

Regent's University London  
REPORT AND CONSOLIDATED FINANCIAL STATEMENTS


31 July 2015

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# Regent's University London

## LEGAL AND ADMINISTRATIVE INFORMATION

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### **Trustees**

Laurence Barrett – resigned 17 October 2015  
Carole Baume – Interim Pro Chancellor & Chair from 31 December 2014 to 29 July 2015  
Mary Kerr – resigned 24 October 2014  
Dr Diana Walford CBE \* Pro Chancellor & Chair from 29 July 2015  
Dr Clare McConnell<sup>1</sup>  
Ian Mehrkens – Pro Chancellor & Chair resigned 10 December 2014  
Shona Milne\* – joint Vice Chair  
Elisa Nardi<sup>4 6</sup>  
Professor Stephen Newstead<sup>3</sup>  
Anne Cleveland\* – joint Vice Chair  
Murray Thomas<sup>3 6</sup>  
Marguerite Dennis<sup>5</sup>  
Pam Loch<sup>3</sup>  
Andy Masheter<sup>2 1</sup>  
Professor Aldwyn Cooper Staff Trustee<sup>2 3 4 5 6</sup>  
Carol Richmond<sup>1</sup>  
Martin Earwicker resigned 10 December 2014  
Dominic Laffy Academic Staff Trustee<sup>2</sup>  
Matthias Feist Professional Staff Trustee<sup>5</sup>  
Tom Weekenborg Student Trustee resigned 1 June 2015  
Enrique de Roock Student Trustee<sup>5</sup> appointed 29 July 2015

<sup>1</sup> Member of the Audit and Risk Committee at 31 July 2015

<sup>2</sup> Member of the Finance and Investment Committee at 31 July 2015

<sup>3</sup> Member of the Human Resources Committee at 31 July 2015

<sup>4</sup> Member of the Remuneration Committee at 31 July 2015

<sup>5</sup> Member of the Estates and Infrastructure Committee at 31 July 2015

<sup>6</sup> Member of the Nominations Committee at 31 July 2015

\*The Pro Chancellor & Chair of the Board of Trustees and the Vice-Chair(s) are ex-officio members of the committees. The Board Chair will not normally attend Audit and Risk Committee unless invited.

The members of the Board of Trustees are elected by a simple majority of the Trustees themselves. There are also provisions in the Articles of Association for the removal of Trustees. The Trustees hold office until the end of the next meeting of the Board following the third anniversary of their appointment and, if they so wish, offer themselves for re-election for a further three-year term. No Trustee shall serve for more than two three-year terms. However, there is provision for a trustee to serve for up to a further three years in annual tranches if explicitly requested to do so by the Board of Trustees.

### ***Vice Chancellor & Chief Executive Officer***

Professor Aldwyn Cooper

### ***Secretary***

Sin  ad McQuillan ACIS

### ***Registered Office and Principal Address***

Inner Circle  
Regent's Park  
London  
NW1 4NS

# Regent's University London

## LEGAL AND ADMINISTRATIVE INFORMATION

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### **External Auditor**

BDO LLP  
2 City Place  
Beehive Ring Road  
Gatwick  
West Sussex  
RH6 0PA

### **Internal Auditors**

Kingston City Group  
Head Office  
Kingston University  
Yorkon House  
Kingston Hill Campus  
Kingston Hill  
Kingston Upon Thames  
KT2 7LB

\*Mazars LLP  
Tower Bridge House  
St Katharine's Way  
London  
EIW IDD

\*Appointed 16 July 2015

### **Solicitors**

Mills & Reeve LLP  
Francis House,  
112 Hills Road  
Cambridge  
CB2 1PH

### **Bankers**

Barclays Bank plc  
Level 28  
1 Churchill Place  
Canary Wharf  
London  
E14 5HP

### **Investment Managers**

Cazenove Capital Management Limited  
12 Moorgate  
London  
EC2R 6DA

Baring Asset Management Ltd  
PO Box 55736  
50 Bank Street  
Canary Wharf  
London  
E14 1BT

# Regent's University London

## LEGAL AND ADMINISTRATIVE INFORMATION

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### ***Insurance Brokers***

Marsh Limited  
International House  
Southampton International Business Park  
George Curl Way  
Southampton  
SO18 2RZ

# Regent's University London

## STRATEGIC REPORT

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### University Strategy

Regent's University London is developing a clear, respected brand and has a strong central core of programmes that meet market demand. The University was granted its own taught degree awarding powers (TDAP) in 2012 and gained full University status in 2013. The University continues to expect growth in the period to 2020. The termination of its long term agreement with Webster University of St. Louis Missouri took place in November 2014. Nonetheless the University maintains its commitment to American style programmes and has now launched its own Four Year Liberal Studies programmes. Further, Regent's continues to investigate gaining American degree awarding powers so that Regent's programmes can offer dual validated awards.

The University's strategy has the following core elements

- **Student experience** – the Regent's University London student experience will be excellent and seamless through the student lifecycle from application to graduation and alumni affairs. A thorough review has taken place of the student journey and proposals have been made concerning the teaching, learning and assessment strategy. Contact hours on full time undergraduate programmes will be maintained at a high level but the structure of teaching may shift to provide greater one on one, personal, tutorial support.
- **Growth** – Regent's University London will focus on organic growth to achieve a target of approximately 4,000 full time equivalent (FTE) students by 2020, while retaining a small feel, personal family culture. The reasons for growth are to create a more robust business model that is less susceptible to market fluctuations and will generate reserves to meet policy and investment requirements. The student base will continue to be strongly international, approximately 20% of students will be UK domiciled, 10% from the US, 35% from continental European Union member states and 35% from the rest of the world. Over 140 countries will continue to be represented on campus with no dominant nationality.
- **Teaching and research** - Regent's University London will continue to be teaching focussed but research engaged. Retaining its commitment to academic freedom, the University will develop a positive research environment while placing particular value in the strong interaction between learners and academic staff. By 2020 Regent's will be on the path towards receiving research degree-awarding powers (RDAP), which are expected by 2025.
- **Development of the estate** - The home campus will remain on the Inner Circle, Regent's Park where its central team are based and where most students will study for the majority of their degrees and the Marylebone Village sites. The University will invest to ensure the estate is of a high standard to provide a five star environment to meet the brand image and deliver the experience expected by our students.
- **Brand development** - gaining university title provided Regent's University London with an opportunity to build a stronger brand that can be better understood and recognised within the UK and internationally. The University's programme of public relations will be accelerated so that the institution is even better known and respected by employers and governments. Further, the university has refined its international strategy to protect its important 'Highly Trusted Status' and to ensure that relevant programmes are marketed in territories where there is maximum demand.
- **Outreach and public benefit** - Regent's University London is proud of its charitable status and will continue to develop its outreach and public benefit activity. The University will establish a substantial programme of broad educational activities to support the community in London and more widely.
- **Alumni and fundraising** – have been reviewed and new operations are being put in place to engage alumni more fully with the University's activities. An alumni annual giving campaign is commencing and a more ambitious fund raising scheme will be put in place over the next year. It is hoped that alumni will provide even more support in mentoring students and providing work placements as well as assisting in marketing and interviewing potential students.

# Regent's University London

## STRATEGIC REPORT

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Through successfully delivering the elements of the core strategy, the student numbers are anticipated to reach 4,000 FTE students by 2020. By 2020 the University will be the leading private, non-state funded, 'not for profit' university in Europe and with a global reputation and presence. It will continue to have a single overall governing body of trustees that will include international representatives.

This report summarises the University's activities in the year ended 31 July 2015. This report is prepared in accordance with the recommendations of the Statement of Recommended Practice – Accounting for Further and Higher Education (2007) and complies with applicable law.

### Performance Review

The year ended 31 July 2015 represented a period of consolidation for the University. The University missed recruitment targets in a number of areas which resulted in the need for cost rationalisation mainly through tight control of staff costs but also through realising efficiency savings in non-pay areas of spend. Notice of termination of the agreement to offer US Liberal Arts degrees through Webster University of St Louis was received on 18 November 2014. Termination resulted in lost revenue as no undergraduate students were recruited from spring 2015 and no post graduate students from autumn 2015. A significant amount of resources were absorbed in managing the exit in a student focused way which resulted in exceptional scholarships of £105k and management time to ensure an alternative offer was developed promptly. The University's BA Liberal Studies programme was launched in autumn 2015 and has recruited well in its first year given the late launch and the fact that a number of students had applied for an American programme before the agreement with Webster was terminated. The postgraduate offer has a planned launch date of September 2016.

