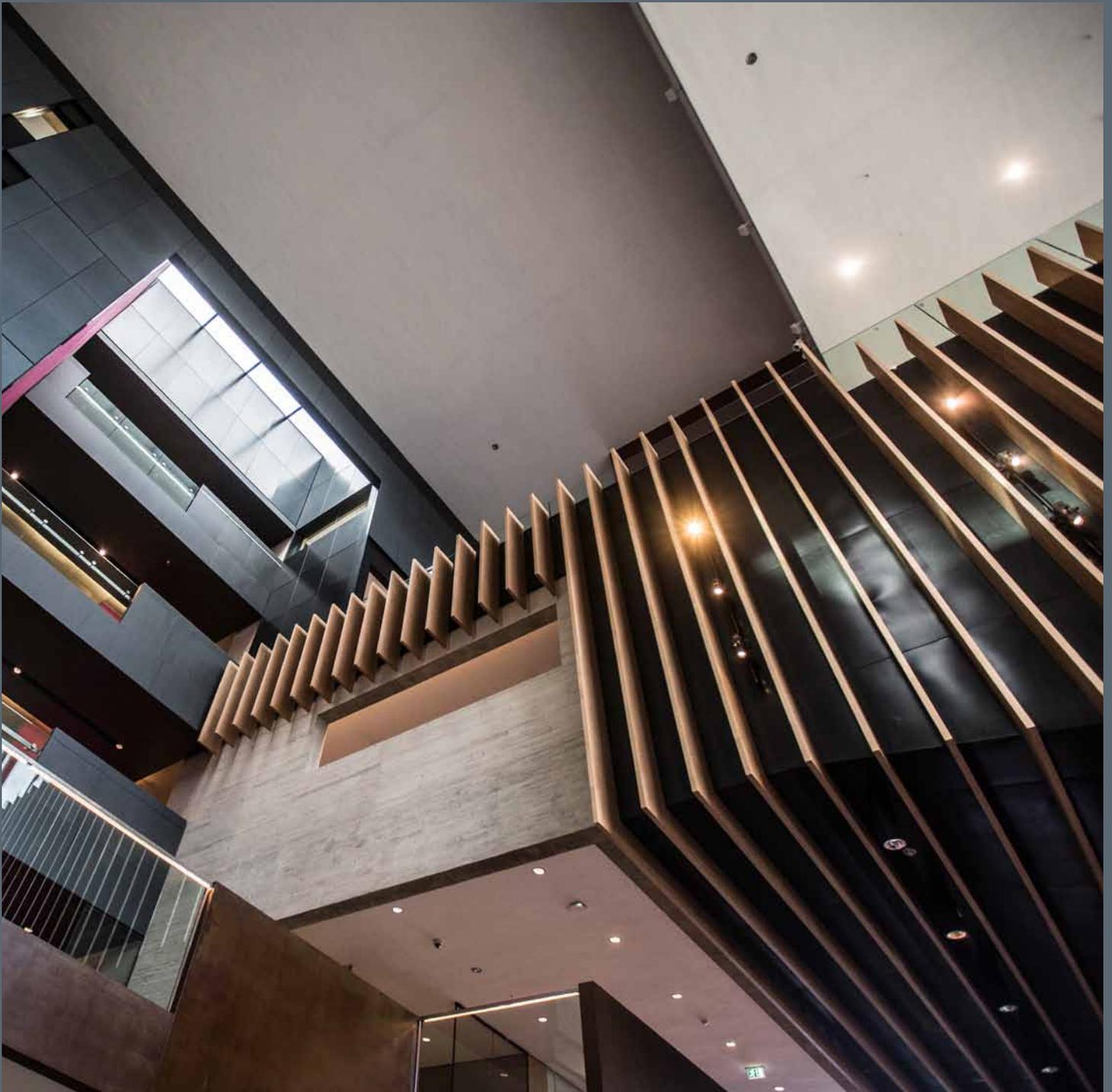


# ANNUAL ACCOUNTS 2012/2013



**OXFORD  
BROOKES  
UNIVERSITY**

**Financial Statements**

**Year ended 31 July 2013**

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# Financial highlights

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## Results

During the year to 31 July 2013 (2012 figures) the University group:

- Achieved all financial targets and KPIs
- Generated an operating surplus of £6.5m (£8.7m)
- Generated an historical cost surplus of £7.2m (£10.2m)
- Generated turnover of £165.5m (£168.4m)
  - Reduced income by £2.9m, or 1.8% (reduced by £2.2m)
  - Reduced expenditure by £0.6m, or 0.4% (reduced by £2.3m)
- Generated a net inflow of cash from operating activities of £19.8m (£16.8m)

### Financial strength

At the balance sheet date the University group had:

- Cash and short-term deposits of £29m (£25m)
- Net current assets of £7.8m (£8.0m)
- Total net assets of £158.0m (£131.3m)

### Investments and borrowings

During the year the University group:

- Invested £47.2m in tangible fixed assets (£52.9m)

These accounts represent the University Group, which consists of Oxford Brookes University, and Oxford Brookes Enterprises Ltd

# Board of Governors (Trustees)

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The membership of the Board of Governors, who are also Trustees for the year ended 31 July 2013 and incorporating any changes in membership up to and including 14 October 2013, was as follows:

## Independent Members

<b>Alyson Coates</b>	Non-executive Director, Oxford Health NHS Foundation Trust
<b>Geoffrey Donnelly</b> (Chair)	Various directorships in the HE sector and the NHS
<b>John Guy</b>	Education Consultant
<b>Martin Howell</b>	Chairman of Oxford Health NHS Foundation Trust
<b>Robert Kirtland</b>	Managing Director, Critchleys Chartered Accountants, Oxford
<b>Leslie Morphy</b> (Deputy Chair from 01.08.2013)	Chief Executive, Crisis
<b>Katherine Ryan</b>	Headteacher, Matthew Arnold School
<b>Louise Thomas</b>	Director, Thomas Design Regeneration & Consultation
<b>Alan White</b>	Director of Lenborough Consultants , Chairman of PSL [UK] Ltd and a non-executive director of Balmoral International Land Ltd

## Co-opted Members

<b>Ashley-Patson Aryee</b> (to 30.6.2013)	President of the Students Union
<b>Joel Holmes</b> (from 01.07.2013)	President of the Students Union
<b>Susan Howdle</b> (Deputy Chair to 31.07.2013)	Chair of the Westminster College Oxford Trust Ltd
<b>Peter Toomer</b>	Student Accommodation Manager, Oxford Brookes University
<b>Clive Wildish</b>	Programme Lead – Professional Development Programmes in Management & Leadership

## Ex-Officio Member

<b>Professor Janet Beer</b>	Vice-Chancellor, Oxford Brookes University
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# Finance and Resources Committee

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<b>Geoffrey Donnelly</b> (Chair to 31.07.2013)	Governor
<b>Alyson Coates</b> (Chair from 01.08.2013)	Governor
<b>Susan Howdle</b> (Member to 17.10.2012)	Governor
<b>Robert Kirtland</b> (Deputy Chair from 17.09.2013)	Governor
<b>Leslie Morphy</b> (Member to 17.09.2013)	Governor
<b>Louise Thomas</b> (Member from 18.10.2012)	Governor
<b>Alan White</b> (Deputy Chair to 17.09.2013)	Governor

# Audit Committee

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<b>Ian Barry</b>	Co-optee (Chief Financial Officer, CABI)
<b>Alyson Coates</b> (Deputy Chair and member to 18.10.2012)	Governor
<b>Jeremy Dawson</b>	Co-optee (Principal, JD and Associates Financial Management Practice)
<b>John Guy</b> (Chair)	Governor
<b>Martin Howell</b> (Deputy Chair from 18.10.2012)	Governor
<b>Katherine Ryan</b> (Member from 18.10.2012)	Governor
<b>Rebecca Scott</b>	Co-optee (Head of ERM, Jubilee Managing Agency Limited)
<b>Clive Wildish</b> (Member from 18.10.2012)	Teaching Staff Governor

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## Remuneration Committee

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<b>Alyson Coates</b> (Member from 18.10.2012)	Governor
<b>Geoffrey Donnelly</b> (Chair from 1.8.2012 to 18.10.2012)	Governor
<b>John Guy</b> (Member from 18.10.2012)	Governor
<b>Susan Howdle</b> (Chair & Member from 18.10.2012)	Governor

## Nominations Committee

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<b>Professor Janet Beer</b>	Vice-Chancellor and Governor
<b>Alyson Coates</b> (Member to 16.10.2013)	Governor
<b>Geoffrey Donnelly</b> (Chair)	Governor
<b>Martin Howell</b>	Governor
<b>Robert Kirtland</b> (Member from 18.10.2012)	Governor
<b>Leslie Morphy</b> (Member from 16.10.2013)	Governor

## Senior Management Team

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<b>Professor Janet Beer</b>	Vice-Chancellor
<b>Professor Chris Cooper</b>	Pro Vice-Chancellor and Dean of Faculty of Business
<b>Professor Alistair Fitt</b>	Pro Vice-Chancellor, Research and Knowledge Exchange
<b>June Girvin</b>	Pro Vice-Chancellor and Dean of Faculty of Health and Life Sciences
<b>Paul Inman</b>	Pro Vice-Chancellor and Dean of Faculty of Technology, Design and Environment
<b>Joanne Jones</b>	Director of Finance & Legal Services
<b>Professor Anne-Marie Kilday</b>	Pro Vice-Chancellor and Dean of Faculty of Humanities and Social Sciences
<b>Paul Large</b>	Registrar
<b>Professor John Raftery</b>	Pro Vice-Chancellor Student Experience

## Advisors

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**Bankers**                    **Barclays Bank plc**  
PO Box 333  
Oxford, OX1 3HS

**External Auditors**       **Baker Tilly Audit Limited**  
(formerly (RSM Tenon Audit Ltd)  
Vantage  
Victoria Street  
Basingstoke  
Hampshire  
RG21 3BT

**Internal Auditors**       **KPMG**  
One Snowhill  
Snow Hill Queensway  
Birmingham  
West Midlands  
B4 6GH

# Operating and Financial Review

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## SECTION 1 STRATEGIC OBJECTIVES

The Board of Governors of Oxford Brookes University presents its results, including the results of its subsidiaries for the year ended 31 July 2013. The University operates within the strategy developed and approved by the Board. This strategy was formulated in 2009/10, approved by the Board of Governors in February 2010 and sets the University direction until 2020.

### Mission

Oxford Brookes University is committed to leading the intellectual, social and economic development of the communities it serves through teaching, research and creativity that achieve the highest standards.

