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University of
East London



ANNUAL REPORT AND FINANCIAL STATEMENTS

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For the year ended 31 July 2018



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Governors, Executives and Advisors as of 27 November 2018

Board of Governors

Mr Geoffrey Thompson MBE
Ms Sally Dyson
Mr John Garwood
Ms Bindi Karia
Mr Tommy McDonnell
Mr Anthony Mullee
Mr Michael Nartey
Mr Gary Stewart
Ms Janette Withey

Period of office

Appointed 1 September 2017
Appointed 14 February 2018
Appointed 14 February 2018
Appointed 14 February 2018
-
Reappointed 4 July 2017
Appointed 14 February 2018
Appointed 14 February 2018
-

Student Governors

Mr Ayodele Ayeni
Mr Elham Peserlay

Appointed 16 May 2017
Reappointed 4 July 2017

Co-opted Governors

Mr Solomon Alexis
Ms Amy Butterworth-Fernandes

-
-

Governors who resigned

Ms Sunny Crouch OBE
Dr Mark Hannam (Deputy Chair)
Dr Ian Jenkins
Dr Omar Khan
Mr David King
Professor Mark McDermott
Mr Lee McGinty
Mr David Noyce
Mr Paul Samuel
Mr Jon Smith

Resigned 31 July 2018
Resigned 12 September 2017
Resigned 15 December 2017
Resigned 31 July 2018
Resigned 25 September 2017
Resigned 31 July 2018
Resigned 22 May 2018
Resigned 31 July 2018
Resigned 23 April 2018
Resigned 30 May 2018

Vice-Chancellor's Group

Professor Amanda J Broderick
Professor John Joughin
Professor Nora Ann Colton
Mr Dean Curtis
Professor Hassan Abdalla
Professor Fary Cachelin
Ms Annette Cast
Dr Lisa Mooney
Mr Tristan Foot
Ms Holly Duglan
Mr John Garnham
Mr David Tyndall

Period of office

Vice-Chancellor and President -
appointed 10 September 2018
Vice-Chancellor and Chief Executive Officer - resigned
31 March 2018
Deputy Vice-Chancellor / Acting Vice-Chancellor -
resigned 31 March 2018
Chief Finance Officer – appointed 12 February 2018
Acting Vice-Chancellor – appointed 1 April 2018
Pro-Vice Chancellor – Arts, Technology & Innovation –
appointed 1 September 2017
Pro-Vice Chancellor – Applied Health & Communities
– appointed 4 August 2017
Pro-Vice Chancellor – Professional Services –
appointed 1 September 2017
Pro-Vice Chancellor, Research
Acting University Secretary – appointed 21 May 2018
Registrar and University Secretary -
resigned 31 January 2018
Interim Finance Director - departed 31 March 2018
Interim Chief Operating Officer -
departed 31 December 2017

Auditors

Grant Thornton UK LLP
30 Finsbury Square
London EC2A 1AG

Bankers

Barclays Bank Plc
P O Box 1006
Barking IG11 8AT

Solicitors

Shakespeare Martineau
60 Gracechurch Street
London
EC3V 0HR

Veale Wasbrough Vizards
Barnards Inn
London
EC4A 1AD

MESSAGE FROM THE CHAIR OF GOVERNORS



This year marks the University of East London's 120-year journey, reflecting its rich history enshrined in its early mission as "the people's college". Our aim is to present the currency of diversity in the University's 134 different cultures as well as our commitment to providing hope and opportunity to equality, inclusion, social mobility and widening participation locally and globally. It has been another busy, challenging but exciting year at UEL.

Towards the end of the financial year, UEL undertook the final phase of a planned organisational review and management restructure to secure our future, build on our successes and ensure we are equipped to deliver our ambitions. These changes will allow us to meet the needs of our students better, promote world-class interdisciplinary research more rigorously, and to ensure the University's future financial sustainability.

I would like to thank our Chancellor Shabir Randeree CBE, for his continued service, as well as Professor The Lord Patel of Bradford, for his advice and wise counsel. I would also like to thank our previous Board Members for their dedication to the institution and in particular, Sunny Crouch OBE, who stepped down after 18 years of devoted service. I would also like to welcome new board member colleagues who will bring a diverse contribution

of knowledge, ideas and experience.

Another vote of thanks goes to our previous Vice-Chancellor Professor John Joughin for his commitment to UEL, and our subsequent acting Vice-Chancellors Professor Nora Colton, Chief Finance Officer Dean Curtis and Professor Hassan Abdalla as Acting Deputy Vice-Chancellor, for ably steering us through the past year. My final thank you is to the Vice Chancellor's Group for its support and hard work.

I am delighted to introduce our new Vice-Chancellor and President Professor Amanda Broderick. Professor Broderick joined us on 10 September 2018. She brings with her an outstanding blend of academic and commercial experience, and I am confident that she will provide vision, new ideas and inspirational strategic leadership to UEL.

The Board of Governors is pleased to note the University's continually improving results in terms of student satisfaction, degree completion and employability over the past 12 months.

UEL has steadfastly climbed the UK league tables. A Times Higher Education survey examined the 'student experience' statistics of universities from 2009 to the present day, and it found that UEL had made a bigger improvement than any other institution. We were also

among the highest climbers in the latest Guardian University Guide league table, rising 19 places in the rankings, and we rose for the second successive year in the Complete University Guide.

For the third year in a row, UEL went up in the National Student Survey. Our students gave us an 'overall satisfaction' rating of 85 per cent, the highest score ever recorded by this University. This places us top in London among all eight post-1992 universities and ranks UEL fourth in the capital among 26 higher education institutions. Overall, we now sit at 51st in the NSS league table published by the Times Higher Education, our best result yet.

UEL's improvement bucked the national trend. Average scores across the entire higher education sector declined from 84 to 83 per cent this year.

As a former world champion athlete, I am especially proud of the sporting success achieved by UEL this year. We secured our best-ever ranking in the British Universities and Colleges Sport (BUCS) league table, finishing in 39th place nationally, and we were ranked in the top five in the UK for athletics and in the top ten for basketball, tennis, volleyball and taekwondo. The UEL men's volleyball team was the first team in our history to reach a national BUCS final. Seven current and former UEL

students competed at the 2018 Commonwealth Games on Australia's Gold Coast and took home gold medals in swimming and track, and a bronze medal in Para-powerlifting.

We continue to shine in our social mobility and widening participation agenda. Unfortunately it remains the 'first world' of the red brick institutions compared to the 'third world' of the post-92 institutions such as UEL, and this is a stark reminder of the educational inequalities which still exist. The Russell Group experiment, which invested hundreds of millions of pounds into reflecting a more diverse and societally inclusive campus, has clearly failed. I believe this investment could be better utilised by post-92 universities, such as UEL, in delivering a more sustainable social, cultural and economic impact to society as a whole.

Youth engagement and empowerment, particularly in the context of reducing violence in our local communities, has been a key part of the University's civic engagement efforts. Over the past year, we have hosted a number of community events, workshops and conferences within our campuses, and beyond, on the impact of youth violence on east London communities and Greater London as a whole. I can confirm that UEL will broker, facilitate, participate and lead in a more coordinated and

collaborative approach with projects, programmes and initiatives over the next 12 months.

I am also delighted that UEL students delivered almost 13,500 hours of community volunteering this year, supporting 134 voluntary and community sector organisations.

This year we moved our graduation ceremonies from the O2 to ExCel London. The July ceremonies coincided with the century anniversary of the birth of Nelson Mandela, and to celebrate Madiba's achievements in promoting education several hundred UEL students, staff members, governors and guests took part in the 'Mandela Mile'. This was a mile-long walk along the bank of the Royal Docks, and it was a wonderful way to close out the academic year.

On behalf of the Board, I would like to thank all of our staff, students and supporters of the University for their hard work over the past year. I look forward to seeing what can be achieved with our collective efforts reflected in our philosophy, mission, values, aims and objectives in the year ahead.



Geoff Thompson **MBE FRSA DL**
Chair, Board of Governors

MESSAGE FROM THE VICE-CHANCELLOR AND PRESIDENT



Having taken up the post of Vice-Chancellor and President on 10 September 2018, it is clear that the University of East London has seen a year of significant change, development and progress.

The year has seen continued progress with our position in higher education ranking tables. The University's results in the National Student Survey 2018, with overall satisfaction among our students rising to 85 per cent, has elevated us 25 places in the 2018 rankings and we are now 51st nationally. Our rankings have also improved in the Guardian University Guide 2019. We have risen 19 places to 88/121 this year. Our overall score increased by 25 per cent (the third largest percentage increase of the London institutions) with six of our subjects in the top three of all London institutions and a further six in the top five. In the Complete University Guide rankings, UEL has risen for the second year, moving five places from 113/129 to 108/131.

We have an extremely significant role to play in increasing access, participation and social mobility with the largest percentage of students of any full-range London university coming from areas of multiple deprivation (IMD 1-4) and from BAME (Black, Asian and minority ethnic) backgrounds. We are committed to realising the potential of talent wherever and whenever this is found

and are continuing to make positive progress in student outcomes. We also see this evidenced, for example, in our New Beginnings programme shortlisted for a prestigious Times Higher Education Award 2018 in the category of 'Widening Participation or Outreach Initiative of the Year'.

Our health, sustainability, global challenges research engagement and Knowledge Transfer Partnerships (KTPs) have increased in 2017/18. We expect our research and knowledge exchange income capture to be over £4.0 million during 2017-18, and will be leading on major European Regional Development Funding projects worth £13 million, £114,000 Global Challenges Research Funding (GCRF) and over £600,000 KTP fellowships recently contracted for 2018-19. Having also gained our Bronze Athena SWAN institutional and Psychology accreditations we are becoming an employer of choice for academics pursuing high-impact applied research that seeks to make a difference to society and industry locally and globally.

The University of East London has moved up 85 places in the BUCS (British Universities and Colleges Sport) league since starting in 2010. In 2012 UEL won the BUCS Most Improved University for Sports and six years down the line we are now ranked 39th. UEL student athletes and alumni took five medals at the Muller British

Athletics Championship in Birmingham in July 2018 with alumnus Adam Gemili winning a silver in the men's 200 metres in a time of 20.26. UEL is proud to be able to play a role in their journey on and off the competitive stage and is building its reputation internationally for supporting talent.

The University has spent a number of years 'right-sizing' the University infrastructure for the size and shape of its education and research; this included the 2017/18 year which also saw a re-structuring of its academic disciplines into three careers-facing Colleges: Applied Health and Communities; Arts, Technology and Innovation; and Professional Services, which incorporates business, law, education, social work and the social sciences. While future, targeted work in increasing the resilience of the organisational infrastructure is ongoing, substantive progress has been made.

The University has had a number of years of financial challenge, aligned both with wider challenges in the UK higher education policy environment and in insufficient progress in re-establishing a competitive position. The financial results of the year, however, show significant progress against results in 2016/17 not only in the operating position but also with cash generation. This provides a solid foundation

for delivering a transformation in financial resilience in the short-term and a spring-board for the development of a compelling position to increase student and employer demand.

I wish to express my appreciation for the efforts undertaken during the year to ensure that the University continues to prosper. I would also like to thank all our staff for their hard work, professionalism and dedication as well as our students for making the University of East London such a welcoming, inclusive and inspiring place to study and conduct research.

Professor Amanda J. Broderick
**BA (Hons) PhD DipM DipMRS
PGCTL FRSA MBGS FCIM FHEA**
Vice-Chancellor and President

85

UEL's score of 85 per cent for overall satisfaction in the 2018 National Student Survey was the highest in the University's history

102

UEL has risen 102 places in the National Student Survey over the last three years

5

UEL climbed five places in the Complete University Guide 2019 league table – the University's second successive rise

7

Seven UEL students and alumni competed at the 2018 Commonwealth Games in Australia, and returned with two gold medals and one bronze

1

UEL has the most satisfied students of any modern university in London according to the 2018 National Student Survey

19

UEL rose 19 places in the 2019 Guardian University Guide league table – one of the UK's biggest movers

91

91% of UEL graduates were in employment or further study within six months of graduating. Source: Destination of Leavers from Higher Education (2016-17)

1

UEL was hailed as the most improved university in the UK for the quality of its student experience over the past decade in the 2018 Times Higher Education Student Experience Survey

STRATEGIC REVIEW

The higher education landscape

The Office for Students (OfS) became the new regulatory body for the English higher education sector on 1 April 2018. Its new framework is expected to be in place from 1 August 2019. The OfS was established by the Higher Education and Research Act and brings together into a single organisation the responsibilities of the Higher Education Funding Council for England (HEFCE), the Office for Fair Access (OFFA), the Department for Education and the Privy Council.

Its key objectives are to ensure that students from all backgrounds can access, succeed in, and progress from higher education; receive a high-quality academic experience, and see their qualifications hold their value over time in line with sector-recognised standards; have their interests as consumers protected while they study, including in the event of provider, campus, or course closure; and receive value for money.

The creation of the OfS and United Kingdom Research and Innovation (UKRI) represent the largest structural change since 1992 in the way the higher education system will be regulated. UEL is in the process of registering with the OfS to enable it to access the student support system and receive grant funding.



The University's submission to the Teaching Excellence and Student Outcomes Framework (TEF) was awarded Bronze in June 2017. TEF is a national exercise, introduced by the government in England. It assesses excellence in teaching at universities and colleges, and how well they ensure excellent outcomes for their students in terms of graduate-level employment or further study.

The OfS recently extended by one year the award period for the 2017 submissions. This was done as part of plans by the OfS to bring institutions to the same starting line for the subject-level TEF. The University of East London's Bronze rating therefore remains in place.

There are systems in place to help ensure that all UK colleges and universities meet national quality standards. The TEF looks at what institutions are doing in addition to these standards, and awards them gold, silver or bronze for excellence. The TEF process is managed by the OfS, and ratings are judged by an independent panel of students, academics and other experts.

The TEF relies in part on data from the National Student Survey (NSS), in which UEL continues to improve. UEL's outcome in the Destinations of Leavers from Higher Education (DLHE) survey has also continued to improve but on a much smaller marginal basis than the significant step change achieved in 2016-17.

OUR CORPORATE OBJECTIVES

Our Corporate Plan 2015-2020 is based around UEL's mission as London's leading university for civic engagement, and sets out four key corporate objectives, as follows:

Objective 1: 'Learning by doing' – learning, teaching, employability and student success

We are connecting our students to a successful future by broadening their horizons, extending their understanding and knowledge, inspiring them to take on new challenges and improving their rates of educational attainment and graduate employment.

Objective 2: Creating and disseminating knowledge and ideas that make a difference

Our research and enterprise is building a strong reputation nationally and internationally. We are focused on developing high-quality research that benefits society and builds on our highly successful Research Excellence Framework (REF) submission in 2014.

Objective 3: Connecting to students, staff and communities

We are exploring and exploiting new opportunities to build partnerships that benefit our students and communities, facilitated and supported by our staff.

Objective 4: Developing our infrastructure

We are continuing to invest in technology and upgrading our estates and facilities. Our aim is to provide the right spaces, systems and support for our staff to perform at their best and for our students to reach their full potential.

In the following pages we tell the story of our university's progress during 2017/18 under the headings of our four key objectives.



