

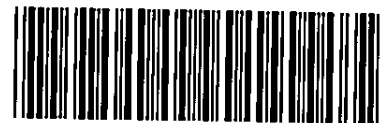
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Annual Report and Financial Statements

For the year ended 31 July 2009

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Report of the Board of Trustees

Introduction

During the year, Yorkshire Universities concluded its strategic review of the organisation, with the Board endorsing our role as a 'strategic enabler' for the higher education sector in the region. We work to assist our members in realising their contribution to the region, through collaboration, where this generates greater impact and public benefit, for example by fostering innovation and enterprise, creating and sharing knowledge and advancing a broad range of educational opportunities for learners. As a result, 2008-09 has been characterised by transition, moving Yorkshire Universities to a narrower strategic focus, a strengthening of key relationships and greater involvement of the wider membership in leading on, and contributing to, areas of mutual interest and collaborative programmes. This strategic change is reflected in our mission, vision and aims for organisation in the way we work and in defining the added value and benefits in supporting the region's higher education institutions (HEIs).

Objectives and activities

Mission

To be the regional voice for higher education in Yorkshire

Vision for 2011

To be generating significant impact for higher education in Yorkshire by working pro-actively and in partnership

Key aims for our strategic role are to

- promote the contribution of the sector to the region's sustainable development, positioning the sector as a valued strategic partner, responsive to stakeholder needs and influential in regional decision-making
- demonstrate the impact of the sector through targeted evidence-based messages aimed at key audiences including government and funding bodies
- generate greater impact by building on individual and collaborative strengths and successes to broker new opportunities through effective networking, influencing and partnership
- foster a collaborative working ethos to further the interests of the membership and provide a focal point for engagement with regional bodies and intelligence on the sector
- provide a forum for the membership to come together to tackle issues of concern for the sector

In setting our programme each year we have regard to both the Charity Commission's general guidance on public benefit and in particular to its supplementary guidance on advancing education for public benefit

Activities

In realising these key aims, our activities emphasise common themes of advocacy, influencing and brokerage working on behalf of, and with the membership in engaging our partners. During the year we delivered a range of activities for public benefit including promoting the sector's rapid recession response supporting businesses and individuals, fostering business innovation and enterprise culture, and initiatives focused on graduate employability and recruitment. Our activities are delivered as part five broad programme areas or initiatives

HE and strategic partnerships

Influencing and partnership activities to promote the contribution of the sector and foster collaborations

Business and enterprise

Programmes promoting entrepreneurship and supporting enterprising graduates, connecting businesses to expertise and services available in higher education, commercialisation of research, and brokering of funding opportunities for research and innovation

Widening participation

Regional co-ordination of Aimhigher and Summer Schools activities promoting mobility and progression of young people to higher education

Health and wellbeing

Activities to build teaching capacity to develop a stronger public health workforce and encourage/support organisations and their staff to understand their contribution to improving health and share good practice

Graduates Yorkshire

Social enterprise providing a graduate recruitment service in Yorkshire, supporting greater retention and utilisation of graduates to boost business competitiveness and productivity

Achievements and performance

Over the last year, much collaborative activity has focused on responding to the recession and, following the successful round of Higher Education Funding Council for England (Hefce) funding, the region's HEIs have developed a range of initiatives which address genuine needs of individuals and businesses, in turn seeking to build confidence and resilience as we return to economic growth. There is little doubt that maximising the contribution of the sector to economic development will endure as a major focus of our interaction in the region.

We also led on the development, co-ordination and management of a range of collaborative projects with the higher education institutions in the region, including Yorkshire Concept Proof of Commercial Concept Fund, Graduate Entrepreneurship, KnowledgeRICH business brokering service, Yorkshire and Humber Teaching Public Health Network, and Higher Level Skills promotion. During the year, and in consultation with our partners and the membership, we successfully transferred many of these programmes to be managed by a lead institution, on behalf of the membership. This is reflected in the annual accounts with the transfer of restricted programme funds to lead institutions.

Implementing the outcomes of the strategic review has been an important priority for the Board during the year, particularly in the context of political and economic uncertainty. It required us to shape a new strategy, undertake the transfer of programmes, introduce new governance arrangements and restructure the support team working with the Board and wider membership. By adopting these changes, we have sought to generate additional public benefit, and real efficiency savings, to improve how we work together, in a way which is integrated and collaborative. Against this backdrop, we have sought to

- align our strategy with national and regional policy drivers to demonstrate added value,
- realise the collective ambitions of the membership and create the right conditions to exploit our strengths through collaborative opportunities,
- address strategic threats to higher education and position the sector to influence policy and programmes,
- be adaptive in a context of political and economic uncertainty to create a longer-term perspective on priorities that unite the membership.

As a sector, we have also achieved some significant successes during the year, for example

- establishing the Centre for Low Carbon Futures, a £50 million multi-disciplinary research initiative, based on collaboration with Yorkshire Forward, that will use the combined capacity of the universities to understand how society can benefit from and adapt to a low carbon environment,
- securing £6million from Hefce and Yorkshire Forward, to increase the capacity of universities and colleges to deliver rapid recession response services,
- launching a regional graduate internship scheme and schemes to connect internships opportunities developed with the Universities of Yorkshire alumni membership, aimed at creating job opportunities and promoting business productivity,
- co-ordinating regional intelligence on HEI activities and working with business representative and business support organisations to promote the broad contribution of higher education to business.

HE and strategic partnerships

During the year Yorkshire Universities has sought to develop opportunities for collaborative working between the region's HEIs and other partners, including brokerage of new interventions that improve, develop and enhance the contribution of the sector to the region. Key strategic stakeholders for the sector are with Yorkshire Forward, Local Government Yorkshire and the Humber, Government Office, Business Link and the NHS.

Yorkshire Universities has actively engaged with the new regional governance arrangements following the conclusion of the Regional Assembly at the end of March 2009. During the transition year following the Government's Sub National Review, Yorkshire Universities has developed strategic relationships with local government and Yorkshire Forward, for example by raising awareness of the contribution of higher education to the region.

Of importance is our relationship with the Regional Minister and strategic engagement through our membership of the regional Economic Delivery Group, chaired by the Minister.

Business and enterprise

Supporting the economy in the downturn

Over the last few months, Yorkshire's HEIs have implemented a range of practical steps to support individuals and businesses in need across the region. The priority activities for Yorkshire Universities have focused on connecting with organisations leading on, and involved in delivering services responding to the recession to align the HE offer with other public-sector funded support packages provided for businesses and individuals. Awareness-raising of the HE offer has been undertaken with a wide range of partners including Job Centre Plus, Next Step, the Learning and Skills Council and other key organisations involved in the recession-response such as Business Link.

