

REGISTERED COMPANY NUMBER: 04270952 (England and Wales)
REGISTERED CHARITY NUMBER: 1088366

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30TH JUNE 2016
FOR
SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE)**



Sinclairs Bartrum Lerner
Chartered Accountants
Statutory Auditors
39A Welbeck Street
London
W1G 8DH

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 30TH JUNE 2016**

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**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE) (REGISTERED NUMBER: 04270952)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30TH JUNE 2016**

The trustees, who are also directors for the purposes of the Companies Act 2006, present their report with the financial statements of Syracuse University (USA) London Program (the 'Charity') for the year ended 30th June 2016, which have been prepared in accordance with the Accounting and Reporting By Charities: Statement of Recommended Practice (SORP) issued in January 2015, and relevant provisions of the Charities Act 2011 (as amended).

OBJECTIVES AND ACTIVITIES

Charitable Objectives

The Charity's charitable object as set out in its articles of association is to facilitate the advancement of the education of students in various parts of the world.

The Charity furthers this object by delivering a study abroad program in London (the 'Programme') for students from Syracuse University and other American universities. The Charity also provides educational facilities and opportunities to the wider community.

The Charity strives to provide high-quality undergraduate academic, co- and extra-curricular opportunities to students in an English-speaking but culturally diverse urban context. There is a strong commitment to the creative combination of formal (classroom) and experiential (off-site) learning. In the pursuit of these objectives, the Charity holds classes, lectures, and seminars, and organizes field studies and guided travel opportunities. It collaborates with other higher education institutions to offer exhibitions and workshops and to foster opportunities for student dialogue. Throughout their experience students are fully supported with experienced pastoral care.

PUBLIC BENEFIT

Object and Purpose

The trustees have sought to further the Charity's objective during the period by continuing to develop the Programme and provide educational facilities and opportunities to the wider community.

The trustees have throughout the period taken the Charity Commission's public benefit guidance into account when exercising powers or duties to which the guidance is relevant.

The activities undertaken during the year to further the Charity's object for the public benefit are set out below.

The Educational Programme

The Charity provides an educational environment that permits undergraduate students to develop their capabilities, competences and skills. It promotes the academic and cultural development of its students through the Programme, which includes academic courses, co- and extra-curricular activities. It provides an educational environment in which, in addition to completing rigorous academic courses, each student can develop and fulfil his or her potential, building their self-confidence and inculcating a desire to contribute to the wider community. In so doing, it prepares students for the opportunities, responsibilities and experiences of later life.

The Charity offers courses in a wide variety of subjects including Advertising, Anthropology, Architecture, Business Administration, Communications Design, Communications & Rhetorical Studies, Drama, Economics, Entrepreneurship, English & Textual Studies, Film, Finance, History of Music, History of Art, History, Industrial Design, Interior & Environmental Design, Information Studies, Law & Public Policy, LGBT Studies, Marketing, Managerial Statistics, Middle Eastern Studies, Music Industry, Photography, Photojournalism, Political Science, Psychology, Retail Management, Sociology, Television, Radio & Film and Women & Gender Studies. Students who complete these courses successfully are awarded credits which are counted towards their degree at Syracuse University or at the university where they are enrolled.

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE) (REGISTERED NUMBER: 04270952)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30TH JUNE 2016**

OBJECTIVES AND ACTIVITIES

Inclusivity and Access

To be considered for admission to the Programme, students must have at the time of application a cumulative grade point average ('GPA') of at least 2.50 on a 4.00 scale and must have contributed to student life. The best, most well-rounded applicants are selected to study in London, regardless of social or economic background, purely on merit. The Charity is committed to providing access to the Programme to students from across the socio-economic spectrum, and admission to the Programme is determined without regard to the financial position of the applicant.

