

Annual Report and
Financial Statements
2014-15





Students on the Lord Mayor's Walk campus

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Foreword



“Inclusivity, innovation, transformation and ambition are the values at the core of our strategy”

From its beginnings as two Anglican teacher training colleges, York St John University has remained committed to excellent, open and progressive higher education. As one period of the University’s growth draws to a close and another begins, our commitment to excellence, together with the values upon which our strategy has been based, remains unchanged and will guide our development in the future.

As the University develops it will not forget its rich heritage, especially as in 2016 we will celebrate 175 years of delivering high quality higher education on our magnificent campus. This is a notable landmark for the University and is one of which we are very proud. Our heritage will also be demonstrated, as it is every year, at our annual degree conferment ceremonies. In 2014 these were once again conducted by our Chancellor, the Most Reverend and Right Honourable John Sentamu, the Archbishop of York, in the magnificent setting of York Minster. They always provide one of the highlights of the year and in 2014 we were privileged, in addition to conferring degrees on our talented students, to award honorary degrees to a number of notable individuals including Lord Indarjit Singh of Wimbledon, Sir Ian Gibson and Will Hutton. They and our graduating students are an inspiration to us all.

This year has seen the launch of our new Strategic Plan, which is summarised on pages 35 to 37. It was developed jointly by the Governing Body, the University’s Strategic Leadership Team and with considerable input from and consultation with staff across the University – a superb example of partnership working at its best. In developing the Plan we were able to rely on the University’s award-winning approach to risk and progress management and the superb information this provides. As a result this evidence-based approach has enabled the production of a strategy which is ambitious and challenging while remaining realistic and which, I am sure, will see York St John continue to develop and achieve further success.

During the 2014-15 academic year we said goodbye to a number of Governors whose term of office came to an end. On behalf of the Governing Body I would like to formally recognise the contribution they have made to the success of York St John University. I am very pleased that we have been able to replace our valued colleagues with new Governors who offer exceptional skills, valuable insight and the necessary challenging and questioning approach which is so essential.



De Grey Court from Clarence Street

Finally, I would like to offer thanks to our outgoing Vice Chancellor, Professor David Fleming, who retired in August 2015. Under his leadership the University achieved an outstanding level of growth and success. We wish David a long, happy and relaxing retirement and we look forward to him remaining part of the York St John community.

At the same time I am delighted that Professor Karen Stanton has joined us as our new Vice Chancellor. My colleagues on the Governing Body and I are tremendously excited to welcome Karen to the University. She brings with her great experience, a personal track record of success and achievement, and a commitment to the University continuing its trajectory. We are sure that, together with her senior management team and the University's students and staff, she will lead York St John to even greater success.

This is the start of a new period of development for the University and it is one which we enter with anticipation, confidence and ambition. I am very proud to be involved.

Ann M Green CBE
Chairman and Pro Chancellor
12 November 2015



Students in De Grey Court lecture theatre

Welcome from the Vice Chancellor



It is my honour, as the recently installed Vice Chancellor of York St John University, to introduce our 2014-15 Annual Report to you. The results detailed within this report are a product of the talent and commitment of the University's students and staff. The University has made strong progress in: continuing to grow its academic reputation; improving an already highly-regarded student experience; achieving an excellent student employability rate; and once again achieving an excellent set of financial results in a challenging environment. As a result York St John can justifiably claim to be a successful university which provides first class support to its students, staff and wider community.

This year saw the University draw to the end of its latest period of development; a period which was guided by its 2012-15 Strategic Plan. At the core of the Plan were the four key strategic aims of Growth, Quality, Community and Resilience. These words frame everything we do and were crucial in helping the University enjoy another successful year.

I am especially pleased with the level of success which was

achieved across the student life-cycle where the University again delivered across all facets of the student experience. We recruited a diverse student body, from both the UK and overseas; provided excellent support for our students, resulting in progression rates and student satisfaction ratings ahead of the sector mean; supported more students than ever before to achieve good degree classifications; and, perhaps most impressive of all, achieved a graduate employability figure of 95.7% - the envy of many universities.

This was also a notable year for the University as we improved our research profile and reputation with two important developments. Firstly, in December 2014, the University achieved an excellent outcome in the 2014 Research Excellence Framework (REF) with 30% of York St John's research assessed as 'world leading' or 'internationally excellent'. This was followed in early 2015, after a detailed and intensive process, by the awarding of Research Degree Awarding Powers (RDAP) by the Privy Council. Research is an important element of the University's future and these achievements not only denote

our academic strength and quality, they will also support our work to build further the University's reputation.

York St John has also built a reputation for inclusivity and for enabling a diverse range of students to access higher education. I hold a deep and long-standing personal commitment to widening access, so I am delighted the University has been able initially to sustain and then improve on its outstanding performance. In the most recent figures 37.3% of our student body came from society's least affluent socio-economic groups. A further 17.3% were from low participation neighbourhoods and 96.9% were from state schools or colleges. Such a performance is indicative of the strong links the University has maintained with its local community. This is an area of the University's work I am determined will continue to develop and which will see the University playing an even greater role in the region.

In terms of work overseas, York St John continues to enjoy success despite the challenging environment provided by a combination of intense competition from universities from all over the world and the impact of UK government legislation. The University recruited a record number of international students in 2014 and benefited from the diversity this added to our student community. It is our intention to continue to grow international student recruitment and we will continue to develop our network of partnerships in Asia, the Middle East, Africa and North and South America.

The student community is, naturally, the focal point for any university, but at York St John we believe this is in even sharper focus. We work very closely with our Students' Union and I am pleased that in the next 12 months we will provide the Students' Union with newly-refurbished accommodation which will enable them to improve further the invaluable support they provide for our students. I was also delighted the University was able to improve its overall student satisfaction rate in the 2015 National Student Survey (NSS). The NSS is a crucial indicator for the higher education sector, so our improvement in performance from 84% to 88% was very welcome. This placed the University above the national average, in the Top 3 universities in the region and as one of the biggest improvers in the country. We aim to see this improve even further.

The achievements of the University in 2014-15 were confirmation of the approach the University has followed; however, none would be possible without the strength and stability provided by the University's financial performance. I am pleased therefore that we are able to report income growth of 12.2% and an operating surplus of £5.1m, representing 8.3% of turnover. Expenditure increased by £6.5m reflecting increased academic delivery, enhanced IT and learning resources and additional student support through bursaries and scholarships. Cash generation of £10.1m ensured that cash balances were significantly increased to support planned investment in our campus and improvements to the student experience. While the competitive environment continues to present many challenges, the University's financial strength means it is able to deal with each challenge as it is presented and to continue to pursue an ambitious and innovative strategy.

We are also able to continue with our investment in our campus and in improvements to the student experience. 2014-15 saw the official opening of Phase Two of the University's Haxby Road sports complex, Nestlé Rowntree Park, together with other significant investments in our learning, teaching and research environment. Over the next 12 months we will develop the aforementioned new base for our Students' Union and commence Phase Three of the Nestlé Rowntree

Park development. We also have plans for a new academic building to increase the amount of technology-rich, flexible academic space to support our plans for further student growth and improvements in the student experience.

The last 12 months has included many highlights, many of which are covered in the pages of this report, but I would like to highlight just two.

We are proud, I think justifiably, of our beautiful campus in the heart of one of the country's most charming and historic cities. The superb surroundings which add so much to our student and staff experience are a result of our ongoing programme of estate development and of course the work of our dedicated team of gardeners. I was therefore delighted their work was once again recognised at the 2015 Yorkshire in Bloom ceremony at which they were awarded a Gold Medal and were announced as Best in Category.

Sport is important to York St John as part of our commitment to student wellbeing. It is not, of course, all about competitive sport, however, it was encouraging for the University to achieve one of the biggest rates of improvement in the annual British Universities and Colleges Sport (BUCS) league table. I congratulate all of our student athletes, but in particular our cup winning Rugby League team and our netballers who narrowly missed out on gaining promotion to the highest level of student netball in

the country – a tremendous achievement for a small university.

I am delighted to have joined York St John University and to be able to present such a positive set of results to you. This University has a record of achievement and delivery and a strong foundation upon which to build and achieve further success. As we go forward I am determined we will build on the achievements and historic legacy of this outstanding University. York St John may be relatively small in global terms, but this will not limit our outlook nor our ambitions. I am confident we can create an exceptional future for our students and staff and, in doing so, make York St John the best of England's small universities.



Professor Karen Stanton
Vice Chancellor
12 November 2015

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 Tom Butler ¹	01/09/2012	31/07/2018
2 Diocesan Nominees	Rt Revd James Bell Revd John Hadjoannou	01/09/2009 01/09/2009	31/07/2018 31/07/2018
2 Members of the Church of England or a church in communion with it	Ann M Green ² Ian Wallace	11/07/2011 01/08/2013	31/07/2017 31/07/2016
1 nominee from the National Society Council	Dr Ann Lees ³	01/10/2008	31/07/2017
Vice Chancellor, ex officio	Prof David Fleming Prof Karen Stanton	01/06/2010 01/09/2015	31/08/2015
Staff Governor (elected)	Peter Gray Robert Edgar	01/08/2013 01/08/2015	31/07/2015 31/07/2018
Student Governor (President of Students' Union), ex officio	Laura Jackson Nathaniel Abakah-Phillips	01/07/2014 01/07/2015	30/06/2015 30/06/2016
Up to 8 Co-opted Governors	Jane Hanstock ⁴ Richard France ⁵ Stephen Milner ⁶ Jon Hammond Booth Maggie Pavlou Cath Clelland Russell Davidson Baroness Haleh Afshar	01/09/2006 19/11/2012 19/11/2012 01/08/2013 01/09/2013 01/08/2014 01/08/2014 20/11/2014	31/07/2015 31/07/2018 31/07/2018 31/07/2016 31/07/2016 31/07/2017 31/07/2017 31/07/2017

¹ Chair of the Foundation Committee

² Chairman of Governing Body from 01/10/2011; Chair of the Governance and Nominations Committee

³ Chair of the Human Resources Committee

⁴ Chair of the Finance and Capital Development Committee to 31/07/2015

⁵ Chair of the Finance and Capital Development Committee from 01/08/2015

⁶ Chair of Audit Committee

The University

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
Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds LS1 4DA

Internal Auditors

PWC LLP
Benson House
33 Wellington Street
Leeds LS1 4JP

Solicitors

Langleys
Queens House
Micklegate
York YO1 6WG

York St John is a diverse community of 6,961 students from over 100 countries and 783 staff which began as two Anglican teacher training colleges, founded in York in 1841 for men and 1846 for women. Our first student, Edward Preston Cordukes, has the current Students' Union Building named in his honour and the commitments which were made at the University's founding - 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.