Graduate Entrepreneurship supporting start-ups in Yorkshire

The Graduate Entrepreneurship Project (GE), funded by Yorkshire Forward, provides financial and practical assistance to eleven partner HEIs in the region, to support activities aimed at students and graduates interested in starting their own businesses. The project's goal is to secure Yorkshire's place as a leader of business start-up support for students and graduates, to aid the development of businesses that will have a long-term positive impact on the regional economy.

The key aims of GE are to raise awareness of entrepreneurship, inspire innovation and provide practical, high quality support to students, graduates and colleagues working with these groups. Through GE, now managed by the University of Huddersfield, partner institutions are able to work together collaboratively, share ideas and best practice and share knowledge to provide a strong base upon which new and innovative initiatives can be supported to ensure that start-up businesses have the very best foundations upon which to build.

HE-business interaction

Earlier this year, a new Innovation Vouchers scheme was launched by Business Link Yorkshire. The scheme encourages Yorkshire businesses to innovate, and is aimed at SMEs where investing in innovation could realise significant gains in productivity and create long term partnerships with a university or other provider. Yorkshire Universities, working with Business Link and Yorkshire Forward contributed to the development of a scheme by integrating elements of the KnowledgeRICH business processes, shaping a regional approach to promoting innovation and fostering business and HE collaborations. The KnowledgeRICH programme concluded in March 2009 having generated over £1m in contracts with the region's HEIs.

Yorkshire Concept

The Yorkshire Concept Fund, funded by Yorkshire Forward, is designed to stimulate the commercialisation of research and knowledge-based activities in the Higher Education Institutions (HEIs) across the Yorkshire and the Humber region. By June 2009, 24 projects had secured £1.3m grant award, a total which includes the 50% co-investment from HEIs and has helped create over 20 company collaborations, and is currently on track to achieve 40 by March 2010. We delivered a successful showcase event 'seeding success' held by the Fund in partnership with the Yorkshire Enterprise Fellowship scheme in November 2008. In the coming year the Fund will act as a sponsor of venturefest Yorkshire in February 2010, an excellent venue to demonstrate to investors the commercial potential of the research and knowledge base of the region.

During the year, this programme transferred to Sheffield Hallam University as part of the new working arrangements for Yorkshire Universities.

Higher Level Skills

In the second year of funding, the programme has focused on developing further activities which connect with employer engagement activities being led by HEIs and the four sub-regional Lifelong Learning Networks working in partnership to enable vocational learners to progress to higher education, meeting the needs of learners and employers. The theme of employability and workforce development remains as a strategic priority for Yorkshire Universities.

Widening participation

During the year, we successfully concluded the regional element of the Hefce-funded Aimhigher programme in Yorkshire and Humber which included an ESF and Objective 1 funded regional summer school programme providing opportunities for students in years 10, 11 and 12 to gain first hand experience of university. Over the past four years the region has supported over 3,800 students to participate at a summer school.

Health and wellbeing

Healthy Learning Environments

The regional Teaching Public Health Network, now hosted and led by Wakefield District NHS, continues to take the national lead on behalf of all regional networks in this area. The Regional Healthy Universities Network meets regularly throughout the year to share examples of current practice and explore opportunities for development and collaboration. This year a regional 'Health Honours' award, recognising innovative practice in the development of Healthy Universities was launched, which is the first of its kind in the UK.

Continuing Professional Development

Provision of CPD opportunities for public health specialists and the wider workforce is a new initiative delivered throughout 2008/2009. We continue to coordinate and develop the Wellbeing in (Win) Yorkshire and Humber programme, delivered in various locations throughout the region. An Advanced Public Health CPD Programme was launched this year which includes a 'talking points' public health lecture series, a programme of professional updates and a rolling programme based on the nine public health competencies. A number of well acclaimed experts and high-profile speakers are planned as part of this programme.

Website

This year the TPHN has been developing the Network's website to include more interactive tools that will support the public health workforce to develop their capacity and capability. Phase two of the website includes a personal development portfolio, online event management from registration to evaluation, and a private resource sharing space for facilitators of the Win programme.

Graduates Yorkshire

Growing a recruitment business in a recessionary environment has proven to be challenging, however Graduates Yorkshire has successfully diversified its offer, generating revenue from consultancy, market intelligence and advertising. In moving to a self-sustaining social enterprise, all of these areas will be grown and nurtured to improve revenue levels.

In March, Graduates Yorkshire secured a contract from Yorkshire Forward to run a regional Graduate Internship programme, a scheme that will place the best graduates in paid employment with businesses based in the region. By March 2010, we aim to create 60 graduate internships, of up to a 12 month contract, with Yorkshire businesses and deliver a range of workshops to develop employability skills. Our strategy to expand to other areas of the UK is also developing and we have recently secured our first win, against significant competition, to be awarded the running of the GradsEast recruitment service in the East of England. These successes point to the growing credibility of the organisation as a regional and national player in the field of graduate recruitment.

Plans for the future

It is clear that the next 12-18 months will be characterised both by uncertainty and by pressures on public funding. Higher education will need to demonstrate its value to decision-makers and to the wider public and will need to work hard to maintain collaborative ways of working in a context in which there might be changes in both policy and governmental 'architecture'. Partnerships have served the sector well in this region and it will be important to retain this style of working even if responsibilities elsewhere change.

Importantly, we will seek to realise the benefits of the new strategy by promoting and supporting higher education in this region and our collaborative activities that bring added value in assisting member institutions. Over the coming year our work will focus on

Promoting higher education

Elevating the profile of higher education in Yorkshire by demonstrating our contribution to the economy and society. Generating greater traction with stakeholders and decision makers through focused influencing and advocacy. Promoting Yorkshire as an attractive destination for higher education.

Extracting value for, and from, the region's higher education sector

Extracting maximum value for and from higher education by appropriate joint working, expanding information about the HE offer, facilitating access to research and knowledge transfer.

Employability and workforce development

Developing, attracting, and retaining a highly-skilled workforce which drives regional productivity. Working with partners to identify future skills needs and enable our graduates to develop specialisms and valuable soft skills to meet that need. Developing collaborative progression pathways, to higher education to address changing demographics and the needs of learners. Supporting widening access and participation agendas.

