

Meeting of the Policy & Resources Committee

3pm on Wednesday, 12 November 2014
In 1B27, Technopark, London Road, SE1

Agenda

<i>No.</i>	<i>Item</i>	<i>Paper No.</i>	<i>Presenter</i>
1.	Welcome and apologies		Chair
2.	Declarations of interest		Chair
3.	Minutes of the previous meeting (for publication)	PR.42(14)	Chair
4.	Matters arising		Chair
5.	Performance Matters (for discussion)		
6.	Key Performance Indicators	PR.43(14)	VC
7.	Management Accounts to 31 October 2014	PR.44(14)	CFO
8.	Student Recruitment	PR.45(14)	PVC(R&E)
9.	Enterprise half-yearly report *	PR.46(14)	PVC(R&E)
10.	Change programme – resources and infrastructure report	PR.47(14)	COO
11.	Matters to recommend to Board for Approval		
12.	Annual Report and Accounts for year ended 31 July 2014	PR.48(14)	CFO
13.	Matters for Noting		
14.	SU accounts for year ended 31 July 2014	PR.49(14)	SU CEO
15.	Insurance Claims, 2013/14	PR.50(14)	CFO
16.	Any other business		
17.	Date of next meeting: 4pm on Tuesday 3 February 2015		

* paper to follow

Members: Jerry Cope (Chair of the meeting), David Longbottom (Chairman of the Board), David Phoenix (Vice Chancellor), Ilham Abdishakur, , Ken Dytor, Neil Gorman, Hilary McCallion, Anne Montgomery, Diana Parker and Jon Warwick.

Apologies: Sarah Mullally (Chair of the committee)

With: Chief Financial Officer, Pro Vice Chancellor (Research and External Engagement), University Secretary, Chief Operating Officer (for item 10), SU CEO (for item 14) and Governance Manager.

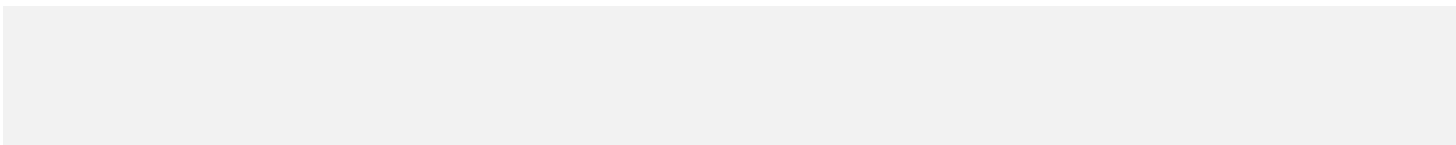
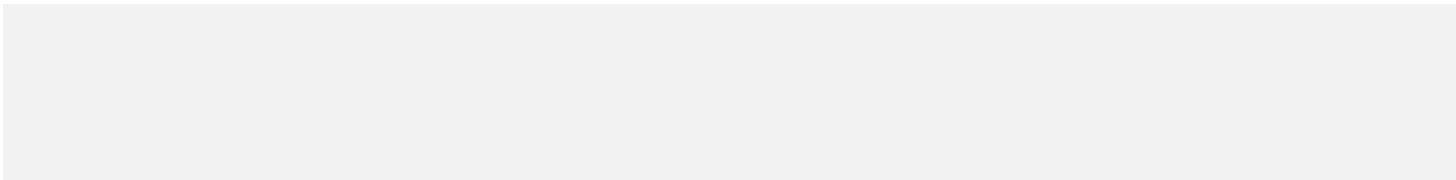
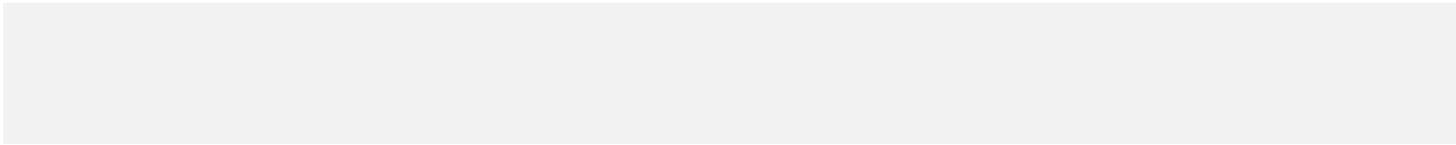


Committee Action Points

07 November 2014

16:20:39

Committee	Date	Minute	Action	Person Res	Status	
Policy and Resources	23/09/2014	7	Reports on NSS and DLHE to Board meeting of 9 October 2014	VC	On Board agenda	<input checked="" type="checkbox"/> Completed
Policy and Resources	23/09/2014	17	BUE partnership to the Board for approval	PVC - (S&E)	On Board agenda - 9 October 2014	<input checked="" type="checkbox"/> Completed
Policy and Resources	23/09/2014	18	Health and Safety Policy to Board for approval	COO	Approved by the Board at its meeting of 9 October 2014. The Board requested clarification around LSBU's responsibility to students on placement and the duty of contractors. Response from the health and safety team is below.	<input checked="" type="checkbox"/> Completed
Policy and Resources	23/09/2014	23	Separate letter to governors with the relevant parts of the travel, subsistence and expenses policy	Secretary	Draft in preparation	<input type="checkbox"/> Completed
Policy and Resources	23/09/2014	25	Authorised signatories to the Board for approval	CFO	On Board agenda - 9 October	<input checked="" type="checkbox"/> Completed
Policy and Resources	23/09/2014	26	Amended terms of reference to Board for approval	Secretary	Approved by Board on 9 October 2014.	<input checked="" type="checkbox"/> Completed



Committee

Date Minute

Action

Person Res Status

Health and Safety Policy comments

The new policy makes reference to and is supported by the health and safety procedures. There is a Student Placement Document, which cross refers and says “the University owes students on placement a Duty of Care due to the proximity of the relationship, i.e. contract of learning between the student and the University, and recognises the importance of the student's health and safety whilst on placement. However, statutory liability for a student on placement primarily lies with the Placement Provider”.

The responsibilities of contractors are set out in the policy which includes risk assessments and method statements. The risk assessments and method statements include more details on requirements of contractors' working practices and duties.

LSBU Corporate Key Performance Indicators (2011/12 - 2013/14)

Report Production Date: 5th November 2014

Financial Sustainability						
KPI	2011/12	2012/13	2013/14		YoY up down	
	Actual	Actual	Target	Actual (Draft Accounts)		
Student Numbers & Contracts						
1	Recruitment against HEFCE contract	Within tolerance	Within tolerance	Within tolerance band	within tolerance	➔
Income						
2	NHS contract income (£)	On target	On target	£25.9m	£25.2	⬇
3	International student income	£9.6m	£8.8m	£9.4m	£8.5	⬇
4	Research (non-HEFCE) income (£)	£2.4m	£2.2m	£2.4m	£1.8	⬇
5	Enterprise income (£)	£10.0m	£8.4m	£9.0m	£9.5	⬆
6	Total Income (£)	£138.3m	£137.9	£137.6m	£134.8	⬇
Surplus						
7	Total Surplus (% of income)	4.7%	4.00%	1.8%	2.4%	⬇
Other Financial Indicators						
8	Cash Balance (£)	£69.1m	£60.0 m	£48.2	£53.0m	⬇
9	Gearing Ratio	0.31	0.27	0.26	0.29	⬇
10	Days liquidity	203	176.6	139	157.1	⬇
11	Staff Costs as a % of Income	<i>new indicator</i>	<i>new indicator</i>	55%	55.8%	NI

The Student Experience						
KPI	2011/12 (Actual)	2012/13 (Actual)	2013/14 (Target)	Current Performance (RAG)	YoY	
Student Satisfaction						
12	Overall Student Satisfaction - UG (NSS) *	80%	82%	86%	80%	⬇
13	Overall Student Satisfaction - PG	78%	76%	80%	77%	⬆
Student Retention & Progression						
14	FTUG Year 1 Progression (%)	63%	65%	65%	62.9%	⬇
15	Graduating in intended period (FTUG 3/4yrs) (%)	52%	51%	65%	56%	⬆
Value Added						
16	Employment of graduates (DLHE return)* (Employed, or studying, or both)	78.1%	77.4%	85%	85.50%	⬆
17	No. of first degree students obtaining 1st or Upper 2nd class degrees *	56.0%	58%	62%	58.30%	⬆
Resource Measures						
18	Spend per student (£) * (Academic Services)	£940 <i>(Complete UG 2013)</i>	£900 <i>(CUG 2014)</i>	£1,000	£971 <i>(CUG 2015)</i>	⬆
19	Spend per student (£) * (Services & Facilities)	£1,062 <i>(Times GUG 2012/13)</i>	£1,110 <i>(SundayTimes/Times GUG)</i>	£1,150	£1,250	⬆
20	Staff:student ratio *	22.4:1 <i>(2010/11 HESA)</i>	23.7:1 <i>(2011/12 HESA)</i>	21:1	24.2:1 <i>(2012/13 HESA)</i>	⬇

Institution Reputation and Esteem						
KPI	2011/12 (Actual)	2012/13 (Actual)	2013/14 (Target)	Current Performance (RAG)	YoY	
League Table Ranking						
21	The Times / Sunday Times	111 (of 116) <i>(2012/13 Table)</i>	118 (of 120) <i>(2014 Table)</i>	< 110	122 (of 123) <i>(2015 Guide - Sep 14)</i>	⬇
22	The Guardian	104 (of 120) <i>(2013 Table)</i>	113 (of 119) <i>(2014 Guide - June 13)</i>	< 110	112 (of 116) <i>(2015 Guide - June 14)</i>	⬆
23	The Complete University Guide	109 (of 116) <i>(2013 Table)</i>	119 (of 124) <i>(2014 Table - April 13)</i>	< 110	120 (of 123) <i>(2015 Table - May 14)</i>	⬇
Subject League Tables (The Guardian)						
24	No. of subjects in top 75% nationally	5 (of 17)	3 (of 21)	5 (of 21)	3 (of 25)	➔
25	No. of subjects in top 50% of post-1992	3 (of 17)	2 (of 21)	7 (of 21)	2 (of 25)	➔
26	No. of subjects in top 25% of post-1992, London	3 (of 17)	4 (of 21)	4 (of 21)	2 (of 25)	⬇
Student Perceptions						
27	% of Firm acceptances against enrolment target from FTUG students prior to clearing	<i>new indicator</i>	68% <i>(no rating criteria)</i>	75%	75.6%	⬆
28	Early:late application % (% of FTUG enrolments arising from pre/post clearing)	74:26	79:21	80:20	78:22	⬇
29	Financial support from donors (cash received, £)	£1.5m	£1.35m	1.4m	£1.35m	➔
30	Alumni Engagement: Number of placement, volunteer & mentor opportunities for students	<i>new indicator</i>	<i>new indicator</i>	500	520	NI
Staff Perceptions						
31	Staff Turnover rate	<i>new indicator</i>	21%	18%	22.4%	⬇

* Key league table measures

KPI Notes: Measure Overview		Data date & Source	Notes
1-11	Financial performance	Nov to Aug: LSBU Management Accounts	Forecast data updated after each month end period Draft figure prior to audit & final after accounts signed.
Student Satisfaction			
12	Overall Student Satisfaction - UG (NSS)	Aug 14: Ipsos Mori National Student Survey	Satisfaction has fallen by 2%
13	Overall Student Satisfaction - PG	Sep 14: LSBU PG Taught Survey	Satisfaction has increased by 1%
14	FTUG Year 1 Progression (%)	Oct/Nov 14: LSBU Cognos PAT Reports	Progression as at end October from all students with valid result code entered on QL. An improvement of 5% at the institutional level, but with departmental results ranging from 46% to 79 %.
15	% Graduating in intended period (FTUG 3/4yrs)	Oct/Nov 14: LSBU Registry Analysis	
Value Added			
16	Employment of graduates (% Employed, Studying, or both)	July 14: Hefce DLHE survey	An improvement to 85.5%
17	No. of first degree students obtaining 1st or Upper 2nd class degrees *	Oct/Nov 14: LSBU Registry Analysis	
Resource Measures			
18	Spend per student (£) * (Academic Services)	April/May 14: 'Complete University Guide'	
19	Spend per student (£) * (Services & Facilities)	Sep 14: Times 'Good University Guide'	
20	Staff:student ratio *	Aug 14th: publication of HESA data for 12/13	
League Table Ranking			
21	The Sunday Times / Times	September 14: The Sunday Times Newspaper	
22	The Guardian The Complete University Guide	June 14: The Guardian Newspaper	
23	(formerly The Independent)	April 14: Complete University Guide website	
Subject League Tables (The Guardian)			
24	No. of subjects in top 75% nationally	June 14: The Guardian Newspaper	
25	No. of subjects in top 50% of post-1992	June 14: The Guardian Newspaper	
26	No. of subjects in top 50% of post-1992, London	June 14: The Guardian Newspaper	
Student Perceptions			
27	% of Firm acceptances against enrolment target from FTUG students prior to clearing	August 2014, Recruitment Analysis	2080 Firm Acceptances were received by the 12th August, against a SNC target of 2750
28	Early : late applications (% of FTUG enrolments arising from early/late applications)	Oct/Nov 14, Registry Analysis	
29	Financial support from donors (cash received, £)	Oct/Nov 14, Development Office	LSBU's philanthropic income, as defined by the sector standard, the Ross-CASE survey of giving to Higher Education
30	Alumni Engagement: Number of placement, volunteer & mentor opportunities for students	August 14, Development Office	P&R Report notes 200 mentors, 300 placements & 20 student talks
Staff Perceptions			
31	Staff Turnover	HR Database Analysis	

September Executive Summary

1) This Executive Summary reports on the Financial position of London South Bank University as at 30 September and summarises the changes since the August Forecast

2) RAG Status

Income Growth 1.3% Staff Cost Growth 1.8% Opex Growth -3.3% Staff Cost % 56.1% improvement on FYF Contribution 1.5%

3) Summary

The full year forecast as of September 2014 is trending towards a contribution of £1.0M. This is a deterioration of £2.1M on the July position but is in line with the 2014/15 budget. Year on year Income growth is driven by UG fee income as we transition from discounted UG fees to full UG fees with Bursaries rather than an increase in recruitment, and this is broadly supported by early enrolment figures although there are pockets of weakness. PG income is forecast to fall year on year and this position is unchanged following enrolment. Overseas income is forecast to increase by £0.5M year on year and this will be a challenge without strong second semester enrolments. In terms of YTD figures, Income is significantly ahead of the same period in 2013/14 however this is driven by a better enrolment process rather than actual UG growth. Staffing costs are currently £0.5M less than the equivalent period in 2013/14 and this is driven by a reduction in Academic Staff. Support staff are forecast to increase significantly compared to the 13/14 outturn and this may have to be reviewed for appropriateness and affordability. Our YTD Opex is slightly ahead of the equivalent position last year although it is behind budget. Staffing costs are being actively managed and similar pressure may be required on Opex if there is a fees shortfall.

4) Table 1: Full Year Forecast vs. Budget

Financial Summary in £'m	13 / 14 Actual	14/15 Budget	Change %	Sep 14 / 15 FYF	variance to Budget	variance to Budget %	variance to 13/14	13 / 14 YTD	14 / 15 YTD	Variance to 13 / 14	Variance %
Funding Grants	25.8	19.0	-26.2%	19.0	-0.0	-0.1%	-26.3%	4.2	3.0	-1.2	-28.3%
Health - Contract	25.2	24.6	-2.0%	24.6	0.0	0.0%	-2.0%	4.2	4.1	-0.1	-1.3%
Home / EU Fees	51.8	61.4	18.6%	61.4	0.0	0.0%	18.6%	15.7	37.3	21.6	137.0%
Overseas Fees	8.5	9.0	6.2%	9.0	0.0	0.0%	6.2%	0.8	2.1	1.3	154.0%
Research & Related Activities	2.3	1.7	-24.9%	1.7	0.0	0.0%	-24.9%	0.6	0.5	-0.1	-11.7%
Enterprise Activities	6.9	8.2	17.9%	8.2	0.0	0.0%	17.9%	0.8	1.1	0.3	45.1%
Student Related Income	9.9	10.1	1.6%	10.1	0.0	0.0%	1.6%	1.7	1.6	-0.1	-3.7%
Other Operating Income	4.0	2.1	-48.4%	2.1	0.0	0.0%	-48.4%	0.2	0.1	-0.1	-51.8%
Endowments & Interest	0.3	0.3	-9.4%	0.3	0.0	0.0%	-9.4%	0.0	0.0	0.0	134.4%
Income	134.8	136.5	1.3%	136.5	-0.0	-0.0%	1.3%	28.2	49.9	21.7	76.9%
in £'m											
Academic Staff Costs	41.3	40.5	-1.9%	40.5	-0.0	0.0%	-1.9%	6.5	6.0	-0.5	-7.3%
Support & Technicians	30.4	34.2	12.6%	33.9	-0.3	-0.9%	11.6%	5.1	5.0	-0.1	-2.5%
Third Party Staff	3.5	1.9	-44.7%	2.1	0.2	7.8%	-40.3%	0.5	0.5	0.1	14.7%
Depreciation	8.5	9.5	12.1%	9.5	0.0	0.0%	12.1%	1.3	1.4	0.1	6.3%
Operating Expenses	44.3	42.7	-3.6%	42.8	0.1	0.3%	-3.3%	3.8	4.0	0.2	5.3%
Interest Payable	3.8	4.7	23.8%	4.7	0.0	0.0%	23.8%	0.6	0.5	-0.1	-11.2%
Exceptional Items	0.0	2.0	0.0%	2.0	0.0	0.0%	0.0%	0.0	0.0	0.0	0.0%
Expenditure	131.7	135.5	2.9%	135.4	-0.0	0.0%	2.9%	17.8	17.5	-0.3	-1.8%
Surplus for the year	3.1	1.0	-67.7%	1.0	0.0	1.5%					
Surplus as % of income	2.3%	0.7%				0.7%		16.1%	15.1%	YTD Staff Cost %	
Surplus per student FTE	£209.6	£67.6				£68.5		8.6%	9.4%	YTD OPEX Cost %	
Staff cost as % of income	55.8%	56.2%				56.1%		13.5%	12.9%	Total YTD cost %	

5) Forecast Summary

There has been no change to the overall Forecast and we are forecast to deliver the budgeted levels of contribution. There have been some changes within the forecast in terms of the balance of permanent Support Staff and those Support staff employed on Agency contracts and this is primarily due to on-going Interim appointments within both ICT and the Business Intelligence Unit

6) Risks and Contingencies

The Full Year Forecast contains a number of risks primarily to do with recruitment and retention. In order to balance these risks we are currently holding an OPEX contingency of £0.5M and a restructuring provision of £1.1M. We also have an Investment Pot of £0.7M which may be invested once we have clarity over student numbers

7) Contribution Analysis

The Full Year Forecast Contribution is £2.1M behind the comparable position in 13/14. It was always anticipated that 2014/15 would be more challenging given our investments in the EDISON programme and the Change Programme and page 5 indicates the £3.3M movement in contribution caused by these 2 projects. These programmes effectively use all of the £2.8M additional contribution that the Schools are required to find in 14/15. The positive movement in contribution from Academic Related Resources (Library & ICT Support) is not due to disinvestment in this area but is a result of the division of ICT and a different cost profile year on year in each ICT department. The increase in Enterprise contribution is due to growing activity within these areas. All other areas of the University are reducing their contribution as a result of increased costs compared to the 13/14 out turn.

As mentioned above, the Schools have been challenged to find an additional £2.8M increase in contribution compared to 2014/15. This is excluding any savings from the School Admin Offices. The bulk of this additional income is from the Schools of Arts & Creative Industries and the Built Environment & Architecture and there is nervousness about the ability of the latter to deliver. The School of Law and Social Sciences was forecast to fall in terms of contribution however due to strong UG recruitment it may be able to make up for the weakness in other areas

Contribution per Student and per Staff excluding School Admin		Applied Science		Arts and Creative Industries		Built Environment & Architecture		Business		Engineering		Health & Social Care (including HSC admin)		Law & Social Sciences	
	12 / 13 Actual	Jun 13 / 14 FYF	12 / 13 Actual	Jun 13 / 14 FYF	12 / 13 Actual	Jun 13 / 14 FYF	12 / 13 Actual	Jun 13 / 14 FYF	12 / 13 Actual	Jun 13 / 14 FYF	12 / 13 Actual	Jun 13 / 14 FYF	12 / 13 Actual	Jun 13 / 14 FYF	
Income (£M)	10.9	11.4	8.4	9.2	14.1	15.1	21.2	21.4	13.6	14.5	32.9	32.9	14.9	13.4	
Expenditure (£M)	6.5	6.5	4.2	3.9	7.3	7.5	11.4	11.1	8.5	8.4	20.8	20.5	7.1	7.0	
Contribution (£M)	4.4	5.0	4.2	5.3	6.7	7.6	9.8	10.3	5.1	6.1	12.1	12.4	7.9	6.5	
Contribution %	40%	43%	50%	57%	48%	50%	46%	48%	38%	42%	37%	38%	53%	48%	
Student FTE	1,139	1,190	1,097	1,082	1,672	1,686	3,030	2,671	1,468	1,455	4,406	3,276	1,992	1,869	
Contribution per FTE	£3,864	£4,182	£3,804	£4,883	£4,033	£4,501	£3,242	£3,850	£3,488	£4,187	£2,747	£3,781	£3,953	£3,457	
Staff FTE		60		37		76		99		79		230		80	
Contribution per Staff FTE		£83,311		£144,169		£99,681		£103,459		£76,987		£53,879		£80,765	

In terms of full cost allocation as per page 26 all of the Schools are forecast to cover their central costs apart from Law & Social Sciences and Health & Social Care. Law & Social Sciences should cover its costs once their income forecast is changed to reflect additional enrolment but HSC will struggle to cover its costs due to the level of funding it receives from the NHS and the high cost of admin per student. Other areas may fall back if their income forecast is reduced once we have a clear idea of enrolment.

8) Student Number Analysis

Student FTEs on pages 6 to 13 have been taken from the Registry HESES recreation as of October 1. These numbers include both EFE and EOER students. If a student is not able to fulfil our enrolment requirements they will disappear from our numbers and the year on year comparisons as they would never have been enrolled. This is quite distinct from students who interrupt or withdraw. In 2013 / 14 we lost £3.0M in income from the 1,092 students representing 773 FTE (or 5.2%) who withdrew. This number includes 354 Year 1 Full Time Undergraduate students, representing 9.7% of this cohort. The £3.0M of "lost income" is the difference between the full fee and the final charge. These figures do not yet include HSC students who enrol in Semester 2 & 3.

9) Student Withdrawal Analysis

Academic year	Total Students	Total Withdrawals	% of Total Student bodies	Comparable at 30/09	
10/11	23,062	1,600	6.9%	228	1.0%
11/12	21,127	1,189	5.6%	177	0.8%
12/13	19,262	1,020	5.3%	94	0.5%
13/14	19,641	1,092	5.6%	98	0.5%
14/15	15,527			42	0.3%

Note: the 14/15 FTE figure is at Sep 30. Enrolment has continued since then and this figure does not include HSC students who enrol during the year or students who enrol during the Second semester

10) Income Analysis

Income is forecast to increase by £1.7M year on year. The bulk of this increase is dependent upon student recruitment and progression and as at October 1 we had enrolled 15,527 students representing 13,230 FTE. This a reduction from the 14,784 FTE enrolled during 13/14 however enrolment is still continuing and HSC and second semester enrolments will increase that figure. We will amend the Fees forecasts when we have a clearer view of the final enrolment position. As per page 15 YTD Research income is slightly ahead of budget although it is too early to increase our forecasts. As per page 16 YTD income from the Enterprise segment is slightly behind budget. Both these areas are being closely watched and we will reforecast once we have a clearer picture.

11) Staff Cost Analysis

The University, as per page 17, is forecast to increase its staffing cost from normal operations by £3.1M compared to the 2013 / 14 outturn. The bulk of this increase is from the Programme Office as that team ramps up its activity and from the Estates & Academic Environment Professional Service Function which includes Residences, Estates, ICT Infrastructure and the COO's office. £200K of the potential £600K year on year increase is a transfer from ICT support which is now reported in the Academic Related Resources and Support. The increase in Research and Enterprise staff is funded by additional revenue. Staff costs are currently forecast to be 56.1% of our total revenue which is above the Board of Governors target of 55%. Total Staff costs per area are reported on page 18.

12) Opex Analysis

The University's operating expenses are forecast to fall by £1.6M year on Year, a decrease of 3.3%. £600K of these reductions are driven from the Schools and over £1M is driven from the areas of Estates and ICT (Support & Infrastructure). This represents a real reduction in terms of Estates costs but also reflects the fact that ICT spent over budget last year and so a year on year reduction brings them back to last years budgeted levels. The largest increase in operating expenses of £2.6M is due to the Edison Project.

In terms of YTD expenditure, as per page 4, the university has spent £3.3M less than the expected budgeted level of operating expenditure. The bulk of this is in Maintenance & Other Estate costs which represents a delay in a number of projects driven by this area. There have been slight changes in the mix of operating expenses as departments look to invest savings from their staffing forecasts and this activity will be closely monitored during the year and reined in if fee income falls short or savings are necessary to deliver the expected level of organisational contribution. Areas marked in Red on page 24 identify which departments are spending ahead of budget and as at September 30 there were no areas that had considerably overspent against their YTD budget

13 Budget Analysis

As per page 23, there are 28 distinct areas of the University that have separate budgets and each area is expected to deliver to their Budget. Numbers in red indicate either a shortfall in income against budget or additional costs that are being incurred. There are only 2 areas which are currently forecast to be short in terms of contribution, Finance and Student Administration, and these will move to a balanced position during the year, whilst the Executive Office is currently forecast to deliver ahead of budget.

LONDON SOUTH BANK UNIVERSITY / ENTERPRISES

Management Summary Report from August 2014 To The End Of September 2014

SMT Area: All

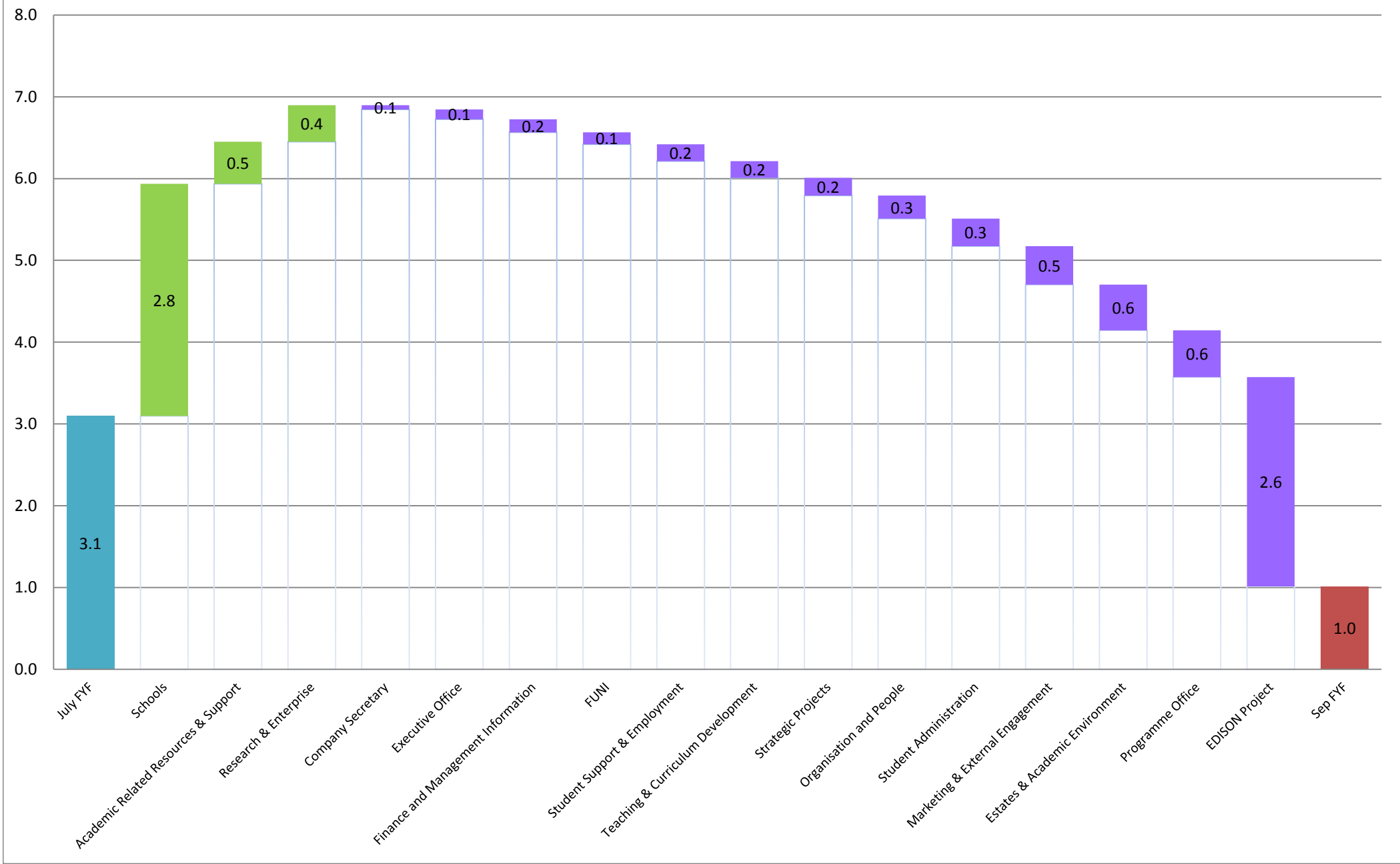
Cost Centre: %

London South Bank
University

REF MANSUM

Full Year Outturn Last Year (£)	YTD Actuals Last Year (£)	Description	FULL YEAR				YEAR TO DATE				Full year Forecast less Actual YTD (£)	
			2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget		2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget			Note
					(£)	%			(£)	%		
-25,824,679	-4,217,042	Funding Grants	-19,031,625	-19,046,625	(15,000)	(%)	-3,025,455	-3,182,849	(157,395)	(5%)	-16,006,171	
-25,156,983	-4,172,070	Health - Contract	-24,646,621	-24,646,621		%	-4,118,566	-4,167,053	(48,486)	(1%)	-20,528,055	
-43,998,610	-14,729,812	Fees - Home & EU UG	-54,718,910	-54,718,910		%	-35,515,670	-18,631,510	16,884,161	91%	-19,203,239	
-7,762,676	-1,008,082	Fees - Home & EU PG	-6,664,312	-6,664,312		%	-1,788,527	-644,734	1,143,792	177%	-4,875,786	
-5,140,888	-451,363	Fees - Overseas Fees UG	-5,822,304	-5,822,304		%	-853,425	-488,097	365,328	75%	-4,968,879	
-3,376,815	-376,696	Fees - Overseas Fees PG	-3,225,575	-3,225,575		%	-1,250,168	-308,798	941,370	305%	-1,975,407	
-1,972,318	-525,976	Research - Grants	-1,459,550	-1,459,550		%	-476,846	-239,205	237,641	99%	-982,704	
-283,190	-67,842	Research - Related Activities	-234,159	-234,159		%	-47,557	-41,127	6,431	16%	-186,602	
-827,288		Enterprise - Partnerships	-1,196,780	-1,196,780		%	14,000		(14,000)		-1,210,780	
-2,044,822	-123,275	Enterprise - University Fees	-2,580,471	-2,580,471		%	-504,653	-699,406	(194,753)	(28%)	-2,075,818	
-4,070,594	-643,701	Enterprise - Other	-4,408,913	-4,408,913		%	-621,914	-681,108	(59,194)	(9%)	-3,786,999	
-9,923,487	-1,669,940	Other - Student Related Income	-10,080,443	-10,080,443		%	-1,607,711	-1,601,172	6,540	%	-8,472,732	
-4,040,613	-219,695	Other - Operating Income	-2,083,320	-2,083,320		%	-105,939	-287,403	(181,465)	(63%)	-1,977,381	
-331,015	-6,562	Endowment Income & Interest Receivable	-300,000	-300,000		%	-15,383	-50,000	(34,617)	(69%)	-284,617	
-134,753,977	-28,212,054	Total Income	-136,452,982	-136,467,982	(15,000)	(%)	-49,917,815	-31,022,461	18,895,354	61%	-86,535,167	
37,535,865	6,305,732	Academic - Permanent staff	37,635,113	37,642,113	7,000	%	5,972,211	6,169,497	197,286	3%	31,662,903	
3,762,737	183,104	Academic - Temporary staff	2,885,026	2,885,026		%	43,355	260,220	216,866	83%	2,841,671	
2,788,953	458,729	Technicians staff	2,891,120	2,891,120		%	482,571	480,782	(1,789)	(%)	2,408,550	
26,741,766	4,538,388	Support - Permanent staff	30,433,461	30,756,852	323,391	1%	4,390,310	5,071,515	681,205	13%	26,043,151	
833,387	151,420	Support - Temporary staff	554,441	534,441	(20,000)	(4%)	146,730	110,922	(35,808)	(32%)	407,711	
3,494,063	463,391	Third party staff	2,085,154	1,933,716	(151,438)	(8%)	531,716	469,719	(61,997)	(13%)	1,553,438	
75,156,771	12,100,763	Total Staff Costs	76,484,318	76,643,271	158,953	%	11,566,892	12,562,655	995,763	8%	64,917,426	
8,453,650	1,332,738	Total Depreciation	9,478,456	9,478,456		%	1,416,772	1,430,679	13,907	1%	8,061,684	
2,461,058	181,990	Staff Related	2,007,193	1,947,193	(60,000)	(3%)	-34,719	306,536	341,255	111%	2,041,912	
2,127,819	291,412	Marketing and PR	2,195,082	2,195,082		%	213,933	478,698	264,766	55%	1,981,149	
734,895	-112,122	Student Recruitment	579,084	579,084		%	-40,748	27,716	68,464	247%	619,832	
2,717,681	-181,241	Bursaries and Scholarships	2,499,752	2,499,752		%	-102,161	176,810	278,971	158%	2,601,913	
5,862,689	612,123	Student Related	5,745,220	5,745,220		%	605,279	1,010,747	405,468	40%	5,139,941	
751,006	95,723	Equipment	769,298	769,298		%	81,146	132,965	51,819	39%	688,152	
3,449,265	356,106	Computing	4,207,926	4,163,487	(44,439)	(1%)	486,537	731,084	244,548	33%	3,721,390	
3,585,043	397,664	Utilities	3,652,683	3,652,683		%	416,890	523,157	106,268	20%	3,235,793	
8,295,266	364,554	Maintenance & Other Estate	6,276,918	6,276,918		%	475,149	1,473,185	998,035	68%	5,801,768	
4,669,033	703,390	Cleaning & Security	5,055,126	5,055,126		%	849,131	898,839	49,708	6%	4,205,995	
868,651	64,056	Financial	123,316	123,316		%	30,546	20,136	(10,410)	(52%)	92,770	
632,851	70,098	Communications	716,358	716,358		%	86,820	115,629	28,809	25%	629,537	
3,053,062	231,715	Legal & Professional	2,484,483	2,459,483	(25,000)	(1%)	332,560	404,513	71,952	18%	2,151,923	
775,692	135,400	Subscriptions and Membership Fees	912,650	912,650		%	72,953	177,823	104,870	59%	839,697	
1,347,239	156,759	Photocopying and Stationery	1,196,193	1,196,193		%	102,269	160,053	57,784	36%	1,093,924	
2,937,854	437,337	Other	4,535,742	4,535,742		%	431,821	757,740	325,920	43%	4,103,922	
901	1,591	Internal recharges	-163,401	-163,401		%		-36,562	(36,562)		-163,401	
44,270,006	3,806,554	Total Other Operating Expenses	42,793,623	42,664,184	(129,439)	(%)	4,007,406	7,359,070	3,351,664	46%	38,786,218	
3,775,416	579,272	Total Interest Payable	4,672,644	4,672,644		%	514,525	779,123	264,598	34%	4,158,119	
		Total Exceptional Items	2,009,427	2,009,427		%		376,094	376,094	100%	2,009,427	
-3,098,134	-10,392,727	Contribution	-1,014,514	-1,000,000	14,514	1%	-32,412,220	-8,514,841	23,897,379	281%	31,397,706	
55.8%		Staff costs as % of income	56.1%	56.2%			23.2%	40.5%				
2.3%		Contribution %	0.7%	0.7%			64.9%	27.4%				

Year on Year Forecast Movement in Contribution (£m)



Student Data Template

(All)

London South Bank University

1 October 2014

Undergraduate Profile

Full Time

		UG1	UG2	UG3
Home / EU				
New	Enrolled	3,596	116	82
	Interrupted	1	0	0
	Withdrawn	2	0	0
Continuing	Enrolled	540	2,495	2,366
	Interrupted	0	2	6
	Withdrawn	1	3	0
Total H/ EU FT		4,140	2,616	2,454
Overseas				
New	Enrolled	198	85	4
	Interrupted	0	0	0
	Withdrawn	1	0	0
Continuing	Enrolled	13	123	164
	Interrupted	0	0	0
	Withdrawn	0	0	0
Total OS FT		212	208	168
Total FT UG		4,352	2,824	2,622

Postgraduate Profile

Full Time

		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	781	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing	Enrolled	51	282	25
	Interrupted	0	0	0
	Withdrawn	0	0	0
Total		832	282	25
Overseas				
New	Enrolled	380	1	0
	Interrupted	0	0	0
	Withdrawn	1	0	0
Continuing	Enrolled	71	90	18
	Interrupted	0	0	0
	Withdrawn	0	0	0
Total Overseas		452	91	18
Total FT PG		1,284	373	43

Part Time

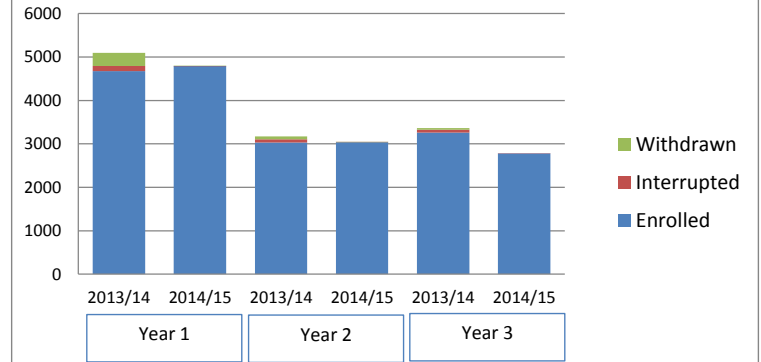
		UG1	UG2	UG3
Home / EU				
New	Enrolled	428	28	32
	Interrupted	0	0	0
	Withdrawn	2	0	0
Continuing	Enrolled	14	195	135
	Interrupted	0	0	1
	Withdrawn	0	0	0
Total		444	223	167
Overseas				
New	Enrolled	3	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing	Enrolled	0	1	1
	Interrupted	0	0	0
	Withdrawn	0	0	0
Total		3	1	1
Total PT UG		447	224	168