As outlined in its new 2015-20 Strategic Plan, York St John is an inclusive, innovative, transformative and ambitious community with a strong sense of belonging. The University remains committed to the provision of excellent, open and progressive Higher Education and aims to inspire its students and staff to reach their full potential and make a positive contribution to the world.

For some time the University has been noted for its excellent student experience and the 2015 National Student Survey (NSS) reported an 88% student satisfaction rate at York St John. This was above the national average and made the University one of

the leaders in its region. This in turn has contributed to the excellent student retention and progression figures that have been achieved and ultimately to the University's excellent record of student employability. The most recent Destinations of Leavers of Higher Education (DLHE) Survey results reports 95.7% of students in employment or further study within six months of leaving the University.

The University contributes more than £60 million to the local economy every year and according to independent analysis it helped to create 1,100 jobs in the city. In the last five years the University has invested over £30m in

its estate to: develop and enhance teaching facilities in Temple Hall; develop new specialist biomedical science laboratories; improve, expand and enhance IT and library facilities; develop new buildings on campus and new student accommodation; and to complete the first two phases of Nestlé Rowntree Park, the University's state-of-the-art sports park.

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 Governing Body 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 2014 included 1,462 undergraduate and 183 FT PGCE students eligible for full state support. A significant proportion of our intake

comes from students from less-advantaged backgrounds, evidenced by the most recent widening participation data which shows that entrants from the lowest socio-economic groups constituted 37.3% of our student body. Our commitment to widening access means we also invest significant sums in supporting students. All prospective students are made aware of the availability of financial support and in 2014-15 we provided £5.6 million in financial support for students. A further £4.7 million has been budgeted to support students in 2015-16. The University remains, proportionately, one of the largest spenders on student support in the higher education sector.

In 2014-15 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 Three of which is planned for 2015-16, are available

to students and staff and in addition are used by our wider community, including professional sports clubs.

The University continues to host its popular 'Go York' lecture series. Together with a wide range of other events, these form part of a diverse programme of public lectures which are popular with students, staff and members of the local community and which encourage both the sharing of knowledge within our community as well as the dissemination of research and current opinion to our staff, students and guests.

In support of the charitable work of the University we received donations to the value of £30,000 in 2014-15 from alumni, to whom we are incredibly grateful.



Lord Mayor's Walk campus

Strategic Report



Strategy 2012-15

York St John University strives for excellence in everything it does and has built a strong reputation as a high quality university, renowned for its academic excellence, deep-seated community spirit and a magnificent campus based in the heart of the city of York. This reputation has been developed over many years, but most recently has been guided by our 2012-15 Strategic Plan. This Annual Report focuses on the final year of this three-year development period.

During this period we aimed 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

In order to achieve the above we focused on a series of leading and enabling strategies.

Leading strategies

1. 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.
2. 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.
3. 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.
4. Provide opportunities for all students to develop the employability and enterprise skills they need to achieve their career potential.
5. Achieve University recruitment and widening participation targets.
6. Provide high quality, integrated and evidence-based student support services.

Strategic Report



Enabling strategies

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

Progress against key strategic objectives

As a result of the highly-focused delivery of the strategy, 2012-15 has been a period of significant development, recognition and success. We now have more students, a wider profile in the sector, and higher student achievement and employability rates than ever before. Behind the scenes, we have worked hard on improving our facilities, our academic standards, and the ways we govern and manage. The table overleaf summarises some of the progress that has been made against our key objectives.



Students in the Quad

	2012	2015
Student population	5,980	6,620
UCAS Applications: acceptances ratio	6.3: 1	5.5: 1
First year continuation rates	91.5%	93.6%
Student satisfaction across seven NSS domains	81.4%	82.9%
Overall satisfaction on postgraduate surveys	N/A	83%
Courses challenging students to do their best work	N/A	92%
Achievement of Firsts and 2:1s	59.1%	65.3%
Graduates in work or further study within six months	92.7%	95.7%
Research-active academic staff	50%	73%
Student: staff ratio	21.4 : 1	20.6 : 1
Operating surplus (%)	2.5%	8.3%
Staff costs as % of income	53.9%	47.9%
International student population on campus	253	603

Growth in our student population

Our student population has grown from 5,980 in 2012 to 6,620 in 2015 (+11%). By choosing to offer a progressive financial support package when higher fees were introduced by the government, we successfully navigated the 'core and margin' policy and thus gained the additional student places required to grow. Alongside this, our UK applications and acceptances grew to unprecedented levels in 2013-14, driving growth that we are still experiencing. Such growth was in sharp contrast to trends across the higher education sector where reductions in student number allocations and recruitment difficulties were relatively common. Growth was also achieved without neglecting our tradition for inclusivity. As a result our widening participation figures continued to improve and consequently our student population is now more open and diverse than at any other time.

Our international development strategy has expanded international students on campus from 340 in 2011 to 600 in 2015 (+76%). Partnerships with universities outside the UK have also been established and have the potential to grow substantially over the next five years.

A wider profile in the sector

The University has made great strides with its research profile and as a result its academic standards have improved considerably. In 2015 the University achieved Research Degree Awarding Powers and our results in the 2014 Research Excellence Framework saw 30% of our research described as 'world-leading' or 'internationally excellent'.

We have won or been shortlisted for a number of Times Higher Education awards in the last three years and also gained a place in the Top 10 for student experience in the Times Higher Education's Student Experience Survey in 2013. The 2015 National Student Survey (NSS) saw an increase in student satisfaction from 84% to 88% - one of the largest improvements in the country.

Our growing profile in the sector has also resulted in an increase in applications from a wider geographical area and we have met with a number of other institutions who are keen to learn from our award-winning approach to governance and management.



Student outcomes

Student continuation rates are now amongst the highest in the sector and the proportion of undergraduate degree students now achieving a First or 2:1 classification at the end of their studies has never been higher: 65% in 2014 compared with 59% in 2011.

Graduate further study and employment rates have also never been higher: they reached 95.7% in 2014, up from 91% in 2012.

So whilst the University has grown and diversified, this has not been at the expense of quality. The key indicators of student retention and success have also continued to improve.

An effective and committed team

The growth, diversification and academic quality enhancements that we have effected between 2012-15 have been supported by strong staff commitment and professionalism, investment in campus facilities and residential accommodation, an expanded academic portfolio, and enhanced governance and management at all levels.

Staff satisfaction and commitment has remained strong in the context of significant change and sector-wide turbulence, evidenced through the biennial staff survey. Staff teams across the University continue to work on improving processes and implementing technologies that facilitate student interactions with staff and make us all more efficient and effective.

We have become renowned for good governance and management in the sector. This begins with the Governing Body and is replicated throughout the institution at all management levels. We have enhanced our culture of evidence-based decision-making, using data to shape conversations on academic quality, student recruitment, financial and risk management, and in many of our day-to-day activities.

Whilst there is much to do and learn as an institution, 2012-15 has been an important period of student population growth, profile-raising, enhanced academic quality, and further establishment of an evidence-based decision-making culture.



Students in Temple Hall

Progress Report 2014-15



This report covers the University's:

- Performance towards achieving its strategic aims;
- Financial performance and approach to risk management; and
- Policies relating to Corporate Governance and Control, and Accounting.

York St John, together with other universities, faces considerable challenges in a rapidly changing economic and legislative environment. In this report it is pleasing to note the considerable success which has been achieved during the period covered by the University's 2012-15 Strategic Plan. The framework provided by this plan, particularly the four key pillars of Growth, Quality, Community and Resilience, has enabled the University to focus its activities on those areas which: create the greatest benefit for its students and staff; ensure it remains embedded throughout its communities – in the city, the region, nationally and internationally; and which ensure its continued financial strength.

Growth

Following a period of unparalleled growth York St John finds itself in an increasingly competitive and fast-moving operating environment. Nonetheless it has continued to achieve its objectives and to ensure it remains competitive in the future.

Student recruitment, in both UK and overseas markets, was difficult although ultimately successful with the University achieving another record intake. In the UK the changing legislative landscape, including the removal of student number control limits, led to a more aggressive marketplace with the University competing with larger institutions with commensurately larger resources. Despite this the University recruited well, in particular through newer programmes such as Creative Writing, Early Childhood Studies and a remodelled Design programme.

Internationally the University achieved its highest ever student enrolment thanks to strong performance in both September (Semester 1) and January (Semester 2). Performance was particularly encouraging from Far and South East Asia. This gives a strong foundation upon which to base further growth and the University has developed plans for expansion in North America, Africa and the Middle East.

Further growth, however, will only be achieved if the University continues to deliver an attractive and relevant portfolio of courses. As a consequence 2014-15 saw the development of new or remodelled undergraduate programmes in Biomedical Science, Performance, Media and Sociology. Further development is planned for 2015-16 in areas including Computing, Games Design, Animation, Illustration, Photography, Criminology, Psychology and Counselling.