Later in 2009, the anticipated HE Framework setting out the long-term vision for higher education will be published. The statement is expected to position the sector at the heart of economic prosperity and growth. Related to this, there will be a continuing desire for higher education to maximise its contribution to developing future skills and wider workforce development in key sectors for regional competitiveness, addressing low levels of achievement and participation in higher education, extracting value from research and knowledge transfer to drive business innovation, promoting enterprise, and attracting inward investment.

Graduates Yorkshire

In the next year, Graduates Yorkshire will appropriately expand its portfolio of products and services, whilst continuing to keep a tight rein on costs. As an organisation, we will seek to capitalise on the potential for greater exposure provided by the Internship Scheme, and look to develop this into a long term sustainable commercial product for the business. Graduates Yorkshire will also retain a strong focus on re-building core business as markets gradually improve out of the recession.

Structure, governance and management

The Board presents the report and financial statements of Yorkshire Universities for the year ended 31 July 2009. The statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities (revised 2005). The report and statements also comply with the Companies Act 2006 as Yorkshire Universities was incorporated by guarantee on 17 November 1997 and registered as a charity on 25 April 2005. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Board of Trustees

The trustees of the charity are also directors for the purposes of company law and under the company's Articles are known as members of the Board. Under the requirements of the Memorandum and Articles of Association, each member of the Board is the Vice Chancellor or Principal or Chief Executive of an eligible institution in the Yorkshire and Humber Region. The Chair and Deputy Chair are appointed for two years and are drawn from the membership.

Induction and training for new trustees is led by the Chief Executive Officer. This includes

- the obligations of trustees,
- key documents which set out the operational framework for Yorkshire Universities including the Memorandum and Articles,
- resourcing and the current financial position as set out in the latest published accounts, and
- future plans and objectives.

Upon appointment, all members complete a register of interests, which is reviewed and updated annually.

All trustees give of their time freely and no trustee remuneration or expenses were paid in the year. Details of related party transactions are disclosed in note 15 to the accounts. Trustees are required to disclose all relevant interests and register them with the Chief Executive Officer and in accordance with our policy to withdraw from decisions where a conflict of interest arises.

Risk management

We continue to evaluate and mitigate risk through adopting appropriate policies, procedures and systems. These procedures are periodically reviewed to ensure they continue to comply with statutory requirements and the needs of the organisation.

In year no new significant risks have been identified and the Board and Support Team continue to keep areas of potential risk under review. Organisational risks relate to strategic direction and partnerships and business continuity. To address these risks and in the context of the outcomes of our strategic review, we have

- refreshed our vision, mission and strategic priorities,
- introduced new governance and supporting arrangements to facilitate more effective engagement with the membership,

-
- transferred collaborative programmes to lead HEIs,
 - restructured the organisation and aligned funding streams to realise our strategic priorities and ensure future sustainability

Organisational structure

The Chief Executive Officer has responsibility for the day-to-day management of the organisation within the context of the strategic direction set by the Board. She is supported by a team of three staff members responsible for strategic development, engagement with partners and stakeholders and providing support to the membership.

The Board approves the delegation of financial authority through the Chief Executive Officer, with a specific scheme of delegation.

Financial position and policies

Current and future years

In line with Board decision on delivery of programmes, we dispersed £1.6m in restricted funds. We have retained a small balance of restricted funds (£14,290) in relation to activities to promote uptake of higher level skills, which will be used to further this initiative during the year.

Membership subscriptions form the majority of YU's funds for 2009-10, representing 62% of our expected expenditure during the year. In subsequent years, we anticipate that subscription income will form a significant proportion of the charity's funding, providing greater stability. In addition, we have sought to reduce costs of operating the charity to direct more funds to furthering the strategic aims of the membership.

Reserves policy

Our operating position on reserves is informed by the view of the Board, that a proportion of the unrestricted income should be held as free reserve funds to meet the working capital requirements of the organisation, to allow for the development of new initiatives (where the organisation would incur expenditure in advance of anticipated income) and to mitigate against any significant drop in funding. As at the 31 July 2009, the unrestricted reserve was £68,000 and this is deemed an appropriate level of reserve funds for the charity to maintain.

Investment policy

We receive income on an annual basis through membership subscriptions, grants and other sources. The current position is that all income should be available immediately or on short-term deposit rather than invested for the longer term. Consequently funds are invested on deposit to secure the best rate available with recognised financial institutions and banks.

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the trustees to prepare financial statements for the charity for each financial year. Charity law requires the trustees to prepare group financial statements for the charity and its subsidiary undertakings. The financial statements must be prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) and are required to give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the group for the year. In preparing the financial statements the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 1993 and regulations made thereunder. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Members of the Board


Members of the Board, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 14.

In accordance with company law, as the company's directors, we certify that

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

In preparing this report the directors have taken advantage of the small companies exemption provided by s415A of the Companies Act 2006.

Approved by the Board on 30 November 2009 and signed on its behalf by


Professor Bob Cryan (Trustee)

Trustees and advisers

Board of Trustees

Professor M Arthur
Mr N Berry
Professor F Bridge
Professor K Burnett
Professor B Cantor
Professor M Cleary (Appointed 01 08 08)
Deputy Chair
Professor R Cryan (Appointed 01 08 08)
Chair
Professor D Drewry
Professor P Jones
Professor S Lee (Resigned 31 07 09)
Dr P Meaden
Professor D Willcocks

Secretary

Ms A Morgan

Senior Management Team

Mr M Noble
Chief Executive Officer (to 31 12 08)
Mrs M Barnett
Marketing & Information Manager (to 31 03 09)
Ms A Morgan
Chief Executive Officer (from 22 06 09)

Auditors

PKF (UK) LLP
Pannell House
6 Queen Street
Leeds
LS1 2TW

Bankers

NatWest
Commercial Banking UK
4th Floor
2 Whitehall Quay
Leeds
LS1 4HR

Solicitors

Eversheds LLP
Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

Charity number: 1109200

Company number: 3467035

Registered office and operational address: 31 Cromer Terrace, Leeds LS2 9JT

Independent auditors' report to the members of Yorkshire Universities

We have audited the group and parent charity financial statements of Yorkshire Universities for the year ended 31 July 2009 which comprise the consolidated statement of financial activities, the consolidated and parent charity balance sheets, and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members as a body, in accordance with section 495 and 496 of the Companies Act 2006 and, in respect of the group financial statements, to the charity's trustees as a body, in accordance with regulations made under section 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's members and trustees 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 charity, the charity's members as a body and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of the company for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the statement of trustees' responsibilities.