Part Time

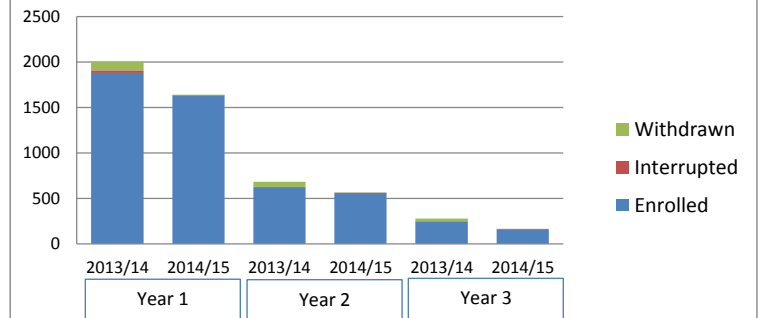
		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	330	9	1
	Interrupted	3	0	0
	Withdrawn	0	0	0
Continuing	Enrolled	12	170	111
	Interrupted	1	1	0
	Withdrawn	0	0	0
Total		346	180	113
Overseas				
New	Enrolled	6	1	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing	Enrolled	1	8	9
	Interrupted	1	0	0
	Withdrawn	0	0	0
Total		8	9	9
Total PT PG		355	189	122

Total FTEs 14 /15 13,230 13 /14 14,784

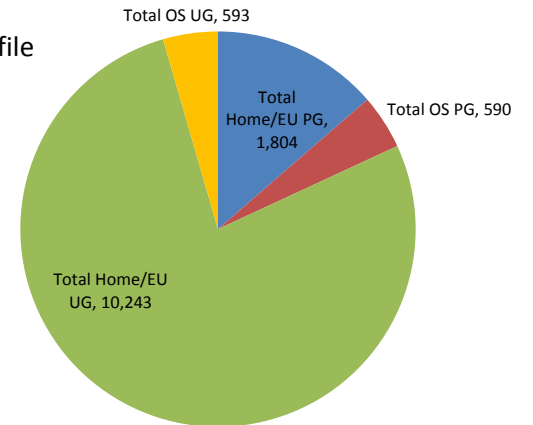
year on year FTE change - UG



year on year FTE change - PG



Student Profile



Student Data Template

Applied Science

London South Bank University

1 October 2014

Undergraduate Profile

Full Time

		UG1	UG2	UG3
Home / EU				
New	Enrolled	409	19	4
	Interrupted	0	0	0
	Withdrawn	2	0	0
Continuing				
Enrolled	91	305	186	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total H/ EU FT				
		502	324	190
Overseas				
New	Enrolled	9	6	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	3	10	7	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total OS FT				
		12	16	7
Total FT UG				
		514	340	197

Postgraduate Profile

Full Time

		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	46	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	2	18	0	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total				
		48	18	0
Overseas				
New	Enrolled	7	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	1	5	1	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total Overseas				
		8	5	1
Total FT PG				
		56	23	1

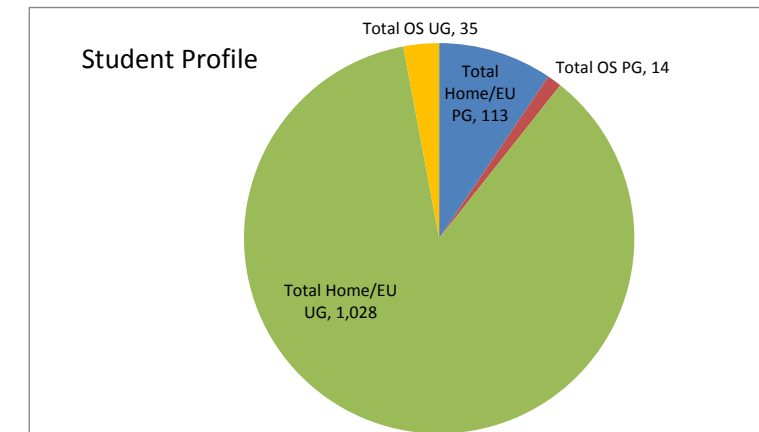
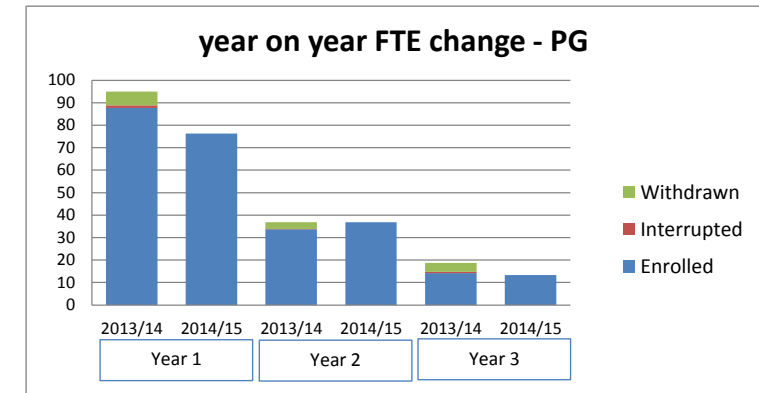
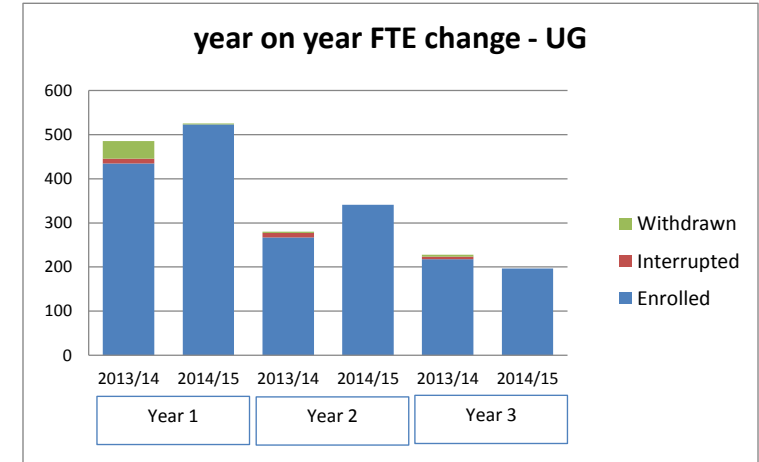
Part Time

		UG1	UG2	UG3
Home / EU				
New	Enrolled	11	1	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	0	1	0	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total				
		11	1	0
Overseas				
New	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	0	0	0	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total				
		0	0	0
Total PT UG				
		11	1	0

Part Time

		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	19	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	1	14	12	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total				
		20	14	12
Overseas				
New	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	0	0	0	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total				
		0	0	0
Total PT PG				
		20	14	12

Total FTEs 14 /15 1,190 13 /14 1,139



Student Data Template

Arts and Creative Industries London South Bank University
1 October 2014

Undergraduate Profile

Full Time		UG1	UG2	UG3
Home / EU				
New	Enrolled	407	7	3
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	21	280	252
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total H/ EU FT		428	287	255
Overseas				
New	Enrolled	58	1	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	2	9	6
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total OS FT		60	10	6
Total FT UG		488	297	261

Postgraduate Profile

Full Time		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	10	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		10	0	0
Overseas				
New	Enrolled	16	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	5	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total Overseas		21	0	0
Total FT PG		31	0	0

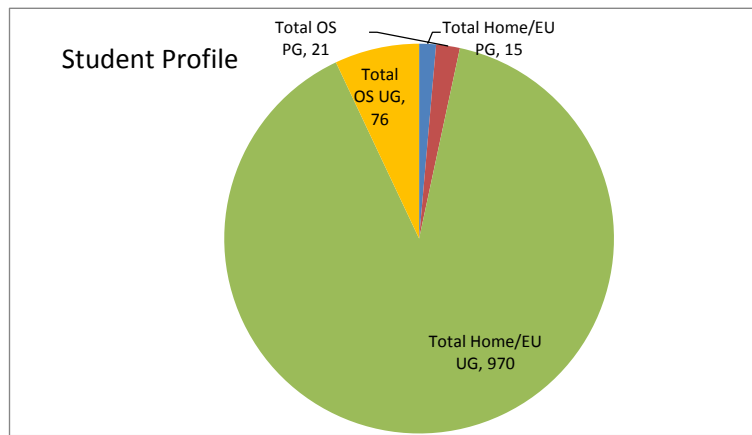
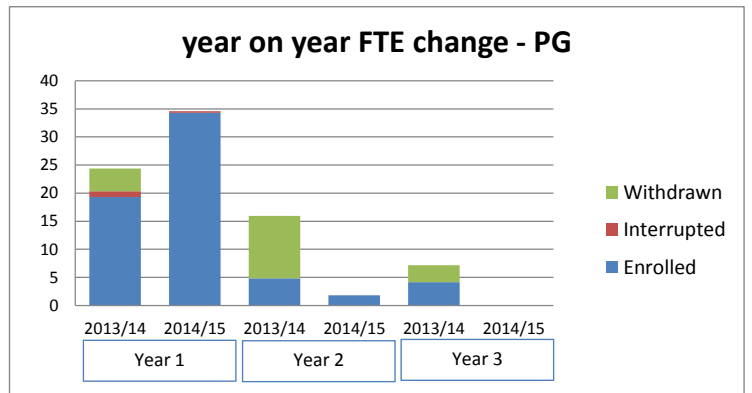
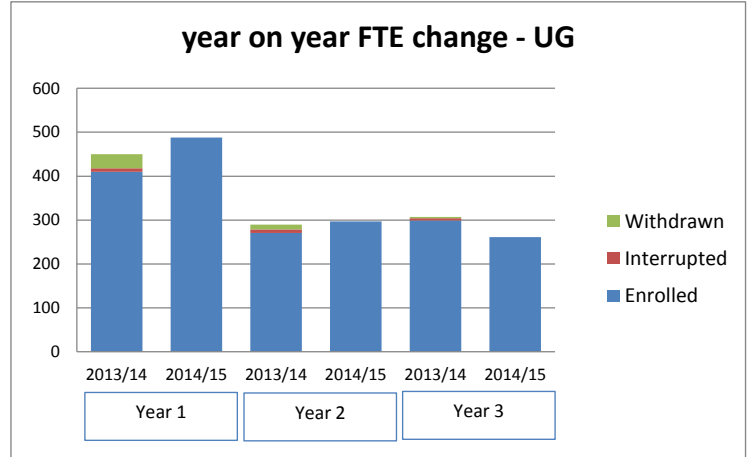
Part Time

		UG1	UG2	UG3
Home / EU				
New	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		0	0	0
Overseas				
New	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		0	0	0
Total PT UG		0	0	0

Part Time

		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	3	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	0	2	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		4	2	0
Overseas				
New	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		0	0	0
Total PT PG		4	2	0

Total FTEs 14 /15 1,082 13 /14 1,097



Undergraduate Profile
Full Time

		UG1	UG2	UG3
Home / EU				
New	Enrolled	164	11	4
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	75	161	164	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total H/ EU FT				
		239	172	168
Overseas				
New	Enrolled	34	25	3
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	2	17	19	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total OS FT				
		36	42	22
Total FT UG				
		275	214	190

Postgraduate Profile
Full Time

		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	143	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	9	47	4	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total				
		152	47	4
Overseas				
New	Enrolled	25	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	9	7	5	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total Overseas				
		34	7	5
Total FT PG				
		186	54	9

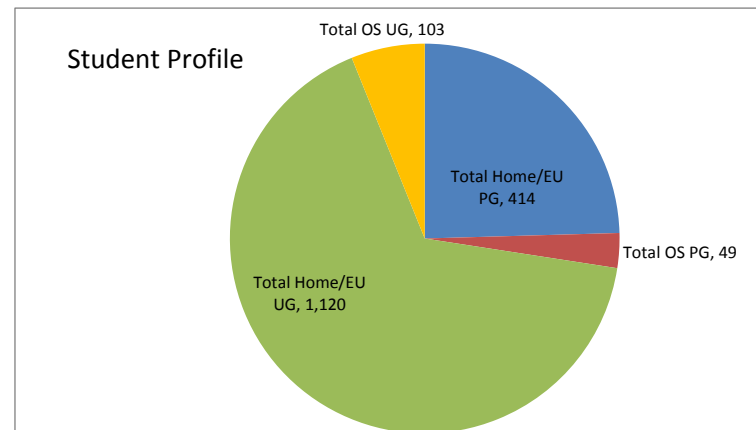
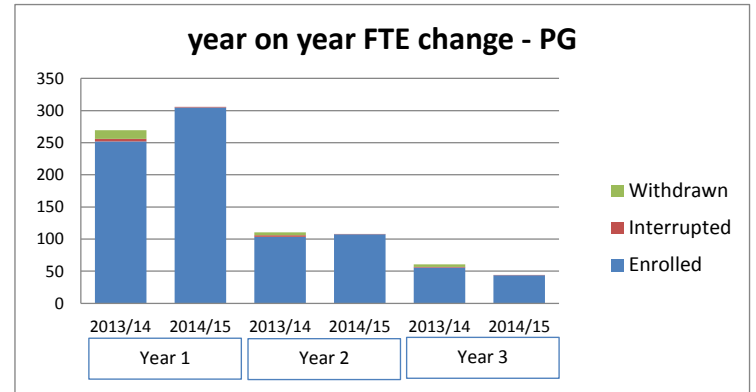
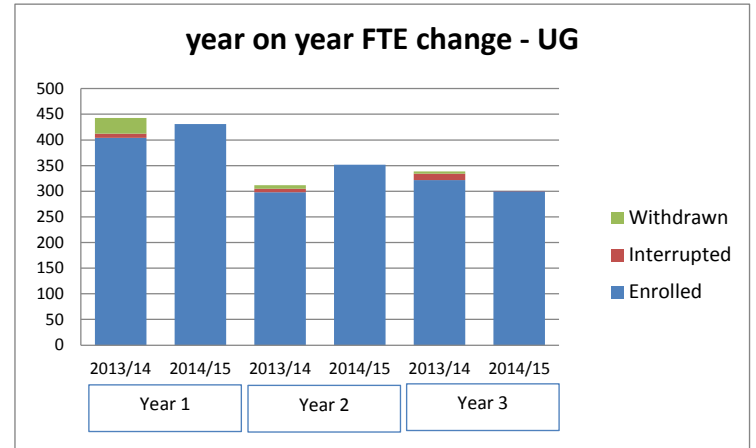
Part Time

		UG1	UG2	UG3
Home / EU				
New	Enrolled	146	15	28
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	9	121	81	
Interrupted	0	0	1	
Withdrawn	0	0	0	
Total				
		156	137	110
Overseas				
New	Enrolled	1	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	0	1	1	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total				
		1	1	1
Total PT UG				
		156	138	110

Part Time

		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	114	1	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	4	52	34	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total				
		120	53	35
Overseas				
New	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing				
Enrolled	0	0	0	
Interrupted	0	0	0	
Withdrawn	0	0	0	
Total				
		0	0	0
Total PT PG				
		120	54	35

Total FTEs 14 /15 1,686 13 /14 1,672



Student Data Template

Business

London South Bank University

1 October 2014

Undergraduate Profile

Full Time

		UG1	UG2	UG3
Home / EU				
New	Enrolled	633	47	39
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	158	483	472
	Interrupted	0	0	1
	Withdrawn	1	0	0
<hr/>				
Total H/ EU FT		792	530	512
<hr/>				
Overseas				
New	Enrolled	28	25	0
	Interrupted	0	0	0
	Withdrawn	1	0	0
<hr/>				
Continuing	Enrolled	0	24	73
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total OS FT		29	49	73
<hr/>				
Total FT UG		821	579	585

Postgraduate Profile

Full Time

		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	164	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	6	61	3
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		170	61	3
<hr/>				
Overseas				
New	Enrolled	156	1	0
	Interrupted	0	0	0
	Withdrawn	1	0	0
<hr/>				
Continuing	Enrolled	30	68	3
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total Overseas		187	69	3
<hr/>				
Total FT PG		357	130	6

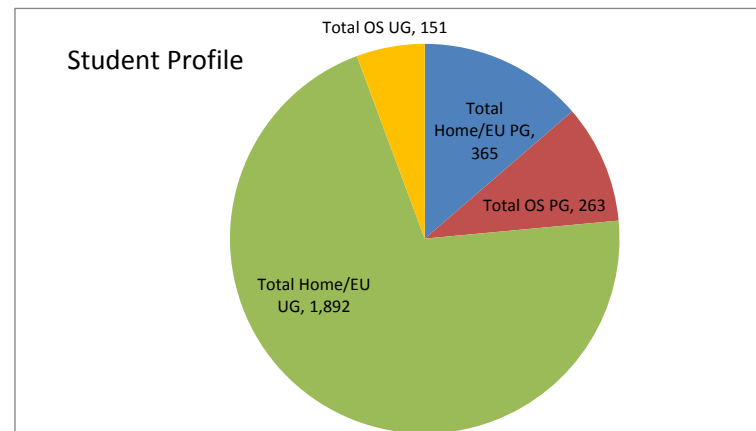
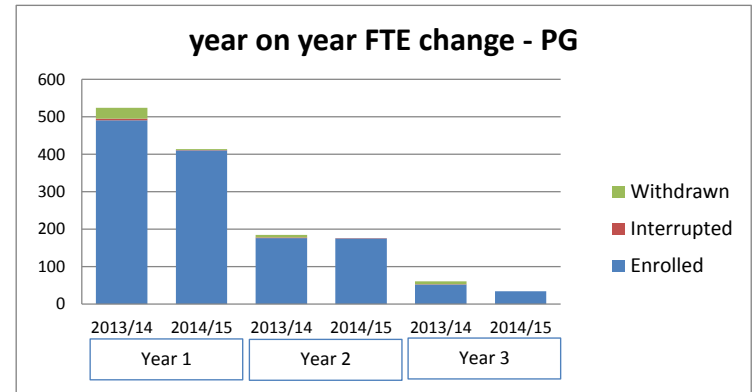
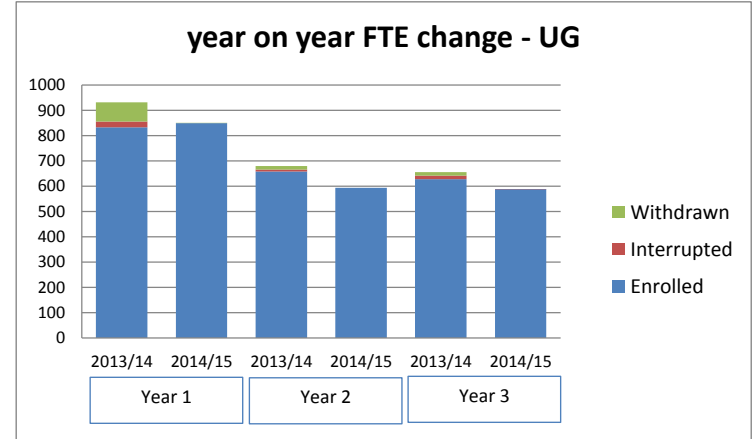
Part Time

		UG1	UG2	UG3
Home / EU				
New	Enrolled	29	6	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	0	8	4
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		29	15	4
<hr/>				
Overseas				
New	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		0	0	0
<hr/>				
Total PT UG		30	15	4

Part Time

		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	49	5	0
	Interrupted	1	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	3	40	28
	Interrupted	0	1	0
	Withdrawn	0	0	0
<hr/>				
Total		53	45	28
<hr/>				
Overseas				
New	Enrolled	1	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	1	1	1
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		2	1	1
<hr/>				
Total PT PG		56	46	29

Total FTEs **14 /15** **2,671** **13 /14** **3,030**



Student Data Template

Engineering

London South Bank University

1 October 2014

Undergraduate Profile

Full Time

		UG1	UG2	UG3
Home / EU				
New	Enrolled	357	17	5
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	110	223	232
	Interrupted	0	0	0
	Withdrawn	0	1	0
<hr/>				
Total H/ EU FT		467	241	237
<hr/>				
Overseas				
New	Enrolled	58	27	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	6	50	52
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total OS FT		64	77	52
<hr/>				
Total FT UG		531	318	289

Postgraduate Profile

Full Time

		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	74	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	6	3	2
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		80	3	2
<hr/>				
Overseas				
New	Enrolled	64	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	7	5	5
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total Overseas		71	5	5
<hr/>				
Total FT PG		151	8	7

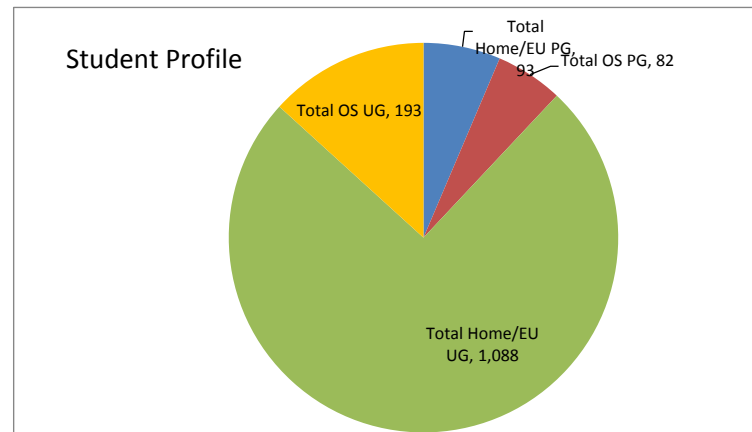
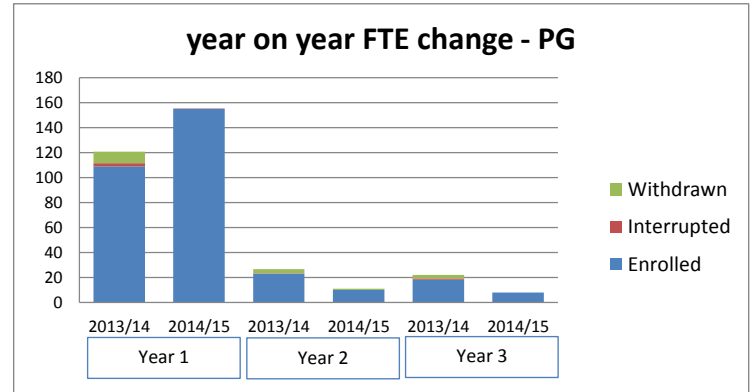
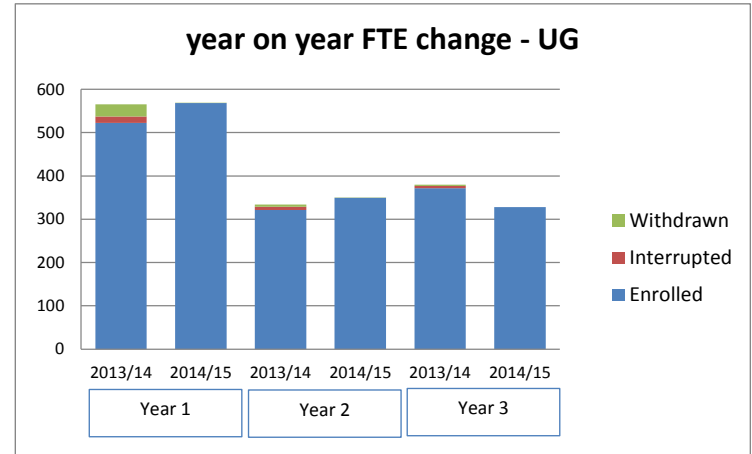
Part Time

		UG1	UG2	UG3
Home / EU				
New	Enrolled	34	4	1
	Interrupted	0	0	0
	Withdrawn	1	0	0
<hr/>				
Continuing	Enrolled	4	29	37
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		38	32	39
<hr/>				
Overseas				
New	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		0	0	0
<hr/>				
Total PT UG		38	32	39

Part Time

		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	4	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	0	2	1
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		4	2	1
<hr/>				
Overseas				
New	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		0	0	0
<hr/>				
Total PT PG		4	2	1

Total FTEs 14 /15 1,455 13 /14 1,468



Student Data Template

Health and Social care

London South Bank University

1 October 2014

Undergraduate Profile

Full Time

		UG1	UG2	UG3
Home / EU				
New	Enrolled	952	3	22
	Interrupted	1	0	0
	Withdrawn	0	0	0
Continuing	Enrolled	37	731	716
	Interrupted	0	2	5
	Withdrawn	0	1	0
Total H/ EU FT		990	737	743
Overseas				
New	Enrolled	3	0	1
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing	Enrolled	0	3	1
	Interrupted	0	0	0
	Withdrawn	0	0	0
Total OS FT		3	3	2
Total FT UG		993	740	745

Postgraduate Profile

Full Time

		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	206	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing	Enrolled	10	145	3
	Interrupted	0	0	0
	Withdrawn	0	0	0
Total		216	145	3
Overseas				
New	Enrolled	7	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing	Enrolled	2	3	1
	Interrupted	0	0	0
	Withdrawn	0	0	0
Total Overseas		9	3	1
Total FT PG		225	148	4

Part Time

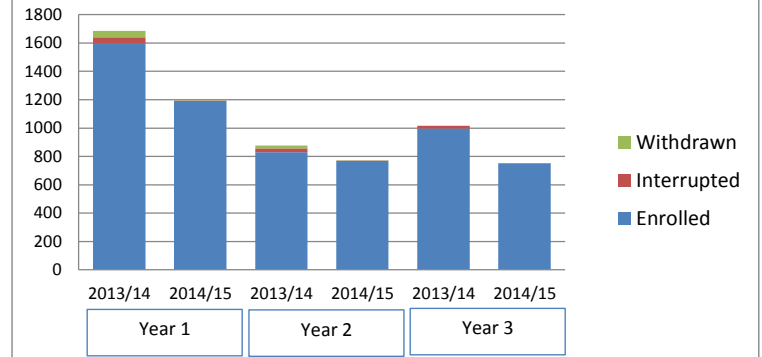
		UG1	UG2	UG3
Home / EU				
New	Enrolled	197	1	1
	Interrupted	0	0	0
	Withdrawn	1	0	0
Continuing	Enrolled	1	31	7
	Interrupted	0	0	0
	Withdrawn	0	0	0
Total		199	32	8
Overseas				
New	Enrolled	2	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Total		2	0	0
Total PT UG		200	32	8

Part Time

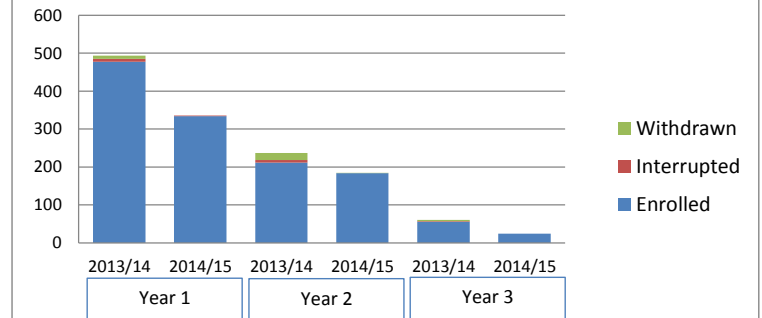
		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	107	3	1
	Interrupted	1	0	0
	Withdrawn	0	0	0
Continuing	Enrolled	2	33	19
	Interrupted	0	0	0
	Withdrawn	0	0	0
Total		110	36	20
Overseas				
New	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Continuing	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
Total		0	0	0
Total PT PG		111	36	20

Total FTEs 14 / 15 3,276 13 / 14 4,406

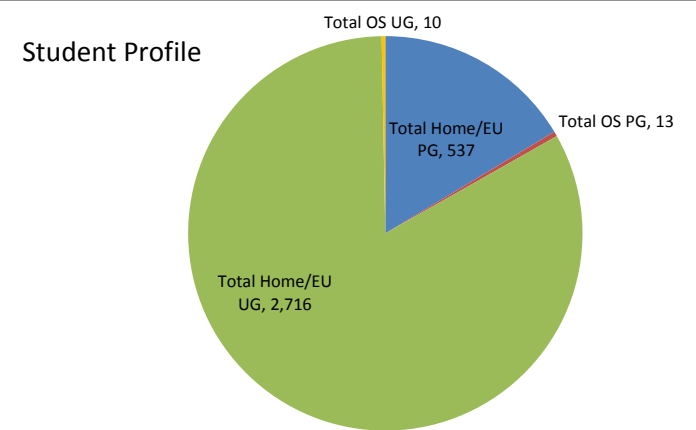
year on year FTE change - UG



year on year FTE change - PG



Student Profile



Student Data Template

Law and Social Science

London South Bank University

1 October 2014

Undergraduate Profile

Full Time

		UG1	UG2	UG3
Home / EU				
New	Enrolled	674	12	5
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	48	312	344
	Interrupted	0	0	0
	Withdrawn	0	1	0
<hr/>				
Total H/ EU FT		722	325	349
<hr/>				
Overseas				
New	Enrolled	8	1	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	0	10	6
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total OS FT		8	11	6
<hr/>				
Total FT UG		730	336	355

Postgraduate Profile

Full Time

		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	138	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	18	8	13
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		156	8	13
<hr/>				
Overseas				
New	Enrolled	105	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	17	2	3
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total Overseas		122	2	3
<hr/>				
Total FT PG		278	10	16

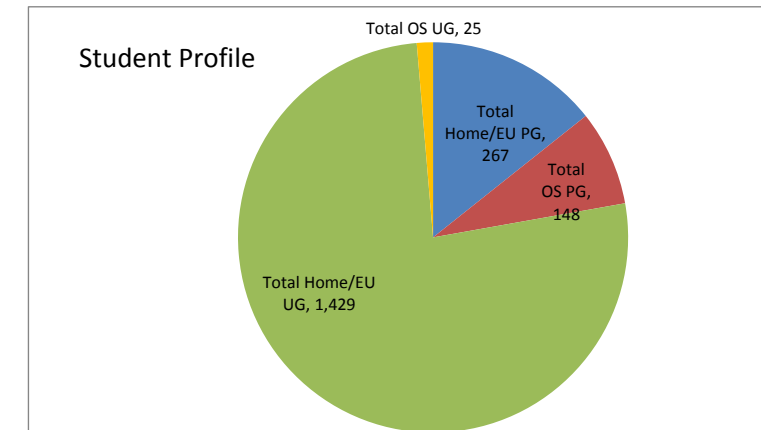
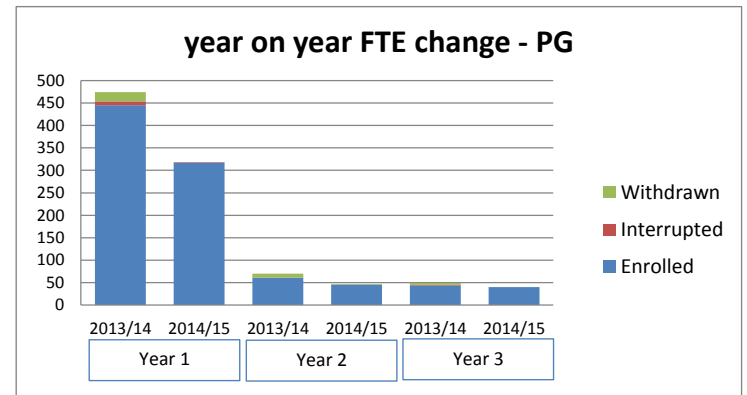
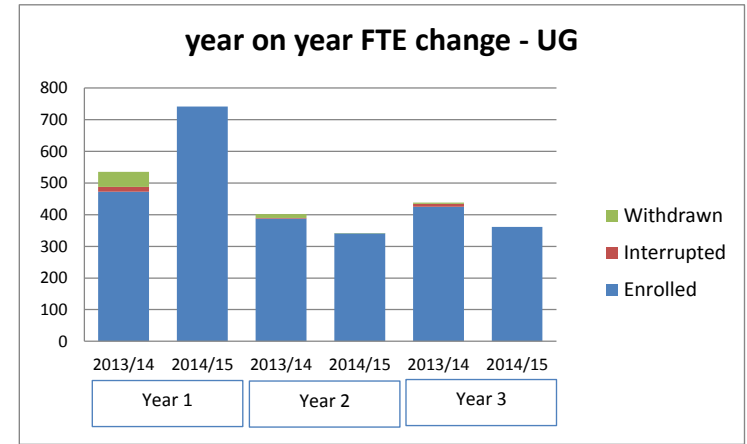
Part Time

		UG1	UG2	UG3
Home / EU				
New	Enrolled	11	1	1
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	1	5	5
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		12	6	6
<hr/>				
Overseas				
New	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	0	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		0	0	0
<hr/>				
Total PT UG		12	6	6

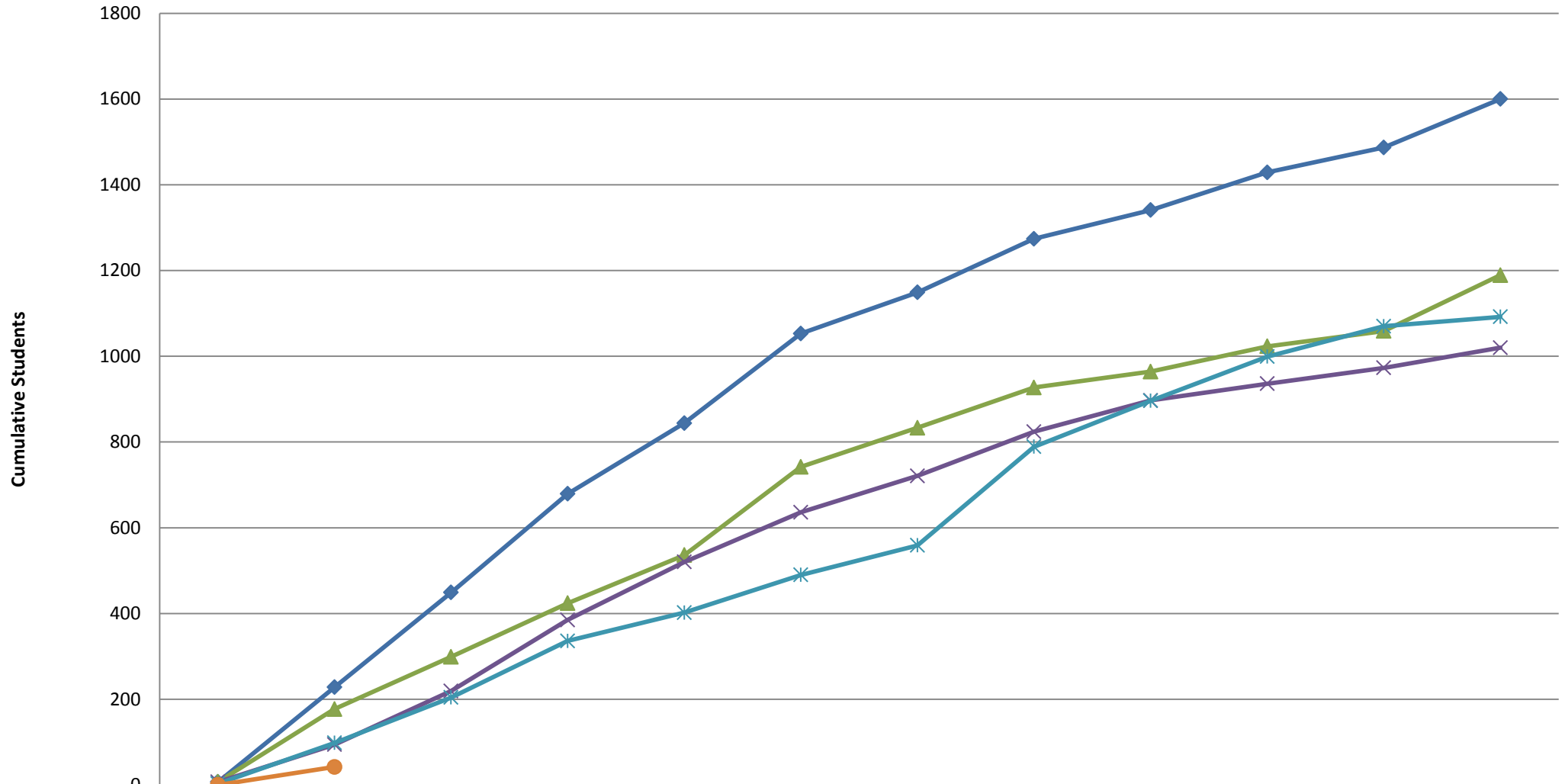
Part Time

		PG 1	PG 2	PG 3
Home / EU				
New	Enrolled	34	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	1	28	17
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Total		35	29	17
<hr/>				
Overseas				
New	Enrolled	4	0	0
	Interrupted	0	0	0
	Withdrawn	0	0	0
<hr/>				
Continuing	Enrolled	0	7	7
	Interrupted	1	0	0
	Withdrawn	0	0	0
<hr/>				
Total		5	7	7
<hr/>				
Total PT PG		40	36	24

Total FTEs **14 /15** **1,869** **13 /14** **1,992**



Cumulative withdrawals & interruptions 2014/15



	August	September	October	November	December	January	February	March	April	May	June	July
2010/2011	7	228	449	679	844	1053	1149	1274	1341	1429	1487	1600
2011/2012	7	177	299	424	536	742	833	927	964	1023	1059	1189
2012/2013	7	94	219	385	520	636	721	824	897	936	973	1020
2013/2014	3	98	204	336	402	490	559	789	896	999	1070	1092
2014/2015	0	42										

Full Year Outturn Last Year (£)	YTD Actuals Last Year (£)	Description	FULL YEAR				YEAR TO DATE				Full year Forecast less Actual YTD (£)		
			2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget (£) %		Note	2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget (£) %		Note	
(2,229,122)	(336,446)	Funding Grants	(1,936,659)	(2,041,890)	(105,231)	(5%)		(317,456)	(340,040)	(22,584)	(7%)		(1,619,203)
		Health - Contract											
		Fees - Home & EU UG											
		Fees - Home & EU PG											
		Fees - Overseas Fees UG						114,337		114,337	100%		
		Fees - Overseas Fees PG											
(1,812,921)	(297,085)	Research - Grants	(1,392,161)	(1,392,161)		%		(365,740)	(227,079)	138,661	61%		(1,026,421)
		Research - Related Activities											
		Enterprise - Partnerships											
		Enterprise - University Fees											
(1,520)		Enterprise - Other											
		Other - Student Related Income											
507	9,517	Other - Operating Income											
		Endowment Income & Interest Receivable											
(4,043,056)	(624,015)	Total Income	(3,328,820)	(3,434,051)	(105,231)	(3%)		(683,196)	(452,782)	230,414	51%		(2,645,624)
2,785,781	502,536	Total Staff Costs	2,469,076	2,469,076		%		449,933	423,544	(26,389)	(6%)		2,019,143
111,973	14,722	Total Depreciation	124,911	124,911		%		23,081	21,123	(1,958)	(9%)		101,830
696,416	56,039	Total Other Operating Expenses	630,445	630,445		%		101,024	114,652	13,628	12%		529,422
		Total Interest Payable											
		Total Exceptional Items											
		Total Internal Allocations	716,472	716,472		%		119,412	119,412		%		597,060
(448,886)	(50,717)	Contribution	612,084	506,853	(105,231)	(21%)		10,254	225,949	215,696	95%		601,831
68.9%		Staff costs as % of income	74.2%	71.9%				65.9%	93.5%				
11.1%		Contribution %	(18.4)%	(14.8)%				(1.5)%	(49.9)%				