Syracuse University, with which the Charity works closely, is committed to providing education to the best and brightest, regardless of financial or class background. Twenty-one percent of Syracuse students are Pell-eligible, US Federal grants awarded to US students based on their family's financial situation. The University itself offers a wide range of financial aid, grants and scholarships to students. These grants and awards, which are means tested, enable students from less wealthy families to attend the University. Seventy-nine percent of Syracuse University students receive some form of financial support from institutional, federal, state or private sources and the financial aid from Syracuse University (or from other universities) can be used for the Programme. The proportion of students receiving financial aid mirrors the proportion of Syracuse University students receiving aid.

Further study abroad grants are available to Syracuse University students on a 'needs basis' to help them cover the additional cost of studying abroad in order to enable students from a wide range of financial backgrounds to participate. During the period covered by this report, approximately 36% of the Syracuse University students who participated in the Programme received study abroad grants.

The Charity is an equal opportunities organisation and is committed to a work and academic environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation, age, gender reassignment, marital and civil partnership status, pregnancy, maternity or disability. The Charity makes reasonable adjustments to meet the needs of staff, faculty and students who are or become disabled and is able to support a range of needs in students studying abroad.

Other Educational Activities

The Charity has continued to make its facilities available to a range of charitable organisations, either at no cost to the using organisation or at reduced or reasonable rates.

The Charity also makes it possible for charities working specifically in the field of international education - such as the Fulbright Commission and AASAP-UK - to use the Charity's facilities for meetings and workshops.

Each year, the Charity holds public symposia on relevant topics, led by faculty members and open to the general public.

ACHIEVEMENT AND PERFORMANCE

Indicators and Benchmarks

The Charity utilises a number of instruments to measure the degree of success attained in meeting its objectives, including enrolment measures and analysis, student questionnaires (both quantitative and qualitative) and online course and program evaluations.

During the year covered by this report the Charity has expended considerable effort in analysing resultant feedback and improving the evaluative instruments used - sometimes in collaboration with Syracuse University and SU Abroad and sometimes independently.

Programme Statistics

In the academic year 2015-16, a total of 430 students were enrolled in three different terms, Fall, Spring and Summer. In all, approximately 60 professors taught over 120 total modules across the academic year. There were at any given time 15 permanent members of staff and a significant number of freelance or casual workers assisting with field trips and orientation.

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE) (REGISTERED NUMBER: 04270952)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30TH JUNE 2016**

ACHIEVEMENT AND PERFORMANCE

Academic Initiatives

The curriculum continued to adapt to accommodate new programs and courses with a global focus and in partnership with key departments at Syracuse University.

The Faculty Development Fund continued to award successful applications from members of faculty for modest funding support for conferences and other events that contributed to their teaching on the Programme. The average award was around £300. Awards were also made available for innovative pedagogical initiatives.

The running of the internship/work placement program, previously outsourced, was brought back in house, enabling greater academic and practical oversight of placements as well as greater relationship building with university alumni and valued partners.

Support for student learning and coursework was extended to a fuller range, offered by current staff Monday to Thursday and covering general academic support, coaching/mentoring, support for students with learning disabilities, and for those with challenges with the English language. Reports from students and professors alike indicate a noticeable, positive effect on students' academic performance, as well as decreased levels of stress.

Student Health and Safety Initiatives

The Programme continued to emphasise the training of staff, many of whom were new in their roles, in crisis response and general pastoral care. Terrorist attacks in nearby Paris and Brussels prompted a rigorous review of all mass emergency procedures, which were proved to be robust but needed to account for a wider geographic range beyond London in ensuring students' wellbeing and safety.

Particular emphasis was placed on ensuring program field trips were compliant with all health and safety regulations, from the general to those particular to field study. Measures included sending key staff on a certified training course, revising all procedures and protocols to be in line with the most up-to-date regulations and taking legal and safety advice both from Syracuse University and our UK-based law partners.

Community involvement

A faculty symposium in March, on the subject of the city and its spaces, was opened to the public. Members of staff were invited to participate in the Volunteer for Work Scheme up to two days per year. Key alumni were introduced to the Charity in December, in conjunction with Syracuse University forming a regional alumni council.

