



Annual Report and Financial Statements

Year ended 31 July 2015

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Outstanding Human Resources Team



Highlights of the Year

Graduate employability¹:

96%

of full-time first degree graduates in employment or further study within six months of graduating

3%

above the UK average of 93%

Top 20 in the country

- Top modern university in London for employment of graduates
- First in our comparator group of modern universities in London where the average score is 90%
- UWL outperformed the employability rates of all Russell Group institutions in the UK

The Vice-Chancellor selected as finalist for Most Inspiring University Leader of the year 2015

Partnership with the English Chamber Orchestra 2015

Top 10

in Good University Guide for mature students

Silver

level award for Eco Campus Status

Completion of multi-million pound investment in the Ealing Road Campus including:

- Heart space and performance space
- Blast Radio with state of the art-facilities
- New catering facility
- New Library
- New mock court room opened in Ealing Law School

Expansion of Nursing and Midwifery contracts

£5.2m

Financial results: Operating surplus of £5.2m

All financial targets met or exceeded

£80m

Income exceeding £80m (3% above budget)

6.5%

For return on income

¹ Destination of Leavers in Higher Education Survey of Graduates 2014 (published July 2015)

Message from the Chair of the Board of Governors

Nearing the end of my sixth year as Chair of the Board of Governors provides an opportunity to reflect on the positive changes the Institution has achieved during those years and to look forward to the potential of the next five years.

This review highlights some of the achievements of the third year of University of West London's 2013-2018 Strategic Plan: Ambition 2018. After two years progress with the plan continues well in spite of all the challenges facing the sector: all the University's



financial targets were met or exceeded, graduate employment rates climbed another percentage point to 96%, and, as a result of these and many other successes, we are attracting more and better student applications every year.

A strong financial outcome in 2013/14 allowed the University to launch a major campus investment programme which was completed in September 2015. This year saw the opening of the new Paul Hamlyn Library, a new catering and social space, 'Heart', together with improved refurbished teaching rooms. The re-development of the campus has provided state of the art facilities for students, which will enhance their experience in the years to come.

The whole development programme has undoubtedly provided some challenges to both staff and students over the last two years and I would like to record my thanks to all the staff, and particularly the Vice-Chancellor, for their continuing commitment to the University while the project was underway.

Chris Humphries CBE
Chair of the Board of Governors

Message from the Vice-Chancellor and Chief Executive



Sitting as we do in the heart of west London, we remain an integral part of the principal gateway to the heart of the most prosperous city in Western Europe.

We are determined to take advantage of our proximity to this engine of economic growth by positioning ourselves as the career-focused university for London where we balance a traditional commitment to education as a public good with a brand promise that sees employability as our primary purpose.

This review provides a synopsis of the institutional achievements and developments for the academic year 2014-15. The overview relates to the third year of our strategic plan Ambition 2018 and shows how the firm foundations for the achievement of our strategic aims and key performance indicators have been laid. Indeed some of the targets we set ourselves have already been met. Of note was our graduate employability rate, which hit an all-time high with 96% of our students gaining employment within six months of graduating. This success was supported by another year of strong financial performance in a challenging political environment as we came to the end of the re-generation of our Ealing campus and prepared to purchase our Brentford campus. The completion of our Future Campus Project in Ealing marks the end of two years with the development of superb teaching and learning facilities for our students. There were many other successes and all are built on the hard work, dedication and commitment of all our staff, both academic and those in the professional services who provide the solid foundations for all our successes.

Professor Peter John
Vice Chancellor and Chief Executive

Operating and Financial Review

Our heritage

The origins of the University of West London date back over 150 years to 1860 when the Lady Byron School was first opened on the Ealing site. Today, the University is a thriving institution whose core aims are to inspire students to become ‘creative professionals’ and to connect them to exciting and rewarding careers.

Based in the heart of one of the UK’s most successful business regions, the University has a wealth of experience in a number of disciplines and strong connections with key industries.

The University has a strong reputation for high quality, career focussed education closely linked to employment: 96%* of our graduates are in full-time employment within six months of graduating and our graduates go on to achieve great success in their chosen disciplines and professions.



96%

of our graduates are **in employment** within six months of graduating*

* According to Employment Performance Indicators (EPI) figures published by HESA in July 2015. Graduates who have studied an undergraduate degree programme.

Operating and Financial Review

Ambition 2018: Mission, values and strategic aims

Ambition 2018

A vibrant transformational strategic plan for the period 2013-18 ‘Ambition 2018’ was launched in 2013. The plan aims to secure the University’s mission as a sector leading institution specialising in the education and development of ‘creative professionals’. It is underpinned by a clear and ambitious vision and value proposition:

‘To provide a high quality career-focused student experience connected to the world of work and underpinned by a guaranteed work placement’

The plan promotes excellence in student learning, experiences and outcomes. It focuses on employability to develop students with the career credentials they will need for success and leadership in the 21st century.

As well as diversity and the advancement of the University’s reputation, the plan also concentrates on impactful research which can benefit people, society and the economy.

Sector context

Higher Education in the UK continued to operate in a turbulent external environment during the 2014-15 academic year. The control of the numbers of full-time undergraduate entrants and increased competition through the emergence of new providers continued, although student demand increased. Stricter immigration regulations affected the sector’s ability to recruit international students, particularly for modern universities. This is a trend that is expected to continue.

The removal of the student number control for undergraduate entrants in 2015-16 is expected to lead to increased competition between universities for a potentially declining pool of students. Demographics will present future challenges to undergraduate recruitment due to a declining 18 year old population in England and EU countries over the next 5 years.

Public Sector finances remain constrained and further cuts in HEFCE funding are anticipated. As well as austerity measures, another financial challenge for the sector is the huge reduction in capital grant funding. This is coupled with greater expectations from students who are paying £9,000 in fees and the need to maintain and enhance facilities. In order to fund these future capital requirements universities need to increase the level of surpluses (sector average is only, per HEFCE, 3.9%).

The new government announced that the current maintenance grants for students from families with low incomes will be made into loans from 2015/16. This, together with potential cuts in funding for widening participation, may well have a disproportionate effect on the modern universities.

Operating and Financial Review
 Ambition 2018: Mission, values and strategic aims
 Continued



Student demand

Across the sector, UCAS reported a total of 673,040 applicants in 2014-15, a 2% increase compared with 2013-14. Within this, English applicants increased by 1% and EU non-UK applicants increased by 8%.

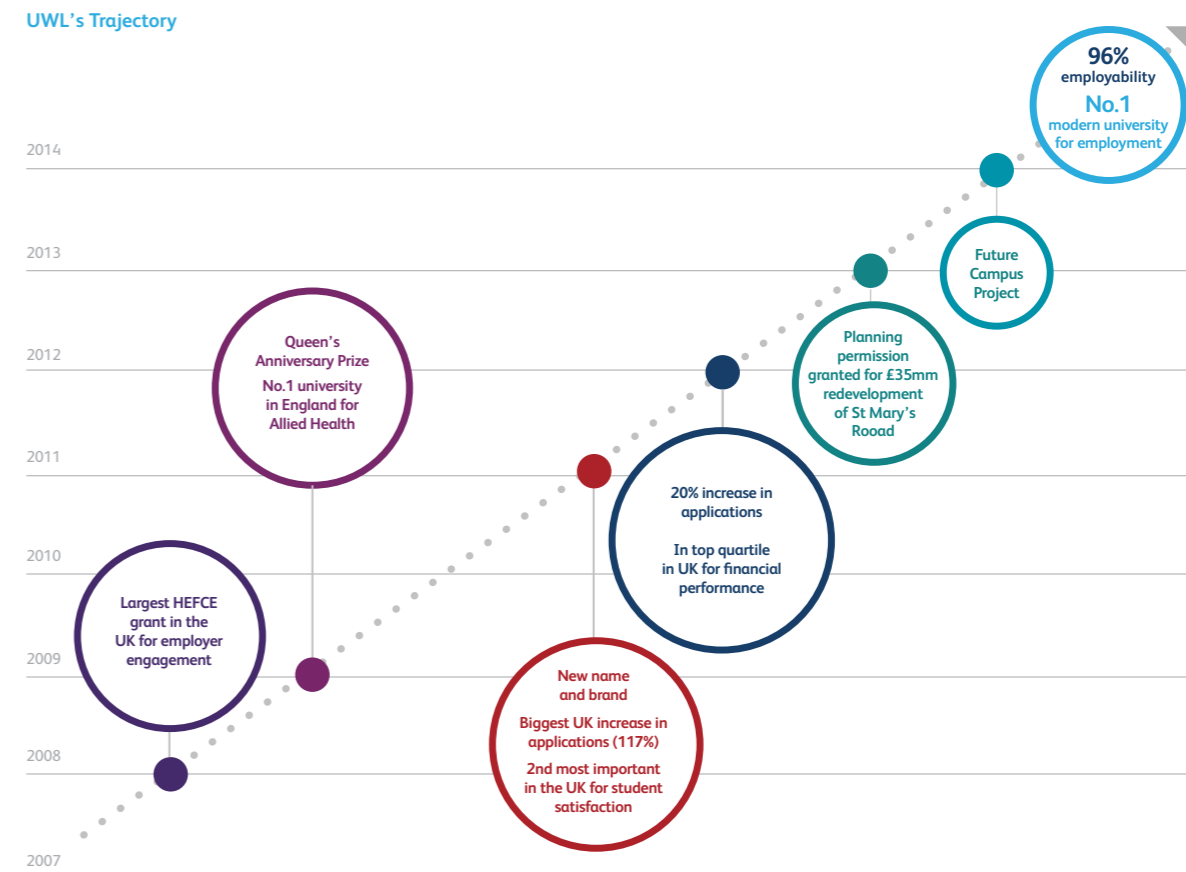
The number of part-time undergraduate entrants fell by 55% between 2010-11 and 2014-15 from 258,885 to 116,025. Around two-thirds of potential part-time students are ineligible for government loans as they wish to study for a qualification that is not equivalent to or at a lower level than the qualification they already hold.

The numbers of Home/EU full time postgraduate taught students increased in 2014-15, but at a lower rate compared to previous years. Home/EU part time postgraduate entrants continued to decline in 2014-15 but at a lower rate than last year. 2015-16 will be the first year that students starting their undergraduate study under the new high cost undergraduate tuition fee system will be able to progress to postgraduate study and the impact of this will be closely monitored across the sector. There is an on-going reliance on

international students at postgraduate level, particularly in STEM subjects, making this market vulnerable to any volatility in the overseas student market. This coupled with stricter immigration regulations, affected the sector's ability to recruit international students.

Operating and Financial Review
 Further progress

The last six years have seen a remarkable transformation of the University and it now has strong financial indicators and an excellent recruitment record. The trajectory of change is illustrated below:



Graduate employability:

No.1
 Modern University for Employment*

Financial results:

Operating surplus of
£5.2m
 All financial targets met or exceeded

*Destination of Leavers in Higher Education Survey of Graduates 2014 (published July 2015)

Operating and Financial Review

Further progress

Continued

London provides the principal gateway for international trade and inward investment for the UK economy. It is also a major centre of global finance. A number of high level reports predict that by 2018 the economic activity in such areas as the media industries,

hospitality and tourism, IT and management will be pivotal to the success of London and the recovery of the UK as a whole.