LONDON SOUTH BANK UNIVERSITY / ENTERPRISES

Management Summary Report - Enterprise segment - from August 2014 To The End Of September 2014

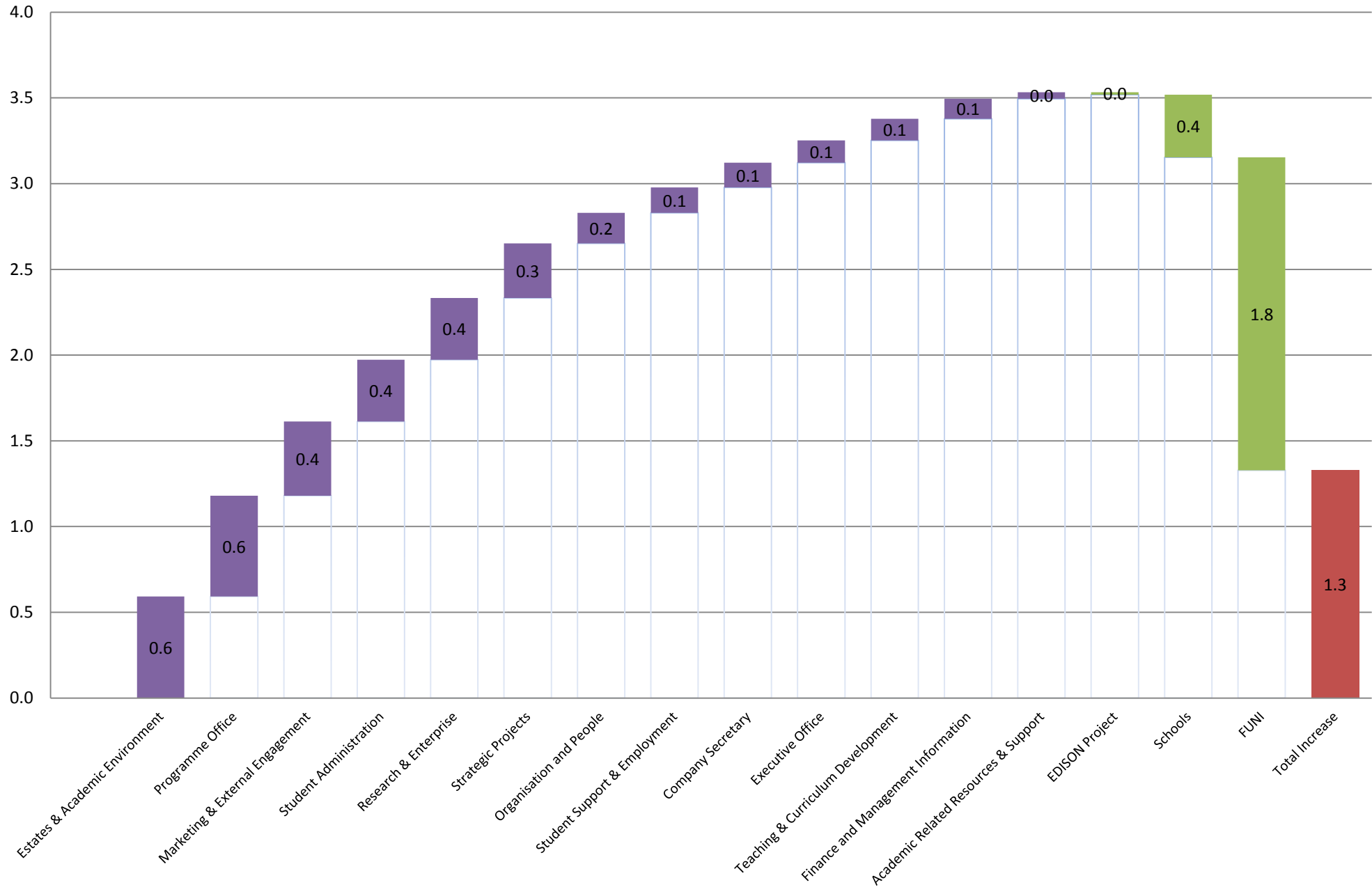
SMT Area: All

Cost Centre: All

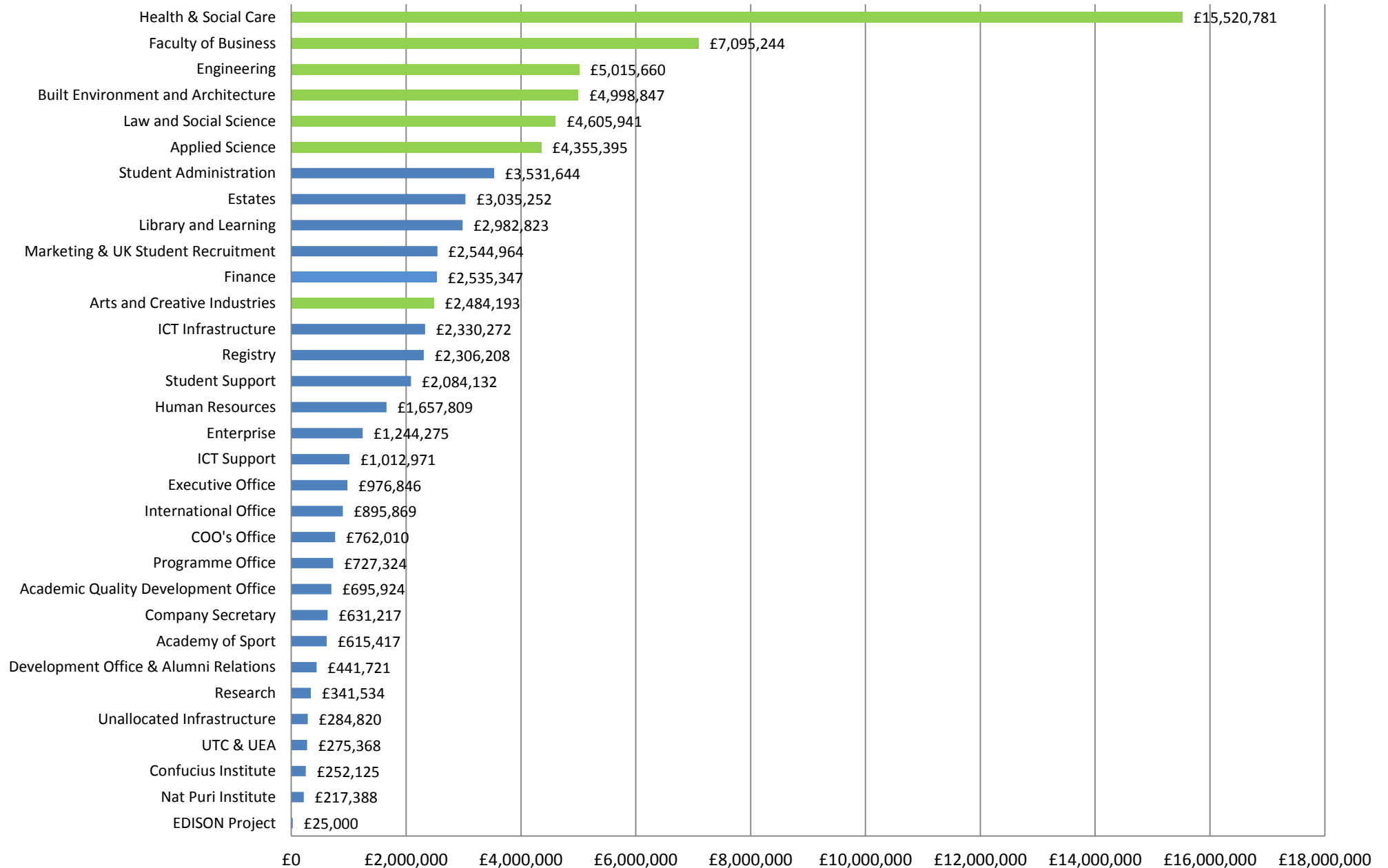
REF MANSUS

Full Year Outturn Last Year (£)	YTD Actuals Last Year (£)	Description	FULL YEAR				YEAR TO DATE				Full year Forecast less Actual YTD (£)		
			2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget (£) %		Note	2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget (£) %		Note	
(1,001,135)	(15,349)	Funding Grants	(1,057,516)	(1,057,516)		%		(166,253)	(176,253)	(10,000)	(6%)		(891,263)
(184,041)		Health - Contract	(226,477)	(226,477)		%		(49,827)	(69,883)	(20,056)	(29%)		(176,650)
		Fees - Home & EU UG											
(5,895)		Fees - Home & EU PG											
(58,020)		Fees - Overseas Fees UG											
(27,500)		Fees - Overseas Fees PG	(27,500)	(27,500)		%							(27,500)
(159,397)	(228,890)	Research - Grants	(56,389)	(56,389)		%		(111,106)	(9,398)	101,708	#####		54,717
(283,190)	(67,842)	Research - Related Activities	(184,159)	(184,159)		%		(47,557)	(32,793)	14,764	45%		(136,602)
(442,289)		Enterprise - Partnerships	(766,780)	(766,780)		%		(6,000)		6,000			(760,780)
(1,873,022)	(83,343)	Enterprise - University Fees	(1,860,471)	(1,860,471)		%		(500,453)	(556,510)	(56,057)	(10%)		(1,360,018)
(3,355,745)	(595,567)	Enterprise - Other	(3,043,892)	(3,043,892)		%		(417,187)	(526,923)	(109,736)	(21%)		(2,626,705)
(9,184)	(463)	Other - Student Related Income	(4,000)	(4,000)		%		(394)		394			(3,606)
(2,079,539)	(138,274)	Other - Operating Income	(361,104)	(361,104)		%		(15,593)	(60,184)	(44,591)	(74%)		(345,511)
(5,037)	(937)	Endowment Income & Interest Receivable						(1,008)		1,008			1,008
(9,483,995)	(1,130,665)	Total Income	(7,588,288)	(7,588,288)		%		(1,315,379)	(1,431,944)	(116,564)	(8%)		(6,272,909)
2,480,440	382,538	Total Staff Costs	2,423,401	2,423,401		%		390,814	427,915	37,101	9%		2,032,587
18,380	3,063	Total Depreciation	41,616	41,616		%			6,936	6,936	100%		41,616
2,786,701	236,239	Total Other Operating Expenses	1,941,602	1,941,602		%		(155,853)	446,674	602,527	135%		2,097,455
		Total Interest Payable											
		Total Exceptional Items											
130,380	21,730	Total Internal Allocations											
(4,068,094)	(487,095)	Contribution	(3,181,669)	(3,181,669)		%		(1,080,418)	(550,418)	530,000	96%		(2,101,251)
26.2%		Staff costs as % of income	31.9%	31.9%				29.7%	29.9%				
42.9%		Contribution %	41.9%	41.9%				82.1%	38.4%				

Year on Year Forecast Movement in Staff Costs (£m)



2014 / 15 Forecast Staff costs



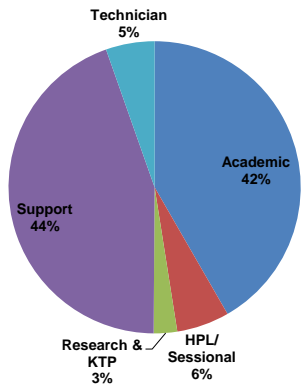
Staff FTE's Sep-14 New Structure

School or Professional Service Group	Period		2				Sep-14
	Academic	HPL/ Sessional	Research & KTP	Support	Technician		
Applied Science	39.8	7.1	2.8	1.0	9.0	59.7	
Arts and Creative Industries	22.0	7.4		4.7	2.6	36.7	
Built Environment and Architecture	56.4	7.6	6.1	1.0	5.0	76.1	
Business	74.4	21.3	0.6	3.1		99.4	
Engineering	50.1	1.6	7.6	3.0	16.8	79.1	
Health & Social Care	170.7	5.4	3.2	46.6	4.0	229.9	
Law and Social Science	56.2	14.1	8.7	1.0		80.0	
Student Administration	8.7			60.0	7.0	75.7	
Academic Related Resources & Support				74.5	14.0	88.5	
Estates and Academic Environment				91.4	4.0	95.4	
Executive Office	2.0			7.0		9.0	
Finance and Management Information				76.6		76.6	
Governance				9.0		9.0	
Marketing and External Engagement				59.8		59.8	
Organisation and People		0.2		21.4		21.5	
Research, Innovation and Enterprise		0.7	1.0	4.8		6.5	
Student Services	1.0	1.8		15.8		18.6	
Student Support & Employment		0.3		25.7		26.0	
Teaching and Curriculum Development	0.8	0.0		8.4		9.2	
TOTAL LSBU STAFF FTE FOR ALL ABOVE:	482.1	67.5	30.0	514.7	62.4	1,156.7	
YTD staff costs	5.6	0.0	0.4	4.5	0.5	11.0	
YTD staff costs						0.0	
Annualised YTD staff costs in £m	35.2	2.8	2.5	30.7	2.9	74.1	
Average staff cost in £	£ 73,080	£ 40,906	£ 82,311	£ 59,685	£ 46,390		
Data Source HR Establishment Reports							

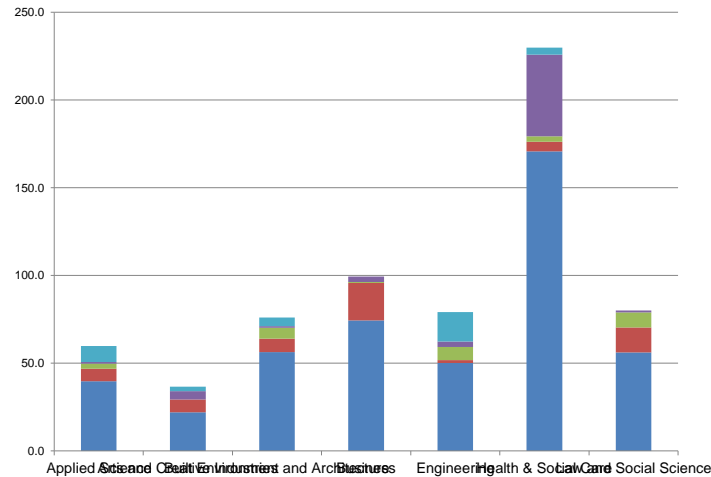
Staff FTE's July-14 Old Structure

Faculty or Support Dept.	Academic	HPL/ Sessional	Research & KTP	Support	Technician	Jul 2014
AHS	98.3	34.2	9.7	29.9	4.7	176.8
BUS	86.7	33.9	1.6	35.0	2.0	159.2
ESBE	135.1	13.0	22.0	25.8	34.0	229.9
HSC	206.5	6.8	4.0	48.3	3.0	268.6
AQDO				7.4		7.4
Academy of Sport				10.8		10.8
Central Research Support Department				4.4		4.4
Confucius Institute Department				1.0		1.0
Development Office Department				8.0		8.0
Estates and Facilities				57.4		57.4
Finance				52.9		52.9
Human Resources		0.2		26.4		26.6
Information Communication Technology				49.2	18.0	67.2
International Office Department				16.0		16.0
Library & Learning Resources				69.7		69.7
Marketing and UK Recruitment				50.3		50.3
Registry				32.2		32.2
Residential and Catering Services						0.0
Student Services	1.0	3.2		35.8		40.0
University Enterprise		0.7		3.6		4.3
University Executive Department	3.0			10.0		13.0
University Secretary's Office Department				6.5		6.5
Academic Staff Development Unit Department	1.0	0.0		2.0		3.0
Total	531.7	92.0	37.3	582.5	61.7	1,305.3

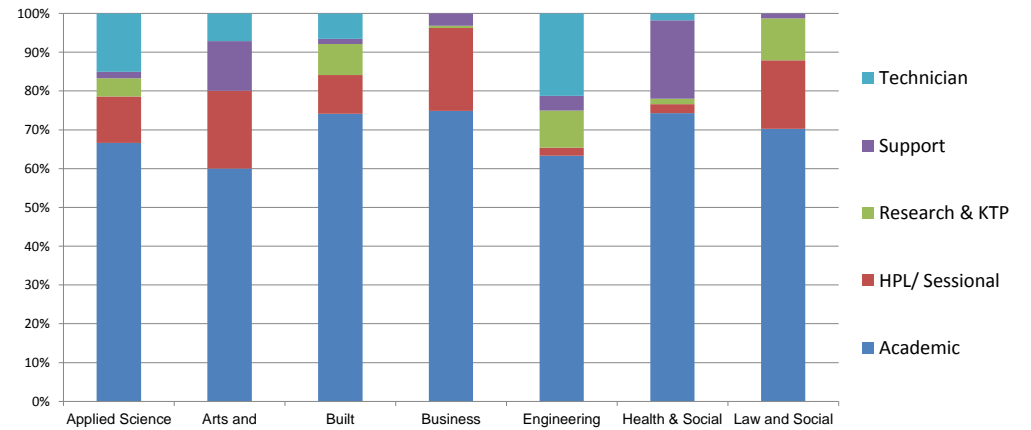
Total LSBU Staff FTE's



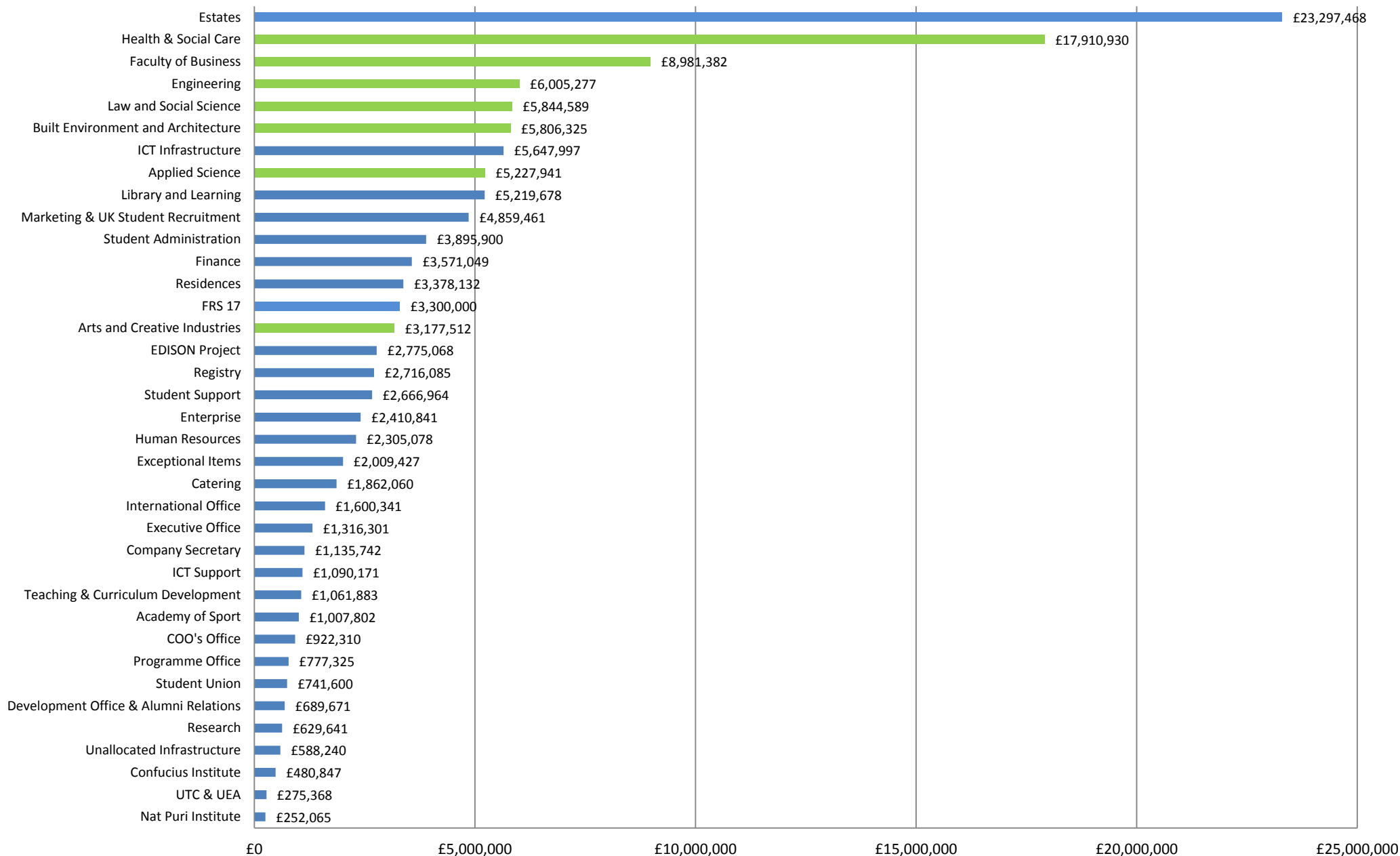
Staff FTE's by School



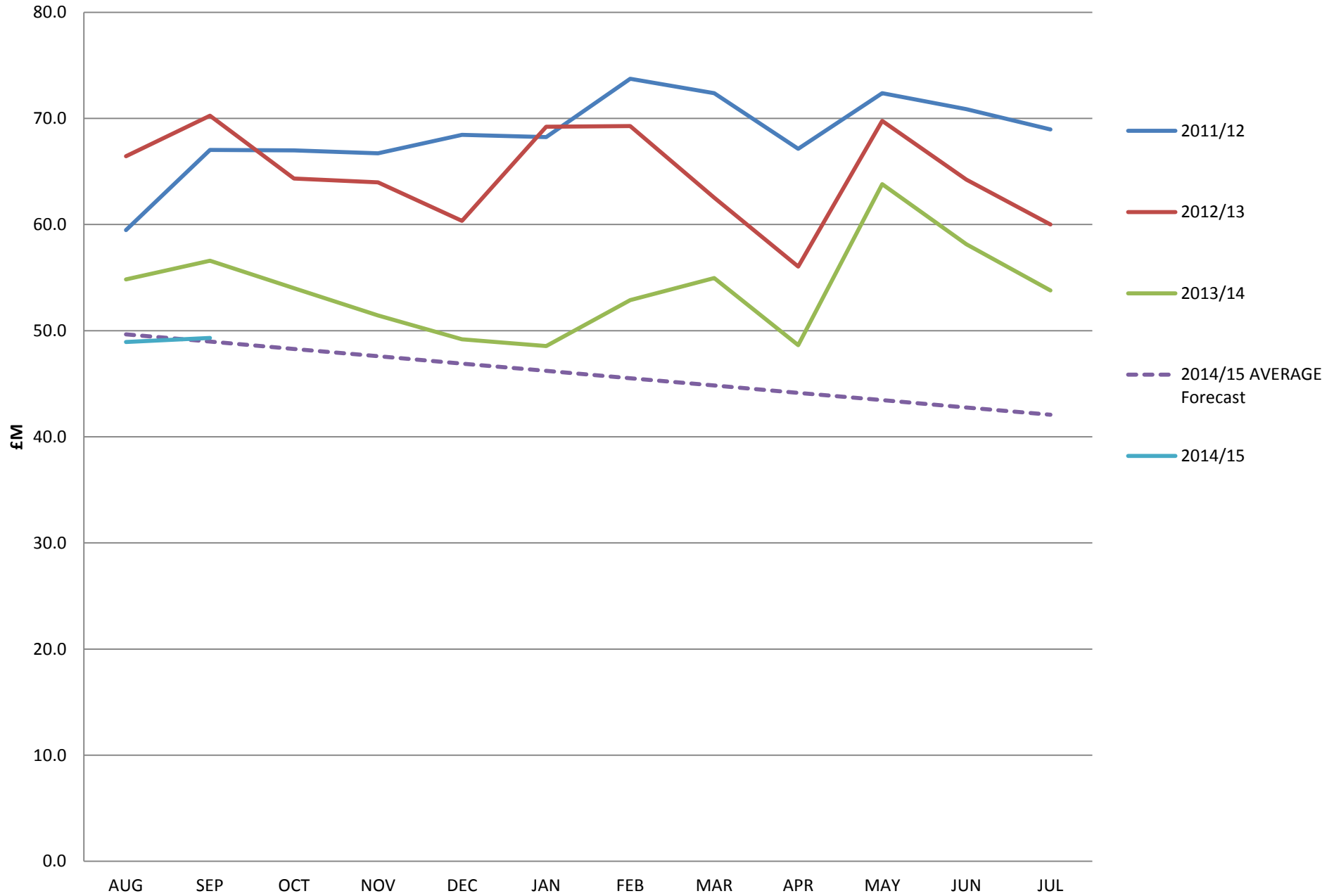
Staff FTE's by School %



2014 / 15 Total Forecast Expenditure



Closing cash & bank balances (£M)



School/Department	Full Year														
	INCOME			STAFF COSTS			OTHER COSTS			SPACE CHARGE			Contribution		
	2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget (£)	2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget (£)	2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget (£)	2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget (£)	2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget (£)
Catering	-2,152,101	-2,152,101	0	0	0	0	1,862,060	1,862,060	0	154,656	154,656	0	-135,385	-135,385	0
Company Secretary	0	0	0	631,217	631,217	0	504,525	504,525	0	70,104	70,104	0	1,205,846	1,205,846	0
Arts and Creative Industries	-9,206,429	-9,206,429	0	2,484,193	2,491,193	7,000	693,319	693,319	0	743,842	743,842	0	-5,285,075	-5,278,075	7,000
Applied Science	-11,442,551	-11,442,551	0	4,355,395	4,355,395	0	872,546	872,546	0	1,237,647	1,237,647	0	-4,976,963	-4,976,963	0
Faculty of Business	-21,398,964	-21,398,964	0	7,095,244	7,095,244	0	1,886,138	1,886,138	0	2,131,273	2,131,273	0	-10,286,309	-10,286,309	0
Built Environment and Architecture	-15,072,997	-15,072,997	0	4,998,847	4,998,847	0	807,478	807,478	0	1,679,179	1,679,179	0	-7,587,493	-7,587,493	0
Confucius Institute	-573,425	-573,425	0	252,125	252,125	0	228,722	228,722	0	47,796	47,796	0	-44,782	-44,782	0
Engineering	-14,464,249	-14,464,249	0	5,015,660	5,015,660	0	989,617	989,617	0	2,365,615	2,365,615	0	-6,093,357	-6,093,357	0
Health & Social Care	-32,912,199	-32,912,199	0	15,520,781	15,520,781	0	2,390,149	2,390,149	0	2,616,685	2,616,685	0	-12,384,584	-12,384,584	0
Law and Social Science	-13,430,335	-13,430,335	0	4,605,941	4,605,941	0	1,238,648	1,238,648	0	1,122,662	1,122,662	0	-6,463,084	-6,463,084	0
Enterprise	-3,171,708	-3,171,708	0	1,244,275	1,244,275	0	1,166,566	1,166,566	0	121,200	121,200	0	-639,667	-639,667	0
Finance	-406,923	-421,923	-15,000	2,535,347	2,529,331	-6,016	1,035,702	1,010,702	-25,000	178,716	178,716	0	3,342,842	3,296,826	-46,016
Unallocated Infrastructure	-501,108	-501,108	0	284,820	284,820	0	5,612,847	5,612,847	0	0	0	0	5,396,559	5,396,559	0
Human Resources	0	0	0	1,657,809	1,657,809	0	647,269	647,269	0	172,800	172,800	0	2,477,878	2,477,878	0
EDISON Project	0	0	0	25,000	129,439	104,439	2,750,068	2,645,629	-104,439	0	0	0	2,775,068	2,775,068	0
ICT Infrastructure	-92,173	-92,173	0	2,330,272	2,330,272	0	3,317,725	3,317,725	0	420,900	420,900	0	5,976,724	5,976,724	0
ICT Support	0	0	0	1,012,971	1,012,971	0	77,200	77,200	0	0	0	0	1,090,171	1,090,171	0
Library and Learning	-239,621	-239,621	0	2,982,823	2,982,823	0	2,236,855	2,236,855	0	2,091,504	2,091,504	0	7,071,561	7,071,561	0
Nat Puri Institute	-250,000	-250,000	0	217,388	217,388	0	34,677	34,677	0	0	0	0	2,065	2,065	0
Programme Office	0	0	0	727,324	727,324	0	50,001	50,001	0	0	0	0	777,325	777,325	0
Estates	-1,239,006	-1,239,006	0	3,035,252	3,035,252	0	20,262,216	20,262,216	0	-17,608,577	-17,608,577	0	4,449,885	4,449,885	0
COO's Office	0	0	0	762,010	762,010	0	160,300	160,300	0	0	0	0	922,310	922,310	0
Marketing & UK Student Recruitment	-839,757	-839,757	0	2,544,964	2,544,964	0	2,314,497	2,314,497	0	108,096	108,096	0	4,127,800	4,127,800	0
International Office	-65,000	-65,000	0	895,869	895,869	0	704,472	704,472	0	218,304	218,304	0	1,753,645	1,753,645	0
Academic Quality Development Office	-9,000	-9,000	0	695,924	695,924	0	365,959	365,959	0	38,904	38,904	0	1,091,787	1,091,787	0

School/Department	Full Year														
	INCOME			STAFF COSTS			OTHER COSTS			SPACE CHARGE			Contribution		
	2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget (£)	2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget (£)	2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget (£)	2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget (£)	2014 Forecast (£)	2014 Budget (£)	Variance - Forecast to Budget (£)
Research	-72,319	-72,319	0	341,534	341,534	0	288,107	288,107	0	13,704	13,704	0	571,026	571,026	0
Residences	-7,769,332	-7,769,332	0	0	0	0	3,378,132	3,378,132	0	0	0	0	-4,391,200	-4,391,200	0
Development Office & Alumni Relations	-200	-200	0	441,721	441,721	0	247,950	247,950	0	30,600	30,600	0	720,071	720,071	0
Registry	-17,000	-17,000	0	2,306,208	2,306,208	0	409,877	409,877	0	172,584	172,584	0	2,871,669	2,871,669	0
Academy of Sport	-740,838	-740,838	0	615,417	615,417	0	392,385	392,385	0	482,904	482,904	0	749,868	749,868	0
Student Administration	-87,487	-87,487	0	3,531,644	3,520,075	-11,569	364,256	364,256	0	990,672	990,672	0	4,799,085	4,787,516	-11,569
Student Support	-238,259	-238,259	0	2,084,132	2,084,132	0	582,832	582,832	0	234,696	234,696	0	2,663,401	2,663,401	0
Student Union	0	0	0	0	0	0	741,600	741,600	0	80,040	80,040	0	821,640	821,640	0
UTC & UEA	-60,000	-60,000	0	275,368	320,467	45,099	0	0	0	0	0	0	215,368	260,467	45,099
Executive Office	0	0	0	976,846	996,846	20,000	339,455	339,455	0	83,496	83,496	0	1,399,797	1,419,797	20,000
Grand Total	-136,452,981	-136,467,981	-15,000	76,484,321	76,643,274	158,953	58,954,150	58,824,711	-129,439	2	2	0	-1,014,508	-999,994	14,514

School/Department	Year to date														
	INCOME			STAFF COSTS			OTHER COSTS			SPACE CHARGE			Contribution		
	2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget (£)	2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget (£)	2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget (£)	2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget (£)	2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget (£)
Catering	-356,684	-358,684	-2,000	0	0	0	335,025	306,844	-28,181	25,776	25,776	0	4,117	-26,064	-30,181
Company Secretary	0	0	0	129,000	104,828	-24,172	83,938	84,087	149	11,684	11,684	0	224,622	200,599	-24,023
Arts and Creative Industries	-6,382,124	-3,242,098	3,140,026	304,576	353,042	48,466	10,103	86,857	76,754	108,449	108,449	0	-5,958,996	-2,693,750	3,265,246
Applied Science	-5,944,523	-4,160,881	1,783,642	584,840	709,605	124,765	85,215	125,755	40,540	194,033	194,033	0	-5,080,435	-3,131,488	1,948,947
Faculty of Business	-10,679,344	-5,179,201	5,500,143	957,481	1,080,595	123,114	93,537	140,943	47,406	313,535	313,535	0	-9,314,791	-3,644,128	5,670,663
Built Environment and Architecture	-4,650,879	-2,315,951	2,334,928	725,672	819,234	93,562	90,435	102,526	12,091	279,864	279,864	0	-3,554,908	-1,114,327	2,440,581
Confucius Institute	-28,844	-95,145	-66,301	13,269	41,586	28,317	2,466	38,120	35,654	7,966	7,966	0	-5,143	-7,473	-2,330
Engineering	-5,742,719	-3,457,325	2,285,394	783,046	831,540	48,494	43,278	147,301	104,023	394,269	394,269	0	-4,522,126	-2,084,215	2,437,911
Health & Social Care	-6,086,032	-5,902,354	183,678	2,502,109	2,531,909	29,800	307,072	421,386	114,314	436,115	436,115	0	-2,840,736	-2,512,944	327,792
Law and Social Science	-7,801,053	-3,753,311	4,047,742	724,365	737,041	12,676	-31,101	86,600	117,701	146,090	146,090	0	-6,961,699	-2,783,580	4,178,119
Enterprise	-402,033	-529,889	-127,856	176,916	208,099	31,183	-286,220	236,264	522,484	20,200	20,200	0	-491,137	-65,326	425,811
Finance	-18,619	-61,405	-42,786	404,811	415,210	10,399	65,299	134,487	69,188	29,786	29,786	0	481,277	518,078	36,801
Unallocated Infrastructure	66,866	-65,852	-132,718	177,803	37,470	-140,333	146,050	976,664	830,614	0	0	0	390,719	948,282	557,563
Human Resources	0	0	0	267,694	286,419	18,725	83,760	107,878	24,118	28,800	28,800	0	380,254	423,097	42,843
EDISON Project	0	0	0	3,360	21,573	18,213	155,240	313,157	157,917	0	0	0	158,600	334,730	176,130
ICT Infrastructure	-15,905	-15,905	0	373,433	386,416	12,983	549,281	537,247	-12,034	70,150	70,150	0	976,959	977,908	949
ICT Support	0	0	0	163,237	168,280	5,043	24,667	20,645	-4,022	0	0	0	187,904	188,925	1,021
Library and Learning	-23,087	-20,604	2,483	450,150	489,850	39,700	295,850	513,127	217,277	348,584	348,584	0	1,071,497	1,330,957	259,460
Nat Puri Institute	-13,008	-41,667	-28,659	13,008	21,636	8,628	0	5,780	5,780	0	0	0	0	-14,251	-14,251
Programme Office	0	0	0	81,352	121,221	39,869	347	8,333	7,986	0	0	0	81,699	129,554	47,855
Estates	-196,255	-206,962	-10,707	420,539	504,667	84,128	2,837,266	3,731,406	894,140	-2,824,300	-2,824,300	0	237,250	1,204,811	967,561
COO's Office	0	0	0	103,172	115,373	12,201	6,189	26,717	20,528	0	0	0	109,361	142,090	32,729
Marketing & UK Student Recruitment	-60,787	-81,792	-21,005	389,643	428,608	38,965	156,538	367,556	211,018	18,016	18,016	0	503,410	732,388	228,978
International Office	-4,223	-2,500	1,723	116,903	131,502	14,599	42,017	223,524	181,507	36,384	36,384	0	191,081	388,910	197,829

School/Department	Year to date														
	INCOME			STAFF COSTS			OTHER COSTS			SPACE CHARGE			Contribution		
	2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget (£)	2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget (£)	2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget (£)	2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget (£)	2014 Actuals (£)	2014 Budget (£)	Variance - Actuals to Budget (£)
Academic Quality Development Office	0	-750	-750	100,273	115,739	15,466	-78,196	14,858	93,054	6,484	6,484	0	28,561	136,331	107,770
Research	-11,094	-11,094	0	56,931	49,672	-7,259	34,810	30,536	-4,274	2,284	2,284	0	82,931	71,398	-11,533
Residences	-1,420,652	-1,332,264	88,388	5,670	0	-5,670	631,332	650,423	19,091	0	0	0	-783,650	-681,841	101,809
Development Office & Alumni Relations	-4,010	-33	3,977	57,846	67,068	9,222	-6,074	41,325	47,399	5,100	5,100	0	52,862	113,460	60,598
Registry	-4,200	-2,833	1,367	482,910	562,037	79,127	45,622	66,004	20,382	28,764	28,764	0	553,096	653,972	100,876
Academy of Sport	-100,868	-123,473	-22,605	71,792	101,952	30,160	32,189	65,397	33,208	80,484	80,484	0	83,597	124,360	40,763
Student Administration	-10,873	-14,696	-3,823	482,150	584,041	101,891	21,787	54,017	32,230	165,112	165,112	0	658,176	788,474	130,298
Student Support	-26,866	-35,793	-8,927	292,898	327,646	34,748	3,108	98,356	95,248	39,116	39,116	0	308,256	429,325	121,069
Student Union	0	0	0	0	0	0	121,800	123,600	1,800	13,340	13,340	0	135,140	136,940	1,800
UTC & UEA	0	-10,000	-10,000	38,020	56,423	18,403	14,525	0	-14,525	0	0	0	52,545	46,423	-6,122
Executive Office	0	0	0	112,026	152,373	40,347	21,540	57,242	35,702	13,916	13,916	0	147,482	223,531	76,049
Grand Total	-49,917,816	-31,022,462	18,895,354	11,566,895	12,562,655	995,760	5,938,695	9,944,962	4,006,267	1	1	0	-32,412,225	-8,514,844	23,897,381