Students in particular courses such as Industrial Design and Photojournalism engaged with local communities in London and in Glasgow as they investigated the possibilities of smart cities (Design) and the experience of recent immigrants to the UK (Photojournalism).

The Charity continued to host the annual meeting of the umbrella organisation for the American study abroad sector, AASAP-UK. Each January it also provides classroom space for three weeks to a group of senior citizens who come to London to see live theatre, hold discussions and meet with actors, directors and producers.

Human Resource Management

The position of Office Manager was 'upgraded' to include more responsibility for HR management, under the direction of the Director, including the gradual digitisation of all records currently underway and made possible by the switch to a different payroll company. A re-structuring of the Program Office over several months led to three redundancies, the departure of two further staff and the introduction of new roles and post-holders.

The ongoing training of staff remains a top priority, with at least one, two-hour training session on various topics held each month (on Transgender Awareness, for example), along with at least one, shorter training session on practical matters (use of Excel, Data Protection review and so on). The three Assistant Directors, who line manage all staff and faculty, meet weekly with the Director as part of their ongoing mentoring in management and leadership.

Annual staff performance reviews took place in May, as did the annual faculty salary review in which professors were invited to submit applications for modest, merit-based pay increases.

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE) (REGISTERED NUMBER: 04270952)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30TH JUNE 2016**

FINANCIAL REVIEW

The Charity is funded by Syracuse University Abroad in accordance with an annual budget of projected operating expenses. The Charity reports monthly expenditures to the donors, who also conduct periodic informal audits of the Charity's finances. The net incoming funds for the year were £3,903,483 (2015: £3,597,970) against which £3,942,757 (2015: £3,728,997) was spent on charitable activities, a 5.73% increase from last year.

Banking

The Charity's funds were formally moved from The Co-op to Lloyds, after several months of testing the online system's controls and processes. All banking procedures were adapted to Lloyds' systems whilst maintaining the Board's agreed payment approval limits. The Co-op accounts have now all been closed and the Charity is banking solely with Lloyds.

Reserves policy

The Trustees have a policy, reviewed annually, that the reserves should be sufficient to cover the Charity's overheads for at least one month, with a tolerable threshold limit of 10%. Reserves, for the purpose of clarity, is defined as unrestricted reserves represented by net current assets, which includes cash at bank and in hand. This is deemed to be the readily available and convertible element of the overall reserves.

Based on the total expenditure for 2016, monthly overheads, if split equally over the year, amounts to £334,009 (2015: £314,829). The reserves held at year-end were £310,172 (2015: 312,360). Whilst there is a shortfall of -£23,837 (2015: -£2,469), the percentage decrease is 8% and is therefore considered acceptable. The Charity aims to hold a surplus level of reserves by seeking additional funds held at bank. In addition to this, it is important to highlight that the Charity's funding arrangements with Syracuse University Abroad means that it can request funds as needed, in the short-term, which significantly reduces the risk of insufficient working capital.

Accountancy systems and processes

With two years' figures under the PeopleSoft system, the Charity is now better able to make comparisons year on year. Budget lines have been reviewed and updated to reflect actual expenditures more accurately and the Finance Manager has created a system enabling the production of monthly management reports on expenditures against budget, allowing for greater care and oversight.

The Auto-Enrol Pension Scheme, which went into effect in the previous fiscal year, has now been tested and operates smoothly in compliance with scheme regulations.

As agreed with the Board, payments of up to £5,000 have to be approved by the initial purchaser, the Finance Manager, and then online by the Director or Assistant Directors. Payments between £5,000 and £10,000 must be approved by the initial purchaser, the Finance Manager, and the online only by the Director. All payments over £10,000 are itemised in the budget in advance and are processed by the Finance Manager, only once pre-approved by the Board Secretary. The payment is then authorised online by the Director.

