct result of the growth in research-active staff at the University which now stands at 73%. The University was also encouraged by the outcomes of the 2013 Postgraduate Research Experience Survey (PRES) which placed York St John in the upper quartile in the sector for six of the seven categories and above the national average in the 7th. Of particular note were the scores for Progress and Assessment (95% against a national average of 78%) and Research Skills (93% against an average of 84%).

The newly-established Directorate of Academic Development will ensure the University maintains its momentum as it enhances its research culture and works to integrate all research, learning and teaching activity.

## Community

The University is part of a large, diverse and supportive community comprising students, staff, regional businesses and organisations, overseas partners and local residents. As a civic university, its community links are vital to the University's continued success.

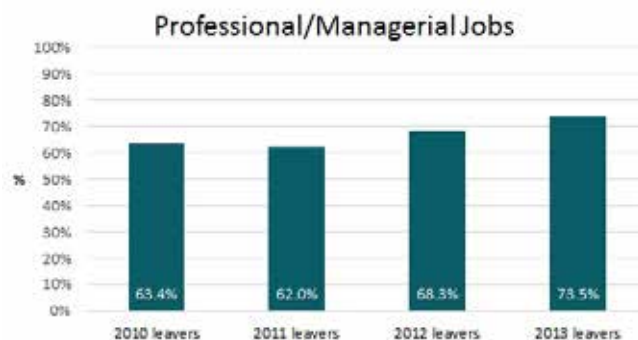
Students are at the core of everything York St John does, so it was rewarding to see the University achieve improved scores in the 2013 National Student Survey (NSS). An overall satisfaction rating of 88% placed the University in the top third in the country and included an overall rating for Teaching of 89%. Improvements were actually achieved across all seven categories, most notably in Assessment and Feedback. However, the 2014 NSS saw overall satisfaction fall to 84%. While this is a disappointing result, the University has already redoubled its efforts and plans have been implemented to restore performance to its 2013 levels and beyond.

The University works closely with the Students' Union (SU) on a broad range of issues. Examples include the further development of Programme Representatives, which have increased by 90% and which enable students to pass vital feedback to the University; and work to improve placement experiences and to enhance awareness and understanding of plagiarism. The SU has also delivered several informative campaigns including the highly regarded '*Plan Safe, Drink Safe, Home Safe*' and its place at the centre of our community was highlighted when it won 'Small and Specialist Union of the Year' at the National Union of Students Awards.

Support for international students is vital to enable them to feel part of the University community and to succeed academically. The SU contributed significantly to this important part of the internationalisation agenda by organising a range of events to increase international student participation in sports and societies, and through the introduction of international student champions who highlight international issues and promote diversity across campus.

The strong focus on equality and diversity across the University is evidenced by, for example: the establishment of the Equality & Diversity Steering Group; the University leading the organisation of the *York International Festival of Faith and Culture*; and the achievement of a 10/10 rating by *Stonewall* in its annual online guide, '*Gay by Degree*'. York St John was one of only six universities in the country to achieve this level of recognition.

An important measure of the way the University supports its students with their development is graduate employability – the key indicator being the Destinations of Leavers of HE (DLHE) survey. In 2013/14 92.4% of graduates progressed to a job or further study within six months; of the total, 73.5% progressed to a graduate level or professional job, an increase of 11.5% in two years. This success reflects the practical and professional nature of the University's programmes as well as the in-depth career development activity which saw 7,000 students attend 188 careers workshops.





External links are also growing. The University is a highly visible participant in a number of city-wide initiatives including: *Create 13*; the *York Literature Festival*; *Illuminate York*; the *Festival of Ideas*; the *Aesthetica Short Film Festival*; *1 Billion Rising*; and the *Holocaust Memorial Day*.

The University's links with employers and professional bodies are also vital.

- The partnership with Hiscox provided curriculum enrichment opportunities for Design students;
- 11 new start-up businesses were recruited to the Phoenix Centre; and
- £130k was secured from the Yorkshire Innovation Fund (ERDF) to provide innovation and research for SMEs.

The University was also delighted to be shortlisted for the THE Outstanding Employer engagement Initiative for its collaborative work with the NHS.

## Resilience

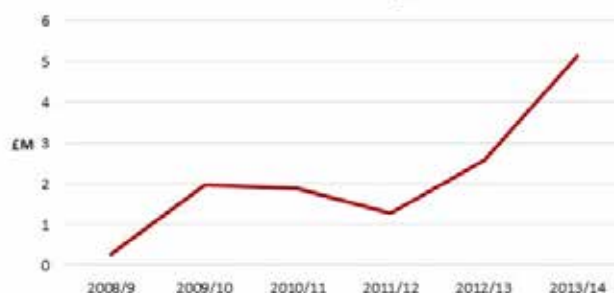
**The University's success is built upon its strong financial model and its desire to become an exemplar of best practice within the higher education sector.**

York St John experienced another year of unprecedented financial success. Income grew by 11.6% to £54.9 million, however expenditure increased by just 6.7% to £49.9m. This resulted in an operating surplus before depreciation of assets of £4.9 million, an increase of £2.5 million (+106.5%) on the previous year. As a result the University exceeded all of its financial targets and is in a strong position to react quickly and positively to changes to the environment within

which it operates. This ability was further enhanced by the securing of a £12 million loan and a £10 million Revolving Credit Facility from its bankers Barclays in October 2013.

The University's model for monitoring and managing risk, which directly informs its strategic planning and operational delivery, was recognised at a national level. In June York St John won the Strategic Planning Team of the Year at the Times Higher Education Leadership and Management Awards. In particular the judging panel commented on the way the University's processes permeate throughout its work and provide simple, relevant and timely information about the progress it is making.

**Historical Cost Surplus**





An important element of delivering a friendly, rewarding and valued student experience is the provision of an inspiring and sustainable campus. In 2013/14 the University made further progress towards ensuring this is achieved for all students and staff. Developments included:

- Opening the award-winning St John Central residence – meaning the University now has 1,895 beds (up from 1,520 in the previous year) and is able to guarantee accommodation for *ALL* new entrants;
- Enhanced learning environments in: Computer Science; Design; and Film & TV Production;
- State-of-the-art laboratories for Psychology and Counselling, Coaching & Mentoring, plus the development of new laboratories for the University's Biomedical Science programme;
- The completion of Phase Two of the stunning Haxby Road Sport Park – a 57 acre site set in parkland and comprising international-standard floodlit all-weather pitches; and

- The reconfiguration of the campus layout to enable it to become traffic free.

Equally important to York St John are the staff who deliver outstanding learning, teaching and support to our students. The University strives to be a good employer that develops and engages its employees and annually it delivers and maintains comprehensive programmes of staff development and wellbeing activity. The consistent achievement of staff satisfaction in excess of 90% (91% in 2013/14) is therefore encouraging.

Included in the range of new developments were: a new employee Benefits & Discounts handbook; the implementation of the Contribution Framework for professional support staff and managers which ensures that all colleagues understand their role and ways by which they support the University's strategy; the completion by the first staff cohort of the University's postgraduate certificate in Coaching and Mentoring; and the successful pilot of the YSJ Active 'Your Wellbeing' scheme for all staff.

York St John also collaborates with other organisations to support its staff development activity. The University worked with Durham and Newcastle universities to deliver Masterclass events for leaders and managers; and continued engagement with the HEA has enabled academic staff to gain recognition for the work they do in supporting student learning. As a result 73% of academic staff now have a teaching qualification. This will remain a focus as the University intends all academic staff to hold such a qualification by 2015.

The University strives to reduce its impact on the environment and is achieving marked success. Most notably it has introduced a significant number of recycling initiatives which in the fourth quarter of 2013 saw recycling rates climb to 86% of all waste, up from 37% in the previous year. A new waste management system is expected to achieve zero waste to landfill and an overall recycling rate of 95%. New lighting and improved management of heating, ventilation and air conditioning systems have also led to financial savings and environmental improvements; and the SU achieved the *NUS Green Impact Gold Excellence Award in Biodiversity*.



Students in the Quad



# Financial Review

## Introduction

The financial year 2013/14 shows a strong financial position with operating surplus exceeding our expectations and a significant increase in the strength of the balance sheet. Income increased by 11.6% to £54.9m, and the operating surplus pre-FRS17 grew by 70.4% to £5.2m. The University acquired additional borrowing of £12m during the year and invested £20.4m in tangible assets while maintaining cash and short term deposits at £12.7m.

The University's award winning approach to strategic and corporate planning, continued investment in the estate and student facilities and current financial strength ensures we are in a good position to face the challenging times ahead.

## Income

Total income grew by 11.6% to £54.9m. The University's main source of revenue (77%) is from teaching activity from which total revenues from tuition fees, education contracts and Funding Council grants grew by 9.1% to £42.3m. The University continued to increase student recruitment and the roll through of higher intake numbers together with additional PGCE students through our School Direct partnerships has increased our student numbers significantly. Additional income was also achieved from Health Education Yorkshire and Humber for CPD courses.

Recruitment of overseas students increased during the year however overall revenue from overseas students reduced slightly due to the loss of the MOD contract for delivery of language courses and a reduction in income from our partnership with Robert Kennedy.

In order to support the growth in student numbers and the increased demand for high quality student accommodation the University purchased a new student residence, St John Central. Income streams from residence, catering and conference operations increased by 22.8% to £9.9m.