As part of *Ambition 2018*, the University has mapped its portfolio against these needs and how it can deliver programmes to meet them.

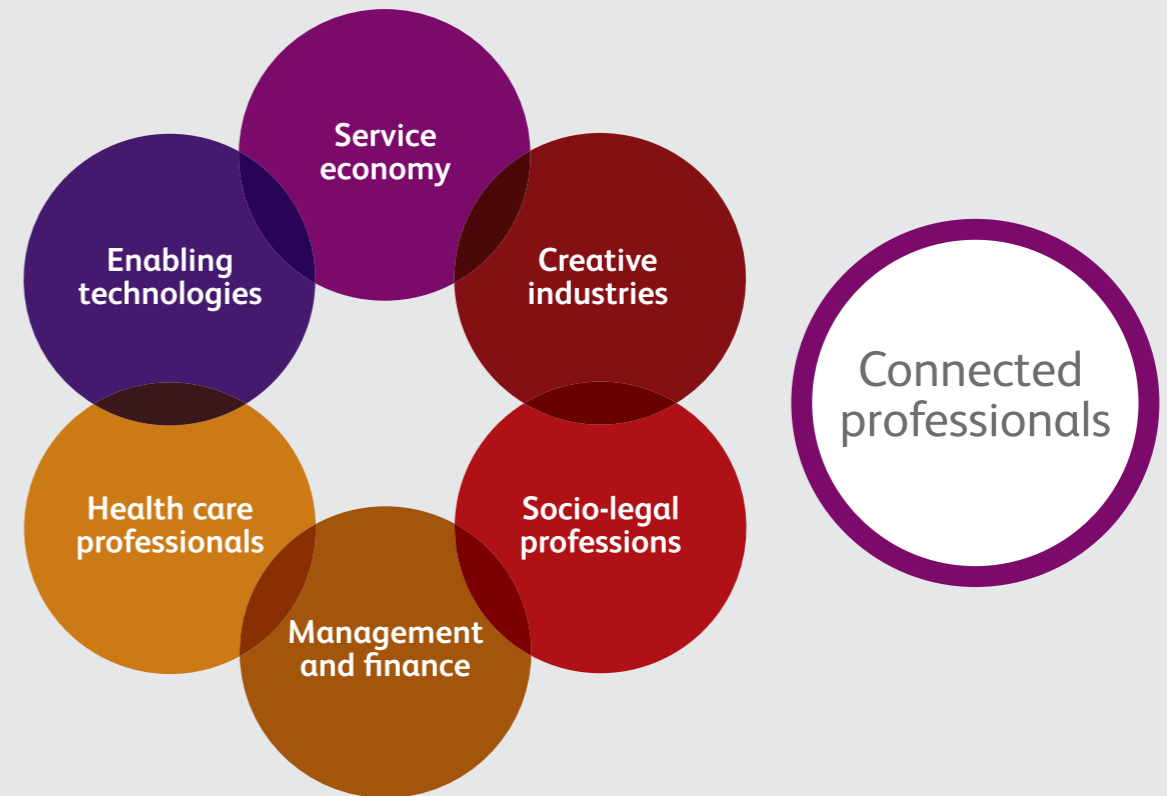
In 2014/15 it developed new programmes in areas such as Broadcast Journalism, Food Business Management, Electrical and Electronic Engineering in order to respond to requirements and plans to deliver more over the coming years.

Operating and Financial Review

Further progress

Continued

UWL's positioning and portfolio



In order to deliver this demand-led curriculum, the University has structured itself into eight schools:

- London College of Music
- School of Psychology, Social Care and Human Sciences
- College of Nursing, Midwifery and Healthcare
- The Claude Littner Business School
- Ealing Law School
- London College of Hospitality and Tourism
- School of Computing and Engineering
- London School of Film, Design and Media

In addition to the above, the University offers a suite of further education courses in hospitality and the culinary arts as part of its Professional Skills Academy. In 2015/16 the University also plans to launch UWLpart-time, UWLonline and UWLPG to improve its offer in these areas.

Operating and Financial Review

Further progress

Continued



The University continues to work collaboratively with its NHS partners as they undergo significant organisational change in the light of Government policy. The University will continue to anticipate and meet the needs of NHS employers as new structures for service delivery and educational commissioning are introduced. The University's considerable presence in the London and Berkshire healthcare training market also continues to be a strategically important element of its portfolio, which accounted for 14.5% of the University's income in 2014-15 (£11.6m).

The University has a number of academic partnerships; currently 26 in total. These enable us to widen participation in HE, generate income and demonstrate a commitment by the University to genuine

external collaboration. Partner institutions range from FE Colleges across the UK, to private providers of Higher Education, both in this country and overseas. We have developed new partnership activity in the last academic year in Berlin, Singapore and Dublin, and we have partnerships in every School in particular, London College of Music and London School of Film, Media and Design. Current registered students on partnerships stand at 3440.

Partnerships represent a great strength to the University, but they also require diligent management. Inevitably the provision is at a distance, sometimes geographically, and the University has to be assured that all its partnership provision meets its expectations for standard and the quality of student learning opportunities.

Mechanisms are in place, both in Schools and within the Academic Quality Office, to audit, approve, monitor and review partnership activity. A July 2015 KPMG review of our External Relationships confirmed that these procedures are robust and that we manage partnership activity rigorously.

Operating and Financial Review

Key Performance Indicators (KPIs)

In order to monitor its progress with Ambition 2018 and to ensure the long-term academic and financial sustainability of the University, the Board has approved a set of long-term KPIs against which annual progress can be measured.

The University continued to make good progress against these indicators in 2014/15. The percentage of staff with HEA membership rose from

54% to 64% and the student employability indicator increased from 95% to 96%. The Staff Student Ratio improved from 18.3 to 17.3. The value of research bids rose from £4.1M to £5.72M and research income has increased from £0.4M to £1.12M. The percentage of academic staff with a doctorate has grown from 22% to 29%. The number of registered MPhil/PhD students has also increased.

Staff costs as a percentage of income remains in the top quartile. Operating surplus as a percentage of income (at 6.5%) continues to be significantly higher than the sector average of 3.8%.

The completion of St Mary's Road development has had a significant positive impact on the condition of the Estate.



Operating and Financial Review

Key risks

As part of the management of its operations, the University monitors a wide range of risks with a focus on four key risks relating to recruitment and retention, academic quality, finance and reputation. These risks and the range of actions the University takes to mitigate them are set out below.

Key risks	Key mitigating actions
Failure to achieve academic benchmarks and standards (incl. collaborative arrangements)	<ul style="list-style-type: none"> • Robust External Examiner system • FE Board monitoring of level 3 qualifications • 15 days Feedback policy • Schools to provide action plans in response to NSS and online module evaluations • Rise in HEA membership and new academic staff appointed with PhDs • Maintenance of outstanding OFSTED rating and good QA rating
Failure to achieve long term operational surplus, while giving students VFM	<ul style="list-style-type: none"> • Continuing to control staff costs via VMG and non-staff costs • Focussing on the budget and key metrics at senior management meetings • Horizon scanning sector for potential initiatives • Building contingencies into the income and cost budgets • Further embedding of Budget ownership and awareness of effective cost management • Strategic procurement of goods and services with consolidation to larger contracts
Failure to meet recruitment targets and extend to new markets	<ul style="list-style-type: none"> • Website development • Monitoring targets through the Recruitment Planning and Monitoring Group • International Strategy and Partnerships Group • Review of overseas agents • Increased Marketing activity • Mid-year recruitment on intensive courses • Development of the February course offer and more flexible provision for the PT market • Develop new international strategy and markets including in the EU
Failure to manage and improve institutional reputation	<ul style="list-style-type: none"> • League Table working group established • Completion of Future Campus Project in September 2015, designed around improving student experience • New catering provider appointed • Detailed strategy for enhancement of the student experience and NSS • New Learning, Teaching and Assessment Strategy to incorporate revised minimum standards and to establish new approach • Review of module evaluation and of the way Schools respond to feedback • Further embed joint or partnership working with SU

Operating and Financial Review

Our student profile

The University exceeded its full time undergraduate student number control of 1,714 entrants in 2014-15 and exceeded its target for recruitment of unlimited ABB+ or equivalent students.

Our part-time undergraduate degree recruitment reduced, reflecting the continuing sector trend of significant part-time undergraduate population decline. At postgraduate level, full time Home/EU taught and research recruitment increased at UWL in 2014-15 although part time recruitment decreased.

Overseas recruitment also reduced significantly at both undergraduate and postgraduate taught levels, due to UKVI compliance issues which remain a significant risk. However overall applications increased with 16,099 for 4,000 places in 2014/15, up from 15,987 in 2013/14.

In total, the University had 11,975 FTE students enrolled of whom 8,660 were undergraduate, 1605 postgraduate and 1710 were international. 69% of students were full-time and 31% were part-time. 26% of Higher Education students were NHS fundable. In addition there were 879 students enrolled on Further Education programmes (as at July 2015).

Widening participation

The University places great emphasis on widening participation in higher education, actively reaching out to under-represented groups at a local and national level. The University's performance is strong in terms of the participation of students from groups that are traditionally under-represented within Higher Education and the success of its work is underlined by the outcomes set out below:

- 96.6% of full-time first degree entrants are from State Schools or Colleges (6.9% above the national average of 89.7%)¹
- 47.5% of full-time first degree entrants are from social classes 4 to 7 (14.9% above the national average of 32.6%)
- 56% of the University's students were from Black and Minority Ethnic backgrounds
- 8.7% of entrants are from low participation neighbourhoods (1.5% above the London modern university average of 7.2%)

- 59% of full-time undergraduate entrants are from households with an income of £25,000 or less
- 5.2% of full time first degree students were in receipt of Disabled Students' Allowance

The University is seeking to improve its non-continuation rates and has increased the University's successful peer mentorship service. This has almost doubled in size from 156 drop-in users and 67 mentor pairings in 2012-13 to 304 drop-in users and 115 mentor pairings in 2014-15, with students from every School in the University now participating.

The University has a particular focus on care leavers. In 2014, the Buttle UK Quality Mark for care leavers was extended for a further two years, ensuring that 'cared for students' are supported by the University from recruitment through to graduation.

¹ Higher Education Statistics Agency Performance indicators 2013-14, published on 25 March 2015

Operating and Financial Review

Our student profile

Continued

In terms of equality and diversity in 2014-15, 57% of the University's students were from ethnic minority groups with 21% from Black ethnic groups, 16% from Asian ethnic groups and 20% from other/mixed ethnic groups. 63% of students were female, 32% were aged 30 or over and 9% had a disability.

Teaching and learning

During 2014-15, the University developed its new Learning, Teaching and Assessment strategy for 2014-2018, CREATE *Excellence* to help achieve our ambition to be consistently the best modern university in London. The strategy has been built on discussions across the whole University community, from within each academic School and across committees and working groups. The result is a strategy that is deliberately and unashamedly ambitious, but which is realistic and places at its heart the aim of excellence in learning and teaching.