An attractive portfolio must also be supported by effective marketing, communication and student recruitment activity. To this end the University has invested in developing its current website and communication software to ensure timely, relevant and engaging information is available to all potential students and their advisers at all times. Further significant investment is planned for 2015-16, including the launch of a remodelled and redesigned University website. The University also saw major investment in digital marketing with its Summer 2015 campaign generating over 19 million 'hits' and leading to 560 additional Open Day registrations, 400 prospectus requests, 400 enquiries and 390 application referrals to UCAS.

Widening access to higher education has, for many years, been a key priority for the University. Performance in this field has seen the University consistently outperform many of its competitors, its regional and national comparator institutions and its benchmark objectives. This was again the case in 2014-15 with the University reporting improvements in its recruitment of students from: state schools or colleges (up from 95.3% to 96.9%); the least affluent socio-economic groups (up from 34.5% to 37.3%); and from low participation neighbourhoods (up from 16.6% to 17.3%). Recruitment of students with disabilities and those from UK-domiciled ethnic minorities also increased.

Despite its longstanding record of success, the University is acutely aware of the ongoing challenges it faces. The continuing demographic decline in the number of 18-year-olds, an improving economy leading to more opportunities for school and college leavers, and the continuing concern surrounding student debt mean an ongoing focus in this area is vital. As a result the University is introducing new initiatives such as its Compact Scheme, which supports progression to York St John for students from under-represented groups, and a remodelling of its student financial support packages.

As the University begins to deliver its 2015-20 Strategic Plan key priorities will be for it to: develop further its brand and reputation; increase the volume and depth of its external engagement; invest further in online, digital and social media; continue to develop an attractive and engaging course portfolio; and, above all, continue to achieve its student recruitment objectives which will in turn provide the financial strength necessary for continued growth.



Student in Fountains Learning Centre



Quality

A constant drive for quality: in its learning and teaching; in its research; in its student experience; and in its graduate outcomes, is enabling York St John to deliver against its strategic objectives.

In academic terms the University enjoyed a hugely successful and productive year and works assiduously to ensure its students receive a highly relevant and stimulating learning experience. This focuses not only on the content of each programme and the way it is delivered, but also on the outstanding individual support which each student receives. The result is an experience which provides demonstrable value to students and prepares them for the next stage in their development – either in further academic study or in their chosen career.

Significant progress was made in 2014-15 against a number of the University's key objectives. Its outstanding student support saw York St John report excellent student continuation rates and high levels of student satisfaction. These factors, allied to expert academic leadership and guidance, are key factors in helping students to achieve their potential. In short, we believe happy students achieve more and will ultimately progress to success in their career.

The year also saw York St John achieve two important milestones in its own academic development. In December the University achieved its strongest ever outcome in the Research Evaluation Framework (REF), formerly the Research Assessment Exercise (RAE). 30% of the University's work was rated as 'world-leading' or 'internationally-excellent'. The University also adopted a fully-inclusive approach to its submissions and in doing so recorded its highest ever number of research-active staff.

This success was then built on in February when we were awarded Research Degree Awarding Powers (RDAP) just ten years after becoming a university. This is a tremendous achievement and is testament to the talent, professionalism and dedication of everyone who contributed.

Such high quality learning, teaching and research outcomes can only be achieved if the learning environment provides appropriate and necessary support for students and staff alike. The University continues to make progress in this area and is delighted to report that 100% of academic staff have either achieved recognition as a Fellow of the Higher Education Academy (HEA) or are actively working towards it. Research, naturally, remains a strong focus with the introduction of an integrated research development programme for staff at all levels and the recruitment of 37 students to the 'Students as Researchers' scheme which provides opportunities for undergraduates to work closely with research supervisors.



Holgate and the Executive Wing



Lord Mayor's Walk campus



In addition the University places great emphasis on listening to the 'student voice'. As a result it introduced new evaluation processes as well as participating in two further student experience surveys, both managed by the HEA. The outcomes will be invaluable in identifying improvements to and ultimately in delivering a high quality student experience.

As well as its excellent outcomes and landmark achievements the University was also able to celebrate a number of achievements by students, staff and alumni.

York St John alumnus Chris Hees was awarded a British Academy Film & Television Award (BAFTA) in the Best British Short category for his film 'The Bigger Picture' and was also nominated for an Oscar. Film and TV student Lee Otway was nominated for a Royal Television Society (RTS) award in the Postgraduate Comedy and Entertainment category for his programme 'School On Report'. Another alumnus, David Young, saw his interactive sound sculptures, Theramin Bollards, win the Support Entrepreneurs Explore and Develop (SEED) competition, and former doctoral student, Dr Thomas Curran, was given a prestigious American Psychological Association (APA) award for his outstanding research in exercise and sport psychology.

Fine Art student Harriet Sutcliffe won the Eleanor Worthington prize for her video piece 'Degeneration' while Amy Harkins was named National Student Employee of the Year by the National Association of Student Employment Services (NASSES).

There were also notable achievements by members of staff. Professor Bob Garvey (Business Education) was given a Lifetime Achievement Award for contributions to mentoring at the Coaching at Work Awards; Dr Stephen Gibson, Associate Professor of Psychology, was awarded a prestigious Research Fellowship from the Leverhulme Trust; and Dr Liz Mellow was one of a small number of academics nationally who was awarded a National Teaching Fellowship by the HEA. The learning and overall campus environment also saw significant improvements. New Biomedical Science laboratories were established to support this expanding area of the University's curriculum while further investment in additional study spaces, PCs and in the laptop loan programme was made to support the University's growing student population.



Graduation at York Minster



Community

The strength of its community, as well as its contribution to the other communities to which it belongs, have remained a constant upon which York St John's strength is built.

The University places huge emphasis on the student journey and in doing so ensures that students enjoy a rewarding and supportive experience which leads to success in future studies or their chosen career. However, the University has not just focused on the quality of the student experience and its outcomes. It has also vigorously pursued inclusive student and staff recruitment policies which have contributed to the diversity and richness which its community now enjoys and which adds significantly to the York St John experience.

At the heart of this diversity is the continued success in widening access to higher education. This year the University's performance began from a position of strength and improved further with recruitment of students from minority and under-represented groups continuing to grow. Furthermore, York St John has established a reputation as a leader in the promotion of equality for all. For example, the University was named by Stonewall as being both among the best for lesbian, gay and bisexual students, and as one of the Top 100 employers in the country.

The provision of a welcoming and supportive environment for students with disabilities is also important. The University is, each year, recruiting more students with specific needs and is providing more support. Furthermore, the University holds a series of events to raise awareness of disability issues and the support the University provides. It was therefore a pleasure to host an inspirational lecture from international Paralympic medallist Bethany Woodward.

Students and staff, of course, make highly valued contributions to our community and this year was no different with, among other areas, sport becoming a recurring and increasingly important theme for York St John.



Student in the Design Centre

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- Student Jack Bennett received the Shining Light Award, following a nomination by North Yorkshire Sport, for his numerous volunteering roles.
 - In the autumn York St John secured a responding 38-10 victory in the 2014 Varsity Match with the University of Sunderland where student teams played each other across 26 sports in one day.
 - Later in the year the University also experienced one of its most successful sporting days in its history as more York St John teams competed in British Universities and Colleges Sport (BUCS) leagues than at any other time. Particularly strong contributions came from the University's netball and rugby league teams with the result that York St John achieved the biggest improvement in the BUCS rankings of any university.
 - As the University's sporting profile has developed so has its campus and in April our new sports facility, Nestlé Rowntree Park, was officially opened by world-renowned referee and York St John Honorary Graduate, Howard Webb MBE.

Other notable achievements were supplied by: MA Design student Jason Searle who won a Sports Technology Award for his seat for disabled rowers; graduate Matthew Teeling, a Major in the Royal Engineers, was awarded a NATO Meritorious Service Medal for his exceptional leadership and outstanding individual contribution; and York St John students developed the 'Mapbeth' app as part of York's International Shakespeare Festival. Our staff also made their presence felt throughout the community. In February the Computer Science team supported the Yorkshire Air Museum with its wireless network infrastructure; and the University also launched its Wellbeing Zone to motivate, support and inspire staff towards more healthy living.

The highly-regarded Converge project which helps improve the life-skills of users of mental health services won a regional healthcare innovation award as well as being shortlisted in May for The PRoF Awards 2015 for its innovation in offering high quality arts educational opportunities. In May the University joined forces with the British Heart Foundation to help York residents get fitter.

Other interventions included: the launch of the International Centre for Community Music; the hosting of the Graduate Entrepreneur Bootcamp which gave thirty entrepreneurs the opportunity to attend specialist workshops led by industry experts; and the York St John University Business School was commissioned by the Joseph Rowntree Foundation to undertake new research into productivity and poverty in the Leeds City Region.



Resilience

2014-15 was characterised by continued strong financial performance; investment in the student experience and further development of an already outstanding campus and learning environment.

York St John's strong performance was underpinned by income growth of 12.2% and income rose above £60 million for the first time. This helped generate a healthy operating surplus of £5.1 million which represented an increase of 6.1% on the previous year. This was the University's highest ever recorded figure and amounted to 8.3% of turnover.

Expenditure grew by 12.9% during the year and while staff costs grew by £1.9 million they represented 47.6% of income compared to 50.0% in 2013-14. The primary reason for the growth in costs was the 16.5% increase in expenditure on academic departments as we deployed resources to respond to the University's growth in student numbers.

The strong financial progress throughout the year enabled the University to continue to invest in its campus and the student experience and in doing so maintain its progress towards its strategic objectives. Significant investments in 2014-15 included:

- Completion of Phase Two of Nestlé Rowntree Park;
- The £1.0 million refurbishment and development of teaching facilities in Temple Hall and the development of new biomedical science laboratories; and
- Further investment of over £1.0 million in IT and library facilities.