### Values

In the development and nurturing of intellectual creativity we make our highest contribution to society. Social responsibility demands that all aspects of our activity should be sustainable. Equality, inclusivity and the celebration of diversity must be the foundation for all we do. We will never be content with anything other than a wholehearted commitment to the quality of the student experience. We will continue to enhance the value – and the perception of value – of our social as well as educational mission.

### Vision

Oxford Brookes University will provide an exceptional, student-centred experience which is based on both internationally significant research and pedagogic best practice. We will build on a tradition of distinction in academic, professional and social engagement to enhance our reputation as a university which educates citizens for lives of consequence.

### Strategic Goals

The mission and vision are underpinned by four strategic goals each with two objectives:

#### Student Experience

We will be a university that enables a student experience of the highest standard possible. We will:

- Ensure that learning and teaching are at the leading edge and relevant to contemporary contexts.
- Provide an environment where students are proactively engaged in shaping their experience through influencing learning and extra-curricular policy, processes and outcomes.

#### Research and knowledge transfer

We will be a university that is committed to externally recognised world-leading research which is exploited and disseminated for the benefit of our communities. We will:

- Focus on the areas of research which are, or have the potential to be, recognised as world leading and encourage multi- and interdisciplinary research activity across the University.
- Increase the exploitation and dissemination of the highest quality research and collaboration with other Higher Education Institutions and the public, private and third sector.

#### External

We will be a university dedicated to improving the human condition in Oxfordshire and around the world. We will:

- Harness the creativity, knowledge, and commitment of the University's academics, staff and students to benefit urban and rural communities principally within Oxfordshire.
- Further develop mutually beneficial partnerships to facilitate the application of the University's education, research, and knowledge transfer nationally and internationally and to prepare the University's graduates to be engaged global citizens.

#### Infrastructure and services

We will be a university characterised by its sector-leading, high quality, sustainable and cost-effective services, operating within a culture of continuous improvement. We will:

- Manage our activities to achieve self-sustaining and robust finances and a strong position relative to the HE sector.
- Develop and enhance the quality and efficiency of the University's infrastructure and services.

#### Our Measures of Success

The University's specific targets are set out annually in a set of key performance indicators (KPIs). The University's Executive Board and Board of Governors monitor achievements in relation to the KPIs. Full details of these KPIs can be found in the Performance Report for Governors which is published annually in December.

#### 2012-13

2012-13 was the second year of operation of four faculties with their consistent administration and finance teams. We are now taking the opportunity to build on this consistent approach to optimise efficiency and effectiveness by reviewing systems and processes. The hub and spoke model introduced last year is now fully embedded and facilitates cross team working throughout the organisation.

Financial sustainability has been maintained. Key financial outcomes are highlighted at section 5 below. Financial sustainability KPIs were developed and agreed with the Board of Governors during 2012-13.

Risk management at both strategic and operational level is fully embedded, and Governors actively participate in the process.

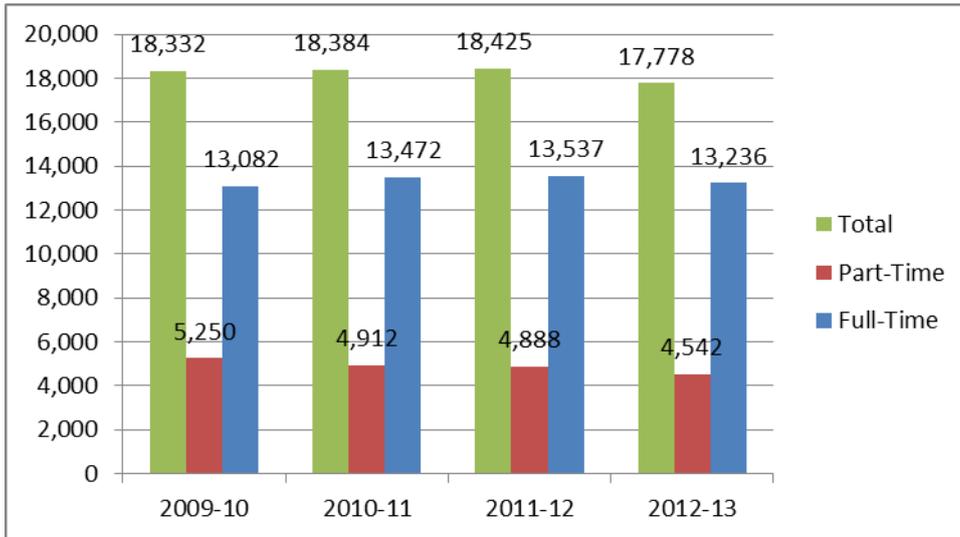
The University constantly strives to improve its environmental sustainability in the areas of travel, building energy use, ethical procurement, conservation and carbon reduction

The University continued to perform strongly in various league tables, increasing its ranking in the 2014 Times Good University Guide by two places. The University ranks in the top twenty in nine subjects. The overall satisfaction with Brookes courses, as measured in the National Student Survey in 2013, showed an increase of 2 percentage points over 2011-12 to 87%. This compares to the sector average of 85%, and is based on a response rate of 66%.

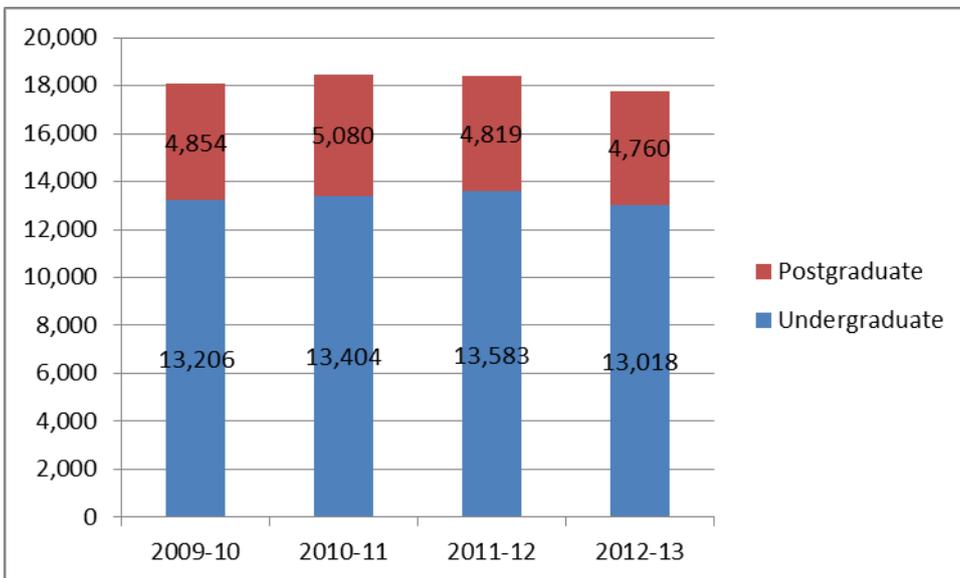
**SECTION 2 ACADEMIC REVIEW**

Overall student numbers (headcount) reduced in 2012-13, from 18,425 to 17,778, a fall of 3.5%. The fall was mainly in Undergraduate numbers, where there was a reduction of over 500 students. This has been attributed to both the reduction in target on campus undergraduate recruitment (15% reduction from September 2010 intake), with some growth in associate partner college numbers, plus the under-recruitment against target in line with decreased demand across the sector following the change in fee regime. Planned growth in Postgraduate student recruitment did not materialise, with recruitment being broadly consistent with the previous year

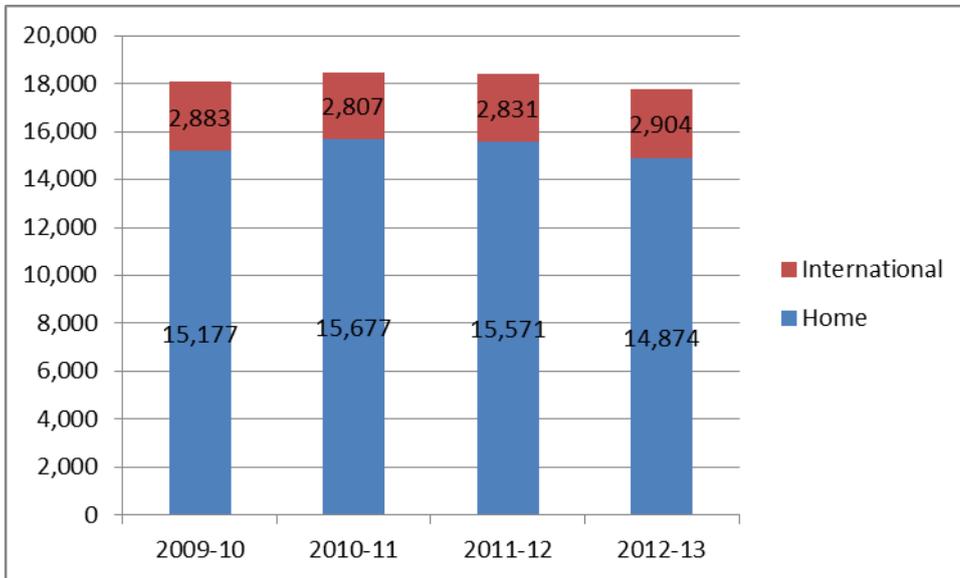
International recruitment increased, with student numbers rising from 2,831 to 2,904, an increase of 2.6%.