The strategy has six key elements: Creativity and Core Skills, Research-Informed Learning, Teaching and Assessment, Employability, Applying Useful Knowledge, Technology-Enhanced Learning, and Engagement.



During 2014-15, work begun on a number of immediate priorities, including:

- The redevelopment and re-launch of a new personal tutor model, with associated staff development programmes based on academic support, a review and re-launch of peer review of teaching;
- More clearly defining and implementing consistently the placement guarantee;
- The development of opportunities for international exchange and collaboration especially through Erasmus+;
- The development of UWL Replay (lecture capture)
- A review and revision of the student portal;
- Developing the iConnect project and extending its reach to pre-entry students;
- Reviewing student attendance systems to support engagement;
- Developing a standardised module evaluation questionnaire with robust response rates and closed feedback loops; and
- Working with the SU to develop the student voice in Schools, courses and

Operating and Financial Review

Our student profile

Continued

The University has made good progress with these objectives and launched further new initiatives, particularly around personal tutoring and retention in September 2015. Some of this work will continue during 2015-16 alongside new priorities from the strategy, such as establishing Industrial Advisory Boards for all programmes and developing programme-level skills and assessment maps.

The University's eight academic schools are supported in their implementation of the University's strategy by a number of support units, including the Quality Office and the Institute for Teaching, Innovation and Learning (INSTIL), the latter led by the University's new Director of Learning, Teaching and Enhancement. The schools are required to address the core elements of the strategy both in their planning and reporting functions through the annual monitoring cycles.

Investment in high quality teaching facilities has continued during 2014-15 both at the St Mary's Road site in Ealing, Paragon House in Brentford and the Institute for Health in Reading, Berkshire



with much focused around library provision. The new Paul Hamlyn Library at our St Mary's Road site opened for the 2015-16 academic year, and offers a number of new services. With around 780 study spaces, it also houses a group study 'pavilion', four quiet study rooms, over 150 PCs, three PC training labs, two kilometres of book shelving, and new self-service technology for book check in/check out. New interactive floor plans help students quickly identify the locations of key resources. The launch of the new library comes with extensive term-

time 24/7 opening hours. In tandem with this development, the Paragon House library collection has moved to St. Mary's Road, enabling the second floor of Paragon House to be dedicated as a social learning space, incorporating quiet study zones, and access to the Students' Union and Student Services. Meanwhile, at Fountain House in Reading, a new library facility has opened providing study space and book and journal collections for the students at the Berkshire Institute for Health.

Student Employability and Employer Engagement

Our value proposition to students is clear: to provide an employment driven student experience, underpinned by personalised tuition and embedded in the world of work. All students joining the University will get a guaranteed work placement, excellent career support and mentoring from recognised champions of industry facilitated by the Centre for Employability and Employer Engagement.

The University has a long history of working effectively with employers, driving innovation, enterprise and economic growth in west London. We have a strong record of graduate employment, an international reputation in the fields of healthcare, music and hospitality and outstanding links with employers across a number of sectors.

We aim to ensure that our students' investment in their education at the University provides an excellent basis for their future career. Facilitating the transfer of knowledge, gained through study into experience within the workplace, lies at the heart

of this. The Centre for Employability and Employer Engagement combines career advice and support with an enhanced external-facing employer engagement function. This is supported by appropriate technology and an expanded volunteering activity. Working closely with Student Services, the Centre supports and facilitates students' access to a wide range of opportunities which enhance their employability skills and graduate employment prospects.

The University is able to demonstrate that it delivers on its promise to provide high quality career-focused education connected to the world of work. The effectiveness of this employability focus is evidenced by the fact that 96% of students who graduated in 2014 from full-time undergraduate courses were in employment or undertaking further study within six months of leaving. The University rating was 2.9% above the national average of 93.1% and the University is the top modern university in London for employment of

its graduates and in the top 3 modern universities in England. This is the 10th consecutive year that UWL has exceeded its benchmark (90.9%) and the 5th year that we have surpassed the benchmark by at least 5%.

IT Services worked with colleagues across the institution to deliver the electronic Higher Education Achievement Record ('HEAR'). This provides all students with a certified record of not only their academic progress but also all of their extra-curricular activities – a major benefit to their future employability.

Research and Enterprise

Research and enterprise activities remain a key element of academic life for the university, informing and enhancing the curriculum and creating opportunity through extension of knowledge. The innovation, insight, intellect and expertise of our staff and students continue to be the engine for knowledge creation whilst translating knowledge into practice by capitalising on our strategic position in London. Our interface with Business remains central to our mission to provide solutions to contemporary challenges thus generating "useful knowledge".

In the last academic year the University saw the income generated from research and enterprise increase by 11% to £14.2 million. There was an expansion of activities undertaken by London College of Music Examinations, particularly in SE Asia. Research and training activities delivered by College of Nursing, Midwifery and Healthcare with Health Education North West London were enhanced. There was also an extension of academic partnerships by London College of Music (BIMM UK and Berlin), Ealing Law School (ANC, Sri Lanka) and London College of Hospitality and Tourism (IIHM, India). These activities together yielded over £6 million. The University also received a grant from the Arts and Humanities

Research Council (AHRC) supporting research within the field of music technology. This, together with Knowledge Transfer Partnerships (KTP) enabling researchers within the School of Computing and Engineering to transfer their software development expertise to Arc Technology Ltd contributed towards the £1.2 million of research income.

In 2014/15, the University produced 158 outputs of national and international significance and secured £1.11 million of research funding (an increase from £0.9m in 2013/14). In 2014, in order to improve performance further, the University launched a new Research and Scholarship Strategy which set out three core objectives which lie at the heart of Ambition 2018 and some of the achievements are outlined below:

People: Developing staff expertise

The academic employment framework was introduced in 2013 and was designed to enhance opportunities for development and promotion. Through this and continued support of staff development and the launch of the University's in-house journal *New Vistas*, a significant number of staff engaged in scholarly activity and knowledge creation.

Knowledge: Create and disseminate useful knowledge

The University's translational research has local, regional, national and ultimately international impact. The College of Nursing, Midwifery and Healthcare guiding UK policy on infection control and the provision of midwifery care. There have been advances in the usability of mobile networks and enhanced technologies to improve the safety and durability of concrete structures within the School of Computing and Engineering. In addition, London College of Music has led cutting edge developments in music technology.

Impact: Engage with the wider world

In 2013, the University acquired the charity "Pyramid" which continues to undertake research in the field of children's well-being. Pyramid provides an empirical evidence base to support the work of a range of stakeholders including practitioners, policy makers, and researchers. Drawing on the evidence base, the impacts include the securing of funding for the continuation of Pyramid clubs in schools and informing future development and the successful extension of the Pyramid club intervention for delivery to additional age groups – a truly live example of "useful research".

In order to deliver a value for money experience to our students and give them maximum benefit from their fees, UWL aims to will be well-managed and operate efficiently and effectively. It also aims improve significantly its environmental credentials.

Financial performance

The University achieved a 6.5% return on income in 2014/15. The University delivered income in excess of £80m, reduced staff costs to 49% (with a Student Staff Ratio of 17:1) of income and had gross cash resources of £7.9m as at 31 July 2015.

The income growth has been driven mainly by the university’s enterprise activity and also additional contracts in Nursing and Midwifery. This growth has mitigated the loss of government grants and the reduced income from international students due to restrictions placed on the University by the UKVI. The University is in the final phase of the redevelopment of the St Mary’s Road site in Ealing. This state of the art redevelopment is funded from the sale of surplus properties and cash operating surpluses. After the completion of this capital project, the University will have modernised and

expanded a key part of its capital infrastructure to enable future income growth and reduce operating costs and increased the value of the estate from £27.5m to £73m.

Human resources

In order to secure *Ambition 2018*, the workforce needs to be aligned to new ways of working, using a relevant and modernised employment framework based on effective people management strategies designed to promote staff development and performance. Building on the implementation of the academic employment framework in August 2013, 88% of academics are now employed on new contracts. Implementation of the framework was reviewed in conjunction with heads of school during autumn 2014 and as a result the Academic Workforce Development Strategy was developed, along with a CPD guide for academic staff.

The success of the strategy will be benchmarked against key performance indicators.

Various roadshow events were held during spring 2015 to update academic staff on the career streams and progression within the framework and to launch the CPD guide.

The third round of promotions and merit pay awards took place during summer 2015.

A continued programme of development activity has been delivered in year with an emphasis on supporting new ways of working and key policies. An e-learning dashboard has been developed to ensure knowledge of key issues across the University.

The initial modules relate to Equality and Diversity, Data Protection and Anti-Bribery Policies. More modules will be developed and rolled out in 2015/6. An ILM programme for first and second level managers has been rolled out to develop line management capability.

The diversity of staff at the University continues to be a strength: the gender make up is balanced and 29% of staff are from BME backgrounds (compared to the sector HE average of just under 13%). The University has been re-accredited with the ‘two-ticks’ positive about disability award for employers who have made a commitment to employ, retain and develop the abilities of disabled staff. However, work is on-going to develop a culture of disclosure to ensure that staff with disabilities can be supported effectively as only 3% of staff have a declared disability compared to a sector average of 4%. The University also joined Stonewall in 2015.

Estates and facilities

The estate and facilities have continued to undergo significant transformation in the past year to ensure the University remains competitive with the sector. This investment remains key to the strategy to attract and retain students and promote a positive image of the University. In 2014-15, two new 10 year contracts were awarded to Elixir, to enhance the food offer to staff and students at all sites, and to Bouygues to manage the facilities across the estate. Both companies have a strong track record of delivering enhanced services in the HEI sector.

The long term nature of the contracts has allowed both companies to invest in the University’s plans to improve our offer over this period to staff and students, to drive efficiencies through collaborative working and to offer placement opportunities to our students to provide work experience during their time with us. Both these contracts will be monitored carefully to ensure that they deliver value for money while improving the student experience. At the same time, the refurbishment and redevelopment of the St Mary’s site was completed at the end of September 2015.

The new Paul Hamlyn Library and Weston Hall performance space form the centrepiece of this new development. Alongside these two iconic buildings, Heart and The Street, opened in 2015. Heart includes the new refectory and social interaction space The Street has been refurbished as a space for the William Brake Student Services Centre. Both facilities have been well received by students and staff. In 2014/15 the University also opened the new Blast radio station which provides state of the art facilities for its media and music students.

New engineering laboratories have also been provided, including a concrete testing laboratory which forms part of the Centre for the Development of Ground Penetrating Radar.

70% of the site has now been refurbished to a high standard and the University remains on course to deliver a high quality built environment which is financially and environmentally sustainable.

As part of its long term strategy to consolidate all capital infrastructure in West London, the University decided to exercise the option to purchase Paragon House (at £53m + VAT) in Brentford as per the contract (which it currently occupies through a long lease). As part of the funding arrangement for this large capital acquisition, a long term private placement facility through Babson Capital Management for £55m was secured. The facility is repayable over 15 years. This facility was put in place shortly after the year end.

Resources, Infrastructure and Sustainability Continued

Information Technology

During the year, IT Services continued to support the clear strategic goal to improve the student experience, with much activity around completing the final phases of the development of the St Mary's Road campus outlined above.