More is planned as the University moves forward, including:

- Phase Three at Nestlé Rowntree Park with the addition of the new Sports Centre;
- A major extension to the current Dining Room leading to enhanced and enlarged facilities for students and staff;
- The relocation of the Students' Union, planned for Summer 2016, into specially remodelled and refurbished accommodation in the heart of the campus; and
- A new 2500m² academic building to support the University's growth in both existing and new markets.



The Quad



Fountains Learning Centre



Resilience is, of course, not restricted to financial resources and the physical environment. York St John is proud of its staff – the group of talented and committed individuals which provide such outstanding support, guidance and leadership to its students.

The University continues to be a good employer. Regular staff engagement forms an important part of the work of the University and is at the heart of planning at all levels. For example, the 2015-20 Strategic Plan was developed via a series of consultation workshops to which all staff were invited and a University-wide survey which achieved a high response rate and approval rating for the new strategy of almost 90%.

In terms of specific investment in its staff, the University launched a number of initiatives.

Examples include:

- The introduction of a new Wellbeing Zone and website;
- The launch of a new Employee Assistance Programme which is available to all staff;
- The provision of a wide range of support and advice including 1:1 counselling, critical incident support and financial/debt advice;
- Working with YSJ Active, the University's experts in sport, exercise and recreation, to introduce an Exercise for Wellbeing Programme; and
- The hosting of an NHS Stress Control course for students and staff.

The Student and Staff Services directorate also supported faculties and other departments across the University to develop local plans in response to feedback from the Staff Survey. York St John is proud that it continues to achieve staff satisfaction levels above the sector average. Staff development received further support through: a new Coaching Service; the introduction of a new Chartered Management Institute Level 5 management qualification; the delivery of workshops on a range of topics including dyslexia and Students in Distress.

As a large organisation with a significant footprint across the city, York St John takes its responsibilities towards the environment very seriously. In 2014-15 a number of initiatives have again led to the University making considerable progress towards its environmental objectives. In particular: the University requires its suppliers to meet specific environmental commitments; the Lord Mayor's Walk Campus is now largely traffic-free; and perhaps most impressive of all the University now sends 0% of its waste to landfill.



York Minster

Strategic Plan 2015-20

Working closely with our Governors and staff across the University, we have developed an ambitious and exciting Strategic Plan for 2015-20. It is a framework that enables us to collate, understand, prioritise and monitor progress towards key objectives. Throughout its implementation, we will position the University to deal with turbulence in the higher education sector and continue to offer excellent learning opportunities for all our students and staff.

Our Mission:

To inspire our students and staff to reach their full potential, advance knowledge, and make a positive contribution to the world.

Our Values:

We are an inclusive, innovative, transformative and ambitious community with a strong sense of belonging.

Our Vision:

We will be the best of England's small universities.

Our Strategic Plan for 2015-20 continues with the four key strategic themes - Quality, Community, Growth and Resilience – which served the University well during 2012-15.

Each of our four strategic themes will be manifested via a series of key objectives which, when achieved, will ensure the University continues to progress with its successful trajectory.

Quality

- High quality learning, teaching, assessment and research.
- A personal and collaborative student experience.
- Graduates with excellent attributes and employment prospects.
- High quality academic environments, accommodation and facilities.
- Support services that empower students to thrive.
- Continuous enhancement of the management of academic standards.

Growth

- An expanded range of study and research options.
- Sustainable growth in UK and international student numbers.

Community

- A diverse and culturally rich community.
- A community that promotes health and wellbeing.
- A community that supports personal and professional development.
- Partnerships that contribute to academic, cultural and economic development in York and beyond.

Resilience

- Effective resourcing of the strategic plan.
- Excellent practice in environmental sustainability.
- Efficient and effective systems and processes.
- Excellent data quality, returns and intelligence.
- Effective governance and management.
- Diversity in our income streams.

Our priorities for 2015-20

Quality

High quality learning, teaching, assessment and research

A personal and collaborative student experience

Graduates with excellent attributes and employment prospects

High quality academic environments, accommodation and facilities

Support services that empower students to thrive

Continuous enhancement of the management of academic standards

Community

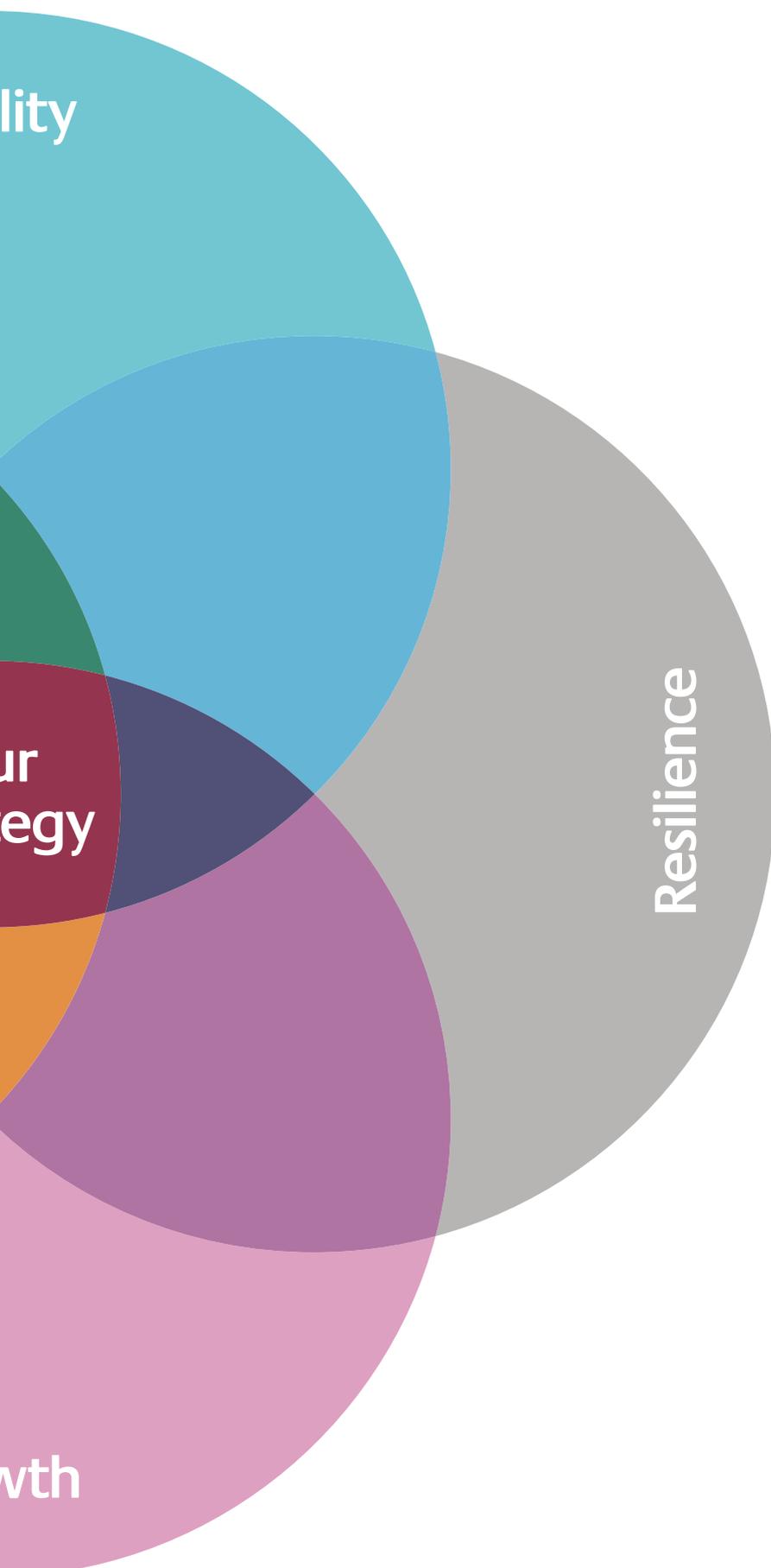
A diverse and culturally rich community

A community that promotes health and wellbeing

A community that supports personal and professional development

Partnerships that contribute to academic, cultural and economic development in York and beyond





Resilience
Effective resourcing of the strategic plan
Excellent practice in environmental sustainability
Efficient and effective systems and processes
Excellent data quality, returns and intelligence
Effective governance and management
Diversity in our income streams

Growth
An expanded range of study and research options
Sustainable growth in UK and international student numbers

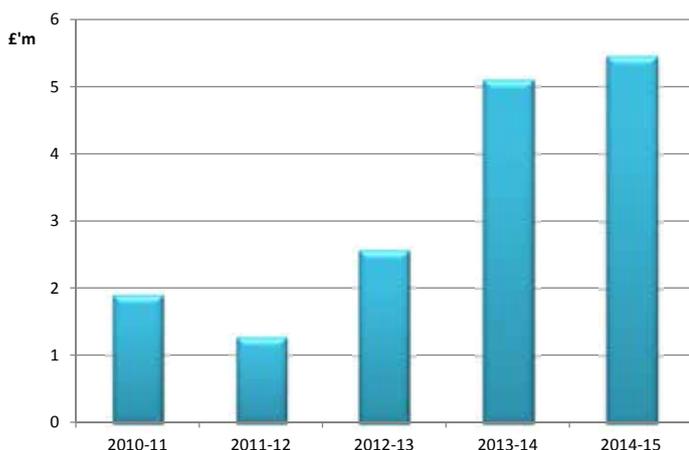


Students on the Lord Mayor's Walk campus

Financial Review

The financial year 2014-15 shows a strong financial position with operating surplus again exceeding our expectations at 8.3%. Income increased by 12.2% to £61.5 million and operating surplus increased to £5.1 million. Taking into account historic cost adjustment this generated a historic cost surplus of £5.5 million. The University invested £4.1 million in tangible assets while increasing the cash balance by £5.6 million to £18.3 million.