OBJECTIVE 1 – LEARNING BY DOING



Our Colleges

In 2017, UEL realigned its academic schools into three multidisciplinary colleges: the College of Applied Health and Communities; the College of Arts, Technology and Innovation; and the College of Professional Services. The new structure delivers cost-saving efficiencies, but also allows academics to collaborate across disciplines, creates greater opportunities for inter-disciplinary research funding and gives students transferrable, inter-disciplinary skills.

The College of Applied Health and Communities

The College is home to the schools of Health, Sport and Bioscience, and Psychology, both of which provide students with expert academics, hands-on learning and a range of work experience opportunities. Achievements for 2017/28 included:

- The college launched a first-of-its kind short course in ‘Ershad’ coaching. The programme offers a culturally relevant professional coaching framework for use in an Islamic context.
- The college’s new nursing course was overwhelmed with applicants, garnering 600 applications for 60 available places on its inaugural course, which started in January. UEL is running the degree course in partnership with the Barking, Havering and Redbridge University Hospitals and North East London Foundation NHS Trusts. A state-of-the-art clinical simulation centre is the educational centrepiece of the programme.
- Professor Duncan Turner received more than £100,000 in funding from MicroTransponder Inc to run clinical trials of vagal nerve stimulation in stroke patients.
- Psychology PhD candidate Dung Jidong won the prestigious poster prize for the second year in a row at the annual conference of the British Psychological Society (BPS) for his research on the impact of cultural beliefs on mental health in Nigeria.

The College of Arts, Technology and Innovation

The college houses the schools of Architecture, Computing and Engineering and Arts and Digital Industries. Both are grounded in innovative research, teaching excellence and have a broad range of industry connections. Highlights for 2017/18 were:

- The college launched the cutting-edge London Centre for Digital Design and Manufacturing, which will provide substantial opportunities for researchers, practitioners and students to make new contributions to areas such as manufacturing, construction and the creative industries.
- Academics received £300,000 from the British Council to look at how the procurement, design and sustainability of buildings and cities can be improved. The group is working with organisations including Newham Council.
- The college sponsored the East End Film Festival for the fourth year in a row. The partnership provided a showcase for UEL film students and work opportunities for students in a number of creative disciplines.
- The college collaborated with Eastbury Manor in Barking to showcase 25 creative projects. The initiative showcased UEL-made art and enhanced Eastbury Manor’s reputation as a place for creative community engagement.
- The college is collaborating with Ford Motor Company on developing a symbiotic simulation to enhance the automation process.

The College of Professional Services

The college is home to the schools of Business and Law and Cass School of Education and Communities. The college stands for teaching excellence, industry connections and real-world relevance. Many of its courses offer professional accreditation. Achievements for 2017/18 included:

- The Cass School launched the UK’s first Montessori higher education degree, in collaboration with the Maria Montessori Institute.
- The college successfully bid for the North East London Teaching Partnership with the London Borough of Havering to deliver training and CPD (Continuing Professional Development) to social workers in the London region.
- Six graduates from the MSc Finance and Risk programme became the college’s first graduates to achieve an Associate Chartered Banker qualification from the Chartered Banker Institute (CBI). UEL is one of just six universities to have its MSc Finance and Risk programme accredited by the institute.
- The Legal Advice Centre was nominated for a prestigious LawWorks Annual Pro Bono Award for an initiative to provide legal services to people with autism. The Law Centre provides the services in partnership with autism charity Sycamore Trust UK.
- Legal Advice Centre patron and UEL alumnus Imran Khan became part of a select group of solicitors to be appointed a QC when he received the honour at the end of 2017.



Centre for Student Success

The Centre for Student Success was established in April 2017, combining services from Careers and Student Employability and Library and Learning Services. Its aim is to support students to succeed academically and secure graduate-level employment or further study.

In the past year the Centre's career coaches supported over 1,000 students, including more than 700 individual appointments and 150 employment and job readiness workshops. Our Skills Academy programme, which featured external speakers, proved highly popular, with some students attending up to 11 times. An evaluation survey indicated a student satisfaction rate of 98 per cent.

The professional mentoring scheme saw 202 UEL students matched with industry mentors. The team secured new partnerships with organisations from in-demand sectors, such as public relations, education and medical sciences. Participation in mentoring schemes was associated with increased academic achievement, with participants demonstrating an average rise of 7.4 per cent in average module grade compared to the institutional average.

The employer engagement team hosted over 90 employers at our careers fair, which was attended by around 400 students. In addition, the team funded 71 internships for undergraduate students, both internally and with external organisations, to provide students with relevant paid work experience. Two students secured permanent work through the scheme.

Our academic writing tutors supported around 3,900 students this year, while the mathematics tutors supported over 1,000. Together, they ran more than 1,700 individual appointments and 400 workshops.

Additionally, the team ran a successful pilot for the MyFeedback service, which provides remote peer-to-peer feedback on assignment drafts. Academic tutoring was associated with increased academic achievement, with the impact greater for students identified as at-risk of non-continuation.

Library and Learning Services

For the second year in succession, Library and Learning Services achieved a high satisfaction score of 87 per cent in this year's National Student Survey, underlining what an important role it plays in the academic lives of our students. The services' key achievements in 2017-18 included:

- Implementing a tool that enables users to convert files to a format to suit their individual needs (e.g. text to speech).
- Launching an initiative to 'decolonise' reading materials by sourcing books and other content by and about people that reflect our diverse student population.
- Launching the policy for providing open access to scholarly materials, in compliance with requirements of major research funding bodies.
- Showcasing the Silvertown and North Woolwich (E16) Past and Present Exhibition, which included a display of materials from the UEL archive and partners such as Tate and Lyle.



Psychology student wins E-Factor 2018

Jessica O-George, founder of holistic wellness company The Art of Life (since re-named The Well), won E-Factor 2018 – the University’s flagship entrepreneurship competition.

Jessica, who is studying for an MA in Psychology at UEL, beat four other finalists to take the £6,000 first prize at the London Bishopsgate headquarters of NatWest.

The Art of Life (since re-named The Well) is a wellness and lifestyle consultancy that brings together experts in health and wellbeing with a common goal of helping women live well.

‘In a year’s time I’d like to see the business being successful in New York and Los Angeles. And, of course, I’ll be back here at E-Factor 2019 to support next year’s finalists!’

Jessica O-George,
MA Psychology student

Centre for Excellence in Learning and Teaching (CELT)

The Centre for Excellence in Learning and Teaching (CELT) empowers UEL’s academics by giving them the cutting-edge tools they need to enhance learning. This year, CELT’s accomplishments included:

- Working with the Students’ Union to reward academics nominated by their students for outstanding teaching.
- Upgrading the virtual learning environment (VLE) to improve functionality and enhancing its interface to make it more user-friendly and consistent with the UEL brand.
- Leading more than 100 Continuing Personal Development workshops focusing on embedding innovative learning and teaching practices such as the use of Turnitin (a plagiarism-detection service) for managing course assignments.



Degree apprenticeships

UEL has grown its degree apprenticeship offering and developed important relationships with employers across a range of sectors in the past year.

We now have 55 degree apprentices studying on our Digital and Technology Solutions and Chartered Manager programmes, with employers such as Accenture, Barclays and the Canary Wharf Group sending their employees to us.

Alongside the Digital and Technology Solutions programme, we have introduced the following new degree apprenticeships this year: Chartered Manager; Associate Nurse; Teacher; Civil Engineer, and Civil Engineer Site Manager. We are looking forward to welcoming students on these programmes for the 2018-19 academic year.

Our partners for the new apprenticeship programmes include NHS trusts, large construction companies and school academy trusts. We are also in the process of validating a Geospatial and Mapping degree apprenticeship.

There are a number of schools within UEL exploring level 8 (master’s degree) apprenticeship programmes in the near future.

The apprenticeship team have also engaged with various stakeholders during the year through employer engagement events and supporting employers to recruit apprentice candidates. We have also organised seminars at local secondary schools and academy trusts and ran an external PR and social media campaign during National Apprenticeship Week.

The degree apprenticeships team at UEL anticipate a cohort of 100 new degree apprentices starting during the 2018-19 year across our seven programmes.



Student Support Hubs

Our Student Support Hubs, which provide frontline support for students' academic and non-academic issues, experienced record levels of student engagement this year.

Our annual survey produced another fantastic response, with almost 900 students taking part and an overall satisfaction mark of 92 per cent. This was the highest rating we have ever received – a two per cent increase on our performance in 2017. In summary, the 2018 survey showed:

- 92 per cent of students were satisfied overall with the quality of service provided by the Hubs.
- 89 per cent of students were happy/very happy with the speed and efficiency at which the hubs were able to respond to their query
- 98 per cent of students were satisfied that the hubs advisor who dealt with their query was helpful/very helpful and were satisfied with the level of experience of the advisor
- 99 per cent of students were satisfied/very satisfied with the service provided by the hubs on the day of their interaction
- The resolution of queries at first touch by staff at the hubs was maintained at 81 per cent. This exceeded a target of 80 per cent.



International

UEL has signed a partnership deal with the independent education provider, Malvern House International, to deliver a range of pre-degree pathway courses for international students.

The courses will develop the students' English language skills and prepare them academically for university-level study – initially at undergraduate level but with pre-Master's programmes due to come on stream in 2019.

The new partnership is expected to deliver a significant boost in UEL's international student numbers, which are already on an upward trajectory after the University more than doubled its intake of international undergraduate students for the 2017-18 academic year.

Malvern House, which has a well-established language and pathway college in central London and sister colleges in Malaysia and Singapore, will deliver the new courses at UEL's Docklands campus.

Students taking the pathway course will be fully enrolled as UEL students, giving them the benefit of on-campus accommodation and access to all University facilities and services.

After completing the course, they will then be able to progress seamlessly to full degree-level study without having to apply for a new visa. In effect, undergraduate students will be studying on a four-year degree course that includes a foundation year.

The first cohort will begin their studies in September, with a second intake starting in January 2019. The January cohort will continue their studies throughout the summer so that they can progress to their bachelor's degree course in September of the same year. Students will be able to choose from modules in Mathematics for Engineering, Physical Science, Research and Study Skills and Global Business Environment.

In addition to the full foundation course, Malvern House and UEL are working together to provide flexible-duration ESL (English as a Second Language) courses for pre-undergraduate and pre-Master's students.



Age is no barrier for fashion student

UEL fashion student Bernadette Taylor was announced as the winner of Festival of Learning's Senior Adult Learner Award for her exceptional achievement in adult learning.

Bernadette, aged 72, left school at 16 without formal qualifications. After years of caring for others, she decided to use her retirement to do something for herself.

When she spotted an advert for 'New Beginnings' evening classes at UEL, Bernadette decided it was time to return to learning and realise her dreams. She has since progressed to a full degree course.

Her inspiring story was featured on London ITV News.

'New Beginnings has taught me to believe in myself. I am finally doing something just for me.'

Bernadette Taylor,
BA (Hons) Fashion Design student

OBJECTIVE 2 – CREATING AND DISSEMINATING KNOWLEDGE AND IDEAS THAT MAKE A DIFFERENCE



Research and Knowledge Exchange

UEL launched its ambitious 'Research and Knowledge Exchange Strategy 2018 to 2023' this year under the direction of Dr Lisa Mooney, Pro Vice-Chancellor (Research and Knowledge Exchange).

The strategy envisions UEL as a centre of outstanding research and knowledge transfer which has a profound and lasting impact on the University's home in east London as well as wider global relevance. The strategy is built around four pillars of scholarly life and has eight key commitments: investing in people; research excellence; building a research environment; investment; partnership and collaboration; international reach; research informed teaching (RIT); and professional and cultural values.

The strategy was a key part of our 2018 Research and Knowledge Exchange Conference, which drew over 180 academics and highlighted the key research taking place at UEL. Discussion topics ranged from "Migrating Proverbs" and "Practising politics in the Calais Jungle" to "Regulating Cryptocurrencies" and "5G Vehicular-to-Vehicular Communications."

Other research highlights:

- UEL undertook its first annual research review with a quality assessment of 13 research areas which encompassed 550 outputs and 300 staff members.
- The University increased investment in central funding support services, delivering a series of funding workshops and enhancing bid development support for staff. This investment is already showing dividends – early successes include two prestigious Leverhulme Trust awards: a research fellowship for Professor Maria Tambouku and a research project grant awarded to Dr Sam Wass, a lecturer.

- UEL achieved some notable successes following efforts to develop our knowledge transfer activity. Lecturer David Dorrington secured a consultancy contract to deliver a computer game development training programme to young offenders while Dr Julie Wall, a senior lecturer, secured Knowledge Transfer Partnership (KTP) funding.
- Overall, this year the University expected to win contracts totalling at least £4.0 million, our highest amount in several years.

Enterprise

UEL significantly increased its entrepreneurial support for students this year, engaging with over 1,000 undergraduates, postgraduates and alumni.

Highlights include:

- MA Psychology student Jessica O-George won over £6,000 in cash and prizes in our annual business competition, E-Factor. Her business, The Well, is a lifestyle consultancy which brings together a range of experts to help women live well.
- UEL awarded five grants of £2,000 each through our Boost Your Business programme, conducted in partnership with the Haberdashers' Livery Company.
- Our Knowledge Dock Business Centre continued to grow. This year the centre's businesses employed student interns, created live marketing briefs for students and delivered talks and workshops on a range of business issues.

OBJECTIVE 3 – CONNECTING TO STUDENTS, STAFF AND COMMUNITIES



Civic Engagement

Civic engagement is fundamental to UEL's ethos and core values, and this is reflected in the vast amount of activity that has taken place over the past year in terms of engaging students in volunteering, active citizenship, community-based learning and building partnerships with our local communities. In 2017/18:

- UEL students delivered 13,489 hours of community volunteering, supporting 134 voluntary and community sector organisations.
- 92 students were recognised for volunteering contributions above 25 hours, with six students achieving the Platinum Award for 200 hours of volunteering.
- 18 students were recommended for an Outstanding Contribution to Volunteering Award by their host organisation.

The Civic Engagement team opened a computer coding club on our Docklands campus, which gives local children the opportunity to learn to code supported by our student volunteers.

We also piloted a series of charity workshops, delivered by UEL staff members, to harness UEL's considerable expertise in key areas facing the voluntary sector by upskilling our community partners. Workshops on GDPR, cyber security and social media were attended by colleagues from 36 voluntary organisations and received highly positive feedback.

Civic Engagement funding was awarded to London Scholars and UEL Engage projects. UEL students took part in research on topics such as precarious employment, support for student parents and the effectiveness of treatments for alcohol addiction.

Students were also engaged as peer educators in a local prison, organising a conference in Essex, delivering environmental education in a local school and undertaking an austerity audit of psychosocial conditions and services around HIV.

The Noon Centre for Equality and Diversity organised the 4th Global Equality and Diversity Conference and Awards, where more than 100 professionals gathered to discuss workplace diversity and honour achievements in this field. In May, the Noon Centre also hosted an evening in conversation with acclaimed journalist and author Afua Hirsch.

Youth engagement and empowerment has been a key focus of our civic engagement activity in the past year, particularly in the context of the increasing levels of serious violence in our local communities.

In January we hosted the 'Achieve Safety through Active Participation Conference', organised by Newham's Youth Movements team, and in July we hosted a community conversation in partnership with Community Links about the impact of youth violence on Newham communities.