Financial risk management

The Trustees regularly consider financial risks to the Charity, the likelihood of which they have deemed to be remote or low. Funding from the major donor remains reliable and consistent. Enrolment figures are closely monitored and compared year on year in order to spot longer-term trends that might affect the size or scope of the Charity's work. The sector of cross-cultural education remains more cooperative than competitive, although Trustees monitor trends in the sector that may affect the Charity.

Annual insurance reviews ensure the Charity is as protected as possible from the financial impact of accident, fraud, error or mismanagement. Budgets are reviewed and revised annually and all expenditure tracked and approved through several layers of the Charity's organisational hierarchy, all the way up to Trustee approval for larger amounts (see 'Accountancy systems and processes' above). Newly developed monthly management reporting procedures enable staff to monitor expenditure throughout the year and adjust spending accordingly.

For a report on Risk Management in general, please refer to the relevant section below under 'Structure, Governance and Management'.

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE) (REGISTERED NUMBER: 04270952)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30TH JUNE 2016**

FINANCIAL REVIEW

Revenue

The Charity granted four licenses to share occupation with international education programs for the year, the revenue from which is used solely to support the Charity's activities and objectives.

The Charity also successfully registered for Gift Aid with HMRC, enabling it to accept gifts that may be tax efficient for donors. A separate account, linked to the main account, was created with Lloyds for the accurate tracking and accounting of all donations not originating from the main university donor.

Facilities, IT and Maintenance

The hiring of a new, NEBOSH-certified Facilities Manager in December 2015 led to a thorough review of all facilities maintenance, costs and standards, thereby allowing for more responsible management and mitigation of related risks. The cleaning contract was put out to tender and a new company with greater attention to eco-friendly methods was granted the contract. In addition to this, as part of our corporate social responsibility, the charity has been committed to working with its service providers in paying the living wage, as is the case with its cleaning contractors.

A review of all utilities contracts was begun and continues into the next fiscal year, with the aim of reducing costs and consumption and remaining compliant with the highest safety standards. All boilers were inspected and repaired as needed and air and water quality tests undertaken to ensure a safe environment.

The Caretaker was sent on a 4-month electrical course, which he passed and which promises to yield significant savings, since electrical repairs have historically been one of the Charity's highest facilities costs. With his certification, the Caretaker was promoted to Facilities Assistant.

An IT Assistant was hired in June 2016 to handle first-line support for all IT users, thereby freeing the IT Director for other projects.

FUTURE PLANS

The Charity aims during the next year to maintain optimal student numbers and continue to provide a high-quality study abroad programme. It will ensure, through student feedback on specific courses and the Programme as a whole and dialogue with key academic units of Syracuse University, the development of the most appropriate curricular and extra-curricular programmes.

The Charity will also continue to consider long-term property opportunities, in the context of its lease of Faraday House, which has 9 years left to run.

Plans are being implemented for offering a new special programs in Computer Science and Information Studies, as well as a more robust Summer term. All field trips will also be under review to ensure the Charity is maximising its resources and engaging as wide and diverse a student body as possible.

The approval of a formal Risk Policy in May 2016 will lead to the drafting of a Risk Register to guide trustees in managing and mitigating any risks the Charity may be exposed to.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Syracuse University (USA) London Program was incorporated on 15th August 2001 and is a registered charity. The Charity is constituted as a company limited by guarantee and the registered company number is 04270952. The Charity is governed by its Memorandum and Articles of Association which require that it has a minimum of five trustees but specify no maximum.

Recruitment and appointment of new trustees

There are no formal procedures for board recruitment. When warranted, candidates are recommended to the board by those thoroughly familiar with the organization. Trustees are appointed and removed by unanimous resolutions of the board. The member of the Charity has the power to veto any such appointment but not to veto his/her removal or disqualification.

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30TH JUNE 2016**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Charity is funded by Syracuse University Abroad, a division of Syracuse University, Syracuse, New York, USA.

The Charity currently has 9 trustees, 2 of whom are resident in the USA and 7 in the UK. The member is Kent Syverud in his capacity as Syracuse University Chancellor and President. The Secretary of the company is Richard Cassell, a trustee. The Charity is a trustee of the Syracuse University (USA) London Program Trust (the "Trust").