Historic Cost Surplus

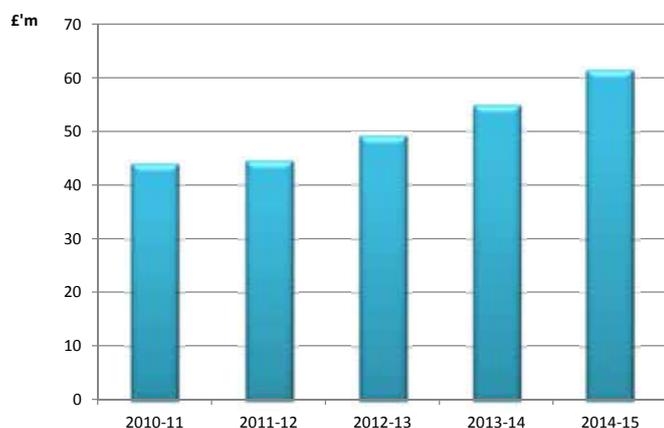


Income

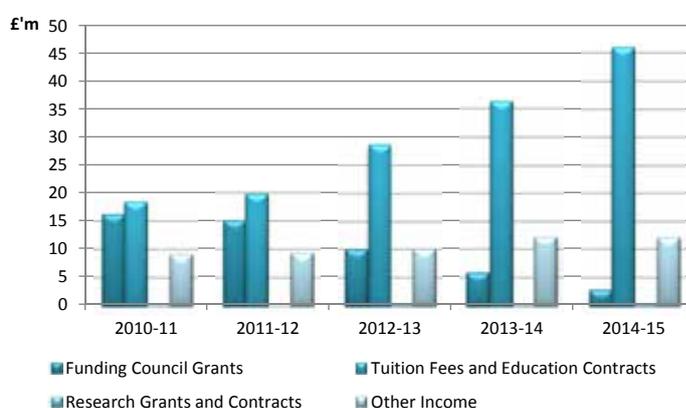
Total income grew by 12.2% to £61.5 million. The University's main source of revenue (78.6%) is from teaching activity including tuition fees, education contracts and Funding Council grants. Teaching activity income grew by 15.9% to £48.3 million. This includes £1.2 million as a result of the University's switch from fee waiver discounts to the payment of student bursaries. The student population continued to grow during the year with the roll through of higher intake numbers. Recruitment of overseas students also increased with overseas student income increasing by 46.8% to £5.3 million.

The University has a portfolio of high quality student accommodation and income from residence, catering and conference operations was maintained at £9.9 million (16.0%). Income from research grants and contracts increased by 38.3% to £0.3 million.

Total Income



Income Breakdown





Student in Fountains Learning Centre

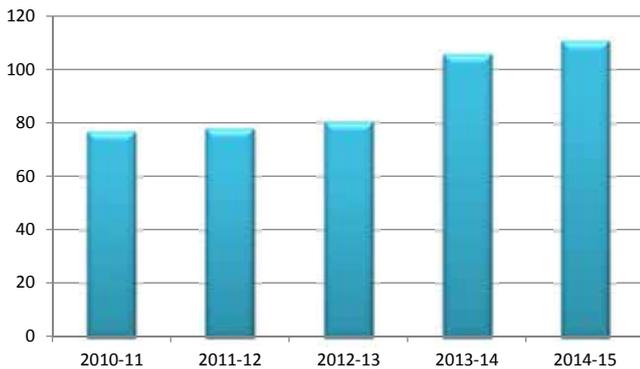
Expenditure

Total expenditure increased by 12.9% to £56.4 million during the year. Staff costs increased by 7.5% from £27.4 million to £29.5 million and represented 47.9% of income (2013-14 50.0%). Expenditure on academic departments increased by 16.3% to £25.3 million due to additional investment in academic delivery to support student number growth and to support the University's desire to lower the student: staff ratio. Expenditure on academic services and staff and student facilities increased by 24.7% to £8.8 million.

Balance Sheet

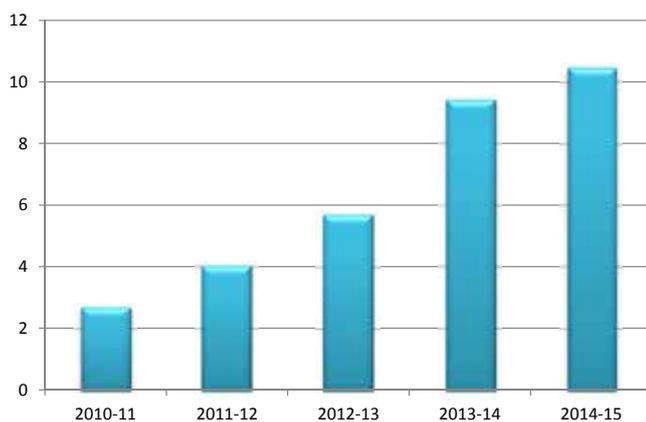
The balance sheet before the FRS17 pension adjustment has strengthened slightly this year with net assets increasing by 4.7% to £110.7 million. Capital investment of £4.1 million during the year included £1.0 million in new sports facilities at Haxby Road, £1.1 million on the refurbishment and development of teaching facilities in Temple Hall and biomedical science laboratories, together with £1.4 million investment in IT and library facilities. Depreciation of £3.3 million was charged during the year resulting in a net increase in tangible assets of £0.8 million.

Net Assets excluding Pension Liability



Debtors were reduced by 17.4% to £2.6 million through tighter credit control and creditors increased by 21.3% to £7.6 million mainly due to increased accruals and deferred income. Cash and short term deposits were increased by £5.6 million with cash generated from operating activities of £10.1 million, 17.0% of income.

Net Cash from Operating Activities



The outcome of the annual assessment of the University's pension liability resulted in an increase to the pension deficit of £3.1 million to £10.9 million.



Students in Holgate

Key Risks and Risk Management

The University has an ambitious and exciting Strategic Plan as it aims to grow its profile, quality and reputation to be able to offer excellent learning opportunities for all its students and staff. It has a well-developed, and indeed sector leading, interactive Progress and Risk Management tool which is regularly reviewed by senior management and the University's Governors. This tool identifies risk and progress under the four strategic themes of Growth, Quality, Community and Resilience.

Many commentators have described the UK HE sector as being in unprecedented turbulent times. Recent Government policy on tuition fees, removal of student number controls and the opening up of the market to private providers have all led to a level of competition on student recruitment that has never been witnessed before. The University is seeking to grow its base of international students at a time when global competition is intensifying, and when UK VISA and Immigration

policies are reducing the attractiveness of this country to foreign students.

Additional Government policy changes are likely to further destabilise the sector, including the proposed introduction of the Teaching Excellence Framework, the HEFCE Review of quality assessment, and funding for both NHS and general teacher training contracts. Subsequent to the signing of these Financial Statements there will be the publication of the Government's Green Paper on Higher Education, the outcome of the Comprehensive Spending Review and consequent confirmation of the Department for Business, Innovation and Skills response to Treasury's request for significant funding cuts.

This level of uncertainty adds to the complexity of management and governance roles but the University is forward planning and scenario modelling so that it can respond quickly to ensure that it remains competitive,

particularly for student recruitment. In this respect it is building its management capacity and launching a number of significant projects that will provide extra focus and resources to address the key risks and challenges, including the enhancement of its academic portfolio for 2016-17 that will allow the University to grow sustainably.

The University is not complacent and is well aware of the challenges it faces. Its data and information rich approach to management and governance leave it well placed to respond positively as new policies and challenges emerge. It currently has good student satisfaction, excellent continuation and achievement rates, and graduate destinations. Our financial base is strong and our staff indicators identify a real sense of community. Managing fluctuations in student recruitment and aligning our resources to optimise the student experience will be the keys to our success.

Directors' Report

The Directors present their annual report and the financial statements of the University for the year ended 31 July 2015.

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, disabilities, 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 opportunities are 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 email and a quarterly magazine to provide current information to its employees.

On behalf of the Governing Body



Professor Karen Stanton

Vice Chancellor

12 November 2015



Ann M Green CBE

Chairman and Pro Chancellor

12 November 2015



Lord Mayor's Walk campus

Statement on Corporate Governance and Internal Control

The following statement is based on HEFCE guidelines and reflects the University's regard for the Higher Education Code of Governance published by the Committee of University Chairs (CUC). The University formally adopted the Code at its meeting on 9 July 2015, following detailed consideration of the Code by the Governance and Nominations Committee. We confirm that the requirements of the new Code (and the predecessor document) have applied to the University's governance arrangements during the 2014-15 financial year. One element that the University will need to address is the power to remove a member from office (7.2). This will be addressed during the coming year.

York St John University is an incorporated body whose legal status is that of a higher education institution with taught and research 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 April 2015, new Articles of Association became effective following Privy Council approval and the passing of a Special Resolution by the University in March 2015. 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 Governing Body 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 Governing Body'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 Governing Body.

The powers and duties of the Governing Body, 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.



RECEPTION

ADVICE

Qatar University

Holgate Student Centre

The Vice Chancellor has a general responsibility to the Governing Body 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 Memorandum of Assurance and Accountability between the University and the Higher Education Funding Council (HEFCE), the Vice Chancellor is the Accountable Officer of the University. In that capacity the Vice Chancellor (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, the Higher Education Statistics Agency (HESA) and other public bodies.

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 Governing Body.

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 Governing Body.

The Governing Body, 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. Governing Body 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 Governing Body 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 academic matters including the student learning experience.

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

- Audit;
- Finance and Capital Development;
- Foundation;
- Human Resources;
- Remuneration; and
- 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 Governing Body, one of whom is appointed as the Chair of each committee.



Phoenix Court

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 HEFCE as they affect the University's business and monitors adherence to 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 capital development 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 post holders.

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. The most recent periodic review of effectiveness was conducted in 2013-14. Details of the University's approach and key outcomes of that process are published on the University's 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 Governing Body;



Student in De Grey courtyard

- Policies and procedures to support compliance with legislation and regulation relating to financial malpractice including fraud, money-laundering and bribery;
- 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 Governing Body itself also receive regular reports relating to performance and risk; and
- Oversight of data returns through the Data and Systems Steering Group.