The trustees were not required by section 399 of the Companies Act 2006 Act to prepare group financial statements accounts for the financial year and accordingly have prepared the group financial statements in accordance with the requirements of the Charities Act 1993 and regulations made under that Act.

We have been appointed as auditors under the Companies Act 2006 and, in respect of our audit of the group financial statements, under the Charities Act 1993. We report to you in accordance with those Acts and in accordance with regulations made under section 44 of the Charities Act 1993.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been properly prepared in accordance with the Companies Act 2006 and, in respect of the group financial statements, the Charities Act 1993 and regulations made thereunder. We also report whether the information given in the trustees' report is consistent with those financial statements.

We also report to you if, in our opinion, the parent charity has not kept adequate accounting records, if the charity's individual financial statements are not in agreement with those records and returns, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity and other members of the group is not disclosed.

We read the trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and the parent charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 July 2009 and of the group's incoming resources and application of resources for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been properly prepared in accordance with the Companies Act 2006 and, in respect of the group financial statements, in accordance with the Charities Act 1993 and regulations made thereunder, and
- the information given in the trustees' report is consistent with the financial statements

PKF (UK) LLP

Linda Cooper

Senior statutory auditor

For and on behalf of PKF (UK) LLP, statutory auditors

Leeds

5 FEBRUARY 2010

Yorkshire Universities (Group)
Statement of Financial Activities
incorporating a consolidated Income and Expenditure Account
for the year ended 31st July 2009

Notes	Unrestricted funds 31st July 2009 £	Restricted funds 31st July 2009 £	Total funds 31st July 2009 £	Total funds 31st July 2008 £
Incoming resources				
Incoming resources from generated funds				
Voluntary Income	175,067	-	175,067	171,250
Activities for generating funds continuing	583	-	583	117,284
Activities for generating funds acquired	-	181,496	181,496	-
Investment Income 5	25,718	18,000	43,718	78,900
Incoming resources from charitable activities	(759)	1,517,330	1,516,571	4,913,445
Other incoming resources	(1,547)	(2,448)	(3,995)	-
Total incoming resources	199,062	1,714,378	1,913,440	5,280,879
Resources expended				
Costs of generating funds	7,899	45,553	53,452	114,870
Costs of charitable activities	319,159	1,609,446	1,928,605	4,391,669
Governance costs 8	10,844	18,657	29,501	17,915
Other resources expended interest	-	5,266	5,266	-
Total resources expended	337,902	1,678,922	2,016,824	4,524,454
Net (outgoing) incoming resources before transfers between funds	(138,840)	35,456	(103,384)	756,425
Transfers between funds 16	(4,369)	4,369	-	-
Net (outgoing) incoming resources before other recognised gains and losses	(143,209)	39,825	(103,384)	756,425
Exceptional item				
Grants returned to funders 2	-	(1,599,814)	(1,599,814)	-
Net movement in funds	(143,209)	(1,559,989)	(1,703,198)	756,425
Reconciliation of funds				
Total funds brought forward	211,433	1,553,140	1,764,573	1,008,148
Total funds carried forward	68,224	(6,849)	61,375	1,764,573

The net movement in funds referred to above is the net outgoing / (incoming) resources and net (expenditure) / income as defined in the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission for England & Wales and is reconciled to the total funds as shown in note 16
All activities derive from continuing operations

This Statement of Financial Activities includes all gains and losses recognised in the year

COMPANY NUMBER : 3467035
Yorkshire Universities (Group)
Consolidated Balance Sheet
as at 31st July 2009

	Notes	At 31st July 2009 £	At 31st July 2008 £
<i>The assets and liabilities of the charity</i>			
Fixed assets			
Tangible assets	10	9,771	23,005
Current assets			
Debtors	11	93,103	372,010
Cash at bank and in hand		<u>106,060</u>	<u>1,843,130</u>
Total current assets		<u>199,163</u>	<u>2,215,140</u>
Creditors -			
amounts falling due within one year	12	(147,559)	(473,572)
Net current assets		<u>51,604</u>	<u>1,741,568</u>
Total assets less current liabilities		<u>61,375</u>	<u>1,764,573</u>
Net assets		<u>61,375</u>	<u>1,764,573</u>
<i>The funds of the group</i>			
Unrestricted revenue accumulated funds		68,224	211,433
Restricted revenue accumulated funds		<u>- 6,849</u>	<u>1,553,140</u>
Total group funds	16	<u>61,375</u>	<u>1,764,573</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)


Professor Bob Cryan (Trustee)

The notes on pages 20 to 31 form an integral part of these accounts

COMPANY NUMBER: 3467035
Yorkshire Universities (Charity)
Balance Sheet
as at 31st July 2009

	Notes	At 31st July 2009 £	At 31st July 2008 £
<i>The assets and liabilities of the charity</i>			
Fixed assets			
Tangible assets	10	9,771	23,005
Current assets			
Debtors	11	32,269	365,949
Cash at bank and in hand		105,962	1,833,984
Total current assets		<u>138,231</u>	<u>2,199,933</u>
Creditors -			
amounts falling due within one year	12	(65,486)	(445,323)
Net current assets		<u>72,745</u>	<u>1,754,610</u>
Total assets less current liabilities		<u>82,516</u>	<u>1,777,615</u>
Net assets		<u>82,516</u>	<u>1,777,615</u>
<i>The funds of the charity</i>			
Unrestricted revenue accumulated funds		68,226	211,433
Restricted revenue accumulated funds		<u>14,290</u>	<u>1,566,182</u>
Total charity funds	16	<u>82,516</u>	<u>1,777,615</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)


Professor Bob Cryan (Trustee)

The notes on pages 20 to 31 form an integral part of these accounts

Yorkshire Universities (Group)
Notes to the Accounts
for the year ended 31st July 2009

1 Accounting policies

Basis of preparation of the accounts

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE), effective April 2008, and all other applicable accounting standards, as modified by the 2005 Revision of the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, effective April 2005 (revised May 2008)

The accounts have been drawn up in accordance with the provisions of the Charities Act and the Companies Act insofar as the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, effective April 2005 (revised May 2008) requires compliance with specific Financial Reporting Standards other than the FRSSE then the specific Financial Reporting Standards have been followed where their requirements differ from those of the FRSSE

Advantage has been taken of paragraph 4(1) of Schedule 4 of the Companies Act 2006 and The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 to allow the format of the financial statements to be adapted to reflect the special nature of the group operation. The group has taken advantage of the exemption in FRSSE from the requirement to produce a cash flow statement. The particular accounting policies adopted are set out below

Accounting convention

The financial statements are prepared, on a going concern basis, under the historical cost convention. The group is entirely dependent on continuing grant aid and as a consequence the going concern basis is also dependent on the continuing grant aid.