Widening participation

UEL is firmly committed to widening access to higher education and increasing participation among under-represented groups. To achieve this, this we have created a number of specialist teams to support would-be applicants.



New Beginnings

A total of 324 mature learners completed pre-entry courses in 2017-2018. Of these, 277 were recruited to our acclaimed New Beginnings course, which prepares students without formal qualifications for higher level learning. The remaining 47 took the Law and Criminology subject specific short course.

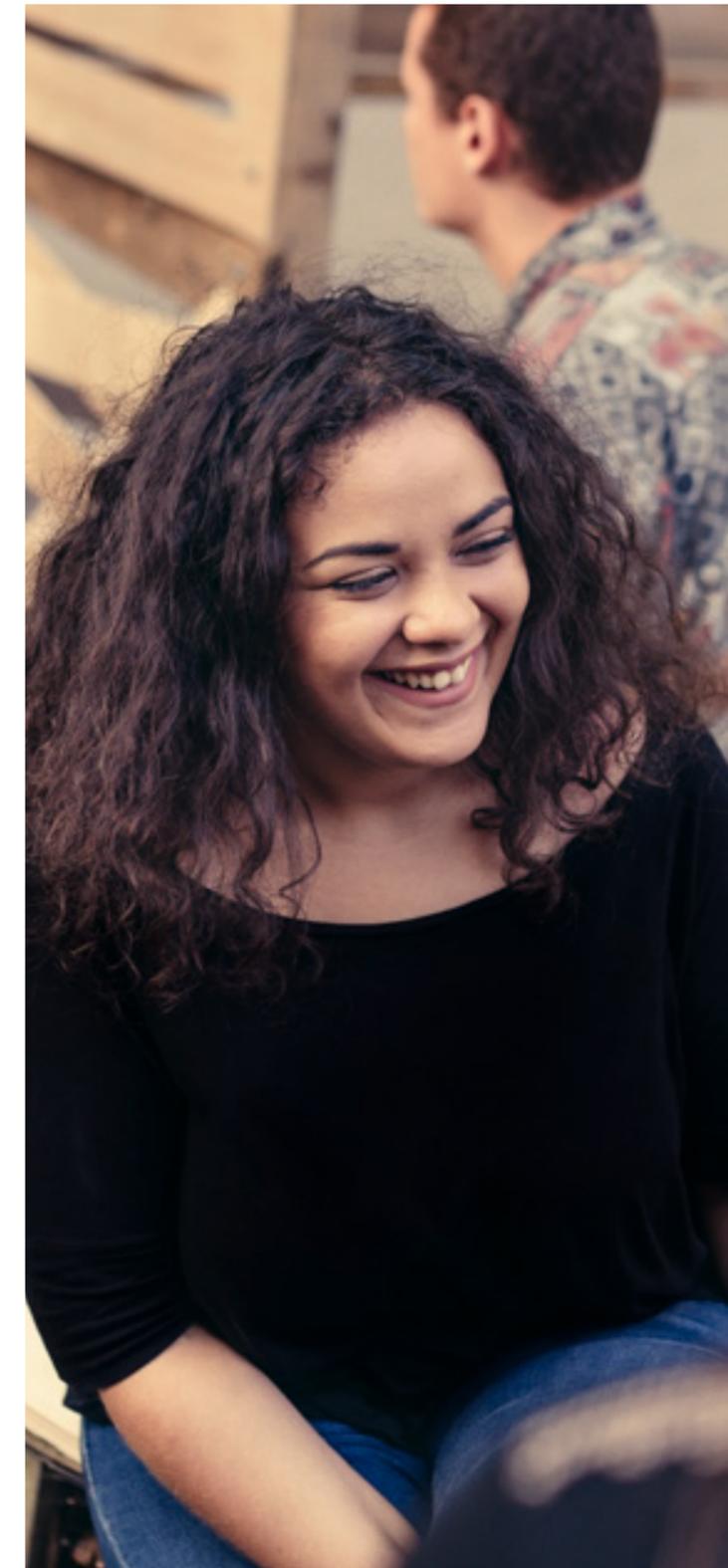
In-house research undertaken in 2017 demonstrated emphatically that students who progress from New Beginnings are more likely to finish their degree in three years and more likely to finish with a 1st or 2:1 classification.

This year we launched the third version of the New Beginnings course – 'New Beginnings: Accelerated'. This complements the firmly established regular course as well as the recently and introduced 'New Beginnings Intensive' for high achievers. The Accelerated version extends the opportunity of further study to a wider audience, particularly workers from the low-wage economy.



Information, Advice and Guidance

Between September 2017 and August 2018 our Information, Advice and Guidance (IAG) team helped 2,905 people to explore study options and progress with their applications. The majority of visitors to the IAG service are mature and from non-traditional backgrounds.

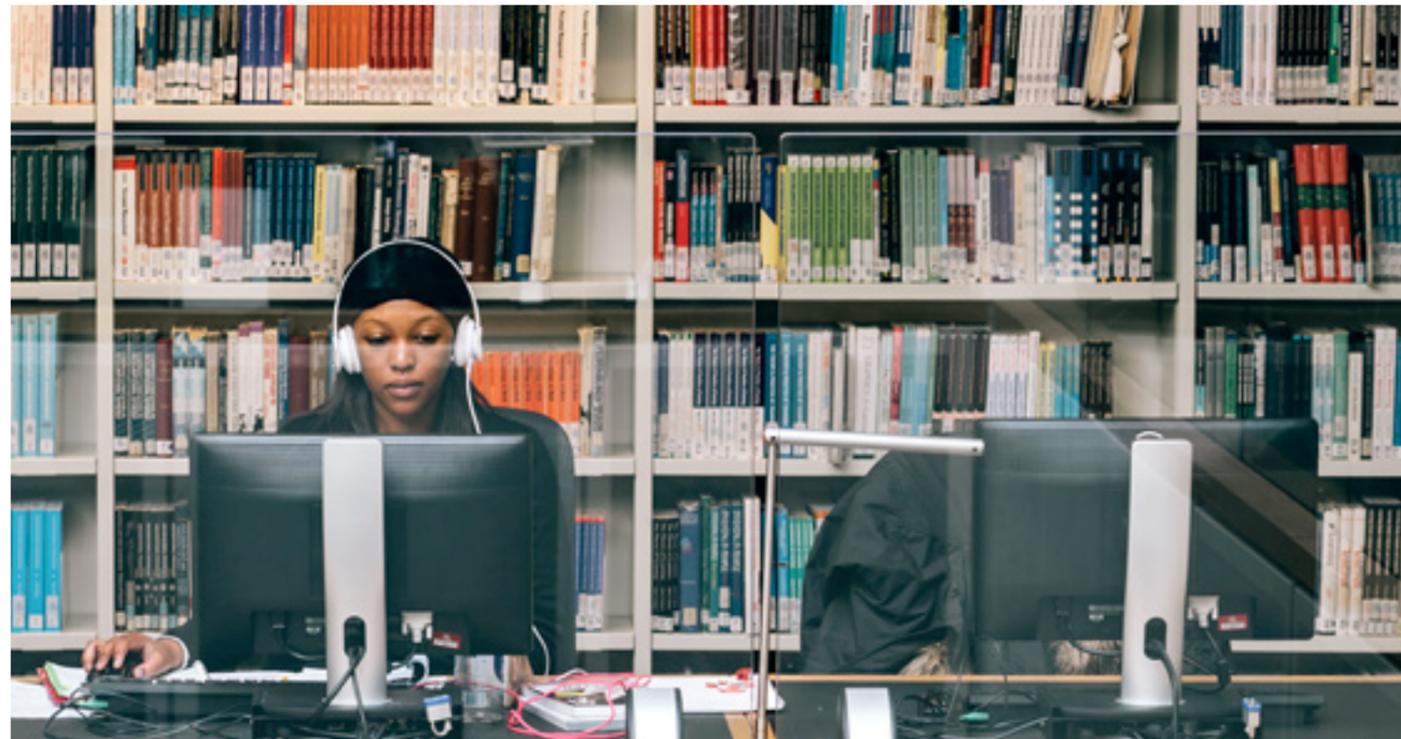


Schools and Colleges Team

This team seeks to raise awareness of higher education through an outreach programme that is informative, timely, meaningful and relevant to young people from disadvantaged backgrounds. Our activities are designed to deliver skills and knowledge through on and off-campus experiences of higher education.

Through these, we aim to support young people to not only understand more about their education journey but to gain core transferable skills such as problem-solving, team work, communication, self-belief and self-management.

In the past year we have engaged with young people in primary, secondary and post-16 institutions across east London, delivering over 300 activities. We introduced attainment programmes to ensure young people reach their full potential in higher education and progress to graduate-level careers.



Sport

UEL's growing reputation as a university of choice for elite athletes was underlined by the fact that no fewer than seven current and former UEL students competed at the 2018 Commonwealth Games on Australia's Gold Coast – the University's largest representation at an international championship.

Alumni Aimee Willmott and Bianca Williams made it a Games to remember by securing gold medals in their respective events.

Swimmer Aimee took first place for England in the women's 400 metres individual medley while track sprinter Bianca was part of England's triumphant 4x100 metres relay quartet.

Former student Ali Jawad completed the medal haul for 'Team UEL' by winning bronze for England in the lightweight Para-powerlifting competition. His spectacular, cartwheeling celebration was one of the defining moments of the Games.

The UEL medal total might well have been even larger had not former student Adam Gemili and current student Corinne Humphreys been hit by injuries midway through their competitions. Both were forced to pull out of finals.

England basketball player Joe Ikhninwin and Montserrat long-jumper Darren Wiafe-Morson also flew the flag for UEL, cementing the University's status as one of the UK's most improved universities for sport.



Overall, UELSports secured its best-ever ranking in the British Universities and Colleges Sport (BUCS) league table, finishing in 39th place nationally.

The University's high-performance teams were also ranked in the top five in the UK for athletics, and in the top ten for basketball, tennis, volleyball and taekwondo.

For good measure, the UEL men's volleyball team made history by becoming the first UEL team to reach a national BUCS final – eventually losing out to Northumbria University.

Last year, UEL welcomed more than 160 students into its elite sports programme while developing new partnerships with West Ham Ladies FC, Sport England TASS, The Football Association, the London Lions Basketball Club and Malory Eagles Volleyball Club.

UEL sports scholar Ellie Zoepfl was named West Ham Ladies' player of the year while fellow scholar Maya Bruney won the 'Most Potential' prize at the Sport England TASS Talented Athlete Awards.

Other highlights of the year included Vanessa Wallace's shot put victory in the World Para Athletics Grand Prix in Dubai, Emmanuel Nartey's third successive judo gold at the BUCS Championships and a second consecutive Cup victory for the UEL women's football team.



Huge demand for new nursing degree

The NHS may be facing a nursing recruitment crisis nationally but UEL has had no problems attracting students to its new adult nursing degree.

The University welcomed its first cohort of 60 student nurses in January after being overwhelmed by more than 600 applications.

UEL is running the degree course in partnership with the Barking, Havering and Redbridge University Hospitals and North East London Foundation NHS Trusts. It is hoped that it will address the acute shortage of nurses in east London by training local people for local jobs.

'The enthusiasm and commitment to nursing in east London that we've seen when we interviewed the new students has been amazing.'

Nigel Davies,
Head of Pre-registration Nursing



Bust unveiled to commemorate life of Lord Noon

A bronze bust of Lord Noon, the late former Chancellor of UEL, was formally unveiled at University Square Stratford at a ceremony attended by family members, friends and leading figures from the worlds of academia and politics.

Patricia Scotland, Secretary-General of the Commonwealth, and East Ham MP Stephen Timms were among the guests as Lord Noon's daughter, Zeenat, and the current Chancellor of UEL, Shabir Randeree CBE, performed the official unveiling.

'We're very proud of our connection with Lord Noon. It is a privilege for UEL to honour him in this way and I hope his story will be an inspiration to our students.'

Shabir Randeree CBE,
Chancellor of UEL

Graduation and campus events

For the first time, the 2017/18 academic year saw not one but two graduation ceremonies as we added a summer celebration to the annual calendar.

This year we said goodbye to the O2, the host venue for our graduation ceremonies for the previous six years, and moved closer to our Docklands home by staging the new summer ceremony at ExCeL London.

Over the course of two days in July, more than 2,000 graduands received their degrees, watched by 12,000 friends and family members. We also conferred honorary doctorates on London's first 'Night Ozar', Amy Lame, Tower Hamlets environmentalist Terry Lyle, Italian architect Renata Codello and the chief executive of Place2Be, Catherine Roche.



The July ceremonies also coincided with another important date in history – the century of the birth of Nelson Mandela. To show our respect and celebrate Mandela's achievements in promoting education, several hundred students, staff members, governors and guests took part in the 'Mandela Mile' – a mile-long walk along the bank of the Royal Docks.

Earlier in the academic year, we also awarded honorary doctorates to legal campaigner and former UEL student Gina Miller, NewVic headmaster Eddie Playfair, the chair of the Muslim Women in Sport Foundation, Rimla Akhtar MBE, Crossrail managing director Michele Dix CBE, alumna and TV executive Nicola Lloyd and the actress and campaigner, Sally Phillips.

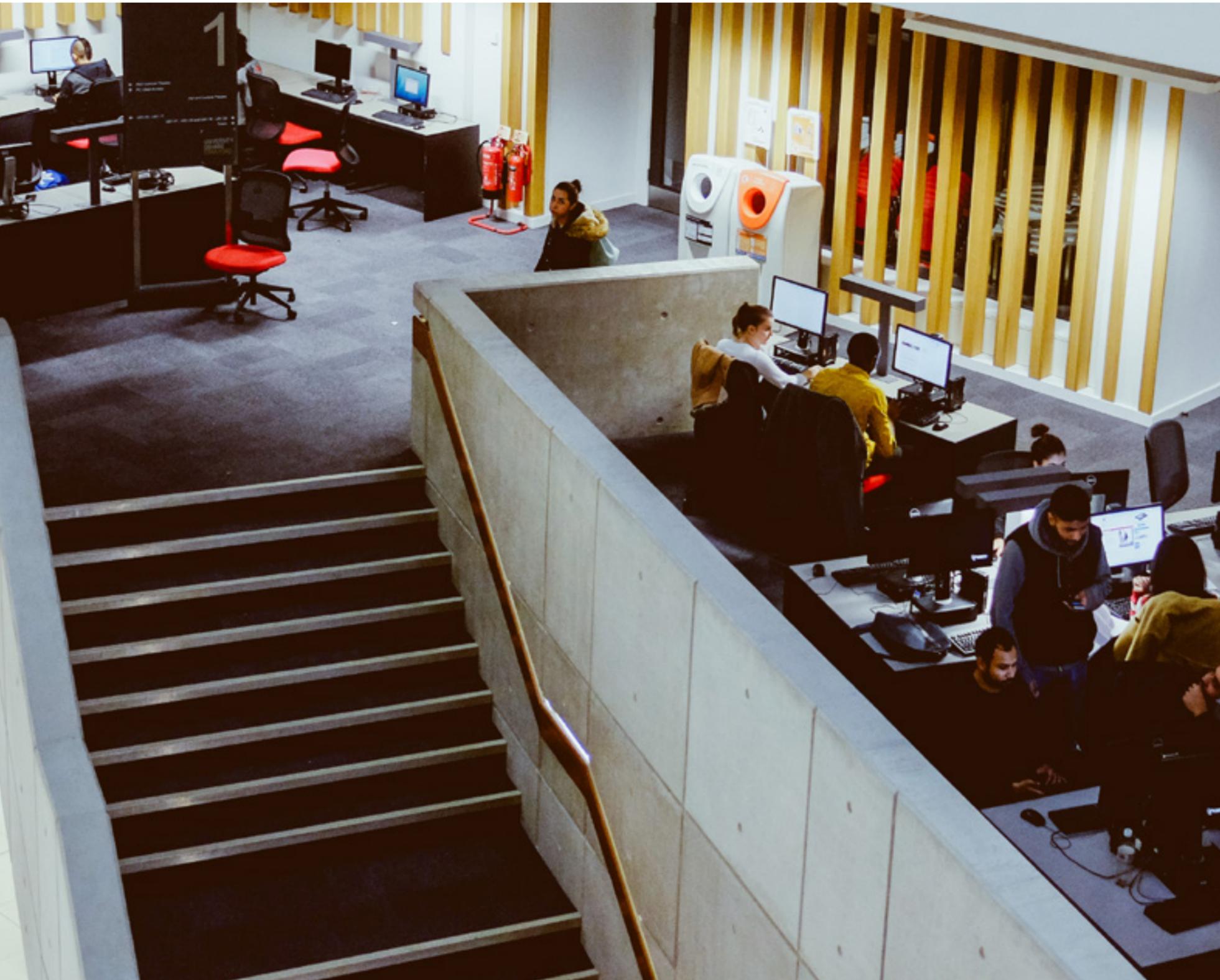
Many of our honorary graduates return to UEL to deliver talks to students. Among them, Sally Phillips participated in our public lecture series 'UEL Presents...', sharing her experiences as both an actress and advocate for people with Down's Syndrome. She also visited UEL's Rix Centre, which carries out pioneering work in the field of mental disability, to engage with staff and clients.