## Expenditure

In the year, total expenditure increased by 6.7% to £49.9m. Staff costs increased by 6.8% from £25.7m to £27.4m and represented 50.0% of income (2012/13 52.2%). Additional academic staff were recruited to support growth in student numbers and to support the University's desire to lower the overall staff:student ratio. Academic staff costs increased by 9.2% to £14.2m while expenditure on academic departments, academic services and research activity increased by 8.4% to £27.0m. Expenditure on residences, catering and conferences increased by 13.4% to £7.6m to support the additional income. Administration and central services expenditure was held at last year's level of £3.3m.

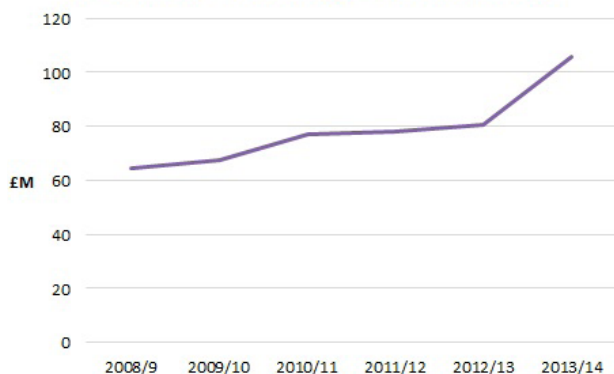


## Balance Sheet

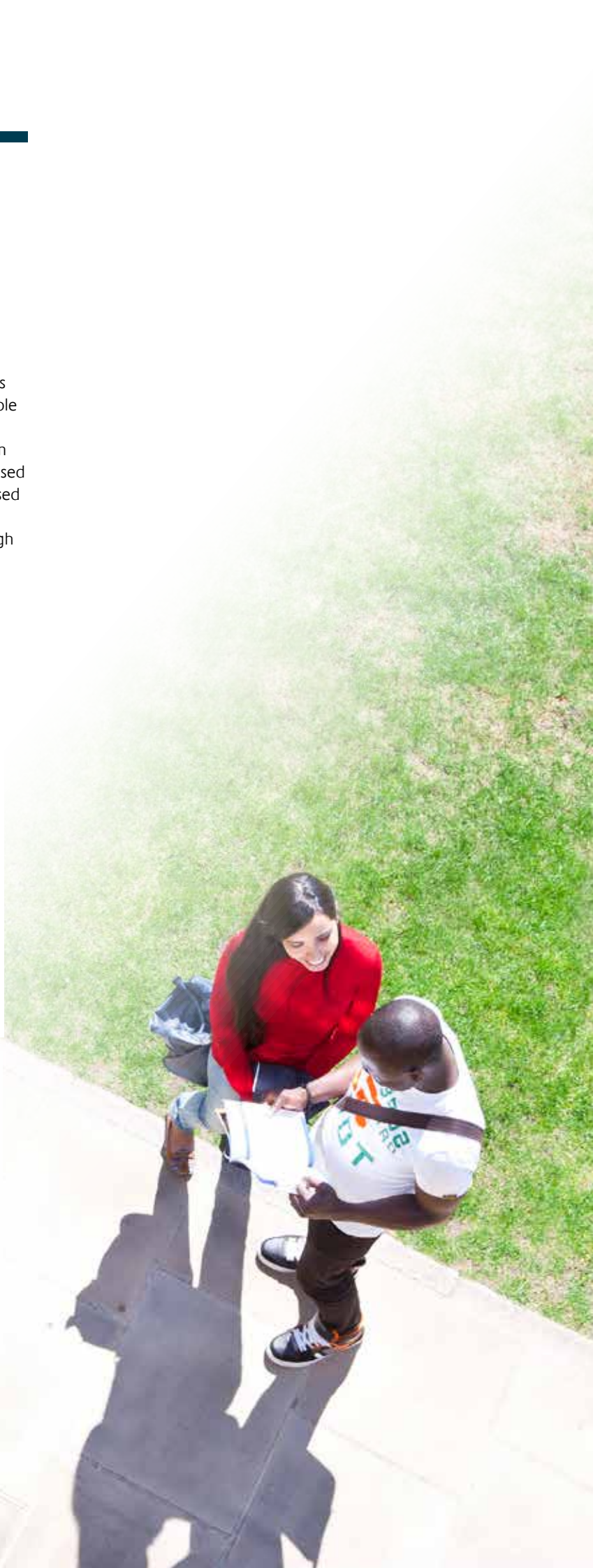
The balance sheet has strengthened significantly this year. Tangible fixed assets increased by £38.1m which reflected £20.4m of capital expenditure, depreciation of £(2.8)m and a revaluation adjustment of £20.5m. £14.5m was invested in the new student residence at St John Central, £1.8m on developing the sports facilities at Haxby Road, £0.6m on improving the main reception facilities in the Holgate Centre to enhance the student experience and £0.5m on new academic facilities to support new programme developments.

Liquid resources were well managed, maintaining cash balances and short term investments at £12.7m at the balance sheet date. The outcome of the annual re-assessment of the University's pension liability was favourable with the pension reserve reducing by £4.7m to £7.8m of which £5.0m was recognised in the Statement of Recognised Gains and Losses and £0.3m was taken as a charge through the Income and Expenditure Account in the year.

Net Assets excluding pension liability



Net Cash from operating activities



## Key Risks and Risk Management

The University has a detailed and interactive Progress and Risk Management Register which is regularly reviewed by senior management and the University's Governors. The Register identifies 86 key indicators under the following ten headings:

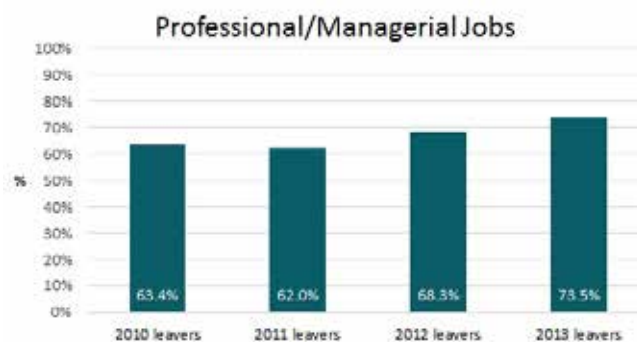
- Student recruitment and widening participation;
- Student:staff ratios and tariff points on entry;
- Student engagement and satisfaction;
- Student retention and success;
- Staff;
- Research;
- Estate and environmental;
- Financial;
- Academic portfolio;
- Reputation and external measures.

Of the 86 indicators, the University judges that in 72% it is on track or ahead of expectations and in a further 22% it needs to take only minor mitigating actions. Following the introduction of the higher tuition fees and the subsequent removal of the cap on student numbers, the UK HE sector has become incredibly competitive. As a university whose main source of income is from teaching, the uncertainty that now exists over our ability to predict student numbers year on year, by subject area has introduced a significant additional level of risk. The university believes it has systems and information analysis available to help it manage this risk and is not complacent in recognising the challenges that it now faces. There are only two other areas which are judged as being of major concern.

The recruitment of postgraduate taught students has declined across the higher education sector, mainly due to the impact of higher

undergraduate tuition fees and the lack of financial support packages. York St John has experienced a similar decline and a resultant reduction in this income stream. To mitigate against further decline the University is implementing detailed plans including an enhanced academic portfolio and the introduction of specific support for postgraduate taught and research students.

The University aims to reduce its CO<sub>2</sub> emissions. It has achieved a reducing trend since 2005/06 leading to it consistently out-performing its benchmark; however, the construction of the Percy's Lane and Gray's Wharf student residences led to an increase in CO<sub>2</sub> emissions in 2012/13. The University is aware of its responsibilities to limit its environmental impact, as well as the potential reputational damage caused by a significant environmental footprint. As a result it has implemented plans to deliver further reductions as it moves forward.



## Future Strategy 2015-20

While progress towards achieving the main objectives in our 2012-15 strategy has been exceptional, the University cannot rest on its laurels. We have therefore commenced the development of a new strategy, for the 2015-20 period, which will continue to transform the University and its students and which will further develop the University's reputation as a high-quality, high-value and high-achieving institution.

At the heart of this strategy we will retain our core focus on Growth, Quality, Community and Resilience. These words will continue to provide the framework for everything the University does, but will be refocused around new objectives.

In developing the strategic framework the University is acutely aware of the impact of increased competitiveness within its markets; potential further government legislation and deregulation; and issues surrounding student finance. As a result the University must retain where appropriate and develop where necessary the programmes, services and wider student experience which are attractive and which deliver demonstrable value.

To this end, in 2014, it initiated three key pieces of work to identify key developments necessary to enable the University to move successfully through the next phase of its development.

The first is a root and branch review of the University's portfolio of courses and the markets within which it operates. This is a continuous process; however, this work will see the development of a new portfolio to take York St John to 2020 and beyond.

Building on this, the delivery of the student academic experience is at the core of our work. So the University is reviewing the way it delivers its programmes to ensure students are engaged, motivated and inspired to achieve their full potential.

Finally, the University is reviewing its use of the full range of new technologies to ensure it delivers its services in a timely, simple and cost-effective manner to students, staff and key stakeholders. By 2020 York St John aims to be a fully IT-enabled university.

While these developments give just an indication of the plans the University is developing, it is clear that York St John has no intention of standing still.



# Directors' Report

The directors present their annual report and the financial statements of the University for the year ended 31 July 2014.

The directors confirm that they have provided all information to the auditors and they consider this report and accounts to be: fair; balanced; understandable and that it provides the information necessary to assess the University's performance.

The future strategy and likely developments within the University are highlighted within the strategic report.