Method of consolidation of subsidiaries

The group financial statements consolidate the accounts of Yorkshire Universities and its subsidiary on a line by line basis. Transactions between group companies are eliminated on consolidation. No Statement of Financial Activities is presented for Yorkshire Universities as permitted by Section 408 of the Companies Act 2006.

Graduates Yorkshire Ltd is the only subsidiary and has a financial year end of 31 March. As this is non-coterminous with the charity, the period of accounts that has been consolidated, is from incorporation of the subsidiary on 26 July 2007 to 31 July 2009, less what was declared last year. These are based on a combination of the statutory and management accounts of the subsidiary.

Incoming resources and deferred income

Incoming resources are recognised in the year in which entitlement and the amount can be measured with certainty. Income is deferred only when the group has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be used in a future period. Bank interest is included in the accounts on a receivable basis.

In accordance with the Statement of Recommended Practice for Accounting and Reporting (effective April 2005, revised May 2008) issued by the Charity Commissioners for England & Wales, grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the group or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

Yorkshire Universities (Group)
Notes to the Accounts
for the year ended 31st July 2009

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Resources expended are allocated directly to a particular activity where costs relate directly to that activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources.

The policy for including items within costs of generating funds, charitable activities and governance costs is to consider their management. Costs are allocated in relation to the manager responsible for managing the activity. Governance costs are those incurred in connection with the administration of the group and compliance with constitutional and statutory requirements. Grant costs are allocated directly as costs are incurred by each activity. These are tracked with individual project controllers who are accountable to project boards and funders for the correct allocation of expenditure and the resulting financial reports. Indirect expenses are apportioned in line with the staff time for the activities to which the expense relates.

Fixed assets and depreciation

All tangible fixed assets are stated at cost less depreciation. Items of less than £100 are not capitalised. Depreciation has been provided at the following rates in order to write off the assets (less their expected residual value) over their estimated useful economic lives, commencing on the year following that of acquisition.

Fixtures and Fittings	25% straight line
Office Equipment	25% straight line

Taxation

As a registered charity, Yorkshire Universities is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the company, and is therefore included in the relevant costs in the Statement of Financial Activities. Graduates Yorkshire Ltd has no liability to UK Corporation Tax on ordinary activities for the period.

Finance and operating leases

Rentals payable in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessor, are charged to the Statement of Financial Activities as incurred. Finance leases are accounted for in accordance with the requirements of the Financial Reporting Standard for Smaller Entities (FRSSE), effective April 2008.

Pensions fund

The institution participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. YU is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

The subsidiary company, Graduates Yorkshire Ltd, operates a defined contribution pension scheme, the assets of which are held separately from the company. The pension charge represents the amounts payable by the subsidiary to the fund in respect of the year.

Yorkshire Universities (Group)
Notes to the Accounts
for the year ended 31st July 2009

Funds policy

Unrestricted funds are funds available for use at the discretion of the trustees in furtherance of the general objectives of the group and which have not been designated for other purposes. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the group for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above. Any other proposed transfer between funds would be considered on the particular circumstances.

2 Exceptional item

As mentioned earlier, in the annual report, the Board took the decision in December 2008 that YU would become more strategically focused rather than a delivery of grant funded services and monitor of use of grant funds. Under these arrangements the funds held by YU to deliver these programmes were transferred to the new project leaders and funders for them to manage. These funds have been described as an exceptional item in the YU accounts and are broken down in detail below.

	Year to 31st July 2009 £	Year to 31st July 2008 £
Graduates Yorkshire funds returned to HEIs for HEIs to fund new work with GY Ltd	62,236	-
Summer School funds returned to HEFCE to allow alternative provision with at sub regional areas	57,084	-
Proof of Concept funds forwarded to Sheffield Hallam University to fund alternative provision	952,069	-
Teaching Public Health Network funds forwarded to Wakefield PCT to allow alternative provision	138,208	-
Health Training Hub funds forwarded to Wakefield PCT to allow alternative provision	390,217	-
Total exceptional costs	1,599,814	-

3 Net movements in funds	Year to 31st July 2009 £	Year to 31st July 2008 £
This is stated after charging		
Depreciation of owned fixed assets	9,240	8,298
Indemnity Insurance for trustees and employees	842	1,743
Auditors' remuneration	13,710	11,600

4 Payments to trustees or persons connected with trustees

There were no fees, expenses or other remuneration paid to the trustees.

Yorkshire Universities (Group)
Notes to the Accounts
for the year ended 31st July 2009

5 Investment income	Year to 31st July 2009	Year to 31st July 2008
	£	£
Bank deposit interest receivable	43,718	78,900

6 Analysis of support costs

Support costs are charged to activities by direct allocation and by apportionment of overheads based on the staff hours directly spent on activities. An analysis of support costs by activity can be found in Appendix 1. Costs are analysed between staff and non staff cost elements.

7 Analysis of charitable expenditure

Charitable expenditure is allocated directly from grants and other direct costs incurred by each activity. These are tracked with individual project controllers who are accountable to project boards and funders for the correct allocation of expenditure and the resulting financial reports. An analysis of charitable expenditure by activity is included in Appendix 1. Charitable expenditure is analysed between grants payable to individuals, grants paid to institutions, support costs and conference costs.

8 Governance costs	2009	2008
	£	£
Auditors' remuneration		
Audit fees	13,710	11,600
Other fees paid to auditors	5,091	4,572
Other accountancy fees	9,858	-
Directors insurance policy	842	1,743
Total governance costs	<u>29,501</u>	<u>17,915</u>

Other accountancy fees includes costs of accountancy at Graduates Yorkshire Ltd and at YU, neither of which were regarded as governance costs in the year to 2008. Funds belonging to the group have been used for the purchase of insurance to protect the group from loss arising from the neglect or defaults of its trustees, employees or agents, or to indemnify its trustees, employees or agents, against the consequences of any neglect or default on their part. The sum expended on such insurance was as indicated in the above schedule.