Student Numbers were 17,778 (2011-12: 18,425)

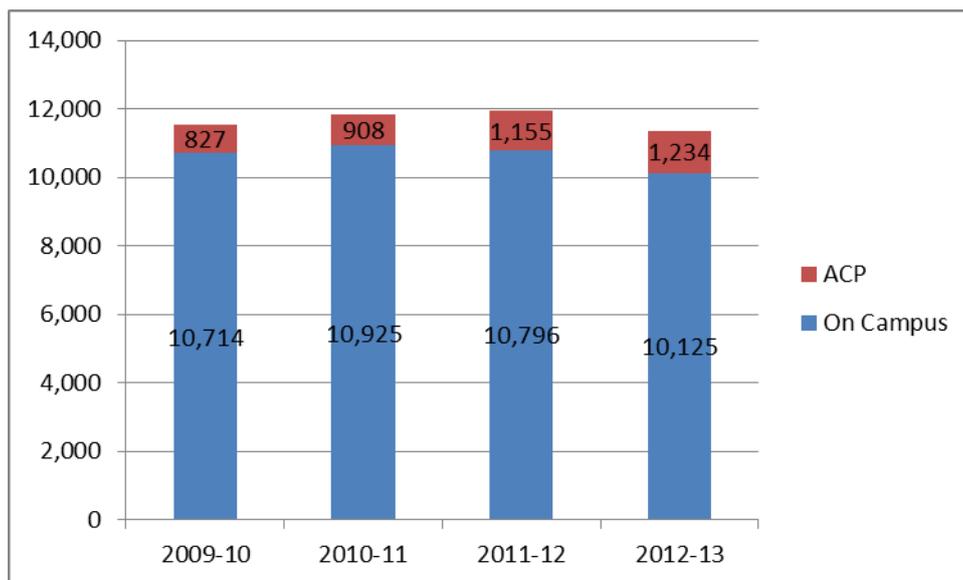


Analysis of Undergraduate and Postgraduate Students (Headcount)



Analysis of Home and International Students (Headcount)

The University strategy is to reduce the number of home Undergraduate students on campus, transferring some numbers to our partners in FE through the Associate College Partnership. The target was to reduce on campus numbers by 15% from the 2010 intake, through this mechanism. Since 2010-11, on campus numbers have been reduced by 800, or 7.3%. Student numbers at the Associate Colleges have grown by 300 in the same period.



Analysis of On Campus and Associate College Partnership Students (Headcount)

A suite of projects led by the Pro Vice-Chancellor (Student Experience) were undertaken to further enhance our student experience. Workstreams included in the programme were Peer Enhancement of Teaching and Learning, the upgrade to Moodle, the mapping of Graduate Attributes, and the development of Departmental Student Associations, which aim to foster environments in which student-staff interactions can exist, that encourage student engagement within departmental communities of learning. September 2013 will see the introduction of a Grade Point Average System, where Brookes will provide GPA Grades alongside the more traditional degree classifications, which will make the Brookes degree more portable in the international market.

### SECTION 3 STAFF

2012-13 saw a decrease in overall staff numbers from 2011-12. Within this, the number of teaching and research staff increased, and the number of support staff reduced. In addition, there was a reduced reliance on temporary academic staff during the period.

During the year, the University maintained its Investors in People Gold status, and continued to invest a minimum of 1% of salary costs in staff and educational development activity. The Oxford Centre for Staff and Learning Development, part of the Human Resources Directorate, is one of the largest and most established providers of staff and educational development in the HE sector, and is playing a leading role within the University in the implementation of the Strategy for the Enhancing the Student Experience.

One form of staff development has been the Shadow Executive Board, where nominated colleagues from across the University discuss the same presentations and papers as the main Executive Board. The meetings are quarterly, and are chaired by the Vice Chancellor. The conclusions of discussions are fed into the main Executive Board meeting.

#### **SECTION 4 INFRASTRUCTURE**

2012-13 saw the continued investment in new infrastructure, as the construction of the new John Henry Brookes building continued throughout the year. The University expects this building to be completed during 2013-14.

The IT investment programme continued to be rolled out with projects totalling £5 million now in the course of development. WiFi coverage has been significantly improved across all campus areas in 2012-13, and Halls are due to be improved in 2013-14.

#### **SECTION 5 FINANCIAL RESULTS**

The financial highlights for the year are summarised in page three. The surplus for the year was £7.2m which was an improvement on the planned surplus of £5.9m. The surplus was a reduction of £3.0m on 2011-12. Income fell by £3.0m (2011-12 decreased by £2.2m), and expenditure decreased by £0.7m (2011-12 decreased by £2.3m).

The University drew down £33m of the £75m loan facility to fund the capital programme and achieved all financial KPIs and covenants.

The University generated £19.8m cash from operating activity (2012-13: £16.8m) which we anticipate will be in line with sector upper quartile performance, as expressed by net cash flow from operating activities as a percentage of total income.

The financial KPIs were updated for 2012-13, and are:

- To achieve a level of operating surplus that generates sufficient cash to resource agreed strategic investment (i.e. surpluses identified in the plans) - Achieved
- To contain staff costs to below 55% of turnover and aim for 50% - 54.2% Achieved
- To maintain net current assets (i.e. 1:1) and aim for a ratio of current liabilities to current assets of 1:1.25 – 1:1.24 Achieved
- To achieve all loan covenant ratios within safety margins and HEFCE annual servicing cost requirements - Achieved

The University 5 year financial forecasts show continued sustainable surpluses that reflect the latest student number forecasts, the new investment in infrastructure and assumed efficiency targets. We anticipate that we shall fully utilise our £75m loan facility during 2013/14.

#### **SECTION 6 PUBLIC BENEFIT**

In preparing these statements, the trustees have had due regard to the Charity Commission guidance on public benefit. As an exempt charity providing higher education, the key beneficiaries are our students, and through them wider society. The foregoing section sets out how the University aims to realise its goals. In addition there are a number of ways the University provides benefits directly both to the wider public and to groups including those that might otherwise be excluded from higher education because of financial circumstances.

A sample of the actions and activities undertaken during the year ended 31 July 2013 were:

- Provided means tested bursaries and scholarships totalling £3.9 million to 3,188 students
- Provided means tested fee waivers totalling £1.6 million to 949 students.
- The relationship with FE partners in the Associate College Partnership provides non-traditional access routes into HE. During the year, 1,234 students were studying on programmes ranging from Foundation Degrees through to Masters Degrees at partner organisations. This was an increase of 6.8% on the previous year's activities.
- Oxford Brookes researchers won grants in 2012-13 to research a variety of subjects. Highlights include an award of £1.1m from the EPSRC to research effective ways to promote independent cycling for enhancing later life experiences, leading a consortium of researchers from other institutions. The School of Arts won a grant of £650k from the AHRC to research Italian cinema audiences of the 1940s and 1950s, working with colleagues in Bristol and Exeter.
- The University was audited by the Research Councils UK, and received the categorisation of 'Substantial Assurance', the highest rating that the audit gives out.
- Oxford Brookes was one of 56 HEIs selected to receive HEFCE funding for social enterprise awards in 2012-13. The programme was open to staff, students and recent graduates and involved a series of seminars and other events culminating in a "Dragon's Den"-style pitch for funding by project leaders. The programme attracted over 150 participants and made 28 awards, the largest being nearly £12,000 for a social enterprise based on cycling promotion and services. Oxford Brookes won the UnLtd Champions of Change award for

outstanding support by a university new to social enterprise in recognition of this outstandingly successful programme

- Further to a successful KTP project with IHG rated Outstanding by independent assessors working on behalf of the Technology Strategy Board in 2011, a follow-on project has also been rated as Outstanding in 2013. Both the KTP Associates, university employees working on the projects, have been recognised by the TSB as Business Leaders of Tomorrow in its annual awards ceremony after an exhaustive selection process. This unique achievement was further recognised by the Institute of Risk Management when Oxford Brookes and IHG won the Partnership of the Year award in its national awards ceremony in February 2013

## **SECTION 7 CORPORATE RESPONSIBILITY**

A key University value is that 'Social responsibility demands that everything which we do must be sustainable' and the corporate responsibility programme underpins this. The fundamental aim of the corporate responsibility programme is to seek to ensure the University has a net positive impact. The University produces a Sustainability report each year which provides an analysis of the University's sustainability performance in the following areas

- Transport
- Carbon reduction
- Waste management
- Water
- Biodiversity
- Sustainable construction
- Community involvement

### **Diversity**

The University continues to be committed to increasing diversity amongst both its students and employees through the ongoing development of a culture where each individual's contribution is valued and where individuals are treated with dignity and respect. During the year the University's Equality, Diversity and Inclusion Policy has been updated and a new Executive Board sub-group has been established under the chairmanship of the Vice-Chancellor to ensure actions result from the policy.

Oxford Brookes University promotes equality of opportunity for disabled people. We want all disabled people to have a positive experience at the University, whether they are here to study, work or visit. Our Student Disability and Dyslexia Service provides support, advice and information to current and prospective students, working with them to develop individual support plans to meet their needs. The Staff Disability Adviser gives advice to disabled members of staff and their line managers, and may also be contacted by job applicants.

### **Health and Safety**

The University has agreed a health and safety policy to meet its obligations as a corporate body. A Health and Safety Committee exists to ensure that the policy is followed and that issues of concern are investigated and resolved.

### **Insurance of Officers and Governors**

The University maintains insurance for its Officers and Governors in respect of their duties as Officers and Governors of the University. The insurance includes cover for individuals co-opted onto committees.

### **Creditor payment policy**

The University generally pays creditors 30 days from invoice date unless specified otherwise in the terms of the contract. Group creditor days at 31 July 2013 amounted to 8 days (2012: 5 days).

Signed on behalf of the Board of Governors by:



**G Donnelly**  
Chair of Governors

# Corporate Governance and Internal Control

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## Introduction

The University is committed to best practice in all aspects of its corporate governance and has regard to the voluntary Governance Code of Practice contained in the Committee of University Chairmen's 'Guide for Members of Higher Education Governing Bodies in the UK', published in March 2009. The summary below describes the manner in which the University has applied the principles set out in the Combined Code on Corporate Governance issued by the London Stock Exchange in 2010 in so far as they relate to Universities. Its purpose is to help the reader of the financial statements understand how the principles have been applied.

## The Board of Governors

The Board of Governors, which meets formally five times a year, is responsible for the University's long-term objectives and for strategies in relation to the educational character and mission of the University and for providing overall financial and organisational control. The board comprises nine non-executive governors, the Chief Executive (the Vice-Chancellor), two governors representing University staff, the President of the Students' Union and the chair of the Westminster College Oxford Trust Ltd. There is a clear separation of the role of the non-executive Chair from that of the Vice-Chancellor. The board has determined that the Vice-Chancellor shall be the person designated as responsible for satisfying the Board that all conditions of receiving and using grant aid from HEFCE have been met. The University's constitution places responsibility for the University's operations in the Vice-Chancellor who, supported by the senior management team, implements the Board's policies and develops and manages the University's business.

A majority of the Board must, by law, be independent of the University, and they bring with them a wealth of expertise from their respective fields of business and professional activity. Board members are appointed in accordance with the requirements of the Education Reform Act 1988 and appointment processes and terms of office are laid out in the procedures for the appointment of Governors adopted by the Board. The normal term of appointment is four years, after which members may be eligible for reappointment. No board member may serve for more than two consecutive terms of four years, other than the Vice-Chancellor and the student governor, who may remain members as long as they hold the position of Vice-Chancellor and President of the Students' Union respectively. The Standing Orders of the board make provision, by resolution, for the extension of a member's term of office beyond the normal limit of eight years, where that is necessary to allow the member to serve a maximum term of four years as either Chair or Deputy Chair.