Underpinning the dominant planning themes are the following key milestones:

- Negotiating a revised lease of longer length for both the University's Regent's Park campus and Marylebone properties,
- Developing a more effective time tabling system to meet student demands and to improve the effective utilisation of space,
- Implement the University's Learning, Teaching & Assessment Strategy to optimise student learning experience,
- Strengthening the University's research profile for further supporting programme content and acquiring taught degree awarding powers,
- Increased partnership and collaboration with UK and international higher education institutions, and
- Full launch of the University fund raising programme

Progress against these milestones includes:

- University status was achieved in March 2013. Establishing the new brand in the market remains a priority for the University and is seen as a critical success factor in securing growth in student numbers in an increasingly competitive landscape. The University has re-structured and invested in the External Relations department in 2014/15 and work has commenced on re-positioning the brand two years after the launch to ensure that the brand remains vibrant and clearly communicated the University's core attributes to potential students in 2015/16 and beyond.
- The University is seeking to both extend the lease on properties in Regent's Park and Marylebone Campus and transfer leases held within Regent's Marylebone Limited to the University. Negotiations are currently taking place with both the Crown and De Walden Estates. The extension and transfer of leases remains a priority going into 2015/16.
- The acquisition of American InterContinental University London (AIUL) in April 2013 and the lease of Paddington Street prior to that in January 2013 both increased the footprint of the University. All buildings are now in use with the exception of the Aybrook Street building which was held as decant space and has been sublet to realise efficiency savings. The University completed the renovation of Paddington Street in November 2014 bringing 7,700 square feet into use at a cost of £3.3m. This building is being predominantly used to provide first class accommodation for Regent's School of Fashion & Design. Work has commenced on 110 Marylebone High Street creating flexible space for teaching or support functions.

# Regent's University London

## STRATEGIC REPORT

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- The University established the Academic Practice Hub in 2013/14 to promote excellence in teaching. A University wide Learning and Teaching Strategy has been developed by the Deputy Vice Chancellor and the Head of Academic Practice and will be launched in 2015/16. This will set out a plan to improve delivery of lectures and other student interactions. The impact of the strategy is expected to translate into improved student survey and retention rates and may require capital investment to pilot changes to the physical spaces in which teaching is delivered. Investment in ensuring an excellent student experience is a priority in 2015/16.
- The University is committed to supporting its research community and celebrating its achievements. A vibrant research culture helps facilitate first-class research with nationally/internationally recognised outputs that provide a robust underpinning to teaching programmes and enhance the research profile of individuals and the institution. The University's Senate Research Committee continues to meet three times a year to evaluate research proposals. The University's Annual Research Report highlights the research activity and outputs from the University's three research centres. The University is committed to achieving research degree awarding powers (RDAP) by 2025.
- The University's Research Committees meet three times a year to evaluate research funding proposals. Projects are considered against a number of criteria and successful projects are funded from dedicated faculty and institute budgets. Subject scholarship is an integral part of all academic staff work, and time to undertake this is factored into workloads. The University believes that scholarly and/or research engaged academics improve the standard of teaching, the University's core activity. The University's Annual Research Report highlights the research activity and outputs from the University's research centres. The University is committed to expanding the number of PhD students and is in negotiation with the University of Northampton as a potential validation partner to enable us to achieve this. In 2015/16 we will launch a new Scholarship, Research and Enterprise Strategy.
- Over the last 12 months, the International Partnerships Office (IPO) has continued to build on our existing partnership network signing both agreements with new partners and strengthening existing partnerships with further collaboration. The Internationalisation strategy is being delivered through detailed market plans and continues to be developed and reviewed by a steering group. The University is now eligible to partake in the US Federal Student Loans programme (Title IV) as a foreign school and has been authorised by the Chinese authorities to recruit students from China, both of which are anticipated to aid student recruitment and delivery of aspects of the internationalisation strategy. The University has also expanded its loan portfolio through working with a private provider in this space ensuring a viable loan option for post graduate students and non UK/EU or US students who cannot access government backed schemes.
- The University is developing a fundraising strategy which will combine annual alumni giving and a more targeted plan against high value projects. A new bank account has been established with direct debit functionality to facilitate receipt of funds. The alumni team continues to develop the University's information database to facilitate the effective realisation of the fund raising strategy.



## Financial Activities and Results

### Financial Highlights

RESULTS, CASHFLOWS AND RESERVES	Year ended 31 July 2015	Year ended 31 July 2014
	£'000s	£'000s
Total Income	51,830	53,170
Total Expenditure	53,222	55,659
(Deficit)/Surplus For The Year Before Taxation	(1,392)	(2,489)
Net movement in Funds	(1,235)	(2,413)
Cash Flow From Operating Activities (After Taxation)	1,607	(1,122)
Fixed Assets	19,975	18,874
Net Current Assets	(1,382)	2,241
Total Assets Less Current Liabilities	18,593	21,115
Total Reserves	16,541	17,776

### The Financial Statements

The Financial Statements presented by the Trustees comprise the consolidated results of the University and its subsidiary companies, as detailed in note 10. As noted, except for Regent's Conferences & Events Limited and Regent's Marylebone Limited, all the subsidiary companies are dormant or have ceased to trade. The trade transferred from Regent's Marylebone Limited to Regent's University London on 1 August 2014, the assets followed once the lease had been re-assigned from the subsidiary company to the parent entity on 14 April 2015.

### Results for the Period

The group's total income for the year was £51,830,000 compared with £53,170,000 for the year ended 31 July 2014. The decrease in revenue is mainly due to significant under-recruitment against student number targets, the impact of the Webster contract termination as well as a reduction in accommodation income. Student full time equivalent numbers, excluding Regent's Marylebone Limited and English Language Teaching decreased from 3,409 in 2013/14 to 3,383 in 2014/15, a 0.8% reduction. Including Regent's School of Fashion & Design students increases the 2014/15 FTE student number to 3,591 as noted on page 9.

The group net movement in funds for the year, which was arrived at after accounting for an unrealised gain on investments of £117,000 (2013/2014 £95,000), came to a deficit of £1,235,000 (2013/2014 deficit £2,413,000) which was transferred from reserves. As at 31 July 2015 the total reserves amounted to £16,541,000 (31 July 2014 £17,776,000).

Bursaries, scholarships and discounts of £1,830,000 (2013/2014 £1,459,000) were awarded to students based on academic merit and financial need. This includes £105,000 of exceptional scholarships related to the exit of the Webster partnership.

The University's financial performance in 2014/15 was adverse to the plan. Group income was significantly under budget. The University's cost base reacted effectively to lower than anticipated activity levels reducing the loss for the period. The outlook for student recruitment remains challenging in the medium to long term and reversing this trend and the associated losses remains the University's highest priority.

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## STRATEGIC REPORT

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There were a number of non-trading items linked to the acquisition of Regent's Marylebone Limited which are noted below

### GROUP UNDERLYING SURPLUS

	Year ended 31 July 2015 £'000s	Year ended 31 July 2014 £'000s
<b>Reported loss since last period</b>	<b>(1,235)</b>	<b>(2,413)</b>
Rent grant – Paddington Street	(49)	(49)
Rent grant – Marylebone High Street & Garbutt Place	(132)	(132)
Integration costs	-	294
Negative goodwill	141	141
<b>Underlying loss from last period</b>	<b>(1,275)</b>	<b>(2,159)</b>

Debtor management continued to be an area of focus in 2014/15 and the Student Accounting Module (SAM) integrating the finance and student records system went live in September 2014

Regent's Conferences & Events Limited made a profit in the year ended 31 July 2015 of £45,792 (2013/14 £4,539) The conferencing business was stable in 2014/15 and the income and cost base were comparable with the prior year

Regent's Marylebone Limited made a loss of £48,174 in 2013/14 (2013/14 £1,757,956) Integration of Regent's Marylebone Limited was completed in 2013/14 in line with the project plan and teach-out agreement. As noted above, the trade of Regent's Marylebone Limited was transferred to the University on 1 August 2014. The fixed assets transferred to the University following lease re-assignment on 14 April 2015.

### Cash Flow

The consolidated cash flow statement shows there was a decrease in cash for the year of £4,513,000 (2013/2014 decrease of £1,293,000). The University's net cash inflow from operating activities was £1,607,000 (2013/14 £1,122,000 outflow). The overall decrease in cash is largely due to capital expenditure of £5,927,000 (2013/14 £1,293,000).

### Key Performance Indicators

The financial performance of the group is closely monitored on a monthly basis by the Finance Director and Vice Chancellor & Chief Executive with both revenues and costs being compared against the Board approved budget for the year. The most recent monthly management accounts are presented at each Board and Finance and Investment Committee meeting together with a commentary on activity, revenue and expense variances. Trustees agreed a suite of key performance indicators in December 2014. The following financial and non-financial measures were introduced to track performance against University strategic priorities.

Reference	Strategic Area	KPI	Unit	2014/15	Target 2020	Source
KPI 1	Student satisfaction	'Overall I am satisfied with the quality of the course'	%	74%	85%	Student survey
KPI 2	Staff engagement	Staff survey engagement index	%	74%	85%	Staff survey
KPI 3	Growth	Student numbers	FTEs	3,591	4,000	SITS using agreed FTE definition
KPI 4	Personal/small feel	Student to academic staff ratio	FTEs	14.2	<15.1	Jigsaw and MIS teams
KPI 5	Sustainability	Net operating surplus	%	-2.5%	5%	Audited statutory accounts
KPI 6	Sustainability	Reserves	£m	16.5	35.6	5 year forecast and audited statutory accounts

### Reserves and Strategic Risks

It is the aim of the Trustees to manage the financial resources of the University to permit it to operate as a going concern, bearing in mind the commercial risks of normal activities, and it is their intention to maintain reserves at a level in line with the overall aims set out below.