9 Staff costs and emoluments	2009	2008
	£	£
Gross salaries	614,507	798,176
Employer's National Insurance	53,025	74,129
Pension contributions	64,492	93,233
	<u>732,024</u>	<u>965,538</u>

Average number of full time employees/full time equivalents	2009	2008
Engaged on charitable activities	7	13
Engaged on charity trading activities	3	4
Engaged on management and administration	8	8
	<u>18</u>	<u>25</u>

The group had an average of 3 staff working in its subsidiary, Graduates Yorkshire Limited in 2008/09 (2007/08: 4). A proportion of their cost is considered as costs of sales. The note above therefore does not agree to the staff costs in Appendix 1.

Yorkshire Universities (Group)
Notes to the Accounts
for the year ended 31st July 2009

9 Staff costs and emoluments (continued)

Yorkshire Universities participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited. USS has over 130,000 active members and the institution has 26 active members participating in the scheme.

The appointment of Directors to the Board of the Trustees is determined by the trustee company's Articles of Association. Four of the Directors are appointed by Universities UK, three are appointed by the University and College Union, of whom at least one must be a USS pensioner member, one is appointed by the Higher Education Funding Councils, and a minimum of two and a maximum of four are co-opted directors appointed by the management committee. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

Because of the mutual nature of the scheme, the institution is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

The latest actuarial valuation of the scheme was at 31 March 2008. This was the first valuation for USS under the new scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions.

The valuation was carried out using the projected unit method. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (ie the valuation rate of interest), the rates of increase in salary and pensions and the assumed rates of mortality. The financial assumptions were derived from market yields prevailing at the valuation date. An "inflation risk premium" adjustment was also included by deducting 0.3% from the market-implied inflation on account of the historically high level of inflation implied by government bonds (particularly when compared to the Bank of England's target of 2% for CPI which corresponds broadly to 2.75% for RPI per annum). To calculate the technical provisions, it was assumed that the valuation rate of interest would be 6.4% per annum (which includes an additional assumed investment return over gilts of 2% per annum), salary increases would be 4.3% per annum (plus an additional allowance for increases in salaries due to age and promotion reflecting historic Scheme experience, with a further cautionary reserve on top for past service liabilities) and pensions would increase by 3.3% per annum.

Standard mortality tables were used as follows:

Male members' mortality: PA92 MC YoB tables – rated down 1 year

Female members' mortality: PA92 MC YoB tables - No age rating

Use of these mortality tables reasonably reflects the actual USS experience but also provides an element of conservatism to allow for further improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

Males (females) currently aged 65: 22.8 (24.8) years

Males (females) currently aged 45: 24.0 (25.9) years

At the valuation date, the value of the assets of the scheme was £28,842.6 million and the value of the scheme's technical provisions was £28,135.3 million indicating a surplus of £707.3 million. The assets therefore were sufficient to cover 103% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The actuary also valued the scheme on a number of other bases as at the valuation date. On the scheme's historic gilts basis, using a valuation rate of interest in respect of past service liabilities of 4.4% per annum (the expected return on gilts) the funding level was approximately 71%.

Yorkshire Universities (Group)
Notes to the Accounts
for the year ended 31st July 2009

9 Staff costs and emoluments (continued)

Under the Pension Protection Fund regulations introduced by the Pensions Act 2004 the Scheme was 107% funded, on a buy-out basis (ie assuming the Scheme had discontinued on the valuation date) the assets would have been approximately 79% of the amount necessary to secure all the USS benefits with an insurance company, and using the FRS17 formula as if USS was a single employer scheme, using a AA bond discount rate of 6.5% per annum based on spot yields, the actuary estimated that the funding level at 31 March 2008 was 104%

The technical provisions relate essentially to the past service liabilities and funding levels, but it is also necessary to assess the ongoing cost of newly accruing benefits. The cost of future accrual was calculated using the same assumptions as those used to calculate the technical provisions except that the valuation rate of interest assumed asset outperformance over gilts of 1.7% per annum (compared to 2% per annum for the technical provisions) giving a discount rate of 6.1% per annum, also the allowance for promotional salary increases was not as high. There is currently uncertainty in the sector regarding pay growth. Analysis has shown very variable levels of growth over and above general pay increases in recent years, and the salary growth assumption built into the cost of future accrual is based on more stable, historic, salary experience. However, when calculating the past service liabilities of the scheme, a cautionary reserve has been included, in addition, on account of the variability mentioned above.

The institution contribution rate required for future service benefits alone at the date of the valuation was 16% of pensionable salaries and the trustee company, on the advice of the actuary, agreed to increase the institution contribution rate to 16% of pensionable salaries from 1 October 2009.

Since 31 March 2008 global investment markets have continued to fall and at 31 March 2009 the actuary has estimated that the funding level under the new scheme specific funding regime had fallen from 103% to 74%. This estimate is based on the funding level at 31 March 2008, adjusted to reflect the fund's actual investment performance over the year and changes in market conditions (market conditions affect both the valuation rate of interest and also the inflation assumption which in turn impacts on the salary and pension increase assumptions).

On the FRS17 basis, using a AA bond discount rate of 7.1% per annum based on spot yields, the actuary estimated that the funding level at 31 March 2009 was 86%. An estimate of the funding level measured on a buy-out basis at that date was approximately 46%.

Surpluses or deficits which arise at future valuations may impact on the institution's future contribution commitment. A deficit may require additional funding in the form of higher contribution requirements, where a surplus could, perhaps, be used to similarly reduce contribution requirements. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below.

Assumption	Changes in assumption increase or decrease	Impact on scheme liabilities
Valuation rate of interest	0.5% / - 0.5%	Decrease/increase by £2.2 billion
Rate of pension increases	0.5% / - 0.5%	Increase/decrease by £1.5 billion
Rate of Salary growth	0.5% / - 0.5%	Increase/decrease by £0.7 billion
Rate of mortality	More prudent assumption	Increase by £1.6 billion

USS is a "last man standing" scheme so that in the event of the insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

The trustee believes that over the long-term equity investment and investment in selected alternative asset classes will provide superior returns to other investment classes. The management structure and targets set are designed to give the fund a bias towards equities through portfolios that are diversified both geographically and by sector. The trustee recognises that it would be possible to select investments producing income flows broadly similar to the estimated liability cash flows.

Yorkshire Universities (Group)
Notes to the Accounts
for the year ended 31st July 2009

9 Staff costs and emoluments (continued)

However, in order to meet the long-term funding objective within a level of contributions that it considers the employers would be willing to make, the trustee has agreed to take on a degree of investment risk relative to the liabilities. This taking of investment risk seeks to target a greater return than the matching assets would provide whilst maintaining a prudent approach to meeting the fund's liabilities. Before deciding to take investment risk relative to the liabilities, the trustee receives advice from its investment consultant and the scheme actuary, and considers the views of the employers. The strong positive cash flow of the scheme means that it is not necessary to realise investments to meet liabilities. The trustee believes that this, together with the ongoing flow of new entrants into the scheme and the strength of covenant of the employers enables it to take a long-term view of its investments. Short-term volatility of returns can be tolerated and need not feed through directly to the contribution rate. The actuary has confirmed that the scheme's cash flow is likely to remain positive for the next ten years or more.