The names and term of office of all of the directors are listed on page 9 under 'Governors and Directors of the University'

## Employees

### Diversity

The University is committed to encouraging and enabling staff to achieve their full potential and aims to ensure that no job applicant, employee or former employee receives less favourable treatment on the grounds of age, carer responsibilities, disability, class, marital or civil partnership status, gender identity, pregnancy and maternity, race, religion or belief, sex, sexual orientation, trade union activity, criminal background or any other category where discrimination cannot be reasonably justified

### Disabled employees

The University takes positive steps to ensure that disabled people can compete equally for employment opportunities and have the support they need to develop and perform well in their jobs. The University holds the 'two

ticks' positive about disability symbol which is awarded to employers who have made commitments to employ, keep and develop the abilities of disabled staff. Disabled persons are employed under the standard contract terms and conditions. Reasonable adjustments are made where appropriate and career development and promotion is provided for all staff.

### Employee involvement

It is the University's policy to communicate with and involve all employees, subject to commercial and practical limitation, in matters affecting their interests at work and to inform them of the University's performance. Employees are provided with information about the University, which is supplemented by regular team briefings and staff forums. The University makes full use of its Intranet, a weekly internal communication and quarterly magazine to provide current information to its employees.

On behalf of the Governing Body



Professor David Fleming  
Vice Chancellor  
20 November 2014



Ann M Green CBE  
Chairman and Pro Chancellor  
20 November 2014



Students in the Quad

# Statement on Corporate Governance and Internal Control

The following statement is based on HEFCE guidelines and reflects the University's regard for the *Governance Code of Practice* published by the Committee of University Chairs (CUC).

York St John University is an incorporated body whose legal status is that of a higher education institution with taught degree awarding powers, Company Limited by Guarantee (with no share capital) and an exempt charity. The University's Articles set out its object and powers as required under the Education Reform Act 1988. In accordance with the Articles of Association of the company, the Governing Body is responsible for the administration and management of the affairs of the University and is required to present audited Financial Statements for each financial year. This also includes ensuring the operation of an effective system of internal control. Governors make an annual declaration to conduct themselves in accordance with accepted standards of behaviour in public life (the 'Nolan Principles') which embrace selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Governors are required to maintain an entry in a Register of Interests and further to declare any interests in relation to matters under discussion at meetings.

The Board of Governors has adopted a Statement of Primary Responsibilities, reflecting sector guidance, HEFCE requirements and the University's status as a Company Limited by Guarantee. This statement reflects the Board's understanding of its responsibilities in relation to governance and internal control. It is published on the University's website and is reviewed annually by the Board.

The powers and duties of the Board of Governors, as defined in the Articles include responsibility for:

- the determination of the educational character and objectives of the University and the supervision of its activities;
- the effective and efficient use of resources, the solvency of the University and the safeguarding of its assets;
- approving annual estimates of income and expenditure;
- the assignment of duties and rights to, and the appraisal of, the Vice Chancellor;
- the determination of the policy for pay and general conditions of employment of the Staff;
- the appointment of Auditors; and
- ensuring that there is an effective framework overseen by the Academic Board to manage the quality of learning and teaching and to maintain academic standards.

The Vice Chancellor is the Chief Executive Officer of York St John University and has a general responsibility to the Board for the organisation, direction and management of the institution. There is a clear division of responsibility in that the roles of the Vice Chancellor and the Chairman are separate.

Under the terms of the Financial Memorandum (Memorandum of Assurance and Accountability from August 2014) between the University and the Higher Education Funding Council (HEFCE), the Vice Chancellor is the accountable officer of the University. In that capacity he and the Chairman of the Governing Body can be summoned to appear before the Public Accounts Committee of the House of Commons. This responsibility extends to assuring the quality and accuracy of University data provided to HEFCE, HESA and other public bodies.

As Chief Executive Officer, the Vice Chancellor exercises considerable influence upon the development of University strategy, the identification and planning of new developments, and shaping of its ethos. The Vice Chancellor's Group and the Strategic Leadership Team all contribute to aspects of the work, but the ultimate responsibility for what is done rests with the Board of Governors.

In accordance with the Articles of Association, a Secretary to the Governing Body (and the Company) has been appointed. In that capacity, she provides independent advice on matters of governance to all members of the Board.

The Board of Governors, through its Governance and Nominations Committee, ensures that there is an appropriate balance of skills and experience amongst its members. The constitution includes the Vice Chancellor, the President of the Students' Union and an elected staff member. The remaining 14 members are external and independent to the University. Board members are not remunerated for the work they do in this capacity. No Governor or person connected with a Governor received any benefit from either bursaries or scholarships awarded to our students.

The Board of Governors holds three formal business meetings each year. In addition, it holds an additional discussion day and away day to provide opportunities to consider matters of strategic importance in greater depth and an annual joint meeting with the University's Academic Board, to provide an opportunity for engagement in greater depth on the work of the former body.

Much detailed work is handled through the following committees of the Governing Body:

- Audit
- Finance and Capital Development
- Foundation
- Human Resources
- Remuneration
- Governance and Nominations

These committees are formally constituted with terms of reference approved annually by the Governing Body. They are mainly comprised of independent and external members of the Board of Governors, one of whom is appointed as the Chair of each committee.

### Audit Committee

The Audit Committee meets four times a year, with the University's External and Internal Auditors in attendance. The Committee considers detailed reports together with recommendations for the improvement of the University's systems of internal control, and management's responses and implementation plans. It also receives and considers reports from the Funding Council as they affect the University's business and monitors adherence to the regulatory requirements. Whilst senior executives attend meetings of the Audit Committee as necessary, they are not members of the Committee. Once a year, the Committee separately meets the Internal and External Auditors for independent discussions.

### Finance and Capital Development Committee

The Finance and Capital Development Committee meets three times a year and maintains oversight of the University's financial and estates strategies and the financial policy framework.

### Foundation Committee

The Foundation Committee, in accordance with the University's Articles, is a forum with responsibility for leading and advising on issues of Christian ethos and the University mission and ethics.

### Human Resources Committee

The Human Resources Committee is responsible for supporting the strategic direction, performance measurement and service development of the human resource function within the University.

### Remuneration Committee

The Remuneration Committee determines the remuneration of the University's most senior posts.

### Governance and Nominations Committee

The Governance and Nominations Committee advises the Governing Body on the operation and effectiveness of corporate governance arrangements and oversees the appointment of Governors and members of Governing Body committees. This includes responsibility for oversight of reviews of Governing Body



effectiveness. During the 2013 / 14 year, a periodic review of effectiveness was carried out. Details of the University's approach and key outcomes of that process are published on the website.

## Internal control

The University's Governing Body is responsible for the University's system of internal control, for reviewing its effectiveness alongside safeguarding the public and other funds and assets for which it is responsible. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The main elements of the University's system of internal control are:

- Clear definitions of authority delegated to Deans and Directors, including authority for the approval and control of expenditure
- A robust annual planning process, linked to Faculty and departmental budgeting, and informed by detailed financial analysis
- Comprehensive Financial Regulations, detailing financial controls and procedures, reviewed by the Finance and Capital Development Committee and approved by the Board
- Regular monitoring of performance and risk indicators against the University's Strategic Plan across the University and in particular by the Strategic Leadership Team.

Audit Committee and the Board itself also receive regular reports relating to performance and risk

- Oversight of data returns through the Data and Systems Steering Group.

The Board of Governors has reviewed the key risks to which the University is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is an on-going process for identifying, evaluating and managing the University's significant risks, that it has been in place for the year ended 31 July 2014 and up to the date of approval of the Directors' Report and accounts, that it is regularly reviewed by the Governing Body and that it accords with the internal control guidance for directors on the Combined Code as deemed appropriate for higher education. It is informed by the Internal Audit function which works to standards defined in the HEFCE Audit Code of Practice. Further assurance is provided through reviews by HEFCE's Assurance Service. The performance of the Internal Audit function is reviewed by both management and the Audit Committee each year and informs the opinion set out in the Audit Committee annual report to the Vice Chancellor and the Board of Governors.

Audit Committee approves an annual Internal Audit plan and receives regular reports from Internal Audit which include recommendations for improvement. The Audit Committee's role in this area is confined to a high level review of the arrangements for internal

financial control, governance and risk management. Internal Audit provides an annual report to the Board of Governors, which includes an opinion on the adequacy and effectiveness of the University's system of internal control, including risk management, corporate governance and value for money. At its November 2014 meeting, the Governing Body carried out the annual assessment for the year ended 31 July 2014 by considering documentation from the Strategic Leadership Team and Internal Audit, and taking account of events since 31 July 2014.



Students in Phoenix Court

# Responsibilities of the Board in the preparation of the Financial Statements

The Governing Body is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the University, and to enable it to ensure that the Financial Statements are prepared in accordance with the University's Articles of Association, the Companies Act 2006, the Statement of Recommended Practice: Accounting for Further and Higher Education 2007 and other relevant accounting standards. Within the terms and conditions of a Financial Memorandum agreed with the Higher Education Funding Council for England, the Governing Body is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the University, and of the surplus or deficit and cash flows for that period. Governors are also trustees and the Financial Statements must meet requirements relating to the Charities Act 2011.

In preparing those Financial Statements, the Governing Body is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 business will continue.

The Governing Body has taken reasonable steps to:

- ensure that funds from the Higher Education Funding Council for England (HEFCE), the National College for Teaching and Leadership (NCTL), and the Strategic Health Authority (SHA) are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the HEFCE and any other conditions which the HEFCE, NCTL or SHA may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the University, and to prevent and detect fraud and other irregularities;
- secure the economical, efficient and effective management of the University's resources and expenditure.

The University will be publishing these Financial Statements on its website and takes responsibility for the integrity of that site.