The Trust was registered as a charity on 23rd May 2005 and is linked to the Charity by a uniting direction made under s.96 of the Charities Act 1993 dated 21st June 2005.

The Trust exists and holds funds to further the education of students of Syracuse University and other American universities. The following financial statements include transactions undertaken by the Trust.

The following key members of staff (the 'Management Team') are responsible for the day-to-day management of the Charity:

Dr Troy Gordon, Director

Dr Meghan Callahan, Assistant Director for Teaching & Learning

Mr Marco Figueiredo, Assistant Director for IT & Operations

Ms Nada Silman, assistant Director for Programming & Student Life

The staff are divided into two functional areas: the Program Office led by Ms Silman and Dr Callahan and the Operations Office led by Mr Figueiredo. All report to the Director, attend weekly management meetings and meet regularly with their work groups to discuss key issues of policy and practice.

Salaries for key management personnel are determined by measuring them against sector averages for comparable positions in study abroad education.

The Board entrusts the staff, under the leadership of the Director, for the day-to-day running of the Charity's operations. The Director reports directly to the Trustees on any major change or risk to the Programme; matters pertaining to the managing of risk are the primary decisions Trustees take. (See also below under Risk Management.) Trustees meet at least once every six months - more frequently if important matters arise between scheduled meetings.

Induction and training of new trustees

Prospective and newly appointed trustees are provided with the Charity's Memorandum and Articles of Association. The existing trustees outline the role and responsibilities (including as charity trustee and company director). They are then invited by the Programme Director to visit the Charity's study centre, Faraday House, to meet staff and to generally acquaint themselves with the operations of the Charity, its key features and major challenges.

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE) (REGISTERED NUMBER: 04270952)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30TH JUNE 2016**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees regularly consider the risks to which the Charity could be susceptible. Areas of risk identified include financial, governance, operational, environmental and external, and law/regulation compliance. The most significant risks are: a fall in student numbers in response to a downturn in the economic cycle and/or the rising cost of living in London; competition from other programme providers; and fears of terrorist attacks on London. The trustees work closely with Syracuse University to promote the Programme and to ensure that it is able to offer the most cost-effective educational experience to students as possible.

The trustees have approved a formal Risk Policy for the Charity, in accordance with UK government recommendations. The trustees follow procedures in the Risk Policy for identifying, assessing, recording, managing, reviewing and reporting on risks. All risks and their management are recorded, implemented and tracked on the risk register by staff. Plans are regularly drawn up for any steps that need to be taken to address or mitigate significant or major risks. Control systems are embedded in management and operational processes and detailed on the risk register. These action plans and control systems allow the Trustees to monitor and review all risks and to make a risk management statement in accordance with regulatory requirements.

The Board expects all staff to consider the risks any activity poses and to act in accordance with any recommendations made for risk management. Staff are asked to submit a risk analysis to the Board for any significant activity to be introduced, changed or expanded.

Legal Review

After a routine inspection by the UK Visa & Immigration authorities in February 2016, the Charity's Tier Two and Tier Four licenses were renewed, as well as its sponsor license. With a large adjunct teaching faculty, a sizeable group of casual workers and a permanent staff of 15, legal advice is regularly sought to ensure compliance with UK employment law and to protect the Charity. Legal advice was also sought in reviewing all mass emergency procedures and data protection compliance.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04270952 (England and Wales)

Registered Charity number

1088366

Registered office

16 Old Bailey
London
EC4M 7EG

Principal address

Faraday House
48-51 Old Gloucester Street
London
WC1N 3AE

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE) (REGISTERED NUMBER: 04270952)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30TH JUNE 2016**