## Senior Management Team and Executive Board

The Senior Management Team of the University comprises the Vice-Chancellor, two Pro Vice-Chancellors (PVC's) with specific responsibility for, respectively, the student experience and research and knowledge exchange, the Registrar, the four PVC Deans of Faculty and the Director of Finance and Legal Services.

The team meets formally on a fortnightly basis. The team also meets with the Associate Deans (Strategy and Development) and the directors of the University's administrative departments monthly, and is constituted as the Executive Board. The Executive Board's role derives from the executive powers of the Vice-Chancellor. It is constituted in order to focus on decision making and also serves as a body which can be used by the Vice-Chancellor for briefing, consultation and communication with senior managers as a group. The objective of the Executive Board is to ensure that an appropriate level of consideration is given to strategic decisions, that there is accountability for those decisions, and that improved communication with the wider senior management group is achieved. Specifically, the Executive Board determines:

- strategic and operational plans
- the annual budget and financial forecasts for the Vice-Chancellor to propose to the Board of Governors for approval
- the implementation of policies as necessary and monitoring of the University's performance against plans
- determination and oversight of the processes by which strategic and operational planning are undertaken, resources allocated and targets, including student numbers, are achieved
- implementation and monitoring of the University's risk management strategy
- consideration of reports on value for money
- day-to-day 'business as usual' matters concerning the management of the University

## Finance and Resources Committee

The Committee meets at least four times a year. Membership consists of five Governors. The committee is responsible for:

- advising the Vice-Chancellor on a recommendation to the board for the coming year's recurrent and capital budgets, and on the cash flow forecast and draft balance sheet arising therefrom
- considering for approval by the board a rolling five-year strategic plan, including financial plans (both revenue and capital) projected cash flow and balance sheets, taking account of the requirements of the Funding Councils
- recommending an estates strategy to the board
- reviewing and recommending to the board borrowing or other financial vehicles necessary to fund the strategy, and the release of funds for specific projects
- advising the board on the acquisition or disposal of land and buildings
- advising the board in their consideration of budget monitoring statements
- monitoring the implementation of the Human Resources Strategy and to review it and recommend necessary changes to the board at least every five years.

These are the key areas but are not the full terms of reference.

## Audit Committee

The Audit Committee meets at least four times a year. Membership consists of four Governors and three co-opted members. The committee is responsible for advising the board on:

- the effectiveness of the internal audit service and ensuring that their recommendations are appropriately executed

- the effectiveness of internal control and risk management procedures
- the work of the external auditors and whether they are effectively carrying out their responsibilities to the Board of Governors by reporting that the University's financial statements present a true and fair view of the year's activities
- the existence of satisfactory arrangements to promote economy, efficiency and effectiveness
- recommending the approval of the financial statements
- the systems and processes whereby assurance is obtained on the quality of all data returns.

These are the key areas but are not the full terms of reference.

### **Remuneration Committee**

The Remuneration Committee meets as necessary to review the policy for the remuneration of the senior staff appointed by the Board of Governors. Membership consists of three non-executive Governors and the Vice-Chancellor. The Vice-Chancellor is excluded from matters concerning their own remuneration.

### **Nominations Committee**

The Nominations Committee comprises four non-executive Governors and the Vice-Chancellor. It is responsible for advising the board on the appointment of new non-executive Governors, co-opted Governors, and members of the University Court.

### **Academic Board**

The Academic Board of the University is chaired by the Vice-Chancellor and comprises representatives of both the academic and related areas of the University, a proportion of whom are elected representatives. The Academic Board is responsible for:

- general issues relating to the research, scholarship, teaching and courses at the University, including criteria for the admission of students; the appointment and removal of internal and external examiners; policies and procedures for assessment and examination of the academic performance of students; the content of the curriculum; academic standards and the validation and review of courses; the procedures for the award of qualifications and honorary academic titles; and the procedures for the exclusion of students for academic reasons
- considering the development of the academic activities of the University and the resources needed to support them and for advising the Vice-Chancellor and the Board of Governors thereon
- advising on such other matters as the Board of Governors or the Vice-Chancellor may refer to the Academic Board

### **Internal Control**

The key elements of the University's systems of internal financial control, which are designed to discharge the responsibilities of the Board of Governors, include the following:

- clear definitions of the responsibilities of, and the authority delegated to, heads of academic and administrative departments
- a comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash-flow budgets
- regular reviews of academic performance and monthly reviews of financial results involving variance reporting and updates of forecast outturns
- clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review
- comprehensive financial regulations, detailing financial controls and procedures, approved by the Audit Committee and the Board of Governors
- a professional internal audit team whose annual programme is approved by the Audit Committee.

Any systems of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.

### **Charitable status**

The University is an Exempt Charity as defined by the Charities Act 2011. From June 2010, HEFCE became the principal regulator for exempt Charities, and these financial statements are prepared in accordance with the provisions of the HEFCE Financial Memorandum. Where activities undertaken by the University may fall outside the terms of its charitable status, these are undertaken through Oxford Brookes Enterprises Limited. The majority of the profits of that company are gift aided annually to the University. All the activities operated directly by the University are of a charitable nature and as such not liable to corporation tax.

### **Statement of Board of Governors' Responsibilities**

In accordance with the Education Reform Act 1988 the board is responsible for the overall administration and management of the affairs of the University, including ensuring an effective system of internal control, and is required to present audited financial statements for each financial year.

The board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the University and enable it to ensure that the financial statements are prepared in accordance with the Education Reform Act 1988, the requirements of HEFCE and the Statement of Recommended Practice on accounting in HE institutions and other relevant accounting standards. In addition, within the terms and conditions of a financial memorandum agreed with HEFCE, the board, through its designated office holder, is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University and of the surplus or deficit and cash flows for that year.

In preparing the financial statements, the board has to ensure 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, subject to any material departures disclosed and explained in the financial statements
- financial statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation.

The board has taken reasonable steps to:

- ensure that funds from HEFCE, the Skills Funding Agency (SFA) and the Training and Development Agency for schools (TDA), are used only for the purposes for which they have been given and in accordance with the financial memorandum with HEFCE and the funding agreements with the SFA and TDA, and any other conditions that the funding councils or agency may from time to time prescribe
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources
- safeguard the assets of the University and to prevent and detect fraud
- secure the economical, efficient and effective management of the University's resources and expenditure.

In their oversight of the University, the Governors have responsibility for ensuring the maintenance and integrity of the University website. The work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation of and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Disclosure of information to auditors**

The members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the University's auditors are unaware; and each member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the University's auditors are aware of that information.

#### **Risk management**

The University's strategic risk management process continues to provide effective systems for the identification of the major strategic and financial risks facing the University. During 2012-13 the University's Executive Board and Board of Governors monitored the four highest level strategic risks whilst other risks continued to be managed as part of the established management arrangements.

The key financial risks which materialised in the year had been identified in the financial risk and contingency workshop in May 2012. No significant risks materialised that had not been identified through the risk management process.

The key elements of the University's approach during the year, designed to discharge the responsibilities of the Board of Governors, were:

- A review of the University's approach and attitude to risk. This included active participation from senior management.
- Two workshops to identify, evaluate and categorise by severity risks which impacted on the achievement of strategic objectives.
- The production of an updated risk register.
- The development of risk improvement plans to address the two highest categories of risk and the confirmation of the delegation of responsibility to manage the less significant risks.
- Regular monitoring by the Executive Board of the risk register and of the implementation of improvement plans for the four highest severity risks.
- Regular meetings of the Risk Management Working Group, a small group of senior managers, chaired by the Registrar, to review both the output of the risk management process but also to consider improvements and developments to the process itself and the development of additional risk management procedures at an operational level. The group assisted the Executive Board by evaluating the adequacy of responses to the most severe risks and directly monitoring the second highest category of risks. The group also advised on the reports to the Board of Governors and Audit Committee. The Group has no delegated authority itself but provides an effective forum to allow the Registrar and the Director of Finance and Legal Services to fulfil their responsibilities.
- Regular reports both to the board and the Audit Committee on the development of the process, the most severe risks and progress with improvement plans.
- Training courses on project risk management, as part of the regular provision offered by the University's dedicated training unit, the Oxford Centre for Staff and Learning Development.
- High level involvement and support which included the Vice-Chancellor taking an active part in one of the risk workshops and chairing the Executive Board which considered the risk register and improvement plans and other reports on key aspects of the University's performance. Several members of Executive Board took an active part in at least one of the various workshops.
- That the Internal Audit team based their plan of work on the University's risk analysis, modified by their assessment. In addition, the Internal Audit Team reviewed the University's system of risk management.
- A workshop convened to specifically review the main risks to the University's financial plans, and to predetermine what actions might be taken if certain events occurred.

### **Review of the effectiveness of internal control and risk management**

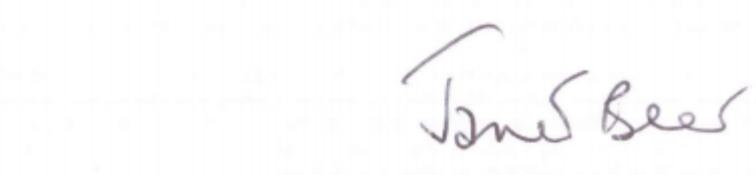
At its meeting in November 2013 the Board of Governors considered the effectiveness of the arrangements for internal control and risk management that had been in place for the financial year to 31 July 2013. The Board of Governors concluded, based upon the report from the Vice-Chancellor, endorsed by Executive Board and the Annual Report of the Audit Committee, that the arrangements in place were satisfactory to provide effective internal control and risk management throughout the year.

### **Going concern**

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the University has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.



Geoffrey Donnelly  
**Chair of Governors**  
27 November 2013



Professor Janet Beer  
**Vice-Chancellor**  
27 November 2013

# Independent auditors' report

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We have audited the financial statements of Oxford Brookes University for the year ended 31 July 2013 which comprise the consolidated income and expenditure account, statement of consolidated total recognised gains and losses, group and entity balance sheets, the consolidated cash flow statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the University's Board of Governors, as a body in accordance with paragraph 124B of the Education Reform Act 1988. Our audit work has been undertaken so that we might state to the University's Board of Governors those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the University's Board of Governors as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective responsibilities of the University's Governing Body and Auditors

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

Our responsibility is to audit and express an opinion of the financial statements in accordance with applicable law, regulatory requirements and International Standards on Auditing (UK and Ireland) and the Audit Code of Practice issued by the Higher Education Funding Council for England. Those standards require us to comply with the Auditing Practices Board's (APB'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 APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

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

## Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the University's affairs as at 31 July 2013 and of the surplus of income over expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice: Accounting for Further and Higher Education;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Education Reform Act 1988;

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

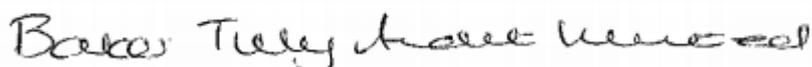
In our opinion, in all material respects:

- income from the Higher Education Funding Council for England and the National College for Teaching and Leadership, grants and income for specific purposes and from other restricted funds administered by the University have been applied for the purposes for which they were received; and
- income has been applied in accordance with the University's statutes and where appropriate with the applicable memorandums with the Higher Education Funding Council for England.