The Trustees of the University recognise that they have a responsibility to minimise the risk to which the activities of the University could be exposed. They actively review the major risks which the University faces on a regular basis and believe that the maintenance of reserves, combined with the annual review of risk and the controls over key financial systems will provide sufficient resources in the event of adverse conditions.

In determining the reserves strategy of the University, the Trustees have regard to the development and annual revision of the strategic plan and for the production of the annual operating statement which sets out the specific targets and actions against objectives. The factors the University takes into consideration include:

- the volatility of income levels within the University,
- the ability to reduce expenditure to match changes in income,
- the cost of change required to bring recurrent expenditure in line with income,
- the impact of catastrophic events or lesser but damaging events causing the University's operations to be impacted adversely,
- the need to continue to regenerate and modernise the asset base of the University, and
- the ability to respond to new projects to allow them to be undertaken at short notice.

The University is involved in and protected by risk mitigation against these issues materialising by:

- recognising the need to match variable income with fixed commitments,
- forecasting processes - avoiding unexpected changes in income and planning mechanisms for taking corrective action,
- insurance, and

# Regent's University London

## STRATEGIC REPORT

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- embedding risk management within the University

The University also requires reserves to effectively manage strategic risks and deliver strategic objectives noted below

- Market fluctuations and changes to the regulations imposed by the UK Visas and Immigration (UKVI) could impact significantly on the number of students attending the University courses. The University's income is substantially derived from its revenues from academic programmes, with only a small contribution from investment income, and accordingly will rely on reserves in the event of a temporary reduction in student numbers. The University under-recruited against student number targets in both 2013/14 and 2014/15. There has been growth in the recruitment of new students in autumn 2015 but overall student numbers were below budget. The University used reserves to fund its activities in 2013/14 and 2014/15 whilst the causes of the under-recruitment are addressed and Regent's Marylebone's staff, business processes and systems were integrated and aligned to the University's. The University reviews new programmes as well as the existing portfolio through the Senate Portfolio Development Committee. The risk of failing to recruit is mitigated by ensuring all programmes are demand led and commercially viable before approval by the committee and adequate resources are allocated to marketing activity. The University has also restructured and invested in the External Relations department who oversee marketing, recruitment and admissions. The system managing admission of students was developed and enquiry management was outsourced to improve conversion of students.
- The University continues to develop a programme for investment in the refurbishment of the estate and in equipment in order to maintain and develop first class facilities for students and adequate physical resources and infrastructure to deliver planned growth. A substantial level of reserves is therefore required both to meet known likely expenditure up to five years' forward and unforeseen expenditure. Significant capital expenditure was incurred in both 2013/14 and 2014/15, funded from reserves to bring the Marylebone campus up to the University's standard. Investment in the facilities used by Regent's School of Drama, Film & Media will help to ensure excellent student experience and underpin stronger recruitment to these programme areas. The Estates and Infrastructure Committee has oversight of all significant development in this area. The University has a corporate project management framework used for all material projects to ensure that risks are well managed.
- The University continues to review its business operating model to ensure the appropriateness of the structure to deliver the strategic plan. The budgeting process for 2015/16 ensured that resources followed the University's core priorities.
- The University has substantial on-going commitments relating to the welfare and education of the students and needs to maintain a level of reserves sufficient to continue to meet these commitments.
- The University requires reserves to fund its on-going intention of increasing and further developing research activities.

The Finance and Investment Committee reviews the level of the reserves to ensure that the University can meet its likely commitments and the Trustees review the reserves policy on an annual basis.

To meet their aims and to reduce their reliance on reserves, the Trustees actively seek opportunities for income generation.

All the reserves of the University are unrestricted funds. At 31 July 2015 they amounted to £17,557,000 (31 July 2014 £18,988,000) but only £2,256,000 (31 July 2014 £6,804,000) of this is freely available because the balance is invested in fixed assets. Total group reserves were £16,541,000 at 31 July 2015 (31 July 2014 £17,776,000). This shows that the University remains in a sound financial position.

### **Investment Policy and Results**

The University's investment policy permits cash deposits with a range of larger banks and financial institutions, but with a limit on investment in any one institution. This policy and in particular the approved financial institutions and their limits are reviewed annually.

The Trustees' investment powers are governed by the Articles of Association. The Trustees have appointed joint fund managers (Cazenove Capital Management and Barings Asset Management) to invest funds in a range of Common Investment Funds (CIF's) with the aim of maximising capital growth and income with minimum

# Regent's University London

## STRATEGIC REPORT

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risk In the year ended 31 July 2015, the majority of the investments are linked to the stock and bond market and the performance of the funds is monitored on a regular basis

In 2014/15, Cazenove had two portfolios, one with a defensive and one with an intermediate attitude to risk, essentially tracking the market, while the Barings portfolio is more actively managed As at 31 July 2015 the value of the investments amounted to £5,756,000 (31 July 2014 £5,422,000) The University continues to monitor the performance of the fund managers through the Finance and Investment Committee The current investment policy states that the University should split investments between two or more investment managers as a means of managing risk

### Outlook

The Trustees will continue to play a significant role in the development and annual approval of a rolling five-year strategic plan to provide a roadmap for growth and providing the sound foundation for operation as a degree-awarding institution with university title

Growth is a theme in the University's strategic plan alongside the core elements of the mission and values of the institution as a charitable organisation dedicated to international education at degree level, a first class student experience, high employability and public benefit Probable changes in the Higher Education sector including the introduction of a Teaching Excellence Framework (TEF) are likely to mean that the University's student data is increasingly in the public domain and used by students and other stakeholders to comparing institutions Student survey, employability and graduate salaries, retention and success rate data will be closely monitored by the University to ensure that the University delivers on its value proposition

Recent student recruitment cycles have highlighted the uncertainty of the trading environment and the fiercely competitive market in which the University operates The growth in expected student applications as a result of achievement of university title has not yet been realised The autumn 2015 intake showed an improvement on the same period in 2014 but is below the levels of demand seen in 2013 and 2012 Budgetary pressures are expected in the medium term as a result of a shortfall against budgeted student numbers in the last two years and investment in core business processes and systems to deliver economies of scale necessary for the future sustainability of the University A number of systems improvements have been realised such as the integration of the student records (SITS) and finance system (SUN) and the development of a student Customer Relationship Management (CRM) system to better managed applicants A number of significant projects are planned for delivery in 2015/16 such as the timetabling project which will aid the effective and efficient use of physical and teaching resource as well as improving the student experience

Additional budgetary pressures in 2015/16 have resulted from the termination of the agreement with Webster University As well as lost revenues from failing to recruit undergraduate and post graduate cohorts in both 2014/15 and 2015/16 transitional costs will be incurred up to the end of the teach-out agreement in December 2016 These costs include staff costs and exceptional bursaries to ensure that students are able to complete their studies successfully The University's ambition to gain American degree awarding powers by 2020 remains unaltered

The University strategic objectives continue to include growth but at a more modest rate than achieved to date as it repositions itself in the higher education market following the expansion of the academic offer with the addition of the Regent's School of Fashion and Design and consolidation of languages provision within the Regent's Institute of Languages and Culture Future growth is expected to be organic and the University is not actively pursuing acquisition, merger or international campus development Target geographical markets have been identified and country market plans continue to be developed providing a structured route to accessing new or underrepresented territories Portfolio development will centre on areas of existing strength

The University's estate has grown through the addition of Regent's Marylebone Limited The University has invested a significant amount to both reconfigure and redevelop the Marylebone Campus A significant challenge in the medium term is to ensure that the estate is utilised effectively to enhance the student experience and efficiently to support a sustainable business model The timetabling project scheduled for completion in 2015/16 is considered critical in helping the University meet these challenges

The University's estates strategy was approved by the Board in December 2014 and is aligned to the 2020 Vision The strategy will be reviewed periodically and flexed for both student numbers and the results of space planning and utilisation statistics To a large extent, the estates strategy will steer the University's capital

# Regent's University London

## STRATEGIC REPORT

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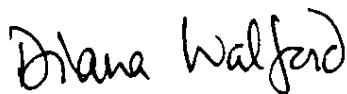
requirements over the medium term. The estates budget for 2015/16 continues to include a significant allocation to the Marylebone campus as projects are undertaken to ensure the campus is fully developed and operational by the end of the 2015/16 financial year.

The University recognises the need to retain and recruit talent in order to achieve the 2020 strategy. The University has therefore invested significant resource in reviewing pay and reward for all staff, academic and professional services. The new pay and reward framework was developed in 2012/13 and was fully operationalised in 2013/14 with 99.6% participation rate. Appraisal documentation is now online as part of the development of the Jigsaw HR and payroll system. The framework links reward to performance achieved in the year, aligning University and personal objectives.