## Going concern

The Directors' Report sets out the University's:

- Progress made against its strategic aims and key performance indicators;
- The University's financial performance and position, including the liquidity position;
- The objectives, policies and processes the University uses for managing its capital; and
- Financial risk management objectives.

The University has considerable financial resources together with steady growth in student numbers. There are well established processes in place to plan for the future, monitor progress against targets and manage risks. As a consequence, the directors believe that the University is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The Governing Body considers that the University has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the Financial Statements.

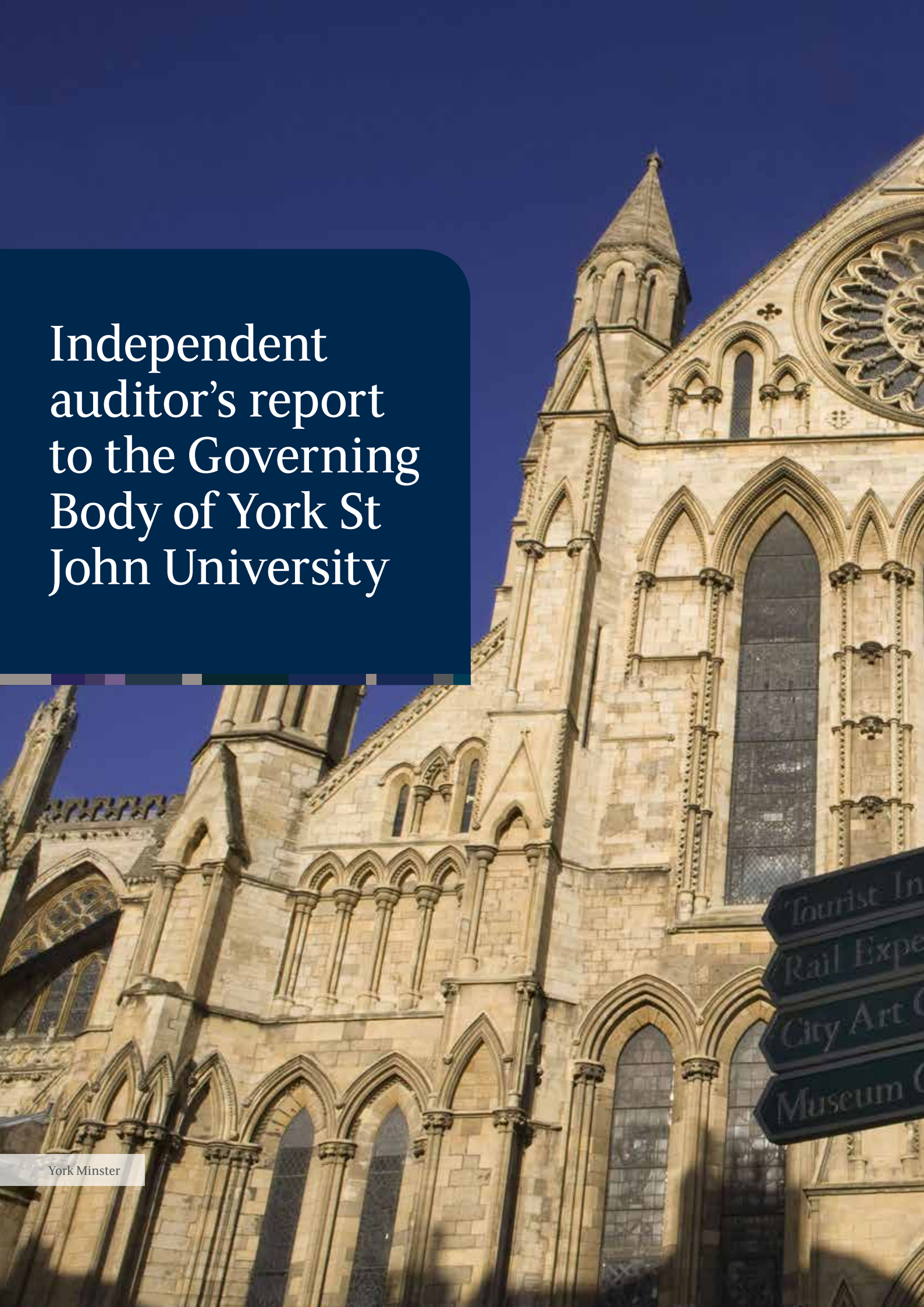
On behalf of the Governing Body



**Professor David Fleming**  
Vice Chancellor  
20 November 2014



**Ann M Green CBE**  
Chairman and Pro Chancellor  
20 November 2014



# Independent auditor's report to the Governing Body of York St John University

York Minster



formati  
rience  
Gallery  
Garden

Treasure

Czech Rendezvous  
Way



We have audited the financial statements of York St John University for the year ended 31 July 2014 set out on pages 49 to 73. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Governing Body in accordance with York St John University's Articles of Government and section 124B of the Education Reform Act 1988, and to the company's 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 Governing Body and to the company's members, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the

Governing Body, as a body, and the company's members for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 43, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent University's affairs as at 31 July 2014 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.



**Opinion on other matters prescribed in the HEFCE Audit Code of Practice issued under the Further and Higher Education Act 1992**

In our opinion, in all material respects:

- funds from whatever source administered by the Group and the parent University for specific purposes have been properly applied to those purposes
- funds provided by HEFCE have been applied in accordance with the Financial Memorandum and any other terms and conditions attached to them.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report for

the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matter where the HEFCE Audit Code of Practice issued under the Further and Higher Education Act 1992 requires us to report to you if, in our opinion:

- the statement of internal control included as part of the Statement on Corporate Governance and Internal Control is inconsistent with our knowledge of the University and group

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**Clare Partridge**  
for and on behalf of KPMG LLP,  
Statutory Auditor  
Chartered Accountants  
1 The Embankment  
Neville Street, Leeds, LS1 4DW  
20 November 2014





Students in Temple Hall



# Financial Accounts 2013/14

## Statement of Principal Accounting Policies

### Basis of preparation

The University is a company limited by guarantee. Under the terms of the Articles of Association, the members of the University Governing Body have each undertaken to contribute a maximum of £1 in the event of winding up of the company.

These Financial Statements have been prepared in accordance with both the Statement of Recommended Practice (SORP): Accounting in Further and Higher Education Institutions (2007); applicable accounting standards; and Companies Act 2006 where appropriate. They conform to guidance published by the Higher Education Funding Council for England.

### Basis of accounting

The Financial Statements have been prepared under the historical cost convention as modified by the revaluation of freehold properties.

### Basis of consolidation

The consolidated Financial Statements include the University and its subsidiary undertaking, York SJ Sdn.Bhd and sub subsidiary Nusantara Canggih Solutions Sdn. Bhd. Intra-group sales and profits are eliminated fully on consolidation.

Details of the University's subsidiary undertakings are provided in Note 13 to the Financial Statements.

The consolidated Financial Statements do not include those of the Students' Union as it is a separate organisation in which the University has no control or significant influence over policy decisions.

### Format of the accounts

The directors have taken advantage of the Companies Act 2006 to adapt the format of the accounts to reflect the special nature of the Company's business.

### Recognition of income

Funding Council block grants are accounted for in the period to which they relate.

Fee income is stated gross and credited to the income and expenditure account over the period in which students are studying. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Recurrent income from grants, contracts and other services rendered are accounted for on an accruals basis and included to the extent the contract or service has been completed.

Payments received in advance of performance are included in liabilities.

Donations with restrictions are recognised when relevant conditions have been met; in many cases recognition is directly related to expenditure incurred on specific purposes. Donations which are to be retained for the benefit of the University are recognised in the Statement of Total Recognised Gains and Losses and in endowments; other donations are recognised by inclusion as other income in the income and expenditure account.

Non-recurrent grants received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants. Such grants are credited to deferred capital grants and an annual transfer made to the income and expenditure account over the useful economic life of the asset, at the same rate as the depreciation charge on the asset for which the grant was awarded.

Income from the sale of goods or services is credited to the income and expenditure account when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Endowment and investment income is credited to the income and expenditure account on a receivable basis. Income from restricted endowments not expended in accordance with the restrictions of the endowment is transferred from the income and expenditure account to restricted endowments. Any realised gains or losses from dealing in the related assets are retained within the endowment in the balance sheet.

Any increase in value arising on the revaluation of fixed asset investments is carried as a credit to the revaluation reserve, via the Statement of Total Recognised Gains and Losses; a diminution in value is charged to the income and expenditure account as a debit, to the extent that it is not covered by a previous revaluation surplus.

Increases or decreases in value arising on the revaluation or disposal of endowment assets, i.e. the appreciation or depreciation of endowment assets, are added to or subtracted from the funds concerned and accounted for through the balance sheet by debiting or crediting the endowment asset, crediting or debiting the endowment fund and are reported in the Statement of Total Recognised Gains and Losses.

### Agency arrangements

Funds the University receives and disburses as an agent are excluded from the income and expenditure of the University on the basis that the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

### Leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

### Taxation

The University is a charity within the meaning of Para 1 of Schedule 6 to the Finance Act 2010. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 (CTA 2010) (formerly enacted in Section 505 of the Income and Corporation Taxes Act 1988 (ICTA) 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 tangible fixed assets is included in their cost.

York SJ Sdn.Bhd is subject to local taxes in Malaysia. Provision is made in the consolidated income and expenditure account in the year the taxable profit arises.

### Fixed Assets

*Land and buildings* are included in the accounts at valuation. The assets are re-valued every five years, with an interim valuation after three years. Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life, which varies between 20 and

100 years. The All Weather Pitch is depreciated over its expected useful life of 20 years, and portakabins are depreciated over 3 years.