In addition, a number of enhancements were made to the award-winning Student Portal, alongside a much improved the attendance monitoring system to help improve the retention of students. In September 2014, the new Student Services in the Street opened, providing a single point of contacts for students seeking support. IT Services was not only involved in setting up the technology, including a new digital signage system, but also in providing integrated support over extended opening times with colleagues from other student support service areas. IT Services refurbished teaching classrooms at the St Mary's Road site and opened two new PC classrooms, one of which includes the latest collaborative teaching facilities. All refurbished classrooms included UWL Replay, the lecture capture solution.

The new performance venue, Weston Hall, has been equipped with start-of-the-art audio-visual equipment, enabling the university to hold performance events, show films, host conferences and the University's autumn graduation programme. Weston Hall also includes a 50-seat teaching classroom.

Sustainability

In 2014/15, the University has established an Environmental Review Board to drive the sustainability agenda across all Schools and central Service departments. Overseen by the Board, the University has made significant progress in reducing its carbon footprint and improving sustainability. The extensive redevelopment of the St Mary's Road campus and the award of a new Catering contract this year have provided significant opportunities to apply the principles of sustainability. Key environmental features have been designed into the St Mary's Road re-development project to minimise energy use, carbon emissions and water consumption. Building materials have been used with a low environmental impact (as defined by the Building

Research Establishment Green Guide to Specification). Solar panels are currently being installed and a new combined heat and power station will provide 25% of the site's energy needs in the future.

Waste management was previously delivered via a number of different organisations. This year, waste streams have been consolidated so that all waste products are dealt with by one provider, thereby ensuring accurate monthly compliance reporting. Our new target, to achieve 100% diversion from landfill, is currently being attained.

Significant savings have been made in energy and water expenditure through the introduction of energy efficiency measures, such as the reduction of lighting timers at end of day by 20 minutes. Further energy audits will be carried out to review potential conservation measures that can be applied to ensure that the on-going Carbon Management Programme will meet the 2018 target of a 52.42% reduction against the 2005 baseline.

Resources, Infrastructure and Sustainability Continued

Various community engagement and student interaction exercises have taken place including Go Green Week held in February 2014. Students and staff came together to take action on climate change. Each day covered a different theme including waste, travel, energy, food and sustainable products with interactive stalls and exhibits. In June 2014, the University also held an event on *World Environment Day*.

The aim was to get staff and students to think about their own carbon footprints and how much water they use as well as how travel choices affect the environment they live in. Excellent steps have been taken in improving the University's Green Travel agenda. The *Cycle2Work* scheme was launched and 5.25% of staff took up the scheme, which compares well with the national average for Higher Education of 2%.

The University also held two *London Cycle Campaign* days including free bike mechanics and advice on safe cycling in the area. Finally, *Liftshare* was launched to encourage both staff and students to car share.



The University is an exempt charity (as defined by the Charities Act 2006) and is regulated by the Higher Education Funding Council for England (HEFCE). The University's charitable purpose is the advancement of education and it makes a contribution for public benefit via teaching, research and other related activities. The Board of Governors are the trustees of the Charity and the governors have had regard to the Charity Commission's guidance on public benefit.

The University's mission, vision and values reflect its commitment to public benefit. The way it provides public benefit is set out below.

Enhancing the employability of our graduates

The University aims to be a leading employer engagement university, playing a key role in taking forward the skills agenda whilst delivering a flexible, demand-led portfolio. Reaching out to students of all ages, abilities and backgrounds, the institutional vision is to be a university of choice and opportunity whilst contributing to the public good through the transfer of 'useful' knowledge. Contributing towards a more employable graduate workforce, the University develops courses in collaboration with employers and offers all students relevant industry-focused experience to

ensure the needs of the public are identified and met, thereby providing useful and relevant education to its students.

Working in partnership with the professions

The University works in close partnership with the professions to train new entrants but also provide continuous professional development. It works with professional bodies in healthcare, social work, law, engineering and business to ensure that its courses are accredited and provide both student and employers with the required skills. This work is particularly notable, in the fields of Nursing and Midwifery

where it works with seven major trusts to ensure local hospitals have the staff they need for the delivery of high quality health care.

Widening participation

The University's commitment to inclusiveness and the importance of widening participation is enshrined in its strategies and policies. Specifically, inclusiveness is defined as enabling and empowering all students to access education that meets their needs and providing increased access for students from under-represented groups. Its success in meeting and exceeding benchmarks is outlined on page 13.

Bursaries and scholarships

In 2014-15, there were 1,199 (59%) full-time first year undergraduate students who were assessed as having a household income below £25,000. 497 students received National Scholarship funding worth £3,000 each, which was available to students with a household income of £25,000 or less. Additional subject-specific bursaries and scholarships were also available to students in all eight academic Schools. According to a report from the Office for Fair Access (OFFA) published in July 2015, the University's percentage investment of higher fee income in bursaries and other activities to widen participation is greater than the sector average. At 23.3%, it was the second highest percentage of expenditure amongst all modern universities in London.

Research

As a modern university, we engage in research and scholarship that is relevant and beneficial to the public. For instance, the Richard Wells Research Centre, established in 1995 to develop research and educational initiatives within the field of caring for patients with HIV, now incorporates prevention and care issues

associated with infectious diseases and infections. As the only research centre of this type in the Higher Education sector, the University has a serious responsibility in this area and collaborations include working closely with the Department of Health, National Institute for Health and Clinical Excellence, NHS Modernisation Agency and the National Audit Office. In June 2013, the University acquired the intellectual property rights of Pyramid, a national charity offering a short-term after school club-based intervention to improve the socio-emotional well-being of vulnerable children. For over ten years, the University through the School of Psychology, Social Work and Human Sciences has conducted research with Pyramid, examining the evidence of Pyramid's impact on children's socio-emotional well-being. The research team's development of an evidence base demonstrating the efficacy of the Pyramid primary school intervention has led to a significant increase in public awareness of the importance of early intervention in children's socio-emotional well-being.

The University's Sociotechnical Centre for Internationalisation and User Experience with the School of Computing and Engineering has, for more than a decade, supported the design and development of IT systems that meet the needs of end users globally.

The Centre has undertaken a wealth of research exploring the cultural implications of accessibility and usability of IT in India and China and, more recently Kenya, where the centre's research has impacted upon the use of technology to support productivity in rural farming communities. Further information is set out in the section on "Research and Enterprise" on page 17.

Community engagement

From 2007-12, the University embarked on a change of direction which saw the renamed University of West London return to its original home in west London, centralising the University's operations in Ealing and Brentford and providing the University with a clear locational base to re-engage with the local community.

Public Benefit Statement

Continued

In recognition of the progress made, the University was shortlisted for the 2013 Times Higher Education Management and Leadership Award for Outstanding Contribution to the Local Community. The completion of the St Mary's Road Future Campus Project will enable further community engagement as many of the new and enhanced facilities will be accessible to the local community.

The University's Volunteering service enables students and staff to work directly with local, voluntary, community and not for profit organisations. Volunteers are involved in a wide variety of projects from mentoring young offenders to supporting primary and secondary children with language barriers. The Volunteering Team was established in 2010 and has since created 406 volunteering opportunities, amounting to 1,800 hours of community service and raising significant funds for 140 local and national voluntary organisations.

The University is working with schools in the London boroughs of Ealing, Westminster, Brent and Harrow, thanks to a grant from the John Lyon's Charity, and is supporting new Pyramid projects in Bedfordshire, Staffordshire and Salford. 37 students volunteered to run 10 clubs in eight schools during the academic year.

The Junior Music College provides music education every Saturday morning to children in the local communities. The London School of Hospitality and Tourism's Junior Chefs' Academy for school children in years 9-11 is now in its eleventh year.

In 2013, the Ealing Music and Film Festival formed a partnership with the University, hosting its annual festival on campus, celebrating Ealing's rich history in the film, music and dance industries. The 2014 Festival was a celebration of dance with special guests, choreographer Dame Gillian Lynne, DBE and ex-prima ballerina Dame Beryl Grey, DBE.

The University also runs a series of professorial and public lectures throughout the year. In 2014 speakers included local resident, journalist and author Yasmin Alibhai-Brown, reading from and discussing aspects of her book *The Settler's Cookbook*, and Namibia-based Professor Heike Winschiers-Theopilus talking about her work in remote communities in southern Africa.

The University sponsors the 'Pride in our People' annual awards in partnership with the Ealing Gazette. These awards honour local people as community champions in different categories. The final award ceremony is hosted at the University and is catered for by students from the London College of Hospitality and Tourism.

The University supports and sponsors local sport and is a sponsor of Brentford Football Club and the Ealing Trailfinders Rugby Club. As part of the agreement with Trailfinders, students, sports teams and societies can use the club's facilities for training and matches. Students are also invited to play in both the Academy and Men's Amateur teams throughout the season.

Public Benefit Statement

Continued



The Economic Impact of the University of West London*

The University made a contribution to the Ealing economy of £60 million, supporting 1,250 jobs in the borough, resulting in tax payments of £24 million to the Exchequer in 2011-12*.

The Witty Review of Higher Education Institutions (HEIs) and their role in driving innovation and being a source of economic growth highlights the need for HEIs to engage with local businesses to support both skills development and innovation. Our location in west London places us at the heart of an unrivalled region of expertise and industry that maps perfectly to the strategic areas we wish to promote and expand. The Claude Littner Business School which was launched in September 2014 has a clear remit to support the businesses in west London.

Public education

The University offers a variety of short professional courses for the media, creative and cultural industries, all of which are open to the general public.

All courses are delivered by expert tutors, with teaching scheduled to accommodate participants who have full-time work commitments.

The University also offers flexible Continuing Professional Development (CPD) accredited courses in psychology, computing, business skills and industry-focused training in management and leadership designed to enhance professional development.

* A report by Oxford Economics, commissioned in 2013

The Board of Governors

The following served as members of the Board throughout the year except where stated.

Independent members

Mr Chris Humphries CBE ^{3,4}	(and Chair of the Board)
Mr Mike Bellamy ^{2,4,5}	
Ms Jennifer Bernard ^{1,3,5}	
Mr Dermot Blastland ^{2,4}	
Mr Gareth Cadwallader ^{2,3}	(appointed as Deputy Chair on 1 August 2014)
Mr Tony Coad ^{3,5,6}	
Mr Allan Dodd ¹	
Mr Kris Murali ²	(appointed to the Board on 1 August 2014)
Ms Justine Stephenson ^{3,6}	
Dr Alistair Stokes ^{1,4}	
Dr Kirpal Tahim ^{2,3}	
Mr Patrick Younge ^{5,6}	(appointed to the Board on 1 August 2014)

Ex-officio member

Professor Peter John	(Vice-Chancellor)
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Co-opted Governor

Ms Valerie Todd, CBE	
Mr Mark Cammies	(appointed to the Board on 1 August 2014)

Independent co-opted member with experience of the provision of education

Professor Roger Brown	
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Academic Board member

Ms Sara Raybould	
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Member of the:

¹ Audit and Risk Committee
² Finance Committee

³ Governance and Nominations Committee
⁴ Remuneration Committee

⁵ Workforce Advisory Committee
⁶ Student Liaison Committee

The Board of Governors Continued

Professoriate member

Professor Francis Pott	
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Staff member

Ms Zabin Visram	(appointed to the Board on 1 August 2014)
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Student member

Mr Josh Goddard	(appointed to the Board on 1 July 2014)
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Co-opted members of sub-committees

Ms Shirley Cameron ²	(appointed on 1 August 2014)
Ms Karen Everett ¹	(resigned from the Committee on 24 June 2015)
Mr John Morley ²	
Mr James Southgate ¹	(appointed on 1 August 2014)

Member of the:

¹ Audit and Risk Committee
² Finance Committee

³ Governance and Nominations Committee
⁴ Remuneration Committee

⁵ Workforce Advisory Committee
⁶ Student Liaison Committee

In accordance with the Education Reform Act 1988, Further and Higher Education Act 1992, and the University's Instrument and Articles of Government, the Board of Governors of the University (the Board) is responsible for ensuring the effective governance and management of the affairs of the University and is required to present audited Financial Statements for each financial year.