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

We have nothing to report in respect of the following matter where the Higher Education Funding Council for England Audit Code of Practice requires us to report to you if, in our opinion:

- the statement of Internal Control (included as part of the Corporate Governance Statement) is inconsistent with our knowledge of the University.



**Baker Tilly Audit Limited**

**Statutory Auditor**

**Date:**

**Office Address:** Vantage, Victoria Street, Basingstoke, Hampshire. RG21 3BT

# Statement of principal accounting policies and estimation techniques

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## Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of inherited land and buildings at valuation and in accordance with the Statement of Recommended Practice: Accounting in Further and Higher Education Institutions applicable Accounting Standards and HEFCE's Accounts Direction for 2012-13.

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements.

## Basis of consolidation

The consolidated financial statements comprise the financial statements of the University and its subsidiaries.

The consolidated financial statements do not include those of the Oxford Brookes University Students' Union as it is an entity in which the University has no financial interest and no control or significant influence over policy decisions.

## Recognition of income

Recurrent grant income from HEFCE, TA and the SFA represents the support receivable towards the education, training and research activities of the University and is credited direct to the income and expenditure account.

Income from research, other services rendered and specific donations has been included in the financial statements to the extent of related expenditure incurred during the period, including any contribution towards overhead costs. HEFCE research income is credited direct to the income and expenditure account.

Grants receivable for capital purposes are credited to the deferred capital grants account and released to match the related depreciation charges. Grants due but not received for expenditure incurred on tangible fixed assets are shown as other debtors and grants received but not yet utilised are shown as payments received on account.

All tuition fee income is presented on an accruals basis.

Income from short term deposits is credited to the income and expenditure account in the period in which it is earned.

## Tangible fixed assets

Assets are shown at cost, or, in the case of freehold and leasehold properties vested in the University under the Education Reform Act 1988, at valuation. The valuation as at 1 April 1991 was carried out by an independent firm of chartered surveyors and rating consultants on the basis of depreciated replacement cost in the case of buildings, except where a market value was more appropriate, and current use market value in the case of land.

The University has adopted the transitional arrangements under FRS 15 (Tangible Fixed Assets). Those assets presented in the accounts based on valuation at 1 April 1991 will be retained at that valuation and will not be revalued in future years.

All buildings are regularly reviewed for indications of impairment. Where there is impairment the difference between the assessed recoverable value of the building and its written down cost is charged to the Income and Expenditure Account.

Equipment costing less than £10,000 is written off in the year of acquisition. All other equipment is capitalised. Depreciation is provided on all capitalised tangible fixed assets, other than freehold land, at rates calculated to write-off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	10 to 50 years
Leasehold property	The lower of the length of the lease, the life of the building, or 50 years
Building alterations and improvements	5 to 20 years
Educational equipment	3 to 10 years
Fixtures and fittings	5 to 10 years
Computer equipment	3 to 5 years
Motor vehicles	3 to 5 years

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

## Stocks and work in progress

Catering, building maintenance, trading and other bulk stock holdings are included at the lower of cost and net realisable value. Work in progress is valued at actual cost. Library books and other consumable stocks held by academic departments are excluded. Research projects are valued at cost or net book value, whichever is the lower.

## Endowment Reserves

Donations received by the University are shown in a specific endowment reserve.

## **Taxation status**

The University is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 (previously Schedule 2 of the Charities Act 1993) and as such is a charity within the meaning of Paragraph 1 of Schedule 6 to the Finance Act 2010. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 (CTA 2010) (formerly enacted in Section 505 of the Income and Corporation Taxes Act 1988 (ICTA)) or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

All subsidiary companies are liable to Corporation tax and Value Added Tax in the same way as any other commercial organisation. The University's principal activities are exempt from Value Added Tax, but certain ancillary supplies and services are liable to Value Added Tax at various rates. Expenditure includes irrecoverable Value Added Tax charged by suppliers to the University.

## **Maintenance of premises**

The cost of maintenance is charged to the income and expenditure account as incurred.

## **Foreign currencies**

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of transaction. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income and expenditure account.

## **Pension schemes**

Retirement benefits to employees of the University are provided by defined benefit schemes that are funded by contributions from the University and employees. Payments are made to the Teachers' Pension Scheme, the Universities' Superannuation Scheme and the Local Government Pension Scheme administered by Oxfordshire County Council. These are all independently administered schemes. Pension costs are assessed on the latest actuarial valuations of the schemes and are accounted for on the basis of charging the cost of providing pensions over the period during which the University benefits from the employees' services.

The University has adopted FRS 17 (Retirement Benefits), in the financial statements.

The TPS and USS are multi-employer pension schemes and the University is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS and USS are therefore treated as defined contribution schemes and the contributions are recognised as they are paid each year.

The assets of the LGPS are measured using closing market values. LGPS liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The increase in the present value of the liabilities of the scheme expected to arise from the employee service in the period is charged to the operating surplus. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time, are included in the pension finance costs. Actuarial gains and losses are recognised in the statement of recognised gains and losses.

## **Revaluation reserve**

The revaluation reserve represents the net book value at the balance sheet date of the tangible fixed assets to which the University acquired unrestricted title on 1 April 1989 as a result of the Education Reform Act 1988. A sum equal to the depreciation charge on these assets is transferred from the revaluation reserve to the income and expenditure account each year. The assets were revalued in 1991.

## **Operating leases**

Rental costs in respect of operating leases are charged to the income and expenditure account in equal annual instalments over the periods of the leases.

## **Finance leases**

Fixed assets held under finance leases and the related lease obligations are recorded in the balance sheet at the purchase price of the leased assets at the inception of the lease. The excess of lease payments over recorded lease obligations are treated as finance charges which are amortised over the lease term to give a constant rate of charge on the remaining balance of obligations.

## **Investments**

Both short-term and long-term investments are included in the balance sheet at the lower of cost and net realisable value.

## **Agency arrangements**

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

## **Prior Year Adjustment**

The University made a Prior Year Adjustment to the Balance Sheet as at 31 July 2012, to reflect the Endowment Asset and Endowment Reserves as separate lines. These had previously been shown as Current Asset Investments and Creditors (Deferred Income) respectively. The change to the balance sheet better reflects the donations received by the University. There is no effect on the Income and Expenditure account. Notes 16 and 21 are expanded to give further analysis.

# Consolidated income and expenditure account for the year ended 31 July 2013

	Notes	2013 £000	2012 £000
<b>INCOME</b>			
Funding Council grants	1	32,660	46,938
Tuition fees and support grants	2	86,255	73,275
Research grants and support contracts	3	3,597	4,042
Other operating income	4	42,696	43,738
Interest receivable	5	340	391
<b>Total income</b>		<b>165,548</b>	<b>168,384</b>
<b>EXPENDITURE</b>			
Staff costs	6	90,358	90,041
Depreciation and impairment of assets	11	10,126	9,945
Other operating expenses	8	54,112	55,474
Interest payable	9	4,437	4,175
<b>Total expenditure</b>	10	<b>159,033</b>	<b>159,635</b>
Surplus before exceptional items		6,515	8,749
Exceptional items - disposal of fixed assets	13	-	-
<b>Operating surplus after depreciation of assets at valuation</b>		<b>6,515</b>	<b>8,749</b>

## Note of historical cost surpluses and deficits

Operating surplus after exceptional items and depreciation of assets at valuation		6,515	8,749
Difference between historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	20	686	713
Impairment of buildings	20		768
Realisation of property revaluation gains of prior years	20	-	-
Historical cost surplus after depreciation of assets at valuation		<b>7,201</b>	<b>10,230</b>

## Statement of consolidated total recognised gains and losses

Operating surplus after exceptional items and depreciation of assets at valuation and tax		6,515	8,749
Actuarial gain / (loss) in respect of pension scheme	28	21,618	(755)
Total recognised gains relating to the year		<b>28,133</b>	<b>7,994</b>

The income and expenditure of the University relates wholly to continuing operations.

# Balance sheets

	Notes	2013 Group £000	2013 University £000	Restated 2012 Group £000	Restated 2012 University £000
<b>Fixed assets</b>					
Tangible assets	11	296,025	295,380	258,974	258,307
Investments	12	115	1,115	115	1,116
		<u>296,140</u>	<u>296,495</u>	<u>259,089</u>	<u>259,423</u>
Endowment Asset	16	2,336	2,336	2,420	2,420
<b>Current assets</b>					
Stocks and work in progress	14	1,057	881	1,349	1,086
Debtors - amounts falling due before one year	15	9,492	9,750	8,328	10,640
Current asset investments	16	24,334	24,334	21,142	20,380
Cash at bank and in hand		2,398	1,932	1,452	-
		<u>37,281</u>	<u>36,897</u>	<u>32,271</u>	<u>32,106</u>
Creditors - amounts falling due within one year	17	<u>(29,526)</u>	<u>(28,989)</u>	<u>(24,304)</u>	<u>(23,948)</u>
<b>Net current assets</b>		<u>7,755</u>	<u>7,908</u>	<u>7,967</u>	<u>8,158</u>
<b>Total assets less current liabilities</b>		<b>306,231</b>	<b>306,740</b>	<b>269,476</b>	<b>270,001</b>
Creditors - amounts falling due after more than one year	18	<u>(124,862)</u>	<u>(124,862)</u>	<u>(92,888)</u>	<u>(92,888)</u>
Net assets excluding pension liability		<b>181,369</b>	<b>181,878</b>	<b>176,588</b>	<b>177,113</b>
Pension liability	28	<u>(23,411)</u>	<u>(23,411)</u>	<u>(45,247)</u>	<u>(45,247)</u>
<b>Net assets including pension liability</b>		<u><b>157,958</b></u>	<u><b>158,467</b></u>	<u><b>131,341</b></u>	<u><b>131,866</b></u>
<b>Deferred capital grants</b>	19	<b>24,436</b>	<b>24,436</b>	<b>25,868</b>	<b>25,868</b>
<b>Endowment - Expendable</b>	21	<b>2,336</b>	<b>2,336</b>	<b>2,420</b>	<b>2,420</b>
<b>Reserves</b>					
Income and Expenditure Account excluding pension reserve	21	<b>127,568</b>	<b>128,077</b>	<b>120,585</b>	<b>121,110</b>
Pension Reserve	28	<u>(23,411)</u>	<u>(23,411)</u>	<u>(45,247)</u>	<u>(45,247)</u>
Income and Expenditure Account including pension reserve	21	<b>104,157</b>	<b>104,666</b>	<b>75,338</b>	<b>75,863</b>
Revaluation reserve	20	<u>27,029</u>	<u>27,029</u>	<u>27,715</u>	<u>27,715</u>
<b>Total funds</b>		<u><b>157,958</b></u>	<u><b>158,467</b></u>	<u><b>131,341</b></u>	<u><b>131,866</b></u>