The next formal triennial actuarial valuation is due as at 31 March 2011. The contribution rate will be reviewed as part of each valuation and may be reviewed more frequently. The total pension cost for the Yorkshire Universities charity was £61,420 (2008 £87,262).

The subsidiary company, Graduates Yorkshire Ltd, makes contributions into a defined contribution (stakeholder) pension scheme. Contributions made by that company to the scheme during the year amounted to £3,072 (2008 £5,971).

There were no pension payments outstanding at the year end.

There were no employees with emoluments in excess of £70,000 per annum. The number of employees whose emoluments including taxable benefits but excluding employer's pension contributions fall into the following bands were:

	2009	2008
£60,001 to £70,000	1	1
Numbers of such staff to whom benefits are accruing -	2009	2008
Under defined benefit pension schemes	1	1

10 Group and charity tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Asset cost, valuation or revalued amount			
at 31st July 2008	16,190	23,915	40,105
Disposals	-	(7,990)	(7,990)
at 31st July 2009	16,190	15,925	32,115
Accumulated depreciation and impairment provisions			
at 31st July 2008	6,202	10,898	17,100
Charge for the year	4,047	3,195	7,242
Eliminated on disposals	-	(1,998)	(1,998)
at 31st July 2009	10,249	12,095	22,344
Net Book Value			
at 31st July 2009	9,998	13,017	23,005
at 31st July 2008	5,941	3,830	9,771

Yorkshire Universities (Group)
Notes to the Accounts
for the year ended 31st July 2009

11 Debtors

	Group		Charity	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	46,171	136,077	30,477	130,016
Prepaid expenses	2,585	10,900	1,792	10,900
Accrued income	44,347	225,033	-	225,033
	<u>93,103</u>	<u>372,010</u>	<u>32,269</u>	<u>365,949</u>

12 Creditors amounts falling due within one year

	Group		Charity	
	2009	2008	2009	2008
	£	£	£	£
Bank loans and overdrafts	6,145	-	-	-
Trade creditors	73,873	218,020	41,238	194,751
Accrued expenses	29,930	141,572	24,248	140,572
PAYE and NI	37,611	3,459	-	-
Deferred income (see note 14)	-	110,000	-	110,000
Other creditors	-	521	-	-
	<u>147,559</u>	<u>473,572</u>	<u>65,486</u>	<u>445,323</u>

13 Group and charity operating leases

At the year end the group and charity had annual commitments under non-cancellable operating leases as set out below	2009	2008
	£	£
Operating leases which expire		
within one year	-	-
within two to five years	2,482	2,482
	<u>2,482</u>	<u>2,482</u>

14 Deferred incoming resources and reserves - restricted funds

	Opening deferrals	Released from 2007/08	Received less released	Deferred at year end
	£	£	£	£
Teaching Public Health Network	110,000	(110,000)	-	-

Teaching Public Health Network funds crystallised in the current year and were fully expended

Yorkshire Universities (Group)
Notes to the Accounts
for the year ended 31st July 2009

15 Related party transactions

Yorkshire Universities has paid grants, refunds of costs incurred and payments for other services to institutions employing its directors during the year. These were all on the basis of simple recharge of direct costs incurred or arms length relationships between those institutions and Yorkshire Universities. Grant income received by Yorkshire Universities from the The Higher Education Funding Council for England (Hefce) has been subject to grant agreement specifying University of Leeds as sponsor. University of Leeds has kindly provided this supervision free of charge.

The members themselves are related parties because of their membership of the Board of YU. Their combined subscriptions are £152,067 of the £175,067 voluntary income stated in the Statement of Financial Affairs.

Yorkshire Forward is a related party by virtue of its membership of the Boards for both Graduates Yorkshire Ltd (GY Ltd) and YU itself. GY Ltd is entered here for completeness. The transactions are summarised below.

	Charged to YU £	Charged by YU £
Graduates Yorkshire Ltd	6,038	1,748
Leeds College of Music	9,820	-
Leeds Metropolitan University	148,170	320
Leeds Trinity University College	18,202	-
Sheffield Hallam University	1,077,430	3,655
University of Bradford	108,372	-
University of Huddersfield	79,530	2,821
University of Hull	109,820	180
University of Leeds	669,709	(399)
University of Sheffield	177,664	-
University of York	45,310	(6,540)
York St John University	26,683	(1,700)
Yorkshire Forward	-	602,740

	Receivable from YU £	Owed to YU £
Graduates Yorkshire Ltd	-	105
Sheffield Hallam University	-	2,943
University of Bradford	70	-
University of Huddersfield	-	234
University of Leeds	25,860	-
University of Sheffield	170	-
University of York	59	-
York St John University	2,474	-

Yorkshire Universities (Group)
Notes to the Accounts
for the year ended 31st July 2009

16 Assets and liabilities represented by funds and individual fund particulars

Group

At 31st July 2009

	Unrestricted funds £000s	Restricted funds £000s	Total funds £000s
Tangible fixed assets	9 8	-	9 8
Current assets	115 4	83 8	199 2
Current liabilities	(57 0)	(90 6)	(147 6)
Total	68 2	(6 8)	61 4

At 31st July 2008

	Unrestricted funds £000s	Restricted funds £000s	Total funds £000s
Tangible fixed assets	23 0	-	23 0
Current assets	262 0	1953 1	2215 1
Current liabilities	(74 2)	(399 4)	(473 6)
Total	210 8	1553 7	1764 6

Charity

At 31st July 2009

	Unrestricted funds £000s	Restricted funds £000s	Total funds £000s
Tangible fixed assets	9 8	-	9 8
Current assets	115 4	22 8	138 2
Current liabilities	(57 0)	(8 5)	(65 5)
Total	68 2	14 3	82 5

At 31st July 2008

	Unrestricted funds £000s	Restricted funds £000s	Total funds £000s
Tangible fixed assets	23 0	-	23 0
Current assets	262 0	1937 9	2199 9
Current liabilities	(74 2)	(371 2)	(445 4)
Total	210 8	1566 7	1777 6