Fully Allocated Cost @ £1.0M Contribution

Sept 2014 Management Accounts

£ per Student FTE	Applied Science		Arts and Creative Industries		Built Environment and Architecture		Business		Engineering		Health and Social Care		Law and Social Science	
	Home/EU	Oseas	Home/EU	Oseas	Home/EU	Oseas	Home/EU	Oseas	Home/EU	Oseas	Home/EU	Oseas	Home/EU	Oseas
INCOME	£9,598	£10,002	£8,747	£6,057	£8,984	£8,521	£7,961	£8,280	£10,424	£7,848	£7,650	£8,141	£7,468	£4,395
Staff Costs	£3,660	£3,660	£2,295	£2,295	£2,966	£2,966	£2,656	£2,656	£3,446	£3,446	£2,732	£2,732	£2,464	£2,464
UK Bursaries	£234		£265		£132		£197		£215		£23		£207	
Overseas Agents		£674		£178		£231		£325		£372		£250		£615
Other Costs	£481	£481	£383	£383	£338	£338	£489	£489	£435	£435	£530	£530	£418	£418
TOTAL DIRECT COSTS	£4,375	£4,814	£2,943	£2,856	£3,436	£3,534	£3,342	£3,470	£4,097	£4,253	£3,286	£3,512	£3,089	£3,497
SPACE CHARGE	£1,040	£1,040	£687	£687	£996	£996	£798	£798	£1,625	£1,625	£609	£609	£601	£601
Student Administration	£383	£383	£383	£383	£383	£383	£383	£383	£383	£383	£878	£878	£383	£383
School Contribution	£3,801	£3,765	£4,734	£2,131	£4,169	£3,607	£3,438	£3,629	£4,320	£1,587	£2,878	£3,143	£3,396	-£85
Professional Service Functions														
Teaching & Curriculum Development														
Academic Quality Development O	£74	£74	£74	£74	£74	£74	£74	£74	£74	£74	£74	£74	£74	£74
Research, Innovation and Enterprise														
Enterprise	-£53	-£53	-£53	-£53	-£53	-£53	-£53	-£53	-£53	-£53	-£53	-£53	-£53	-£53
Research	£39	£39	£39	£39	£39	£39	£39	£39	£39	£39	£39	£39	£39	£39
	-£14	-£14	-£14	-£14	-£14	-£14	-£14	-£14	-£14	-£14	-£14	-£14	-£14	-£14
Marketing & External Engagement														
Marketing & UK Student														
Recruitment	£308		£308		£308		£308		£308		£308		£308	
International Office		£1,279		£1,279		£1,279		£1,279		£1,279		£1,279		£1,279
Confucius Institute	-£6	-£6	-£6	-£6	-£6	-£6	-£6	-£6	-£6	-£6	-£6	-£6	-£6	-£6
Development Office & Alumni														
Relations	£48	£48	£48	£48	£48	£48	£48	£48	£48	£48	£48	£48	£48	£48
	£350	£1,321	£350	£1,321	£350	£1,321	£350	£1,321	£350	£1,321	£350	£1,321	£350	£1,321
Student Support & Employment														
Student Union	£52	£52	£52	£52	£52	£52	£52	£52	£52	£52	£52	£52	£52	£52
Student Support	£170	£170	£170	£170	£170	£170	£170	£170	£170	£170	£170	£170	£170	£170
Academy of Sport	£19	£19	£19	£19	£19	£19	£19	£19	£19	£19	£19	£19	£19	£19
	£241	£241	£241	£241	£241	£241	£241	£241	£241	£241	£241	£241	£241	£241
Estates & Academic Environment														
Catering	-£20	-£20	-£20	-£20	-£20	-£20	-£20	-£20	-£20	-£20	-£20	-£20	-£20	-£20
Residences	-£308	-£308	-£308	-£308	-£308	-£308	-£308	-£308	-£308	-£308	-£308	-£308	-£308	-£308
Estates	£713	£713	£713	£713	£713	£713	£713	£713	£713	£713	£713	£713	£713	£713
ICT Infrastructure	£390	£390	£390	£390	£390	£390	£390	£390	£390	£390	£390	£390	£390	£390
COO's Office	£65	£65	£65	£65	£65	£65	£65	£65	£65	£65	£65	£65	£65	£65
	£839	£839	£839	£839	£839	£839	£839	£839	£839	£839	£839	£839	£839	£839

Fully Allocated Cost @ £1.0M Contribution

Sept 2014 Management Accounts

£ per Student FTE	Applied Science		Arts and Creative Industries		Built Environment and Architecture		Business		Engineering		Health and Social Care		Law and Social Science	
	Home/EU	Oseas	Home/EU	Oseas	Home/EU	Oseas	Home/EU	Oseas	Home/EU	Oseas	Home/EU	Oseas	Home/EU	Oseas
Academic Related Resources & Support														
ICT Support	£76	£76	£76	£76	£76	£76	£76	£76	£76	£76	£76	£76	£76	£76
Library and Learning	£349	£349	£349	£349	£349	£349	£349	£349	£349	£349	£349	£349	£349	£349
	£426	£426	£426	£426	£426	£426	£426	£426	£426	£426	£426	£426	£426	£426
Organisation and People														
Human Resources	£162	£162	£162	£162	£162	£162	£162	£162	£162	£162	£162	£162	£162	£162
Finance and Management Information														
Finance	£222	£222	£222	£222	£222	£222	£222	£222	£222	£222	£222	£222	£222	£222
Registry	£189	£189	£189	£189	£189	£189	£189	£189	£189	£189	£189	£189	£189	£189
	£411	£411	£411	£411	£411	£411	£411	£411	£411	£411	£411	£411	£411	£411
FUNI														
Unallocated Infrastructure	£6	£6	£6	£6	£6	£6	£6	£6	£6	£6	£6	£6	£6	£6
FRS 17	£232	£232	£232	£232	£232	£232	£232	£232	£232	£232	£232	£232	£232	£232
Exceptional Items	£141	£141	£141	£141	£141	£141	£141	£141	£141	£141	£141	£141	£141	£141
	£379	£379	£379	£379	£379	£379	£379	£379	£379	£379	£379	£379	£379	£379
Company Secretary	£80	£80	£80	£80	£80	£80	£80	£80	£80	£80	£80	£80	£80	£80
Strategic Projects														
Nat Puri Institute	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
UTC & UEA	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15
	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15	£15
Executive Office														
Programme Office	£55	£55	£55	£55	£55	£55	£55	£55	£55	£55	£55	£55	£55	£55
EDISON Project	£195	£195	£195	£195	£195	£195	£195	£195	£195	£195	£195	£195	£195	£195
Executive Office	£92	£92	£92	£92	£92	£92	£92	£92	£92	£92	£92	£92	£92	£92
	£342	£342	£342	£342	£342	£342	£342	£342	£342	£342	£342	£342	£342	£342
Total Central Costs	£3,303	£4,275	£3,303	£4,275	£3,303	£4,275	£3,303	£4,275	£3,303	£4,275	£3,303	£4,275	£3,303	£4,275
Contribution £ per Student FTE	£498	-£509	£1,431	-£2,143	£866	-£667	£135	-£645	£1,016	-£2,688	-£425	-£1,132	£92	-£4,360
Student FTE	1,141	49	985	97	1,534	152	2,257	415	1,181	275	4,260	40	1,697	173
	+1,080 Sem 2 / 3 enrolment													
Contribution	£570,000	-£30,000	£1,410,000	-£210,000	£1,330,000	-£100,000	£300,000	-£270,000	£1,200,000	-£740,000	-£1,810,000	-£50,000	£160,000	-£750,000
School Contribution	£540,000		£1,200,000		£1,230,000		£30,000		£460,000		-£1,860,000		-£590,000	
Total Forecast Contribution	£1,010,000													

	PAPER NO: PR.45(14)
Paper title:	Recruitment Update: UK, EU and International
Board/Committee	Policy and Resources Committee
Date of meeting:	12 November 2014
Author:	Tere Daly Deputy Director, Marketing and Student Recruitment (UK/EU). Jennifer Parsons, Director of Internationalisation (International).
Executive sponsor:	Prof. Paul Ivey, PVC (Research and External Engagement)
Purpose:	To provide a final update to the Committee on recruitment for semester 1, 2014

Executive Summary	
Context	Recruitment remains vital to the University's core objectives and income targets.
Question	What are the final figures on fully enrolled students?
Conclusion & Recommendation	<p>UK/EU and International recruitment are set to reach expected targets this year. We currently have 2,634 fully enrolled students, with an additional 106 ABB+ applicants against our target of 2,750. We anticipate that we will remain at the upper end of the Student Number Control, with limited risk of any penalty for over recruitment.</p> <p>UK/EU recruitment has operated a strict regulation of entry at the lower end of the achievement range, reflecting a common standard across the University (UCAS tariff of 120 for A-Level and 160 for BTEC).</p> <p>The UK Visas and Immigration Service maintain oversight of refusal rates in the issuing of Certificate of Acceptance to Study, which they wish to remain under 10%. We are currently tracking at 7%, and we remain confident of staying under required limits.</p> <p>International recruitment has seen a 37% increase in enrolments in Semester 1 and is expected to meet targets for Semester 2.</p>

London South Bank University

	The Committee is asked to note the paper.
--	---

Matter previously considered by:	Policy and Resources Committee	
Further approval required?	N/A	On:

UK AND EU STUDENTS

ACCEPTANCE SUMMARY – UNDERGRADUATE FULL-TIME STUDENTS

Application Comparison

	2012	2013	2014	% Change 2012/2014	% Change 2013/2014
LSBU Applications	22,171	22,841	24,880	12.22%	8.93%
UCAS Applications (Nationally)	2,639,440	2,715,234	2,828,108	7.15%	4.16%
Competitor Applications	164,056	163,562	169,823	3.52%	3.83%

In the application cycle up to the beginning of clearing (August 13th) LSBU continued to perform ahead of the sector, and our direct competitor group (which, for the purposes of the University and Colleges Admissions Service is a group of post '92 London institutions). LSBU achieved a growth in applications over the 2013 cycle of 8.93% pre-clearing.

Clearing has been steady, with less 'peak' activity at the start, but with continued activity throughout the following weeks (which continues to-date, with a slight surge in interest as the cycle ends). In addition to the 2,834 students directly within the Student Number Control, we also have 106 ABB+ applicants providing a total of 2,940 against our target of 2,750. Not all will convert to enrolments hence we will continue to make offers over the next few weeks. The risk of over recruitment is diminished by the lack of control number in 2015 (i.e. it's a free market) hence numbers cannot be withdrawn for over recruitment although fines would be allocated.

Firm acceptances are up 14.09% ahead of the same time last year. The majority of schools have recruited positively, but there continues to be gaps in the STEM disciplines – a last minute recruitment push has commenced from the 15th September to help increase new applications to these programmes – this promotion links directly into the clearing applicant timeline, which will close on 30 September.

Enrolment is progressing with 2,495 (90.73%) of full-time undergraduate students having commenced or finished their enrolment. 2,199 students (79.96%) have full completed their enrolment.

Table One – Comparison of total number of acceptances for UG FT against the control number

	Pre-Clearing		Clearing		Total Acceptances	
	Target	Firm Accepts	Clearing Accepts	Clearing Offers Pending	Total	Total % to Target
School of Applied Sciences	446	260	170	26	430	96.41%
School of Arts and Creative Industries	370	332	85	7	417	112.70%
School of Built Environment and Architecture	258	147	59	15	206	79.84%
School of Business	678	477	252	76	729	107.52%
School of Engineering	437	238	143	17	381	87.19%
School of Health and Social Care	71	63	4	0	67	94.37%
School of Law and Social Sciences	520	386	218	27	604	116.15%
LSBU (SNC) - Total	2,780	1,903	931	168	2834	101.94%

Table Two – Comparison of total number of acceptances for UG FT outside the control number

	Pre-Clearing		Clearing		Total Acceptances	
	Target	Firm Accepts	Clearing Accepts	Clearing Offers Pending	Total	Total % to Target
School of Applied Sciences	0	14	9	0	23	
School of Arts and Creative Industries	0	25	2	0	27	
School of Built Environment and Architecture	0	11	3	0	14	
School of Business	71	61	10	1	71	100.00%
School of Engineering	3	17	7	1	24	800.00%
School of Health and Social Care	751	709	95	3	804	107.06%
School of Law and Social Sciences	9	17	12	0	29	322.22%
LSBU (SNC) - Total	834	854	138	5	992	118.94%

UNDERGRADUATE PART-TIME

Applications for UG PT have seen a steady increase over the past 12 weeks, with an uplift at 10.01% ahead of last year. Acceptances are positive, having already achieved target at 121.95% against target (excluding HSC). This is also against an inflated target, as the Admissions Summary Report target currently includes additional programmes, such as ACCA, which are also reported through Enterprise figures.

Currently 95.31% of applicants have commenced their enrolment.

Table Three – Comparison of total number of acceptances for UG PT

	Pre-Clearing		Clearing		Total Acceptances	
	Target	Firm Accepts	Clearing Accepts	Clearing Offers Pending	Total	Total % to Target
School of Applied Sciences	7	19	8	2	27	385.71%
School of Arts and Creative Industries						
School of Built Environment and Architecture	312	298	91	6	389	124.68%
School of Business	119	90	17	3	107	89.92%
School of Engineering	65	54	11	1	65	100.00%
School of Health and Social Care						
School of Law and Social Sciences	30	52	10	2	62	206.67%
LSBU (PT-UG) - Total (excluding HSC)	533	513	137	14	650	121.95%

POSTGRADUATE FULL-TIME

Applications for PG FT are marginally ahead of last year at 3.77% up year on year. Acceptances are however marginally down on last year, but at 115.51% against target (please note that the target listed in the Admissions Summary includes some franchise programmes i.e. the target for UELS is 17, not 100). This excludes HSC programmes.

Currently 75.92% of applicants have commenced their enrolment.

Table Four – Comparison of total number of acceptances for PG FT

	Pre-Clearing		Clearing		Total Acceptances	
	Target	Firm Accepts	Clearing Accepts	Clearing Offers Pending	Total	Total % to Target
School of Applied Sciences	63	40	7	0	47	74.60%
School of Arts and Creative Industries	22	6	0	0	6	27.27%
School of Built Environment and Architecture	112	141	16	2	157	140.18%
School of Business	84	152	11	2	163	194.05%
School of Engineering	28	62	3	1	65	232.14%
School of Health and Social Care						
School of Law and Social Sciences	181	120	8	3	128	70.72%
LSBU (FT-PG) – Total (excluding HSC)	490	521	45	8	566	115.51%

POSTGRADUATE PART-TIME

Applications for PG PT are progressing well with an increase of 6.97% up year on year. Acceptances are also up, but only marginally year on year, with currently stand at 111.01% against target. This excludes HSC programmes.

Currently 88.45% of applicants have commenced their enrolment.

Table Four – Comparison of total number of acceptances for PG PT

	Pre-Clearing		Clearing		Total Acceptances	
	Target	Firm Accepts	Clearing Accepts	Clearing Offers Pending	Total	Total % to Target
School of Applied Sciences	43	46	7	2	53	123.26%
School of Arts and Creative Industries						
School of Built Environment and Architecture	211	239	35	4	274	129.86%
School of Business	147	122	16	2	138	93.88%
School of Engineering	17	24	4	0	28	164.71%
School of Health and Social Care						
School of Law and Social Sciences	136	103	19	2	122	89.71%
LSBU (PT-PG) – Total (excluding HSC)	554	534	81	10	615	111.01%

Conclusion - overall position:

LSBU has maintained a steady application rate throughout the cycle and is on-track to achieve 2,750 full-time undergraduate numbers (including ABB+ applicants) as long as conversion rates from previous years are sustained this year. In some areas where full-time undergraduate applications are falling below target there are increases in part-time, postgraduate and international recruitment, which will help to off-set a drop in income from full-time students. Current figures would, then, support the view that we are likely to achieve desired income targets for student recruitment to sustain the approved budget for 2014/15. Given we introduced the threshold level of offers this would indicate a substantial increase in market share for students qualified above 120 points (A level) and 160 points BTEC.

INTERNATIONAL STUDENTS

Semester 1 2014 Entry: Summary figures

	Sept 2013	Sept 2014	% change
Applications	5,532	7,001	27%
Offers	2,196	2,756	26%
Acceptances	1,199	1,547	29%
Firm accepts	899	1,146	28%
CAS issued	389	661	70%
Study Abroad	21	56	62%

In 2014/15, international recruitment has benefitted from being part of the Science without Borders scheme, recruiting UG Brazilian students. LSBU has been allocated 69 students for its first year of participation. The relationship with the Cambridge Education Group (CEG) has transformed during 2013/14, mainly due to staffing changes at CEG, which will see the number of students progressing onto LSBU programmes increase from 32 to 89. Programmes which have had targeted academic involvement during the recruitment process have also seen success in 2014/15. An example of this is the MSc International Marketing suite which enrolled 56 students, in comparison to 9 (to date) in 2013. Study abroad continues to grow, from 25 Semester 1 students in 2013 to 56 in 2014.

The International Recruitment Team have been focussing on conversion activities, both face-to-face, in country, and through increased social media activities. This has proved highly popular and will be assessed at the end of the cycle for its impact on conversion numbers. Clearing has seen the International Office receive 133 applications, of which 25 have been unconditionally accepted. We are awaiting funds to mature for visa purposes for the rest of the students whom offers have been made to. Conversion of current undergraduate students to postgraduate courses has increased, aiding the growth in MBA applications in particular.

There have been decreases in some postgraduate areas, particularly in Engineering. The beginning of the cycle was affected as direct applicants as new courses were marketed as 'subject to approval' which always has a slightly negative impact on the first year's admissions. We do not expect this situation to continue now that the courses are fully implemented.

There are now 494 new international students enrolled for semester 1, with three weeks of enrolment to go. This represents a 34% increase to date from 2013.

APPLICATION SUMMARY – INTERNATIONAL

Level	Target	Firm (2014)	Firm (2013)	%change
Applied Sciences	22	34	34	0
Undergraduate	13	18	16	13
Postgraduate	9	16	18	-11
Arts and Creative industries	54	76	51	49
Undergraduate	39	68	37	84
Postgraduate	15	8	14	-43
Built Environment and Architecture	64	149	143	4
Undergraduate	41	86	93	-8
Postgraduate	23	61	50	22
Business	189	385	143	4
Undergraduate	80	74	64	-1
Postgraduate	109	311	182	71
Engineering	101	174	198	-12
Undergraduate	57	111	88	26
Postgraduate	44	63	110	-43
Health and Social Care	61	88	26	238
Undergraduate	47	35	5	600
Postgraduate	14	53	21	152
Law and Social Science	101	240	190	28
Undergraduate	12	25	19	32
Postgraduate	84	215	165	30
LSBU Total	587	1,146	899	27
Undergraduate	289	417	333	25
Postgraduate	298	727	560	30

ENROLMENT SUMMARY (to report date)

School	Semester 1 enrolments		
	Fully Enrolled(2014)	Fully Enrolled (2013)	% Change
Applied Sciences	18	21	-14
Arts and Creative Industries	72	44	64
Built Environment and Architecture	52	50	4
Business	257	181	42
Engineering	178	115	55
Health and Social Care	39	25	56
Law and Social Sciences	129	109	18
Total	745	545	37

Certificate of Acceptance of Studies (CAS) Refusal rate:

As the application for HTS renewal was submitted before 1st November 2014, the refusal allowance will be calculated under the previous system. There is a 20% refusal margin allowed and it is calculated across the licence year.

LSBU has had 965 CAS used and 69 refusals to date. This represents a 7% refusal rate. It has been noted that Cambridge Education Group have had a high number of refusals this year and an action plan has been put in place for 2015 when LSBU will be evaluated under the new 10% refusal margin.

Refusals have risen slightly from those last reported to the Committee due to the impact of returning students and those from the Cambridge Education Group.

Conclusion:

International recruitment has seen a 37% increase in enrolments in Semester 1 and is expected to meet targets for Semester 2.

London South Bank University

	PAPER NO: PR.46(14)
Paper title:	University Research, Enterprise and Innovation Update
Board/Committee	Policy and Resources Committee
Date of meeting:	12 November 2014
Author:	Gurpreet Jagpal, Director of Enterprise
Executive sponsor:	Prof Paul Ivey, Pro Vice Chancellor (Research and External Engagement)
Purpose:	To update the committee on University Research, Enterprise and Innovation activity

Executive Summary	
Context	To provide an update on University Research, Enterprise and Innovation activity.
Question	For the committee to consider structure, detail and layout of report as a satisfactory reporting mechanism.
Conclusion & Recommendation	Review structure and level of detail and make recommendations for approval and/or accept as most appropriate method of reporting.

Matter previously considered by:		
Further approval required?	Board	On: 20 November 2014

London South Bank University

1. Summary

1.1. University Research, Enterprise and Innovation and South Bank University Enterprise Ltd have recently recruited Gurpreet Jagpal as Interim Director of Enterprise and CEO SBUEL. He joins having previously spent 2 years as UCL's Deputy Director for Enterprise and Business Interaction, 2 years as Postgraduate Enterprise Consultant and Operations Manager at the University of Birmingham and 6 years at Birmingham City University working in the areas of Enterprise, Knowledge Transfer, Small Business Engagement and Regional Development.

2. Business Development

2.1. All Schools will receive an individual monthly Business Development report, using data extracted from Raiser's Edge. The report lists all open and closed opportunities, monthly and cumulative, with an accompanying narrative on the status of each individual opportunity.

2.2. For the YTD the Business Development team working with the Schools have closed new sales with a total value of £328k. The current identified pipeline of development opportunities of £2.7m is estimated by the Business Development Team to yield sales of £455k.

2.3. The KTP plan was completed in March with a stretch target of 9 new KTPs (c£1.2m new income stream) acquired this budget year. To date we have one approval, and are expecting to submit two applications in November plus one in February.

2.4. Currently there are no significant academic leads and we will continue to deliver our KTP internal engagement plan, and hope that as the new School structures are embedded that we will grow the academic inbound leads stream.

3. Programme Management

3.1. After protracted discussions with the GLA, the ERDF funded Investment Escalator project is up and running. The Funding Agreement was finally signed in June 2014 and has shortened the delivery widow by half. The team has been working hard to make up time and made considerable progress, notably: all major procurement is completed, programme management system and business diagnostic tools are live; SME recruitment is underway and nearly 50 SMEs have registered; East London Small Business Centre have been awarded the contract for Business Advice, Basic workshops and Access to Finance coaching and have submitted and been paid for 3 claims from the funders

London South Bank University

3.2. ACCA take up has been very disappointing due to the impact of the loss of internal assessment, one of the main USPs for the Fundamental papers. The impact was more serious than forecast than predicted and resulted in the cancelation of the F papers.

4. Student/Graduate Enterprise

4.1. There are 7 LSBU graduates taking part in the 2014/15 Graduate Entrepreneur Scheme, the businesses being supported are a Venezuelan Street Food, an insurance product, a PR agency, a digital consultancy, a t-shirt design business, an online platform for house music and a flood defense product.

4.2. Celebrating success: Stephen Addison, Founder of BoxUpCrime and an LSBU Business Administration graduate, was a runner-up in the Teach First Innovation Award securing £5k and 12 months salary for his business; Alain Moundanza is a finalist in the Institute of Directors (IoD) Student of the Year Award and Emilie Mendy, a 2nd year Arts and Festival Management student, has secured £4,750 from UnLtd's Star People programme for Bizzie Bodies.

5. Central Research Support

5.1. Ed Tinley, Head of Central Research Support, retired from the University last month. His position remains vacant upon the start of PVC Research and Engagement – Paul Ivey.

5.2. CRS held a research poster exhibition alongside the Postgraduate Research Summer School at the end of June 2014 giving research active staff and students an opportunity to promote their research to a wider university audience. More than 60 research posters were exhibited spanning the broad range of research carried out at LSBU.

5.3. In June 2014 LSBU gained the HR Excellence in Research Award from the European Commission in recognition of its commitment to valuing the work of researchers. The award is based on an action plan developed by the University's Concordat group and demonstrates LSBU's commitment to the work and career development of research staff.

6. Tenants

6.1. Clarence Centre is now fully occupied with work on the Legal and Business Advice Centre starting in early November, refurbishment for the tenant areas of the Technopark has already started and should be completed by the end of the year.

London South Bank University

6.2. Tenant engagement is increasing with a student gaining a valuable work placement an electrical engineering firm, a tenant will be helping 120 students in the School of Business with their Business and Professional Issues module and another 3 or 4 tenants will be assisting a School of Business academic with his course content.

London South Bank University

London South Bank University
Management Summary Report: Aug 14 - End of September 14

Source	All University											
	Annual Forecast			YTD Actuals			Variance - Actuals to Forecast					
	Total Income	Total Costs	Grand Total	Total Income	Total Costs	Grand Total	Income	%	Cost	%	Total	%
KTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00		0.00	
KTP	-99,500.04	58,562.45	-40,937.59	-22,439.57	17,762.16	-4,677.41	77,060.47	77%	-40,800.29	-70%	36,260.18	89%
Short Courses	-98,000.04	47,328.30	-50,671.74	-18,053.70	7,270.00	-10,783.70	79,946.34	82%	-40,058.30	-85%	39,888.04	79%
Full Cost Courses	-1,950,338.04	560,049.25	-1,390,288.79	-446,741.35	72,086.57	-374,654.78	1,503,596.69	77%	-487,962.68	-87%	1,015,634.01	73%
Other IGA	-2,739,022.71	658,048.06	-2,080,974.65	-303,434.07	150,181.28	-153,252.79	2,435,588.64	89%	-507,866.78	-77%	1,927,721.86	93%
Letting of Facilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00		0.00	
Central Research	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00		0.00	
Total Enterprise	-4,886,860.83	1,323,988.06	-3,562,872.77	-790,668.69	247,300.01	-543,368.68	4,096,192.14	84%	-1,076,688.05	-81%	3,019,504.09	85%
KTP	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00		0.00	
For Profit Education	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00		0.00	
Events and Conferences	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00		0.00	
Other Enterprise	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00		0.00	
Total University Enterprise	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00		0.00	
LSBU Activity	-4,886,860.83	1,323,988.06	-3,562,872.77	-790,668.69	247,300.01	-543,368.68	4,096,192.14	84%	-1,076,688.05	-81%	3,019,504.09	85%
Consultancy	0.00	0.00	0.00	0.00	7,005.42	7,005.42	0.00		7,005.42		7,005.42	
Letting of Facilities	-1,300,988.96	539,093.72	-761,894.88	-187,052.02	-241,111.82	-425,413.84	1,113,936.94	86%	-780,205.54	-145%	333,731.40	44%
Commercial Research	-40,656.00	94,242.62	53,586.62	-111,106.36	26,227.36	-84,879.00	-70,450.36	-173%	-68,015.26	-72%	-138,465.62	-258%
Other IGA	-548,589.96	1,831,020.36	1,282,430.40	-90,438.24	115,063.79	24,625.55	458,151.72	84%	-1,715,956.57	-94%	-1,257,804.85	-98%
SBUEL Activity	-1,890,234.92	2,464,356.70	574,122.14	-388,596.62	-92,815.25	-478,661.87	1,501,638.30	79%	-2,557,171.95	-104%	-1,055,533.65	-184%
Total Enterprise Activity	-6,777,095.75	3,788,344.76	-2,988,750.63	-1,179,265.31	154,484.76	-1,022,030.55	5,597,830.44	83%	-3,633,860.00	-96%	1,963,970.44	66%

Summary:

- Total Income forecast for the year is: £6,777,095.75
- Year-to-date income is: £1,179,265.31
- Current Variance on income is: £5,597,830.44

	PAPER NO: PR.47(14)
Paper title:	Change Programme update
Board/Committee	Policy & Resources
Date of meeting:	12 November 2014
Author:	Ian Mehrtens, Chief Operating Officer
Executive/Operations sponsor:	David Phoenix, Vice Chancellor
Purpose:	To provide an update on projects within the ICT & Infrastructure theme of the change programme.

Executive Summary	
Context	<p>This paper gives:</p> <ul style="list-style-type: none"> • An update on project progress, key successes, risks and issues. <p>This information is correct as of 15 October 2014.</p> <p>The change programme is delivering a range of projects – ie interventions outside our business-as-usual, defined by time and scope – to achieve those aspects of the corporate strategy that represent significant change.</p> <p>The ICT & Infrastructure projects aim to invest in the right ICT, so that we can enhance our services, and invest in our physical environment to ensure it meets our business requirements. These projects are currently:</p> <ul style="list-style-type: none"> • Information Management • ICT Strategy • EDISON • Estates
Question	What is the current progress of ICT & Infrastructure projects?
Conclusion & Recommendation	<ul style="list-style-type: none"> • That the Committee note progress to date.

ICT & Infrastructure – status of projects

Projects delivering this theme are moving forward. The projects are at varying stages of development:

- Estates is at concept stage, and yet to establish a high level scope for initial approval. It has therefore not started formal project reporting yet, and is not RAG-rated.
- ICT Strategy and Information Management are at design stage: the initial scope of work has been approved. The projects are moving towards project initiation (approval to progress into delivery stage), and both are currently rated Green as they are running to expected timescales. The projects will start formal reporting once they enter the delivery stage.
- EDISON is in full delivery. This project is formally reporting, attached on the next page, and is rated Amber – addressed in the next section.

ICT & Infrastructure – risks and issues

The EDISON project has been moving forward quickly, recently rolling out new instant messenger and online community tools. However, the project has encountered technical issues during the testing of the Identity and Access Management system, which means the project is rated Amber overall (potential to miss milestones or deadlines).

Options have been reviewed and presented to the Change Programme Board 29 October. The Board supported a recommendation to take a revised approach, creating new user identities, rather than trying to recreate existing identities in the new systems (this carries too significant a risk of failure, which would lead to extensive project delay). This will likely mean a three-month delay to this deliverable; exact timescales and costs will be reported back to Executive during November.

Project	EDISON
Manager	Francois Contreiras
Report date	October 14



Milestone	RAG	Due Date	Revised Date	Commentary
Programme Re-structure	G			
IAM-Identity Management R1	A	01/11/14	01/11/14	IM and AM development by IBM is completed, LSBU development side is still ongoing. However, the project is still identifying last minute requirements that put the overall schedule at risk.
IAM-AccessManagement R1	A	01/11/14	01/11/14	
ESE-Portal & SC R1	G	28/11/14	28/11/14	
ESE-Business Analytics R1	G	06/10/14	06/10/14	
ESE-MDM Data Analysis R1	A	19/09/14	TBC	MDM project is further delayed, the main challenge is difficulty accessing the information needed to support the agreed schedule.
ESE-VLE R2	G	TBC	TBC	
Data Centre Outsource	G	23/12/2014	23/12/2014	
Finance	G	Change requests have been approved to support the go-live date for the portal. Overall impact on contingency this month is £31k. Further savings are under analysis to allow to further backfill of ICT staff, allowing them to join the Edison Programme Phase 2.		

Progress this month:

- Chat and Connections launched.
- Portal testing on-going.
- UAT for Predictive Analytic on-going. Preparation for the Pilot completed.
- Agreed new delivery plan for R1.
- Review solution to identify cost saving.
- Review training proposal provided through OSDT.

Decisions required from Programme Board: none.

Comms required next month: release of Portal.

Key activities planned over next month:

- Continue testing Portal
- Continue Control launch of Chat and connections
- Prepare second batch of functionality launch for chat and connections.
- Start BA Pilot. Continue BA UAT in parallel
- Integrate BA into the Curriculum support project.
- Review solution to identify further savings.
- Continue planning activity for Phase 2 using a stage delivery approach where possible.
- Support Technology Enhanced Learning Discussion Forum on 10/10
- Communicate and contract the supplier retained for providing IT training

High/critical risks and issues

R/I	No	Description	P	I	R	Trend	Mitigations	Timescale	Residual	P	I	R	Current status
R	10	Costs of delivery could escalate - owing to complexity of EDISON and systems architecture	L	C	H	Same	Undertake finance due diligence/options appraisal (mitigation against increased cost) to build more accurate forecast position Weekly budget monitoring in place	Mid-Oct 15 Ongoing	L	M	M		On track
R	11	Project does not deliver level of business benefits identified in business case	L	C	H	Same	Business change project will develop interventions using Predictive Analytics capability	Feb-15	L	H	M		PID in development
I	94	Identity and Access Management - initial testing of new IAM system within LSBU systems architecture has thrown up a range of anomalies which require fixes. Given complexity of current systems environment, much more exhaustive testing will be needed before the system can go live. Delays will defer minor enhancements to user experience (single sign-on across systems) and may impact IAMS go-live date and budget - this does not affect other critical go-live dates eg portal			H	New	Explore options and establish costs (additional testing) and any delays to go-live	31/10/2014			M		In progress

**London South Bank
University**

Report and Financial Statements

31 July 2014

Draft at ~~23th Oct~~3rd November 2014

London South Bank University

Report and financial statements 2014

Contents	Page
Strategic report	2
Responsibilities of the Board of Governors	<u>2220</u>
Corporate governance statement	<u>2321</u>
Independent auditors' report	<u>3028</u>
Consolidated income and expenditure account	<u>3230</u>
Consolidated statement of total recognised gains and losses	<u>3331</u>
Note of consolidated historical cost surplus	<u>3331</u>
Balance sheets	<u>3432</u>
Consolidated cash flow statement	<u>3533</u>
Principal accounting policies	<u>3634</u>
Notes to the accounts	<u>4240</u>

London South Bank University

Strategic Report

Legal and Administrative Details

This Strategic Report is that of the University and its subsidiary, South Bank University Enterprises Limited.

London South Bank University was incorporated on 12 August 1970. It is registered at Companies House under number 986761 and its registered address is 103 Borough Road, London. SE1 0AA. London South Bank University is a company limited by guarantee and has no share capital.

The governing body of the University is responsible for the effective stewardship of the University and has control of the revenue and the property of the University. The University's corporate governance arrangements are described on pages [23-2921-27](#) and the members of the Board of Governors during the year ended 31 July 2014 are listed on page 4. The Governors are also directors under the Companies Act 2006.

The University is an exempt charity within the meaning of the Charities Act 2011 applying in England and Wales and its principal regulator is HEFCE. All Governors are also charitable trustees.

The University is regulated principally by HEFCE under a Financial Memorandum. The University complies with conditions of grant set out in funding agreements with the relevant grantor.

Bankers

NatWest
City of London Office
1 Princes Street
London
EC2R 8PA

Solicitors

SGH Martineau
1 Colmore Square
Birmingham
B4 6AA

Mills and Reeve LLP (from November 2013),
Botanic House,
100 Hills Road
Cambridge
CB2 1PH

Shoosmiths LLP (from November 2013)
Witan Gate House,
500-600 Witan Gate West,
Milton Keynes,
MK9 1SH

Michelmores LLP (from November 2013),
48 Chancery Lane,
London,
WC2A 1JF

Muckle LLP (until November 2013)
Time Central
32 Gallowgate
Newcastle-Upon-Tyne
NE1 4BF

London South Bank University

Strategic Report

Veale Wasbrough Vizards LLP (from November 2013)
Orchard Court,
Orchard Lane,
Bristol
BS1 5WS

Auditor

Grant Thornton UK LLP
Grant Thornton House
Melton Street
Euston Square
London NW1 2EP

Structure, Governance and Management

A separate Corporate Governance Statement is shown on pages ~~23-29~~[21-27](#).

Principal Officers:

Chancellor

Mr Richard Farleigh

Vice Chancellor

Professor Martin Earwicker (resigned 31 December 2013)
Professor David Phoenix (appointed 1 January 2014)

Pro Vice Chancellors

Professor Phil Cardew (Students and Education)
Ms Beverley Jullien (External) (resigned 31 July 2014)

Chief Financial Officer

Mr Richard Flatman

Chief Operating Officer

Mr Ian Mehrrens

Executive Director of Human Resources

Ms Mandy Eddolls (appointed 16 June 2014)

Secretary and Clerk to the Board of Governors

Mr James Stevenson

Strategic Report

Changes in officers since 31 July 2014:

Deputy Vice Chancellor

Professor Patrick Bailey (appointed 1 September 2014)

Pro Vice Chancellors

Professor Paul Ivey (Research and External Engagement) (appointed 1 November 2014)

Board of Governors

The following were Governors throughout the year ended 31 July 2014 except as noted:

Mr David Longbottom (Chair)

Professor Martin Earwicker (Vice Chancellor and Chief Executive) (resigned 31 December 2013)

Professor David Phoenix (Vice Chancellor and Chief Executive) (appointed 1 January 2014)

Ms Ilham Abdishakur (appointed 1 July 2014)

Ms Barbara Ahland (resigned 30 June 2014)

Mr Steve Balmont

Mr Douglas Denham St Pinnock

Mr Ken Dytor

Professor Neil Gorman (appointed 20 March 2014)

Professor Hilary McCallion CBE

Ms Anne Montgomery

The Revd Canon Sarah Mullally DBE

Dr Mee Ling Ng

Ms Louisa Nyandey (appointed 14 October 2013)

Mr Andrew Owen

Ms Diana Parker

Professor Shushma Patel

Mr James Smith CBE

Professor Jon Warwick

Changes in Governors since 31 July 2014:

Mr Jeremy Cope (appointed 01 September 2014)

Strategic Report

Objectives and Activities

Our mission:

To be recognised as an enterprising civic university that addresses real world challenges

London South Bank University has been transforming lives, communities and businesses for over 120 years. At its creation, the Prince of Wales and Archbishop of Canterbury were instrumental in a fundraising campaign which included 55000 letters of appeal and led to collection boxes being placed on London's bridges. The aims were to improve the social mobility of the people of south east London by improving their employment opportunities and to support the community by providing access to applied knowledge that would advance their businesses. Other than an increasingly global reach that mission remains almost unchanged today –LSBU provides a highly applied academic environment which supports students into professional careers by providing the knowledge and skills attractive to employers. At the same time, it supports employers and the professions by providing the education, consultancy and high quality applied research they need to grow their businesses.

Building on our past to shape our future

The higher education sector and the market within which we operate has changed and continues to develop rapidly and so we must continue to innovate in order to keep pace. The recent decision to remove student number controls means we will inevitably see recruitment becoming an even more heated environment and this will be fuelled by new entrants such as private providers and overseas institutions, plus UK universities setting up London campuses. In 2010 only £30 million of public funding went to private providers and by 2015 this will be approaching £1billion.

Students do not want to simply sit in a lecture theatre. They continue to demand more for their money and they will expect that their investment in education will enhance their future career prospects. Institutions who strive to successfully meet and manage these expectations are the ones who will prosper. Providing a personalised student experience leading to strong graduate outcomes will become increasingly important and given our focus on professional education, is an area in which we must excel.

As the number and diversity of providers grows it will be important to ensure a degree of differentiation from competitors. Universities that succeed in this new environment will be ones that build on their strengths to ensure they develop a strong external reputation for the quality of what they deliver and indeed with the increase in the number of providers new quality measures will no doubt be linked to funding success. For example there is the current discussion around linking student loans and fee levels to graduate employment or retention rates and league table performance will of course continue to be of keen interest to students, employers, commissioners and funding agencies in the UK and overseas.

Our new Corporate Strategy 2015-2020 builds on the strengths of our university to enhance our reputation for supporting student success, delivering real world impact through our academic activity and by building on our history of providing opportunities through partnership.

Developing into a university that is recognised for addressing society's challenges by engaging with partners on both a local and global scale is not in itself a significant move away from who we are now. We have a reputation for courses relevant to the professions, for applied research and for business engagement and our teaching is becoming more and more dynamic as we produce enterprising graduates ready for a global market. Our academic expertise has real world impact and is drawn upon by commercial and government organisations, so it makes sense to build our future ambitions upon the relevance and strengths of our current identity. Examples of recent activity include:

- 960 employers send 4000 of their staff to be educated by LSBU each year
- Over 150 British SMEs and major companies have formed commercial research partnerships
- The Clarence Centre for Enterprise and Innovation is now home to 48 student-led businesses and social enterprises: companies in our business incubation suite generate an annual turnover of over £37m.

We are refocusing and re-doubling our ambition, trading on our specialisms and moulding graduates for success.

We want our success to be recognised, so by 2020 we aim to be London's top modern University.

Strategic Report

Key outcomes 2015-2020

We are committed to:-

- Ensuring we work with local partners to provide opportunities for students with the potential to succeed and through active engagement retain them
- Developing the multicultural community of students and staff, working through international alliances and partnerships to further build our capacity and capabilities in education, research and enterprise
- Ensuring students develop skills and aspiration to enter employment or further study and so become sought after by employers, or have the skills and confidence to start their own businesses, or develop a portfolio career
- Ensuring that students are seen as participants in their learning and that the student voice is encouraged and listened to
- Strengthening our national position and our profile as a leading university for professionally focused education underpinned by highly applied research
- Delivering outstanding economic, social and cultural benefits from our intellectual capital, by connecting our teaching and research with the real world through commercial activities and via social enterprise
- Creating an environment which attracts and fosters the very best staff, and within which all staff, whatever their role, feel valued and proud of their university and take appropriate responsibility for its development
- Strategically investing in the creation of first class facilities and ensuring that they are underpinned by services which are responsive to academic needs and outcome focused.