These financial statements were approved by the Board on 27 November 2013 and signed on its behalf by:

Geoffrey Donnelly  
Chair of Governors

Professor Janet Beer  
Vice-Chancellor

# Consolidated cash flow statement

	Notes	2013	2012
		£000	£000
<b>Net cash inflow from operating activities</b>	23	<u>19,755</u>	<u>16,838</u>
<b>Returns on investments and servicing of finance</b>			
Interest received		240	391
Interest paid		<u>(4,437)</u>	<u>(3,570)</u>
<b>Total cash outflow after investment return and servicing of finance</b>		<u>(4,197)</u>	<u>(3,179)</u>
<b>Corporation tax paid</b>		-	-
<b>Capital expenditure and financial investment</b>			
Tangible fixed assets acquired		<b>(44,310)</b>	(53,039)
Acquired new investments		-	-
Net proceeds from sale of fixed assets		-	-
Deferred capital grants received		<u>690</u>	<u>512</u>
<b>Net cash outflow from investing activities</b>		<u>(43,620)</u>	<u>(52,527)</u>
<b>Cash outflow before use of liquid resources and financing</b>		<b>(28,062)</b>	(38,868)
<b>Management of liquid resources</b>	24	<b>(3,108)</b>	19,345
<b>Financing</b>			
New loans drawn	24	<b>33,000</b>	20,047
Scheduled loan repayments	24	<u>(883)</u>	<u>(529)</u>
<b>Net cash inflow/ (outflow) from financing</b>		<u>32,117</u>	<u>19,518</u>
<b>Increase / (decrease) in cash</b>		<u>947</u>	<u>(5)</u>

The principles of FRS1 (Cash Flow Statements) have been adopted in presenting the cash flow statement. Cash at bank and in hand includes cash in hand and bank deposits repayable within 24 hours without penalty. All other bank deposits are included in liquid resources.

# Notes to the financial statements

## 1 – Funding Council grants

	Note	2013 £000	2012 £000
<b>Recurrent grants</b>			
Teaching: HEFCE		23,537	34,267
Teaching: TA		1,280	3,768
Teaching: LSC / SFA		458	588
Research: HEFCE		3,506	3,908
<b>Specific grants</b>			
Special initiatives		1,893	2,164
<b>Deferred grants released in year</b>			
HEFCE	19	1,986	2,243
		<b>32,660</b>	<b>46,938</b>

## 2 – Tuition fees and support grants

	2013 £000	2012 £000
Full time undergraduate students charged home fees	43,285	29,261
Full time postgraduate students charged home fees	4,841	5,644
Part time undergraduate students charged home fees	1,626	634
Part time postgraduate students charged home fees	2,022	3,313
Non EU domicile students	20,963	20,389
Health Authorities	10,767	11,541
Research student tuition fees	1,421	1,165
Non credit bearing course fees	1,295	1,245
Research training grants	35	83
	<b>86,255</b>	<b>73,275</b>

Full time undergraduate students charged home fees are shown net of fee waivers relating to the £9k fee package of £1.64m in 2012-13.

## 3 – Research grants and support contracts

	2013 £000	2012 £000
Research Councils	1,371	1,422
UK-based charities	1,026	677
UK Central Government, Local Authorities	568	861
UK Industry, commerce, Public Corporations	245	396
European Commission	298	481
EU other	34	69
Other overseas	53	130
Other sources	2	6
	<b>3,597</b>	<b>4,042</b>

#### 4 – Other operating income

	Note	2013 £000	2012 £000
Residences, catering and conferences		23,564	23,640
Other services rendered		8,010	7,510
Released from deferred capital grants	19	135	186
Other income		10,987	12,402
		<u>42,696</u>	<u>43,738</u>

#### 5 – Interest receivable

	2013 £000	2012 £000
Bank interest	240	391
Pension Finance Costs	100	0
	<u>340</u>	<u>391</u>

#### 6 – Staff

	2013 £000	2012 £000
<b>a) Employment costs</b>		
Wages and salaries	72,873	72,723
Social security costs	5,949	5,912
Other pension costs (including FRS17 adjustments)	10,345	10,944
Restructure payments	1,104	217
Recruitment costs etc	87	245
	<u>90,358</u>	<u>90,041</u>

#### (b) Number of staff

The average number of employees during the year was made up as follows:  
(Headcount basis used)

	2013 Number	2012 Number
Teaching and research including management	916	844
Part time lecturers	317	615
Support	1,344	1,364
	<u>2,577</u>	<u>2,823</u>

#### (c) Remuneration of higher paid staff (excluding employers' pension contributions)

	2013 Number	2012 Number
£100,001 - £110,000	-	1
£110,001 - £120,000	7	6
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
£210,001 - £220,001	1	1

## 7 – Emoluments of Governors

(a) The remuneration received by Governors, who are members of staff of the University, is wholly in respect of their duties as members of staff.

(b) The non-staff Governors received only directly reimbursable expenses arising out of the performance of their duties. These amounted to £4,908 (2012: £4,376).

(c) The remuneration of the Chair and highest paid Governor were:

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Chair: Geoffrey Donnelly	-	-
Highest paid Governor (Vice-Chancellor): Professor Janet Beer:		
remuneration excluding employer's pension contributions	<b>217</b>	214
employers' pension contribution	<b>30</b>	30
Total remuneration	<b>247</b>	244

(d) Governors who are members of staff of the University are eligible to join the pension scheme applicable to their post in the University. Details of these schemes are set out in Note 28.

## 8 – Other operating expenses

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Premises related:		
Maintenance	<b>8,639</b>	8,512
Rent	<b>5,387</b>	5,357
Books, publications and periodicals	<b>1,945</b>	1,835
Information technology related equipment; supplies and consumables	<b>2,345</b>	2,246
Other equipment supplies and consumables	<b>1,483</b>	1,293
Food and catering supplies and services	<b>2,837</b>	2,933
Stationery, photocopying and printing	<b>1,679</b>	1,539
Temporary staff, professional services and consultants	<b>4,738</b>	5,833
Other hired and contracted services	<b>6,385</b>	5,752
Examiners' fees	<b>805</b>	654
Communications and marketing	<b>834</b>	897
Placements, teaching practice and educational visits	<b>674</b>	699
Conferences, training and tuition fees	<b>963</b>	994
Subscriptions and copyright fees	<b>1,386</b>	1,293
Transport and travel related	<b>2,791</b>	2,545
Student Union grant	<b>1,104</b>	1,045
External auditors' remuneration in respect of audit services	<b>77</b>	69
External auditors' remuneration in respect of other services	<b>2</b>	2
Internal auditors' remuneration	<b>128</b>	118
Insurance	<b>482</b>	630
Bursaries, scholarships and other financial support to students	<b>5,636</b>	6,528
Other costs	<b>3,792</b>	4,700
	<b>54,112</b>	55,474

## 9 – Interest payable

	2013 £000	2012 £000
Bank loans (repayable wholly or partly in more than five years)	4,437	3,570
Pension finance costs	0	605
	<u>4,437</u>	<u>4,175</u>

## 10 – Analysis of expenditure by activity

	Staff costs £000	Other Operating Costs £000	Depreciation £000	Interest Payable £000	Net £000
Academic departments	53,527	15,074	294	-	68,895
Academic services	7,398	3,598	47	-	11,043
Administration and central services	16,438	13,251	6,214	947	36,850
Residences, catering and conferences	4,183	10,956	1,977	3,490	20,606
Premises	3,787	6,277	1,593	-	11,657
Research	2,357	1,143	-	-	3,500
Other costs (inc FRS17)	2,668	3,813	1	-	6,482
	<u>90,358</u>	<u>54,112</u>	<u>10,126</u>	<u>4,437</u>	<u>159,033</u>

The depreciation charge has been funded by:

	Notes	2013 £000	2012 £000
Deferred capital grants released	19	2,121	2,429
Revaluation reserve released	20	686	1,481
General Income		<u>7,319</u>	6,035
		<u>10,126</u>	<u>9,945</u>

## 11 – Tangible fixed assets

	Assets in course of construction £000	Freehold land and buildings £000	Long leasehold property £000	Equipment £000	Total £000
<b>Group</b>					
<b>Cost or valuation</b>					
At 1 August 2012	69,211	233,239	23,537	19,754	345,741
Reclassifications	(18,090)	94	17,006	990	0
Additions	44,270	877	143	1,887	47,177
Impairments					0
Disposals		(6,889)		(908)	(7,797)
At 31 July 2013	<b>95,391</b>	<b>227,321</b>	<b>40,686</b>	<b>21,723</b>	<b>385,121</b>
<b>Depreciation</b>					
At 1 August 2012	-	(59,459)	(12,198)	(15,110)	(86,767)
Charge for the year	-	(5,678)	(1,335)	(2,205)	(9,218)
Impairments	-				0
Disposals	-	5,995		894	6,889
At 31 July 2013	-	<b>(59,142)</b>	<b>(13,533)</b>	<b>(16,421)</b>	<b>(89,096)</b>
<b>Net book value</b>					
At 31 July 2013	<b>95,391</b>	<b>168,179</b>	<b>27,153</b>	<b>5,302</b>	<b>296,025</b>
At 31 July 2012	69,211	173,780	11,339	4,644	258,974
<b>University</b>					
<b>Cost or valuation</b>					
At 1 August 2012	69,211	232,214	23,372	18,039	342,836
Reclassifications	(18,090)	94	17,006	990	0
Additions	44,270	877	143	1,887	47,177
Impairments		0			0
Disposals		(6,889)		(908)	(7,797)
At 31 July 2013	<b>95,391</b>	<b>226,296</b>	<b>40,521</b>	<b>20,008</b>	<b>382,216</b>
<b>Depreciation</b>					
At 1 August 2012	-	(59,098)	(12,034)	(13,397)	(84,529)
Charge for the year	-	(5,660)	(1,335)	(2,201)	(9,196)
Impairments	-	0			0
Disposals	-	5,995		894	6,889
At 31 July 2013	-	<b>(58,763)</b>	<b>(13,369)</b>	<b>(14,704)</b>	<b>(86,836)</b>
<b>Net book value</b>					
At 31 July 2013	<b>95,391</b>	<b>167,533</b>	<b>27,152</b>	<b>5,304</b>	<b>295,380</b>
At 31 July 2012	69,211	173,116	11,338	4,642	258,307

As a result of the Education Reform Act 1988, freehold and leasehold properties occupied by the University together with the equipment contained therein were vested in the University with effect from 1 April 1989. A professional valuation was carried out in 1991 on the inherited buildings. The valuation, which was as at 1 April 1991, was on the basis of depreciated replacement costs in the case of buildings except where a market value was more appropriate and current use market value in the case of land. The total valuation amounted to £64,380,000.