The Governing Body 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 ongoing process for identifying, evaluating and managing the University's significant risks, that it has been in place for the year ended 31 July 2015 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 Governing Body.

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 Governing Body, 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 2015 meeting, the Governing Body carried out the annual assessment for the year ended 31 July 2015 by considering documentation from the Strategic Leadership Team and Internal Audit, and taking account of events since 31 July 2015.



Students in Holgate

Responsibilities of the Governing Body 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 the Memorandum of Assurance and Accountability ('the Memorandum') agreed with the Higher Education Funding Council for England (HEFCE),

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.



The Quad



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 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 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;
- financial performance and position, including the liquidity position;
- objectives, policies and processes use 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 Karen Stanton
Vice Chancellor
12 November 2015



Ann M Green CBE
Chairman and Pro Chancellor
12 November 2015



Students in Holgate



Student in De Grey Court

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

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

This report is made solely to the Governing Body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, York St John University's Articles of Government and section 124B of the Education Reform Act 1988. Our audit work has been undertaken so that we might state to the Governing Body those matters we are required to state to it 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 for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Governing Body and auditor

As explained more fully in the Statement of Responsibilities of the Governing Body, the Governing Body (who are the Directors of the company for the purposes of company law) is responsible for the preparation of financial statements which 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 of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and University's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governing Body; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual

Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the Group and University as at 31 July 2015 and of the Group's income and expenditure, recognised gains and losses and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and with the 2007 Statement of Recommended Practice – Accounting for Further and Higher Education;
- meet the requirements of HEFCE's Accounts direction to higher education institutions for 2014-15 financial statements; 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 (effective 1 August 2014) issued under the Further and Higher Education Act 1992

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- income has been applied in accordance with the University's Articles of Government;
- funds provided by HEFCE have been applied in accordance with the Memorandum of Assurance and Accountability and any other terms and conditions attached to them; and
- the corporate governance and internal control requirements of HEFCE's Accounts Direction to Higher Education Institutions for 2014-15 financial statements have been met.

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



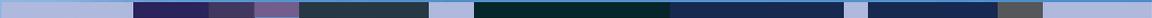
Clare Partridge
For and on behalf of KPMG
LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

17 November 2015



Sports student in Foss

Financial Statements for the Year Ended 31 July 2015





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.

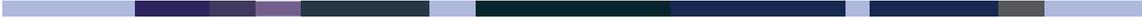
Non-recurrent grants received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants. Such grants are credited to deferred capital grants and an annual transfer made to the income and expenditure account over the useful economic life of the asset, at the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



Student outside De Grey Court



Students outside De Grey Court



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 31 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.



York Minster



Flowers outside the Chapel

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 ongoing 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.



York city centre

Financial Accounts 2014-15

Consolidated Income and Expenditure Account for the Year Ended 31 July 2015

	Note	2014/15 £ 000	2013/14 £ 000
INCOME			
Funding Council grants	1	2,917	5,910
Tuition fees and education contracts	2	46,040	36,376
Research grants and contracts	3	336	243
Other income	4	12,148	12,230
Endowment and investment income	5	94	105
TOTAL INCOME		61,535	54,864
EXPENDITURE			
Staff costs	6	29,493	27,434
Other operating expenses	10	22,783	18,583
Depreciation	12	3,299	2,830
Interest and other finance costs	9	816	1,087
TOTAL EXPENDITURE	10	56,391	49,934
Operating surplus after depreciation of assets		5,144	4,930
Loss on disposal of assets		(39)	(31)
Surplus after depreciation of assets at valuation, and disposal of assets, but before taxation		5,105	4,899
Taxation	11	(8)	(4)
Surplus after depreciation of assets at valuation, disposal of assets, and taxation		5,097	4,895
Transfer from accumulated income in endowment funds	20	123	29
Surplus for the year retained within general reserves	21	5,220	4,924

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 2015**

	Note	2014/15 £ 000	2013/14 £ 000
Surplus on continuing operations before taxation		5,105	4,899
Difference between historical cost depreciation and the actual charge for the year calculated on the revalued amount	21	366	208
Historical cost surplus before taxation		5,471	5,107
Taxation	11	(8)	(4)
Historical cost surplus after taxation		5,463	5,103

**Consolidated Statement of Total Recognised Gains and Losses
for the Year Ended 31 July 2015**

	Note	2014/15 £ 000	2013/14 £ 000
Surplus on continuing operations after depreciation of assets at valuation and disposal of assets and taxation		5,097	4,895
Unrealised surplus on revaluation of fixed assets		-	20,489
New Endowments	20	40	12
Actuarial gain in respect of pension scheme	29	(3,090)	4,759
Total recognised gains / (losses) relating to the year		2,047	30,155

**Reconciliation of Opening and Closing Reserves
for the Year Ended 31 July 2015**

	Note	2014/15 £ 000	2013/14 £ 000
Opening reserves and endowments			
Endowments	20	314	331
Income & expenditure	21	41,974	32,083
Revaluation reserve	22	43,594	23,313
		85,882	55,727
Total recognised gains for the year		2,047	30,155
		87,929	85,882
Closing reserves and endowments			
Endowments	20	231	314
Income & expenditure	21	44,470	41,974
Revaluation reserve	22	43,228	43,594
		87,929	85,882

Balance Sheet as at 31 July 2015

	Note	Group		University	
		2015 £ 000	2014 £ 000	2015 £ 000	2014 £ 000
Fixed assets					
Tangible assets	12	121,160	120,393	121,160	120,393
Investments	13	-	-	-	-
		<u>121,160</u>	<u>120,393</u>	<u>121,160</u>	<u>120,393</u>
Endowment assets	14	231	314	231	314
Current assets					
Stocks		30	26	30	26
Debtors due within one year	15	2,590	3,134	2,647	3,146
Investments - short term deposits		2,264	262	2,264	262
Cash at bank and in hand		16,082	12,494	16,004	12,438
		<u>20,966</u>	<u>15,916</u>	<u>20,945</u>	<u>15,872</u>
Creditors: amounts falling due within one year	16	(7,600)	(6,238)	(7,572)	(6,202)
Net current assets		<u>13,366</u>	<u>9,678</u>	<u>13,373</u>	<u>9,670</u>
Total assets less current liabilities		<u>134,757</u>	<u>130,385</u>	<u>134,764</u>	<u>130,377</u>
Creditors: amounts falling due after more than one year	17	(23,408)	(23,975)	(23,408)	(23,975)
Provisions for liabilities and charges	18	(627)	(675)	(627)	(675)
Net assets excluding pension liability		<u>110,722</u>	<u>105,735</u>	<u>110,729</u>	<u>105,727</u>
Net pension liability	29	(10,877)	(7,793)	(10,877)	(7,793)
NET ASSETS		<u>99,845</u>	<u>97,942</u>	<u>99,852</u>	<u>97,934</u>
Deferred capital grants	19	11,916	12,060	11,916	12,060
Endowments					
Restricted expendable	20	201	278	201	278
Restricted permanent	20	30	36	30	36
		<u>231</u>	<u>314</u>	<u>231</u>	<u>314</u>
Reserves					
Income and expenditure account excluding pension reserve	21	55,347	49,767	55,354	49,759
Pension reserve	29	(10,877)	(7,793)	(10,877)	(7,793)
Income and expenditure account including pension reserve	21	44,470	41,974	44,477	41,966
Revaluation reserve	22	43,228	43,594	43,228	43,594
		<u>87,698</u>	<u>85,568</u>	<u>87,705</u>	<u>85,560</u>
TOTAL FUNDS		<u>99,845</u>	<u>97,942</u>	<u>99,852</u>	<u>97,934</u>

The Financial Statements on pages 62 to 88 were approved by the Governors on 12 November 2015 and signed on their behalf by:



Professor Karen Stanton
Vice Chancellor



Ann M Green CBE
Chairman and Pro Chancellor

**Consolidated Cash Flow Statement
for the Year Ended 31 July 2015**

	Note	2014/15 £ 000	2013/14 £ 000
Net cash inflow from operating activities	24	10,133	9,835
Returns on investments and servicing of finance	25	(912)	(758)
Taxation	11	(8)	(21)
Capital expenditure and financial investment	26	(3,249)	(20,605)
Management of liquid resources		(2,002)	4,989
Financing	27	(458)	11,542
Increase in cash		<u>3,504</u>	<u>4,982</u>

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

	Note	2014/15 £ 000	2013/14 £ 000
Increase in cash in the year		3,504	4,982
Increase / (Decrease) in short term deposits		2,002	(4,989)
(Increase) / Decrease in debt	27	458	(11,542)
(Increase) / Decrease in net debt		<u>5,964</u>	<u>(11,549)</u>
Net funds / (Net debt) at 1 August 2014 / 2013	27	(11,095)	454
Net funds / (Net debt) at 31 July 2015 / 2014	27	<u>(5,131)</u>	<u>(11,095)</u>

Notes to the Financial Statements

1 Funding Council grants

	2014/15	2013/14
	HEFCE	HEFCE/NCTL
	£ 000	£ 000
Recurrent grant	1,842	4,759
Specific grants	470	574
Deferred capital grants:		
Buildings (note 19)	231	231
Equipment (note 19)	374	346
	2,917	5,910

2 Tuition fees and education contracts

	2014/15	2013/14
	£ 000	£ 000
Home full-time students	35,005	26,837
Overseas students	5,347	3,643
Part-time students	937	1,100
Short course fees	892	863
Occupational therapy and physiotherapy students	3,859	3,933
	46,040	36,376

3 Research grants and contracts

	2014/15	2013/14
	£ 000	£ 000
UK Research Councils	45	26
UK-based charities	100	60
Industry and commerce	20	-
Governmental	110	29
Other	61	128
	336	243

4 Other income

	2014/15	2013/14
	£ 000	£ 000
Residences, catering and conferences	9,866	9,886
Releases from deferred capital grants, non-Funding Council (note 19)	13	29
Other income	2,269	2,315
	12,148	12,230

5 Endowment and investment income

	2014/15	2013/14
	£ 000	£ 000
Income from expendable endowments	1	2
Other interest received	93	103
	94	105

6 Staff costs

	2014/15	2013/14
	£ 000	£ 000
Wages and salaries	24,184	22,655
Social security	1,739	1,665
Other pension costs (including FRS 17 adjustments, note 29)	3,570	3,114
	29,493	27,434

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

	2014/15	2013/14
	Number	Number
Academic faculties	336	319
Academic services	76	74
Administration and central services	136	127
Premises	65	59
Residence and catering	20	24
	633	603

* HEFCE - Higher Education Funding Council for England

* NCTL - National College for Teaching and Leadership

7 Higher paid employees

The emoluments of the Vice Chancellor during the year were:

	2014/15	2013/14
	£ 000	£ 000
Salary	202	190
Bonus	20	20
Other benefits	1	10
Standard rated employer's pension costs	27	27
	<u>250</u>	<u>247</u>

In September the Vice Chancellor was granted early retirement from the University, and the Governing Body approved an additional pension contribution of £223,000 to enhance the pension to the level at normal retirement age.