A range of cross University change projects are in progress to help deliver those future outcomes.

To ensure that the University has academic groupings that are meaningful to the outside world and focused enough to be able to respond rapidly to stakeholder need, the University's four faculties have been split into seven new schools. The smaller schools will enable each one to build its own ethos and brand, to attract potential students and business to work with the University. The Schools from 1st August 2014 are:

- Applied Science
- Arts and Creative Industries
- Built Environment and Architecture
- Business
- Engineering
- Health and Social Care
- Law and Social Sciences

Professional Service functions have also been aligned with key areas of delivery, whilst allowing the University to minimise duplication through ensuring clarity in terms of responsibility.

In February 2014, the University embarked on the implementation of a suite of IBM hardware and software solutions – the Edison Project – which will both reduce risks around systems delivery and security, and enable a step-change in the ways in which we monitor and respond to student engagement, and communicate digitally with students. The project has three distinct strands of activity: the transference of core systems onto IBM 'Softlayer' data centres; the implementation of new identity and access management systems; and the delivery of new systems for monitoring student engagement and enhancing digital communication with students. The last of these strands includes the use of analytical tools to identify and pro-actively respond to student engagement, the delivery of a new Student Portal (which will provide access to all our core systems in one location) and the enhancement of our Virtual Learning Environment to include social collaboration tools and instant messaging to students.

Strategic Report

Achievements and Performance

Strategy and Performance:

The University's financial strategy is expressed through its rolling five year financial forecasts. The strategy is focused on future sustainability and is designed to maintain financial resilience and flexibility at all times. These rolling 5 year forecasts are updated each year following Semester 1 recruitment and include surplus and liquidity forecasts and a 5 year investment profile as well as income and cost projections. This analysis ensures that the University delivers not only an acceptable level of surplus but stays within acceptable gearing levels and has the funds for an appropriate capital investment programme.

The strategy sets out a range of financial key performance indicators and these have recently been reviewed as part of the new corporate strategy 2015-2020. The headline financial targets are that by 2020 we will have:

- Grown our income by 25% to £170m
- Returned to an annual operating surplus of minimum 5%, and
- Improved the EBITDA margin to 15%.

The key drivers of successful financial outcomes for the university are:

- Meeting our home/EU recruitment targets
- Delivering against agreed growth targets for postgraduate, overseas students and enterprise income
- Improving progression and retention rates. Our future forecasts assume that undergraduate fees are capped at £9,000 and that significant financial impact can be delivered through small improvements in progression and retention rates
- Maintaining current levels of NHS contract income through high quality delivery
- Managing staff costs, including agency costs, so they are within our maximum agreed percentage of income
- Further efficiency savings wherever possible.

The key targets have been accompanied by a renewed focus on part time UG recruitment which has been a historic strength of this university and an emphasis on international recruitment where the University has underperformed compared to its peers.

We entered 2013/14 in a strong financial position having made real progress streamlining activity and delivering efficiency wherever possible. A record financial surplus of £9.9m was achieved in 2010/11 and this was followed by surpluses of £6.5m and £5.5m in 2011/12 and 2012/13 respectively. The 2011/12 result was after accounting for an impairment charge of £2.9m in respect of building stabilisation costs which made the result even more satisfying. The true underlying operating surplus last year was £6m before an exceptional loss on the deconsolidation of the Student's Union. It was always anticipated that 2013/14 would be more challenging given ongoing financial uncertainty, pressure on student numbers and the continued reductions in government funding. As expected, recruitment proved challenging and LSBU fell marginally short of initial recruitment targets. This has been managed through effective cost control and the surplus of £3.1m is higher than the original agreed budget surplus of £2.5m. Furthermore, this is after accounting for unbudgeted revenue costs of £1m+ associated both with changed organisation structures and the Edison project.

The 2014/15 budget shows a surplus of £1m. This reduced level of surplus is planned and takes account of increased investment in 2014/15 in a number of areas including close to £3m revenue spend on the Edison project and £0.75m in relation to the cost of running the new programme change office which has been established to drive University wide projects in support of the key outcomes in the new corporate strategy. Depreciation in 2014/15 also increases by £2m to £10.5m, reflecting IBM investment cost and the recent investment in both the new Student Centre and the Clarence Centre. Also included within the budget is an uncommitted revenue investment pool of £1m which allows for some flexibility in terms of actual spending.

The 5 year forecasts demonstrate that the University can deliver a minimum level of £1m surplus over the next 3 years after accounting for this significant level of increased investment spend in our digital and physical infrastructure which

Strategic Report

is designed to improve student experience and progression. The resultant outcome that the increased spend will deliver will be increased surpluses (reaching 5% by 2020) linked to increased levels of graduation and international recruitment.

Investment in the physical estate

LSBU continues to develop its ~~10 year vision of~~ strategic investment in the estate to create sustainable, first class facilities which will enhance both the learning and social experiences of students and support the delivery of the academic mission.

Approximately £100m will be invested in redeveloping the estate over the next ten years (funded from cash reserves and operating cash flows generated over that period). This investment includes both the provision of new buildings using sustainable construction principles and the development of innovative solutions to improve the energy efficiency of existing buildings in order to meet the University's carbon reduction commitment by 2020.

It is proposed to dispose of old buildings of corresponding dimensions to those of the new builds in order that there is no significant increase in the size of the overall footprint of the campus.


The energy and environmental management systems at the University have achieved re-accreditation to ISO 50001 and ISO14001 standards. Sustainability is a major consideration in all procurement processes and we ensure that, where appropriate, environmental criteria are used in both the award of contracts and the purchase of equipment and supplies.

In September 2013, the renovation of seventeen unused Grade II listed Georgian buildings to create the Clarence Centre for Enterprise and Innovation was completed at a cost of £13m. A further £5.6m has been invested in the estate including the provision of a new street facing library entrance, the creation of a dedicated entrance to our sports centre (jointly funded with Sport England and from Section 106 money), the refurbishment of specialist laboratory space and public realm improvements costing £830K.

Key Performance Indicators

Financial Sustainability	2012/13	2013/14	Current Performance	Year-on year movement
	Actual	Target	Red, Amber, Green	
Student numbers and contracts				
Recruitment against NHS Contracts	Within tolerance	Within tolerance	Within tolerance	➡
Financial Indicators				
NHS Contract Income	£27.6m	£25.9m	£25.2m	⬇
International student income	£8.8m	£9.4m	£8.5m	⬇
Research (non HEFCE) income	£2.2m	£2.4m		⬇
Enterprise Income	£8.4m	£9.0m	£9.5m	⬆
Total income	£137.9m	£136.6m	£134.8m	⬇
Surplus as % of income	4.0%	1.8%	2.3%	⬇
Cash and bank deposits	£60.0m	£48.2m	£53.0m	⬇

Strategic Report

Gearing Ratio	0.27	0.26		↓
Days Liquidity	176.6	139.0	157.1	↓
Staff costs as % of income (inc agency staff)	55.9%	55.0%	55.8%	→



The Student Experience

Student satisfaction

Overall student satisfaction—undergraduate (National Student Survey)	82%	86%	80%	↓
Overall student satisfaction—post graduate (National Student Survey)	76%	80%	77%	↑
Full time undergraduate year 1 progression	65%	65%	TBC	
Graduating in intended period (Full time undergraduate 3/4 year)	51%	65%	TBC	

Institutional Reputation	2012/13 Actual	2013/14 Target	Current Performance Red, Amber, Green	Year on year movement
--------------------------	----------------	----------------	---------------------------------------	-----------------------

League Table Ranking

The Times/Sunday Times	118(of 120)	<110		↓
The Guardian	113(of 119)	<110	112(of 116)	↑
The complete University Guide	119(of 124)	<110		↓

Subject League Tables

Subjects in top 75% nationally	3(of 21)	5 (of 21)	3 (of 25)	→
Subjects in top 50% of post 1992 Universities	2 (of 21)	7 (of 21)	2 (of 25)	→
Subjects in top 25% of post 1992 London Universities	4 (of 21)	4 (of 21)	2 (of 25)	↓

Student Perceptions

% of firm acceptances against enrolment target from FT UG students prior to clearing	New indicator	75%	75.6%	↑
--	---------------	-----	-------	---

Strategic Report

Early/late applications (FT-UG)	29:21	80:20	TBC	
Financial support from donors	£1.40m	£1.40m	£1.35	➡
Alumni Engagement: number of placements, volunteer and mentor opportunities for students	New indicator	500	520	
Value Added				
Employment of graduates	77.4%	85.0%	85.5%	⬆️
First degree students obtaining 1 st -or upper 2 nd -class degree	58.0%	62.0%	58.3%	⬆️
Resources				
Academic services spend per student	£900	£1,000	£971	⬆️
Services and facilities spend per student	£1,100	£1,150	£250	⬆️
Student:staff ratio	23.7:1	21.0:1		⬇️
Staff turnover rate	21.0%	18.0%	TBC	

*Key League Table Measure

Strategic Report

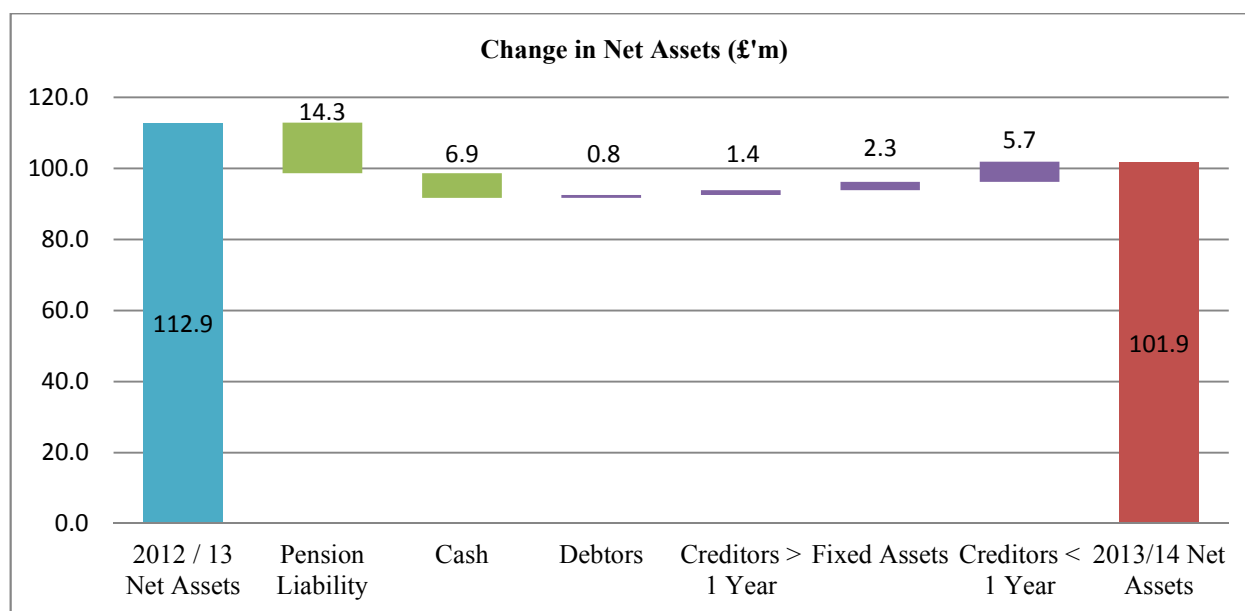
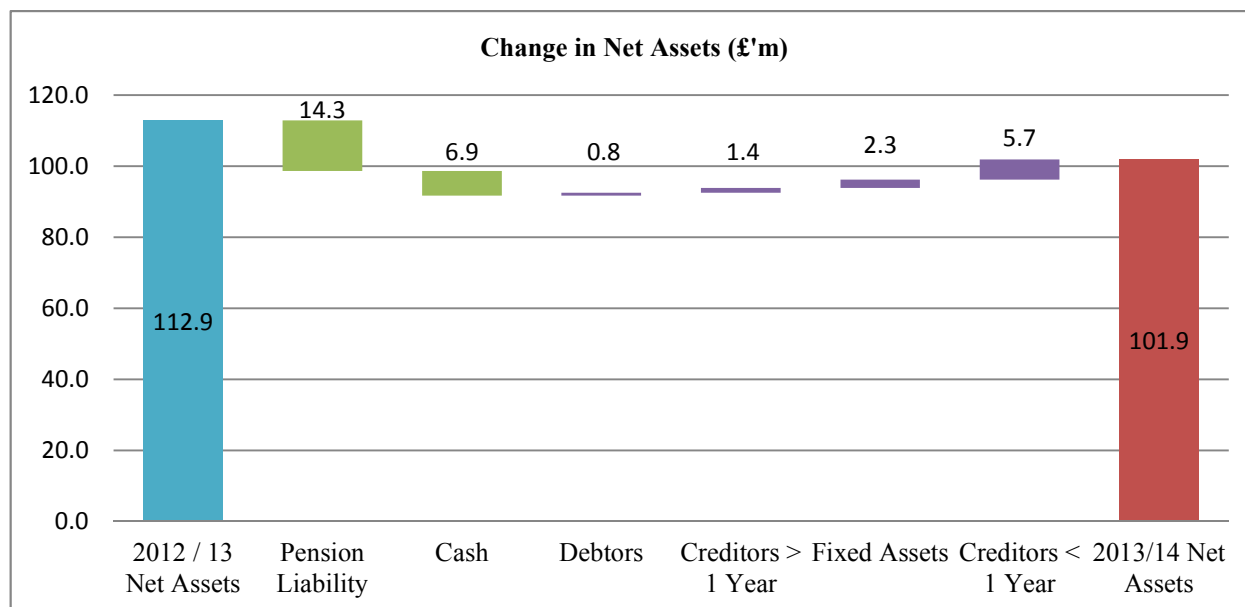
We review the institution's performance continually using a number of KPIs in areas relevant to the sustainability of the institution. In these areas, we have set long term targets against which the Board of Governors and its committees and our Executive team monitor performance. We are satisfied that our strategies will help us move towards achieving these targets.

Strategic Report

Financial Review

Balance sheet and liquidity

The Group's net assets decreased by 10% during the year moving from £112.9m to £101.9m. There are two principle reasons for the reduction. Firstly an increase of £14.3m in the LPFA pension liability, and secondly an increase of almost £2.3m in tangible assets reflecting the University's continued investment in its Estate and digital infrastructure. Cash balances have been reduced by £6.9m reflecting other changes to working capital.

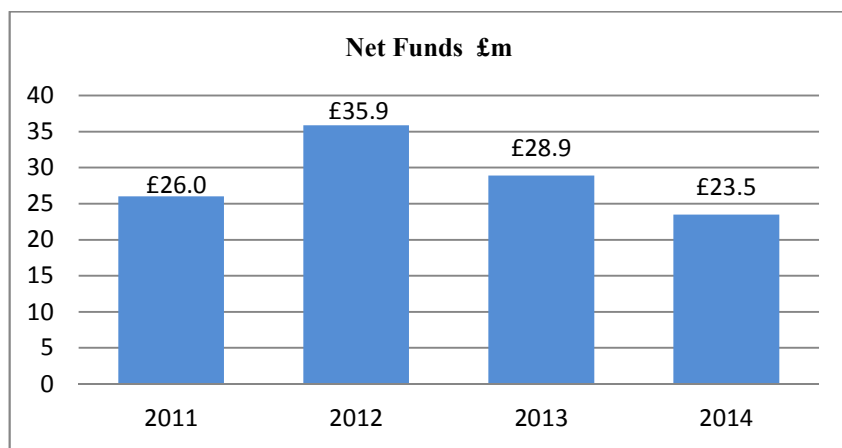
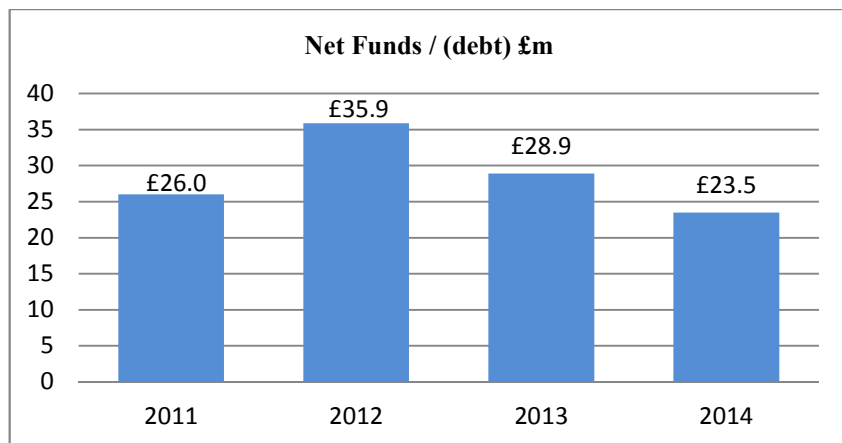


The University always plans to have sufficient liquid assets to meet its liabilities as they fall due and this reduction in net assets will not compromise the group's ability to do so. Days liquidity has decreased from 176 days at 31 July 2013 to 157 days at 31 July 2014. This reduction is primarily due to a fall in cash balances and bank deposits from £59.9m at 31 July 2013 to £53.0m at 31 July 2014, which reflects the reduction in creditors and continuing capital expenditure through 2013/14. The longest term deposit is 3 months and the maximum overseas exposure is £5.0m through liquidity funds.

Strategic Report

Borrowings have reduced from £31.1m at 31 July 2013 to £29.6m at 31 July 2014 reflecting loan repayments made during the year.

Net funds/(debt) is summarised below:



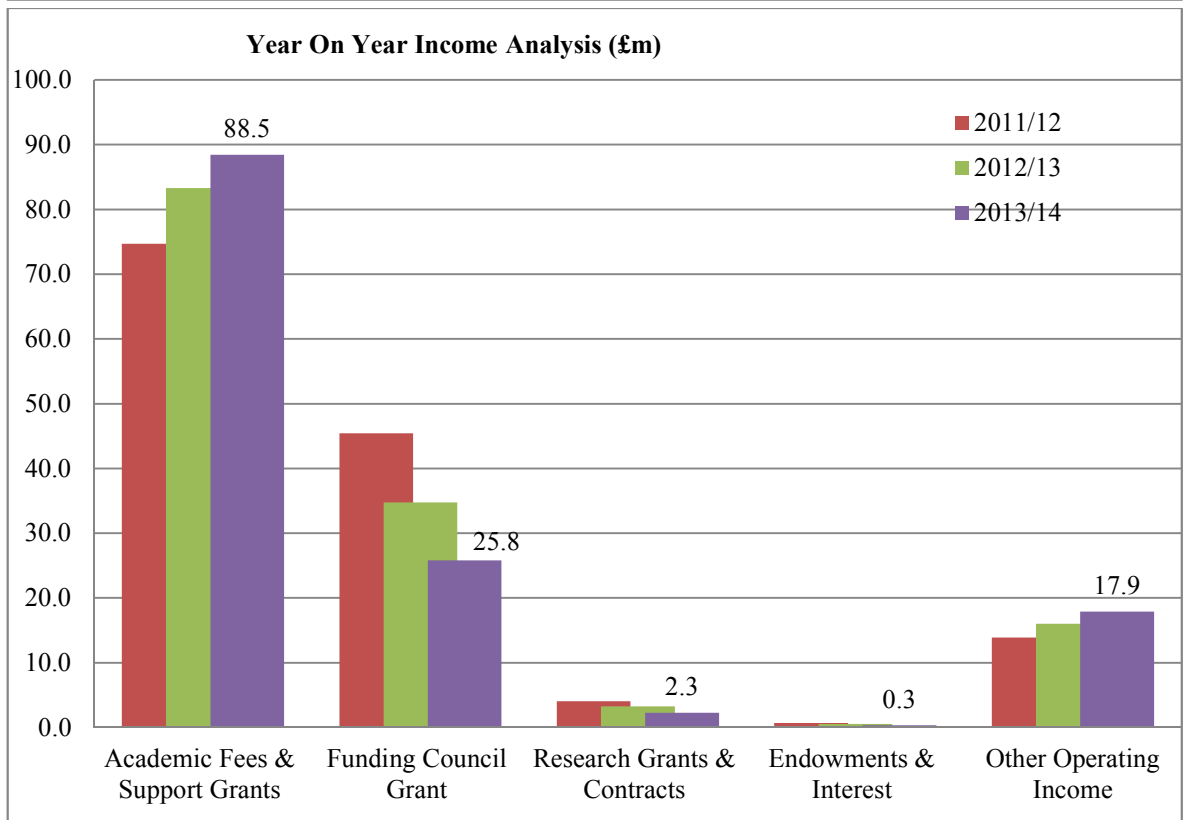
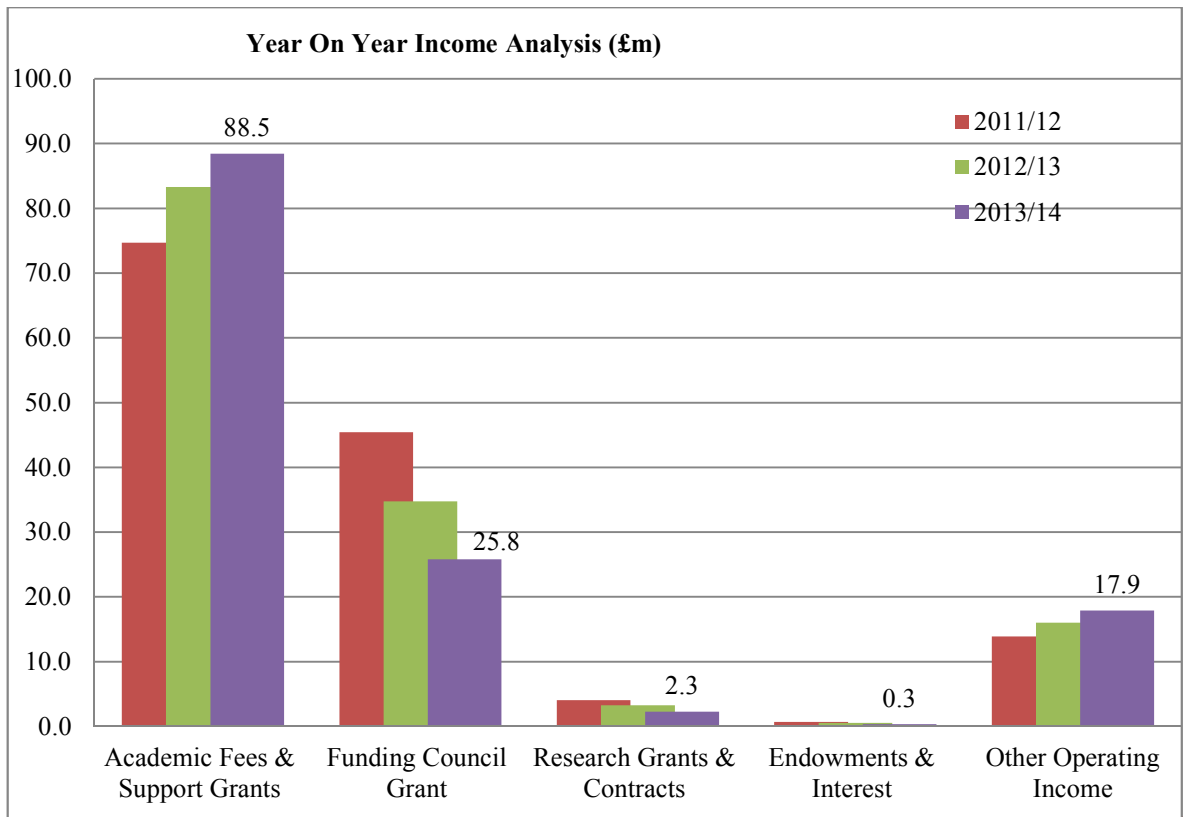
Borrowing capacity is reviewed on a regular basis and is considered adequate to meet current plans.

Result for the Year

Financial Summary in £m				Variance from 2012 / 13	
	2013/14	2012/13	2011/12		
Income	134.8	137.9	138.3	-3.1m	-2.2%
Expenditure	131.7	132.4	131.8	-0.7m	-0.5%
Surplus for the year	3.1	5.5	6.5	-2.4m	-43.6%
Surplus %	2.3%	4.0%	4.7%		

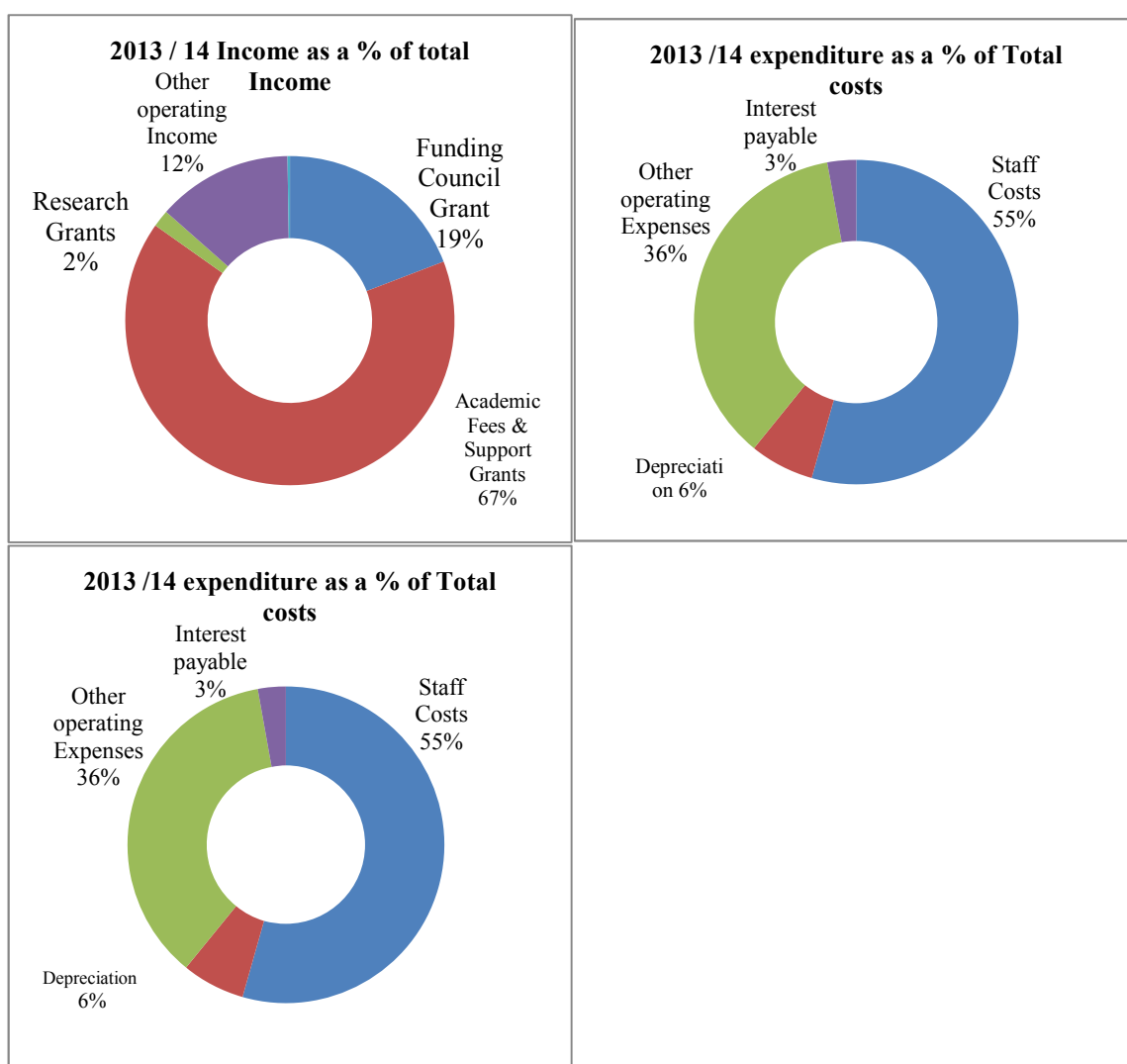
The operating surplus of £3.1m is ahead of the agreed budget and the forecast surplus of £2.5m submitted to HEFCE in November 2013. In the context of the recruitment challenges across the sector in 2013/14 this is a considered a strong result.

Strategic Report

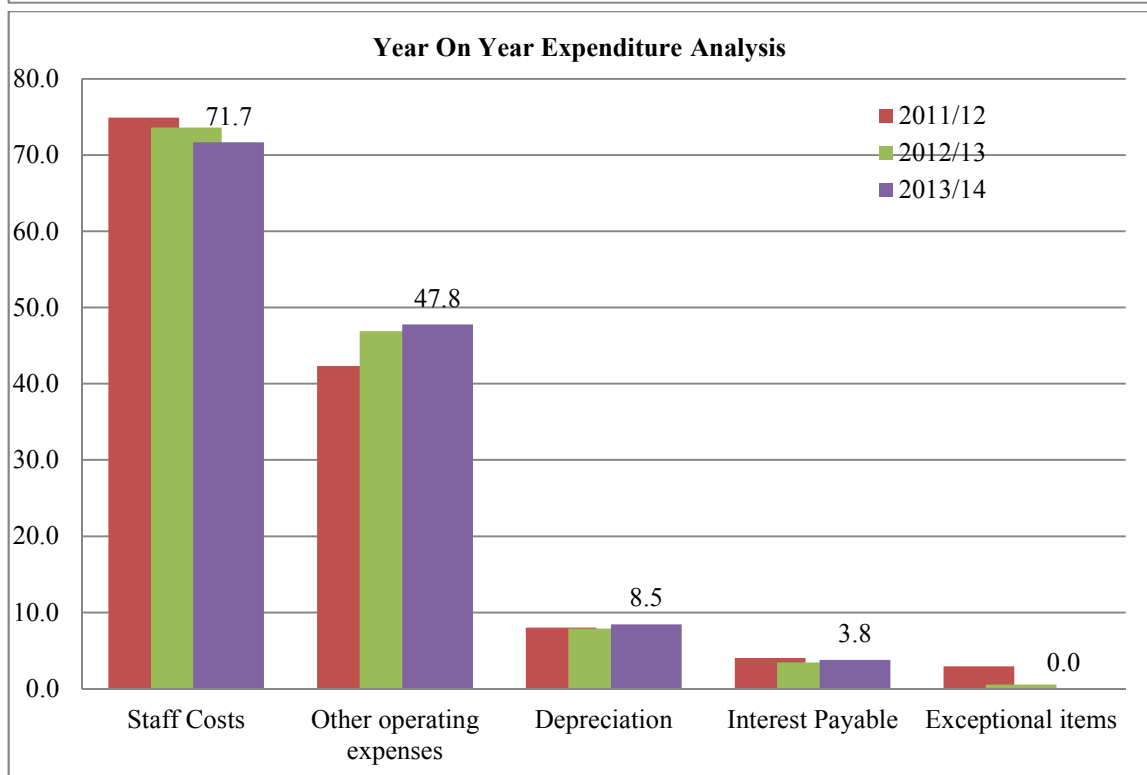
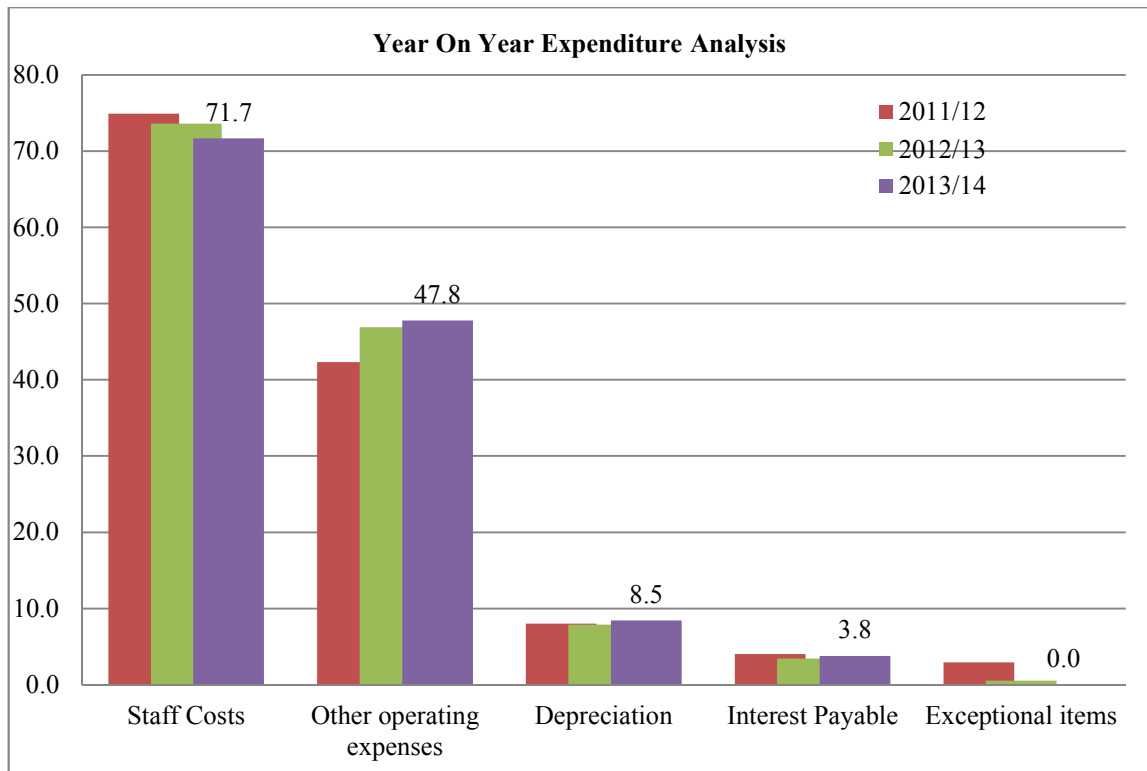


Strategic Report

- Total income decreased by 2.2% (£3.1m) to £134.8m (2012/13: £137.9m). There was a reduction in Funding Grant due to the continued impact of the new fee regime for both UG and PG students. This fall, however, was offset by an increase in UG fees and a significant increase in PG fees. The other factors affecting income were a decline in Health Contract income and a decline in Research Grants which were both related to continued pressure on Government spending.
- Academic fees including NHS contract income and Funding Council grants remain the main sources of income for the university representing 66.7% and 19% respectively (2012/13 = 60% and 25%). The key driver for the increase in fee income and corresponding decline in grant income is the introduction of the new fee regime for Undergraduate students.



Strategic Report



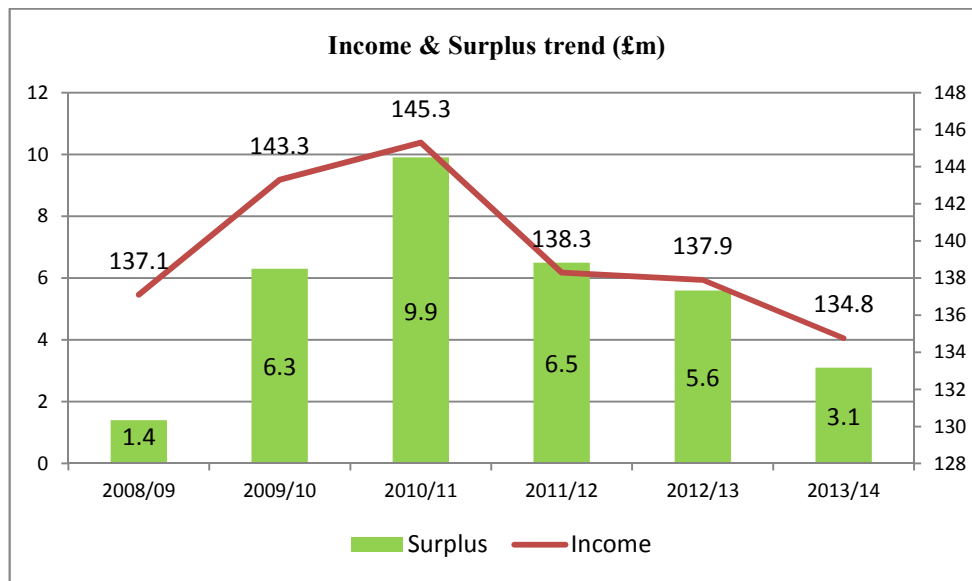
- Staff costs decreased by 2.6% from £73.6m in 2012/13 to £71.7m in 2013/14 representing 53.2% of income (2012/13 = 53.4%). After including Agency Staff costs, which are included in the accounts as operating expenditure, Total staff costs represent 55.7% of income. This is marginally ahead of our target of 55%.

Strategic Report

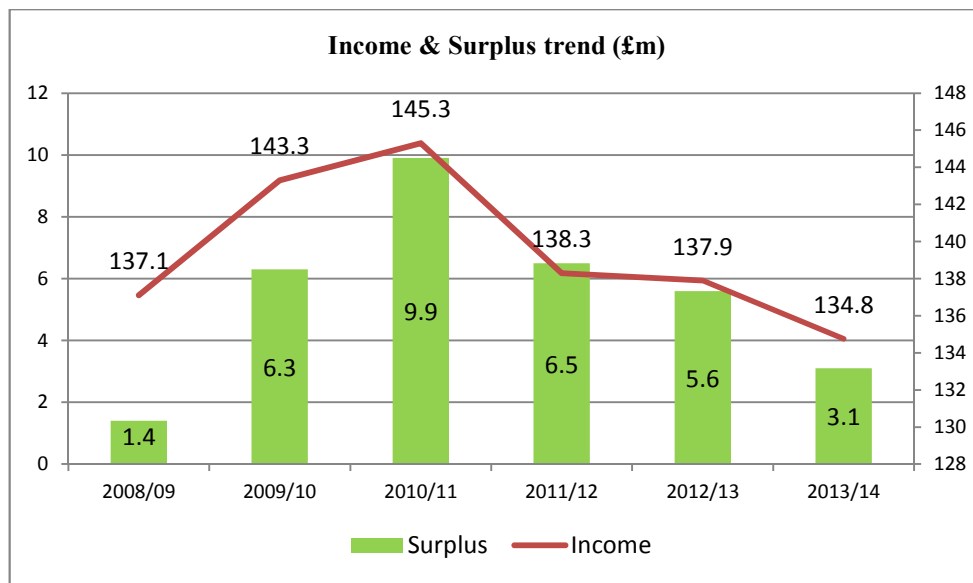
This remains an area of continued focus for the university in 2014/15.

- Other operating expenses increased by 1.9% from £46.9m in 2012/13 to £47.8m. This increase was driven by increased expenditure on computing software and hardware as the University transitions to a digital learning environment, increased expenditure on the maintenance of the Campus including our Halls of Residences and increased expenditure due to the change of Catering provider. This was offset by a year on year reduction in the provision for debts to cover higher fees due from self-paying and sponsored students, reductions in Bursaries payable to students under the old Fee regime and a reduction in payments to our Franchise partners.
- Capital expenditure amounted to £10.7m during the year as we continued to implement the Estate Strategy along with some additional investment in computers and other equipment. Major investments included the EDISON project (an IBM led investment in our Digital infrastructure), investments in Academic spaces including Psychology, Engineering, Architecture and the National Bakery School and continued investments in our campus infrastructure including the Sports Centre, the Perry Library and the University's WiFi network.