The Board is responsible for the strategic direction of the University, including:

1. Determining the educational character and mission of the University and oversight of its activities;
2. Ensuring the effective and efficient use of resources, the solvency of the University and safeguarding its assets;
3. Approving annual estimates of income and expenditure;
4. The appointment and setting the terms and conditions of senior post holders;
5. Setting the framework for the pay and conditions of service of all other staff; and
6. The appointment of the Vice-Chancellor.

The Board consists of 12 independent members and one co-opted member with experience of education and two other co-opted members. The membership also includes the Vice Chancellor elected representatives of staff, the Academic Board, the Professoriate and the student body. Subject to the overall responsibility of the Board of Governors, the Academic Board has oversight of the academic affairs of the University and draws its membership entirely from the staff and students of the University.

The Vice-Chancellor is the Head of the University, its Chief Executive and the Accountable Officer. The Vice-Chancellor's responsibilities are set out in the Instrument and Articles of Government. Throughout the year the Vice-Chancellor is assisted by the Vice-Chancellor's Executive. The University complies with the voluntary Committee of University Chairs (CUC) Code of Governance (2014).

Financial responsibilities of the Board

The Board is responsible for ensuring that proper accounting records are kept which will disclose, with reasonable accuracy, at any time, the financial position of the University and enable it to ensure that the Financial Statements are prepared in accordance with the University's Articles of Government, the Statement of Recommended Practice: Accounting for Further and Higher Education and other relevant accounting standards. Within the terms and conditions of the Memorandum of Assurance and Accountability agreed between HEFCE and the University, the Board, through its Accountable Officer, is also 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 year.

In preparing the Financial Statements, the Board must take all reasonable steps to ensure that:

1. Suitable accounting policies are selected and applied consistently;
2. Judgments and estimates are made that are reasonable and prudent;
3. Applicable accounting standards have been followed, subject to any material departures being disclosed and explained in the Financial Statements;
4. Financial Statements are prepared on the going concern basis unless it is inappropriate to assume operations will continue. The Board is satisfied that resources are adequate to continue in operation for the foreseeable future and for this reason the going concern basis continues to be adopted in the preparation of the Financial Statements; and
5. The integrity of the financial information included on the University's website is maintained. Legislation in the UK governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

The Board must take all reasonable steps to:

1. Ensure that funds from HEFCE are used only for the purposes for which they have been given and in accordance with the Memorandum of Assurance and Accountability with HEFCE and any other conditions which HEFCE may from time to time prescribe;
2. Ensure that there are appropriate financial and management controls (including controls against fraud and theft) in place to safeguard public funds and funds from other sources;
3. Safeguard assets and prevent and detect fraud and other irregularities; and
4. Secure the economic, efficient and effective management of the University's resources and expenditure.

Such steps may be taken by the Board, or where appropriate, through delegation of function to its Accountable Officer or Committees in accordance with and where permitted by, the Instrument and Articles of Government.

The Board of Governors have taken all the necessary steps that they ought to have taken to make themselves aware of any information needed by the University's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Governors are not aware of any relevant audit information of which auditors are unaware.

Internal control and risk management

The Board is responsible for maintaining a sound system of internal financial control that supports the achievements of policies, aims and objectives, while safeguarding the public and other funds and assets, in accordance with the responsibilities assigned to the Governing Body in the Education Reform Act 1988, Further and Higher Education Act 1992, the University's Instrument and Articles of Government and the Memorandum of Assurance and Accountability agreed with HEFCE.

The system of internal financial control 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 University's Structure of Corporate Governance Continued

The Board is responsible for reviewing the effectiveness of the system of internal control, and this is informed by:

1. Reports from the University's internal auditors, who operate to standards defined in the HEFCE Audit Code of Practice;
2. The work of the Vice-Chancellor's Executive which has responsibility for the development and maintenance of the internal control framework; and
3. Reports and Management Letters from the University's external auditors.

Throughout the year the Audit and Risk Committee receives reports at each of its meetings from the internal auditors, which include their independent opinion on the adequacy and effectiveness of the University's system of internal control and value for money together with recommendations for improvement.

Risk management

The Board of Governors is responsible for the risk management strategy and for ensuring that there is a common approach to the management of risk throughout the University.

The key objective of the University's risk management strategy is to ensure that policies and procedures are in place to manage risks and opportunities and therefore enable the University to meet its strategic objectives.

There is a strong and embedded University-wide risk management process for identifying, evaluating and managing the significant risks faced by the University. The University's Strategic Risk Register is maintained to ensure that operational risks are managed and mitigated wherever possible. This Risk Register is linked to the University's strategic objectives and to KPIs.

The Board reviews the risk management policy annually and agrees the level of acceptable risk. The Audit and Risk Committee on behalf of the Board has responsibility for overseeing risk management within the University as a whole.

The level of risk and the risk appetite which prevails in the University will vary from time to time, influenced by both internal and external events. In common with many organisations, the University is affected by a number of risks,

The Board acknowledges

1. That the delivery of quality is of paramount importance and therefore action should be taken to keep risks relating to quality at a low level.
2. In the short-term, a higher level of risk may have to be accepted to allow the University to achieve its long-term strategic objectives and to make the changes needed to ensure financial sustainability. However, the acceptance of this high level of risk in the short term is made to achieve an overall lower level of risk in the longer term.

The University's Structure of Corporate Governance Continued

In the current climate, there is a higher level of risk associated with income over the short-to-medium-term.

The Audit and Risk Committee regularly considers and debates the development of the Strategic Risk Register and the processes required to achieve effective and appropriate risk management. The Audit and Risk Committee considered the Strategic Risk Register at each meeting of the Committee held during the year.

During 2014-15 the work of the Audit and Risk Committee focused on monitoring and reviewing the University's approach to 'super risks' identifying those risks that were beyond the control of University processes. The Committee approved the recalibration of the register and provided further details on how risks were addressed and mitigated. The most significant risks facing the University are set out on page 12.

The full particulars of the work of the Committee, including details of the advancements made during the course of 2014-15, are set out in the Audit and Risk Committee's Annual Report to the Board. This report, which was considered by the Board on 10 November 2015 and will be submitted to HEFCE, included the Audit and Risk Committee's opinion on the adequacy and effectiveness of the University's arrangements for:

- Risk management, control and governance
- Economy, efficiency and effectiveness (value for money)
- The management and quality assurance of data submitted to the Higher Education Statistics Agency, Student Loans Company, HEFCE and other funding bodies

The Audit and Risk Committee places considerable reliance on the work of the internal and external audit teams and also on assessments made by external agencies such as HEFCE. The Committee has and will continue to work with those audit teams and in conjunction with management to ensure the further development of effective processes, which enable the risks facing the University to

be closely monitored and regularly reported both to Governors and other interested bodies. The Audit and Risk Committee approves the annual Internal Audit Plan. The Plan was approved by the Committee at its meeting on 23 September 2014.

The Board has received from the Chair of the Audit and Risk Committee the necessary assurances about the adequacy of the internal controls in place throughout the year thus enabling the 2014-15 Financial Statements to be signed and submitted to HEFCE.

The internal audit opinion given by KPMG LLP to the Audit and Risk Committee stated: Based on the reviews undertaken during 2014-15, in our opinion UWL has satisfactory arrangements in order to provide assurance to the Governing Body over the effectiveness and adequacy of the risk management, control and governance processes. We also consider that UWL has adequate arrangements in place to promote economy, efficiency and effectiveness.

The University's Structure of Corporate Governance Continued

Committees of the Board

Much of the detailed work of the Board is delegated to its Committees, details of which are set out below. The decisions of these Committees are formally reported at each meeting of the Board.

Audit and Risk Committee

The Audit and Risk Committee considers detailed reports on risk and control together with recommendations for the improvement of the University's systems of internal control and management responses and implementation plans. The Audit and Risk Committee makes an annual report on risk to the Board. Ultimate responsibility for the approval of risk rests with the Board.

Finance Committee

The Finance Committee received regular reports on the following: management accounts and financial forecasts, the Estates Strategy and the HESES return. The Finance Committee reviews and monitors the risks pertinent to its areas of responsibility. The Finance Committee also approves the Financial Regulations. It reviews the budget and recommends this to the Board.

Student Liaison Committee

The Committee reviews the accounts of the Students' Union and considers the University's block grant to the Students' Union before its approval by the Board. It also considers the student experience and receives reports on initiatives for enhancement together with an annual report on student complaints and appeals.

Governance and Nominations Committee

The Committee considers and recommends nominations for vacancies in Board membership. It also considers the procedures for Board meetings and the membership and terms of reference of Board Committees. In 2015 it has also considered how the University's procures align with the new CUC Code of Governance published in December 2014.

Remuneration Committee

The Remuneration Committee determines the appraisal and remuneration of the Vice-Chancellor and the remuneration of other senior post holders and the Clerk to the Board as specified by the Instrument and Articles of Government. In undertaking this work, it considers benchmarking data and the proper use of public funds.

Workforce Advisory Committee

The Workforce Advisory Committee advises the Board on all matters relating to with the University's workforce other than those matters reserved for the Remuneration Committee.

Register of Interests

The University maintains a Register of Interests of Members of the Board and senior officers. The Register is available on the University website.

Payments to Governors

A total of £1,784 was paid in expenses to five Governors during 2014-15 in relation to travel costs (£3,004 was paid in expenses to seven Governors during 2013-14). The Academic Board and Staff Governor Representatives are employees of the University and are paid accordingly. The student representative is an employee of the University's Students' Union which is predominantly funded by the University. No members of the Board receive remuneration for the work they do for the Board, except for the Vice-Chancellor who is a member of the Board by virtue of the office he holds.

The University's Structure of Corporate Governance Continued

Clerk to the Board of Governors

In accordance with the Articles of Government of the University, the University Secretary has been appointed as Clerk to the Board and in that capacity provides independent advice on matters of governance to all Board members. The Clerk to the Board has a key role to play in the operation and conduct of the Board and in ensuring that appropriate procedures are adhered to.