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

D Buchler

R Cassell

L Marcoccia

- resigned 15/6/2016

J Lampe

- resigned 16/11/2015

R Kortright

Sir J Hanley

R Raad

Professor M Himley

Ms S Harding

M Harris

Ms E Liddy

- resigned 14/9/2016

Ms M Wheatly

- appointed 15/6/2016

Company Secretary

R Cassell

Senior Statutory Auditor

Simon Kinna

Auditors

Sinclairs Bartrum Lerner

Chartered Accountants

Statutory Auditors

39A Welbeck Street

London

W1G 8DH

Solicitors

Withers LLP

16 Old Bailey

London EC4M 7EG

Bankers

Lloyds Bank PLC

Victoria House

Southampton Row

London WC1B 5HR

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE) (REGISTERED NUMBER: 04270952)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30TH JUNE 2016**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Syracuse University (USA) London Program for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Sinclairs Bartrum Lerner, will be proposed for re-appointment at the forthcoming general meeting.

Approved by order of the board of trustees on 7th December 2016 and signed on its behalf by:



R Cassell - Secretary

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE) (REGISTERED NUMBER: 04270952)**

We have audited the financial statements of Syracuse University (USA) London Program for the year ended 30th June 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company'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 Statement of Trustees Responsibilities, 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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30th June 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE) (REGISTERED NUMBER: 04270952)**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Simon Kinna (Senior Statutory Auditor)
for and on behalf of Sinclairs Bartrum Lerner
Chartered Accountants
Statutory Auditors
39A Welbeck Street
London
W1G 8DH

7th December 2016

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30TH JUNE 2016**

		2016 Unrestricted fund £	2015 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	3,736,754	3,499,875
Investment income	3	166,729	98,095
Total		3,903,483	3,597,970
 EXPENDITURE ON			
Charitable activities	4		
Supporting and promoting education		3,942,757	3,728,997
Legal fees		46,754	31,875
Auditors' remuneration		18,600	17,060
Total		4,008,111	3,777,932
 NET INCOME/(EXPENDITURE)		(104,628)	(179,962)
 RECONCILIATION OF FUNDS			
Total funds brought forward		1,171,368	1,351,330
 TOTAL FUNDS CARRIED FORWARD		<u>1,066,740</u>	<u>1,171,368</u>

The notes form part of these financial statements

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE) (REGISTERED NUMBER: 04270952)**

**BALANCE SHEET
AT 30TH JUNE 2016**

			2016 Unrestricted fund £	2015 Total funds £
FIXED ASSETS	Notes	£		
Tangible assets	9		756,568	859,008
CURRENT ASSETS				
Debtors	10		216,635	214,659
Cash at bank and in hand			203,949	161,490
			<u>420,584</u>	<u>376,149</u>
CREDITORS				
Amounts falling due within one year	11		(110,412)	(63,789)
NET CURRENT ASSETS			<u>310,172</u>	<u>312,360</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,066,740</u>	<u>1,171,368</u>
NET ASSETS			<u>1,066,740</u>	<u>1,171,368</u>
FUNDS	13			
Unrestricted funds			<u>1,066,740</u>	<u>1,171,368</u>
TOTAL FUNDS			<u>1,066,740</u>	<u>1,171,368</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 7th December 2016 and were signed on its behalf by:



R Cassell -Trustee

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Income

Income is recognised in the statement of financial activities when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities.

Income is only recognised in the accounts when all of the following criteria are met:

- Entitlement- control over the rights or other access to the economic benefit has passed to the charity.
- Probable- income is recognised when there is sufficient certainty of receipt.
- Measurement- the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Rent and rates represent 49% of the floor area devoted to student use and consists of 9 standard classrooms, photo laboratory, design studios, 2 architecture studios, IT suite, 1 large classroom, computer room, auditorium and a student lounge. The remainder of the building consists of 31% offices and staff areas. The final 20% is for common areas such as toilets, storage, lobby and corridors.

Staff costs are allocated on the basis that the expenditure is incurred by the Charity in the delivery of its services for the benefit of the students. It includes both faculty and administration staff costs which are analysed into direct and support costs in note 5.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30TH JUNE 2016**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- over the duration of the lease
Fixtures and fittings	- Straight line over 4 years
Computer equipment	- Straight line over 4 years

Computer Equipment (Moveable Equipment)

Computer equipment is capitalised if each individual piece costs more than \$5,000 (£3,000). If it is a system or fabricated equipment, which may include more than one piece, it is capitalised if the total value of the system is more than \$5,000 (£3,000).