Our annual Sports Awards dinner at the O2 and our E-Factor competition for entrepreneurs, held for the first time at the city headquarters of NatWest, both attracted large and enthusiastic audiences.

At the Sports Awards, UEL also honoured former West Indies cricketer Clive Lloyd CBE with a lifetime achievement award.



OBJECTIVE 4 – DEVELOPING OUR INFRASTRUCTURE



Eastates and Facilities

The Estates and Facilities team have carried out a range of works in the past year to improve the attractiveness of the UEL estate. This includes new plantings on both campuses with new plantings and external decoration of a number of buildings including the re-painting of our Docklands student accommodation to align with UEL's new brand colours.

Significant improvements have been made to the infrastructure of the estate, with all health and safety, HEFCE class Dx, D and many C grade works being completed such as repairs to electrical systems, lighting, and drainage. These repairs have made a significant impact on the overall condition of the estate.

Improvements in the security provision across both campuses such as additional patrols, improvements to shift patterns and improvement to CCTV systems have been made. There have also been some refurbishment of spaces to benefit students such as an improved UELSU space at Stratford and a new multi-faith prayer facility at the University Square Stratford building.

IT Services

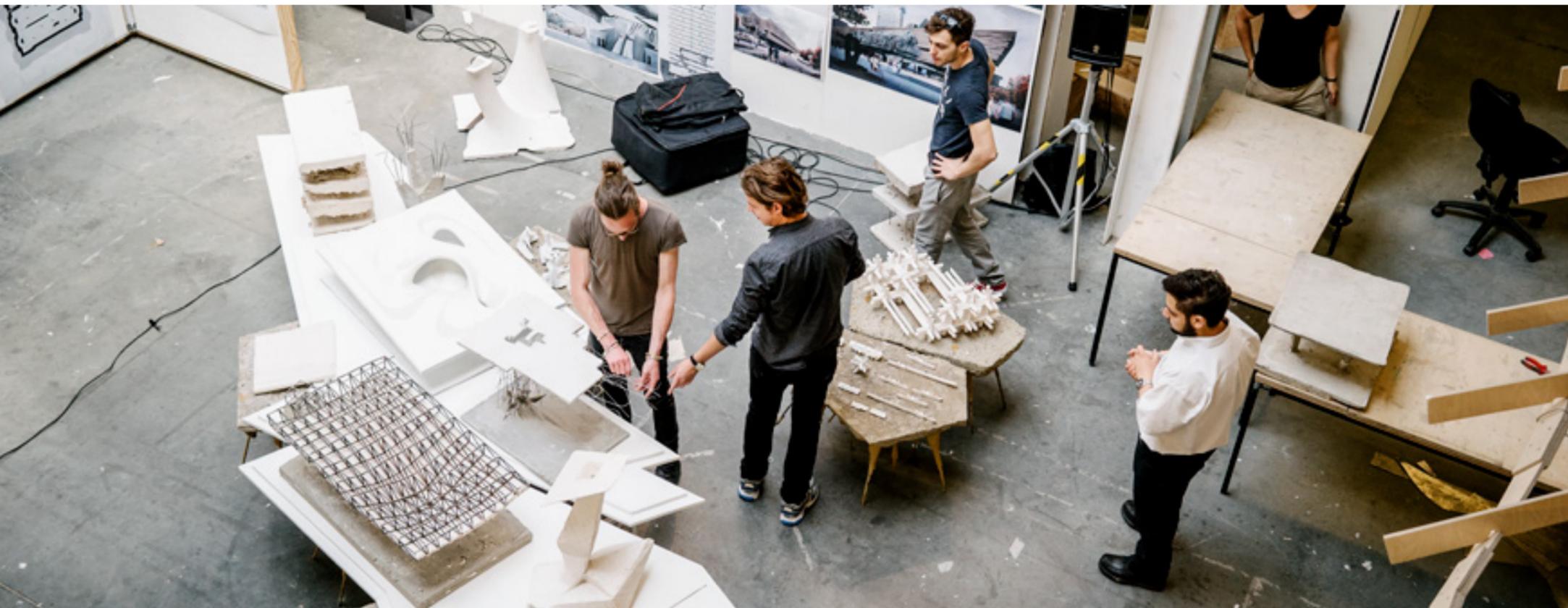
In the past year, we have replaced our ageing virtual desktop infrastructure services at our University Square Stratford building with new, higher specification devices. This has been accompanied by significant improvements to our online self-service support facility for staff and students across the university, making it easier to access resources and help with IT issues.

We have developed, implemented and tested our IT Disaster Recovery Plan, ensuring business continuity in case of a malfunction or attack to our IT systems.

We have significantly improved the teaching and learning experience for staff and students. These developments include new, collaborative working spaces with readily accessible Wi-Fi and power sockets for laptops and tablets, across all campuses.

We have also further implemented the Audio Visual Refresh Programme, which is now in its third year. We have replaced 30 per cent of the audio-visual equipment across all campuses, including critical teaching spaces. This provides students and staff with access to updated, higher quality audio-visual facilities.

Finally, we have delivered UEL's Managed Print Service Project, providing 107 new devices and a saving of around £140,000 per annum.



Students and academics mark Nelson Mandela centenary

Graduating students were joined by the Deputy High Commissioner of South Africa to the UK, Golden Neswiswi, on a mile-long walk to mark the 100th anniversary of the birth of Nelson Mandela on 18 July.

Before the start of UEL's graduation ceremonies at ExCeL London, students and academics wore their academic gowns as they walked the 'Mandela Mile' on Royal Victoria Dock along with hundreds of family members, friends and UEL staff members.

'Mandela's legacy is reflected in UEL's focus on diversity, social mobility and widening participation in education. The walk was a way of bringing people together on this historic day.'

**Geoff Thompson MBE,
Chair of UEL Governors**

Our People

UEL continued to deliver on its People Strategy 2020, which focuses on the creation of a high-performing organisation and improved talent management, employee engagement and health, safety and wellbeing, and equality and diversity.

This year UEL launched our Equality, Diversity and Inclusion strategy - a framework to deliver an inclusive environment and culture. Initiatives have included anti-bullying programmes and a campaign for a Race Equality Charter (REC) mark. The REC mark is a framework for institutions to identify and address institutional and cultural barriers standing in the way of minority ethnic staff and students. UEL will submit an application in February 2019.

The University was recognised in October 2017 for our work supporting gender equality with an Athena SWAN Bronze award. In August 2018, the School of Psychology became the first academic department within the University to be individually recognized with this award. This achievement is an important part of our application for an institutional Silver award, and will provide encouragement for other UEL departments seeking Athena SWAN recognition.

We achieved a 76 per cent rate of completion on our 2017 staff survey, up from 70 per cent in 2015. The survey recorded an improved overall employee engagement score, rising from 67 per cent to 69 per cent.

Sustainability

This year our sustainability team helped UEL switch to 100 per cent green electricity through our electricity supplier.

The team also worked closely with our maintenance department to improve the energy efficiency of the Arthur Edwards building on our Stratford Water Lane campus. All 442 original single-pane windows have been replaced with energy efficient, triple-paned windows, moving from a U-Value (measure of material insulation effectiveness) of 4.8 to 2.0, which is an excellent improvement.

Insulation was also put into the window aprons for improved thermal quality, along with Brise soleil

to reduce solar heat gain. These improvements led to savings of 84,000 kWh of natural gas in the first six months alone.

As of March 2018, 1,027 new lights have been installed in the building, replacing the existing inefficient fixtures. These LEDs are projected to save 177,690kWh in electricity each year, equating to around £25,000.

UEL has also received Feed-in Tariff accreditation for our Stratford solar photovoltaic array (solar power system) and started receiving payments for our generation and export of electricity from these solar panels.

The UEL community garden on Docklands campus has also been revived, producing vegetables, fruits and flowers, and a sustainability student intern has developed a new campus pen and writing instrument recycling programme.

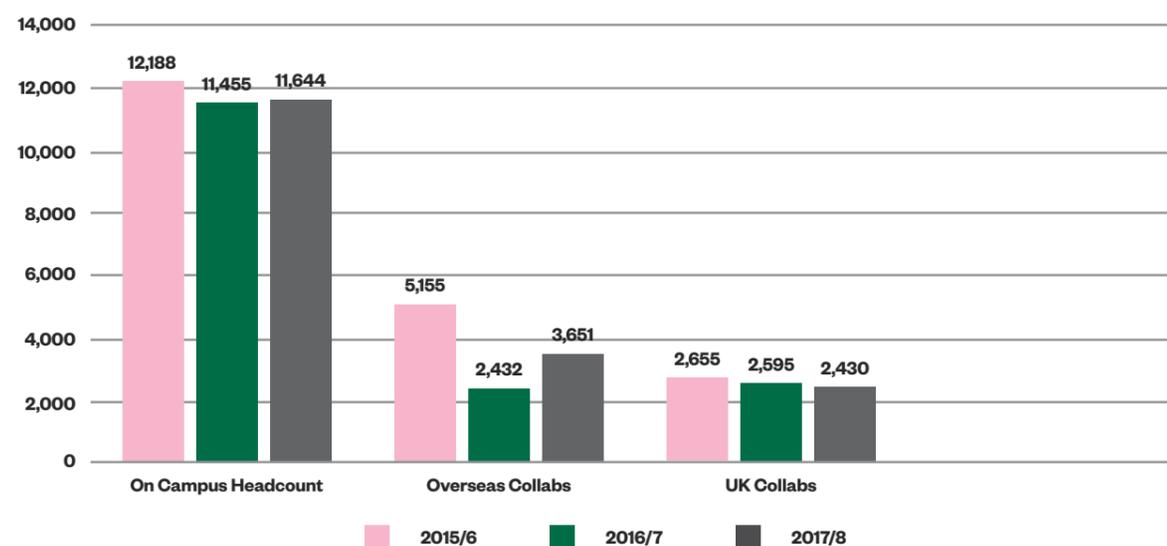
OPERATING AND FINANCIAL REVIEW

The University has delivered an excellent result in a very challenging year after two years of deficit. The group's operating deficit was reduced from £11.2m to £0.6m, and the total comprehensive income for 2017/18 was £18.8m which included an actuarial gain of £19.4m from the pension schemes.

In the sections below, we will focus on student numbers, income and expenditure, balance sheet and treasury management for the year.

Student numbers

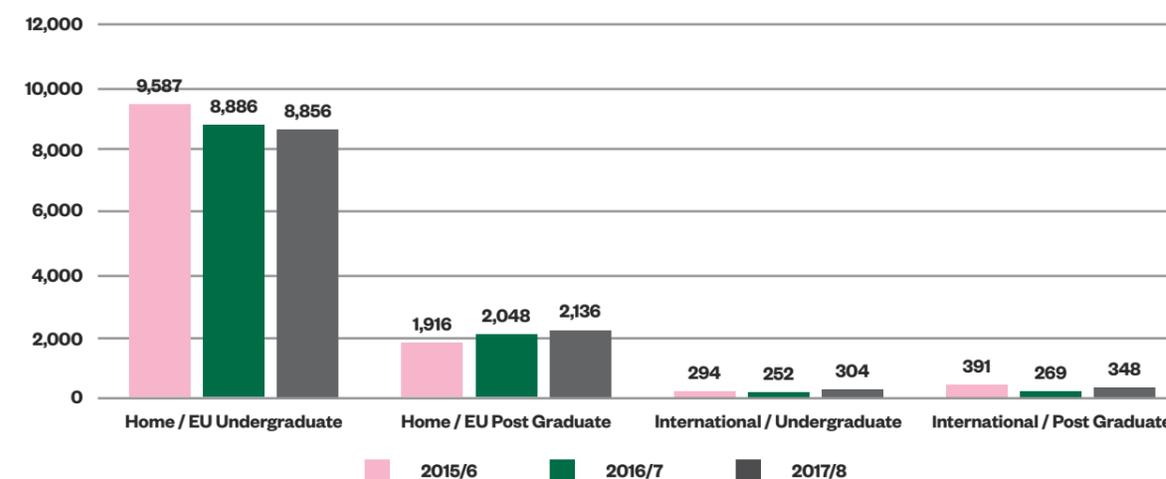
Total Student Numbers



Overall student numbers as recorded at 1 December 2017 were 17,725 with 11,644 on campus. This represents an increase of 8% over 2016/17, with major contribution from overseas collaborative student numbers which increased by 1,219 (50.1%) over 2016/17 due to new partnerships from Sri Lanka, Myanmar and increased student numbers from existing partners.

On-campus student numbers rose slightly by 189 (2%) from 11,455 to 11,644, and are further analysed between Home/EU and International Students in the graph below.