As the University grows it is imperative that opportunities for economies of scale are realised and expenditure is well controlled with demonstrable value for money. The University will continue to invest in its procurement function to achieve this objective. The Proactis purchase ordering and expenses system has been successfully rolled out within the University. This system will improve budgetary control and cost management. Further enhancements to the Proactis system were developed in 2014/15 and are now live. From September 2015 supplier management and material sourcing events will be undertaken through the Proactis system. The system will also be a central repository for all strategic contracts.

The Trustees will continue to set the overall academic direction including the full implementation of a range of programmes to meet the needs of students and employers and to develop enhanced collaborative relationships with other partners.

This report was approved by the Board of Trustees on 9 December 2015.



Trustee

DIANA WALFORD



Trustee

SHONA MILNE

# Regent's University London

## TRUSTEES' REPORT

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Regent's University London ("The University") was founded in 1984 and is a company limited by guarantee, not having a share capital. The University is a registered charity, registered at the Charity Commission under charity number 291583. It is governed by its Articles of Association.

New Trustees are recruited through a range of recruitment tools and there is a formal training and induction process for Trustees. The Trustees are invited to meet with the Chair and key personnel to discuss the operation and administration of the University.

The Board of Trustees meets formally four times a year and has complete responsibility for the stewardship of the University's assets, its members focus on strategic decision making and ensuring adherence to its charitable objectives whilst delegating day-to-day operational responsibilities to the Vice Chancellor & Chief Executive Officer and senior management team. It also holds a number of strategic planning days each year with the full Directorate.

In the year ended 31 July 2015, six committees of Trustees carry out certain tasks within specific terms of reference as follows:

- Audit & Risk Committee
- Finance & Investment Committee
- Human Resources Committee
- Remuneration Committee
- Estates & Infrastructure Committee
- Nominations Committee

At 31 July 2015, the Board of Trustees comprised 17 Trustees.

### **Charitable Objects**

The Objects of the Charity, as set out in the Articles of Association, as revised 22 May 2013, are the advancement of education for the public benefit and the foundation, maintenance and support of a University or Universities and other educational colleges or institutions for students, both male and female, to include residential accommodation and all necessary and proper ancillary services for such establishment.

### **Board Policy**

The Trustees work to a comprehensive set of governance documents.

It is the aim of the Trustees to develop and support the delivery of the University's key strategies linked to a five-year strategic plan. There is an annual cycle whereby the plan is reviewed and revised to reflect changing circumstances and priorities and the plan is reconfirmed by the Trustees on an annual basis.

In addition, the Trustees' role includes:

- The building and development of a strong Trustee board,
- The continuing process of embedding good governance throughout the University,
- Playing a leading role in the University's continuing development, and
- The full integration of all the Schools within the Regent's University London unified structure in line with its status as an educational charity and to undertake and support various charitable activities in pursuit of this objective.

# Regent's University London

## TRUSTEES' REPORT

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The University will encourage an environment where every opportunity is given for both students and staff to further their knowledge and enrich their lives. Within this, the Trustees have given their full support in the furtherance of the University's core values, being

- Excellence
- Employability and entrepreneurship
- Professionalism
- Equality, mutual respect, honesty and inclusion
- Public benefit
- Maximising individuals' potentials
- Internationalism
- Diversity
- Citizenship
- Sustainability

### **The University Mission**

Developing tomorrow's global leaders

### **What we are**

A leading, independent, not-for-profit, Higher Education Institution

### **What we do**

Provide a high quality teaching environment to develop internationally-aware, innovative and employable graduates

We deliver this through constant innovation, enhancement and attention to excellence

### **University Structure**

The University has two faculties to deliver its core business, 'Business and Management' and 'Humanities, Arts and Social Science'. The University also operates the Regent's Institute of Languages and Culture which is independent from the faculties and consolidates the University's language provision. The faculties incorporate subject based academic communities, departments and a number of clear brands, which own and manage portfolios of programmes.

Programmes in all schools have a strong focus on global perspective and employability.

During the year the Directorate, comprising senior managers and led by the Vice Chancellor & Chief Executive Officer provided the executive management for the University and had oversight of the day-to-day operation of the University, considered emerging issues, developed policies and strategy and reviewed risk.

The University Senate has responsibility for academic development and standards, operating under a constitution established in 2008 and revised in 2011. This has continued to improve academic standards, the learning experience of students, the environment for study and the scholarship of its staff.

During the year to 31 July 2015, the University had two trading subsidiary companies, Regent's Conferences & Events Limited which provides catering and conference services and Regent's Marylebone Limited. Any taxable profits from subsidiary companies are transferred by gift aid to the parent organisation. The trade of Regent's Marylebone Limited was transferred to the University on 1 August 2014 and its fixed assets were transferred to the University on 14 April 2015 following lease re-assignment.

### **Public Benefit**

The University delivers teaching and research to a wider range of students. The University is committed to making a meaningful contribution to public benefit and further achieves this through the delivery of a series of outreach programmes. Outreach at Regent's constitutes activities that go beyond the University's primary function of providing education to its students, and includes activities that involve its staff, students, resources, facilities and knowledge.

The University's outreach strategy focuses on two main areas, widening participation and public engagement.



### **Widening Participation**

Through its widening participation aims, the University is committed to being more inclusive and accessible to the local community and to students beyond its traditional cohort. Widening participation at Regent's University London is facilitated primarily through bursaries and scholarships. From 2013/14 a process has been defined and marketing secured to target bursaries at students who are from financially disadvantaged backgrounds, but academically able. Scholarships at Regent's University London will continue to be based on merit, for which anyone can apply.

The University has also pursued a policy of developing relationships with secondary schools. In particular it is building a strong partnership with Regent High School in Camden and has initiated a number of collaborative exercises. The University also launched the first schools' Model United Nations that engaged a dozen London state funded schools and was held on the university campus. This activity will be repeated annually and is expected to grow significantly in number and geographical engagement in future years.

### **Public Engagement**

Through collaboration and sharing its knowledge, the University is putting great effort into reaching a wider audience. In the past year, the University continued to host a wide programme of public lectures, seminars and talks including the Jean Monet lecture series which focuses on contemporary European issues. In addition, many members of staff and students are part of governing bodies, have been invited to be guest speakers and have had opinion pieces published in national and international press.

### **Employment of disabled persons**

The University has an equal opportunities policy which states that the University is fully committed to promoting and implementing equal opportunities for all staff. This is underpinned by a recruitment and selection code of practice.

### **Communication to staff**

The Trustees and Directorate use a variety of media and different channels of communication to provide staff with information about the University. These include:

- the Joint Consultative Committee, which provides a forum for consultation between the Directorate and representatives of all staff group,
- periodic Town Hall meetings open to all staff, where the Vice Chancellor & Chief Executive Officer and members of the Directorate present a summary of developments in the University and respond to questions,
- the publication of a weekly e-bulletin, one for all staff and one for all students, again providing information about developments and background to the University's activities, and
- the University's intranet.

### **Payment of creditors**

The University's policy is to pay all suppliers no later than 30 days from the end of the month in which the invoice was received, other than where there is a dispute regarding the invoice.

# Regent's University London

## TRUSTEES' REPORT

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### Responsibilities of the Trustees of Regent's University London

The Trustees are responsible for preparing the Strategic report, the directors' report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 University and of the incoming resources and application of resources of the University for that period. In preparing these financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- 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 University will continue in business.

The Trustees are responsible for keeping adequate accounting records that show and explain the University's transactions, disclose with reasonable accuracy at any time the financial position of the University, and enable them to ensure that the financial statements comply with the Companies Act 2006.

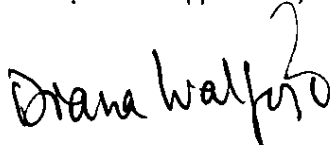
They are also responsible for safeguarding the assets of the University and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the University's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

In so far as the Trustees are aware

- there is no relevant audit information of which the University's auditor is unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the Board of Trustees on 9 December 2015



Trustee  
DIANA WALFORD



Trustee  
SHONA MILNE

# Regent's University London

## STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

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The governing body of the University is the Board of Trustees. The Board has a Chair and Vice Chair who are not members of staff. The Board ensures that the University is governed in accordance with the Charity's Articles of Association and the Charity Commission's Hallmarks of an Effective Charity.

All Trustees are able to take independent professional advice in furtherance of their duties at the University's expense and have access to the Company Secretary, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Company Secretary are matters for the Board as a whole.

Formal agendas, papers and reports are supplied to trustees in a timely manner, prior to Board meetings. Briefings are also provided on an ad-hoc basis.

The Board has a strong and independent non-executive element and no individual or group dominates its decision making process. The Board considers that each of its non-executive members is independent of management and free from any business or other relationship that could materially interfere with the exercise of their independent judgement.