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

*Buildings under Construction* are accounted for at cost, based on the value of architect's certificates and other direct costs incurred to 31st July. They are not depreciated until brought into use.

*Fixtures, Fittings and Equipment:* Depreciation is provided on the cost of fixtures, fittings and equipment in equal annual instalments over the estimated useful lives of the assets of:

- between three and seven years for equipment
- ten years for fixtures & fittings

Assets costing less than £5,000 are written off to the Income and Expenditure account in the year of acquisition. All other equipment is capitalised at cost.

*Specific Grants:* Where land and buildings or equipment are acquired with the aid of specific grants they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are released to the income and expenditure account over the expected useful economic life of the asset on a basis consistent with the depreciation policy.

*Finance Costs* which are directly attributable to the construction of land and

buildings are not capitalised as part of those assets.

Expenditure to ensure that a tangible fixed asset maintains its previously recognised standard of performance is recognised in the income and expenditure account in the period it is incurred. The University has a planned maintenance programme, which is reviewed on an annual basis.

### Assets held for resale

Tangible fixed assets surplus to requirements are held at the lower of cost and net realisable value.

### Investments

Fixed asset investments that are listed on a recognised stock exchange are carried at market value. Fixed asset investments that are not listed on a recognised stock exchange are carried at historic cost less any provision for impairment in their value.

Current asset investments are included in the balance sheet at the lower of their original cost and net realisable value.

### Stocks

Stocks are stated at the lower of cost or net realisable value. Stocks held in academic departments are written off to the Income and Expenditure Account in the year of purchase. Where necessary, a provision is made for obsolete, slow-moving and defective stocks.

### Cash flows and liquid resources

Cash flows comprise increases or decreases in cash. Cash includes cash in hand, cash at

bank, and deposits repayable on demand. Deposits are repayable on demand if they are available within 24 hours without penalty. No other investments, however liquid, are included as cash. Liquid resources comprise assets held as a readily disposable store of value. They include term deposits, Government securities and loan stock held as part of the University's treasury management activities. They exclude any such assets held as endowment asset investments.

### Foreign currency translations

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the financial year, with all resulting exchange differences being taken to the income and expenditure account in the period in which they arise.

### Accounting for research and development

Expenditure on pure and applied research is treated as a part of the continuing activities of the University. Expenditure on development activities is carried forward and amortised over the period expected to benefit.

### Website development costs

Design and content costs relating to the development of websites to support specific teaching or training courses, or for specific research projects, are capitalised. These are amortised over the useful economic life of projects.

Where there is uncertainty over the life of the course or its viability such costs are written off as incurred as are design and content costs for websites that are for the general use of the

University and its staff.

### Accounting for charitable donations

#### *Unrestricted donations*

Charitable donations are recognised in the income and expenditure account when the charitable donation has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty that the donation will be received and the value of the incoming resources can be measured with sufficient reliability.

#### *Endowment funds*

Where charitable donations are to be retained for the benefit of the University as specified by the donors, these are accounted for as endowments. There are three main types:

unrestricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University.

restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University can convert the donated sum into income.

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.



#### *Donations for fixed assets*

Donations received to be applied to the cost of a tangible fixed asset are shown on the balance sheet as a deferred capital grant. The deferred capital grant is released to the income and expenditure account over the same estimated useful life that is used to determine the depreciation charge associated with the tangible fixed asset.

#### *Gifts in kind, including donated tangible fixed assets*

Gifts in kind are included in 'other income' or 'deferred capital grants' as appropriate using a reasonable estimate of their gross value or the amount actually realised.

### **Pension Costs**

Retirement benefits for most employees of the University are provided by the Teachers' Pension Scheme (TPS) for academic staff, the North Yorkshire County Council Superannuation Fund (NYCCSF) for non-academic staff, and the Church of England Pensions Board for the Chaplain. These are defined benefit schemes which are externally funded and contracted out of the State Earnings Related Pension Scheme.

Contributions to the TPS and the Church of England Scheme are charged to the Income and Expenditure Account so as to spread the cost of pensions over the employees' working lives with the University in such a way that the pension cost is a substantially level percentage of present and future pensionable payroll. The contributions are determined by qualified actuaries on the basis

of quinquennial valuations using a prospective benefit method.

The assets of the NYCCSF are measured using closing market values. NYCCSF liabilities are measured using the projected unit method and discounted at the redemption yield on the iBoxx Sterling AA corporate bond over 15 years index. The increase in the present value of the liabilities of the scheme expected to arise from employee service in the period is charged to the operating surplus. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time, are included in pension finance costs. Actuarial gains and losses are recognised in the Statement of Recognised Gains & Losses.

### **Enhanced pensions**

The actual cost of certain enhanced on-going pensions to former members of staff is being paid by the University annually. An estimate of the change in expected future cost of these enhancements was charged in full to the income and expenditure account in the past.

### **Provisions**

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

The amount recognised as a provision is discounted to present value where the time value of money is

material. The discount rate used reflects current market assessments of the time value of money and reflects any risks specific to the liability.

### **Contingent liabilities**

Contingent liabilities are disclosed by way of a note, when the definition of a provision is not met and includes three scenarios:

- a possible rather than a present obligation;
- a possible rather than a probable outflow of economic benefits;
- an inability to measure the economic outflow.

### **Contingent assets**

Contingent assets are disclosed by way of a note, where there is a possible (rather than present) asset arising from a past event.

## Consolidated Income and Expenditure Account for the Year Ended 31 July 2014

	Note	2013/14 £ 000	2012/13 £ 000
<b>INCOME</b>			
Funding Council grants	1	5,910	10,046
Tuition fees and education contracts	2	36,376	28,703
Research grants and contracts	3	243	332
Other income	4	12,230	10,029
Endowment and investment income	5	105	68
<b>TOTAL INCOME</b>		<u>54,864</u>	<u>49,178</u>
<b>EXPENDITURE</b>			
Staff costs	6	27,434	25,676
Other operating expenses	8	18,583	17,401
Depreciation	12	2,830	2,617
Interest and other finance costs	9	1,087	1,097
<b>TOTAL EXPENDITURE</b>	10	<u>49,934</u>	<u>46,791</u>
Operating surplus after depreciation of assets		4,930	2,387
Loss on disposal of assets		(31)	-
Surplus after depreciation of assets at valuation, and disposal of assets, but before taxation		<u>4,899</u>	<u>2,387</u>
Taxation	11	(4)	(35)
Surplus after depreciation of assets at valuation, disposal of assets, and taxation		<u>4,895</u>	<u>2,352</u>
Transfer to accumulated income in endowment funds	20	29	84
Surplus for the year retained within general reserves	21	<u>4,924</u>	<u>2,436</u>

The consolidated income and expenditure account relates wholly to continuing operations.

## Consolidated Statement of Historical Cost Surpluses and Deficits for the Year Ended 31 July 2014

	Note	2013/14 £ 000	2012/13 £ 000
Surplus on continuing operations before taxation		4,899	2,387
Difference between historical cost depreciation and the actual charge for the year calculated on the revalued amount	21	208	209
Historical cost surplus before taxation		<u>5,107</u>	<u>2,596</u>
Taxation	11	(4)	(35)
Historical cost surplus after taxation		<u>5,103</u>	<u>2,561</u>

## Consolidated Statement of Total Recognised Gains and Losses for the Year Ended 31 July 2014

	Note	2013/14 £ 000	2012/13 £ 000
Surplus on continuing operations after depreciation of assets at valuation and disposal of assets and taxation		4,895	2,352
Unrealised surplus on revaluation of fixed assets		20,489	-
New Endowments	20	12	23
Actuarial gain in respect of pension scheme	29	5,002	4,010
Total recognised gains/(losses) relating to the year		<u>30,398</u>	<u>6,385</u>

## Reconciliation of Opening and Closing Reserves for the Year Ended 31 July 2014

	Note	2013/14 £ 000	2012/13 £ 000
Opening reserves and endowments			
Endowments	20	331	392
Income & expenditure	21	31,851	25,196
Revaluation reserve	22	23,313	23,522
		<u>55,495</u>	<u>49,110</u>
Total recognised gains for the year		<u>30,398</u>	<u>6,385</u>
		<u>85,893</u>	<u>55,495</u>
Closing reserves and endowments			
Endowments	20	314	331
Income & expenditure	21	41,985	31,851
Revaluation reserve	22	43,594	23,313
		<u>85,893</u>	<u>55,495</u>