No other Director received any remuneration.

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

	2014/15	2013/14
£100,000 - £110,000	-	2
£110,001 - £120,000	-	-
£120,001 - £130,000	2	1
£130,001 - £140,000	-	-
£140,001 - £150,000	1	1

8 Audit Fees

Other operating expenses include:

External auditors remuneration in respect of:

	2014/15	2013/14
	£ 000	£ 000
Audit of Accounts	45	45
Audit Related Assurance Services	4	5
Taxation Compliance Services	8	6
Corporate Finance Services	-	40
Internal auditors	45	40

9 Interest and other finance costs

Loans repayable in the year

Repayable wholly or partly in more than five years

Net charge on pension scheme (note 29)

	2014/15	2013/14
	£ 000	£ 000
Loans repayable in the year	-	-
Repayable wholly or partly in more than five years	1,006	939
Net charge on pension scheme (note 29)	(190)	138
	<u>816</u>	<u>1,077</u>

10 Analysis of expenditure by activity

	Staff	Non-Staff	2014/15	2013/14
	£ 000	£ 000	£ 000	£ 000
Academic departments	17,502	7,828	25,330	21,788
Academic services	3,019	2,863	5,882	4,924
Premises	1,777	4,996	6,773	6,561
Residences, catering and conferences	468	7,616	8,084	7,601
Research grants and contracts	213	123	336	243
Administration and central services	2,447	747	3,194	3,260
General educational expenditure	1,995	1,895	3,890	3,436
Staff and student facilities	2,072	830	2,902	2,121
	<u>29,493</u>	<u>26,898</u>	<u>56,391</u>	<u>49,934</u>

11 Taxation (Group only)

The Governing Body do not believe that the University is liable for any corporation tax arising out of its activities during the period.

	2014/15	2013/14
	£ 000	£ 000
Overseas taxation	8	4
	<u>8</u>	<u>4</u>
Tax paid in the year	8	21

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 2014							
Valuation	113,632	-	-	-	-	-	113,632
Cost	1,129	131	2,517	3,317	3,485	1,883	12,462
Additions at cost	1,276	-	-	1,380	358	1,103	4,117
Transfers	1,735	-	-	8	(8)	(1,735)	-
Revaluation	-	-	-	-	-	-	-
Disposals	-	-	(54)	(99)	(192)	-	(345)
At 31 July 2015							
Valuation	113,632	-	-	-	-	-	113,632
Cost	4,140	131	2,463	4,606	3,643	1,251	16,234
	<u>117,772</u>	<u>131</u>	<u>2,463</u>	<u>4,606</u>	<u>3,643</u>	<u>1,251</u>	<u>129,866</u>
Depreciation							
At 1 August 2014	-	50	1,332	2,115	2,204	-	5,701
Charge for Year	2,020	20	183	629	447	-	3,299
Transfers	-	-	-	-	-	-	-
Written back on revaluation	-	-	-	-	-	-	-
Disposals	-	-	(48)	(91)	(155)	-	(294)
Depreciation at 31 July 2015	<u>2,020</u>	<u>70</u>	<u>1,467</u>	<u>2,653</u>	<u>2,496</u>	<u>-</u>	<u>8,706</u>
Net book value							
At 31 July 2015	<u>115,752</u>	<u>61</u>	<u>996</u>	<u>1,953</u>	<u>1,147</u>	<u>1,251</u>	<u>121,160</u>
At 1 August 2014	<u>114,761</u>	<u>81</u>	<u>1,185</u>	<u>1,202</u>	<u>1,281</u>	<u>1,883</u>	<u>120,393</u>
Financed by:							
Capital grant	11,392	-	44	431	49	-	11,916
Other	104,360	61	952	1,522	1,098	1,251	109,244
Net book value at 31 July 2015	<u>115,752</u>	<u>61</u>	<u>996</u>	<u>1,953</u>	<u>1,147</u>	<u>1,251</u>	<u>121,160</u>

Buildings were revalued on an existing use basis by an independent Chartered Surveyor, Nigel Taylor FRICS of Taylor York Commercial Limited on 31 July 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 buildings at valuation as at 31 July include notionally directly attributable acquisition costs of £8.8m relating to irrecoverable VAT.

The historical cost of assets held at valuation is £85.7m (2014: £84.5m).

The next full valuation is due in July 2016.

The exchequer interest in fixed assets is £5.2m (2014: £6.3m).

13 Investments (University and Group)

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)

	2014/15 £ 000	2013/14 £ 000
Balance at 1 August 2014	314	331
New endowments invested	40	12
Increase / (Decrease) in debtor balances held for endowment funds	1	(3)
(Decrease) / Increase in cash balances held for endowment funds	(124)	(26)
Balance at 31 July 2015	<u>231</u>	<u>314</u>
Represented by:		
Cash	229	313
Debtors	<u>2</u>	<u>1</u>

15 Debtors

	Group		University	
	2015 £ 000	2014 £ 000	2015 £ 000	2014 £ 000
Amounts falling due within one year:				
Trade Debtors	1,507	2,052	1,507	2,052
Subsidiary Company: York SJ SDN BHD	-	-	57	12
Prepayments and accrued income	1,083	1,082	1,083	1,082
	<u>2,590</u>	<u>3,134</u>	<u>2,647</u>	<u>3,146</u>
Amounts falling due after one year:				
Prepayments and accrued income	-	-	-	-

16 Creditors: amounts falling due within one year

	Group		University	
	2015 £ 000	2014 £ 000	2015 £ 000	2014 £ 000
Unsecured loans	904	458	904	458
Trade creditors	1,477	1,057	1,477	1,057
Social security and other taxation payable	666	680	666	680
Accruals and deferred income	4,553	4,043	4,525	4,007
	<u>7,600</u>	<u>6,238</u>	<u>7,572</u>	<u>6,202</u>

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

	2015 £ 000	2014 £ 000
Unsecured loans:		
Amounts repayable in:		
1 to 2 years	1,748	960
2 to 5 years	2,701	2,634
More than 5 years	<u>18,353</u>	<u>20,112</u>
	22,802	23,706
Deferred income	606	269
	<u>23,408</u>	<u>23,975</u>

Deferred income represents lease premiums being released over the life of the agreements

The University has a 25-year loan facility of £13m on a fixed interest rate due to be repaid in July 2033, a loan 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	Total £ 000
At 1 August 2014	675	675
Movement of provision in the year	(48)	(48)
Balance at 31 July 2015	<u>627</u>	<u>627</u>

19 Deferred capital grants (University and Group)

	Buildings £ 000	*Equipment £ 000	Total £ 000
Balance at 1 August 2014	11,626	434	12,060
Received in year	-	474	474
Transferred to Income & Expenditure account	(234)	(384)	(618)
Balance at 31 July 2015	<u>11,392</u>	<u>524</u>	<u>11,916</u>
Capital grants were provided by:	£ 000	£ 000	£ 000
Higher Education Funding Council for England	11,303	498	11,801
National Health Service	-	26	26
Students' Union	89	-	89
	<u>11,392</u>	<u>524</u>	<u>11,916</u>

*Equipment includes computers, fixtures and fittings

20 Endowments (University and Group)

Restricted endowments	Permanent	Expendable	2015 Total	2014 Total
	£ 000	£ 000	£ 000	£ 000
Balances brought forward at 1 August				
Capital	36	278	314	314
Accumulated income	-	-	-	17
	<u>36</u>	<u>278</u>	<u>314</u>	<u>331</u>
New endowments	-	40	40	12
Investment income	-	1	1	2
Expenditure	(6)	(118)	(124)	(31)
Balances carried forward at 31 July	<u>30</u>	<u>201</u>	<u>231</u>	<u>314</u>
Represented by				
Capital	30	201	231	314
Accumulated income	-	-	-	-
Balances carried forward at 31 July	<u>30</u>	<u>201</u>	<u>231</u>	<u>314</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

	Group		University	
	2015 £ 000	2014 £ 000	2015 £ 000	2014 £ 000
Balance brought forward at 1 August	41,974	32,083	41,966	32,072
Surplus for the year	5,220	4,924	5,235	4,927
Actuarial (loss) / gain in respect of pension scheme	(3,090)	4,759	(3,090)	4,759
Release from revaluation reserve	366	208	366	208
Balance carried forward at 31 July	<u>44,470</u>	<u>41,974</u>	<u>44,477</u>	<u>41,966</u>
Balance represented by:				
Income and expenditure account	55,347	49,767	55,354	49,759
Pension reserve	(10,877)	(7,793)	(10,877)	(7,793)
	<u>44,470</u>	<u>41,974</u>	<u>44,477</u>	<u>41,966</u>
Surplus for the year is analysed as follows:				
University's surplus for the period	5,235	4,927		
Surplus retained by subsidiary	(15)	(3)		
	<u>5,220</u>	<u>4,924</u>		

22 Revaluation reserve (University and Group)

	2015	2014
	£ 000	£ 000
Revaluations		
At 1 August 2014	43,594	23,313
Add: Revaluation in the year	-	15,668
Add: Cumulative depreciation written back on revaluation	-	4,821
Less: Contribution to depreciation for the year	(366)	(208)
At 31 July 2015	<u>43,228</u>	<u>43,594</u>

23 Capital commitments (University and Group)

	2015	2014
	£ 000	£ 000
Commitments contracted at 31 July	<u>2,316</u>	<u>2,635</u>

Capital commitments include the development of a Biomedical Science Laboratory, refurbishment of student accommodation at Grange, IT infrastructure, the dining room extension and the completion of the playing fields development at Haxby Road.