Furniture & Fixtures

If the replacement items are capitalised for example HVAC system has to meet a value of \$50,000 (£30,000) or more.
Furniture is capitalised if costs more than \$10,000 (£6,000).

Buildings

All costs relating to the building refurbishment are capitalised.

Taxation

The Charity is exempt from corporation tax on its charitable activities.

The Charity is not registered for VAT. Irrecoverable VAT is added to the cost of expense incurred or asset acquired.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. Contributions payable to the Charity pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Linked charity

The Charity is a trustee of the Syracuse University (USA) London Program Trust. The Trust was registered as a charity on 23rd May 2005 and linked to the Charity by a uniting direction dated 21st June 2005. The Trust exists to hold funds to further the education of students of the Charity and other universities. These financial statements include transactions, if any, undertaken by the Trust.

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30TH JUNE 2016**

2. DONATIONS AND LEGACIES

	2016 £	2015 £
Grants - Syracuse University Abroad, a division of Syracuse University, New York, USA	3,690,000	3,468,000
Intangible income - legal fees paid by Syracuse University Abroad	46,754	31,875
	<u>3,736,754</u>	<u>3,499,875</u>

3. INVESTMENT INCOME

	2016 £	2015 £
Rents received	166,484	97,837
Deposit account interest	245	258
	<u>166,729</u>	<u>98,095</u>

4. CHARITABLE ACTIVITIES COSTS

	Promoting education £	Provision of student accommodation & facilities £	Totals 2016 £	Totals 2015 £
Staff costs	607,585	-	607,585	636,112
Property expenses	409,106	-	409,106	409,527
Course materials	54,723	-	54,723	77,219
Membership and registration	1,628	-	1,628	2,467
Housing allowance	-	547,881	547,881	526,172
Student activities and recreation	-	176,517	176,517	216,099
	<u>1,073,042</u>	<u>724,398</u>	<u>1,797,440</u>	<u>1,867,596</u>
Governance costs (See note 5)	39,015	26,339	65,354	48,935
Support costs (See note 5)	1,280,719	864,598	2,145,317	1,861,401
	<u>2,392,776</u>	<u>1,615,335</u>	<u>4,008,111</u>	<u>3,777,932</u>

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30TH JUNE 2016**

5. SUPPORT COSTS

	General support £	Governance £	Total £	Basis of apportionment
Staff costs	785,666	-	785,666	Allocated by department
Property expenses	997,553	-	997,553	Pro rata based on sq meters
Office expenses	254,762	-	254,762	The expenses incurred were considered to be support costs
IT expenses	40,190	-	40,190	The expenses incurred were considered to be support costs
Membership and registration	27,813	-	27,813	The expenses incurred were considered to be support costs
Travel, subsistence and meeting costs	35,298	-	35,298	The expenses incurred were considered to be support costs
Bank charges	1,840	-	1,840	The expenses incurred were considered to be support costs
Bad debts	2,195	-	2,195	The expenses incurred were considered to be support costs
Legal fees	-	46,754	46,754	Governance
Auditors remuneration	-	18,600	18,600	Governance
	<u>2,145,317</u>	<u>65,354</u>	<u>2,210,671</u>	

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2016 £	2015 £
Auditors' remuneration	18,600	17,060
Depreciation - owned assets	102,440	122,949
Hire of plant and machinery	10,058	7,685
Operating leases - Rent	<u>786,226</u>	<u>786,460</u>

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30TH JUNE 2016**

7. TRUSTEES' REMUNERATION AND BENEFITS

Mr M Harris, a faculty member and a trustee of the Charity, was paid a teaching fee of £3,400 (2015: £2,200) and pension contribution of £102 (2015: £33) during the year. The payment was in accordance with the underlying employment contract with Mr Harris. Otherwise, there were no trustees' remuneration or other benefits in the current year nor in the year ended 30 June 2015.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30th June 2016 nor for the year ended 30th June 2015.