## Balance Sheet as at 31 July 2014

	Note	2014 £ 000	Group 2013 £ 000	2014 £ 000	University 2013 £ 000
<b>Fixed assets</b>					
Tangible assets	12	120,393	82,405	120,393	82,405
Investments	13	-	-	-	-
		<u>120,393</u>	<u>82,405</u>	<u>120,393</u>	<u>82,405</u>
<b>Endowment assets</b>					
	14	314	331	314	331
<b>Current assets</b>					
Stocks		26	31	26	31
Debtors due within one year	15	3,134	3,684	3,146	3,684
Investments - short term deposits		262	5,251	262	5,251
Cash at bank and in hand		12,494	7,498	12,438	7,454
		<u>15,916</u>	<u>16,464</u>	<u>15,872</u>	<u>16,420</u>
Creditors: amounts falling due within one year	16	(6,238)	(5,609)	(6,202)	(5,577)
<b>Net current assets</b>		<u>9,678</u>	<u>10,855</u>	<u>9,670</u>	<u>10,843</u>
<b>Total assets less current liabilities</b>		<u>130,385</u>	<u>93,591</u>	<u>130,377</u>	<u>93,579</u>
Creditors: amounts falling due after more than one year	17	(23,975)	(12,423)	(23,975)	(12,423)
Provisions for liabilities and charges	18	(675)	(770)	(675)	(770)
Net assets excluding pension liability		<u>105,735</u>	<u>80,398</u>	<u>105,727</u>	<u>80,386</u>
Net pension liability	29	(7,782)	(12,470)	(7,782)	(12,470)
<b>NET ASSETS</b>		<u>97,953</u>	<u>67,928</u>	<u>97,945</u>	<u>67,916</u>
<b>Deferred capital grants</b>					
	19	12,060	12,433	12,060	12,433
<b>Endowments</b>					
Restricted expendable	20	278	295	278	295
Restricted permanent	20	36	36	36	36
		<u>314</u>	<u>331</u>	<u>314</u>	<u>331</u>
<b>Reserves</b>					
Income and expenditure account excluding pension reserve	21	49,767	44,321	49,759	44,309
Pension reserve	29	(7,782)	(12,470)	(7,782)	(12,470)
Income and expenditure account including pension reserve	21	41,985	31,851	41,977	31,839
Revaluation reserve	22	43,594	23,313	43,594	23,313
		<u>85,579</u>	<u>55,164</u>	<u>85,571</u>	<u>55,152</u>
<b>TOTAL FUNDS</b>		<u>97,953</u>	<u>67,928</u>	<u>97,945</u>	<u>67,916</u>

The Financial Statements on pages 49 to 73 were approved by the Governors on 20 November 2014 and signed on their behalf by:

Professor David Fleming  
Vice Chancellor

Ann M Green CBE  
Chairman of the Governing Body and Pro Chancellor



## Consolidated Cash Flow Statement for the Year Ended 31 July 2014

	Note	2013/14 £ 000	2012/13 £ 000
Net cash inflow from operating activities	24	9,421	5,693
Returns on investments and servicing of finance	25	(834)	(648)
Taxation	11	(21)	(20)
Capital expenditure and financial investment	26	(20,115)	(3,170)
Management of liquid resources		4,989	804
Financing	27	11,542	(470)
Increase in cash		<u>4,982</u>	<u>2,189</u>

## Reconciliation of Net Cash Flow to Movement in Net (Debt) / Funds

	Note	2013/14 £ 000	2012/13 £ 000
Increase in cash in the year		4,982	2,189
(Decrease) in short term deposits		(4,989)	(804)
(Increase) / Decrease in debt	27	<u>(11,542)</u>	<u>470</u>
(Increase) / Decrease in net debt		(11,549)	1,855
Net funds / (net debt) at 1 August 2013 / 2012	27	454	(1,401)
Net funds / (net debt) at 31 July 2014 / 2013	27	<u>(11,095)</u>	<u>454</u>

## Notes to the Financial Statements

### 1 Funding Council grants

	2013/14		2012/13	
	HEFCE	NCTL	Total	Total
	£ 000	£ 000	£ 000	£ 000
Recurrent grant	4,152	607	4,759	8,935
Specific grants	569	5	574	509
Deferred capital grants:				
Buildings (note 19)	231	-	231	225
Equipment (note 19)	346	-	346	377
	<u>5,298</u>	<u>612</u>	<u>5,910</u>	<u>10,046</u>

### 2 Tuition fees and education contracts

	2013/14	2012/13
	£ 000	£ 000
Home full-time students	26,837	19,766
Overseas students	3,643	3,716
Part-time students	1,100	819
Short course fees	863	731
Occupational therapy and physiotherapy students	3,933	3,671
	<u>36,376</u>	<u>28,703</u>

### 3 Research grants and contracts

	2013/14	2012/13
	£ 000	£ 000
UK Research Councils	26	35
UK-based charities	60	62
Industry and commerce	-	5
Governmental	29	87
Other	128	143
	<u>243</u>	<u>332</u>

### 4 Other income

	2013/14	2012/13
	£ 000	£ 000
Residences, catering and conferences	9,886	8,047
Releases from deferred capital grants, non-Funding Council (note 19)	29	35
Other income	2,315	1,947
	<u>12,230</u>	<u>10,029</u>

### 5 Endowment and investment income

	2013/14	2012/13
	£ 000	£ 000
Income from expendable endowments	2	2
Other interest received	103	66
	<u>105</u>	<u>68</u>

6 Staff costs	2013/14 £ 000	2012/13 £ 000
Wages and salaries	22,655	21,091
Social security	1,665	1,543
Other pension costs (including FRS 17 adjustments, note 29)	3,114	3,042
	<u>27,434</u>	<u>25,676</u>

Average weekly number of persons employed by the University during the period, expressed as full time equivalents:

	Number	Number
Academic faculties	328	310
Academic services	75	72
Administration and central services	130	123
Premises	63	55
Residence and catering	21	27
	<u>617</u>	<u>587</u>

## 7 Higher paid employees

The emoluments of the Vice Chancellor during the year were:

	2013/14 £ 000	2012/13 £ 000
Salary	210	196
Other benefits	10	8
Standard rated employer's pension costs	27	26
	<u>247</u>	<u>230</u>

No other Director received any remuneration.

Remuneration (excluding pension contributions) of higher paid staff, excluding the Vice Chancellor (whose remuneration is disclosed above):

£100,000 - £110,000	2	2
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
£130,001 - £140,000	-	-
£140,001 - £150,000	1	1

		2013/14	2012/13
		£ 000	£ 000
<b>8</b>	<b>Other operating expenses</b>		
	Other operating expenses include:		
	External auditors remuneration in respect of:		
	Audit of accounts	45	45
	Audit Related Assurance Services	5	5
	Taxation Compliance Services	6	6
	Corporate Finance Services	40	-
	Other Assurance Services	-	6
	Internal auditors	40	37
	Operating lease rentals		
	Land and buildings	2,864	2,882
	Other	99	96
<b>9</b>	<b>Interest and other finance costs</b>	<b>2013/14</b>	<b>2012/13</b>
		<b>£ 000</b>	<b>£ 000</b>
	Loans repayable in the year	-	-
	Repayable wholly or partly in more than five years	939	716
	Net charge on pension scheme (note 29)	148	381
		<u>1,087</u>	<u>1,097</u>
<b>10</b>	<b>Analysis of expenditure by activity</b>	<b>2013/14</b>	<b>2012/13</b>
		<b>£ 000</b>	<b>£ 000</b>
	Academic departments	21,788	20,291
	Academic services	4,924	4,275
	Premises	6,561	6,077
	Residences, catering and conferences	7,601	6,699
	Research grants and contracts	243	333
	Administration and central services	3,260	3,333
	General educational expenditure	3,436	3,752
	Staff and student facilities	2,121	2,031
		<u>49,934</u>	<u>46,791</u>
<b>11</b>	<b>Taxation (Group only)</b>		
	The Governing Body do not believe that the University is liable for any corporation tax arising out of its activities during the period.		
		<b>2013/14</b>	<b>2012/13</b>
		<b>£ 000</b>	<b>£ 000</b>
	UK corporation tax	-	-
	Overseas taxation	4	35
		<u>4</u>	<u>35</u>
	Tax paid in the year	<u>21</u>	<u>20</u>

## 12 Tangible fixed assets (University and Group)

	Freehold land and buildings	Motor vehicles	Fixtures and fittings	Computers	Equipment	Assets in the course of construction	Total
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Valuation/Cost							
At 1 August 2013							
Valuation	77,649	-	-	-	-	-	77,649
Cost	3,756	80	2,413	2,727	2,903	1,122	13,001
Additions at cost	16,294	59	605	609	680	2,113	20,360
Transfers	1,164	-	(191)	13	136	(1,122)	-
Revaluation	15,668	-	-	-	-	-	15,668
Disposals	-	(8)	(310)	(32)	(234)	-	(584)
At 31 July 2014							
Valuation	111,527	-	-	-	-	-	111,527
Cost	3,004	131	2,517	3,317	3,485	2,113	14,567
	114,531	131	2,517	3,317	3,485	2,113	126,094
Depreciation							
At 1 August 2013							
Charge for Year	1,700	10	222	480	418	-	2,830
Transfers	100	1	(101)	1	(1)	-	-
Written back on revaluation	(4,821)	-	-	-	-	-	(4,821)
Disposals	-	(8)	(301)	(25)	(219)	-	(553)
Depreciation at 31 July 2014							
	-	50	1,332	2,115	2,204	-	5,701
Net book value							
At 31 July 2014							
	114,531	81	1,185	1,202	1,281	2,113	120,393
At 1 August 2013							
	78,384	33	901	1,068	897	1,122	82,405
Financed by:							
Capital grant	11,626	-	57	270	107	-	12,060
Other	102,905	81	1,128	932	1,174	2,113	108,333
Net book value at 31 July 2014							
	114,531	81	1,185	1,202	1,281	2,113	120,393

Buildings were revalued on an existing use basis by an independent Chartered Surveyor, Nigel Taylor FRICS of Taylor York Commercial Limited on 6 August 2014, in accordance with the RICS Appraisal and Valuation Manual.

The valuation was undertaken on the Depreciated Replacement Cost method of valuation in respect of Specialised Property and the Market Value method of valuation in respect of the remainder.

Specialised Property is rarely if ever sold in the market, except by way of sale of the entity of which it is part, due to uniqueness arising from its specialised nature and design, its configuration, size, location and otherwise.