Signed on behalf of the Board of Governors

Chris Humphries CBE
Chair of the Board of Governors

Professor Peter John
Vice-Chancellor and Chief Executive

Independent Auditors' Report to the Governors of the University of West London

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

This report is made solely to the University's Governors, as a body, in accordance with paragraph 124B of the Education Reform Act 1988. Our audit work has been undertaken so that we might state to the University's Governors those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the University's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the University's Governing Body and Auditors

As explained more fully in the statement of responsibilities of the Board of Governors, the members of the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

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

Independent Auditors' Report to the Governors of the University Of West London Continued

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and the University's affairs as at 31 July 2015 and of the Group's income and expenditure, recognised gains and losses, and statement of cash flow for the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Education Reform Act 1988, the Statement of Recommended Practice: Accounting for Further and Higher Education.

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

In our opinion, in all material respects:

- Funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and, if relevant, managed in accordance with relevant legislation;
- 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 requirements of the HEFCE's Accounts Direction have been met.

James Aston
James Aston,
Senior Statutory Auditor
for and on behalf of
BDO LLP, Statutory Auditor
Gatwick
United Kingdom
Date: 25 November 2015

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

Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2007 and in accordance with applicable Accounting Standards. They conform to guidance published by HEFCE. Based on future cash flow forecasts and income expectations, the Board confirms it is appropriate for the financial statements to be prepared on a going concern basis.

Basis of accounting

The financial statements are prepared under the historical cost convention, as modified for the revaluation of investment properties.

Basis of consolidation

These financial statements consolidate the University and all its subsidiary undertakings detailed in note 35. The consolidated financial statements do not include the financial statements of the University Students' Union, which is a separate entity in which the University has no financial interest and over which it has no control or significant influence on policy decisions.

Recognition of income

Grants from HEFCE and similar bodies are credited to the Income and Expenditure Account in the year they are received, except for grants received for specific initiatives which span more than one year. In such cases grant income is deferred to the extent it is not matched by qualifying expenditure.

Tuition fee income is credited to the income and expenditure account over the period in which the students are studying. Where the amount of the tuition fee is reduced, income receivable is shown net of discount. Bursaries are accounted for as expenditure and not deducted from income. Income from grants, contracts and other services rendered are accounted for on an accruals basis and included to the extent of the completion of the contract or service concerned; any payments received in advance of such performance are recognised on the balance sheet as deferred income. Income from short-term deposits is credited to the Income and Expenditure Account on a receivable basis.

Accounting for charitable donations

Unrestricted donations
Donations, bequests or gifts with no specific terms attached to the use are recorded in the Income and Expenditure Account in the period received.

Endowment funds

Where charitable donations are restricted to a particular objective specified by the donor, they are accounted for as an endowment. There are three main types:

1. Restricted permanent endowments – the capital fund is maintained (and is therefore permanent) and the income thereon is applied to the objective specified by the donor.
2. Unrestricted permanent endowments – the capital fund is maintained (and is permanent) but the income thereon can be applied to the general purpose of the University.

3. Expendable endowments – the donation is restricted (specific) to a particular objective specified by the donor. The trustees have the power of discretion to convert endowed capital into income.

Donations for fixed assets

Donations and grants 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 of the asset.

Pension schemes

Pension costs are provided in accordance with FRS17 'Retirement Benefits'. The cost of providing pensions is determined by independent actuaries and charged to the income statement in the period in which those benefits are earned by employees. Actuarial gains and losses are recognised in full in the period in which they occur and are recognised in the Statement of Total Recognised Gains and Losses. The retirement benefit obligations are recognised in the Balance Sheet.

The calculation of the cost of early retirement provisions charged to the Income and Expenditure Account is based on the total capital cost of providing enhanced pensions with allowance for future investment returns at percentages in excess of price inflation.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling on the Balance Sheet date. The resulting exchange differences are charged or credited to the Income and Expenditure Account. Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction.

Leases

Rental costs under operating leases are charged to expenditure on a straight line basis over the periods of the leases.

Tangible assets

Land and buildings are stated at cost or valuation.

The transitional rules set out in FRS15 'Tangible Fixed Assets' have been applied on implementing FRS15. Accordingly, the book values at implementation have been retained.

Land held freehold is not depreciated as it is considered to have an indefinite useful life. Buildings are depreciated over their remaining expected useful lives. All tangible assets are not depreciated in the year of acquisition. The rates of depreciation per annum are as follows:

Freehold buildings	1.72% - 2%
Computer equipment	33.33%
Equipment	20%
Leasehold premises	Life of lease

Work in progress is not depreciated until the asset is brought into use.

Where assets are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are treated as deferred capital grants and released to income over the expected useful life of the assets.

Individual fixed assets costing £10,000 or more are capitalised, although items costing less may be capitalised as part of a larger single project. All computer equipment is capitalised on the principle that all such assets are interrelated i.e. capable of being networked.

Investment properties

Investment properties are included in the Balance Sheet at their open market value. Any changes in the market value of investment properties are shown as movements on the Revaluation Reserve unless a deficit is expected to be permanent in which case it is charged to the Income and Expenditure Account. Investment properties are not depreciated.

Property disposals are recognised on completion of contracts of sale.

Impairment

If an event or change in circumstance has occurred which indicates that the carrying value of a fixed asset may not be recoverable then an impairment review is undertaken. The carrying amount of fixed assets is compared to the recoverable amount and the asset value written down as necessary.

Investments

Endowed asset investments are included in the Balance Sheet at market value.

Stocks

Stocks are stated at the lower of cost or net realisable value.

Cash flows and liquid resources

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

Taxation

The University is an exempt charity within the meaning of the Charities Act 2011 and, as such, is a charity within the meaning of section 506(1) of the Taxes Act 1988. Accordingly the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 505 of the Taxes Act 1988 or section 256 of the Taxation and 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.

The subsidiary trading company operates as a commercial organisation and is subject to corporation tax. The profits of this company are covenanted to the University.

Tax, including deferred tax, in respect of the trading activities of the University and its subsidiary operations, is provided for at current rates.

Changes in accounting policies

There were no changes in accounting policies during the year.

Consolidated Income and Expenditure Account

for the year ended 31 July 2015

	Note	2014/15 Consolidated £000	2013/14 Consolidated £000
Income			
Funding Council grants	1	9,916	12,674
Tuition fees and education contracts	2	58,214	55,666
Research grants and contracts	3	1,119	881
Other income	4	10,907	8,205
Endowment and investment income	5	35	167
		80,191	77,593
Expenditure			
Staff costs	6	(39,168)	(38,927)
Severance costs		(856)	(1,219)
Other operating expenses	7	(30,980)	(28,882)
Interest payable	9	(964)	(806)
Depreciation	13	(2,946)	(2,686)
		(74,914)	(72,520)
Group surplus on continuing operations after depreciation of tangible assets but before tax and exceptional items		5,277	5,073
Surplus/(loss) on disposal of property	11	21	1,757
Group surplus, after depreciation of assets, disposal of assets and tax		5,298	6,830
Surplus for the year transferred from accumulated income in endowment funds	22	(8)	(6)
Group surplus for the year retained within general reserve		5,290	6,824

The notes on pages 42 to 58 form part of these Financial Statements.

Statement of Consolidated Historical Cost Surpluses and Deficits

for the year ended 31 July 2015

	Note	2014/15 £000	2013/14 £000
Surplus on continuing operations after depreciation of fixed assets, disposal of assets and tax		5,298	6,830
Difference between historical cost depreciation and the actual charge for the period calculated on the revalued amount	24	199	199
Realisation of property revaluation surplus of previous years	24	–	–
Historical cost surplus for the year before taxation		5,497	7,029
Taxation	10	–	–
Historical cost surplus for the year after taxation		5,497	7,029

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 fixed assets, disposal of assets and tax		5,298	6,830
Endowments	22	104	334
Actuarial (loss)/gain recognised in respect of pension schemes	30	(4,791)	(11,823)
Share Market revaluation	23	–	–
Sale of shares	23	–	61
Gain on revaluation of investment property	23	6,000	500
Total recognised (loss)/surplus relating to the year		6,611	(4,098)
Reconciliation			
Opening reserves and endowments		17,751	21,849
Total recognised (loss)/gain for the year		6,612	(4,098)
Closing reserves and endowments		24,363	17,751

Consolidated Balance Sheet

as at 31 July 2015

	Note	Consolidated		University	
		2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
Fixed assets					
Intangible assets					
Tangible assets	13	94,564	70,967	94,564	70,967
Investment properties	14	15,000	9,000	15,000	9,000
Investments	15	30	30	30	30
Total fixed assets		109,594	79,997	109,594	79,997
Endowment assets	16	1,625	1,513	1,625	1,513
Current assets					
Stocks		125	147	124	147
Debtors	17	4,195	4,331	4,282	4,430
Cash at bank and in hand		6,312	24,736	6,211	24,621
Total current assets		10,632	29,214	10,617	29,198
Creditors					
Amounts falling due within one year	18	(28,567)	(25,442)	(28,552)	(25,426)
Net current assets		(17,935)	3,772	(17,935)	3,772
Total assets less current liabilities		93,284	85,282	93,284	85,282
Creditors					
Amounts falling due after more than one year	19	–	(3,590)	–	(3,590)
Pensions liability	30	(50,223)	(45,448)	(50,223)	(45,448)
Net assets		43,061	36,244	43,061	36,244
Deferred capital grants	21	18,698	18,493	18,698	18,493
Endowments					
Expendable	22	1,455	1,343	1,455	1,343
Permanent	22	170	170	170	170
Reserves					
Revaluation reserve	23	21,918	16,116	21,918	16,116
General reserve	24	51,043	45,570	51,043	45,570
Total reserves excluding pension reserve		72,961	61,686	72,961	61,686
Pension reserve		(50,223)	(45,448)	(50,223)	(45,448)
Total reserves including pension reserve		22,738	16,238	22,738	16,238
Total funds		43,061	36,244	43,061	36,244

The notes on pages 42-58 form part of these Financial Statements.

The Financial Statements on pages 36-58 were approved and authorised for issue by the Board of Governors on 25 November 2015 and signed on its behalf by:
Chris Humphries CBE, Chair of the Board of Governors
Professor Peter John, Vice-Chancellor and Chief Executive

Consolidated Cash Flow Statement

for the year ended 31 July 2015

	Note	2014/15 £000	2013/14 £000
Cash inflow from operating activities	25	5,807	7,378
Returns on investments and servicing of finance	26	(929)	(639)
Capital expenditure	27	(25,976)	(17,154)
Cash inflow/before financing		(21,098)	(10,415)
Management of liquid resources		19,253	(19,253)
Financing	28	2,787	(721)
Increase in cash in the period		942	(30,389)
Reconciliation of net cash flow to movement in funds			
(Decrease)/increase in cash in the period	29	942	(30,389)
Cash outflow from liquid resources	29	(19,253)	19,253
Change in net debt resulting from cash flows	28	(2,787)	721
Movement in funds in period		(21,098)	(10,415)
Net funds at 1 August 2014		21,905	32,320
Net funds at 31 July 2015	29	807	21,905

The notes on pages 42-58 form part of these Financial Statements.