8. STAFF COSTS

	2016 £	2015 £
Wages and salaries	1,233,458	1,090,483
Social security costs	88,617	69,408
Other pension costs	71,176	50,008
	<u>1,393,251</u>	<u>1,209,899</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Administrative staff	14	15
Faculty staff	63	60
	<u>77</u>	<u>75</u>

The number of employees whose emoluments, excluding pension contributions, fell within the following ranges were:

	2016 No	2015 No
£60,001 to £70,000	-	1
£70,001 to £80,000	1	-
Pension contributions to a defined contribution scheme	<u>£8,000</u>	<u>£7,639</u>

Pensions

Contributions were made to a defined contribution scheme for:

Staff	55	41
Trustees	1	1
Redundancy and termination payments	<u>£98,711</u>	<u>£7,950</u>

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30TH JUNE 2016**

9. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1st July 2015 and 30th June 2016	1,742,809	135,892	528,232	2,406,933
DEPRECIATION				
At 1st July 2015	891,670	129,629	526,626	1,547,925
Charge for year	94,571	6,263	1,606	102,440
At 30th June 2016	986,241	135,892	528,232	1,650,365
NET BOOK VALUE				
At 30th June 2016	756,568	-	-	756,568
At 30th June 2015	851,139	6,263	1,606	859,008

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	17,860	12,838
Prepayments and accrued income	198,775	201,821
	<u>216,635</u>	<u>214,659</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Social security and other taxes	18,540	17,240
Accruals and deferred income	91,872	46,549
	<u>110,412</u>	<u>63,789</u>

12. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2016 £	2015 £
Expiring: In more than five years	786,000	786,000

**SYRACUSE UNIVERSITY (USA) LONDON PROGRAM
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30TH JUNE 2016**

13. MOVEMENT IN FUNDS

	At 1/7/15 £	Net movement in funds £	At 30/6/16 £
Unrestricted funds			
Income fund	1,171,368	(104,628)	1,066,740
TOTAL FUNDS	<u>1,171,368</u>	<u>(104,628)</u>	<u>1,066,740</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Income fund	3,903,483	(4,008,111)	(104,628)
TOTAL FUNDS	<u>3,903,483</u>	<u>(4,008,111)</u>	<u>(104,628)</u>

Purposes of unrestricted funds

The unrestricted fund includes grants received from SU Abroad which has not expressed any preference as to how the funds should be spent. These funds are applied for the charitable purposes of the Charity at the absolute discretion of the trustees.

14. RELATED PARTY DISCLOSURES

Grants of £3,690,000 (2015: £3,468,000) and contribution towards legal fees of £46,754 (2015: £31,875) was received from SU Abroad, a division of Syracuse University, New York State, USA. The University has also acted as a guarantor to secure the lease for the premises in London.

The Charity's solicitors are Withers LLP. R Cassell is a partner in Withers LLP and a trustee of the Charity. During the year, fee notes amounting to £46,754 (2015: £31,875) were received by the Charity for services rendered by Withers LLP.

Michael Edward Harris, a faculty member and a trustee of the Charity was paid a teaching fee of £3,400 (2015: £2,200) and pension contribution of £102 (2015: £33). The Charity also received £8,000 from Mr Harris, on behalf of CSH scholarship (Istanbul Program) and as such the amount is carried forward on the balance sheet.

15. ULTIMATE CONTROLLING PARTY

The trustees believe that no one individual or group of individuals acting together control the Charity.

16. LINKED CHARITY

The Charity is associated with a linked charity, Syracuse University (USA) London Program Trust. The financial statements include transactions, if any, undertaken by the linked charity.

17. INDEMNITY INSURANCE

During the year the Charity subscribed to an indemnity insurance at the cost of £3,905 (2015: £3,549).