On Campus Student Numbers



Financial Performance 2017/18

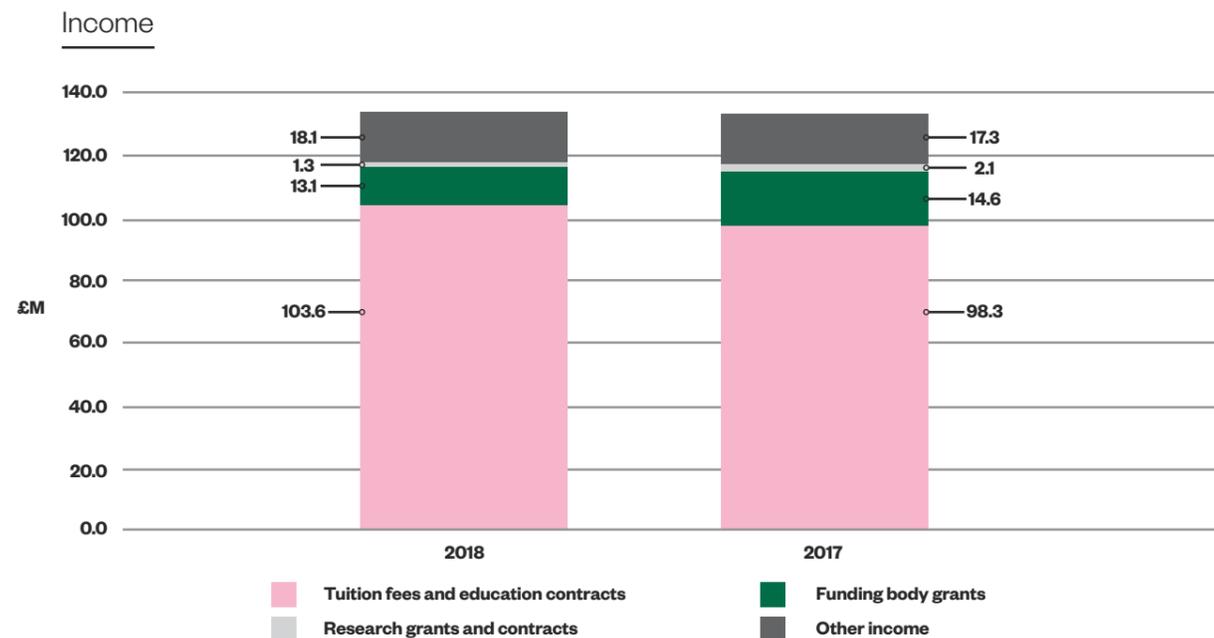
A summary of the University's consolidated income, expenditure and outturn for the year ended 31 July 2018 is shown in the table below. The table highlights the strong operating cash flow and bank balances at end of 31 July 2018 as compared to the previous year.

	2017/18 £m	2016/17 £m
Income	136.0	132.3
Expenditure	(136.6)	(143.5)
Deficit before Gains and Losses	(0.6)	(11.2)
Actuarial gain in respect of pension schemes	19.4	13.4
Total comprehensive income	18.8	2.2
Net operating cash flow	10.6	(1.7)
Cash and current investments	39.5	32.1

The University has reduced its operating deficit by £10.6m from £11.2m in 2016/17 to £0.6m in 2017/18, reflecting clearly the effective cost savings and restructuring plans that were put in place in 2017/18. The focused actions taken have increased our cash balance by £7.5m (23.3%) to £39.5m, returning to the level in 2015/16.

Income

Overall, total income increased by 2.8% from £132.3m to £136.0m in 2017/18.



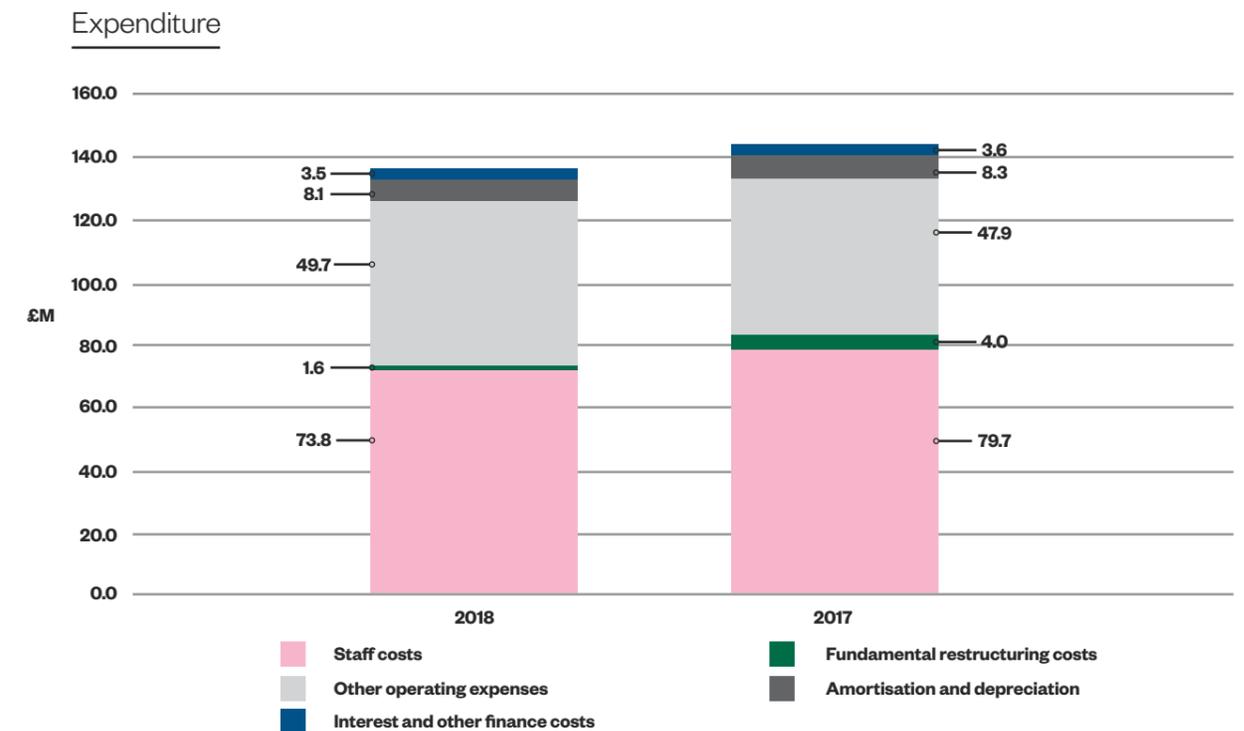
Tuition fees and education contracts remain the University's largest source of income and increased by 5.4% to £103.6m. The largest area of growth came from non EU category with an increase of £3.3m while maintaining the Home EU and education contracts income level.

Funding body grants, primarily from HEFCE (up to 31 March 2018) and OfS (from 1 April 2018) were down by £1.6m (equivalent to 10.7%)

Research grants and contracts income decreased from £2.1m to £1.3m in 2017/18

Other income increased by £0.7m on the previous year due mainly to the increased summer school income from residences, catering and conference activities.

Analysis of expenditure



Staff costs constitute the largest component of expenditure but have decreased by £5.9m from £79.7m to £73.8m as a result of the restructuring programme that took place in June through to September 2017. A one off severance costs of £1.6m (2017/18) and £3.9m (2016/17) were paid out to staff over these periods. Average full time equivalent staff numbers for the University decreased by 7% from 1331 to 1139.

Other operating expenses has increased by £1.8m (3.8%) as compared to previous year. This comprises costs other than staff costs, in relation to academic services, residences and catering, IT services, premises and central administration.

Depreciation costs reduced by £0.2m to £8.0m

Finance costs have reduced by £0.2m due mainly to reduced loan interest paid.

Balance Sheet

Net assets as at 31 July 2018 totalled £107.3m, an increase of £18.8m arising from an increase in cash balance of £7.5m and actuarial gains in relation to the pension schemes. At year end, the pension scheme liabilities fell to £71.5m from £87.9m in 2016/17, representing a significant improvement of £16.4m.

Net current assets as at 31 July 2018 was £20.8m compared to a net liability of £8.9m in 2016/17 as we re-classified the long term loan back under long term creditors in 2017/18.

Long term borrowings have decreased from £23.8m to £21.9m as we repaid the capital loan element and the University continues in a net funds position.

There are relatively small movements across other balance sheet items.

Cash flow, liquidity and treasury management

Total cash and current investments balance for the University and its subsidiary companies was £39.5m as at end of July 2018, with £38.9m held in Blackrock and Barclays bank accounts, and £0.6m held in Columbia Threadneedle UK Social Bond Fund.

This level of cash balance was achieved through minimum capital spending and stringent cost savings measures implemented in the year, resulting in a net cash inflow of £7.5m. The cash, cash equivalents and current asset investments at year end represent 112 days of expenditure, which is above the minimum 50 days (40 days for specific months) set by the Board of Governors.

Subsidiaries

The University has two fully owned subsidiaries, Knowledge Dock Limited which is set up to manage training and consultancy assignments and UEL Professional Services Limited which is set up to provide employment services to UEL. The results of the subsidiaries have been incorporated into the income and expenditure account and the balance sheet.

Financial Indicators

The University continues to monitor several key financial indicators as follows: The indicators show that the cost measures implemented in the year have produced marked improvement in the areas of:

- Operating deficit – down from -8.5% to -0.4%
- Staff costs– down from 60.2% to 54.2% which is within the sector average,
- Net cash flow – up to 7.8% from -1.3%
- Net liquidity day cover – up from 87 to 112 days

Measure	2018	2017
Operating deficit as a % of income	-0.4%	-8.5%
Staff costs as % of total income	54.2%	60.2%
Net Cash flow from operating activities as a % of total income	7.8%	-1.3%
Net liquidity as number of days expenditure	112	87
External borrowings as % of total income	16.6%	18.5%
Discretionary reserves excluding pension deficit as % of total income	90.6%	91.2%
Discretionary reserves including pension deficit as % of total income	38.0%	24.8%

Risks and uncertainties

As explained in the Corporate Governance statement, the University has in place an embedded risk management strategy and policy which have been approved by senior management and the Audit and Risk Committee as well as reviewed by the University's internal auditors. The key risks, priorities and mitigating factors within the risk register are regularly considered and updated. The risk register is a standing item on the agenda of the University Executive Board and the Audit and Risk Committee.

Key risks identified for the year ahead include failure to recruit and re-enrol to target. Associated risks of failing to recruit international

students and to comply with Tier 4 sponsor duties have also been identified. In common with other parts of the sector, issues of demographic change and public policy, combined with the changing demands of undergraduate students have contributed to these risks.

To address the risks, the University is designing a new strategic planning framework and aligning its governance structures to strategic objectives, which will focus on outcomes for students. Governance structures have also been reviewed and will incorporate groups looking specifically at risk areas as well as the risk management process generally. This work will be underpinned by a targeted programme of internal audits in the next academic year. Any recommendations identified by the internal auditor will form part of the design and implementation processes.

The next academic year will also see the completion of the transitional arrangements of the Office for Students and the implementation of the full regulatory framework. The University will design and implement procedures for satisfying and reviewing conditions placed on registration including both those placed on all providers and any that are specific to the University.

Future plan

There remain financial challenges facing the University in the coming years; increasing costs pressure, reduced number of students entering higher education in a competitive market place, student loan review and government policies, to name a few. Nevertheless, the Board has approved a plan that minimises losses in 2018/19, breaks even in 2019/20 and then generates a surplus in 2020/21. This aligns with the Academic Strategy and is comprised of student recruitment activity, a focus on improved student retention, new income streams and operating efficiencies. The University's medium term financial forecasts show continued solvency and the University can be considered a going concern.

Public benefit statement

The University of East London is an exempt charity under the terms of the Charities Act 2006. In setting and reviewing the University's objectives and activities, the Board has had due regard to the Charity Commission's guidance on the reporting of public benefit and particularly to its supplementary public benefit guidance on the advancement of education. This statement has been included in conformance with the formal reporting requirement of the Higher Education Funding Council for England (HEFCE) and Office for Students (from 1 April 2018), which are the principal regulators of English higher education institutions under the Charities Act 2006.

Our charitable aims and objectives

The University published its Corporate Plan in January 2015. It sets out four key objectives which encapsulate our educational and charitable mission:

1. 'Learning by doing' – learning, teaching, employability and student success
We are connecting our students to a successful future by broadening their horizons, extending their understanding and knowledge, inspiring them to take on new challenges and improving their rates of educational attainment and graduate employment.

2. Creating and disseminating knowledge and ideas that make a difference
Our research and enterprise is building a strong reputation both nationally and internationally. We are focused on developing high-quality research that benefits society and builds on our highly successful Research Excellence Framework (REF) submission in 2014.

3. Connecting to students, staff and communities
We are exploring and exploiting new opportunities to build partnerships that benefit our students and communities, facilitated and supported by our staff.

4. Developing our infrastructure
We are continuing to invest in technology and upgrading our estates and facilities. Our aim is to provide the right spaces, systems and support for our staff to perform at their best and for our students to reach their full potential.

Our progress in 2017/18 pursuing these objectives is set out in the Strategic Review section of this Annual Report on pages 12 to 35.

CORPORATE GOVERNANCE

The following statement is provided to enable readers of the Annual Financial Statements of the University to obtain a better understanding of the governance, management and legal structure of the institution.

Principles

The University endeavours to conduct its business in accordance with the seven "Nolan Principles" identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership) and in full accordance with the guidance to universities which has been provided by the Committee of University Chairs in the HE Code of Governance 2014.

Legal Status

The University is an independent corporation, established as a Higher Education Corporation under the terms of the Education Reform Act 1988 and the Further and Higher Education Act 1992. Its objects, powers and framework of governance are set out in its Instrument and Articles of Government. Its Instrument of Government was approved by the Privy Council on 5 March 1993. The current version of the Articles came into operation on 11 July 2006.

The University is an exempt charity whose charitable affairs were regulated by the Higher Education Funding Council for England to 31 March 2018 and thereafter by the Office for Students, together with UK Research and Innovation, which were established in January 2018 by the Higher Education and Research Act 2017 and started operating in April 2018. The University operates on campuses in Stratford and at Docklands in East London.

Governance

The Articles require the University of East London to have a Board of Governors and an Academic Board, each with clearly defined functions and responsibilities, to oversee and manage its activities.

The Board of Governors is the University's governing body, which is responsible for ensuring the effective oversight and management of the institution and for planning its future development. The Board has ultimate responsibility for all the affairs of the institution, including setting its general strategic direction as follows:

- the determination of the educational character, strategic vision and mission of the University and the oversight of its activities, consistent with the interests of key stakeholders;
- maintaining long-term business plans, overseeing the effective and efficient use of resources, and safeguarding the solvency of the University and the Corporation;
- approving annual estimates of income and expenditure;
- ensuring the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, procedures for handling internal grievances and for managing conflicts of interest;
- the appointment, assignment, grading, performance monitoring, suspension, dismissal and determination of the pay and conditions of service of the holders of senior posts;
- setting a framework for the pay and conditions of service of all other staff;
- monitoring institutional performance against plans and approved KPIs benchmarked, where possible and appropriate, against other institutions.

In addition, deriving from UK and EU legislation and funding body regulations, the Board is also responsible for the overall legal and regulatory framework of the University and, specifically:

- the trusteeship of charitable funds;
- the guardianship of degree awarding powers, which cannot be delegated, for example, to a partner institution, but which are exercised by the Academic Board under its powers;
- ensuring compliance with the OfS' regulatory framework, with the Vice-Chancellor and President acting as Accountable Officer. This includes making arrangements for internal and external audit and approving financial regulations;
- ensuring compliance with all relevant bodies of UK legislation.

The Board has a majority of independent members and also includes the Vice-Chancellor and President, up to two teaching members of staff nominated by the Academic Board, one co-opted member of the professional support staff and two co-opted students - the President of the UEL Students' Union and one elected student governor. The Vice-Chancellor and President and the staff members of the Board are paid employees of the University of East London but no member of the Board receives any reimbursement for the work they do as a Governor. The Board of Governors meets at least five times each academic year and holds an annual 'Development Day', at which it discusses strategy.