Financial trend analysis



Strategic Report

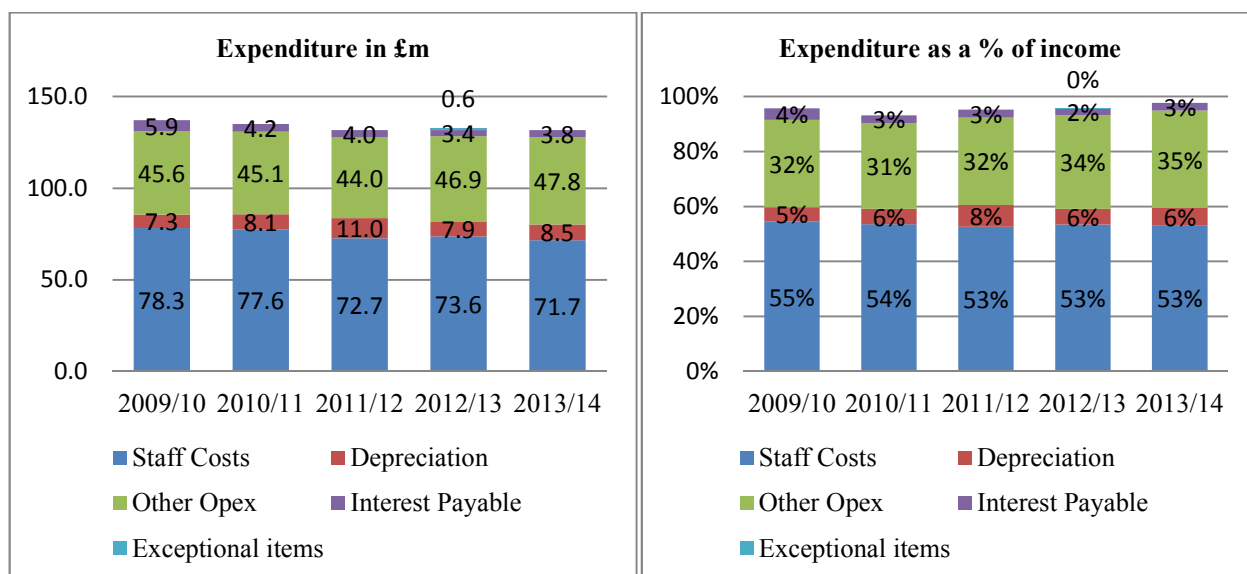


Between 2007/08 and 2010/11 income had grown steadily as a result of the introduction of higher tuition fees for full-time Home & European Union students from 2006 and growth in student numbers. However the number of new students enrolling in the University has declined as a result of the introduction of the new fee regime and is expected to remain below previous levels following the abolition of Student Number Controls.

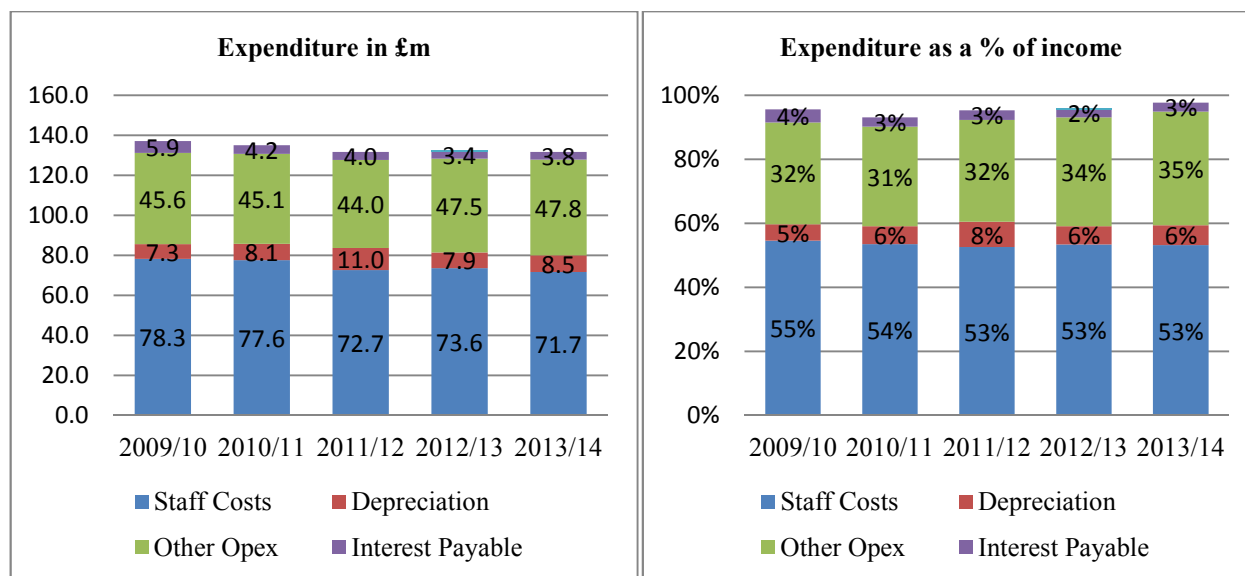
The University strategy is to focus on income growth from postgraduate, overseas students and enterprise. For full time home and EU postgraduateundergraduate students the focus is on maintaining stability in terms of numbers with the emphasis on the student experience and improved retention and progression.

The large increase in 2010/11 income can be explained by the one-off increase of 300 UGFT (Undergraduate Full-Time) Student Numbers. These discontinued in 2011/12 and income was further reduced in both 2012/13 and 2013/14 by continued cuts to the HEFCE funding grant and by a reduction in the level of income generated from overseas students. There was also an additional change with regard to TTA funding in 2013/14 which further depressed income.

The surplus remained relatively constant over recent years but has reduced in 2013/14 by approximately £3m from £6m to £3m due to the decline in income. This reflects declining income but broadly static staff costs and operating expenditure. The University remains focused on cost control and income growth through improved progression.



Strategic Report



Staff costs

Staff costs (including restructuring costs but excluding Agency Staff) have decreased from £78.3m in 2009/10 to £71.7m in 2013/14. As a % of income, staff costs (excluding Agency Staff) have been broadly flat over the last 4 years.

Operating expenditure

Operating expenditure increased from 2008/09 as a result of the introduction of student bursaries alongside higher tuition fees. This began to reverse in 2012/13 and continued to fall in 2013/14 due to the replacement of Bursaries with fee waivers which impact income rather than expenditure. The increase in operating expenditure from 32% of income in 2009/10 to 35% in 2013/14 reflects the decline in income as well as additional expenditure particularly with regard to ICT and the maintenance of our Estate.

Interest

Interest payable decreased from £5.9m in 2009/10 to £3.8m in 2013/14 reflecting a reduction in borrowings outstanding and a requirement for a reduced FRS 17 interest charge compared to previous years.

Depreciation

Depreciation has increased over the 5-year period as a result of investments in the University's estate including the K2 building which came into use in November 2009, the Student Centre which came into use in 2012/13 and the Clarence Centre for Enterprise which came into use in 2013/14. The increase is expected to continue since the University has proposed further investments in the estate, additional investments in IT infrastructure and systems and has further plans to improve teaching spaces. Depreciation is actually higher than in 2011/12 because the impairment write down of £2.9m, linked to stabilisation of the terraces which were ultimately transformed into the Clarence Centre, was reflected in the depreciation charge that year.

Cashflows

The University generated a net cash outflow from operating activities of £6.0m in the year. After accounting for the cost of the Capital Investment programme and repayment of loans the net cash position was reduced by £17.3m. However this is after transferring over £10.3m to fixed term bank deposits. Net funds reduced by £5.4m to £23.5m at 31 July 2014.

Strategic Report

Pension liability

The pension liability with the London Pension Scheme Authority (LPFA) has increased from £62.2m to £76.5m, mainly as a result of actuarial losses. The FRS17 charge to the I&E account for the year is £6.9m (interest £2,341k and staff costs £4,581k) and a £12.5m loss is recognised in the statement of total recognised gains and losses (STRGL).

Creditor payment policy

It is the University's policy to abide by terms of payment agreed with suppliers. Unless special terms apply, payment is made within 30 days of receipt of a valid invoice or after acceptance of the goods or services, whichever is the later. Average creditor days during the year were 25 (2013: 24).

Accounting policies

The University's financial statements have been prepared in accordance with the Statement of Principal Accounting Policies set out on pages [36-41](#)~~34-39~~. The University's Governing Body has reviewed the Group's accounting policies and considers them to be the most appropriate to the University's operations.

Subsidiaries

South Bank University Enterprises Limited ("SBUEL") provides consultancy and other services to a range of commercial organisations. SBUEL has entered into Gift Aid arrangements in order that its taxable profits can be donated to the University. SBUEL has donated £nil in gift aid to the University this year (2013: £0.5m).

SBUEL is fully consolidated into the Group accounts.

Strategic Report

Principal risks and uncertainties

At a corporate level, the principal risks are identified and managed through the University's risk management processes as described in the statement on internal control. The corporate risk register has been the subject of careful and frequent review recently to ensure alignment with the new corporate strategy 2015-2020.

Risk and impact	Mitigation Strategy
Failure to meet recruitment targets leading to under recruitment , loss of HEFCE contract numbers and failure to meet income targets	<ul style="list-style-type: none"> - Financial modelling and scenario analysis, linking student number and financial planning much more closely - Sustainable strategy for recruitment including international students, building on our academic strengths - Different modes of delivery and ensuring differentiated marketing for undergraduate, part-time and post graduate programmes.
Potential loss of NHS contracts, leading to loss of income, loss of student numbers and negative impact on the University's reputation	<ul style="list-style-type: none"> - Five year financial forecast has made allowances for potential reductions - Contract discussions with Health Education England and Local Education and Training Boards (LETBs) - Focus on submission of strong returns to the Research Excellence framework (REF) exercise.
Failure to position the university to effectively respond to changes in government policy and the competitive landscape leading to loss of public funding, loss of HEFCE contract numbers, failure to recruit students and the University's business model becoming unsustainable	<ul style="list-style-type: none"> - Appropriate leadership through senior University appointments and a more strategic approach to Business Intelligence - Realigning the academic offering to the market through restructuring the faculties into 7 new schools.
Effectiveness of delivery impaired as the University goes through a re-structuring process, leading to loss of staff, reduction in service levels and less reliable data.	<ul style="list-style-type: none"> - Project management approach to the change with a Programme Director who reports directly to the Executive - Appointing an Executive Director of HR and freeing up staff from the organisation to act as a change team - New professional service groupings to ensure minimal impact on service delivery - Behavioural framework and extensive communications strategy to support staff engagement.
Increasing Staff pension scheme deficits leading to increased pension costs, weakened balance sheet and more requirement for cash payments into the scheme.	<ul style="list-style-type: none"> - Participation in sector discussions - Tight control of staff costs and early access to pensions - Establishment of a defined contribution pension scheme for some staff.
Ineffective data systems leading to insufficient evidence to support decision making, over recruitment penalties, poor league table and failure to satisfy requirements of professional, statutory and regulatory bodies	<ul style="list-style-type: none"> - Internal audit and systematic data checks - Staff training - Attendance monitoring.

Strategic Report

Going Concern

Governors are satisfied that it is appropriate to prepare the financial statements on a going concern basis. 2013/14 has been another year of continued strong financial performance with a financial surplus of £3.1m.

A reduced budget surplus of £1m for 2014/15 has been approved. The reduced level of surplus is planned and takes account of increased investment to ensure delivery of future required outcomes. The next few years will remain challenging in financial terms and the levels of surplus are expected to remain lower than the recent past whilst we are in the process of investing for growth, delivering new income streams and improving retention and progression. This is entirely consistent with the University's financial model and approved five year forecasts.

Whilst financial performance is expected to remain challenging, the University will continue to deliver annual surpluses and generate positive cash inflows from operating activities. This, together with the current strong cash position (the University has £53m cash and bank deposits at 31 July 2014), supports the University's ambitious investment plans.

Public Benefit statement

The University is an exempt charity within the meaning of the Charities Act 2011 and is regulated by HEFCE on behalf of the Charity Commission.

The University has no linked charities.

Charity Commission Guidance on Public Benefit

The members of the Board of Governors are the charitable trustees of the University. In undertaking its duties the Board of Governors has regard to the Charity Commission's guidance on public benefit.

Aims (Charitable Objects)

During the year, the Privy Council approved new Articles for LSBU. The new Articles included revised objects, approved by the Charity Commission. The revised charitable objects (under s.3 Charities Act 2011) of the University are to:

- conduct a university for the public benefit for the advancement of education, promotion of research and dissemination of knowledge;
- provide full time and part time courses of education at all levels; and
- provide facilities to promote these objects and provide associated support and welfare for students.

The University's objects are applied solely for the public benefit, as follows.

The University advances education for the public benefit by:

- providing teaching to its students in the form of lectures, seminars, personal tuition and online resources;
- delivering many courses accredited by recognised professional bodies, both full and part time;
- setting and marking assessments and providing evidence of achievement by the awarding of degrees, diplomas and certificates.

Strategic Report

The University promotes research and the dissemination of knowledge by:

- undertaking academic research and publishing the results;
- publishing articles in peer-reviewed journals;
- maintaining an academic library with access for academics and students;

The University provides associated support and welfare for students by:

- tutorial guidance, assessment and feedback;
- mentoring and coaching;
- providing student welfare and student accommodation;
- funding some individual students' education through bursaries and fee waivers;
- providing funds to London South Bank University Students' Union.

Beneficiaries

In carrying out its objects the University benefits the wider public, through research and knowledge transfer; and benefits its students and future students through teaching and learning activities.

The trustees affirm that the opportunity to benefit is not unreasonably restricted. The benefits of learning at London South Bank University are open to anyone who the University believes has the potential to succeed, irrespective of background or ability to pay tuition fees. Throughout its history LSBU has enabled wider access to education. The University's Strategy, 2015-2020 sets clear targets to focus on three key areas, all directly related to providing public benefit: student success; real world impact; and access to education.

Like other universities LSBU must charge tuition fees. However, maintenance grants are available to those with restricted means, especially students from families on low incomes. In addition, the University offers financial assistance in the form of scholarships, bursaries and charitable funds to students in need. LSBU's fee structure for part-time students reflects the bursary/scholarship paid to full-time students thus ensuring that they are not disadvantaged by studying part-time.

The University's portfolio is firmly rooted in professional courses supported by accreditation from professional, statutory and regulatory bodies that enhance employability and career success. 86% of graduates were in employment or further education six months after graduating (DLHE survey results 2013). Over 4,500 of LSBU's students are sponsored to study by employers.

The University's research activities also contribute to wider public benefit through the publication of technological advances, scientific knowledge and innovation. The University has undertaken and published research in 2013-14 which will benefit the wider public.

Achievements in relation to objectives

LSBU's student body is diverse and reflects its outreach to the wider community. During the year 97.8% of its full time first degree students came from state schools. LSBU is above the location adjusted benchmark in recruiting students from low participation neighbourhoods.

LSBU's Schools and Colleges Liaison team has received a number of accolades for their work in widening participation and in particular were the winner of a Times Higher Education Award 2012 for Widening Participation Initiative of the Year. This innovative scheme provides care leavers with a first-hand taster of University life and demonstrates that a career in the City is an attainable goal. Overall, the team encourage under-represented groups, such as care leavers, people with disabilities and those from other minority groups, to consider higher education. Through a

Strategic Report

number of workshops, mentoring and careers advice, along with visits to City firms such as UBS, PriceWaterhouseCoopers and Lloyds of London, participants leave with a set of transferable skills to utilise throughout the remainder of their education, along with defined pathways to their desired objective.

We were awarded the Frank Buttle Trust Quality Mark in 2008 for our processes in support of care leavers, and we offer all care leavers a bursary of £750 at the beginning of each academic year, up to £1,000 travel allowance, a dedicated link person to deal with their local authority, help accessing all the University's support services and support in finding accommodation appropriate to their needs and preferences, including year-round accommodation available outside term time.

The University Academy of Engineering South Bank, opened in September 2014, is the first academy in South London to be sponsored by a University. The Academy specialises in engineering within the broad science, technology, engineering and maths (STEM) framework. LSBU's sponsorship of the Academy is an example of community engagement which aims to create professional opportunities for students who have the ability to succeed and to enhance student success by preparing them for higher education.

Private Benefits

Governors are not paid in their capacity ~~of~~as governors. In revising the University's Articles of Association, an enabling power to remunerate governors was included. This power has not been used. It will only be used if the benefit of remunerating governors outweighs all the ~~all~~ other options available.

Employment policy, diversity and training

During the year the University has continued to roll out action from its Equality Diversity and Inclusion Policy which was first developed to ensure that the University met all of its obligations under the terms of the Equality Act 2010 and in particular to deliver the requirements of the general equality duty in relation to staff. This requirement covers all staff and in particular those who are defined within the nine protected characteristics outlined in the Act.

We are committed to the promotion of equality, diversity and a supportive environment for all members of our community and aspire to be a truly inclusive organisation. To enable us to achieve this we have developed a wide ranging plan of action based on our Equality and Diversity and Inclusion Policy to strive to prevent and eliminate discrimination, promote fairness and celebrate the diversity within our community.

Employee recruitment and grading processes, together with programmes for employee involvement, communication and training are all designed to promote equal opportunity irrespective of age, disability, sex, gender reassignment, marriage/civil partnership, pregnancy and maternity, race, religion or sexual orientation.

The University continues to meet the requirements of the "two ticks positive about disability" scheme having demonstrated its commitment to the recruitment and retention of staff who have or become disabled during the course of their employment.

The University places considerable value on the involvement of its employees and on good communication with them. Staff are informed through regular meetings, emails and information on the University website, open staff forums, staff newsletters, staff magazines and other means. Staff are encouraged to participate in formal and informal consultation, through membership of formal Committees and informal working groups.

Strategic Report

Disclosure of information to auditors

At the date of making this report each of the Governors, as set out on page 4, confirm the following:

- So far as each Governor is aware, there is no relevant information needed by the University's auditors in connection with preparing their report of which the University's auditors are unaware; and
- Each Governor has taken all the steps that he or she ought to take as a Governor in order to make him or herself aware of any relevant information needed by the University's auditors in connection with preparing their report and to establish that the University's auditors are aware of that information.

Auditor

A resolution to reappoint Grant Thornton UK LLP as auditor of the University will be proposed at the forthcoming Annual General Meeting.

Directors' report

This Strategic Report also serves as the Directors' Report for the purposes of the Companies Act 2006.

Approval

Approved by the Board of Governors and signed on behalf of the Board by:

Responsibilities of the Board of Governors

In accordance with the University's Memorandum and Articles of Association approved by the Privy Council, the Board of Governors is responsible for the effective stewardship of the University and Group and is required to present audited financial statements for each financial year.

The Board of Governors is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the University and the Group and to enable it to ensure that the financial statements are prepared in accordance with the University's Memorandum and Articles of Association, the HEFCE Accounts Direction, the Statement of Recommended Practice on Accounting for Further and Higher Education, other relevant accounting standards and comply with the Companies Act 2006. In addition, within the terms and conditions of a Financial Memorandum agreed between the HEFCE and the Board of Governors of the University, the Board of Governors, through its Accounting Officer, is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University and the Group and of the surplus or deficit and cash flows of the Group for that year.

In preparing the financial statements, the Board of Governors has ensured that:

- Suitable accounting policies are selected and applied consistently;
- Judgements and estimates are made that are reasonable and prudent;
- Applicable accounting standards have been followed; and
- Financial statements are prepared on a going concern basis unless it is inappropriate to presume that the University will continue in operation.

The Board of Governors is satisfied that it has adequate resources to continue in operation for the foreseeable future. For this reason the going concern basis continues to be adopted in the preparation of the financial statements.

The Board of Governors has taken reasonable steps to:

- Ensure that funds from HEFCE and other funding bodies are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Funding Council and any other conditions which the Funding Council may from time to time prescribe;
- Ensure that there are appropriate financial management controls in place to safeguard public funds and funds from other sources;
- Safeguard the assets of the University and the Group and prevent and detect fraud; and
- Secure the economical, efficient and effective management of the University and Group's resources and expenditure.

Signed on behalf of the Board of Governors by:

Corporate Governance Statement

The following statement is given to assist readers of the financial statements in obtaining an understanding of the governance and legal structure of the University.

The University's Board of Governors is committed to maintaining the highest standards of corporate governance and in doing so complies with the CUC Governance Code of Practice. In carrying out its duties it also has regard to:

- The UK Corporate Governance Code (where applicable)
- The seven principles of behaviour in public life
- The HEFCE Financial Memorandum (now the Memorandum of Assurance and Accountability) and the Audit Code of Practice
- The Directors' duties as set out in sections 170 – 177 of the Companies Act 2006
- The Charity Commission's Guidance on Public Benefit and its duties as charity trustees of compliance, prudence and care
- Other legislative requirements of corporate bodies
- The University's Memorandum and Articles of Association

In September 2011, the University received a positive outcome from HEFCE's five yearly assurance review, undertaken in July 2011, which examined how the University exercises accountability for the public funding it receives. The University's Internal Auditor's annual opinion on risk management, control and governance is that it is adequate and effective.

Governance and Legal Structure

London South Bank University is a company limited by guarantee and an exempt charity within the meaning of the Charities Act 2011. Its objects and powers are set out in its Articles of Association, which govern how the University is run. During the year, the University amended its Articles of Association, approved by the Privy Council on 3 June 2014.

The Articles set the governance framework of the University and set out the key responsibilities of the Board of Governors and its powers to delegate to committees, the Vice Chancellor and the Academic Board.

Compliance with CUC Governance Code of Practice

The Board has complied with all aspects of the CUC Governance Code of Practice during the year under review, as demonstrated below.

Role of the Board of Governors

The University is headed by a Board of Governors which is collectively responsible for the strategic direction of the University, approval of major developments and creating an environment where the potential of all students is maximised. It takes the final decision on all matters of fundamental concern to the institution.

All governors, when appointed, agree to abide by the standards of behaviour in public life. As the University is also a company, its governors comply with the directors' duties as set out in sections 170 – 177 of the Companies Act 2006 and duties of charity trustees when making decisions. Governors are unremunerated but may claim back expenses properly incurred in the discharge of their duties.

The Board met seven times (five in 2012/13) during the year. In addition to the usual five ordinary business meetings the Board met twice (i) to approve the appointment of the Vice Chancellor; and (ii) to approve aspects of the Vice Chancellor designate's remuneration. In addition, the Board held two strategy days (two in 2012/13) allowing further

Corporate Governance Statement

time to discuss and debate longer-term strategic challenges for the University. The Board ~~priorities~~prioritises strategic matters at its meetings. Where necessary, governors receive presentations on a specific strategic matter before Board meetings to allow them to explore key issues in greater depth. All governors are expected to attend meetings and to contribute effectively. Attendance at meetings is recorded and monitored by the Chairman. In the year under review there was an 87% (2012/13: 83%) attendance rate at Board meetings.

The Board has agreed a Statement of Primary Responsibilities (on page 2725), which is reviewed annually and published on the University's website. It follows the model statement as recommended by the CUC and includes approval of the educational character, mission and strategic vision of the university and to ensure that these meet the needs of stakeholders.

The Board delegates day-to-day management of the University to the Vice Chancellor as Chief Executive and Chief Academic Officer. The Vice Chancellor's delegated authority is set out in the Articles of Association and includes:

- making proposals to the Board about the educational character and mission of the University;
- the organisation, direction and management of the University and leadership of staff;
- the determination, after consultation with the Academic Board, of the University's academic activities, and for the determination of its other activities;
- preparing annual estimates of income and expenditure for consideration by the Board of Governors, and for the management of budget and resources, within the estimates approved by the Board of Governors;
- for the maintenance of Student discipline and within the rules and procedures provided for within these Articles, for the suspension or expulsion of Students on disciplinary grounds and for implementing decisions to expel students for academic reasons.

The Vice Chancellor is the designated officer in respect of the use of Funding Council funds.

As Chief Academic Officer, the Vice Chancellor is the Chairman of the Academic Board. The Academic Board is responsible for all the academic affairs, subject to the overall responsibility of the Board of Governors, for determining the educational character and mission of the institution.

Governors are reminded of their duty to exercise their responsibilities in the interests of the University as whole during their induction and throughout their term of office. The University maintains a register of interests of governors and the Executive which is published on the University's website. New governors are required to complete a declaration on appointment and to inform the Secretary of any amendments to their entry. The register is reviewed annually by the Board who decide whether to authorise the declared interests. During the year under review all declared interests were authorised by the Board. No conditions were attached to any of the interests authorised by the Board. In addition, governors are asked at the opening of each Board and committee meeting to declare whether they have any interests in any matters on the agenda.

The University Court enhances the University's engagement with its key stakeholders. Although not a decision making body, the University Court plays an important advisory role in the development of the University through its wide membership of prominent and distinguished individuals. The University Court meets annually in the spring and helps the University build relationships with members and identify areas for collaboration for the benefit of students. The Court's annual meeting took place in the new Clarence Centre for Enterprise and Innovation on 20th March 2014. The University's Chancellor, Richard Farleigh, acts as the principal figurehead of the University and represents the University's interests externally. His role includes hosting the annual Court event, presiding at degree ceremonies and establishing relationships with the University's stakeholders.

Corporate Governance Statement

Structure and Processes

The Board when fully complemented consists of 18 governors: 13 independent governors, the Vice Chancellor, two student governors and two academic staff members nominated by the Academic Board. Governors serving for the period are listed on page 4. The Board determines the number and composition of the Board of Governors within parameters set by the University's Articles of Association.

In accordance with the Articles of Association the Board consisted of a majority of independent governors throughout the year and at all Board and committee meetings. All "independent governors" are external and independent of the University.

The appointment of independent governors to the Board is determined by the Nomination Committee and Appointments Committee, both chaired by the Chairman of the Board. A written description of the role and capabilities required of governors has been agreed by the Nomination Committee. Candidates are judged against the capabilities required and the balance of skills and experience currently on the Board. The balance of skills and experience of independent governors is kept continually under review by the Nomination Committee.

Each new governor is given an appropriate induction and encouraged to attend relevant external training. New governors are appointed to at least one committee.

At the University's expense, governors have the right to external, independent advice where necessary in order to fulfil their duties.

The Board of Governors is supported by the University Secretary and Clerk to the Board of Governors and his team. The Secretary provides independent advice on matters of governance to the Chairman. The Secretary ensures that governors receive information in a timely manner and of sufficient quality to allow the Board to fulfil its duties.

The University publishes minutes of Board and its sub-committee meetings on its external website. Minutes are redacted when the wider interests of the University as a whole demands it and in the spirit of the Freedom of Information Act 2000.

Effectiveness and Performance Reviews

The Board has appointed an independent facilitator to undertake a formal and rigorous review of the effectiveness of governance at the University. The review will include reviewing the effectiveness of the Board and its sub-committees, the Academic Board and its sub-committees, and their relationships with the University Executive. The review will be carried out during 2014/15. The agreed recommendations of the review will be implemented during 2015/16. The Board of Governors last reviewed its effectiveness in 2010.

Committees

The Board operates through a number of committees which report to the Board at each meeting. All committees are formally constituted with appropriate terms of reference which are reviewed annually. Terms of reference and membership of each committee are available on the governance pages of the University's website. All committees have a majority of independent governors, from whom its Chairman is drawn. The chairs of each committee are set out on page [2826](#). The terms of reference of each committee complement the decision-making framework of the Matters Reserved to the Board, which the Board reviews annually.

Corporate Governance Statement

Matters specifically reserved to the Board as a whole for decision include:

- The determination of the educational character and mission of the University;
- The approval of the University's long-term mission and strategic vision;
- The approval of the annual budget and five year forecasts;
- Investment in capital projects above agreed levels;
- Election of the Chairman of the Board;
- Appointment of the Vice Chancellor and the Clerk to the Board and other senior post holders; and
- The variation of the University's Memorandum and Articles of Association.

Current committees of the Board are:

- Policy and Resources Committee
- Audit Committee
- Educational Character Committee
- Human Resources Committee
- Property Committee
- Nominations Committee
- Appointments Committee
- Remuneration Committee

The Policy and Resources Committee advises the Board of Governors on the solvency and the use and safeguarding of its resources and assets, and recommends to the Board of Governors the University's annual revenue and capital budgets and monitors performance in relation to those budgets. It reviews high level corporate policy of the University. Throughout the year under review it met on five occasions.

The Audit Committee is responsible for meeting the external auditors and internal auditors of the University and reviewing their work. The Committee considers detailed reports together with recommendations for the improvement of the University's systems of internal control and management's response and implementation plans. It provides oversight of the risk management process and receives regular risk reports from management. It also scrutinises the University's relationship with HEFCE and monitors adherence with its regulatory requirements. It reviews the University's annual financial statements together with the accounting policies. In addition to the four independent governor members, there is one independent external member co-opted to the committee. Whilst members of the Executive attend meetings of the Audit Committee, they are not members of the Committee. The Chairman of the Board is not a member of the Committee and does not attend its meetings. The committee met four times during the year under review.

The Educational Character Committee helps the Board gain a greater insight and understanding of the educational and academic work of the institution. It considers issues such as student retention and progression, student satisfaction and reports from the Academic Board. The committee met three times in the year under review.

The Human Resources Committee is responsible for setting the framework for the determination and implementation of policies and procedures relating to the employment of staff. It also sets the framework for collective salary and conditions of service negotiations. The Committee considers the broad financial implications of the University's staffing needs. With the Chair's permission, one of the staff governors attends as an observer. The committee met three times during the year under review.

The Property Committee advises the Board of Governors on property and estates matters. It considers all major estates projects before recommending their approval to the Policy and Resources Committee and the Board of Governors. The Property Committee monitors the execution of these projects. It met three times during the year under review.

Corporate Governance Statement

The Nomination Committee meets as necessary to consider candidates for independent governor vacancies on the Board of Governors. Independent Governors are appointed for a term of four years by the Appointments Committee. Renewal for an additional term can be considered, but is not automatic. The Nominations Committee met twice during the year and recommended two new independent governors for appointment. The Appointments Committee met twice during the year.

The Remuneration Committee determines the annual remuneration of senior post holders. It met twice during the year.

Modernisation of the Articles

During the year the Board reviewed the University's constitution and a new set of Articles was approved by the Privy Council in ~~June~~September 2014.

Board of Governors – Statement of Primary Responsibilities (approved by the Board at its meeting in October 2013)

- To approve the educational character, mission and strategic vision of the institution, together with its long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders.
- To delegate authority to the head of the institution, as chief executive, for the academic, corporate, financial, estate, personnel management and health and safety management of the institution, and to establish and keep under regular review the policies, procedures and limits within such management functions as shall be undertaken by and under the authority of the head of the institution.
- To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, and procedures for handling internal grievances and for managing conflicts of interest.
- To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the institution against the plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable institutions.
- To establish processes to monitor and evaluate the performance and effectiveness of the governing body itself, and to carry out such reviews at appropriate intervals.
- To conduct its business in accordance with best practice in higher education corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life.
- To safeguard and promote the good name and values of the institution.
- To appoint the head of the institution as chief executive, and to put in place suitable arrangements for monitoring his/her performance.
- To appoint a secretary to the governing body and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.
- To be the employing authority for all staff in the institution and to be responsible for establishing a human resources strategy.
- To be the principal financial and business authority of the institution, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for the University's assets, property and estate.
- To be the institution's legal authority and, as such, to ensure that systems are in place for meeting all the institution's legal obligations, including those arising from contracts and other legal commitments made in the institution's name.
- To make such provision as it thinks fit for the general welfare of students.
- To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the institution or its students.
- To ensure that the institution's constitution is followed at all times and that appropriate advice to the Board is available to enable this to happen.

Corporate Governance Statement

This Statement of Primary Responsibilities does not replace the provisions of the University's Articles of Association. If the two conflict, the Articles shall prevail.

Key individuals

Chair of the Board of Governors	Mr David Longbottom
<u>Joint</u> Vice Chair of the Board of Governors	The Revd Canon Sarah Mullally DBE
<u>Joint Vice Chair of the Board of Governors</u> <u>(Appointed 9th October 2014)</u>	<u>Mr Jeremy Cope</u>
Head of Institution (Vice Chancellor and Chief Executive)	Professor David Phoenix
Chair of Policy and Resources Committee	The Revd Canon Sarah Mullally DBE
Chair of Audit Committee	Mr Andrew Owen
Chair of Educational Character Committee	Mr Douglas Denham St Pinnock
Chair of Human Resources Committee	Ms Anne Montgomery
Chair of Property Committee	Mr Ken Dytor
Chair of Nominations Committee	Mr David Longbottom
Chair of Appointments Committee	Mr David Longbottom
Chair of Remuneration Committee	Ms Diana Parker
University Secretary and Clerk to the Board of Governors	Mr James Stevenson

Key individuals can be contacted through the office of the University Secretary and Clerk to the Board of Governors, Mr James Stevenson, at London South Bank University, 103 Borough Road, London SE1 0AA. Published documents are available on the governance section of the University website.

Statement ~~of~~ Internal Control

As the governing body of London South Bank University, we have responsibility for ensuring that there is a process for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives of the University, whilst safeguarding the public and other funds and assets for which we are responsible, in accordance with the responsibilities assigned to the governing body in the Memorandum and Articles of Association, and the Memorandum of Assurance and Accountability with HEFCE.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process linked to the achievement of institutional objectives and designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process has been in place for the year ended 31 July 2014 and up to the date of approval of the financial statements, and accords with HEFCE guidance.

As the governing body, we have responsibility for reviewing the effectiveness of the system of internal control. The following processes have been established:

- We meet a minimum of four times a year to consider the plans and strategic direction of the institution;
- The approach to internal control is risk based, including a regular evaluation of the likelihood and impact of risks becoming a reality;
- The Audit Committee ~~provide~~ provides oversight of the risk management process and comments on its effectiveness;

Corporate Governance Statement

- We receive periodic reports from the chair of the Audit Committee concerning internal control and we require regular reports from managers on internal control activities and the steps they are taking to manage risks in their areas of responsibility, including progress reports on key projects;
- The Audit Committee receives regular quarterly reports from management;
- Internal audit is outsourced to an external provider. The Audit Committee receives regular reports from the internal auditor, which include their independent opinion on the adequacy and effectiveness of the institution's system of internal control, governance and risk management processes, together with recommendations for improvement;
- The internal audit programme has been aligned with the University's corporate risk register;
- An organisation-wide register of key corporate risks is maintained, together with individual risk registers for each school and professional service [groupfunction](#). Review procedures cover risk to achievement of strategic objectives, operational business matters, and regulatory compliance as well as financial risk;
- The Operations Board meets regularly to consider risk, assess the current exposure and keep up to date the record of key corporate risks facing the University;
- A network of risk champions exists to support risk management activity in all schools and professional service [groupsfunctions](#); Update training is provided as required to support delivery;

Formal risk management and internal control procedures have been embedded within ongoing operations.

Our review of the effectiveness of the system of internal control is informed by internal audit, which operates to standards defined in the HEFCE Audit Code of Practice and which was last reviewed for effectiveness by the HEFCE Audit Service in July 2011. The internal auditors submit regular reports, which include their independent opinion on the adequacy and effectiveness of the institution's system of internal control, governance and risk management processes, with recommendations for improvement.

Our review of the effectiveness of the system of internal control is also informed by the work of the executive managers within the institution, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

The Corporate Governance and Internal Control statements were approved by the Board of Governors on 20 November 2014 and were signed on its behalf by:

Mr David Longbottom

Chair of the Board of Governors

Professor David Phoenix

Vice Chancellor and Chief Executive

Independent auditors' report to the Board of Governors of London South Bank University

We have audited the financial statements of London South Bank University (the 'University') for the year ended 31 July 2014 which comprise the principal accounting policies, the consolidated income and expenditure account, the consolidated statement of total recognised gains and losses, the consolidated statement of historical cost surpluses and deficits, the University and consolidated balance sheet, 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 Governing Body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 124B (4) of the Education Reform Act 1988 as amended by section 71 of the Further and Higher Education Act 1992. Our audit work has been undertaken so that we might state to the University's Governing Body 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 its Governing Body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Board of Governors and auditor

As explained more fully in the Statement of Responsibilities set out on page [2725](#), the Governing Body (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under the Companies Act 2006 and the Education Reform Act 1988 and report in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and University's affairs as at 31 July 2014 and of its incoming resources and application of resources, including its income and expenditure, recognised gains and losses and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the 2007 Statement of Recommended Practice: Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Opinion on other matters prescribed by HEFCE's Financial Memorandum dated July 2010

In our opinion, in all material respects:

- funds from whatever source administered by the institution for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation; and
- funds provided by HEFCE have been applied in accordance with the funding council's Financial Memorandum and any other terms and conditions attached to them.

Independent auditors' report to the Board of Governors of London South Bank University

Matters on which we are required to report by exception

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

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

Under the HEFCE Audit Code of Practice issued under the Further and Higher Education Act 1992 we are required to report to you if, in our opinion, the Statement of Internal Control is inconsistent with our knowledge of the University.

David Barnes
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
20 November 2014

London South Bank University

Consolidated income and expenditure account Year ended 31 July 2014

		2014 £'000	2013 £'000
Income	Note		
Funding council grants	1	25,825	34,750
Academic fees and support grants	2	88,453	83,282
Research grants and contracts	3	2,255	3,255
Other operating income	4	17,890	16,001
Endowment income and interest receivable	5	331	566
Total income		<u>134,754</u>	<u>137,854</u>
Expenditure			
Staff costs	6	71,663	73,619
Depreciation	13	8,455	7,870
Other operating expenses	8	47,763	46,876
Interest payable	10	3,776	3,433
Total expenditure		<u>131,657</u>	<u>131,798</u>
Surplus before exceptional items		<u>3,097</u>	<u>6,056</u>
Exceptional Items: Deconsolidation of the Students' Union	11	<u>-</u>	<u>(556)</u>
Surplus for the year		<u><u>3,097</u></u>	<u><u>5,500</u></u>

The notes on pages [42-63](#)~~40-60~~ form an integral part of the Financial Statements. All activities consist of continuing operations.