In addition to the independent trustees, the Vice Chancellor & Chief Executive Officer is a Trustee ex officio. Further, there are two elected trustees, one drawn from academic staff and the other from professional services staff. The elected president of the student union is also appointed to the Trustee board.

There is a clear division of responsibility in that the roles of the Pro-Chancellor & Chair of the Board and Vice Chancellor & Chief Executive Officer of the University are separate.

### **Appointments to the Board of Trustees**

Any new appointments to the Board are a matter for the consideration of the Board as a whole. A Nominations Committee is responsible for the selection and nomination of any new member for the Board's consideration. The Board is responsible for ensuring that appropriate training is provided as required.

### **Remuneration Committee**

The Committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Vice Chancellor & Chief Executive Officer and other senior managers including members of Directorate.

### **Audit & Risk Committee**

The Committee operates in accordance with written terms of reference approved by the Board. Its purpose is to advise the Board on the adequacy and effectiveness of the University's system of internal control and its arrangements for risk management, control and governance processes.

The Audit & Risk Committee meets three times per annum and provides a forum for reporting by the University's internal and financial statement auditors, who have access to the Committee for independent discussion, without the presence of the University's management.

The University's internal auditors monitor the systems of internal control, risk management controls and governance processes in accordance with an agreed plan of input and report their findings to management and the Audit & Risk Committee.

Management are responsible for the implementation of agreed recommendations and internal audit undertake periodic follow up reviews to ensure such recommendations have been implemented.

The Audit & Risk Committee also advises the Board on the appointment of internal and external auditors and

# Regent's University London

## STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

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their remuneration for both audit and non-audit work

### **Finance & Investment Committee**

The Committee operates in accordance with written terms of reference approved by the Board. Its purpose is to oversee the University's financial affairs and to give initial consideration to and advise on any other business of particular importance or complexity.

### **Internal Control**

#### **Scope of responsibility**

The Board is ultimately responsible for the University's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board has delegated the day-to-day responsibility to the Vice Chancellor & Chief Executive Officer, for maintaining a sound system of internal control that supports the achievement of the University's policies, aims and objectives whilst safeguarding funds and assets. The Vice Chancellor & Chief Executive Officer is also responsible for reporting to the Corporation any material weaknesses or break-downs in internal control.

#### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all 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 designed to identify and prioritise the risks to the achievement of the University's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Regent's University London for the year ended 31 July 2015 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

#### **Risk Management**

Risk management helps Regent's University London to have confidence in achieving its long-term aims and to effectively manage any threats to acceptable levels. The University is committed to effective risk management and ensures that all significant risks are understood and prioritised as part of the University's strategic and operational management processes.

The Board of Trustees is ultimately responsible for the system of risk management and for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives. The role of the Board of Trustees is to provide strategic oversight of the University within a framework of prudent and effective controls which enables risk to be assessed and managed. It maintains its risk management and internal control systems through regular reports to the Audit & Risk Committee and through the annual report to the Board. Audit & Risk Committee is also responsible for defining the level of risk appetite for the University.

There exists a clearly defined risk management policy, process and mechanisms for identifying, assessing, monitoring and managing risk. The University has identified categories of risk. Each risk is recorded on the strategic risk register and given a rating according to the likelihood and impact of the risk occurring. The risks are regularly reviewed and actively managed according to their severity. All risks are reviewed by the Directorate.

# Regent's University London

## STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

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The Board has reviewed the key risks to which the University is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board is of the view that there is a formal on-going process for identifying, evaluating and managing the University's significant risks that has been in place for the period ending 31 July 2015 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board.

### **The risk and control framework**

The system of internal control is based on a framework of regular management information, administration procedures including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- Comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the Board,
- Regular reviews by the Board of periodic and annual financial reports which indicate financial performance against forecasts,
- Comprehensive financial regulations, detailing financial controls and procedures, approved by the Board,
- Clearly defined capital investment approval and control guidelines, and
- The adoption of formal project management disciplines, where appropriate.

The University has an internal audit service, which operates in accordance with the requirements of the HEFCE's Audit Code of Practice. The work of the internal audit service is informed by an analysis of the risks to which the University is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Board on the recommendation of the Audit & Risk Committee.

As a minimum, the Head of Internal Audit (HIA) annually provides the Audit & Risk Committee with a report on internal audit activity in the University. The report includes the HIA's independent opinion on the adequacy and effectiveness of the University's system of risk management, controls and governance processes.

### **Review of effectiveness**

The Audit & Risk Committee has responsibility for reviewing the effectiveness of the system of internal control. This review is informed by:

- The work of the internal auditors,
- The work of the senior managers within the University who have responsibility for the development and maintenance of the internal control framework, and
- Comments made by the University's financial statements external auditors, in their management letters and other reports.

The Audit & Risk Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Board's agenda includes a regular item for consideration of risk and control and receives reports thereon from management and the Audit & Risk Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.



Chair of the Board  
9 December 2015

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REGENT'S UNIVERSITY LONDON

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We have audited the financial statements of Regent's University London for the year ended 31 July 2015 which comprise the consolidated and University income and expenditure, the consolidated statement of total recognised gains and losses, the Consolidated and University Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the University's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the University's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the University's members as a body, for our audit work, for this report, or for the opinions we have formed.

### ***Respective responsibilities of Trustees and auditors***

As explained more fully in the Trustees' Responsibilities Statement (set out on page 15, the Trustees (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.

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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### ***Scope of the audit of the financial statements***

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

### ***Opinion on the financial statements***

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 July 2015 and of the group's and the parent charitable company's deficit 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 Companies Act 2006.

### ***Opinion on other matter prescribed by the Companies Act 2006***

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

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

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

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



James Aston, (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Gatwick, West Sussex, United Kingdom

Date 11 December 2015

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

# Regent's University London

## CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT for the year ended 31 July 2015

	Notes	Year ended 31 July 2015 £000	Year ended 31 July 2014 £000
<b>Income</b>			
Tuition fee income	1	44,886	45,301
Other income	2	6,757	7,647
Investment income	3	187	222
<b>Total Income</b>		<b>51,830</b>	<b>53,170</b>
<b>Expenditure</b>			
Staff costs	4	24,976	24,455
Other operating expenses	6	24,017	27,858
Depreciation	9	4,083	3,164
Interest and other finance costs	5	146	182
<b>Total Expenditure</b>		<b>53,222</b>	<b>55,659</b>
<b>Deficit after depreciation of tangible fixed assets and before tax</b>		<b>(1,392)</b>	<b>(2,489)</b>
Taxation		-	-
<b>Deficit after depreciation of assets and tax but before exceptional items</b>		<b>(1,392)</b>	<b>(2,489)</b>
<b>Exceptional items</b>			
Disposal of fixed assets and investments	7	40	(19)
<b>Deficit on continuing operations after depreciation of assets and disposal of assets and tax and retained within general reserves</b>		<b>(1,352)</b>	<b>(2,508)</b>

All the above results are derived from continuing activities

The accompanying accounting policies and notes form an integral part of these financial statements



# Regent's University London

## UNIVERSITY INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 July 2015

	Notes	Year ended 31 July 2015 £000	Year ended 31 July 2014 £000
<b>Income</b>			
Tuition fee income	1	44,886	41,657
Other income	2	6,067	8,742
Investment income	3	186	218
<b>Total Income</b>		<b>51,139</b>	<b>50,617</b>
<b>Expenditure</b>			
Staff costs	4	24,787	22,469
Other operating expenses	6	23,873	26,878
Depreciation	9	3,926	2,926
Interest and other finance costs	5	146	182
<b>Total Expenditure</b>		<b>52,732</b>	<b>52,455</b>
<b>Deficit after depreciation of tangible fixed assets and before tax</b>		<b>(1,593)</b>	<b>(1,838)</b>
Taxation		-	-
<b>Deficit after depreciation of assets and tax but before exceptional items</b>		<b>(1,593)</b>	<b>(1,838)</b>
<b>Exceptional items</b>			
Disposal of fixed assets and investments	7	45	(19)
<b>Deficit on continuing operations after depreciation of assets and disposal of assets and tax and retained within general reserves</b>		<b>(1,548)</b>	<b>(1,857)</b>

All the above results are derived from continuing activities

The accompanying accounting policies and notes form an integral part of these financial statements

# Regent's University London

## CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31 July 2015

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	Notes	Year ended 31 July 2015 £000	Year ended 31 July 2014 £000
<b>Deficit on continuing operations after depreciation of assets, disposal of assets and tax</b>		<b>(1,352)</b>	<b>(2,508)</b>
Unrealised gains on revaluation of investments	10	117	95
<b>Total losses since the last period</b>		<b>(1,235)</b>	<b>(2,413)</b>
<b>Reconciliation</b>			
Opening reserves		17,776	20,189
Total recognised losses for the year		(1,235)	(2,413)
Closing reserves		<u>16,541</u>	<u>17,776</u>