A Private Finance Initiative relating to the construction and management of Cheney halls of residence on land owned by the University was undertaken in 2001. The design and construction of the accommodation was undertaken by a private sector provider who also operates the halls. The construction costs totalled £18.2 million. Under the agreement the University has the right to reserve all or part of the accommodation each year. In the year 2050 legal ownership of the property will revert to the University at no cost.

The risks and rewards have been assessed in accordance with FRS5 (Substance of Transactions). The Governors consider that the substantial risks and rewards associated with the accommodation project have been transferred to the private sector provider. The accounts do not therefore include the Cheney halls of residence as a tangible asset of the University.

## 12 – Investments

	2013		2012	
	Group	University	Group	University
	£000	£000	£000	£000
At 1 August	115	1,115	115	1,116
At 31 July	115	1,115	115	1,116

Investments include £34,000 for 34,093 ordinary shares in CVCP Properties plc and £11,000 in Wild Knowledge Limited. The University has also invested circa £70,000 in Oxford Expression Technologies. The remaining investment of the corporation represents 1,000,100 £1 shares in Oxford Brookes Enterprises Limited, a wholly owned subsidiary.

## 13 – Exceptional Items

There were no exceptional items during the year.

## 14 – Stocks

	2013		2012	
	Group	University	Group	University
	£000	£000	£000	£000
Raw materials and consumables	518	448	446	376
Research work-in-progress	539	433	903	710
	1,057	881	1,349	1,086

## 15 – Debtors

	2013		2012	
	Group	University	Group	University
	£000	£000	£000	£000
<b>Amount falling due within one year</b>				
Trade debtors	4,637	3,806	5,502	4,675
Amount due from subsidiary companies	0	1,147	-	3,329
Prepayments and accrued income	3,035	3,004	1,728	1,673
Other debtors	1,819	1,793	1,098	963
	9,492	9,750	8,328	10,640

## 16 – Current asset investments

	2013		2012	
	Group	University	Group	University
	£000	£000	£000	£000
Endowment cash deposits	2,336	2,336	2,420	2,420
Short term deposits	24,334	24,334	21,142	20,380
Total short term deposits	26,670	26,670	23,562	22,800

Endowment cash is invested alongside other University cash reserves

## 17 – Creditors: amounts falling due within one year

	2013		2012	
	Group	University	Group	University
	£000	£000	£000	£000
Bank loans and overdraft	1,000	1,000	857	857
Other loans	11	11	11	11
Payments received in advance	8,109	7,769	6,445	6,262
Trade creditors	2,142	2,051	1,412	1,384
Social security costs	1,859	1,859	1,938	1,938
Accruals	12,911	12,840	10,570	10,426
Other creditors	3,494	3,459	3,070	3,070
	29,526	28,989	24,303	23,948

## 18 – Creditors: amounts falling due after more than one year

	2013		2012	
	Group	University	Group	University
	£000	£000	£000	£000
Long-term bank loans	124,245	124,245	92,260	92,260
Other loans	17	17	28	28
Accruals	600	600	600	600
	<b>124,862</b>	<b>124,862</b>	92,888	92,888

The University's long-term loans are currently held with Barclays, Lloyds and Abbey National (Santander). The loans are unsecured. Of the loans outstanding £6m is fixed at a rate of 4.8%, £6.1m is fixed at 5.05%, £6.1m is fixed at 5.16%, £6.1m is fixed at 5.215%, £12.5m is fixed at 5.34%, £6.3m is an RPI inflation linked loan, £9m is fixed at 3.99%, £11m is fixed at 4.06% and £12.5m is fixed at 5.02%, £20m is fixed at 4.88% for 10 years and is repayable in full by 2043. During the year an additional £33m of a £75m Barclays loan facility was drawn down, leaving £22m of the facility not drawn down as at 31<sup>st</sup> July 2013.

£0.6m is an accrual for the estimated demolition cost of the old Harcourt Hill halls of residence. The demolition of the old halls of residence within two years of the completion of the new halls is a condition of the planning consent.

### Maturity analysis of financial liabilities

The maturity profile of the carrying amount of the group's financial liabilities, other than short-term creditors and accruals at 31 July 2013, was as follows:

	2013		2012	
	Group	University	Group	University
	£000	£000	£000	£000
Within one year	1,011	1,011	868	868
Due between one and two years	2,076	2,076	2,050	2,050
Between two and five years	6,295	6,295	3,572	3,572
Over five years by instalments	115,890	115,890	86,666	86,666
	<b>125,272</b>	<b>125,272</b>	93,156	93,156

## 19 – Deferred capital grants – Group and University

	HEFCE £000	Other grants £000	Total £000
<b>At 1 August 2012</b>			
Buildings	18,955	3,517	22,472
Equipment	3,384	12	3,396
<b>Total</b>	<b>22,339</b>	<b>3,529</b>	<b>25,868</b>
<b>Receivable</b>			
Buildings	-	75	75
Equipment	615	-	615
<b>Total</b>	<b>615</b>	<b>75</b>	<b>690</b>
<b>Released to Income and Expenditure</b>			
Buildings	(1,134)	(131)	(1,265)
Equipment	(852)	(4)	(856)
<b>Total</b>	<b>(1,986)</b>	<b>(135)</b>	<b>(2,121)</b>
<b>Due in over one year</b>			
Buildings	17,821	3,460	21,281
Equipment	3,147	8	3,155
<b>Total</b>	<b>20,968</b>	<b>3,468</b>	<b>24,436</b>

## 20 – Revaluation reserve – Group and University

This reserve relates to fixed assets transferred from Oxfordshire County Council at valuation.

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
At 1 August	<b>27,715</b>	29,196
Realisation of gain on asset disposal	-	-
Transfer from income and expenditure account in respect of depreciation	<b>(686)</b>	(713)
Impairment of buildings		(768)
Realisation of property revaluation gains of prior years	-	
At 31 July	<b>27,029</b>	27,715

## 21 – General reserves including pension reserve

	<b>2013</b>		<b>2012</b>	
	<b>Group</b>	<b>University</b>	<b>Group</b>	<b>University</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Balance at 1 August	<b>75,338</b>	<b>75,863</b>	65,863	66,441
Surplus after tax and exceptional items	<b>6,515</b>	<b>6,499</b>	8,749	8,696
Depreciation on revalued assets	<b>686</b>	<b>686</b>	713	713
Realisation of property revaluation gains of prior years	-	-	-	-
Impairment	-	-	768	768
Actuarial gain	<b>21,618</b>	<b>21,618</b>	(755)	(755)
<b>At 31 July</b>	<b>104,157</b>	<b>104,666</b>	75,338	75,863

<b>Endowment Asset</b>	<b>2013</b>		<b>2012</b>	
	<b>Group</b>	<b>University</b>	<b>Group</b>	<b>University</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Balance at 1 August	<b>2,420</b>	<b>2,420</b>	2,583	2,583
Income for year	<b>511</b>	<b>511</b>	217	217
Transferred to Income and Expenditure	<b>(595)</b>	<b>(595)</b>	(380)	(380)
Balance at 31 July	<b>2,336</b>	<b>2,336</b>	2,420	2,420
Backed by Cash	2,336	2,336	2,420	2,420

## 22 – Financial commitments – Group and University

(a) Capital commitments	2013 £000	2012 £000
Authorised and contracted	29,812	73,794
Authorised but not contracted	18,347	16,822

### (b) Operating leases

At 31 July 2013 the group had annual commitments under operating leases as follows:

	2013		2012	
	Land and buildings £000	Other £000	Land and buildings £000	Other £000
Expiring within one year	958	267	776	-
Expiring between two and five years	655	45	479	-
Expiring after five years	4,055	-	3,918	-
	<b>5,668</b>	<b>312</b>	<b>5,173</b>	<b>-</b>

### (c) Lease commitments

The University has entered into a contract with a private sector provider to build, operate and service halls of residence. In accordance with the provisions of FRS 5 these halls are not shown as assets in the balance sheet and no associated financing has been recognised. Under the agreement the University can commit to renting the accommodation on an annual basis and the lease expires in 2050. The amount committed is £3,993,922 in 2013/14 (2012/13: £3,814,307).

## 23 – Reconciliation of consolidated operating surplus to net cash inflow from operating activities

	Notes	2013 £000	2012 £000
Operating surplus after depreciation of assets at valuation		6,515	8,749
Interest receivable	5	(340)	(391)
Interest payable	9	4,437	4,175
Release of capital grant	19	(2,121)	(2,429)
Depreciation	11	9,218	9,069
Impairment	11	0	876
Loss on disposal of fixed assets		908	-
Pension costs less contributions payable		(117)	683
Decrease in stocks and work in progress		291	54
(Increase) in debtors		(1,164)	(5)
Increase / (decrease) in creditors		2,128	(3,943)
<b>Net cash inflow from operating activities</b>		<b>19,755</b>	<b>16,838</b>

## 24 – Reconciliation of net cash flow to movements in net debt

	Notes	2013 £000	2012 £000
Increase / (decrease) in cash in the year		947	(6)
Increase / (decrease) in short-term deposits		3,108	(19,345)
Increase in debt		(33,000)	(20,046)
Repayment of debt	25	883	529
Change in net debt		(28,062)	(38,868)
Net debt at 1 August	26	(68,142)	(29,274)
Net debt at 31 July	26	(96,204)	(68,142)

## 25 – Analysis of changes in consolidated financing during the year

	Bank loans £000
At 1 August 2012	93,156
Repayments	(883)
New Loans Drawn	33,000
At 31 July 2013	125,273

## 26 – Analysis of changes in net debt

	2013 £000	Cash flows £000	2012 £000
Cash at bank and in hand	2,398	947	1,452
Short-term deposits	24,334	3,192	21,142
Endowment cash	2,336	(84)	2,420
Debt due within one year	(1,011)	(143)	(868)
Debt due after one year	(124,262)	(31,974)	(92,288)
	(96,204)	(28,062)	(68,142)

## 27 – Interests in group undertakings

Listed below are the University's interests in subsidiaries and joint ventures. Subsidiaries are consolidated in the financial statements. All companies are registered in England and have a financial year-end of 31 July unless otherwise stated.