London South Bank University

Consolidated statement of total recognised gains and losses Year ended 31 July 2014

	2014 £'000	2013 £'000
	Note	
Surplus for the year	22 3,097	5,500
Actuarial (losses)/gains relating to pension scheme	24 (12,500)	14,237
Change in market value of endowment asset investments	26 7	88
	<hr/>	<hr/>
Total recognised (losses)/ gains relating to the financial year	(9,396)	19,825
	<hr/> <hr/>	<hr/> <hr/>

Reconciliation

Opening reserves and endowments	83,077	63,252
Total recognised (losses)/gains for the year	(9,396)	19,825
	<hr/>	<hr/>
Closing reserves and endowments	73,681	83,077
	<hr/> <hr/>	<hr/> <hr/>

Note of consolidated historical cost surplus Year ended 31 July 2014

	2014 £'000	2013 £'000
Reported surplus for the year	22 3,097	5,500
Difference between historical cost depreciation charge and actual depreciation charge for the year calculated on the revalued amount	22 792	794
	<hr/>	<hr/>
Historical cost surplus for the year	3,889	6,294
	<hr/> <hr/>	<hr/> <hr/>

**Balance sheets
As at 31 July 2014**

		Consolidated		University	
		2014	2013	2014	2013
		£'000	£'000	£'000	£'000
Fixed assets	Note				
Tangible assets	13	176,532	174,292	176,532	174,292
Investments	14	38	38	38	38
		<u>176,570</u>	<u>174,330</u>	<u>176,570</u>	<u>174,330</u>
Endowment fixed assets					
Total Endowments	26	736	729	736	729
		<u>736</u>	<u>729</u>	<u>736</u>	<u>729</u>
Stocks		45	18	45	18
Debtors	15	8,663	7,823	9,023	7,770
Bank Deposits		15,540	5,206	15,540	5,206
Cash at bank and in hand		37,492	54,750	36,526	53,821
		<u>61,740</u>	<u>67,797</u>	<u>61,134</u>	<u>66,815</u>
Creditors: amounts falling due within one year	16	<u>(32,408)</u>	<u>(38,137)</u>	<u>(31,890)</u>	<u>(37,835)</u>
Net current assets		<u>29,332</u>	<u>29,660</u>	<u>29,244</u>	<u>28,980</u>
Total assets less current liabilities		<u>206,638</u>	<u>204,719</u>	<u>206,550</u>	<u>204,039</u>
Creditors: amounts falling due after more than one year	17	(28,243)	(29,592)	(28,243)	(29,592)
Pension liability	19	(76,502)	(62,211)	(76,502)	(62,211)
		<u>(104,745)</u>	<u>(91,803)</u>	<u>(104,745)</u>	<u>(91,803)</u>
Net assets		<u>101,893</u>	<u>112,916</u>	<u>101,805</u>	<u>112,236</u>
Deferred capital grants	20	28,212	29,839	28,212	29,839
Endowments					
Permanent	26	392	388	392	388
Expendable	26	344	341	344	341
		<u>736</u>	<u>729</u>	<u>736</u>	<u>729</u>
Capital and reserves					
Income & expenditure account excluding pension reserve	22	120,047	114,367	119,959	113,687
Pension reserve	22	(76,502)	(62,211)	(76,502)	(62,211)
		<u>43,545</u>	<u>52,156</u>	<u>43,457</u>	<u>51,476</u>
Income and expenditure account including pension reserve		<u>43,545</u>	<u>52,156</u>	<u>43,457</u>	<u>51,476</u>
Revaluation reserves	21	29,400	30,192	29,400	30,192
Total		<u>101,893</u>	<u>112,916</u>	<u>101,805</u>	<u>112,236</u>

These financial statements were approved by the Board of Governors on 20 November 2014 and were signed and authorised on their behalf by:

London South Bank University

Consolidated Cash flow statement Year ended 31 July 2014

	Note	2014 £'000	2013 £'000
Net cash inflow from operating activities	29	6,038	12,729
Returns on investments and servicing of finance	30	(1,103)	(906)
Capital expenditure and financial investment	31	(10,744)	(18,552)
Acquisitions and disposals	32	-	(547)
Net cash outflow before management of liquid resources and financing		<u>(5,809)</u>	<u>(7,276)</u>
Management of liquid resources	33	(10,334)	(61)
Financing	34	(1,115)	(1,914)
Decrease in cash	35	<u><u>(17,258)</u></u>	<u><u>(9,251)</u></u>
Reconciliation of net cash flow to movement in net funds			
Decrease in cash	35	(17,258)	(9,251)
Cash outflow/(inflow) from/(to) liquid resources	33	10,334	61
Net decrease in debt	36	1,470	2,254
Change in net funds		<u>(5,454)</u>	<u>(6,936)</u>
Net funds at 1 August	35	<u>28,961</u>	<u>35,897</u>
Net funds at 31 July	35	<u><u>23,507</u></u>	<u><u>28,961</u></u>

London South Bank University

Principal Accounting Policies Year ended 31 July 2014

The following principal accounting policies have been applied consistently in both the current and prior year in dealing with items which are considered material in relation to the Group's financial statements.

Basis of preparation

The financial statements are prepared under the historical cost convention, modified by the inclusion of certain properties at valuation and the revaluation of endowment assets, in accordance with the Companies Act 2006 and with the Statement of Recommended Practice (SORP) for Further and Higher Education 2007, and in accordance with applicable accounting standards and HEFCE's Accounts Direction.

The financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Group will continue in operation. The Board is satisfied that the Group has adequate resources to continue in operation for the foreseeable future, as described in more detail on page ~~18~~16 of these accounts. For this reason, the going concern basis continues to be adopted in the preparation of the financial statements.

Consolidation of accounts

The consolidated financial statements incorporate the financial statements of the University and its subsidiary undertaking South Bank University Enterprises Limited (SBUEL). Following a change to the constitution of the London South Bank University Students' Union (LSBUSU) from August 2012, the University no longer exercises control over the LSBUSU and therefore took the decision to cease consolidating the accounts of LSBU SU within these financial statements.

The University Sponsors an Academy, University Academy of Engineering South Bank and ~~is in the process of establishing~~ a University Technical College, Southbank Engineering UTC Trust (which was incorporated on 24th October 2014). Although the University has representation on the Academy's Board of Trustees and Governing Body, the Trustees and Governors act for the Academy and not the University. Furthermore, if the Academy were to fail, the University would not receive its assets or reserves. Therefore the Accounts of the Academy are not consolidated into the University Accounts.

Consolidation of subsidiaries is based on the equity method.

Income recognition

Recurrent funding council block grants are accounted for in the period to which they relate.

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

Income from research grants, contracts and other services rendered is included when conditions attaching to its receipt have been met. Contributions towards overhead costs are aligned with expenditure and recognised based on expenditure to date.

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

Donations with restrictions are recognised when relevant conditions have been met; in many cases recognition is directly related to expenditure incurred on specific purposes. Donations which are to be retained for the benefit of the institution are recognised in the statement of total recognised gains and losses and in endowments; other donations are recognised by inclusion as other income in the income and expenditure account.

London South Bank University

Principal Accounting Policies Year ended 31 July 2014

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

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

Any increase in value arising on the revaluation of fixed asset investments is carried as a credit to the revaluation reserve, via the statement of total recognised gains and losses; a diminution in value is charged to the income and expenditure account as a debit, to the extent that it is not covered by a previous revaluation surplus. Increases or decreases in value arising on the revaluation or disposal of endowment assets i.e. the appreciation or depreciation of endowment assets, is added to or subtracted from the funds concerned and accounted for through the balance sheet by debiting or crediting the endowment asset, debiting or crediting the endowment fund and is reported in the statement of total recognised gains and losses.

Tangible fixed assets

Upon implementation of FRS 15 'Tangible Fixed Assets', the University opted to include assets in its books at historical cost/revalued amount at the date of introduction of the FRS. Properties are not carried under the valuation method and therefore regular revaluation of assets are not undertaken by the University.

Freehold land and buildings, long leasehold and short leasehold premises are included in the accounts at cost or valuation together with subsequent refurbishment expenditure, less amounts written off by way of depreciation. Freehold land is not depreciated. Finance costs that are directly attributable to the construction of land and buildings are not capitalised.

Assets in the course of construction are accounted for at cost, based on the value of Quantity Surveyors' certificates and other direct costs incurred to the end of the year. They are not depreciated until they are brought into use.

Equipment costing less than £10,000 per individual item or group of items is written off to the income and expenditure account in the year of acquisition. All other equipment is capitalised.

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Freehold buildings	2% per annum
Long leaseholds	Period of lease
Short leaseholds	Period of lease
Building improvements	6.7% per annum
IT equipment	25% per annum
Other equipment and motor vehicles	20% per annum
Furniture	6.7% per annum

At each financial year end the carrying amounts of tangible assets are reviewed to determine whether there is any indication that those assets have suffered a diminution in value. If any such indication exists, the recoverable amount of the asset, which is the higher of its fair value and its value in use, is estimated in order to determine the extent of the impairment loss.

Investments

Investments in subsidiaries and associated undertakings are shown in the University's balance sheet at cost less any provision for impairment in their value.

London South Bank University

Principal Accounting Policies Year ended 31 July 2014

Endowment Asset Investments are included in the balance sheet at market value.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Pension costs

The University contributes to the Teachers' Pensions Scheme (England and Wales), the London Pension Fund Authority Pension Fund (LPFAPF) and the Universities Superannuation Scheme (USS). These schemes are administered by Teachers' Pensions (on behalf of the Department for Education), the London Pension Fund Authority and USS Ltd respectively and are all of the defined benefit type. The costs in relation to these schemes are accounted for in accordance with FRS 17 (Retirement benefits).

Where the University is unable to identify its share of the underlying assets and liabilities in a scheme on a reasonable and consistent basis, it accounts as if the scheme were a defined contribution scheme, so that the cost is equal to the total of contributions payable in the year.

For other defined benefit schemes, the assets of each scheme are measured at fair value, and the liabilities are measured on an actuarial basis using the projected unit method and discounted at an appropriate rate of return. The University's share of the surplus or deficit of the scheme is recognised as an asset or liability on the balance sheet. The current service cost, being the actuarially determined present value of the pension benefits earned by employees in the current period, and the past service cost are included within staff costs. Endowment and investment income includes the net of the expected return on assets, being the actuarial forecast of total return on the assets of the scheme, and the interest cost being the notional interest cost arising from unwinding the discount on the scheme liabilities. All changes in the pension surplus or deficit due to changes in actuarial assumptions or differences between actuarial forecasts and the actual out-turn are reported in the statement of total recognised gains and losses.

Taxation status

The University is an exempt charity within the meaning of part 3 of the Charities Act 2011, and as such is a 'charity' within the meaning of Section 467 of the Corporation Tax Act (CTA) 2010. Accordingly the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 478 of the CTA 2010 and Section 256C of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

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

The University's subsidiary company SBUEL is subject to corporation tax and is therefore required to account for deferred tax and current tax.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent they are regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

Agency arrangements

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

London South Bank University

Principal Accounting Policies Year ended 31 July 2014

Leases

Operating lease rentals are charged to income in equal annual amounts over the lease term.

Finance leases, which substantially transfer all the benefits and risks of ownership of an asset to the institution, are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital elements of the leasing commitments are shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied in order to reduce outstanding obligations and the interest element is charged to the income and expenditure account in proportion to the reducing capital element outstanding. Assets held under finance lease are depreciated over the shorter of the lease term or the useful economic lives of equivalent owned assets.

Maintenance

Maintenance expenditure is charged to the consolidated income and expenditure account in the period in which it is incurred.

Refurbishment expenditure on a property is deemed to be of a capital nature if it either enhances the property's operational capabilities, or if it significantly upgrades the mechanical or electrical infrastructure of that property. To the extent that the expenditure is of a capital nature, it is capitalised and written off over its useful economic life. Refurbishment expenditure that does not meet either of these criteria is treated as maintenance expenditure.

Reserves

Designated reserves represent retained reserves generated by activities not funded by the HEFCE. Any surplus or deficit for the year is transferred from the income and expenditure reserve to designated reserves.

Where fixed assets were revalued prior to the implementation of FRS 15, the gain or loss on revaluation was credited or debited to the capital reserve. Where depreciation on the revalued amount exceeds the corresponding depreciation based on historical cost, the excess is transferred annually from the capital reserve to the income and expenditure reserve.

The pension reserve represents the pension liability in respect of the defined benefit pension schemes (see note 24).

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 twenty-four hours without penalty.

Liquid resources comprise of assets, which in normal practice are generally convertible to cash. They include term deposits held as part of the University's treasury management activities. They exclude any such assets held as endowment asset investments.

Financial Instruments

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and it is intended either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling either at year-end rates or, where there are related forward foreign exchange contracts, at contract rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

London South Bank University

Principal Accounting Policies Year ended 31 July 2014

Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when the University has a present obligation (legal or constructive) as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is discounted to present value where the time value of money is material. The discount rate used reflects current market assessments of the time value of money and reflects any risks specific to the liability.

Contingent liabilities are disclosed by way of a note, when the definition of a provision is not met and includes three scenarios: possible rather than a present obligation; a possible rather than a probable outflow of economic benefits; the amount of the obligation cannot be measured with sufficient reliability.

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

Accounting for charitable donations

Unrestricted donations

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

Endowment funds

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

1. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the institution. These are shown as unrestricted permanent endowments in the balance sheet.
2. Restricted expendable endowments – the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the institution can convert the donated sum into income. These are shown as restricted expendable endowments in the balance sheet if the donation is to be retained for more than two years, and as deferred income within creditors due within one year if the donation is to be fully expended within two years.
3. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective. These are shown as restricted permanent endowments in the balance sheet.

Total return on investment for permanent endowments

Total return is the whole of the investment return received by the institution on the permanent endowment funds regardless of how it has arisen.

The total return, less any part of the return which has previously been applied for the purposes of the institution, remains in the unapplied total return fund. This fund remains part of the permanent endowment until such time as a transfer is made to the income and expenditure account.

Donations for fixed assets

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

London South Bank University

Principal Accounting Policies Year ended 31 July 2014

Gifts in kind, including donated tangible fixed assets

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

London South Bank University

Notes to the accounts Year ended 31 July 2014

1. Funding council grants	2014	2013
HEFCE	£'000	£'000
Recurrent grant	22,102	30,993
Specific grants	808	810
Pension liabilities	244	224
Other funding bodies		
Skills Funding Agency (SFA) grant	-	60
Teaching Agency grant	689	770
Deferred capital grants released (note 20)	1,982	1,893
	<u>25,825</u>	<u>34,750</u>
	<u><u>25,825</u></u>	<u><u>34,750</u></u>
2. Academic fees and support grants	2014	2013
	£'000	£'000
Full-time home and EU students	43,871	38,120
Full-time international students	8,067	8,456
Part-time students	8,606	7,486
Other courses	721	191
Strategic Health Authority education contracts	27,188	29,029
	<u>88,453</u>	<u>83,282</u>
	<u><u>88,453</u></u>	<u><u>83,282</u></u>
3. Research grants and contracts	2014	2013
	£'000	£'000
Research councils	689	1,123
UK based charities	310	279
European Commission	295	434
Other grants and contracts	678	750
Knowledge Transfer Partnerships	283	669
	<u>2,255</u>	<u>3,255</u>
	<u><u>2,255</u></u>	<u><u>3,255</u></u>
4. Other operating income	2014	2013
	£'000	£'000
Residence and catering income	9,626	9,125
Other income	8,264	6,876
	<u>17,890</u>	<u>16,001</u>
	<u><u>17,890</u></u>	<u><u>16,001</u></u>
5. Endowment income and investment income	2014	2013
	£'000	£'000
Income from permanent endowments	12	12
Income from expendable endowments	14	13
Interest receivable	305	541
	<u>331</u>	<u>566</u>
	<u><u>331</u></u>	<u><u>566</u></u>

London South Bank University

Notes to the accounts Year ended 31 July 2014

6. Staff - consolidated	2014	2013
Average staff numbers by major category:	No.	No.
Academic staff	676	665
Part time teaching staff	282	307
Student support staff	366	411
Other support staff	395	385
	<hr/>	<hr/>
	1,719	1,768
	<hr/> <hr/>	<hr/> <hr/>
	2014	2013
Costs:	£'000	£'000
Wages and salaries	58,276	59,355
Social security costs	5,065	5,207
Employers' pension contributions	8,322	9,057
	<hr/>	<hr/>
	71,663	73,619
	<hr/> <hr/>	<hr/> <hr/>

Staff costs for the year include costs arising from redundancies of £1.3m (2013: £1.5m).

7. Remuneration of Board of Governors and Higher-Paid employees

A. Governors

The University's governors do not receive remuneration from the University in their capacity as governors.

The salaries and pension contributions below therefore relate entirely to staff governors and to sums received by them in their capacity as employees of the University.

	2014	2013
	£'000	£'000
Salaries	378	447
Pension contributions	41	23
	<hr/>	<hr/>
	419	470
	<hr/> <hr/>	<hr/> <hr/>

Governors, who are also all trustees, are paid expenses for attending meetings and duties directly related to their duties as trustees. In 2014 five trustees were paid total expenses of £3,897 (2013: six trustees were paid total expenses of £3,716) for travel and subsistence.

London South Bank University

Notes to the accounts Year ended 31 July 2014

B. Higher paid employees

Certain employees received remuneration (excluding pension contributions) in excess of £100,000 during the Year. Eight of these employees accrued benefits under defined benefit pension schemes during the year (2013:7). These employees are grouped as follows:

	2014 No.	2013 No.
£100,000 to £109,999	2	3
£110,000 to £119,999	3	2
£120,000 to £129,999	-	1
£130,000 to £139,000	3	1
£140,000 to £149,999	1	-
£160,000 to £169,999	1	1
£230,000 to £239,999	-	1
	10	9
	10	9

In addition to the remuneration above, one higher paid employee received compensation for loss of office of £93,000.

C. Remuneration of the Vice Chancellor

	2014 £'000	2013 £'000
Salary and taxable benefits	247	233
Pension Scheme Contributions	20	-
	267	233
	267	233

Remuneration of the Vice Chancellor (excluding pension contributions) includes payments of £140,383 to the current Vice Chancellor Professor David Phoenix, and payments to former Vice Chancellor Professor Martin Earwicker of £106,906. Professor Martin Earwicker was employed until to 31st December 2013 and Professor David Phoenix commenced employment on 1st January 2014. The Vice Chancellor is the highest paid Governor. The Vice Chancellor is a member of the Teachers' Pension Scheme. The nature of the scheme means it is not possible to ascertain the amount of his accrued pension at the year end.

8. Other operating expenses	2014 £'000	2013 £'000
Academic	11,487	13,585
Academic support	5,845	5,232
Other support	5,668	5,174
Premises	16,912	16,076
Residence and catering	1,758	1,089
Other expenses	6,093	5,720
	47,763	46,876
	47,763	46,876

London South Bank University

Notes to the accounts Year ended 31 July 2014

	2014 £'000	2013 £'000
Group other operating expenses are stated after charging:		
Auditors' remuneration		
<i>External audit</i>		
Grant Thornton UK LLP*	49	51
<i>Internal audit**</i>	98	95
PricewaterhouseCoopers LLP	<u>98</u>	<u>95</u>
<i>Other services**</i>		
Grant Thornton UK LLP	3	3
Rentals under operating leases		
Plant and machinery	356	269
Other assets	-	120
Loss on disposal of fixed assets	50	8

* Includes £44,714 attributable to the University (2013: £47,736)

** All attributable to the University

Depreciation includes £192,000 attributable to assets held under finance leases (2013: £340,000)

9. Taxation

A deferred tax asset has not been recognised in respect of timing differences relating to capital allowances and trading losses as there is insufficient evidence that the asset will be recovered.

The amount of the asset not recognised is £24,147 (2013: £13,410). The asset would be recovered if suitable taxable profits were to arise in the future against which the asset could be offset.

	2014 £'000	2013 £'000
10. Interest payable		
Loans repayable within five years	-	15
Loans not wholly repayable within five years	1,423	1,420
Unwinding of discount in respect of pension liability less expected return on pension assets (see note 19)	2,341	1,961
Finance leases	12	37
	<u>3,776</u>	<u>3,433</u>

11 Exceptional items

There were no exceptional items in the year ending 31st July 2014. The Exceptional item of £556,000 for the year ending 31st July 2013 related to a loss on derecognition following a change to the constitution of the London South Bank University Students' Union.

London South Bank University

Notes to the accounts Year ended 31 July 2014

12. Surplus of parent company

The income and expenditure account of the parent company (London South Bank University) has not been presented as part of these accounts. This dispensation is allowed under section 408 of the Companies Act 2006.

The surplus, after depreciation of assets at valuation, of London South Bank University was £3.1m (2013: £6.1m).

London South Bank University

Notes to the accounts Year ended 31 July 2014

13. Tangible fixed assets (University and Consolidated)

	Equipment, Furniture and Motor Vehicles		Land and buildings		Assets in Course of Construction	Total £'000
	Freehold £'000	£'000	Long Leasehold £'000	Short Leasehold £'000		
Cost or Valuation						
At 1 August 2013	33,013	167,111	47,281	52	17,267	264,724
Additions	308	-	-	-	10,437	10,745
Disposals	(185)	-	-	-	-	(185)
Transfers	7,545	10,614	-	-	(18,159)	-
At 31 July 2014	40,681	177,725	47,281	52	9,545	275,284
Depreciation						
At 1 August 2013	(24,723)	(41,430)	(24,234)	(45)	-	(90,432)
Charge for the year	(2,830)	(4,330)	(1,295)	-	-	(8,455)
Disposals	135	-	-	-	-	135
At 31 July 2014	(27,418)	(45,760)	(25,529)	(45)	-	(98,752)
Net book value						
At 31 July 2014	13,263	131,965	21,752	7	9,545	176,532
At 31 July 2013	8,290	125,681	23,047	7	17,267	174,292

If the land and buildings detailed above had not been revalued, tangible fixed assets would have been included in these financial statements at 31 July 2014 at the following amounts:

	Equipment, Furniture and Motor Vehicles		Land and buildings		Assets in Course of Construction	Total £'000
	Freehold £'000	£'000	Long Leasehold £'000	Short Leasehold £'000		
Cost	33,013	98,763	24,854	52	9,545	166,227
Depreciation	(24,723)	(24,099)	(15,961)	(45)	-	(64,828)
Net book value	8,290	74,664	8,893	7	9,545	101,399

London South Bank University

Notes to the accounts Year ended 31 July 2014

Land and buildings were valued in September 1994 by Drivers Jonas, Chartered Surveyors. Properties were valued at their open market value for existing use, and where this was not practical, the depreciated replacement cost was used.

All properties, other than those detailed below, are included at 1 August 1994 prices less subsequent depreciation in accordance with the Drivers Jonas valuation report of September 1994:

Freehold Land and Buildings

- ❖ The K2 building is stated at cost of £45.9m. The land at the site of the K2 building is stated at a cost of £4.3m.
- ❖ The Keyworth Centre is stated at cost of £25.8m.
- ❖ The David Bomberg House hall of residence is stated at cost of £11.6m.
- ❖ The Learning Resource Centre is stated at cost of £4.7m.
- ❖ The St George's Circus and Chapel sites are stated at a cost of £11.1m, represented by land of £0.7m and £10.4m cost of redeveloping the Clarence Centre for Innovation and Enterprise.
- ❖ The Technopark building is stated at purchase cost of £3.6m.
- ❖ Phase 2 of the Dante Road hall of residence is stated at cost of £2.1m.
- ❖ The Student Centre is stated at cost of £6.8m.

Long leasehold Land and Buildings

- ❖ The New Kent Road hall of residence was originally held under a finance lease. It is included in these accounts at the capital cost of the original lease charges payable, the agreed amount of which was £1.1m. The finance lease was settled before the expiry of its term. Although this property is treated as a long leasehold property the University also owns the freehold of this property, which has a nominal value.
- ❖ Phase 1 and phase 3 of the Dante Road hall of residence are included in these accounts under long leasehold land and buildings at capital costs of £3.5m and £2m respectively.
- ❖ McLaren House, a 620 bed hall of residence, is stated at cost of £16.3m. It was originally held under a finance lease however the lease was settled before the expiry of its term. Although this property is treated as a long leasehold property, the University also holds the underlying freehold, which has a nominal value.

Included in long leasehold land and buildings is £0.7m (2013: £0.7m) of capitalised interest. This interest was capitalised in 1996 in connection with the construction of McLaren House.

London South Bank University

Notes to the accounts Year ended 31 July 2014

Assets held under Finance Leases

Consolidated and University equipment, furniture and motor vehicles include assets held under finance leases as follows:

	2014 £000	2013 £000
Cost	2,870	2,870
Accumulated depreciation	(2,815)	(2,623)
Net book value	55	247
Depreciation charge for the year	192	340

14. Investments

	Consolidated		University	
	2014 £000	2013 £000	2014 £000	2013 £000
CVCP Properties plc	38	38	38	38

The University holds 9% of the £1 ordinary shares of CVCP Properties plc. The principal activity of the company is leasing of buildings, with the majority of tenants being Higher Education Organisations.

Details of the companies, all incorporated in England and Wales, in which London South Bank University holds directly or indirectly more than 20% of the nominal value of any class of share capital are as follows:

South Bank University Enterprises Limited

The University holds 100% of the £1 ordinary shares of South Bank University Enterprises Limited (SBUEL), which was formed in order to take over the commercial aspects of the University's activities. 5 of these shares have been held since 5 February 1988 with a further 5 issued on 19 July 2012.

London Knowledge Innovation Centre Limited

SBUEL holds 50% of the issued £1 shares of London Knowledge Innovation Centre Limited (LKIC), a company formed to provide serviced office space and other services to start-up companies. The share of the net assets and profit/(loss) of LKIC have not been included in the consolidated accounts as they are immaterial. The profit/(loss) and net assets of LKIC were both £nil for the period ended 31 July 2014 (2013: £nil).

Other investments

All other investments represent less than 20% of the issued share capital in each case and are therefore not individually disclosed.

London South Bank University

Notes to the accounts Year ended 31 July 2014

15. Debtors: amounts falling due within one year	Consolidated		University	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Trade debtors	5,284	4,849	5,430	5,104
Amounts owed by group undertakings	-	-	554	17
Other debtors	271	672	198	617
Prepayments & accrued income	2,758	2,302	2,491	2,032
Total debtors due within one year	8,313	7,823	8,673	7,770
Debtors: amounts falling due after one year: amounts owed by related parties (note 25)	350	-	350	-
Total Debtors	8,663	7,823	9,023	7,770

16. Creditors: amounts falling due within one year	Consolidated		University	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Bank and other loans	1,294	1,278	1,293	1,277
Obligations under finance leases	55	192	55	192
Trade creditors	1,997	1,652	1,997	1,652
Other creditors	957	1,547	892	1,487
Social security and other taxation payable	1,354	1,482	1,354	1,482
Accruals and deferred income	26,751	31,986	26,299	31,745
Total	32,408	38,137	31,890	37,835

17. Creditors: Amounts falling due after more than one year	Consolidated and University	
	2014 £'000	2013 £'000
Bank and other loans	28,243	29,537
Obligations under finance leases	-	55
Total	28,243	29,592

18. Borrowings	Consolidated and University	
	2014 £'000	2013 £'000
Bank loans and finance leases are repayable as follows:		
Due in less than one year (note 16)	1,349	1,470
Due between one and two years	1,309	1,349
Due between two and five years	4,039	3,981
Due after five years	22,895	24,262
Total due after one year (note 17)	28,243	29,592
	29,592	31,062

London South Bank University

Notes to the accounts Year ended 31 July 2014

Details of bank loans:

- The loan from Allied Irish Bank (GB) in respect of the Dante Road hall of residence is repayable over 26.5 years to 2027. The amount outstanding at 31 July 2014 was £5.000 million (2013: £5.377 million). The loan bears interest at a rate of 6.67% per annum. The loan is secured on the property to which it relates.
- There is a loan facility from Barclays Bank of £37 million, secured on David Bomberg House halls of residences. Within the facility, the following balances are outstanding at 31 July 2014:
 - An amount of £5.441 million in respect of David Bomberg House was outstanding at 31 July 2014 (2013: £5.752 million). This borrowing is repayable over 25 years to 2032 and bears interest at a fixed rate of 5.67% per annum.
 - A further £21.830 million of the Barclays facility was drawn down to finance the K2 building. Of this amount, £18,896 million was outstanding at 31 July 2014 as follows: £5.000m (2013: £5.000m) is interest-only, repayable in April 2029, and bears interest at a fixed rate of 5.25% per annum; £8.625m (2013: £8.917m) is repayable over 23.25 years to 2032 and bears interest at a fixed rate of 5.54% per annum, and £5.271 (2013: £5.568m) is repayable over 23 years to 2032 and bears interest at a variable rate of 0.225% above LIBOR per annum.

19. Pension liability

The pension liability has been measured in accordance with the requirements of FRS17 and relates to the London Pension Fund Authority pension scheme (LPFA).

	Consolidated and University	
	2014	2013
	£'000	£'000
Balance at 1 August	62,211	74,664
Current service cost	4,228	4,449
Settlements and curtailments	104	307
Contributions	(4,882)	(4,933)
Other finance cost (note 24)	2,341	1,961
Actuarial losses/(gains) recognised in STRGL (note 24)	12,500	(14,237)
Balance at 31 July	76,502	62,211

London South Bank University

Notes to the accounts Year ended 31 July 2014

20. Deferred capital grants	Consolidated and University						
	<table border="0" style="width: 100%;"> <tr> <td style="text-align: right;">Land and buildings</td> <td style="text-align: right;">Equipment</td> <td style="text-align: right;">Total</td> </tr> <tr> <td style="text-align: right;">£'000</td> <td style="text-align: right;">£'000</td> <td style="text-align: right;">£'000</td> </tr> </table>	Land and buildings	Equipment	Total	£'000	£'000	£'000
Land and buildings	Equipment	Total					
£'000	£'000	£'000					
Balance at 1 August 2013	26,165 3,674 29,839						
Release to income and expenditure account (note 1)	(1,286) (696) (1,982)						
Grants received	- 355 355						
Transfers to deferred income	-						
Balance at 31 July 2014	24,879 3,333 28,212						
21. Revaluation reserves	Consolidated and University						
	<table border="0" style="width: 100%;"> <tr> <td style="text-align: right;">2014</td> <td style="text-align: right;">2013</td> </tr> <tr> <td style="text-align: right;">£'000</td> <td style="text-align: right;">£'000</td> </tr> </table>	2014	2013	£'000	£'000		
2014	2013						
£'000	£'000						
Balance at 1 August	30,192 30,986						
Transfer to income & expenditure reserves being excess depreciation on revalued assets (note 22)	(792) (794)						
Balance at 31 July	29,400 30,192						
22. Income and expenditure account	Consolidated University						
	<table border="0" style="width: 100%;"> <tr> <td style="text-align: right;">2014</td> <td style="text-align: right;">2014</td> </tr> <tr> <td style="text-align: right;">£'000</td> <td style="text-align: right;">£'000</td> </tr> </table>	2014	2014	£'000	£'000		
2014	2014						
£'000	£'000						
Reserve							
Balance at 1 August 2013	114,367 113,687						
Surplus for the year	3,097 3,689						
Transfer from revaluation reserve	792 792						
Net FRS17 pension costs transferred to pension reserve	1,791 1,791						
Balance at 31 July 2014	120,047 119,959						
Pension reserve							
Balance at 1 August 2013	(62,211) (62,211)						
Actuarial loss	(12,500) (12,500)						
Net FRS17 pension costs transferred from income and expenditure reserve	(1,791) (1,791)						
Balance at 31 July 2014	(76,502) (76,502)						
23. Designated reserves							
The income and expenditure account of the Group does not include any amount which are designated reserves. (2013: £nil).							

Notes to the accounts Year ended 31 July 2014

24. Pension arrangements

The University participates in the Teachers Pension Scheme (TPS) and the Universities Superannuation Scheme Limited (USS) for academic employees and the London Pension Fund Authority (LPFA) Pension Fund for non-academic employees.

A. The Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010. These regulations apply to teachers in schools and other educational establishments in England and Wales including teachers and lecturers in establishments of further and higher education. Membership is automatic for full-time teachers or lecturers and from 1 January 2007 automatic too for teachers or lecturers in part-time employment following appointment or change of contract. Teachers and lecturers are able to opt out of the TPS.

Retirement and other pension benefits are provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Teachers' contributions are credited to the Exchequer under arrangements governed by the above act. The Teachers' Pension Regulations require that an annual account, the Teachers' Budgeting and Valuation Account, be kept of receipts and expenditure, including the cost of pension increases.

From 1 April 2001, the account has been credited with a real rate of return of 3.5%, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

The contribution rate paid into the TPS is in two parts: a standard contribution rate plus a supplementary contribution payable if, as a result of actuarial investigation, it is found that accumulated liabilities of the Account are not fully covered by the standard contribution to be paid in the future plus the notional fund built up from past contributions.

The last valuation of the TPS was as of 31 March 2004 and revealed that total liabilities in the scheme (pensions currently in payment and estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds of notional investments) amounted to £163,240 million. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The real rate of earnings growth is assumed to be 1.5% and the assumed gross rate of return is 6.5%.

From 1 January 2007, and as a part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution rate is 19.75% plus a supplementary contribution rate of 0.75%; a total contribution rate of 20.5%. This translated into an employee contribution rate of 6.4% and an employer contribution rate of 14.1%. During the year contributions were paid by the University and charged to the Income and Expenditure account at a current rate of 14.1% (2013: 14.1%) of salaries and the University's contribution to the TPS for 2014 was £3,590,765 (2013: £3,549,403). Employee contribution rates were between 6.4% and 12.4% depending on earnings.

Actuarial scheme valuations are dependent on assumptions about the valuation of future costs and design of benefits. These are being discussed in the context of the design for a reformed TPS and scheme valuations are therefore currently suspended. The Government however has set out a future process for determining the employer contribution rate under the new scheme, and this process will involve a full actuarial valuation.

Under the definitions set out in FRS17 'Retirement Benefits', the TPS is a multi-employer pension scheme. The University is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the University has accounted for its contributions as if it were a defined contribution scheme.

London South Bank University

Notes to the accounts Year ended 31 July 2014

B. The Universities Superannuation Scheme

The Universities Superannuation Scheme is a defined benefit scheme which is externally funded. The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited. Contributions are paid by the University and charged to the Income and Expenditure account. The contribution rate for 2014 is 16% of salaries.

The latest triennial valuation of the scheme for which results are available was 31 March 2011. At the valuation date, the value of the assets in the scheme was £32,433.5 million and the value of the scheme's technical provisions was £35,343.7million, indicating a shortfall of £2,910.2 million. The assets were therefore sufficient to cover 92% of the benefits accrued to members after allowing for expected future increases in earnings.

The financial assumptions of that valuation are as follows:

Investment returns per annum – past service	4.4%
Investment returns per annum – future service	6.2%
Salary scale increases per annum	4.4%
Price increases per annum	2.9%
Pension increases	3.4%

The Trustees have determined, after consultation with employers, a recovery plan to pay off the shortfall by 31 March 2021. A formal triennial valuation took place at 31 March 2014. It is expected to show a considerable ongoing scheme deficit. Although the formal results of the valuation are not expected until later in 2014, the employers and the University and College Union continue to work together constructively to respond to the USS funding position. The contribution rate will be reviewed as part of this valuation and may be reviewed more frequently.

At 31/7/14 the University had 48 active members participating in the scheme. The University's contribution to the USS for 2014 was £414,047 (2013: £409,605). The scheme has tiered employer contribution rates of between 6% and 9% depending on employee earnings.

Under the definitions set out in FRS17 'Retirement Benefits', the USS scheme is a multi-employer pension scheme. The University is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the University has accounted for its contributions as if it were a defined contribution scheme.

C. The London Pension Fund

The London Pension Fund Authority (LPFA) provides members with benefits related to pay and service at rates which are defined under the Local Government Pensions Scheme Regulations 1997. To finance these benefits, assets are accumulated in the Fund and held separately from the assets of the University.

A full triennial valuation was carried out by the scheme's actuary Barnett Waddingham as at 31 March 2013 with the valuation results taking into account changes to the scheme from 1 April 2014. The results showed the market value of the Fund's assets attributable to the University as £92.17m. The actuarial value of those assets represented 69% of the value of the benefits that have accrued to the University's pensioners, deferred pensioners and current members based upon past service but allowing for assumed pay increases and pension increases. New employer contribution rates effective from 1 April 2014 are 15.2% of pensionable salaries to cover the cost of future service plus an annual lump sum of £1,418,000 to clear the deficit over a recovery deficit period of 17 years.

London South Bank University

Notes to the accounts Year ended 31 July 2014

Pension costs under FRS17

For accounting purposes the scheme's assets are measured at market value and liabilities are valued using the projected unit method and discounted using the annualised yield on the iBoxx AA rated over 15 year corporate bond index. The valuation uses market-based assumptions and asset valuations, and represents a current valuation. It does not impact on the contribution rates set by the trustees of the scheme. The principal assumptions used by the actuary were:

	31 July 2014	31 July 2013
	% per annum	% per annum
Salary increases	4.5	4.2
Pension and price increases	2.7	2.5
Discount rate	4.2	4.7

Employees retiring on or after 6 April 2006 are permitted to take an increase in their lump sum payment on retirement in exchange for a reduction in their future annual pension.

On the advice of our actuaries we have assumed that members will exchange half of their commutable pension for cash at retirements. In calculating the scheme assets and liabilities, the fund's actuaries had to make a number of assumptions about events and circumstances in the future. These assumptions represent the best estimate of expected outcomes but it is possible that actual outcomes will differ from those included in the accounts. Any differences between expected and actual outcomes are reported through experience gains and losses.

Life expectancy

Post-retirement mortality is based on Club Vita analysis which has then been projected with the Medium Cohort Projection, allowing for a minimum rate of improvement of 1% per annum. Based on these assumptions, average future life expectancies at age 65 are summarised below:

	Males	Females
	Years	Years
Current pensioners	21.8	25.0
Future pensioners	24.2	27.2

London South Bank University

Notes to the accounts Year ended 31 July 2014

Fund assets

The expected return on fund assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 August 2013 for the year to 31 July 2014). The return on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date. The return on equities and property is then assumed to be a margin above gilt yields. The employer assets in the scheme and the expected rates of return are as follows:

	Expected rate of return at 31 July 2014	Fair value as at 31 July 2014 £'000	Expected rate of return at 31 July 2013	Fair value as at 31 July 2013 £'000
Equities	6.7%	44,008	6.4%	45,279
Target return portfolio	6.1%	28,644	4.9%	27,938
Alternative assets	-	-	5.4%	7,707
Cash	3.2%	13,803	0.5%	944
Cashflow matching	3.4%	6,116	3.4%	14,451
Infrastructure	6.3%	3,343	-	-
Commodities	6.1%	1,067	-	-
Property	5.6%	2,745	-	-
Total fair value of assets		<u>99,726</u>		<u>96,319</u>

C. The London Pension Fund (continued)

Net pension liability

The following amounts at 31 July related to London South Bank University measured in accordance with the requirements of FRS17:

	2014 £'000	2013 £'000	2012 £'000	2011 £'000	2010 £'000
Fair value of Employer Assets	99,726	96,319	80,635	78,471	70,432
Present value of funded obligations	<u>(164,260)</u>	<u>(146,774)</u>	<u>(143,181)</u>	<u>(121,971)</u>	<u>(123,986)</u>
Net underfunding in funded plans	(64,534)	(50,455)	(62,546)	(43,500)	(53,554)
Present value of unfunded obligations	<u>(11,968)</u>	<u>(11,756)</u>	<u>(12,118)</u>	<u>(11,840)</u>	<u>(12,065)</u>
Net Pension Liability	<u>(76,502)</u>	<u>(62,211)</u>	<u>(74,664)</u>	<u>(55,340)</u>	<u>(65,619)</u>

The movement for the year in the net pension liability is shown in note 19.