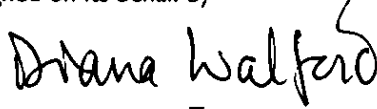
# Regent's University London


## BALANCE SHEETS

31 July 2015

	Notes	Group 31 July 2015 £000	Group 31 July 2014 £000	University 31 July 2015 £000	University 31 July 2014 £000
<b>Fixed Assets</b>					
Intangible assets – negative goodwill	8	(1,084)	(1,225)	-	-
Tangible assets	9	15,303	14,677	15,301	12,184
Investments	10	5,756	5,422	5,756	5,422
		<u>19,975</u>	<u>18,874</u>	<u>21,057</u>	<u>17,606</u>
<b>Current Assets</b>					
Debtors	11	5,207	5,884	4,929	6,344
Short term deposits		1	1	1	1
Cash at bank and in hand		2,864	7,377	2,665	6,376
		<u>8,072</u>	<u>13,262</u>	<u>7,595</u>	<u>12,721</u>
<b>Current Liabilities</b>					
Creditors amounts falling due within one year	12	(9,454)	(11,021)	(9,043)	(9,873)
		<u>(1,382)</u>	<u>2,241</u>	<u>(1,448)</u>	<u>2,848</u>
<b>Net Current Assets</b>					
<b>Long Term Liabilities</b>					
Creditors amounts falling due after one year	13	(672)	(912)	(672)	(912)
		<u>(1,380)</u>	<u>(2,427)</u>	<u>(1,380)</u>	<u>(554)</u>
<b>Provisions for liabilities</b>					
Other provisions	14	(1,380)	(2,427)	(1,380)	(554)
		<u>16,541</u>	<u>17,776</u>	<u>17,557</u>	<u>18,988</u>
<b>TOTAL NET ASSETS</b>					
<b>Reserves</b>					
Revaluation reserve	16	593	476	593	476
General reserve	17	15,948	17,300	16,964	18,512
		<u>16,541</u>	<u>17,776</u>	<u>17,557</u>	<u>18,988</u>

These financial statements were approved and authorised for issue by the Board on 9 December 2015 and signed on its behalf by

  
 Trustee  
 DIANA WALFORD  
 Company number 1791760

  
 Trustee  
 SHONA MILNE

The accompanying accounting policies and notes form an integral part of these financial statements

**Regent's University London**  
**CONSOLIDATED CASH FLOW STATEMENT**  
for the year ended 31 July 2015

	Notes	Year ended 31 July 2015 £000	Year ended 31 July 2014 £000
Net Cash Inflow/(Outflow) from Operating Activities	20	1,607	(1,122)
Return on Investments and Servicing of Finance	21	41	40
Capital Expenditure and Financial Investment	22	(5,937)	(3,901)
<b>Cash Outflow before use of Liquid Resources and Financing</b>		<b>(4,289)</b>	<b>(4,983)</b>
Management of Liquid Resources	24	-	3,820
Financing Activities	23	(224)	(130)
<b>Decrease in Cash for the Period</b>		<b>(4,513)</b>	<b>(1,293)</b>

**Reconciliation of Net Cash Flow to Movement in Net Funds**

	Notes	Year ended 31 July 2015 £000	Year ended 31 July 2014 £000
Decrease in Cash in the Period		(4,513)	(1,293)
Cash withdrawn from Liquid Resources		-	(3,820)
Finance leases		(224)	(130)
<b>Change in Net Funds</b>		<b>(4,737)</b>	<b>(5,243)</b>
<b>Opening Net Funds at 1 August</b>		<b>8,514</b>	<b>13,757</b>
<b>Closing Net Funds at 31 July</b>	25	<b>3,777</b>	<b>8,514</b>

The accompanying accounting policies and notes form an integral part of these financial statements

# Regent's University London

## PRINCIPAL ACCOUNTING POLICIES

for the year ended 31 July 2015

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### **Basis of Accounting**

The financial statements have been prepared under the historical cost convention, except that listed fixed asset investments are carried at market value, and in accordance with applicable United Kingdom accounting standards. They have also been prepared in accordance with the Companies Act 2006 and the Statement of Recommended Practice 'Accounting for Further and Higher Education' (SORP 2007).

After making appropriate enquiries, the Board considers 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 financial statements.

The Trustees have reviewed the accounting policies and consider they remain appropriate. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

### **Basis of Consolidation**

The consolidated financial statements incorporate the results of Regent's University London and all of its subsidiary undertakings as at 31 July 2015 using the acquisition or merger method of accounting as required. Where the acquisition method is used, the results of subsidiary undertakings are included from the date of acquisition.

### **Intangible Fixed Assets and Amortisation**

Intangible fixed assets represent:

Goodwill arising on an acquisition of a subsidiary undertaking as being the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised through the profit and loss account over the Trustees' estimate of its useful economic life which ranges from 15 to 20 years. Any negative goodwill in excess of the fair values of the non-monetary assets acquired is recognised in the profit and loss account in the periods expected to be benefited. Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first full financial year following acquisition,
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

### **Tangible Fixed Assets and Depreciation**

Tangible fixed assets costing more than £5,000 (£500 to 31 August 2007) are capitalised and are stated at historic cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Short leasehold improvements	-	10% per annum
Computer equipment	-	10% - 33% per annum
Plant and machinery	-	20% - 33% per annum
Fixtures and Fittings	-	20% - 33% per annum
Motor vehicles	-	25% per annum

# Regent's University London

## PRINCIPAL ACCOUNTING POLICIES

for the year ended 31 July 2015

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### ***Tangible Fixed Assets and Depreciation (continued)***

Where significant expenditure is incurred on tangible fixed assets it is charged to the income and expenditure account in the period it is incurred, unless it meets one of the following criteria, in which case it is capitalised and depreciated on the relevant basis

- \* Asset's capacity increases
- \* Substantial improvement in the quality of output or reduction in operating costs
- \* Significant extension of the asset's life beyond that conferred by repairs and maintenance

### ***Investments***

Investments, other than investments in subsidiary undertakings, are stated at market value

### ***Pensions***

The company contributes a defined amount to specified Personal Policies taken out by eligible employees. Contributions are charged for the period to which they relate.

### ***Foreign Currencies***

Transactions denominated in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

### ***Taxation Status***

Regent's University London is a registered charity within the meaning of Schedule 2 of the Charities Act 2011 and as such is a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by parts two and three of part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

The University receives no similar exemption in respect of value added tax (VAT). Due to the nature of the University's outputs, value added tax on its inputs is not fully recoverable. Irrecoverable value added tax incurred is capitalised when it relates to items of a capital nature and charged to the income and expenditure account when it is of a revenue nature.

### ***Operating Leases***

Rental costs in respect of operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

### ***Finance Leases***

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the income and expenditure account over the shorter of estimated useful economic life and the period of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the income and expenditure account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduced the finance lease liability.

# Regent's University London

## PRINCIPAL ACCOUNTING POLICIES

for the year ended 31 July 2015

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### ***Turnover***

Tuition fees, and other similar income, are recognised evenly over the period of the relevant course

Income from commercial trading activities is recognised at the point at which it is earned

Investment income is recognised in the year in which it arises

### ***Liquid Resources***

For the purposes of the cash flow statement, liquid resources are defined as short term deposits

### ***Provision for Liabilities***

Where there is an expectation of unavoidable costs of relating to repairs in a lease, a provision is made for the value of the obligations under the lease. The provision is discounted where the effect of such is material

**Regent's University London**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2015

**1. Tuition Fee Income**

	<b>Group Year ended 31 July 2015 £000</b>	<b>Group Year ended 31 July 2014 £000</b>	<b>University Year ended 31 July 2015 £000</b>	<b>University Year ended 31 July 2014 £000</b>
Tuition and registration fees	44,628	45,526	44,628	41,882
Exchange gain/(loss)	258	(225)	258	(225)
	<b>44,886</b>	<b>45,301</b>	<b>44,886</b>	<b>41,657</b>

The turnover of the Group and University during the period was all derived in the same geographical area

**2. Other Income**

	<b>Group Year ended 31 July 2015 £000</b>	<b>Group Year ended 31 July 2014 £000</b>	<b>University Year ended 31 July 2015 £000</b>	<b>University Year ended 31 July 2014 £000</b>
Residences & Catering	4,788	5,403	4,788	5,173
Rental and Room Hire	207	309	304	354
Central services	-	-	409	2,646
Trips & Excursions	151	158	151	158
Car Park	82	104	82	105
Conferencing	1,196	1,205	-	-
Other	333	468	333	306
	<b>6,757</b>	<b>7,647</b>	<b>6,067</b>	<b>8,742</b>

**3. Investment Income**

	<b>Group Year ended 31 July 2015 £000</b>	<b>Group Year ended 31 July 2014 £000</b>	<b>University Year ended 31 July 2015 £000</b>	<b>University Year ended 31 July 2014 £000</b>
Bank interest receivable	15	57	14	53
Other interest receivable	-	36	-	36
Dividend income	172	129	172	129
	<b>187</b>	<b>222</b>	<b>186</b>	<b>218</b>