The Board publishes its minutes on the website to promote transparency in how it carries out its responsibilities. The Board has agreed a Policy on Public Interest Disclosure, which is also published on the University's website. The University maintains a Register of Interests of members of the Board and members of the Vice-Chancellor's Group and other senior managers, which may be consulted by arrangement with the University Secretary, who is the Clerk to the Board. The Clerk provides independent advice on matters of governance to Board members and the

University management and staff. Reporting to the Board of Governors are the Audit and Risk Committee, the Finance and Resources Committee, the Governance and Search Committee and the Remuneration Committee. These committees are chaired by, and their membership made up primarily from, the independent members of the Board. Chairs of Committees meet with the Chair of the Board before each Board meeting and this facilitates effective communication and business planning. Students and staff are represented on the Board of Governors and there is staff governor representation on the Governance and Search Committee and the Finance and Resources Committee includes a member of staff attending meetings as an observer. Members of the Vice-Chancellor's Group attend as required.

The Academic Board is responsible for all matters relating to the research, scholarship, teaching and courses at the University, subject to the overall direction of the Board of Governors, drawing its membership entirely from the staff and the students of the institution. Reporting to the Academic Board are a number of key academic committees, all of which have particular roles to play in ensuring the quality of the student experience. Students are represented on these committees, which during 2017/18 were the Education and Student Success Committee, the Learning, Teaching and Quality Committee, the Student Recruitment Marketing and Fees Sub-Committee, the Research Ethics Committee, the Research and Knowledge Exchange Committee and the Research Degrees Sub-Committee. These committees are responsible for developing, approving and monitoring the key strategies of the University's core academic business. They receive regular reports from Schools and relevant Services and are in turn required to report regularly to the Academic Board. The University also has formal standing committees in the areas of Health and Safety, Environmental Sustainability, and Equality and Diversity, which report direct to the Board of Governors and to the Academic Board as appropriate. It should be noted that the University completed review of these arrangements during 2017/18 and a new structure implemented in 2018/19.

Management

The Vice-Chancellor and President is the head of the institution and has a general responsibility to the Board of Governors for the organisation, direction and management of the institution. As the head of the University, the Vice-Chancellor and President exercises considerable influence upon the development of institutional strategy, the identification and planning of new developments and the shaping of the institutional ethos. Under the terms of the Memorandum of Assurance and Accountability between HEFCE and the institution, now the regulatory framework between OfS and the institution, the Vice-Chancellor and President is the designated Accountable Officer of the institution and in that capacity can be summoned to appear before the Public Accounts Committee of the House of Commons.

The Vice-Chancellor and President is supported by the Vice-Chancellor's Group, which in 2017/18 consisted of the Deputy Vice-Chancellor, the Pro-Vice-Chancellor (Research and Knowledge Exchange), the Director of Finance (Chief Finance Officer from February 2018) and the University Secretary. The Vice-Chancellor's Group works together with the PVC-Deans and Directors of Services on executive and operational management. The Deputy Vice-Chancellor is responsible for the management of the academic affairs of the University, while the professional and support services are managed by the University Secretary, the Chief Operating Officer (Chief Finance Officer from February 2018) and other members of VCG as appropriate. The University Leadership Team is a wider forum of academic and services managers that also meets on a regular basis.

Responsibilities of the Board

The Board of Governors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the institution and enable it to ensure that the financial statements are prepared in accordance with its instruments and articles, the Statement of Recommended Practice:

Accounting for Further and Higher Education and other relevant accounting standards. In addition, within the terms and conditions of Memorandum of Assurance and Accountability agreed between the Higher Education Funding Council for England up to 31 March 2018, and thereafter within the terms and conditions of Office for Students and the Board of Governors, the Board of Governors, through its designated office holder, is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University of East London and of the surplus or deficit, cash flow and total recognised gains or losses for that year.

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

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed; and
- financial statements are prepared on a going concern basis unless it is inappropriate to presume that the University of East London will continue in operation. The Board of Governors is satisfied that the University has adequate resources to continue in operation for the foreseeable future. The going concern basis is appropriate for the preparation of the financial statements.

The Board of Governors has taken reasonable steps to:

- ensure that funds from HEFOE (OfS from 1 April 2018) are used only for the purposes for which they have been given and in accordance with the Memorandum of Assurance and Accountability (OfS and its regulatory framework) with the Funding Council and any other conditions which the Funding Council may from time to time prescribe;

STATEMENT ON INTERNAL CONTROL BY THE BOARD OF GOVERNORS

- ensure that funds from the National College for Teaching & Leadership are used only for the purposes for which they have been given and in accordance with the terms and conditions of the organisation;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the University of East London and to prevent and detect fraud; and
- secure the economical, efficient and effective management of the University of East London's resources and expenditure.

The University's system of internal financial control is based on the following:

- comprehensive Financial Regulations and Schedule of Delegation, detailing financial controls and procedures, approved annually by the Audit and Risk Committee and Board of Governors;
- detailed annual income, expenditure and capital budgets and cash flow forecasts, involving variance reporting and updates of forecast outturns;
- clearly defined and formalised requirements for the approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to appropriate levels of appraisal and review as approved by the Board of Governors.



As the governing body of the University of East London, the Board of Governors has responsibility for maintaining a sound system of internal control in support of its policies, aims and objectives. In so doing it has a responsibility to safeguard the public and other funds for which it is responsible, in accordance with the duties assigned to the Board of Governors in the Articles of Government and Memorandum of Assurance and Accountability with HEFCE up to 31 March 2018, and thereafter with OfS and its regulatory framework.

The system of internal control is designed to understand and manage, rather than eliminate, the risk of non-achievement of policies, aims and objectives; it can therefore only provide a reasonable and not an absolute assurance of effectiveness. It is based on an ongoing process to identify the principal risks to the delivery of our policies, aims and objectives, to evaluate the nature and extent of those risks and to ensure they are managed. This process has been in place for the year ended 31 July 2018 and up to the date of approval of the financial statements, the key elements of which are as follows:

- the Board meets at least five times in the year to consider the strategic direction and plans of the University and to monitor performance against those plans using Key Performance Indicators;
- there is clear definition of the responsibilities of and authority delegated to committees of the Board and the executive;
- the University's Corporate Plan 2015-2020, adopted by the Board in January 2015, sets the framework of strategic aims and objectives against which risks are assessed and performance is monitored and reported;
- a University Risk Register which assesses key risks at institutional level, is maintained and is reviewed regularly by the Vice-Chancellor's Group and other senior staff as required;
- all Schools and Services have risk registers, which are tested during the annual planning round, as well as forming part of their ongoing management processes;
- the University Risk Register is reviewed at every meeting of the Audit and Risk Committee and by the Board of Governors at least three times a year;
- the Board and its Committees require regular management reports to draw attention to the attendant risks and how they are being managed. The Vice-Chancellor and President is expected to alert the Board to any emergent risks;



- a report on risk management is submitted to the Board annually;
- the Audit and Risk Committee receives regular reports from the independent Internal Auditors on the adequacy and effectiveness of the University's systems of internal control with recommendations, as appropriate, for improvements;
- the work of the internal audit service is informed by an analysis of the operational, business and financial risks to which the University is exposed and upon which internal audit activity for 2017/18 was based;
- members of the Vice-Chancellor's Group are tasked with implementing the various Internal Audit recommendations and reporting progress to the Audit and Risk Committee;
- the Audit and Risk Committee monitors the effectiveness of the systems of internal control on the Board's behalf and provides regular reports to the Board;
- the Internal Auditors provide an annual report to the Board of Governors on internal audit activity within the institution and an opinion on the adequacy and effectiveness of the institution's system of internal control, including internal financial control;
- the Board receives and consider an annual report from the Audit and Risk Committee, which gives assurance on systems for:
 - risk management, control and governance
 - economy, efficiency and effectiveness (value for money)
 - management and quality assurance of data submitted to the Higher Education Statistics Agency, the Student Loans Company, HEFCE, OfS (from 1 April 2018)

The review by the Board of the effectiveness of the system of internal control is informed by the work of the internal auditors, BDO LLP till 31 March 2018 and KPMG from 1 April 2018. They operate to the standards defined in the HEFCE Accountability and Audit Code of Practice (OfS and its regulatory framework) and submit regular reports on the adequacy and effectiveness of the system of internal controls, together with recommendations for improvement. Our review of the effectiveness of the system of internal control is also informed by the work of the executive managers within the University, who have responsibility for the development and maintenance of the internal control framework and by comments made by the external auditors in their management letter and other reports.

The Corporate Governance Statement was approved by the Board on 27 November 2018 and signed on behalf by:

Geoff Thompson MBE
Chair, Board of Governors
University of East London

Professor Amanda Broderick
Vice-Chancellor and President
University of East London

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS OF UNIVERSITY OF EAST LONDON

Opinion

We have audited the financial statements of University of East London (the 'parent university') and its subsidiaries (the 'group') for the year ended 31 July 2018 which comprise the consolidated and University comprehensive income and expenditure, consolidated and University statement of changes in reserves, the consolidated and University balance sheet, the consolidated cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent university's affairs as at 31 July 2018 and of the group's and parent university's income and expenditure, gains and losses, changes in reserves and group's cash flows for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice: Accounting for Further and Higher Education published in March 2014.

Basis for opinion

We have been appointed as auditor under the Education Reform Act 1988 and report in accordance with regulations made under those Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled

our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the governing body's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the governing body have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent university's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Governing Body are responsible for the other information. The other information comprises the information included in the annual report set out on pages 4 to 49 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report,

we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by HEFCE's Memorandum of assurance and accountability dated July 2018 and the funding agreement with the National College for Teaching and Leadership

In our opinion, in all material respects:

- funds from whatever source administered by the parent university for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- funds provided by HEFCE and the National College for Teaching and Leadership have been applied in accordance with the Memorandum of assurance and accountability, the funding agreement with the National College for Teaching and Leadership and any other terms and conditions attached to them; and
- the requirements of HEFCE's accounts direction have been met.

Responsibilities of Governing Body for the financial statements

As explained more fully in the Statement of responsibilities of the Governing Body set out on page 45, the Governing Body is responsible for the preparation of the financial statements and for being satisfied they give a true and fair view, and for such internal control as the Governing Body determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governing Body are responsible for assessing the group's and the parent university's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Governing Body either intend to liquidate the group or the parent university or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Grant Thornton UK LP

Grant Thornton UK LLP
Statutory Auditor, Chartered
Accountants

London

Date: 28 NOVEMBER 2018



FINANCIAL STATEMENTS AND NOTES TO THE ACCOUNTS



Financial statements and notes to the accounts

Consolidated and University statement of comprehensive income and expenditure

	Notes	2018 Consolidated £'000	2018 Consolidated £'000	2017 Consolidated Re-stated £'000	2017 University £'000
Income					
Tuition fees and education contracts	1	103,582	103,582	98,271	98,271
Funding body grants	2	13,059	13,059	14,619	14,619
Research grants and contracts	3	1,337	1,298	2,084	2,084
Other income	4	17,955	18,488	17,276	17,292
Investment income	5	83	83	43	43
Total income before endowments and donations		136,016	136,510	132,293	132,309
Donations	6	67	632	17	352
Total income		136,083	137,142	132,310	132,661
Expenditure					
Staff costs	7	73,765	73,765	79,698	79,698
Fundamental restructuring costs	7	1,602	1,602	3,969	3,969
Other operating expenses	9	49,688	50,750	47,887	48,240
Amortisation	11	555	555	587	587
Depreciation	12	7,532	7,532	7,680	7,680
Interest and other finance costs	8	3,490	3,487	3,621	3,621
Total expenditure		136,632	137,691	143,442	143,795
Deficit before other gains losses and share of operating surplus/deficit of joint ventures and associates.		(549)	(549)	(11,132)	(11,134)
Loss on disposal of fixed assets		(4)	(4)	(119)	(119)
Gain on investments		1	1	17	17
Deficit before tax		(552)	(552)	(11,234)	(11,236)
Taxation	10	0	0	0	0
Deficit for the year		(552)	(552)	(11,234)	(11,236)
Actuarial gain in respect of pension schemes	26	19,363	19,363	13,425	13,425
Total comprehensive income for the year represented by:		18,811	18,811	2,191	2,189
Restricted comprehensive income for the year	19	62	62	(68)	(68)
Unrestricted comprehensive income for the year		18,749	18,749	2,259	2,257
		18,811	18,811	2,191	2,189

All items of income and expenditure relate to continuing activities. In 2017, gift aid amount of £352k was shown under donations and statement of changes in reserves. This has been restated and removed from both balances with no overall impact to the reserves.

Consolidated and University statement of changes in reserves

Consolidated	Notes	Restricted £'000	Unrestricted Re-stated £'000	Revaluation reserve £'000	Total £'000
Balance at 1 August 2016		60	30,315	55,972	86,347
Prior Year adjustment:		0	139	(139)	0
Re-stated Balance at 1 August 2016		60	30,454	55,833	86,347
Deficit from the income and expenditure statement		0	(11,234)	0	(11,234)
Other comprehensive income		0	13,425	0	13,425
Transfers between revaluation and income and expenditure reserve		0	139	(139)	0
Release of restricted funds spent in year	19	(12)	12	0	0
Total comprehensive income for the year		(12)	2,342	(139)	2,191
Balance at 1 August 2017		48	32,796	55,694	88,538
Deficit from the income and expenditure statement		0	(552)	0	(552)
Other comprehensive income		0	19,363	0	19,363
Transfers between revaluation and income and expenditure reserve		0	139	(139)	0
Release of restricted funds spent in year		(12)	12	0	0
Transfers between income and expenditure reserve and restricted reserve		50	(50)	0	0
Total comprehensive income for the year		38	18,912	(139)	18,811
Balance at 31 July 2018		86	51,708	55,555	107,349
University					
	Notes	Restricted £'000	Unrestricted £'000	Revaluation reserve £'000	Total £'000
Balance at 1 August 2016		60	30,300	55,972	86,332
Prior Year adjustment:		0	139	(139)	0
Re-stated Balance at 1 August 2016		60	30,439	55,833	86,332
Deficit from the income and expenditure statement		0	(11,236)	0	(11,236)
Other comprehensive income		0	13,425	0	13,425
Transfers between revaluation and income and expenditure reserve		0	139	(139)	0
Release of restricted funds spent in year	19	(12)	12	0	0
Total comprehensive income for the year		(12)	2,340	(139)	2,189
Balance at 1 August 2017		48	32,779	55,694	88,521
Deficit from the income and expenditure statement		0	(552)	0	(552)
Other comprehensive income		0	19,363	0	19,363
Transfers between revaluation and income and expenditure reserve		0	139	(139)	0
Release of restricted funds spent in year		(12)	12	0	0
Transfers between income and expenditure reserve and restricted reserve		50	(50)	0	0
Total comprehensive income for the year		38	18,912	(139)	18,811
Balance at 31 July 2018		86	51,691	55,555	107,332