Name of company	Nature of Business	Percentage of voting rights held by University
<b>Subsidiaries</b>		
Oxford Brookes Enterprises Limited	Trading activities, including consultancy, library, print services and student accommodation design and build.	100
Oxford Brookes Services Limited	Dormant	100
<b>Joint Ventures</b>		
Swindon UTC Ltd	Formation and governance of Swindon University Technical College, jointly with Johnson Matthey plc	50

## 28 – Pension and similar obligations

The University's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Oxfordshire County Council. Both are defined-benefit schemes.

<b>Total pension cost for the year</b>	<b>2013 £000</b>	<b>2012 £000</b>
Teachers' Pension Scheme: contributions paid	4,145	4,108
Local Government Pension Scheme:		
- contributions paid	5,595	5,464
- FRS 17 (credits) / charge	(117)	683
Charge to the Income and Expenditure Account (staff costs)	5,478	6,147
Contributions to USS and other schemes	723	689
<b>Total Pension Cost for Year</b>	<b>10,346</b>	<b>10,944</b>

Contributions amounting to £1,397k (2012: £1,291k) were payable to the above schemes at 31<sup>st</sup> July and are included within creditors.

### Teachers' Pension Scheme (TPS)

The TPS is an unfunded defined benefit scheme. Contributions on a "pay-as-you-go" basis are credited to the Exchequer under arrangements governed by the Superannuation Act 1972. A notional asset value is ascribed to the scheme for the purpose of determining contribution rates.

The pensions cost is assessed every five years in accordance with the advice of the Government Actuary. The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation (under the new provisions)	31 March 2007
Actuarial method	Prospective benefits
Investment returns per annum	6.5%pa
Salary scale increases per annum	5.0% pa
Notional value of assets at date of last valuation	£162,650 million
Proportion of members' accrued benefits covered by the notional value of the assets	98.8%

Following the implementation of Teacher's Pension (Employers' Supplementary Contributions) Regulations 2000, the Government Actuary carried out a further review on the level of employer contributions. For the period from 1 August 2011 to 31 July 2012 the employer contribution was 14.1%. The employee rate was 6.4% to the end of March 2012 and between 6.4% and 8.8% from April 2012. An appropriate provision in respect of unfunded pensioners' benefits is included in provisions.

### FRS 17

Under the definitions set out in Financial Reporting Standard (FRS 17) 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 taken advantage of the exemption in FRS17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The University has set out above the information available on the scheme and the implications for the University in terms of the anticipated contribution rates.

### Local Government Pension Scheme (LGPS)

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 July 2013 was £7,652k, of which employer's contributions totalled £5,595k and employees' contributions totalled £2,057k. The agreed contribution rates for future years are 18.5% for employers and between 5.5 and 7.5% for employees.

The following information is based upon a full actuarial valuation of the fund at 31 March 2010 updated to 31 July 2013 by a qualified independent actuary.

<b>Principal actuarial assumptions</b>	<b>At 31 July 2013 %pa</b>	<b>At 31 July 2012 %pa</b>
Rate of increase in salaries	3.8	3.0
Rate of increase for pensions in payment / inflation	2.6	1.8
Discount rate for scheme liabilities	4.8	3.9
Inflation rate	3.4	2.6
Expected return on assets	6.1	5.5
CPI Increases	2.6	1.8

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

	At 31 July 2013	At 31 July 2012
<i>Retiring today</i>		
Males	19.2	19.0
Females	23.2	23.1
<i>Retiring in 20 years</i>		
Males	21.1	21.0
Females	25.1	25.0

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

Five Year analysis (most recent two years)	Long-term rate of return expected at 31 July 2013	Value at 31 July 2013	Long-term rate of return expected at 31 July 2012	Value at 31 July 2012
	%pa	£000	%pa	£000
Equities	6.3	106,986	7.5	82,753
Bonds	3.9	19,970	5.3	19,539
Property	5.3	8,559	6.5	6,896
Cash	0.5	4,279	3.0	3,448
Other	2.5	2,853	5.0	2,299
<b>Total market value of assets</b>		142,647		114,935
Present value of scheme liabilities				
- funded		(166,018)		(160,142)
- unfunded		(40)		(40)
Related deferred tax liability				
<b>(Deficit) in the scheme</b>		<b>(23,411)</b>		<b>(45,247)</b>

#### Five Year Analysis (cont'd: previous three years)

Year ended	2011 £'000	2010 £'000	2009 £'000
Total market value of assets	110,667	89,302	71,790
Present value of scheme liabilities			
- funded	(153,834)	(152,519)	(147,650)
- unfunded	(37)	(63)	-
Related deferred tax liability	-	-	-
<b>(Deficit) in the scheme</b>	<b>(43,204)</b>	<b>(63,280)</b>	<b>(75,860)</b>

#### Analysis of the amount charged to income and expenditure account

	2013 £000	2012 £000
Employer service cost (net of employee contributions)	5,715	6,342
Past service cost	-	-
Total operating charge	<u>5,715</u>	<u>6,342</u>

#### Analysis of pension finance costs

Expected return on pension scheme assets	(6,419)	(7,647)
Interest on pension liabilities	6,319	8,252
<b>Pension finance costs</b>	<u>(100)</u>	<u>605</u>

#### Amount recognised in the statement of total recognised gains and losses (STRGL)

	2013 £000	2012 £000
Actuarial gains / (losses) on pension scheme assets	21,618	(755)
<b>Actuarial gain/(loss) recognised in STRGL</b>	<u>21,618</u>	<u>(755)</u>

#### Movement in surplus / (deficit) during year

	2013 £000	2012 £000
Deficit in scheme at 1 August	(45,247)	(43,204)
Movement in year:		
Employer service cost (net of employee contributions)	(5,715)	(6,342)
Employer contributions	5,888	5,687
Net interest/return on assets	45	(633)
Actuarial gain or loss	21,618	(755)
<b>Deficit in scheme at 31 July</b>	<u>(23,411)</u>	<u>(45,247)</u>

### History of experience gains and losses

	2013	2012	2011	2010	2009
Difference between the expected and actual return on assets:					
Amount £000	17,442	(6,386)	9,307	8,003	(14,000)
percentage of scheme assets	12.2%	(5.6%)	8.4%	9.0%	(19.5%)
Experience gains and losses on scheme liabilities:					
Amount £000	-	-	-	8,245	-
percentage of scheme liabilities	-	-	-	9.2%	-
Total amount recognised in STRGL:					
Amount £000	21,618	(755)	20,758	16,451	(31,610)
Percentage of scheme assets	15.2%	(0.7%)	18.7%	18.4%	(44.0%)

### 29 – Amounts dispersed as agents: Access to Learning funds

The University received and distributed HEFCE Access to Learning Funds as follows:

	2013	2012
	£000	£000
As at 1 August	-	7
Grant received	245	292
Distributed to students	(231)	(299)
Balance at 31 July	14	-

Access to Learning Funds are available solely for students: the University acts only as paying agent. The grants and related disbursements are, therefore, excluded from the income and expenditure account.

### 30 – Amounts dispersed as agents: TA bursary funds

The University received and distributed TA bursary funds as follows:

	2013	2012
	£000	£000
As at 1 August	22	(48)
Adjustment to b/fwd	(44)	209
Income	2,125	385
Payments to students	(2,036)	(524)
Balance as at 31 July	67	22

TA bursary funds are available solely for students: the University acts only as paying agent. The grants and related disbursements are, therefore, excluded from the income and expenditure account.

### 31 – Amounts dispersed as agents: HEFCE National Scholarship Programme

The University received £399k in 2012-13 in respect of the HEFCE National Scholarship Programme. The funds were disbursed in their entirety to students during the year in the form of bursaries. In accordance with the conditions of the scheme, the funds were matched by University funds.

### 32 – Related party transactions

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 inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. A register of Governors' interests is maintained by the University. All transactions involving organisations in which a member of the Board may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procedures.

The University has taken advantage of the exemptions within FRS8 and has not disclosed transactions with wholly owned subsidiary companies.

Professor Janet Beer - (Vice Chancellor), Chair of the Higher Education Public Information Steering Group  
Co-Chair of the Equality Challenge Unit  
Vice-President of Universities UK (UUK)  
Board member of University and Colleges Admissions Service (UCAS)  
Chair of UCAS Audit Committee  
Chair of Supporting Professionalism in Admissions (SPA)

Purchase transactions with UUK during the year were £28k (2011-12 £27k)

There were no sales transactions.

The creditor at 31 July 2013 was £27k (2011-12 £26k)

There were no transactions with any of the other organisations

Paul Large – (Registrar - Senior Management Team), Trustee of Oxford Brookes Student Union  
During the year the University made awards of £1,104k to the Students' Union.  
No amounts were outstanding at 31 July 2013

Joanne Jones - (Director of Finance & Legal Services), Governor of Abingdon and Witney College  
Purchase transactions in the year amounted to £1,260k (2011-12: £1,248K)  
Sales transactions in the year amounted to £3k (2011-12: £7K)  
The debtor at 31 July 2013 was £0.5k

Treasurer of the Association of University Administrators  
Sales transactions during the year amounted to £4k.  
There were no purchase transactions during the year.  
The debtor at 31<sup>st</sup> July 2013 was £4k.

Paul Inman - (Pro-Vice Chancellor and Dean of Faculty), Governor of Swindon College  
Purchase transactions in the year amounted to £1,181k (2011-12: £1,105k)  
There were no sales transactions in either year, and no amount was outstanding at 31 July 2013.

### **33 – Linked Charities**

The University had no linked charities as defined by the Charities Act 2006 during the year.

### **34 – Surplus for the financial year**

The result of the parent undertaking was a surplus of £7,172k (2012: £8,695k).