London South Bank University

Notes to the accounts Year ended 31 July 2014

Analysis of the amount included in staff costs for the year

	2014	2013
	£'000	£'000
Current service cost	4,228	4,449
Curtailments and settlements	104	307
Enhancements to former employees (recoverable in full from HEFCE (note 1))	249	229
Total operating charge	<u>4,581</u>	<u>4,985</u>

Analysis of the amount included in interest payable for the year

	2014	2013
	£'000	£'000
Expected return on pension scheme assets	(5,209)	(4,173)
Interest on pension scheme liabilities	7,550	6,134
Net charge	<u>2,341</u>	<u>1,961</u>

Analysis of the amount recognised in STRGL

	2014	2013
	£'000	£'000
Actual return less expected return on pension scheme assets	(2,910)	11,058
Experience gains and losses	10,002	(237)
Changes in assumptions underlying the present value of scheme liabilities	(19,592)	3,416
Actuarial (losses)/ gains recognised in STRGL	<u>(12,500)</u>	<u>14,237</u>

24. — Pension arrangements (continued)

Analysis of movement in the present value of scheme liabilities

	2014	2013
	£'000	£'000
At 1 August	158,530	155,299
Current service cost	4,228	4,449
Interest cost	7,550	6,134
Actuarial loss/(gains)	9,590	(3,179)
Losses on curtailments	104	307
Benefits paid	(4,248)	(4,877)
Contributions by scheme participants	1,323	1,294
Unfunded pension payments	(849)	(897)
At 31 July	<u>176,228</u>	<u>158,530</u>

London South Bank University

Notes to the accounts Year ended 31 July 2014

Analysis of movement in the fair value of scheme assets

	2014 £'000	2013 £'000
At 1 August	96,319	80,635
Expected return on scheme assets	5,209	4,173
Actuarial (losses)/gains	(2,910)	11,058
Contributions by employer	4,033	4,036
Contributions by scheme participants	1,323	1,294
Benefits paid	(4,248)	(4,877)
	<hr/>	<hr/>
At 31 July	<u>99,726</u>	<u>96,319</u>

The projected pension expense for the year to 31 July 2015 is £6,141,000 (2014: £6,665,000)

Experience gains & losses in year

	2014 £'000	2013 £'000	2012 £'000	2011 £'000	2010 £'000
Difference between the actual and expected return on pension scheme assets	(2,910)	11,058	(4,000)	1,206	1,935
Experience gains and losses arising on scheme liabilities	10,002	(237)	(374)	12,593	4,498

Sensitivity Analysis

	£'000	£'000	£'000
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	175,030	176,228	181,417
Projected service cost	4,350	4,228	4,541
Adjustment to mortality age rating assumption	+1 Year	None	- 1 Year
Present Value of total obligation	172,413	176,228	183,974
Projected service cost	4,306	4,228	4,582

D. London South Bank University Defined Contribution Scheme.

The University provides a defined contribution pension scheme through Friends Life for employees of London South Bank University Enterprises Limited (SBUEL). At 31/7/14 the University had 9 members participating in the scheme. The University's contribution to the Friends Life scheme for 2014 was £22,750 (2013: nil) and employers contribution rates ranged from 6%-9%. Pension contributions payable at 31st July 2014 were nil (2013: nil)

London South Bank University

Notes to the accounts Year ended 31 July 2014

25. Related party disclosures

Due to the nature of the University's operations and the composition of the Board of Governors (being drawn from local public and private sector organisations) it is possible that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving organisations in which a member of the Board of Governors may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures.

The accounts of SBUEL, a wholly owned subsidiary, are consolidated into these accounts and therefore the University has taken exemption under FRS8 not to disclose transactions between the SBUEL and the University. There were no transactions during the year between London Knowledge Innovation Centre Limited (LKIC) or CVCP Properties PLC and the University.

During the year the LSBU Students' Union received financial support from the University of £727,000, net of services provided by the University. The President of the LSBU Students' Union is a member of the Board of Governors. The balance between the two parties at the year-end was £nil.

The Vice Chancellor of the University is a member of the University Academy of Engineering South Bank ([UEASBUAESB](#)), which the University sponsors. During the year [UEASBUAESB](#) paid the University £8,527 in reimbursement of actual expenses incurred on behalf of the Academy.

The Vice Chancellor of the University, Professor David Phoenix received an interest free loan as part of a relocation package agreed for him. Professor David Phoenix is an employee of the University. The amount of the loan was £350,000 and was solely to purchase a specified property. The loan is repayable on 30th October 2015 (or later as agreed). As of 31st July 2014 the outstanding balance was £350,000. The loan is fully secured by way of legal mortgage on the property in favour of London South Bank University.

26. Endowments

	Consolidated and University			
	Unrestricted Permanent £'000	Restricted Expendable £'000	2014 Total £'000	2013 Total £'000
Balance at 1 August 2013	388	341	729	641
Investment income	14	12	26	25
Expenditure	(14)	(12)	(26)	(25)
Increase in market value of investments	4	3	7	88
Balance at 31 July 2014	392	344	736	729

27. Operating lease commitments

At 31 July 2014 the University and the Group were committed to making the following annual payments in respect of operating leases on land and buildings:

	2014 £'000	2013 £'000
Expiring in over five years	51	51
	51	51

London South Bank University

Notes to the accounts Year ended 31 July 2014

	Consolidated and University	
	2014	2013
	£'000	£'000
28. Capital commitments		
Commitments contracted at 31 July	5,369	5,006
	<u>5,369</u>	<u>5,006</u>
Commitments include those relating to building projects, being undertaken as part of the University's Estates and ICT Strategy.		
29. Reconciliation of consolidated operating surplus to net cash inflow from operating activities		
	2014	2013
	£'000	£'000
Surplus after depreciation of assets at valuation	3,097	6,056
Depreciation (note 13)	8,455	7,870
Loss on disposal of fixed assets	50	8
Investment income	(331)	(566)
Interest payable (note 10)	3,776	3,433
(Increase)/Decrease in stocks	(27)	21
(Increase)/Decrease in debtors	(841)	1,248
Decrease in creditors	(5,609)	(2,092)
Decrease in provisions	(550)	(1,356)
Deferred capital grants released to income (note 20)	(1,982)	(1,893)
	<u>6,038</u>	<u>12,729</u>
Net cash inflow from operating activities	6,038	12,729
30. Returns on investments and servicing of finance		
	2014	2013
	£'000	£'000
Income from endowments (note 5)	26	25
Interest receivable (note 5)	305	541
Interest paid (note 10)	(1,434)	(1,472)
	<u>(1,103)</u>	<u>(906)</u>
Net cash outflow from returns on investments and servicing of finance	(1,103)	(906)
31. Capital expenditure and financial investment		
	2014	2013
	£'000	£'000
Payment to acquire tangible fixed assets	(10,744)	(18,544)
Adjustment for Students' Union assets	-	(8)
	<u>(10,744)</u>	<u>(18,552)</u>
Net cash outflow from capital expenditure and financial investment	(10,744)	(18,552)
	<u>£'000</u>	<u>£'000</u>
Transfer of assets to Students' Union	-	(547)

London South Bank University

Notes to the accounts Year ended 31 July 2014

32.	Acquisitions and disposals	2014	2013
33.	Management of Liquid Resources	2014	2013
		£'000	£'000
	Cash added to fixed term	(10,334)	(61)
	Net cash outflow from returns on investments and servicing of finance	(10,334)	(61)
34.	Financing	2014	2013
		£'000	£'000
	Capital element of bank loan repayments	(1,277)	(1,914)
	Capital element of finance lease repayments	(193)	(340)
	Capital grants received in year	355	340
	Net cash outflow from financing	(1,115)	(1,914)
35.	Analysis of changes in net funds	At 31 July 2013 £'000	At 31 July 2014 £'000
		Cash flow £'000	
	Cash at bank and in hand	54,750	(17,258)
	Endowment asset investments	67	-
		54,817	(17,258)
	Fixed Term deposits	5,206	10,334
	Debt due within one year (note 16)	(1,470)	121
	Debt due after more than one year (note 17)	(29,592)	1,349
		28,961	(5,454)
	Net funds		23,507
36.	Analysis of changes in financing during the year		
		2014	2013
	Bank and Other Loans	£'000	£'000
	Balance at 1 August	31,062	33,316
	Capital repayments	(1,470)	(2,254)
	Balance at 31 July	29,592	31,062

London South Bank University

Notes to the accounts Year ended 31 July 2014

37. Access & Hardship funds	2014	2013
	£'000	£'000
Balance at 1 August	5	21
HEFCE grant	530	543
Administration costs	(15)	(15)
Distributed to students	(520)	(521)
Funds returned	-	(23)
	<hr/>	<hr/>
Balance at 31 July	-	5
	<hr/> <hr/>	<hr/> <hr/>

Access and Hardship funds are paid to universities by HEFCE to provide financial assistance to students whose access to further or higher education might be inhibited by financial considerations or who, for whatever reason, including physical or other disabilities, face financial difficulties.

The grant from HEFCE grant is available solely for students. The University acts only as a paying agent. The grant and related disbursements are therefore excluded from the Income and Expenditure account and grants not disbursed are shown within other creditors.

38. Teacher Training Bursaries	2014	2013
	£'000	£'000
Balance at 1 August	(190)	(61)
Funding council grant	682	692
Disbursed to students	(569)	(821)
	<hr/>	<hr/>
Balance at 31 July	(77)	(190)
	<hr/> <hr/>	<hr/> <hr/>

Teacher Training Bursary funds are paid to universities by the Teaching Agency to provide financial support to students studying for a postgraduate qualification which leads to Qualified Teacher Status (QTS).

The grant from the TDA is available solely for students. The University acts only as a paying agent. The grant and related disbursements are therefore excluded from the Income and Expenditure account and grants not disbursed are shown within other creditors.

London South Bank University

	PAPER NO: PR.49(14)
Paper title:	Students' Union accounts for year ended 31 July 2014
Board/Committee	Policy and Resources Committee
Date of meeting:	12 November 2014
Author:	Steve Baker, Students' Union, CEO
Purpose:	To provide an update to P&R on the financial performance of the Students' Union during 2013/14

Executive Summary	
Context	As part of the Memorandum of Understanding agreed between LSBU and the Students' Union the SU shall provide a copy of its annual accounts to the Board of Governors.
Question	What was the year end result for the Students' Union?
Conclusion & Recommendation	A surplus of £8,727 was posted against a break even budget.

Matter previously considered by:		
Further approval required?		On:

London South Bank University Students' Union

Month 12 Finance Report (July 2014)

1. Introduction

1.1 This report provides a summary of the Union's 2013-14 financial year, as set out in the annual report and accounts.

1.2 The audit process is complete although the accounts have not yet been formally signed as they are due to be approved at the Trustee Board on 10th November before presentation to Council on 12th November.

2. Income and Expenditure

2.1 In line with the forecast provided to the University during the year (in its Half Yearly Finance Report), the Union was able to work within its 2013/14 funding level and achieve a small surplus. A surplus of £8,727 was posted.

2.2 This represented a positive variance against the break-even budget for the year. The key variances against budget are itemised below (from the Month 12 Management Accounts):

	Full Year Actual £k	Full Year Budget £k	Variance £k
Subvention	720	720	-
Other Income	51	32	19
Total Income	771	752	19
Central	226	226	-
Training and Travel	19	15	(4)
Representation	235	250	15
Marketing & Media	115	123	8
Activities	131	138	7
Post period end adjustments	2	-	(2)
Total Expenditure	728	752	24
Surplus/(Deficit)	43	-	43
Restructuring Costs	34	-	(34)
Surplus/(Deficit) after	9	-	9

2.3 The key year-to-date variances related mainly to:

- Additional income, including £13k from NUS Extra Card sales and £4k from activities;
- Underspend of £4k in relation to Training and Travel, mainly conferences and sabbatical officer training;
- An underspend in Representation arising mainly from staff vacancies earlier in the year (£12k saving), where the posts were subsequently filled.

London South Bank University

There was also a £2.5k budget underspend in relation to election costs this year in this area;

- Marketing and media underspends of £8k. This included staffing (£4k, due to vacancies which were subsequently filled) and website (£2k), radio (£2k) under-spends;
- £7k underspend in relation to Activities, mainly on salaries & wages.
- Staff restructuring costs (redundancies) which were effectively covered by positive budget variances, rather than reserves.

2.4 Overall, the Union was able to demonstrate working within its available resources for the year. It was also able to absorb the financial impact of staff restructuring, which helped to put the organisation on a more effective footing.

3. Balance Sheet Position

3.1 The surplus resulted in an improvement to reserves, which now total £565,315.

3.2 The Union holds reserves to cover unexpected eventualities and also ensure there are sufficient reserves to resource planned capital expenditure. Of the total reserves, £240,884 has been designated as a protected minimum amount (shown as "Accumulated Funds" in the accounts) and the remaining £324,431 as a development fund to support future activity.

3.3 Overall, the Union had good liquidity and had sufficient balances in order to meet its creditor payments.

3.4 As part of a prudent investment strategy, new bank accounts were opened during the year to provide the Union with greater institutional security in relation to its cash holdings. The Union also opted not to invest any of its money, preferring the security and certainty associated with traditional bank and building society options.

4. Other Information

4.1 As required by the Memorandum of Understanding, the Union is required to communicate a list of external organisations to which the Union has made donations in the period to which the report relates, and details of those donations.

4.2 No such donations were made in the financial year.

5. Conclusion

5.1 The Union's reported £9k surplus helped to maintain the Union's financial position, and demonstrated that the Union was able to control its activities within its annual income levels.

London South Bank University

5.2A break-even budget has been prepared for 2014/15, with the Union aiming to maintain its stable financial position.

CHARITY NUMBER: 1158441

London South Bank University Students' Union

Annual Report and Accounts

For the year ended 31st July 2014

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION

Annual Report and Accounts for the year ended 31 July 2014

Administrative information

Charitable Status

London South Bank University Students' Union is an unincorporated charity established under the Education Act 1994 (registered charity number 1158441).

Even though Students' Unions connected with exempt higher/further education institutions were removed by section 11(9), Charities Act 2006, from the list of exempt charities in Schedule 2 to the Charities Act 1993, the Union continues to operate as a charitable organisation in accordance with its Constitution approved by the Board of Governors.

The University Board of Governors formally approved a revised Constitution and Memorandum of Understanding for the Students' Union at its meeting on the 19th July 2012 and at Student Council on 6th November 2012.

Principal Address

London South Bank University Students' Union
Student Centre
103 Borough Road
London SE1 0AA

Holding office for 2013/14

(from 1 July 2013 to 30 June 2014)

President	B Ahland
VP Student Experience	H El Gharib
VP Student Experience	A Mahbubul
VP Employability & Activities	S Fawaz
External Trustee	Karin Woodley
External Trustee	Neil Churchill
External Trustee	Nicola Allen
Alumni Trustee	Jules Mason
Student Trustee	Abdi Osman
Student Trustee	Michael Nii Laryea
Student Trustee	Amanda Coleman

Holding office for 2014/15

(from 1 July 2014 to 30 June 2015)

President	I Abdishakur
VP Student Experience	A Osman
VP Employability & Activities	A Storer-Smith
External Trustee	Karin Woodley
External Trustee	Neil Churchill
External Trustee	Nicola Allen
Alumi Trustee	Jules Mason
Student Trustee	Theodora Anah
Student Trustee	Loiusa Nyandey

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

Auditors

Crowe Clark Whitehill LLP
Registered Auditors
Aquis House
49-51 Blagrove Street
Reading
Berks
RG1 1PL

Bankers

HSBC plc
28 Borough High St
Southwark
London
SE1 1YB

Solicitors

Farrer and Co
66 Lincoln's Inn Fields
London
WC2A 3LH

London South Bank University Students' Union (LSBUSU) employs a Chief Executive to work closely with the Trustees and ensure effective management of the Union. Steve Baker was appointed to fill this position from May 2013.

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

Annual Report

The Executive Committee present their Annual Report for the year ended 31 July 2014 which includes the administrative information set out on pages 1 and 2, together with the audited accounts for that year.

Overview of the year

The Union has continued its positive change. The year started with a staffing restructure which concluded in December. The impact of the new structure has grown representation and activities participation during the year.

The elections were once again a highlight with the highest ever turnout at LSBSU of 10.8% of students.

The Union conducted its first strategic planning survey and Trustees have developed the new Vision, Mission and Values of the organisation and the final plan is to be discussed at the next Trustees board in August 2014 in preparation for presentation to students in the new academic year.

Structure, governance and management

The Union's Constitution incorporating internal regulations or Rules are approved by the governing body of the University. The Union's Aims and Objects contained in its Constitution and under the Act are:

- To be the sole democratic representative body of all the students at the University;
- To advance the education of its members;
- To promote the general welfare of the students;
- To encourage student societies, sports and social activities;
- To act as a channel of communication between its members and the University and other bodies;
- Governed in accordance with the Constitution, Regulations and the Strategic Plan.

LSBUSU is administered by its Trustee Board of 4 Sabbatical Officers, 3 Students and 4 External, for the purposes of the Charities Acts. The four Sabbatical posts are President, Vice President Employability & Activities, and two Vice Presidents Student Experience. The Sabbatical posts are remunerated as authorised by the Education Act and an individual's term of office cannot exceed two years duration; an Officer can be re-elected for a maximum of two terms in the same or different positions.

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION

Annual Report and Accounts for the year ended 31 July 2014

The Union operates on democratic principles, with supervisory power vested in the Union's Council, which:

- Furthers the aims and objects of the Union;
- Receives minutes and reports from the Executive, Union Committees and Union Officers and
- Considers recommendations, motions and business as appropriate;
- Elects students (apart from Sabbatical Officers) to serve on Union and University committees.

Council's membership comprises the Executive Committee together with representatives of students' interests in the Union's Sports Clubs and Societies, Faculty Representatives, Student Representative Officers and the Student Governors (which includes the Union's Sabbatical President).

Executive Committee members commence their terms of office subject to completion of an appropriate course of training. This includes, for Sabbatical Officers, a handover with the outgoing Sabbatical Officer and training on the roles and responsibilities of Trustees (legal and administrative), with an ongoing training programme as and when needed for issues arising during their term of office.

The Executive Committee meets throughout the year to receive reports from individual Officers, Union employees and subcommittees to review the Union's performance and administration. Recommendations for Union policy are made to the Trustee Board to consider and approve policy.

LSBUSU also employs a number of non-student full and part-time staff for the sake of continuity in the management of its many activities. Such staff are accountable to the Chief Executive for the performance of their duties.

Relationship with London South Bank University Students' Union

LSBUSU is established in the University's Memorandum and Articles of Association in that there shall be a Students' Union. The Union receives a Subvention/Block Grant from the University (£720,000 before reimbursed space charge costs and other ring fenced grants), which also pays for utilities, some security staff and the majority of the costs associated with cleaning and premises maintenance. The non-monetary support is intrinsic to the relationship between the University and LSBUSU. As recommended by the Charities SORP an estimated value to LSBUSU for this free serviced accommodation has been included in the accounts at an amount agreed with the University (based on prior year space charge calculations) as £225,619. Although LSBUSU undertakes a range of mutual trading activities, it is dependent on the University's financial support. There is no reason to believe that this or equivalent support from the University will not continue for the foreseeable future.

Risk Management

The major strategic, business and operational risks faced by LSBUSU have been considered and a risk register has been established. Where appropriate, systems or procedures have been established to mitigate the risks the Union faces. Budgetary and internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers and participants on all activities organised by the Union. These procedures are periodically reviewed to ensure that they continue to meet the Union's needs.

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

Aims, Objectives and activities

LSBSU's Vision is:

'Proud to be the home of our Students'

To achieve this we will:

- Make students feel welcome; meet their needs; and develop a vibrant, supportive student community.
- Provide an environment where student voices are heard and issues are addressed
- Provide a safe platform for students to explore and develop their academic, social and personal development.
- Support students in their career development facilitating and creating opportunities for them to enhance their employability

The following are the Union's long-term aims:

- (i) To promote for the public benefit the interests and welfare of students at the University during their course of study and to represent, support and advise LSBSU's members;
- (ii) To provide appropriate social, cultural and recreational activities and forums for discussion and debate for the personal development of the Union's members; and
- (iii) To be the recognised representative channel between students and the University and also in relation to external bodies.

In furtherance of these aims the trustees have complied with their duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act.

In pursuit of these aims for the public benefit, LSBSU:

- Will ensure the diversity of its membership is recognised, valued and supported;
- Has established departments and services for use by its members and to support its work with the University and other organisations on behalf of students.

These included (in the 2013/14 financial year) the Union's Student Advice Service, Communications and Marketing Department, Representation and Democracy Department and Activities Departments. The Union's Sabbatical Officers and Council members are the students' representatives on all major University committees and the Board of Governors.

The Union represents its members (London South Bank University's students) on relevant local, national and international issues by maintaining contact with student representatives. Such contact ensures that the Union can take into account students' requirements and cater effectively for their needs. Student representatives are present on the University's policy/strategy making Boards/Committees and are also members of Course Boards within the four University Faculties.

Achievements and performance

In last year's report, the Executive referred to a number of aims for the year that were expected to be achieved and other goals moving forward. The table below details the objectives and progress/achievement to date.

1. 300 students engaged with employability activities	1. Overall we the Union engaged with 1086 student though our activities department.
2. The Union will create its strategy for	2. The overall Union Strategy includes a

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

employability 3. The Union Internship program will be established.	theme for skills development. 3. The internship program has been established and has employed 7 interns over the year.
The Union to greatly increase its contact with key student volunteers, improve the Union's voice and visibility and will specifically be promoting engagement with Union services.	Launch of the new website and improvement in physical and social media have increased the take up in activities, advice and representation.
The Union will produce its strategy for engaging these students and will elect a full complement of Student Representation Officers (SROs).	The Union improved its satisfaction rating with every demographic in the NSS survey. 8 Union Councils were helped with 7 of the 9 SRO elected.
The Union will create its student led volunteering program and reinstate a newspaper and radio station.	The volunteer program has been established but the newspaper and radio station are still to be set up.
Increase NSS satisfaction results with Union to 55%.	The Union increased its NSS score to 59%.
Fully engage with students and stakeholders to complete the Union strategic plan.	The strategy has been approved by trustees and will be taken to Union Council in Autumn 2014.

Plans for the year ahead

Student Voice	<ol style="list-style-type: none"> Promote the Unions' Strategy and Purpose. Each Activity Exec will be established and attendance at Student Council monitored. Analysis of NSS results with report published.
Community	<ol style="list-style-type: none"> Grow the number of student groups. Enable these Communities to run student led events.
Participation and Development	<ol style="list-style-type: none"> Significant proportion of LSBU students will be involved in at least one activity Creation of a robust and developed course and school representative structure that encourages students to participate in the process of educational development.
Visibility	<ol style="list-style-type: none"> The Union be highly visibly across campus in Physical and Virtual Spaces Launch and develop new website.
Student Satisfaction	<ol style="list-style-type: none"> Increase NSS satisfaction results with Union to 63%.

Financial review

The Union's accounts have been produced in accordance with the Charities SORP 2005. As such all income and expenditure, including the notional space charging income and its allocation based on the percentages shown in note 3 have been included. LSBUSU's income from all sources was £993,361. Total expenditure was £984,634. A surplus of £8,727 resulted. The surplus was transferred to the reserves, which now total £565,315.

The Union continued to benefit from the University's provision of a Subvention Grant of £720,000.

The Union should hold reserves to cover unexpected eventualities and also ensure there are sufficient reserves to resource planned capital expenditure. Total reserves (the Charity Funds) at

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION

Annual Report and Accounts for the year ended 31 July 2014

the 31st July 2014 stood at £565,315, of which £240,884 has been designated as a protected minimum amount (shown as "Accumulated Funds") and the remaining £324,431 as a development fund to support future activity.

The Union is currently affiliated to the National Union of Students (NUS), for which the total subscription costs amounted to £38,635 for the year, and no donations were made during the year to any external institutions out of LSBUSU's own resources.

Future Funding

The Executive Committee confirms that LSBUSU has sufficient funds to meet all its obligations. The Union's Subvention/Block Grant for 2014/15 has been confirmed at £741,600 and the Union's activities are expected to break even.

Executive Committee's Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on.....and signed on their behalf, by:

.....
Ilham Abdishakur
President

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

Independent Auditors' Report to the members of London South Bank University Students' Union

We have audited the financial statements of London South Bank University Students' Union for the year ended 31 July 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes set out on pages 12 to 18.

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 charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

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

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2014 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

THIS REPORT HAS NOT YET BEEN SIGNED

Crowe Clark Whitehill LLP

Statutory Auditor

49-51 Blagrove Street
Reading
Berkshire
RG1 1PL

Date:

Crowe Clark Whitehill LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR

	Note	Unrestricted Income	Restricted Income	Total £	2013 £
Gross Income					
Voluntary income:					
Block Grant		720,000	-	720,000	685,485
Space Grant (actual)		-	-	-	47,430
Space Grant (benefit-in-kind)		225,619	-	225,619	225,619
Other Grant		10,992	-	10,992	17,750
Activities to generate funds:					
Marketing		17,671	-	17,671	11,961
Investment income		2,292	-	2,292	2,074
Charitable activities for students:					
Student Activities		6,620	3,554	10,174	10,545
Bar and Venue		-	-	-	30,412
Merchandising		5,874	-	5,874	2,961
Leisure and Gaming		-	-	-	278
Profit on Disposal of Fixed Asset		-	-	-	767
Other Income		739	-	739	3,309
		989,807	3,554	993,361	1,038,591
Total income					
Resources expended					
Costs of Generating Funds:					
Charitable Activities for students:					
Advice & Representation		509,162	-	509,162	472,834
Communications and Marketing		161,005	-	161,005	110,245
Student Activities		292,744	3,554	296,298	269,211
Bar and Venue		-	-	-	169,410
Governance		18,169	-	18,169	16,519
		981,080	3,554	984,634	1,038,219
Total expenditure					
	2-5				
Net (outgoing)/incoming resources		8,727	-	8,727	372
Fund balances brought forward		556,588	-	556,588	556,216
Fund balances carried forward		565,315	-	565,315	556,588

The statement of financial activities includes all gains and losses recognised in the year.

All amounts derive from continuing activities.

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

BALANCE SHEET

		2014		2013	
	Notes	£	£	£	£
Fixed Assets					
Tangible fixed assets	6		15,717		5,744
Investments	7		-		60
			15,717		5,804
Current Assets					
Stocks in bars, shops & other outlets		1,153		1,845	
Debtors & prepayments	8	22,812		113,746	
Cash at bank & in hand		567,039		569,244	
		591,004		684,835	
Current Liabilities					
Creditors: Amounts due within one year	9	(41,406)		(134,051)	
Net Current Assets			549,598		550,784
Total Assets less Current Liabilities			565,315		556,588
Net Assets			565,315		556,588
Representing Charitable Funds:-					
Unrestricted Income Funds					
Development Fund			240,884		240,884
Accumulated Fund			324,431		315,704
Total Funds	11		565,315		556,588

Approved and authorised for issue on behalf of the London South Bank University Students' Union on

.....
I Abdishakur
Trustee

The notes on pages 12 to 18 form part of these accounts

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

NOTES TO THE ACCOUNTS

1 Accounting Policies

(a) Accounting convention

These accounts are prepared on the historical cost convention in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities' published in March 2005 (SORP 2005) and with applicable UK Accounting & Financial Reporting Standards.

(b) Going concern

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities on page 7.

(c) Incoming resources

All income and capital resources are recognised in the accounts when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty. The University grant of free serviced accommodation on the campus is accounted for as income and expenditure of the year at an estimated value to London South Bank University Students' Union by reference to the alternatives available on the commercial market.

(d) Resources expended

Expenditure includes irrecoverable VAT. Charitable expenditure comprises the direct and indirect costs of delivering public benefit. Governance costs are those incurred for compliance with constitutional and statutory requirements, such as the annual audit. Central overhead costs are apportioned to charitable and other projects/activities on a usage basis, pro rata to the total costs of each project or activity undertaken.

(e) Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. Equipment, fixtures and fittings are included at cost. Depreciation is provided at the following annual rates in order to write the cost of assets off over their estimated useful lives:-

Motor vehicles	over a period of approximately 8 years
Fixtures, Fittings and sundry equipment	rates ranging from 15% to 20% per annum

(f) Investments

London South Bank University Students' Union's fixed asset investments are valued at cost, as these assets are not readily saleable and a reliable market value is not readily ascertainable.

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

NOTES TO THE ACCOUNTS (Continued)

1 Accounting Policies (continued)

(f) Pension costs

London South Bank University Students' Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to London South Bank University Students' Union. Under the terms of FRS17, in these circumstances contributions are accounted for as if the Scheme were a defined contribution scheme based on actual contributions paid through the year.

(g) Stock

Stock is valued at the lower of the cost and its net realisable value.

(h) Fund accounting

London South Bank University Students' Union administers and accounts for a number of charitable funds, as follows:-

- (i) Unrestricted Funds** representing unspent income which may be used for any activity/purpose at the Trustees' own discretion;
- (ii) Restricted funds** raised and administered by London South Bank University Students' Union for specific purposes as determined by students, such as Club and Societies Accounts, as well as revenue received for purposes specified by the donor and also (if not material enough to require a separate column in the SoFA) any small capital grants received from the College.
- (iii) Custodian Funds** entrusted to London South Bank University Students' Union for safekeeping, but not under its management control, e.g., Clubs & Societies Funds and the annual RAG. Such custodian activities are disclosed in the Annual Report, but as the funds are not managed by London South Bank University Students' Union they cannot be included in the accounts.

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

NOTES TO THE ACCOUNTS (Continued)

2 Charitable and other Activity costs	Cost of Sales	Staff	Rent and Rates	Other	Total
	£	£	£	£	£
Resources expended					
Charitable Activities for Students					
Advice & Representation	-	309,602	121,064	78,496	509,162
Communications & Marketing	2,962	102,186	19,260	36,597	161,005
Student Activities	-	148,224	82,544	65,530	296,298
Governance	-	2,152	2,751	13,266	18,169
Total costs	2,962	562,164	225,619	193,889	984,634

Included in the above governance costs is the annual audit fee of £9,700 (2013: £9,450).

3 Central Overhead Costs included in Note 2	Usage	Staff	Rent & Rates	Other	Total
		£	£	£	£
Resources expended					
Charitable Activities for Students					
Advice & Representation	54%	94,699	121,064	28,891	244,654
Communications & Marketing	9%	15,066	19,260	4,596	38,922
Student Activities	37%	64,567	82,544	19,698	166,809
Governance	1%	2,152	2,751	657	5,560
Totals	100%	176,484	225,619	53,842	455,945

Other Costs comprised:-

	£
Audit Fees	10,000
Insurances	9,025
IT and Minor Equipment	8,089
Office costs (including telephone and stationery)	5,042
Depreciation	4,192
Conference and Travel	4,421
Professional Fees	2,271
Training	1,734
Subscriptions	1,459
Repairs and Maintenance	1,257
Sundry	<u>6,352</u>
	<u>53,842</u>

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

NOTES TO THE ACCOUNTS (Continued)

4 Staff Costs

	2014	2013
	£	£
Wages and salaries	445,970	443,496
Social security	38,558	33,365
Pension costs	34,452	31,161
	521,930	508,022

No employee earned over £60,000 per annum.

The average number of staff employed during the year was 16 permanent staff and 8 student and temporary staff members.

5 Trustees' Remuneration and Expenses

The Trustees' four sabbatical officers each received £19,600 (2013: £20,575) for the year, as authorised in the Union's governing document, for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities. This work includes voicing student opinion with the institution and local community, defending and extending the rights of students through petitions, discussion with MPs and also organising and supporting student volunteers and service provision for them. The total salary and NI costs for the sabbatical officers amounted to £ 92,488 (2013: £89,315).

There were no other trustee-benefits for the year.

Trustees were reimbursed a total of £3,440 (2013: £4,208) for the year in respect of personal travel and subsistence expenses.

6 Tangible Fixed Assets

	Total
	£
COST	
At 1 August 2013	249,623
Additions	15,374
Disposals	-
At 31 July 2014	264,997
DEPRECIATION	
At 1 August 2013	243,879
Charge for the year	5,401
Disposals	-
At 31 July 2014	249,280
NET BOOK VALUE	
At 31 July 2014	15,717
<i>At 31 July 2013</i>	<i>5,744</i>

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

NOTES TO THE ACCOUNTS (Continued)

7 Investments

	2014	2013
	£	£
At Cost		
Investment in NUS Services Limited	-	60
	-	60

LSBUSU sold its minority holdings of 60 'A' voting shares in this trading company during the year.

8 Debtors

	2014	2013
	£	£
Trade debtors	3,091	44,216
Social security & other taxes	9,785	-
London South Bank University	-	60,622
Other debtors	3,852	6,229
Prepayments & accrued income	6,054	2,679
	22,812	113,746

9 Creditors: Amounts due within one year

	2014	2013
	£	£
Trade creditors	6,239	7,698
Social security & other taxes	12,462	9,242
Other creditors	5,610	43,281
London South Bank University	-	53,816
Accruals & Deferred income	17,095	20,014
	41,406	134,051

10 Student Society/Club material funds held were:-

	Brought Forward	Income for Fund	Grants for Activities	Carried forward
	£	£	£	£
<i>Societies:</i>	-	3,554	3,554	-
Total	-	3,554	3,554	-

11 Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Income Funds	Capital Grant Fund	Total
	£	£	£	£
Fixed Assets	15,717	-	-	15,717
Net current assets	549,598	-	-	549,598
	565,315	-	-	565,315

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

NOTES TO THE ACCOUNTS (Continued)

12 Leasing Commitments

At 31 July 2014 London South Bank University Students' Union had annual commitments under non-cancellable operating leases as detailed below:

	2014	2013
	£	£
Plant and machinery		
Operating leases expiring within one year	-	-
Operating leases expiring within two to five years	5,068	5,068
	5,068	5,068

The amount paid during the year in respect of operating leases for plant and machinery was £5,068 (2013: £3,548).

13 Control Relationship

Ultimate control of London South Bank University Students' Union rests with its membership, represented by the Trustees.

14 Pension Costs

London South Bank University Students' Union participates in the Students' Union Superannuation Scheme, which is a defined benefit scheme whose membership consists of employees of students' unions and related bodies throughout the country. Benefits in respect of service up to 30 September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1 October 2003 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the Scheme closed to future accrual.

The most recent Valuation of the Scheme was carried out as at 30 June 2013 and showed that the market value of the Scheme's assets was £80,910,623 with these assets representing 52% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £73,849,000.

The assumptions which have the most significant effect upon the results of the Valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumptions applied at 30 June 2013:-

- The investment return would be 6.1% per annum before retirement and 4.1% per annum after retirement
- Pensions accruing on the CARE basis would revalue at 3.6% per annum.
- Present and future pensions would increase at rates specified by Scheme rules with appropriate assumptions where these are dependent on inflation.

The 2013 Valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 17 years and will increase by at least 5% each year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates applied with effect from 1 October 2014 and will be formally reviewed following completion of the next Valuation due with an effective date of 30 June 2016. Surpluses or deficits which arise at future valuations will also impact on London South Bank

LONDON SOUTH BANK UNIVERSITY STUDENTS' UNION
Annual Report and Accounts
for the year ended 31 July 2014

NOTES TO THE ACCOUNTS (Continued)

University Students' Union's future contribution commitment. In addition to the above contributions, London South Bank University Students' Union also pays its share of the Scheme's levy to the Pension Protection Fund.

NUSPS

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme, National Union of Students Pension Scheme (NUSPS). Contributions are at variable rates up to 6% for the employer and a minimum contribution rate of 3% for the employee. The Union's cost of contribution in the year amounted to £4,404 (2013: £7,288).

The total contributions paid into the two pension schemes by the London South Bank University Students' Union in respect of eligible employees for the year ended 31 July 2014 amounted to £36,452 (2013: £38,373), including deficit contributions.

London South Bank University

	PAPER NO: PR.50(14)	
Board/Committee:	Policy and Resources	
Date:	12 November 2014	
Paper title:	Insurance Claims	
Author:	Penny Green, Head of Procurement	
Executive sponsor:	Richard Flatman, Chief Financial Officer	
Recommendation by the Executive:	The Executive recommends that the Policy and Resources Committee notes this report.	
Aspect of the Corporate Plan to which this will help deliver?	Financial Control and performance	
Matter previously considered by:	P&R	Annually
Further approval required?	N/A	
Communications – who should be made aware of the decision?	N/A	

Executive summary

This paper is presented to Committee for information and to report the extent to which the University's insurance policies were relied upon in the 2013/14 period.

The University remains a member of the London Universities Purchasing consortium for insurance purposes, with Zurich Municipal being the principal insurer. The claims experience in 2013/14 is summarised in 2.2 and is considered to be low.

The committee is requested to note the report.

1. BACKGROUND

- 1.1 The University's Financial Regulations require that the University Secretary and Chief Financial Officer ensure;
 - 1.1.1 That appropriate insurance cover is provided for all aspects of the University's activities;
 - 1.1.2 The verification of insurance of any incidents which may give rise to a claim;
 - 1.1.3 The submission of a full claim where appropriate.
- 1.2 The University is a member of the London Universities Purchasing Consortium (LUPC) and retains the brokerage services of Gallagher Heath as part of a LUPC group insurance arrangement.
- 1.3 Effective from 1 January 2010 the insurance claims process has been administered by the University Governance, Information and Legal Team.
- 1.4 The University's claims record is reviewed annually with the appointed broker and insurers as part of the annual policy renewal process.

2. INSURANCE POLICIES

- 2.1 Insurance policies held by the University are renewed annually with effect from 1 August. A detailed report is submitted to Policy & Resources Committee each year in advance of renewal.

2.2 For the period 1 August 2013 to 31 July 2014 the University maintained the following insurance policies:

Policy	Insurer	Covers maintained	Claims in 2013/14 period
All Risks Policy	Zurich Municipal	Material damage Works in Progress Business Interruption Money Public Liability Employers Liability Libel & Slander Motor Engineering Fidelity Guarantee Personal Accident Travel Computer Engineering inspection	Yes
Professional Indemnity	Royal Sun Alliance	Professional Negligence Governors Liability	Yes
Terrorism Policy	UM Services Ltd	Property reinstatement Contents Business Interruption	No
Business Travel (for non-domicile employees)	Aon Protect	All risk travel cover for University Employees living and operating outside of UK territorial limits.	No
Fine Arts Policy	Blackwell Green	Cover for the Sarah Rose Art Collection.	No

3. UNIVERSITY EXPOSURE TO RISK UNDER 2013/2014 CLAIMS

- 3.1 Although unsettled claims were carried forward to 2014/2015 in the following All Risks categories – Motor (2 cases), Public Liability (4 cases) and Employers Liability (2 cases) – the University carries a minimal excess of just £100 per motor claim and no excess at all for a PL or EL claim, so the insurer Zurich effectively carries all the risk exposure.
- 3.2 The University's highest excess level is £20,000 per claim for All Risks Material Damage; 2 significant claims – both for flood damage - were settled in 2013/2014, but none were carried forward to 2014/15.
- 3.3 For Professional Indemnity cover the University carries an excess of £2,500 per claim, and in 2013/2014 Royal Sun Alliance settled one claim in the net-of-excess sum of £23,000; this was for fees paid to external lawyers in UK and USA who secured a legal indemnity, protecting University research used in FitFlop marketing against the risk of challenge in a threatened class action in California. No claims were carried forward to 2014/2015.

4. DECLARED LOSSES WITHIN POLICY EXCESS

- 4.1 The University is also required to declare to its insurers the incidence of insured perils which fall within policy excess and do not result in the submission of a claim.
- 4.2 There were no incidents falling into this category during 2013/14.