Consolidated and University Balance Sheet

	Notes	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
Non-current assets					
Intangible assets	11	1,588	1,588	1,919	1,919
Fixed assets	12	227,997	227,997	234,358	234,358
Investments	13	34	234	34	234
		229,619	229,819	236,311	236,511
Current assets					
Trade and other receivables	14	7,587	8,176	7,664	7,820
Receivable after more than one year	14	0	0	216	216
Current Investments	15	569	569	567	567
Cash and cash equivalents	20	38,972	38,598	31,495	31,080
		47,128	47,343	39,942	39,683
Less: Creditors: amounts falling within one year	16	(26,303)	(27,047)	(48,870)	(49,018)
Net current assets		20,825	20,296	(8,928)	(9,335)
Total assets less current liabilities		250,444	250,115	227,383	227,176
Creditors: amounts falling due after more than one year	17	(67,952)	(67,952)	(47,972)	(47,972)
Provisions					
Pension provisions	26	(71,516)	(71,516)	(87,863)	(87,863)
Other provisions	18	(3,627)	(3,315)	(3,010)	(2,820)
Total net assets		107,349	107,332	88,538	88,521
Restricted Reserves					
Income and expenditure reserve restricted reserve	19	86	86	48	48
Unrestricted Reserves					
Income and expenditure reserve unrestricted		51,708	51,691	32,796	32,779
Revaluation reserve		55,555	55,555	55,694	55,694
		107,263	107,246	88,490	88,473
Total Reserves		107,349	107,332	88,538	88,521

The financial statements were approved by the Board of Governors on 27 November 2018 and signed on behalf by:

Geoff Thompson MBE
Chair, Board of Governors

Professor Amanda Broderick
Vice-Chancellor and President

Consolidated statement of cash flows

	Notes	2018 £'000	2017 £'000
Cash flow from operating activities			
Deficit for the year		(552)	(10,899)
Adjustment for non-cash items			
Depreciation	12	7,532	7,680
Amortisation of intangibles	11	555	587
Release of capital grant	2&4	(1,245)	(1,225)
Release of donations	6	0	0
Exchange differences		51	13
Decrease in stock		0	8
Increase in debtors		307	(520)
Increase/(Decrease) in creditors		(738)	(333)
Pension costs less contributions payable		636	(224)
Decrease in other provisions	18	617	(515)
Adjustment for investing or financing activities			
Gain on investments		(1)	(17)
Investment income		(83)	(43)
Interest payable	8	3,490	3,621
Decrease in pension provision		0	0
Loss on the sale of fixed assets		4	119
Net cash inflow / (outflow) from operating activities		10,573	(1,748)
Cash flows from investing activities			
Proceeds from sales of fixed assets		0	1
Capital grants receipts		1,156	1,005
Withdrawal of deposits		(2)	(17)
Gain on investments		1	17
Investment income		69	56
Payments made to acquire fixed assets		(1,099)	(1,570)
Payments made to acquire intangible assets		(220)	(790)
Net cash (outflow) from investing activities		(95)	(1,298)
Cash flows from financing activities			
Interest paid		(1,169)	(1,273)
New unsecured loan		165	184
Repayments of amounts borrowed		(1,997)	(1,939)
Net cash (outflow) from financing activities		(3,001)	(3,028)
Increase / (Decrease) in cash and cash equivalents in the year			
		7,477	(6,074)
Cash and cash equivalents at beginning of the year	20	31,495	37,569
Cash and cash equivalents at end of the year	20	38,972	31,495

Accounting policies

1. Accounting convention

The accounts have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015 and in accordance with Financial Reporting Standards FRS 102. The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with historical cost convention.

2. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the university and its subsidiary undertakings for the financial year to 31 July 2018. Intra-group transactions are eliminated on consolidation. The consolidated financial statements do not include those of the University of East London Students' Union as it is an independent association with separate control. The grant to the Students Union is disclosed in Note 9. The financial statements of our subsidiaries are prepared in accordance with the requirements of the Companies Act 2006.

3. Income recognition

Income from the sale of goods and services is credited to the Consolidated Statement of Comprehensive Income and Expenditure when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

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

ii) Investment income is credited to the income and expenditure account on a receivable basis.

iii) Grant funding In line with the implementation of FRS 102, the University has adopted the accrual model for government revenue and capital grants.

Government revenue grants including funding council block grant and research grants are recognised in income over the periods in which the University recognises the related costs for which the grant is intended to compensate. Government capital grants received in respect of the acquisition, or construction of, fixed assets are recognised in income on a systematic basis over the expected useful life of the asset to which the grant relates. An annual transfer made to the income and expenditure account over the useful economic life of the asset, at the same rate as the depreciation charge on the asset for which the grant was awarded. The income shall be recorded within the Statement of Comprehensive Income under the relevant heading of funding body grants.

Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Grants (including research grants) from non-government sources are recognised in income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and release to income as the conditions are met.

iv) Donations are non-exchange transactions which are accounted for using the performance method, and to be categorised as restricted or unrestricted donations depending on the circumstances. Donations with restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves. Donations with no restrictions are recognised in income when the University is entitled to the funds

4. Stocks

Stocks primarily comprise various consumables and are valued at the lower of cost and net realisable value.

5. Agency arrangements

The University acts as an agent in the collection and payment of funds received from some collaborative partners. Receipts from students and subsequent payments to partners are excluded from the statement of comprehensive income and expenditure account. The University acts as an agent in the collection and payment of funds received from some collaborative partners. Receipts from students and subsequent payments to partners are excluded from the statement of comprehensive income and expenditure account.

6. Maintenance of premises

The University of East London has a recurrent maintenance programme which forms the basis of the ongoing maintenance of our estate. The cost of recurrent and routine corrective maintenance is charged to the income and expenditure account as it is incurred.

Major refurbishment projects undertaken as part of our estates strategy which increase our economic capacity are capitalised as assets in construction and depreciated over a five to ten year period from completion.

7. Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. No revaluation has been carried on fixed assets prior to the date of transition to the 2015 FE HE SORP.

Land and buildings

Freehold land and long term leasehold land is considered to have indefinite useful life and is not depreciated. A one-off valuation of the land was adopted prior to the date of transition to the 2015 FE HE SORP. There is a change of use premium provision in the lease on the Docklands site, that expires in 2022, that might be payable to the freeholder if the site was utilised for different purposes than its current use before then. This is considered not to have any material impact on the value of the site.

Freehold and leasehold buildings are depreciated on a straight line basis over their expected useful lives as follows:

Freehold buildings	50 years
Long Leasehold buildings	25 years
Short Leasehold buildings	3 years
Refurbishments	5 to 10 years

Equipment

Capitalised equipment is stated at cost and depreciated over its expected useful life as follows:

General	8 years
Solar panels	25 years
Lifts (depends on type)	15 to 20 years
Boilers and chillers	15 years
Generators	25 years
Computers	5 years
Furniture	10 years
Vehicles	5 years

Assets costing more than £20,000 are initially capitalised at historical cost.

In cases where individual assets costing less than £20,000 each form part of a specific project which enhances the value of the business for a number of years, the expenditure on that project will be capitalised and depreciated over the estimated useful life of the enhancement.

Assets in the course of construction are not depreciated. On completion they are transferred to other fixed asset categories and depreciated accordingly.

Interest paid on loans to acquire tangible fixed assets is capitalised during the period of construction and written off over the life of the asset acquired.

The University of East London has adopted the transitional provisions of Financial Reporting Standard (FRS) 102. Accordingly the book values at the implementation of FRS 102 have been retained and the valuations of those assets held at valuation have not been updated.

8. Intangible asset

In accordance with FRS102, software costs have been reclassified as intangible assets and amortised on a straight line basis over a period of 5 years.

9. Pension scheme arrangements

The University participates in two defined benefits schemes: the London Borough of Barking and Dagenham Pension Scheme and the Teachers' Pension Scheme. It also operates a defined contribution scheme provided by Friends Provident. All three schemes are funded by contributions from the university and employees.

For the London Borough of Barking and Dagenham defined benefit scheme, the University is obliged to provide the agreed benefits to current and former employees, and actuarial risk and investment risk are borne by the University. The assets of the scheme are held separately from those of the Group, in separate trustee administered funds. Pension scheme assets and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

For the London Borough of Barking and Dagenham Pension Scheme the amounts charged to the Statement of Comprehensive Income and Expenditure account are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Comprehensive Income and Expenditure account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. A notional interest cost on the pension liability or notional interest earned on the surplus is shown as part of finance costs or interest earned. Actuarial gains and losses are recognised immediately in the Statement of Comprehensive Income and Expenditure.

It is not possible to identify the assets of the Teachers' Pension Scheme which are attributable to the university. This scheme is accounted for on a defined contribution basis and contributions to the scheme are included as expenditure in the period in which they are payable.

For defined contribution schemes the amount charged to the Statement of Comprehensive Income and Expenditure account in respect of pension costs and other post-retirement benefits is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

10. Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

11. Leases

Leasing agreements which transfer to the University substantially all the benefits and risks of ownership of an asset, are treated as if the asset had been purchased outright. The lease rentals consist of capital and interest elements. The assets are included in fixed assets and the capital elements are shown as obligations under finance leases, and the interest element is charged to the Statement of Comprehensive Income and Expenditure.

Rental costs under operating leases are charged to the Statement of Comprehensive Income and Expenditure account in the year the costs are incurred.

12. Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Cash, bank, debtors, creditors and loan balances are recorded at current values. Interest earned on bank accounts and interest charged on loans are recorded as interest receivable and interest payable respectively in the period to which they relate. Bank charges are recorded as operating expenditure in the period which they relate.

The University has two bank loans where the capital amount is repaid on equal instalments and the interest element is repaid at a fixed interest

rate each quarter. The balance of the principal sum is recorded in the Balance Sheet under liabilities and the interest repayment is charged to the Statement of Comprehensive Income and Expenditure account.

13. Investments

Fixed asset investments are stated at cost less provision for any impairment in value. Current asset investments are stated at net realisable value. Any increase or decrease in value arising on the revaluation of current asset investments is recognised in the Statement of Comprehensive Income and Expenditure.

14. Cash and cash equivalents

Cash includes cash in hand, cash at bank, and deposits repayable on demand. Deposits are repayable on demand if they are available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. They include term deposits up to 3 months held as part of the university's treasury management activities. Investments with a maturity date in excess of 3 months at acquisition are classified as non-liquid resources and are treated as capital investments.

15. Taxation

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

The University is registered for Value Added Tax (VAT) and its principal activities are exempt from Value Added Tax, but certain ancillary supplies and services are liable to Value Added Tax at various rates. Expenditure includes irrecoverable Value Added Tax charged by suppliers to the University.

16. Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when

- the University has a present legal or constructive obligation as a result of a past event;
- it is probable that a transfer of economic benefit will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

A contingent liability arises from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University. Contingent assets and liabilities are not recognised in the Balance Sheet but disclosed in the notes.

17. Foreign currency

Transactions in foreign currencies are translated to GBP at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at balance sheet date are translated to GBP at the rates of exchange ruling at that date. Foreign exchange differences arising on translations are recognised in surplus or deficit. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to GBP at foreign exchange rates ruling at the dates the fair value was determined.

18. Reserves

Reserves are classified as restricted or unrestricted. Restricted reserves include balances where donors have designated a specific purpose and therefore the University is restricted in the use of these funds.

19. Going concern

After taking into account possible changes in performance and the risks discussed in the Operating and Financial Review, the Board of Governors has a reasonable expectation that the University and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

20. Key judgement and estimates

In preparing the financial statements to conform with FRS 102, management are required to use judgements in applying estimates and assumptions which affect the reported amounts. The main items where these judgements and estimates have been made include:

a. Pension

The annual pension statement is provided by the external actuary and the University adopts the assumptions as recommended. The pension valuations are carried out at least triennially and will set the contribution rate for the following years.

b. Short term staff benefits

The holiday pay accruals calculation is based on annual leave data supplied from the Human Resource department and assumptions have been made in areas where annual leave data was unavailable.

c. Land revaluation and depreciation

We adopted a one off revaluation of the land at Docklands and Stratford campuses for the year ended July 2015 in the transition to FRS102. This land included long leasehold land which is considered to have indefinite useful life and is not depreciated.

Notes to the accounts

	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
1				
Tuition Fees and Education Contracts				
UK Higher Education students	72,453	72,453	71,889	71,889
European Union (excluding UK students)	12,849	12,849	11,684	11,684
Non-European Union students	8,797	8,797	5,438	5,438
Part-time students	6,372	6,372	6,186	6,186
	100,471	100,471	95,197	95,197
Education contracts	3,111	3,111	3,074	3,074
	103,582	103,582	98,271	98,271

	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
2				
Funding Body Grants				
Recurrent grant				
Higher Education Funding Council	11,995	11,995	13,395	13,395
Capital Grant	698	698	679	679
Specific grants				
Higher Education Innovation Fund	358	358	180	180
National Scholarship Programme / Newton Fund	0	0	8	8
Postgraduate Support Scheme / Collaborative outreach	0	0	32	32
Learning Gain	0	0	100	100
National College for Teaching & Leadership	0	0	225	225
ESFA Apprenticeship - Other Income	8	8	0	0
	13,059	13,059	14,619	14,619

	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
3				
Research Grants and Contracts				
Research councils	177	177	155	155
UK based charities	135	135	179	179
European Commission	365	365	612	612
Other grants and contracts	660	621	1,138	1,138
	1,337	1,298	2,084	2,084

UK based charities includes income of £2,518 from the Aldgate and Allhallows Foundation (2016/17: £9,935)

4	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
Other Income				
Residences, catering and conferences	10,486	10,486	9,612	9,612
Collaborative agreements	1,993	1,993	1,576	1,576
Release of Non-HEFCE capital grants	547	547	547	547
Other income	4,929	5,462	5,541	5,557
	17,955	18,488	17,276	17,292

Other income includes income of £36,583 (2016/17: £55,951) from Sport England

5	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
Investment Income				
Other investment income	83	83	43	43

6	2018 Consolidated £'000	2018 University £'000	2017 Re-stated Consolidated £'000	2017 University £'000
Donations and Endowments				
Unrestricted donations	67	632	17	352

7	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
Staff costs				
Salaries	56,095	49,084	60,652	56,825
Social security costs	6,782	6,086	6,722	6,355
Other pension costs	10,888	10,141	12,324	11,934
Agency costs - UELPS (see note below)	0	8,454	0	4,584
Total	73,765	73,765	79,698	79,698

Staff costs

All new staff are signed on through UEL Professional Services Ltd and the costs are reflected in the Agency Cost line.

Included in the staff costs are salaries totalling £1,740,027 (2016/17: £1,738,890) paid to 682 (2016/17: 719) hourly paid and specialist lecturers. The number of staff paid cannot be readily converted into full time equivalents so has not been included in the staff number table above. If an average lecturer cost was used then the total spend would translate into 34 full time equivalent academic staff in 2017/18 (2016/17: 35 academic staff).

The staff costs exclude costs of compensation for loss of office of £1,602,000 (2016/17: £3,969,000) payable to 56 individuals (2016/17: 156) - of which £183,000 was payable to the former Vice-Chancellor (2016/17: nil). All amounts were paid by the University in connection with the loss of offices held at the University.