**Regent's University London**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2015

**4. Employees**

	<b>Group Year ended 31 July 2015 No.</b>	<b>Group Year ended 31 July 2014 No.</b>	<b>University Year ended 31 July 2015 No</b>	<b>University Year ended 31 July 2014 No</b>
The average number of persons (excluding Trustees) employed during the period was				
Management and administration	<b>285</b>	<b>304</b>	280	285
Academic	<b>253</b>	<b>257</b>	253	232
<b>Total average full time equivalent</b>	<b>538</b>	<b>561</b>	533	517

	<b>Group Year ended 31 July 2015 £000</b>	<b>Group Year ended 31 July 2014 £000</b>	<b>University Year ended 31 July 2015 £000</b>	<b>University Year ended 31 July 2014 £000</b>
Staff costs for the above persons				
Wages and salaries	<b>20,634</b>	<b>20,288</b>	20,479	18,607
Social security costs	<b>2,158</b>	<b>2,112</b>	2,142	1,948
Other pension costs	<b>2,184</b>	<b>2,055</b>	2,166	1,914
	<b>24,976</b>	<b>24,455</b>	24,787	22,469

	<b>Year ended 31 July 2015 £000</b>	<b>Year ended 31 July 2014 £000</b>
Trustees' remuneration		
Trustees' emoluments	339	152
Company contributions to Pension	35	13
	<b>374</b>	<b>165</b>

Three staff Trustees were remunerated in the period (2014 3 staff trustees) The amounts are lower in 2013/14 as the staff trustees were appointed part way through the year

The total amount payable to the highest paid Trustee in respect of emoluments was £237,000 (2014 £150,000) Company pension contributions of £25,000 (2014 £12,000) were made to the personal pension scheme

Eleven Trustees were reimbursed for travel and subsistence expenses for attending meetings during the period The aggregate amount reimbursed was £20,702 (2014 £11,787)

**Regent's University London**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2015

**4. Employees (continued)**

	<b>Group Year ended 31 July 2015 No.</b>	<b>Group Year ended 31 July 2014 No.</b>	<b>University Year ended 31 July 2015 No</b>	<b>University Year ended 31 July 2014 No</b>
The number of employees with emoluments of £60,000 or more during the period for Regent's University London and its subsidiaries was				
£60,000 – £69,999	16	15	16	14
£70,000 – £79,999	5	5	4	5
£80,000 – £89,999	2	2	2	2
£90,000 – £99,999	1	-	1	-
£100,000 – £109,999	1	2	1	2
£110,000 – £119,999	3	1	3	1
£120,000 – £129,999	-	1	-	1
£140,000 – £149,999	1	1	1	-
£230,000 – £239,999	1	1	1	1
	<b>30</b>	<b>27</b>	<b>30</b>	<b>26</b>

Pension costs relating to 30 (2014: 27) employees earning more than £60,000 during the period were £226,899 (2014: £194,278)

**5. Interest and other finance costs**

	<b>Group Year ended 31 July 2015 £000</b>	<b>Group Year ended 31 July 2014 £000</b>	<b>University Year ended 31 July 2015 £000</b>	<b>University Year ended 31 July 2014 £000</b>
Finance lease charges	146	182	146	182
	<b>146</b>	<b>182</b>	<b>146</b>	<b>182</b>

**Regent's University London**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2015

**6. Analysis of other operating expenses**

	<b>Group Year ended 31 July 2015 £000</b>	<b>Group Year ended 31 July 2014 £000</b>	<b>University Year ended 31 July 2015 £000</b>	<b>University Year ended 31 July 2014 £000</b>
Academic departments	3,597	4,865	3,693	3,625
Academic services	2,536	3,240	2,804	3,485
Admin and central services	4,041	7,074	4,145	7,175
Premises	8,404	7,406	8,437	7,406
Residences, catering and conferences	2,601	3,113	2,601	3,113
Research grants and contracts	10	15	11	15
Bad debts	386	66	443	947
Goodwill amortisation	(141)	(141)	-	-
Bursaries, scholarships and discounts	1,830	1,459	1,830	1,177
Other expenses	753	761	(91)	(65)
	<b>24,017</b>	<b>27,858</b>	<b>23,873</b>	<b>26,878</b>

417 scholarships were granted to individuals in the period ended 31 July 2015 (2014 322)

Other operating expenses include				
Operating lease rental – land and buildings	4,849	4,639	4,261	3,495
– Others	-	22	-	-
Auditors' remuneration (excluding VAT)				
- Audit services – University	48	55	48	55
– subsidiary companies	7	16	-	-
– internal audit	19	48	-	-
- Other services – taxation compliance	7	13	7	13
Depreciation on assets held under finance lease	322	320	322	320

**7. Exceptional items**

	<b>Group Year ended 31 July 2015 £000</b>	<b>Group Year ended 31 July 2014 £000</b>	<b>University Year ended 31 July 2015 £000</b>	<b>University Year ended 31 July 2014 £000</b>
Realised gain/(loss) on fixed asset investments	45	(19)	45	(19)
(Loss)/profit on disposal of fixed assets	(5)	-	-	-
	<b>40</b>	<b>(19)</b>	<b>45</b>	<b>(19)</b>

**Regent's University London**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2015

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**8. Intangible Fixed Assets**

	<b>Goodwill £000</b>
GROUP	
Cost	
1 August 2014 and 31 July 2015	(1,413)
Amortisation	
1 August 2014	(188)
Charged in the year	(141)
31 July 2015	(329)
Net book value	
31 July 2015	(1,084)
31 July 2014	(1,225)

**9. Tangible Fixed Assets**

	Short leasehold improvements £000	Computer equipment £000	Plant and machinery £000	Fixtures and fittings £000	Motor vehicles £000	Total £000
GROUP						
Cost						
1 August 2014	20,887	5,988	1,339	6,536	145	34,895
Additions	2,953	903	294	565	-	4,715
Disposals	-	(39)	-	(6)	-	(45)
31 July 2015	23,840	6,852	1,633	7,095	145	39,565
Depreciation						
1 August 2014	10,760	3,269	1,291	4,784	114	20,218
Charged in the year	1,779	1,351	78	849	26	4,083
Disposals	-	(34)	-	(5)	-	(39)
31 July 2015	12,539	4,586	1,369	5,628	140	24,262
Net book value						
31 July 2015	11,301	2,266	264	1,467	5	15,303
31 July 2014	10,127	2,719	48	1,752	31	14,677

**Regent's University London**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**9 Tangible Fixed Assets (continued)**

UNIVERSITY	Short leasehold improvements £000	Computer equipment £000	Plant and machinery £000	Fixtures and fittings £000	Motor vehicles £000	Total £000
Cost						
1 August 2014	17,538	5,874	1,356	5,957	145	30,870
Additions	2,458	903	294	546	-	4,201
Transfer from Subsidiary undertaking	2,791	6	-	45	-	2,842
31 July 2015	22,787	6,783	1,650	6,548	145	37,913
Depreciation						
1 August 2014	9,842	3,202	1,308	4,220	114	18,686
Charged in the year	1,642	1,340	78	840	26	3,926
31 July 2015	11,484	4,542	1,386	5,060	140	22,612
Net book value 31 July 2015	11,303	2,241	264	1,488	5	15,301
31 July 2014	7,696	2,672	48	1,737	31	12,184

Assets held under finance leases for the group amounted to a net book value of £568,324 at the balance sheet date (31 July 2014 £890,448)

**10. Fixed Asset Investments**

	Group 31 July 2015 £000	Group 31 July 2014 £000	University 31 July 2015 £000	University 31 July 2014 £000
Listed investments and cash deposits	5,751	5,417	5,751	5,417
Investment in shares	5	5	5	5
	<b>5,756</b>	<b>5,422</b>	<b>5,756</b>	<b>5,422</b>

**GROUP AND UNIVERSITY**

	£000
Quoted investments and cash deposits	
Market value at 1 August 2014	5,417
Less Disposals at original cost	
(proceeds £570,698, gain £44,701)	(525)
Management fees	(5)
Add Acquisitions at cost	747
Gain on revaluation at 31 July 2015	117
Market value at 31 July 2015	<b>5,751</b>

**Regent's University London**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2015

**10. Investments (continued)**

	Quoted investments £000	Cash deposits £000	Total £000
Investment assets in the UK	5,250	218	5,468
Investment assets outside the UK	283	-	283
31 July 2015	<b>5,533</b>	<b>218</b>	<b>5,751</b>
Market value 31 July 2014	<b>5,242</b>	<b>175</b>	<b>5,417</b>
Historic cost of the above investments was 31 July 2015	4,943	218	5,161
31 July 2014	4,769	175	4,944

Cash deposits represent funds realised from sale of quoted investments pending reinvestment

Investments in individual entities held at 31 July 2015 which are over 5% of portfolio by value are

	£000
Barings Targeted Return Fund	2,861
Cazenove Investment Fund Management Equity Income Trust	372
Schroder UK Corporate Bond Fund	435
M&G Strategic Corporate Bond Fund	435