The Depreciated Replacement Cost method of valuation is defined as the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

The revalued buildings include notionally directly attributable acquisition costs of £8.8m (2013: £8.3m) relating to irrecoverable VAT.

The historical cost of assets held at valuation is £84.5m (2013: £67.7m).

The exchequer interest in fixed assets is £6.3m (2013: £7.4m).

### 13 Investments (University and Group)

	2013/14 £ 000	2012/13 £ 000
UK unlisted shares	-	-
UK fixed interest and equities at cost	-	-

The University has a wholly owned subsidiary in Malaysia, York SJ SDN BHD. This company co-ordinates student recruitment in the Far East, and commenced activities in December 2011. The University owns 2 shares of 1 MYR each, which translates to an investment of approximately 40p.

York SJ SDN BHD owns all the share capital of Nusantara Canggih Solutions SDN BHD which operates in the People's Republic of China. The company is currently in preparation for closure through the local strike-off process.

### 14 Endowment assets (University and Group)

	2013/14 £ 000	2012/13 £ 000
Balance at 1st August 2013	331	392
New endowments invested	12	23
Increase / (decrease) in debtor balances held for endowment funds	(3)	(6)
(Decrease) / increase in cash balances held for endowment funds	(26)	(78)
	<u>314</u>	<u>331</u>
Represented by:		
Cash	313	327
Debtors	<u>1</u>	<u>4</u>

15 Debtors	Group		University	
	2014 £ 000	2013 £ 000	2014 £ 000	2013 £ 000
Amounts falling due within one year:				
Debtors	2,052	2,655	2,052	2,655
Subsidiary Company: York SJ SDN BHD	-	-	12	-
Prepayments and accrued income	1,082	1,029	1,082	1,029
	<u>3,134</u>	<u>3,684</u>	<u>3,146</u>	<u>3,684</u>

Amounts falling due after one year:  
Prepayments and accrued income

-	-	-	-
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16 Creditors: amounts falling due within one year	Group		University	
	2014 £ 000	2013 £ 000	2014 £ 000	2013 £ 000
Unsecured loans	458	489	458	489
Trade creditors	1,057	1,239	1,057	1,239
Social security and other taxation payable	680	654	680	638
Accruals and deferred income	4,043	3,227	4,007	3,211
	<u>6,238</u>	<u>5,609</u>	<u>6,202</u>	<u>5,577</u>

#### 17 Creditors: amounts falling due after more than one year (University and Group)

	2014 £ 000	2013 £ 000
Unsecured loans:		
Amounts repayable in:		
1 to 2 years	960	449
2 to 5 years	2,634	1,227
More than 5 years	20,112	10,457
Deferred income	269	290
	<u>23,975</u>	<u>12,423</u>

Deferred income represents a lease premium being released over the life of the agreement. The University had an existing 25 year loan facility of £13m on a fixed interest rate to be repaid in July 2033. During the year the University secured new loan facilities of £12m on a variable interest rate due to be repaid in October 2024 and a revolving credit facility of £10m which is currently undrawn. All loans are unsecured.

#### 18 Provisions for liabilities and charges (University and Group)

	Enhanced pensions £ 000	Other provisions £ 000	Total £ 000
At 1 August 2013	684	87	771
Movement of provision in the year	(9)	(87)	(96)
Balance at 31 July 2014	<u>675</u>	<u>-</u>	<u>675</u>

## 19 Deferred capital grants (University and Group)

	Buildings £ 000	*Equipment £ 000	Total £ 000
Balance at 1 August 2013	11,627	806	12,433
Received in year	233	-	233
Transferred to Income & Expenditure account	(234)	(372)	(606)
Balance at 31 July 2014	<u>11,626</u>	<u>434</u>	<u>12,060</u>
Capital grants were provided by:	£ 000	£ 000	£ 000
Higher Education Funding Council for England	11,530	399	11,929
National Health Service	-	35	35
Students' Union	96	-	96
	<u>11,626</u>	<u>434</u>	<u>12,060</u>

\*Equipment includes computers, fixtures and fittings

## 20 Endowments (University and Group) Restricted endowments

	Permanent £ 000	Expendable £ 000	2014 Total £ 000	2013 Total £ 000
Balances brought forward				
Capital	35	279	314	292
Accumulated income	1	16	17	100
	<u>36</u>	<u>295</u>	<u>331</u>	<u>392</u>
New endowments	-	12	12	23
Investment income	-	2	2	2
Expenditure	-	(31)	(31)	(86)
Balances carried forward	<u>36</u>	<u>278</u>	<u>314</u>	<u>331</u>
Represented by				
Capital	36	278	314	314
Accumulated income	-	-	-	17
Balances carried forward	<u>36</u>	<u>278</u>	<u>314</u>	<u>331</u>

The University is in discussion with the Charity Commission to establish the extent of the permanent endowment relating to land and buildings. It is expected that this issue will be resolved over the course of the next year. At present it is not possible to estimate the expected outcome.

## 21 Income and expenditure account reserve

	2014 Group £ 000	2013 Group £ 000	2014 University £ 000	2013 University £ 000
Balances brought forward	31,851	25,196	31,840	25,194
Surplus for the year	4,924	2,436	4,927	2,426
Actuarial (loss) / gain in respect of pension scheme	5,002	4,010	5,002	4,010
Release from revaluation reserve	208	209	208	209
Balances carried forward	<u>41,985</u>	<u>31,851</u>	<u>41,977</u>	<u>31,839</u>



Balance represented by:

Income and expenditure account	49,767	44,321	49,759	44,309
Pension reserve	(7,782)	(12,470)	(7,782)	(12,470)
	<u>41,985</u>	<u>31,851</u>	<u>41,977</u>	<u>31,839</u>

Surplus for the year is analysed as follows:

University's surplus for the period	4,927	2,426
Surplus retained by subsidiary	(3)	10
	<u>4,924</u>	<u>2,436</u>

## 22 Revaluation reserve (University and Group)

	2014	2013
	£ 000	£ 000
Revaluations		
At 1 August 2013	23,313	23,522
Add: Revaluation in the year	15,668	-
Add: Cumulative depreciation written back on revaluation	4,821	-
Less: Contribution to depreciation for the year	(208)	(209)
At 31 July 2014	<u>43,594</u>	<u>23,313</u>

## 23 Capital commitments (University and Group)

	2014	2013
	£ 000	£ 000
Commitments contracted	<u>2,635</u>	<u>1,324</u>

Capital commitments include the development of a Biomedical Science Laboratory, the refurbishment of Temple Hall and the completion of the all weather pitch and playing fields development at Haxby Rd.

## 24 Reconciliation of operating surplus to net cash flow from operating activities

	2014	2013
	£ 000	£ 000
Surplus before tax on continuing operations after depreciation of assets at valuation or cost and disposal of assets	4,899	2,387
Depreciation	2,830	2,617
Deferred capital grants released	(606)	(637)
Endowment and investment income	(105)	(68)
Loss on disposal of assets	31	-
Interest payable	939	716
Pension costs less contributions payable (notes 6, 8, and 29)	314	691
Decrease / (increase) in stocks	6	(3)
Decrease / (increase) in debtors	553	(251)
Increase in creditors	656	281
(Decrease) in provisions	(96)	(40)
Net cash inflow from operating activities	<u>9,421</u>	<u>5,693</u>

## 25 Returns on investments and servicing of finance

	2014	2013
	£ 000	£ 000
Income from expendable endowments	2	2
Other interest received	103	66
Interest paid	(939)	(716)
	<u>(834)</u>	<u>(648)</u>

## 26 Capital expenditure and financial investment

	2014	2013
	£ 000	£ 000
Tangible assets acquired	(20,360)	(3,284)
Receipts from Sale of Assets and investments	-	-
New endowments received	12	23
Deferred capital grants received	233	91
Deferred capital grants transferred from creditors	-	-
	<u>(20,115)</u>	<u>(3,170)</u>

## 27 Financing

	2014	2013
	£ 000	£ 000
Mortgages and loans		
Balance at 1 August 2013	<u>12,622</u>	<u>13,092</u>
New loans	12,036	-
Capital repayments	(494)	(470)
	<u>11,542</u>	<u>(470)</u>
Balance at 31 July 2014	<u>24,164</u>	<u>12,622</u>

	At 1 August 2013	Cash flow	Other changes	At 31 July 2014
	£ 000	£ 000	£ 000	£ 000
Endowment cash	327	(14)	-	313
Cash at bank and in hand	7,498	4,996	-	12,494
Short term deposits	5,251	(4,989)	-	262
Debt due within one year	(489)	494	(463)	(458)
Debt due after one year	(12,133)	(12,036)	463	(23,706)
	<u>454</u>	<u>(11,549)</u>	<u>-</u>	<u>(11,095)</u>

## 28 Operating lease commitments

Commitments on operating leases can be analysed as follows:

	2014			2013		
	Buildings £ 000	Equipment £ 000	Total £ 000	Buildings £ 000	Equipment £ 000	Total £ 000
Commitments expiring:						
Within one year	-	-	-	-	34	34
2-5 years	-	55	55	-	-	-
After 5 years	2,956	-	2,956	2,882	-	2,882
	<u>2,956</u>	<u>55</u>	<u>3,011</u>	<u>2,882</u>	<u>34</u>	<u>2,916</u>

## 29 Pensions

Retirement benefits for employees of the University are provided by defined benefit schemes which are funded by contributions from the University and employees. Payments are made to the Teachers' Pension Scheme (TPS) for academic staff, the North Yorkshire County Council Superannuation Fund for non-academic staff, and the Church of England Pensions Board for the Chaplain. These are all independently administered schemes.