1. Funding council grants

	Note	2014/15 £000	2013/14 £000
Recurrent grants:			
HEFCE		7,592	10,520
SFA		990	522
EFA		649	738
Releases of deferred capital grants			
Equipment	21	238	456
Buildings	21	447	438
		9,916	12,674

2. Tuition fees and education contracts

		2014/15 £000	2013/14 £000
UK Higher Education students			
Full-time students		33,977	26,016
Part-time students		2,285	2,244
UK Further Education students			
Full-time students		1	9
Part-time students		194	138
EU Students (excl UK students)		1,977	3,391
Non EU students		7,518	11,060
Short courses and examination fees		632	920
Nursing and midwifery education contracts		11,630	11,888
		58,214	55,666

3. Research grants and contracts

	2014/15 £000	2013/14 £000
Other grants and contracts	1,119	881

4. Other operating income

	Note	2014/15 £000	2013/14 £000
Residences, catering and conferences		2,691	1,283
Other income-generating activities		7,079	4,745
Deferred capital grants release	21	69	114
Other income		1,068	2,063
		10,907	8,205

5. Endowment and investment income

	Note	2014/15 £000	2013/14 £000
Income from endowment asset investments	22	10	9
Other interest receivable		25	158
		35	167

6. Staff costs

	2014/15 £000	2013/14 £000
Salaries and wages	32,191	32,457
Social security costs	2,647	2,707
Pension costs	4,330	3,763
Staff costs	39,168	38,927
Severance costs	856	1,219
Total severance costs	856	1,219
Teaching departments	24,106	23,435
Teaching support services	3,408	3,157
Administration and central services	11,654	12,335
	39,168	38,927
Staff on permanent contracts	34,310	34,600
Staff on short-term and temporary contracts	4,858	4,327
	39,168	38,927
The average number of persons (including senior post-holders) employed by the University during the period, expressed as full-time equivalents, was:	2014/15 Number	2013/14 Number
Teaching departments	526	511
Teaching support services	78	73
Administration and central services	230	263
	834	847
The remuneration of higher paid staff (excluding pension contributions) was:	2014/15 number	2013/14 number
£100,000-£110,000	1	1
£110,000-£120,000	1	1
£120,000-£130,000	-	2
£130,000-£140,000	1	-
£230,000-£240,000	-	1
£240,000-£250,000	1	-
	2014/15 £000	2013/14 £000
Compensation for loss of office paid to former members of staff earning in excess of £100,000 per annum was:	-	-
Vice-Chancellor's emoluments		
Salary	236	234
Benefits in kind	4	3
Pension contributions*	33	31

*Pension contributions are for payments to the Teachers' Pension Scheme

7. Other operating expenses

	2014/15 £000	2013/14 £000
Other premises costs	7,349	5,481
Agency and consultancy	3,380	4,343
Equipment rent and maintenance	2,302	2,354
Consumables	649	623
Books and periodicals	1,030	845
Franchise payments	1	157
Advertising	1,660	1,609
Grants to Students' Union	1,349	1,201
Travelling and subsistence	833	938
Accommodation	207	163
Equipment not capitalised	676	804
Irrecoverable VAT	108	20
Rents	4,287	4,023
Auditors' remuneration	147	147
External auditors – other remuneration	17	42
Other expenses	6,985	6,132
	30,980	28,882
Included in the above operating expenses:		
External audit fee – University	66	66
External audit fee – Subsidiaries	7	7
Internal audit fee	73	73
Operating lease rentals – land & buildings	4,287	4,023
Operating lease rentals – equipment	224	477

8. Governors' remuneration

A total of £1,784 (£3,004 in 2013-14) was paid in expenses to seven Governors during 2013-14 in relation to travel costs. The Academic Board and Staff Governor representatives are employees of the University and are paid accordingly. The student representative is an employee of the University's Students' Union which is predominantly funded by the University. None of the Governors received payment in relation to their Trusteeship.

9. Interest payable

	2014/15 £000	2013/14 £000
On bank loans, overdrafts and other loans:		
Repayable within five years, by instalments	428	261
On pension scheme assets and liabilities:		
Expected return on pension scheme assets	(4,670)	(4,263)
Interest cost on pension scheme liabilities	5,206	4,808
	964	806

10. Taxation

	2014/15 £000	2013/14 £000
Current year tax charge	–	–
Surplus on operations before tax	5,290	6,824
Expected tax charge	1,095	1,525
Effects of:		
Surplus not subject to UK corporation tax	(1,095)	(1,525)

11. Surplus/(deficit) on disposal of fixed assets

	2014/15 £000	2013/14 £000
Sale proceeds	587	4,188
Book value of assets (tangible fixed assets and investment properties)	(556)	(3,173)
Deferred grant released on disposal	–	1,879
Disposal costs	(10)	(100)
Surplus/(loss) on disposal of fixed assets	21	2,794
Demolition of C Block	–	(1,037)
Realised gain on disposal	21	1,757

12. Surplus for the period

	2014/15 £000	2013/14 £000
University's surplus/(deficit) for the period	5,290	6,824
Surplus generated by subsidiary undertakings	–	–

13. Tangible fixed assets (Consolidated and University)

	Freehold land £000	Freehold buildings £000	Equipment £000	Work in progress £000	Short leasehold premises £000	Total £000
Cost						
At 1 August 2014	5,152	47,420	36,685	16,643	11,393	117,293
Additions	–	–	–	27,099	–	27,099
Completions	–	36,848	3,360	(40,288)	80	0
Disposals	–	(573)	(8)	–	0	(581)
At 31 July 2015	5,152	83,695	40,037	3,454	11,473	143,811
Depreciation/impairment						
At 1 August 2014	–	10,272	32,588	–	3,466	46,326
Disposals	–	(17)	(8)	–	–	(25)
Charge for year	–	838	1,578	–	530	2,946
At 31 July 2015	–	11,093	34,158	–	3,996	49,247
Net book value as at 31 July 2015	5,152	72,602	5,879	3,454	7,477	94,564
Net book value as at 31 July 2014	5,152	37,148	4,097	16,643	7,927	70,967

Depreciation was funded by:

	Note	2014/15 £000	2013/14 £000
Deferred capital grants released	21	755	1,008
Revaluation reserve release	23	199	199
General income		1,991	1,479
		2,945	2,686

14. Investment properties (Consolidated and University)

The historical cost of investment properties is:	2014/15 £000	2013/14 £000
Cost	21,410	21,410
Accumulated depreciation based on historical cost	(16,631)	(16,631)
Historical cost net book value	4,779	4,779
Market value	15,000	9,000
Revaluation Reserve	10,221	4,221

The investment property at Slough has been valued by Vail Williams Chartered Surveyors at open market value, on 31st July 2015. The valuations were undertaken in accordance with the Royal Institute of Chartered Surveyors' Appraisal and Valuation Manual.

Market value movement for the year:	£000
At 1 August 2014	9,000
Additions	–
Disposals	–
Revaluation	6,000
Market value as at 31 July 2014	15,000

15. Investments (Consolidated and University)

	2014/15 £000	2013/14 £000
At 1 August 2014	30	105
Disposals	–	(75)
Revaluation	–	–
At 31 July 2014	30	30

16. Endowment assets (Consolidated and University)

	2014/15 £000	2013/14 £000
Balance at 1 August 2014	1,513	1,173
Disposals	–	–
Movement in cash balances held	112	340
Balance at 31 July 2015	1,625	1,513
Represented by		
Bank Balances	1,625	1,513
Total endowment assets	1,625	1,513

17. Debtors

	Consolidated		University	
	2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
Trade debtors	1,352	1,427	1,303	1,384
Amounts owed by consolidated undertakings	–	–	135	142
Other debtors	937	490	937	490
Prepayments	1,906	2,414	1,906	2,414
	4,195	4,331	4,281	4,430

18. Creditors: amounts falling due within one year

	Consolidated		University	
	2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
Unsecured loans	7,130	753	7,130	753
Trade creditors	6,429	4,236	6,429	4,236
Social security and other taxation	1,257	1,448	1,257	1,448
Accruals and deferred income	13,751	19,005	13,736	18,989
	28,567	25,442	28,552	25,426

19. Creditors: amounts falling due after more than one year

	Consolidated		University	
	2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
Unsecured loans	–	3,590	–	3,590
	–	3,590	–	3,590

20. Borrowings (Consolidated and University)

	Note	2014/15 £000	2013/14 £000
Repayments fall due within the following bands			
Within 1 year	18	7,130	753
Within 1-2 years	19	–	786
Within 2-5 years	19	–	2,574
After more than 5 years	19	–	230
		7,130	4,343

21. Deferred capital grants (Consolidated and University)

	HEFCE funded equipment £000	HEFCE funded buildings £000	Other grants £000	Total £000
At 1 August 2014	1,227	15,652	1,614	18,493
Cash received	104	630	225	959
Deferred grant released on disposal	–	–	–	–
Released to Income and Expenditure	(238)	(447)	(69)	(754)
At 31 July 2015	1,093	15,835	1,770	18,698

22. Endowments (Consolidated and University)

	Note	Restricted expendable £000	Restricted permanent £000	Total
At 1 August 2014		1,343	170	1,513
Additions		104	–	104
Income for the year	5	10	–	10
Expenditure for the year		(2)	–	(2)
At 31 July 2015		1,455	170	1,625
Represented by:				
Capital value		1,455	170	1,625
Accumulated income		–	–	–
At 31 July 2015		1,455	170	1,625

23. Revaluation reserve (Consolidated and University)

	Note	2014/15 £000	2013/14 £000
At 1 August 2014		16,116	15,754
Contributions to depreciation released in the year (note 13)	13	(198)	(199)
Shares disposal		–	61
Share market revaluation		–	–
Investment Properties – disposal		–	–
Investment Properties – revaluation		6,000	500
At 31 July 2015		21,918	16,116

24. Movement on general reserves

	Consolidated		University	
	2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
Surplus after depreciation of assets and after tax	5,290	6,824	5,290	6,824
Release from revaluation reserve	199	199	199	199
Historical cost surplus after tax	5,489	7,023	5,489	7,023
Pension recognised (loss)/gain	(4,791)	(11,823)	(4,791)	(11,823)
Transfer from/(to) pension reserve	4,775	11,586	4,775	11,586
Transfer from revaluation reserve	–	–	–	–
Balance brought forward	45,570	38,784	45,570	38,784
Balance carried forward	51,043	45,570	51,043	45,570

25. Reconciliation of consolidated operating surplus to net cash outflow from operating activities

	Note	2014/15 £000	2013/14 £000
Surplus on continuing operations after depreciation but before tax		5,298	6,830
Depreciation and amortisation	13	2,946	2,686
Realised gain on disposal of fixed assets	11	(21)	(1,757)
Deferred capital grants released to income	21	(755)	(1,008)
Investment income	5	(35)	(167)
Interest payable		964	806
Decrease in stocks		14	(8)
Increase/(decrease) in debtors	17	136	(994)
(Decrease)/increase in creditors		(2,740)	990
Net cash inflow from operating activities		5,807	7,378