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

	2014/15	2013/14
	£ 000	£ 000
Surplus before tax on continuing operations after depreciation of assets at valuation or cost and disposal of assets	5,105	4,899
Depreciation	3,299	2,830
Deferred capital grants released	(618)	(606)
Endowment and investment income	(94)	(105)
Loss on disposal of assets	39	31
Interest payable	1,006	939
Pension costs less contributions payable (notes 6, 9, and 29)	(6)	314
Decrease / (Increase) in stocks	(4)	6
Decrease / (Increase) in debtors	543	553
Increase / (Decrease) in creditors	911	1,070
Increase / (Decrease) in provisions	(48)	(96)
Net cash inflow from operating activities	<u>10,133</u>	<u>9,835</u>

25 Returns on investments and servicing of finance

	2014/15	2013/14
	£ 000	£ 000
Income from expendable endowments	1	2
Other interest received	93	103
Interest paid	(1,006)	(863)
	<u>(912)</u>	<u>(758)</u>

26 Capital expenditure and financial investment

	2014/15	2013/14
	£ 000	£ 000
Tangible assets acquired	(3,775)	(20,850)
Receipts from sale of assets and investments	12	-
New endowments received	40	12
Deferred capital grants received	474	233
Deferred capital grants transferred from creditors	-	-
	<u>(3,249)</u>	<u>(20,605)</u>

27 Financing

	2015 £ 000	2014 £ 000
Mortgages and loans		
Balance at 1 August 2014	24,164	12,622
New loans	-	12,036
Capital repayments	(458)	(494)
	(458)	11,542
Balance at 31 July 2015	23,706	24,164

	At 1 August 2014 £ 000	Cash flow £ 000	Other changes £ 000	At 31 July 2015 £ 000
Endowment cash	313	(84)	-	229
Cash at bank and in hand	12,494	3,588	-	16,082
Short term deposits	262	2,002	-	2,264
Debt due within one year	(458)	458	(904)	(904)
Debt due after one year	(23,706)	-	904	(22,802)
	(11,095)	5,964	-	(5,131)

28 Operating leases

	2014/15 £ 000	2013/14 £ 000
Operating lease rentals included in other operating expenditure		
Land and buildings	3,024	2,864
Other	105	99

Commitments on operating leases can be analysed as follows:

	2015			2014		
	Buildings £ 000	Equipment £ 000	Total £ 000	Buildings £ 000	Equipment £ 000	Total £ 000
Commitments expiring:						
Within one year	-	-	-	-	-	-
2-5 years	-	63	63	-	55	55
After 5 years	3,089	-	3,089	2,956	-	2,956
	3,089	63	3,152	2,956	55	3,011

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 previous Chaplain. These are all independently administered schemes

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

- 14.1% for academic staff
- 16.5% for non academic staff

	2014/15 £ 000	2013/14 £ 000
Total pension costs included in staff costs for the year		
Teachers' Pension Scheme: contributions paid	1,781	1,489
Church of England Pension Scheme: contributions paid	(1)	8
North Yorkshire County Council Superannuation Fund: charge to the Income & Expenditure account (note 29a iii)	1,771	1,561
Enhanced pension charged to the Income & Expenditure account	19	56
	3,570	3,114

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' Pension Scheme for academic staff and the Church of England Pensions Scheme 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 2015

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 2015.

It is based upon a full actuarial valuation of the Fund at 31 March 2013 updated to 31 July 2015 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 2015.

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		2.30%	2.00%
Rate of increases in salaries		3.80%	3.50%
Rate of increases in pensions		2.30%	2.00%
Discount rate		4.30%	3.50%
Retired today	Males	23.0	23.2
	Females	25.5	25.7
Retiring in 20 years	Males	25.3	25.4
	Females	27.8	28.0

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

	Value at 31 July 2015	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
	£000		£000		£000
Equities	26,356	7.00%	22,888	7.00%	20,414
Government Bonds	6,929	3.20%	3,958	3.30%	2,863
Other Bonds	3,114	4.10%	4,817	4.30%	3,517
Cash	526	0.50%	187	0.50%	654
Property	2,982	6.20%	2,166	5.70%	1,089
Other	3,947	7.00%	3,323	7.00%	2,583
Total Market Value of assets	43,854		37,338		31,120
Liabilities	(54,731)		(45,131)		(43,590)
Deficit	(10,877)		(7,793)		(12,470)

29a North Yorkshire County Council Superannuation Fund: non academic staff (continued)
iii) The results of the FRS 17 valuation at 31 July 2015, included in the Financial Statements

	2014/15	2013/14
Charges to Income & Expenditure account		
Staff costs	£ 000	£ 000
Current Service cost	1,771	1,560
Curtailment cost	-	-
	<u>1,771</u>	<u>1,560</u>
Provision for pension cost of restructuring	-	1
Staff costs	<u>1,771</u>	<u>1,561</u>
Interest payable	£ 000	£ 000
Pension finance income / (costs):		
Expected return on pension scheme assets	(2,158)	(1,856)
Interest on pension liabilities	1,968	1,994
Interest payable	<u>(190)</u>	<u>138</u>
Amount Recognised in the Statement of Total Recognised Gains and Losses (STRGL)		
	£ 000	£ 000
Actuarial losses / (gains) on pension scheme assets	(3,208)	(2,648)
Actuarial (gains) / losses on pension scheme liabilities	6,298	(2,111)
Actuarial losses / (gains) recognised in STRGL	<u>3,090</u>	<u>(4,759)</u>
Movement in deficit during the year	£ 000	£ 000
Deficit in the scheme at 1 August	7,793	12,239
Current service cost	1,771	1,560
Employer contributions	(1,587)	(1,385)
Curtailment costs	-	-
Net interest / return on assets	(190)	138
Actuarial loss / (gain)	3,090	(4,759)
Deficit in the scheme at 31 July	<u>10,877</u>	<u>7,793</u>
Analysis of the movement in the present value of the scheme liabilities	£ 000	£ 000
At beginning of the year	45,131	43,359
Current service cost	1,771	1,560
Interest cost	1,968	1,994
Contributions by scheme participants	647	574
Actuarial gains and losses	6,298	(2,111)
Benefits paid	(1,084)	(245)
Curtailments	-	-
At end of the year	<u>54,731</u>	<u>45,131</u>
Analysis of movement in the market value of the scheme assets	£ 000	£ 000
At beginning of the year	37,338	31,120
Expected rate of return on scheme assets	2,158	1,856
Actuarial gains and losses	3,208	2,648
Contribution by the employer	1,587	1,385
Contributions by scheme participants	647	574
Benefits paid	(1,084)	(245)
At end of the year	<u>43,854</u>	<u>37,338</u>

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

	2015	2014	2013	2012	2011
Difference between the expected and actual return on assets:	(3,208)	(2,648)	(4,792)	1,414	(2,353)
Percentage of scheme assets	(7.32%)	(7.09%)	(15.40%)	5.88%	(10.10%)
Experience gains/(losses) arising on the scheme liabilities	264	1,525	-	-	754
Percentage of scheme liabilities	0.48%	3.40%	0.00%	0.00%	2.10%
Total amount recognised in STRGL	3,090	(4,759)	(4,010)	3,276	(416)
Percentage of scheme liabilities	5.65%	(10.54%)	(9.20%)	8.22%	(1.18%)

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 3.0%), 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 £191.5 billion (£176.5 billion on the prior valuation). The assumed real rate of return is 3.0% in excess of prices and 2.75% in excess of earnings. The assumed gross rate of return is 5.06%.

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. No funding was received during 2014/15.

	2014/15	2013/14
	£ 000	£ 000
Income received	-	102
Interest added	-	-
	<u>-</u>	<u>102</u>
Disbursements	<u>-</u>	<u>104</u>

30b NCTL training bursaries

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

	2014/15	2013/14
	£ 000	£ 000
Income received	<u>1,305</u>	<u>765</u>
Disbursements	<u>794</u>	<u>991</u>

31 Related party transactions

The University made a grant to the York St John Students' Union of £436,750 (2014: £361,000).

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) at		Income		Expenditure	
	31 July		2014/15	2013/14	2014/15	2013/14
	2015	2014	2014/15	2013/14	2014/15	2013/14
	£	£	£	£	£	£
City of York Council	(54,724)	(54,413)	409,387	17,059	164,938	156,582
College of Occupational Therapists	-	-	10,192	-	27,119	26,941
Quality Assurance Agency	-	-	-	-	13,390	28,000
UCAS	-	-	-	-	88,879	84,212
York Citizens Theatre Trust	-	-	-	-	19,614	22,332
York College	-	10,000	142,510	149,448	-	-
York Teaching Hospital NHS Trust	27,206	30,594	356,948	556,497	10,968	16,370
Yorkshire Universities	-	-	-	-	10,810	10,810

Students in the Quad





Students on Lord Mayor's Walk