All investments are held indirectly through common investment funds

**Investment in shares**

	31 July 2015 £	31 July 2014 £
Groupement Europeen D'Interet Economique Groupe EBSI (GEIE)	4,676	4,676

**UNIVERSITY**

	31 July 2015 £	31 July 2014 £
Subsidiary undertakings	15	15

**Regent's University London**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2015

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**10. Investments (continued)**

The University holds more than 20% of the equity of the following companies

<b>Name of company</b>	<b>Class of holding</b>	<b>Proportion held</b>	<b>Nature of business</b>
Regent's Marylebone Limited	550,000 ordinary £1 shares	100%	Ceased trading
Regent's Conferences & Events Limited	2 ordinary £1 shares	100%	Provision of conference facilities
* Regent's College Graduate Studies Centre Limited	2 ordinary £1 shares	100%	Dormant
European Business School (London) Limited	10 ordinary £1 shares	100%	Dormant
Regents Business School London Limited	Limited by guarantee	100%	Ceased trading

\* This company is in the process of being struck off

**11. Debtors**

	<b>Group 31 July 2015 £000</b>	<b>Group 31 July 2014 £000</b>	<b>University 31 July 2015 £000</b>	<b>University 31 July 2014 £000</b>
Trade debtors	1,143	1,993	872	1,359
Amounts due from group undertakings	-	-	-	1,299
Other debtors	834	570	831	570
Prepayments and accrued income	3,230	3,321	3,226	3,116
	<b>5,207</b>	<b>5,884</b>	<b>4,929</b>	<b>6,344</b>

**Regent's University London**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2015

**12. Creditors: Amounts falling due within one year**

	<b>Group</b>	<b>Group</b>	<b>University</b>	<b>University</b>
	<b>31 July</b>	<b>31 July</b>	<b>31 July</b>	<b>31 July</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Trade creditors	2,486	2,791	2,153	2,528
Amounts due to group undertakings	-	-	81	-
Other taxation and social security costs	598	651	543	604
Other creditors	321	243	307	235
Obligations under finance lease contracts	240	224	240	224
Accruals and deferred income	5,809	7,112	5,719	6,282
	<b>9,454</b>	<b>11,021</b>	<b>9,043</b>	<b>9,873</b>

**13. Creditors: Amounts falling due after one year**

	<b>Group</b>	<b>Group</b>	<b>University</b>	<b>University</b>
	<b>31 July</b>	<b>31 July</b>	<b>31 July</b>	<b>31 July</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Obligations under finance lease contracts				
Due 12–24 months	272	240	272	240
Due 24–60 months	400	672	400	672
	<b>672</b>	<b>912</b>	<b>672</b>	<b>912</b>

**14. Other provisions**

	<b>Group</b>	<b>Group</b>	<b>University</b>	<b>University</b>
	<b>31 July</b>	<b>31 July</b>	<b>31 July</b>	<b>31 July</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Balance at 1 August	2,427	3,351	554	1,478
Transferred from subsidiary undertaking	-	-	1,873	-
Utilised in the year	(1,047)	(924)	(1,047)	(924)
Balance at 31 July	<b>1,380</b>	<b>2,427</b>	<b>1,380</b>	<b>554</b>

This relates to repairs provision, recognised on the basis that there is an expectation of future obligations arising from remedial works to be done on leasehold properties. The provision being carried is expected to be spent in 2015/16.



**Regent's University London**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2015

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**15. Guarantee**

The charitable company is limited by guarantee. In the event of a winding up, members are obliged to contribute such sums as are necessary to ensure that the company is able to settle its liabilities subject to a maximum contribution of £1 per member.

**16. Revaluation Reserve**

	<b>31 July 2015 £000</b>	<b>31 July 2014 £000</b>
<b>GROUP</b>		
Balance at 1 August	476	381
Net movement in funds for the period	117	95
Balance at 31 July	<u>593</u>	<u>476</u>
<b>UNIVERSITY</b>		
Balance at 1 August	476	381
Net movement in funds for the period	117	95
Balance at 31 July	<u>593</u>	<u>476</u>

**17. General Reserve**

	<b>31 July 2015 £000</b>	<b>31 July 2014 £000</b>
<b>GROUP</b>		
Balance at 1 August	17,300	19,808
Net movement in funds for the period	(1,352)	(2,508)
Balance at 31 July	<u>15,948</u>	<u>17,300</u>
<b>UNIVERSITY</b>		
Balance at 1 August	18,512	20,369
Net movement in funds for the period	(1,548)	(1,857)
Balance at 31 July	<u>16,964</u>	<u>18,512</u>

# Regent's University London

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2015

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### 18. Commitments and Contingent Liabilities

- i) At 31 July 2015 the group had unindexed annual commitments under non-cancellable operating leases which expire as follows

	31 July 2015 £000	31 July 2014 £000
Land and buildings 12 - 36 months	263	-
Land and buildings 12 - 48 months	-	262
Land and buildings after 60 months	4,525	4,105

- ii) Regent's University London is included in a group registration for VAT purposes and is therefore jointly and severally liable for all the VAT liabilities (including, where applicable, penalties and accrued interest) of other group companies. At the balance sheet date, the VAT liabilities recorded amounted to £31,627 (2014 £9,417)
- iii) Regent's University London continues to support a number of its subsidiary undertakings, in order that they may continue to meet their liabilities as they fall due
- iv) In the year ended 31 July 2015 the University wrote back £504,457 (31 July 2014 £343,000) of deferred income to tuition fees. These balances mainly relate to tuition fee overpayments and credit notes from prior periods (pre 31 July 2013). Although unlikely, a legal opinion was sought and the possibility exists that students could claim a refund for overpayments less than 6 years old.

### 19. Pensions

The group contributes a defined amount to specified personal policies taken out by eligible employees. Contributions are charged as incurred. There were outstanding contributions in relation to the group and the charitable company amounting to £159,641 as at the balance sheet date (31 July 2014 £159,000). Pension costs during the period were £2,184,000 (31 July 2014 £2,055,000).

**Regent's University London**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2015

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**20 Reconciliation of Surplus before Tax to Net Cash Inflow from Operating Activities**

	<b>Year ended 31 July 2015 £000</b>	<b>Year ended 31 July 2014 £000</b>
Deficit after depreciation of tangible fixed assets before tax	(1,392)	(2,489)
Investment income	(15)	(93)
Dividends received	(172)	(129)
Interest charged on finance leases	146	182
Depreciation	4,083	3,164
Amortisation of intangibles	(141)	(141)
Investment fund management charges	5	4
Decrease/(Increase) in debtors	677	(26)
(Decrease)/Increase in creditors	(1,584)	(1,594)
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>1,607</b>	<b>(1,122)</b>

**21. Returns on Investments and Servicing of Finance**

	<b>Year ended 31 July 2015 £000</b>	<b>Year ended 31 July 2014 £000</b>
Income from short term investments/interest received	15	93
Dividends received	172	129
Interest paid on finance leases	(146)	(182)
<b>Net Cash Inflow from Returns on Investments and Servicing of Finance</b>	<b>41</b>	<b>40</b>

**22. Capital Expenditure and Financial Investment**

	<b>Year ended 31 July 2015 £000</b>	<b>Year ended 31 July 2014 £000</b>
Payments to acquire tangible fixed assets	(5,762)	(3,740)
Proceeds from disposal of tangible fixed assets	1	-
Investments acquired	(747)	(1,275)
Proceeds from sales of investments	571	1,114
<b>Net Cash Outflow from Capital Expenditure and Financial Investment</b>	<b>(5,937)</b>	<b>(3,901)</b>

**Regent's University London**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 July 2015

**23. Financing Activities**

	Year ended 31 July 2015 £000	Year ended 31 July 2014 £000
New finance leases	-	53
Capital element of finance lease repayments	(224)	(183)
<b>Net Cash outflow from Financing Activities</b>	<b>(224)</b>	<b>(130)</b>

**24. Management of Liquid Resources**

	Year ended 31 July 2015 £000	Year ended 31 July 2014 £000
Net (Increase)/Decrease in short term deposits	-	3,820
<b>Net Cash Inflow from Management of Liquid Resources</b>	<b>-</b>	<b>3,820</b>

**25. Analysis of changes in Net Funds**

	1 August 2014 Group £000	Cashflows £000	31 July 2015 Group £000
<b>Funds</b>			
Cash at bank and in hand	7,377	(4,513)	2,864
	<u>7,377</u>	<u>(4,513)</u>	<u>2,864</u>
Finance leases	1,136	(224)	912
Short term deposits	1	-	1
	<u>8,514</u>	<u>(4,737)</u>	<u>3,777</u>

# Regent's University London

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2015

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**26. Related party transactions**

Advantage has been taken of the exemption afforded by Financial Reporting Standard 8 'Related Party Disclosures' not to disclose transactions with wholly owned subsidiary undertakings

**27. Post balance sheet events**

There are no post balance sheet events to report