26. Returns on investments and servicing of finance

	Note	2014/15 £000	2013/14 £000
Income from endowments	5	10	9
Other interest received	5	25	158
Interest paid	9	(964)	(806)
Net cash outflow from returns on investments and servicing of finance		(929)	(639)

27. Capital expenditure

	Note	2014/15 £000	2013/14 £000
Tangible assets acquired (other than leased equipment)		(27,627)	(21,023)
Total investments, fixed and endowment asset investments acquired		(27,627)	(21,023)
Sale of investments		–	88
Sale of tangible fixed assets	11	587	4,100
Cost of demolition of building		–	(1,037)
Deferred capital grants received	21	960	384
Endowments received	22	104	334
Net cash outflow on capital expenditure		(25,976)	(17,154)

28. Financing

		2014/15 £000	2013/14 £000
Repayments of debt		(4,343)	(721)
Loans drawn down		7,130	–
Net cash outflow from financing		(2,787)	(721)

29. Analysis of changes in net funds

	Note	At 1 August 2014 £000	Non-cash movements £000	Cashflows	At 31 July 2015 £000
Cash at bank and in hand					
Endowment assets	16	1,513	–	112	1,625
Cash		5,482	–	830	6,312
Liquid resources - cash held in term deposit accounts		19,253	–	(19,253)	–
		26,248	–	(18,311)	7,937
Debt due within one year	18	(753)	–	(6,377)	(7,130)
Debt due after one year	19	(3,590)	–	3,590	–
		21,905	–	(21,098)	807

30. Pension arrangements

The University's employees belong to the following principal pension schemes the Teachers' Pension Scheme (TPS), the Universities' Superannuation Scheme (USS), and two Local Government Pension Schemes (LGPSs). The total pension cost for the period was £4,993,000 (2013/2014: £4,436,000).

Teachers' Pension Scheme (TPS)

The Teachers' Pension Scheme is an unfunded scheme; teachers' contributions, on a 'pay-as-you-go' basis, and employers' contributions are credited to the Exchequer under arrangements governed by the Superannuation Act 1972.

The employer contributions for the year were £2,034,000 (2013/2014: £2,041,000).

More information on the Teachers' Pension Scheme can be obtained from www.teacherspensions.co.uk

Universities' Superannuation Scheme (USS)

The Universities' Superannuation Scheme is a funded pension scheme where contributions payable are held in a trust separately from the University.

The employer contributions for the year were £163,000 (2013/2014: £153,000).

More information on the Universities' Superannuation Scheme can be obtained from www.usshq.co.uk

Under the definitions set out in Financial Reporting Standard 17 (Retirement Benefits), the TPS and the USS are multi-employer pension schemes. The University is unable to identify its share of the underlying assets and liabilities of these schemes. Accordingly, the University has taken advantage of the exemption in FRS 17 and has accounted for its contributions to these schemes as if they were defined contribution schemes.

Unfunded Enhanced Pensions

The University provides a number of employees with additional pension benefits, typically following redundancies or other staffing changes. These additional pensions are unfunded, so are paid by the University as they fall due (rather than when they are granted).

These unfunded enhanced pensions have been valued as at 31 July 2014 by a qualified independent actuary. The results of this valuation are included in the figures in this note.

Local Government Pension Schemes (LGPS) (including Unfunded Enhanced Pensions)

The University participates in two Local Government Superannuation Schemes; the Royal County of Berkshire (RCB) scheme and the London Borough of Ealing (LBE) scheme.

These are funded defined benefit pension schemes where contributions payable are held in a trust separately from the University. Full actuarial valuations were carried out at 31 March 2013 and updated to 31 July 2015 by qualified independent actuaries. The main results and assumptions of the most recent valuation for the schemes based on the projected unit method are as follows:

	2014/15 £000	2013/14 £000
Amounts recognised in the Balance Sheet:		
Present value of funded obligations	124,497	113,336
Fair value of plan assets	(82,298)	(76,164)
	42,199	37,172
Present value of unfunded obligations	8,024	8,276
Net liability in balance sheet	50,223	45,448

Amounts recognised in the Income and Expenditure Account are as follows:	2014/15 £000	2013/14 £000
Current service costs	2,220	1,697
Interest on obligation	5,206	4,808
Expected return on plan assets	(4,670)	(4,263)
Loss on curtailments and settlements	39	–
Total charge/(credit) to Income and Expenditure	2,795	2,242
Actual gain on plan assets	6,695	4,300

Amounts recognised in Statement of Total Recognised Gains and Losses (STRGL):	2014/15 £000	2013/14 £000
Actuarial gain on pension scheme assets	2,025	1,431
Experience gain arising on the scheme liabilities	249	(6,384)
Changes in financial assumptions underlying the value of the scheme liabilities	(7,065)	(6,870)
Actuarial (loss)/gain recognised in STRGL	(4,791)	(11,823)

Changes in the present value of the defined benefit obligation:	2014/15 £000	2013/14 £000
Opening defined benefit obligation	121,611	105,389
Service cost	2,220	1,697
Interest cost	5,206	4,808
Actuarial loss	6,816	13,254
Losses on curtailments	39	–
Employee contributions	819	749
Benefits paid	(4,191)	(4,286)
Closing defined benefit obligation	132,520	121,611

Changes in the fair value of plan assets:	2014/15 £000	2013/14 £000
Opening fair value of plan assets	76,164	71,528
Expected return	4,670	4,263
Actuarial gains	2,025	1,431
Contributions by employer	2,811	2,479
Employee contributions	819	749
Benefits paid	(4,191)	(4,286)
Closing fair value of plan assets	82,298	76,164

Projected employer contributions for the next accounting period (excluding TPS and USS)	2015-16
	£2,843,000

Movement in deficit during the year:	2014/15 £000	2013/14 £000
Deficit at beginning of the year	(45,448)	(33,862)
Current service cost	(2,220)	(1,697)
Employer contributions	2,811	2,479
Impact of settlements and curtailments	(39)	–
Net return on assets	(536)	(545)
Actuarial (losses)/gains	(4,791)	(11,823)
Deficit at end of year	(50,223)	(45,448)

The major categories of plan assets as a percentage of total plan assets:	2014/15 %	2013/14 %
Equities	61	60
Other bonds	21	22
Property	10	4
Cash	1	2
Alternative assets	7	12

The principal assumptions at the balance sheet date (expressed as weighted averages):	2014/15 %	2013/14 %
Discount rate	3.80	4.30
Expected return on plan assets	3.80	6.49
Future salary increases*	3.15	3.35
Future pension increases	2.15	2.35
Future life expectancy for a male member aged 65	22.4 years	22.4 years
Future life expectancy for a female member aged 65	25.4 years	25.4 years

*Salary increases are assumed to be 2% per annum for three years and then in line with RPI which is assumed to be 3.15% pa (2014: 2% per annum for four years and then 3.35%) per annum thereafter.

Due to changes being introduced to UK GAAP for accounting periods beginning on or after 1 January 2015, there is no longer a requirement for an explicit expected return on assets assumption. This is because under FRS101 or FRS102, the expected return on assets assumption is set equal to the discount rate (i.e 3.80% as at 31 July 2015).

Amounts for the current and previous four periods:	2014/15 £000	2013/14 £000	2011/12 £000	2010/11 £000	2009/10 £000
Defined benefit obligation	(132,520)	(121,611)	(105,389)	(98,620)	(90,186)
Plan assets	82,298	76,164	71,527	62,399	61,153
Deficit	(50,222)	(45,448)	(33,862)	(36,221)	(29,033)
Experience (loss)/gain on plan liabilities	249	(6,384)	(456)	(117)	(2,478)
Experience gain/(loss) on plan assets	2,025	1,431	(6,647)	(2,064)	4,261
Cumulative actuarial gains/(losses) recognised in the STRGL (since 1 August 2010)	(28,580)	(23,789)	(11,966)	(14,079)	(7,417)

31. Capital commitments (Consolidated and University)

	2014/15 £000	2013/14 £000
Commitments contracted	8,220	12,775

32. Financial commitments (Consolidated and University)

Annual rentals under operating lease commitments are as follows:	2014/15 £000		2013/14 £000	
	Property £000	Equipment £000	Property £000	Equipment £000
Expiring in 1-2 years	736	–	41	–
Expiring between 2-5 years	–	201	736	201
Expiring in greater than 5 years	3,489	–	3,402	–
Total commitments	4,225	201	4,179	201

33. Related Party Transactions

Governors of the University

Dr Alistair Stokes is Chairman of Solent NHS Trust (provides Community and Mental Health Services in Portsmouth and Southampton). During the year funding was received from the NHS on an arms length basis and this is disclosed in note 2.

Mr Mike Bellamy is a non-executive director and Chairman of Oxford Health NHS Foundation Trust and Chairman of Oxford Health NHS. During the year funding was received from the NHS on an arms length basis and this is disclosed in note 2.

Mr Tony Coad is a governor of Cambridge University Hospitals NHS Foundation Trust. During the year funding was received from the NHS on an arms length basis and this is disclosed in note 2.

Ms Jodie Vickery was the outgoing President of West London Students' Union. During the prior year the University paid a grant to West London Students' Union, which is a registered charity, on an arms length basis and this is disclosed in note 7.

Mr Josh Goddard is the President of West London Students' Union. During the year the University paid a grant to West London Students' Union, which is a registered charity, on an arms length basis and this is disclosed in note 7.

No other related party transactions have been identified.

The University has taken advantage of the exemption available in FRS 8: Related Party Transactions, not to disclose transactions with its wholly owned subsidiaries.

34. HEFCE: Access funds

The University used to receive Access funds from HEFCE to assist students who might otherwise be inhibited from entering higher education. This fund ceased in 2013/14.

The utilisation of the remaining Access funds in the accounting year to 31 July 2015 were as follows:

The major categories of plan assets as a percentage of total plan assets:	2014/15 £000
Balance at 1 August 2014	8
Funds received	–
Interest earned	–
Loans repaid	–
Audit fee	–
Disbursement of funds	(8)
Balance at 31 July 2015	–

35. Subsidiary companies

The transactions relating to the following trading subsidiary company have been included within the University's financial statements.

UWL Commercial Limited

The company, which is incorporated in England and Wales, undertakes commercial work on behalf of the University.

The University also owns the following dormant company:

London College of Music Limited

This company is incorporated in England and Wales. It has not traded in the year. London College of Music™ is a registered trademark used by the University in connection with the awarding of qualifications.

36. Post Balance Sheet Note

On 28 August 2015, the University secured £55m from Babson Capital Management, through a private placement deal facilitated by Barclays Bank.

The funds were received in three (3) tranches, £17m, £18m and £20m with the interest rates and repayment date as follows:

Period	10-year	12-year	15-year	Total
Pricing	Gilts+ 165	Gilts+ 165	Gilts+ 165	–
Interest rate (paid semi-annually)	3.66%	3.89%	4.07%	–
Tranche Size	£17m	£18m	£20m	£55m
Repayment Date	Aug 25	Aug 27	Aug 30	–
Weighted avg. interest rate	3.88%			

The University provided St Mary's Road Campus as security for the transaction.



ADVISORS

As at 31 July 2015

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Notes



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