The contribution of the University as a percentage of pensionable salaries is:

14.1% for academic staff

16.6% for non academic staff

	2014 £ 000	2013 £ 000
Total pension costs included in staff costs for the year		
Teachers' Pension Scheme: contributions paid	1,489	1,392
Church of England Pension Scheme: contributions paid	8	8
North Yorkshire County Council Superannuation Fund: charge to the Income & Expenditure account (note 29a iii)	1,561	1,893
Enhanced pension charged to the Income & Expenditure account	56	(251)
	<u>3,114</u>	<u>3,042</u>

Due to the mutual nature of the schemes it is not possible to identify each institution's share of the underlying liabilities and assets of the Teachers' Superannuation Scheme for academic staff and the Church of England Pensions Board for the Chaplain. Under FRS 17 contributions to each scheme are to be accounted for as if both were defined contribution schemes.

## 29a North Yorkshire County Council Superannuation Fund: non-academic staff

### i) The 2013 valuation

The North Yorkshire County Council Superannuation Fund is valued every three years by a professionally qualified independent actuary, the rates of contribution payable being determined by the actuary. The 2013 valuation was based on the following assumptions:

	Per annum 2013	Per annum 2010
Rate of salary increase	4.10%	4.75%
Rate of increase of present and future pensions	2.60%	3.00%

The actuarial valuation showed the market value of the scheme's assets was £1,841 million (2010: £1,345 million) and that the actuarial value of these assets represented 73% (2010: 67%) of the past service benefits that has accrued to members after allowing for expected increases in earnings.

### ii) FRS 17 valuation as at 31 July 2014

Under the definitions set out in FRS 17, the North Yorkshire County Council Scheme is a multi-employer defined benefit pension scheme. The actuary of the scheme has identified the University's share of the fund's assets and liabilities for non-academic staff as at 31 July 2014.

It is based upon a full actuarial valuation of the Fund at 31 March 2013 updated to 31 July 2014 by an independent actuary. The end of year figures for the market value of the assets and split of assets between investment categories have been calculated as at 31 July 2014.

The pension scheme assets are held in a separate Trustee-administered fund to meet long-term pension liabilities to past and present employees. The trustees of the fund are required to act in the best interests of the fund's beneficiaries. The appointment of trustees to the fund is determined by the scheme's trust documentation. The trustees are responsible for setting the investment strategy for the Scheme after consultation with professional advisers.

The actuarial assumptions made for this valuation were:

		Start of the year	End of the year
Rate of inflation		2.40%	2.30%
Rate of increases in salaries		4.15%	3.80%
Rate of increases in pensions		2.40%	2.30%
Discount rate		4.50%	4.30%
Retired today	Males	22.6	23.0
	Females	25.3	25.5
Retiring in 20 years	Males	24.4	25.3
	Females	27.2	27.8

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

	Long-term rate of return at 31 July 2014	Value at 31 July 2014	Long-term rate of return at 31 July 2013	Value at 31 July 2013	Long-term rate of return at 31 July 2012	Value at 31 July 2012
		£000		£000		£000
Equities	7.00%	22,887	7.00%	20,414	7.00%	17,106
Government Bonds	3.20%	3,958	3.30%	2,863	2.50%	2,983
Other Bonds	4.10%	4,817	4.30%	3,517	3.40%	3,176
Cash	0.50%	187	0.50%	654	0.50%	217
Property	6.20%	2,166	5.70%	1,089	6.00%	577
Other	7.00%	3,323	7.00%	2,583	7.00%	-
Total Market Value of assets		<u>37,338</u>		<u>31,120</u>		<u>24,059</u>
Liabilities		<u>(45,120)</u>		<u>(43,590)</u>		<u>(39,848)</u>
Deficit		<u>(7,782)</u>		<u>(12,470)</u>		<u>(15,789)</u>

The market value of total fund assets at 30 June 2014 was £2,110 million (£1,933 million as at 30 June 2013).

## 29a North Yorkshire County Council Superannuation Fund: non-academic staff (continued)

iii) The results of the FRS 17 valuation at 31 July 2014, included in the Financial Statements

### Charge to Income & Expenditure account

	2014	2013
	£ 000	£ 000
Current Service cost	1,560	1,511
Curtailement cost	-	325
	<u>1,560</u>	<u>1,836</u>
Provision for pension cost of restructuring	1	57
Staff costs	<u>1,561</u>	<u>1,893</u>
	<b>£ 000</b>	<b>£ 000</b>
Pension finance income / (costs):		
Expected return on pension scheme assets	(1,856)	(1,352)
Interest on pension liabilities	2,004	1,733
Interest payable	<u>148</u>	<u>381</u>

### Amount Recognised in the Statement of Total Recognised Gains and Losses (STRGL)

	£ 000	£ 000
Actuarial losses / (gains) on pension scheme assets	(2,648)	(4,792)
Actuarial (gains) / losses on pension scheme liabilities	(2,354)	782
Actuarial losses / (gains) recognised in STRGL	<u>(5,002)</u>	<u>(4,010)</u>

### Movement in deficit during the year

	2014	2013
	£ 000	£ 000
Deficit in the scheme at 1 August	12,470	15,789
Current service cost	1,560	1,511
Employer contributions	(1,394)	(1,526)
Curtailement costs	-	325
Net interest / return on assets	148	381
Actuarial loss / (gain)	(5,002)	(4,010)
Deficit in the scheme at 31 July	<u>7,782</u>	<u>12,470</u>

### Analysis of the movement in the present value of the scheme liabilities

	£ 000	£ 000
At beginning of the year	43,590	39,848
Current service cost	1,560	1,511
Interest cost	2,004	1,733
Contributions by scheme participants	574	496
Actuarial gains and losses	(2,354)	782
Benefits paid	(254)	(1,105)
Curtailements	-	325
At end of the year	<u>45,120</u>	<u>43,590</u>

	2014	2013
	£ 000	£ 000
<b>Analysis of movement in the market value of the scheme assets</b>		
At beginning of the year	31,120	24,059
Expected rate of return on scheme assets	1,856	1,352
Actuarial gains and losses	2,648	4,792
Contribution by the employer	1,394	1,526
Contributions by scheme participants	574	496
Benefits paid	(254)	(1,105)
At end of the year	<u>37,338</u>	<u>31,120</u>

iv) North Yorkshire County Council Superannuation Fund: History of experience gains and losses

	2014	2013	2012	2011	2010
Difference between the expected and actual return on assets:					
Percentage of scheme assets	(2,648)	(4,792)	1,414	(2,353)	(1,805)
	(7.09%)	(15.40%)	5.88%	(10.10%)	(9.53%)
Experience gains /(losses) arising on the scheme liabilities	1,525	-	-	754	-
Percentage of scheme liabilities	3.40%	0.00%	0.00%	2.10%	0.00%
Total amount recognised in STRGL	(5,002)	(4,010)	3,276	(416)	(2,197)
Percentage of scheme liabilities	(11.09%)	(9.20%)	8.22%	(1.18%)	(7.16%)

## 29b The Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010, and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Not less than every four years, with a supporting interim valuation in between, the Government Actuary (GA), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions.

The GA valued the Teachers' Pension Scheme as at 31 March 2012. The total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £191.5billion (£176.5billion on the prior valuation). The assumed real rate of return is 3.06% in excess of prices and 3% in excess of earnings. The rate of real earnings growth is assumed to be 4.75%.

The standard contribution rate (SCR) of pension contributions is assessed in two parts.

- First, a standard contribution is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service.
- Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions.

As from 1 April 2015 the standard contribution has been assessed as 20.4% with a supplementary contribution of 5.6%. This translates into an average employee contribution rate of 9.6% and employer contribution rate of 16.4% payable. The cap on employer contributions payable has been set at 10.9%.



### 30a Access grants

The University administers an Access Fund provided by the Higher Education Funding Council for England by awarding grants to students experiencing severe financial hardship.

	2013/14	2012/13
	£ 000	£ 000
Income received	102	86
Interest added	-	-
	<u>102</u>	<u>86</u>
Disbursements	<u>104</u>	<u>92</u>

### 30b NCTL training bursaries

The University administers Training Bursaries on behalf of the National College for Teaching & Leadership (NCTL).

	2013/14	2012/13
	£ 000	£ 000
Income received	<u>765</u>	<u>1,082</u>
Disbursements	<u>991</u>	<u>758</u>

### 31 Related party transactions

The University made a grant to the York St John Students' Union of £361,000 (2013: £350,000).

The Governors and their connected persons have received no remuneration during the year. Due to the nature of the University's operations and the composition of the Governing Body (being drawn from local public and private sector organisations) it is inevitable that transactions will take place with organisations in which a member of Governing Body may have an interest. All transactions involving organisations in which a member of the Governing Body may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures. Material transactions and balances were:

	Debtor / (Creditor)		Income		Expenditure	
	at 31 July		2014	2013	2014	2013
	2014	2013	2014	2013	2014	2013
	£	£	£	£	£	£
Chartered Society of Physiotherapy	-	-	13,882	33,809	-	-
City of York Council	(54,413)	(46,971)	17,059	37,416	156,582	131,394
College of Occupational Therapists	-	-	-	-	26,941	25,991
Quality Assurance Agency	-	(13,390)	-	-	28,000	26,780
UCAS	-	-	-	-	84,212	103,947
York College	10,000	63,245	149,448	56,057	-	-
York Museums Trust	-	-	-	-	11,335	16,433
York Teaching Hospital NHS Trust	-	-	-	-	16,370	-
Yorkshire Universities	-	-	-	-	10,810	11,310



Students in Phoenix Court