The individual funds included above are -

	Funds at 31st July 2008 £000s	Movements in funds as below £000s	Transfers between funds £000s	Funds at 31st July 2009 £000s
Graduates Yorkshire Ltd	(12 6)	(14 2)	5 7	(21 1)
Business and Enterprise YF	1387 6	(1382 1)	(5 5)	-
Business and Enterprise Hefce	12 6	1 7	-	14 3
Widening Participation	17 8	(17 8)	-	-
Leonardo restricted funds	(4 3)	(0 4)	4 7	-
Sundry other restricted funds	152 6	(151 5)	(1 1)	-
Unrestricted funds	210 9	(138 9)	(3 8)	68 2
	1764 6	(1703 2)	-	61 4

The position of Graduates Yorkshire Limited is explained in note 17 below. The individual funds included in the company figures are as stated above for the Group. Graduates Yorkshire Ltd has received a transfer equivalent to the intragroup exclusion of the £6 0k YF LMI transferred from the charity to the subsidiary. This was paid by the B&E YF fund.

Yorkshire Universities (Group)
Notes to the Accounts
for the year ended 31st July 2009

16 Assets and liabilities represented by funds and individual fund particulars (cont'd)

Explanation of the nature of each material transfer between funds

Transfers between reserves are generally carried out for one of the following reasons -

- 1 To release losses on closed restricted fund projects to unrestricted funds
- 2 To provide counterpart funds on partially subsidised restricted fund projects

In this particular year £9k has been transferred from central funds to the Yorkshire PCT funds we hold, to offset losses incurred on the TPHN project £5k has been transferred into unrestricted funds as internal recharges between projects

Analysis of movements in funds as shown in the table on the previous page

	Incoming resources £000s	Outgoing resources £000s	Movement in funds £000s
Graduates Yorkshire Ltd	219 8	234 0	(14 2)
Business and Enterprise YF	612 6	1994 7	(1382 1)
Business and Enterprise Hefce	57 2	55 5	1 7
Widening Participation	169 5	187 3	(17 8)
Leonardo restricted funds	-	0 4	(0 4)
Sundry other restricted funds	655 4	806 9	(151 5)
Unrestricted funds	198 9	337 8	(138 9)
	<u>1913 4</u>	<u>3616 6</u>	<u>(1703 2)</u>

17 Consolidation of the Yorkshire Universities Group

Graduates Yorkshire Ltd (registered company number 06325906), is a subsidiary created on 26 July 2007. This is a private trading company, limited by guarantee which is controlled by YU which is the sole member. Grant funding Graduates Yorkshire project is now paid direct from Yorkshire Forward to Graduates Yorkshire Limited.

During the twelve month period to 31st July 2009, Graduates Yorkshire Limited had turnover of £219,805 (2008 £241,664) and expenditure of £233,941 (2008 £254,705). After the transfer in of a grant for £6,038 the company's balance sheet showed assets of £60,934 (2008 £15,208) and liabilities of £82,073 (2008 £28,249) at the year ended 31st July 2009. The funds are therefore in deficit by £21,139 (2008 £13,041 deficit) representing the loss of £8,098 for the period plus the brought forward loss. These results are reflected in the restricted funds of YU and are accounted for as an activity within Appendix 1.

The accumulated losses of £21,139 are held as a restricted fund in the group balance sheet. These losses will be recovered in the next few months as the GY Ltd grant funding and trading income starts to develop following the group's investment in it.

Funds retained within charitable subsidiaries	31st July 2009 £	31st July 2008 £
The funds retained by the charitable subsidiary and offset within the restricted funds in the notes to the accounts are	(21,139)	(13,041)

18 Result of the Yorkshire Universities Charity

The result for the charity of the year was a deficit of £1,695,099 (2008 surplus of £769,467)

**Appendix 1. Analysis of total incoming and outgoing resources by activity
for the year ended 31st July 2009**

	Graduates Yorkshire Ltd £000s	Business and Enterprise £000s	Widening Particip- ation £000s	Health and Wellbeing £000s	HE and Strategic partnerships £000s	31st July 2009 total £000s	31st July 2008 total £000s
Incoming resources from generated funds							
Voluntary income	-	-	-	-	175.1	175.1	171.1
Activities for generating funds	181.5	-	-	-	0.5	182.0	117.3
Investment income	-	18.0	-	-	25.7	43.7	78.9
Total resources from generated funds	181.5	18.0	-	-	201.3	400.8	367.3
Incoming resources from charitable activities							
Grants received for external work	-	389.7	152.3	-	-	542.0	389.0
Grants received for internal charitable work	38.3	264.5	17.2	655.4	-	975.4	974.0
Conference income	-	-	-	-	(0.8)	(0.8)	43.0
Total resources from charitable activities	38.3	654.2	169.5	655.4	(0.8)	1516.6	4914.0
Loss on disposal of assets							
Total incoming resources	219.8	669.8	169.5	655.4	198.9	1913.4	5281.3
Costs of generating funds	45.6	-	-	-	7.9	53.5	114.9
Costs of charitable activities							
Grants to individuals	-	-	-	-	0.4	0.4	183.0
Grants to institutions	-	676.9	109.2	-	-	786.1	2725.0
Support costs							
Salaries and wages	69.8	277.8	20.9	108.6	176.4	653.5	898.5
Non staff costs	106.3	69.5	0.1	169.9	142.7	488.5	666.6
Total support costs analysed by activity	176.1	347.3	21.0	278.5	319.1	1142.0	1565.1
Conference costs	-	-	-	-	-	-	34.0
Costs of charitable activities incl conference	176.1	1024.2	130.2	278.5	319.5	1928.5	4473.1
Governance costs	7.0	11.7	-	-	10.8	29.5	17.9
Interest payable	5.3	-	-	-	-	5.3	-
Exceptional items	-	1014.3	57.1	528.4	-	1599.8	-
Total resources expended	234.0	2050.2	187.3	806.9	338.2	3616.6	4605.9
Net incoming resources before transfers	(14.2)	(1380.4)	(17.8)	(151.5)	(139.3)	(1703.2)	675.4

Note

HE and Strategic Partnerships are held within the unrestricted fund except for the grants to individuals. The remaining four activities are entirely restricted. These therefore reconcile to the movement of funds noted in note 16. Business and Enterprise was previously related to the Graduate Opportunities activity, with the addition of HLS work. HE and Strategic Partnerships was previously known as Central Representation and Other Central Projects. Health and Wellbeing most closely relates to activity described as 'Other Grants' in previous years.