Governors

No Board Members received any remuneration for the year 2017/18 and 2016/17. In 2017/18 the Chair of the Governors was engaged in the capacity of an advisor to provide leadership support and management services to UEL through his company Pursuit of Excellence. This was approved by the Board in recognition of the Chair's significant time commitment made to UEL in the period following the commencement of his appointment and before the appointment of the Vice-Chancellor and President. The contract covers the period from 1 July 2017 to 31 October 2018 with a total value of, up to but not exceeding £40,000. An amount of £29,791 was paid in August 2018 for his services provided in 2017/18. This is repeated below in note 25 related party transactions.

Five non-staff governors were paid £13,966 in expenses in 2017/18 (2016/17: five governors were paid £6,092).

Emoluments of the Vice-Chancellor	Professor John Joughin		Professor Nora Ann Colton		Mr Dean Curtis	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Salary	166	250	90	n/a	63	n/a
Benefits	3	3	31	n/a	3	n/a
Pension contributions	25	41	19	n/a	9	n/a
Compensation for Loss of Office	183	0	0	n/a	0	n/a
	377	294	140	n/a	75	n/a

The emoluments of the Vice-Chancellor are shown on the same basis as for higher paid staff and exclude employer's national insurance contributions.

The Vice-Chancellor's remuneration for 2017/18 is made up of basic salary plus health insurance provided by the University.

The University's pension contributions to the Teachers' Pension Scheme in respect of Professor John Joughin and Professor Nora Ann Colton were paid at the same rates as for other academic staff. This represents employer's pension contributions of 16.48% (2016/17: 16.4%). The University's pension contributions to the UEL Pension Scheme in respect of Mr Dean Curtis were paid at 16%.

Professor John Joughin served as Vice-Chancellor of UEL up to 31 March 2018. Professor Joughin's remuneration packages was in line with that of the Vice-Chancellors' at comparable Universities, and at the lower end of the range of salaries paid to Vice-Chancellors at other Post 92 Institutions in London.

The stand-up allowance was paid to Professor Colton in recognition of the fact that she deputised for the Vice-Chancellor from 23 August 2017 to 31 March 2018 for over 7 months in addition to performing her duties as Deputy Vice-Chancellor.

Mr Dean Curtis was Acting Vice-Chancellor in addition to carrying out his duties as Chief Finance Officer for the period 1/4/18 to 9/9/18. In recognition of this, an acting up allowance totalling £19,708 was agreed in October 2018. There was no contractual obligation during the period when Mr Dean Curtis was Acting Vice-Chancellor and hence have not been accounted for in the table above. This payment will be included in the following year's disclosures.

The relationship between the Vice-Chancellor's annualised salary and remuneration and that for all other employees expressed as a pay multiple of the median pay of all other employees on a full-time equivalent basis is as follows:

Vice-Chancellor's Pay Multiple:	Professor John Joughin		Professor Nora Ann Colton		Mr Dean Curtis	
	2018	2017	2018	2017	2018	2017
Basic Salary (£'000)	250	250	200	n/a	195	n/a
Total Remuneration (£'000)	295	294	229	n/a	222	n/a
Median pay of all employees (£'000)	39.1	n/a	39.1	n/a	39.1	n/a
Pay ratio - Basic Salary to Median Pay	6.4	n/a	5.1	n/a	5.0	n/a
Pay ratio - Total Remuneration to Median Pay	7.5	n/a	5.9	n/a	5.7	n/a

Average staff numbers by major category	2018 No.	2018 No.
Senior Management Staff	6	6
Teaching Staff	494	553
Research Staff	23	26
Professional, Administrative, Technical and Other Support Staff	617	728
Total	1,140	1,313

Higher paid staff

The table below shows the number of higher paid staff, excluding the Vice-Chancellor and Acting Vice-Chancellors, whose remuneration falls within the following bands:

	2018 No.	2018 No.
£100,001 - £105,000	5	3
£110,001 - £115,000	2	1
£115,001 - £120,000	2	2
£125,001 - £130,000	1	0
£145,001 - £150,000	1	0
£150,001 - £155,000	0	2
	11	8

The remuneration figures are calculated before deduction of any payments made under salary sacrifice schemes, include taxable benefits but exclude employer's pension contribution and employer's national insurance contributions.

Key management personnel

Key management personnel include members of the Vice-Chancellor's Group which has been re-named University Executive Board. Members of the VCG are listed on page 2 of the annual report.

	2018 £'000	2017 £'000
Total	950	899

The key management personnel compensation in the above table consists of salary, benefits, employer's NI and pension contribution

	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
8				
Interest and other finance costs				
Loan interest	1,161	1,158	1,259	1,259
Exchange differences	(51)	(51)	(13)	(13)
Net charge on pension scheme	2,380	2,380	2,375	2,375
	3,490	3,487	3,621	3,621

	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
9				
Analysis of total expenditure by activity				
Academic departments	6,082	6,082	7,902	7,902
Research grants and contracts	555	555	978	978
Bursaries and scholarships	6,543	6,543	7,241	7,241
Academic services	1,763	1,763	1,654	1,654
Administration and central services	13,092	13,091	12,276	12,629
Residences, catering and conferences	2,845	2,845	2,102	2,102
Other expenses	4,355	5,418	2,024	2,024
Information Technology	2,844	2,844	3,139	3,139
Premises	11,609	11,609	10,571	10,571
	49,688	50,750	47,887	48,240

	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
9				
Other expenses include				
External auditor's remuneration:				
Fees payable to the university's auditor for the audit of the university's annual accounts	51	51	55	55
The audit of the university's subsidiaries, pursuant to legislation	6	6	6	0
Other audit services	1	1	6	6
Internal auditor's remuneration	76	76	71	71
Losses on disposal of tangible fixed assets	4	4	119	119
Students' Union grant	695	695	731	731
Rentals paid during the year under operating leases:				
Hire of plant and machinery	471	471	479	479

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Taxation

The University is not liable for Corporation Tax and no tax charges arise from the subsidiary companies.

	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
11				
Intangible assets: Software Cost				
At 1 August 2017	4,204	4,204	3,898	3,898
Additions	224	224	333	333
Disposals	0	0	(93)	(93)
Transfers to intangibles	0	0	66	66
As at Jul 18	4,428	4,428	4,204	4,204
Amortisation				
At 1 August 2017	2,285	2,285	1,707	1,707
Charge for the year	555	555	587	587
Disposals	0	0	(9)	(9)
As at Jul 18	2,840	2,840	2,285	2,285
Net book value				
As at Jul 18	1,588	1,588	1,919	1,919
As at Jul 17	1,919	1,919	2,191	2,191

	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Equipment and furniture £'000	Total £'000
12				
Fixed Assets Group Cost or Valuation				
At 1 August 2017	244,709	28,790	25,085	298,584
Additions	697	0	478	1,175
Disposals	0	0	(162)	(162)
At 31 July 2018	245,406	28,790	25,401	299,597
Depreciation				
At 1 August 2017	46,400	644	17,182	64,226
Charge for the year	4,690	65	2,777	7,532
Disposals	0	0	(158)	(158)
At 31 July 2018	51,090	709	19,801	71,600
Net book value				
At 31 July 2018	194,316	28,081	5,600	227,997
At 31 July 2017	198,309	28,146	7,903	234,358
University Cost and valuation				
At 1 August 2017	244,709	28,790	25,085	298,584
Additions	697	0	478	1,175
Disposals	0	0	(162)	(162)
At 31 July 2018	245,406	28,790	25,401	299,597
Depreciation				
At 1 August 2017	46,400	644	17,182	64,226
Additions	4,690	65	2,777	7,532
Disposals	0	0	(158)	(158)
At 31 July 2018	51,090	709	19,801	71,600
Net book value				
At 31 July 2018	194,316	28,081	5,600	227,997
At 31 July 2017	198,309	28,146	7,903	234,358

	Subsidiary companies £'000	Other fixed assets investments £'000	Total £'000
13			
Non-Current Investments Consolidated			
At 1 August 2017	0	34	34
At 31 July 2018	0	34	34
University			
At 1 August 2017	200	34	234
At 31 July 2018	200	34	234

The non-current investments have been valued at cost.
The £200,000 investment relates to the setup of the 100% owned subsidiary company, UEL Professional Services Ltd in January 2016.

Other non-current investments consist of:	2018 £'000	2017 £'000
Consolidated and University		
Universities UK	34	34

	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
14				
Trade and other receivables				
Amounts receivable within one year				
Trade and other receivables	4,632	4,478	3,975	3,890
Other debtors	347	347	540	505
Prepayments and accrued income	2,608	3,351	3,149	3,425
	7,587	8,176	7,664	7,820
Amounts receivable after more than one year				
General prepayments and accrued income:	0	0	216	216
Between one and two years	7,587	8,176	7,880	8,036

	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
15				
Current Investments				
Investment in social fund	569	569	567	567

	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
16				
Creditors: Amounts falling due within one year				
Other loans repayable within one year	2,091	2,091	23,990	23,990
Trade creditors	8,266	8,266	10,534	10,478
Other creditors	131	50	217	157
Taxation and social security	2,375	2,095	2,347	2,137
Accruals and deferred income	13,440	13,269	11,782	12,207
Amounts owed to subsidiary undertaking	0	1,276	0	49
	26,303	27,047	48,870	49,018

	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
17				
Creditors: Amounts falling due after more than one year				
Deferred income	47,390	47,390	47,480	47,480
Other loans - Bank (Secured)				
Between one and two years	1,900	1,900	0	0
Between two and five years	5,699	5,699	0	0
In five years or more	12,496	12,496	0	0
Other loans - HEFCE (unsecured)				
Between one and two years	191	191	97	97
Between two and five years	276	276	274	274
In five years or more	0	0	121	121
	67,952	67,952	47,972	47,972

Analysis of Deferred Capital Grant:				
Due within one year				
	1,245	1,245	1,245	1,245
Due between one and two years	2,472	2,472	1,245	1,245
Due between two and five years	3,694	3,694	3,704	3,704
Due in five years or more	41,224	41,224	42,531	42,531
Due after more than one year	47,390	47,390	47,480	47,480
Total Deferred Capital Grant	48,635	48,635	48,725	48,725

Analysis of secured loans:				
Due within one year or on demand	1,900	1,900	23,893	23,893
Due between one and two years	1,900	1,900	0	0
Due between two and five years	5,699	5,699	0	0
Due in five years or more	12,495	12,495	0	0
Due after more than one year	20,094	20,094	0	0
Total secured loans	21,994	21,994	23,893	23,893

The bank loans were secured against certain leasehold land and property at the Docklands campus. The bank would have rights to ownership of the land and buildings should the University default on the loan payment. The value of the financial assets as collateral can be found in Note 12 above.

Analysis of secured loans:				
Due within one year or on demand	191	191	97	97
Due between one and two years	191	191	97	97
Due between two and five years	276	276	273	273
Due in five years or more	0	0	121	121
Due after more than one year	467	467	492	492
Total secured loans	658	658	590	590

Details of loans:	Principal Amount £'000	Term	Interest rate %	Borrower
Lender				
Barclays Bank Plc	30,000	24 years	5.01	University
Barclays Bank Plc	14,000	22 years	5.15	University
	44,000			
Other (HEFCE)	464	8 years	0.00	University
Salix Finance Ltd	184	5 years	0.00	University
Total	44,648			

	2018 Consolidated £'000	2017 Consolidated £'000
18		
Provision for liabilities		
Balance at 1 August	3,010	3,525
Release of provisions	0	(515)
Additional provision	617	0
Balance at 31 July	3,627	3,010

The balance at 31 July relates to short term employees' benefits.

	2018 Consolidated £'000	2017 Consolidated £'000
19		
Restricted Reserves		
Balances at 1 August 2017	48	60
New donations	50	0
	98	60
Release of restricted funds spent in year	(12)	(12)
At 31 July 2018	86	48

The restricted reserves relate to donations from the Noon Foundation £86,000 (2016/17: £48,000).

	At 1 August 2017 £'000	Cash Flows £'000	At 31 July 2018 £'000
20			
Cash and cash equivalents			
Consolidated			
At 31 July 2018	31,495	7,477	38,972
University			
Cash and cash equivalents	31,080	7,518	38,598

	2018 Consolidated £'000	2018 University £'000	2017 Consolidated £'000	2017 University £'000
21				
Capital and other commitments				
Commitments contracted for but not provided for in the financial statements	5	5	575	575
Authorised by the Board of Governors but not yet contracted for	841	841	382	382
	846	846	957	957

Commitments contracted at 31 July 2018 include £4,800 in respect of building works on the Nursing Simulation Ward at Stratford Campus. It also includes £1,267 in respect of committed costs for LED lighting upgrade at Stratford Campus. Capital commitments authorised by the Board of Governors but not yet contracted include the Nursing Simulation Ward, Stratford Campus (£66,029), Stratford Master Planning -R Building (£15,214), University House - window replacement, Stratford Campus (£400,000), CCTV upgrades, Docklands Campus (£150,000), Arthur Edwards Building - air handling and cooling upgrade, Stratford Campus - (£60,000), and Security Control Room at the Stratford Campus (£150,000).

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Contingent liabilities

The University does not have any contingent liabilities in 2018 and 2017.

	2018 £'000	2017 £'000
23		
Lease obligations		
Total rentals payable under operating leases:		
Payable during the year	471	479
<hr/>		
	2018 £'000	2017 £'000
Equipment and Furniture		
Due within one year	148	471
Due between two and five years	85	233
Future lease payments due	233	704
Total Lease obligations	704	1,183

The above lease commitment for less than one year relates to Neo Post Finance Limited (£8,912.51) expiry date 29th July 2018.

The lease commitments between one and five years are in respect of lease agreements with, CableCom Networking Limited (£66,184.80) expiry date 30th August 2018; Canon (UK) Limited (£303,260.63) expiry date 30th September 2018; Xerox Finance Limited (92,226.96) expiry date 30th June 2020.

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Subsidiary undertakings

The subsidiary companies (all of which are registered in England & Wales), wholly-owned or effectively controlled by the University as follows:

Company	Principal Activity	Status
Knowledge Dock Ltd	The supply of consultancy and business rentals.	100% owned
UEL Professional Service Limited	The supply of staff to the University of East London	100% owned

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Related party transactions

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

The consolidated financial statements do not include those of the University of East London Students' Union as the University has no significant influence on its policies. However, since the University's Board of Governors includes representatives from the elected members of the students' union, transactions between the university and the union are recorded here for completeness.

The following summarises the significant arm's length transactions (in excess of £20,000) with related parties during the year:

Company/ institution	Role of governor/ senior post holder	Opening debtor or (creditor) (£)	Income and (expenditure) for the year (£)	Closing debtor or (creditor) (£)
UEL Students' Union Other services: income	Elected President	30 -	682 695,216	712 -
Annual support grant				

The student union other services income is a combination of utility costs, other recharges and printing services.

The £695k is in regards to the annual support grant received by the Student Union inclusive of staff costs relating to responsibility allowances.

No Board Members received any remuneration for the year 2017/18 and 2016/17. In 2017/18 the Chair of the Governors was engaged in the capacity of an advisor to provide leadership support and management services to UEL through his company Pursuit of Excellence. This was approved by the Board in recognition of the Chair's significant time commitment made to UEL in the period following the commencement of his appointment and before the appointment of the Vice-Chancellor and President. The contract covers the period from 1 July 2017 to 31 October 2018 with a total value of, up to but not exceeding £40,000. An amount of £29,791 was paid in August 2018 for his services provided in 2017/18.

Pension Schemes

The University participates in two defined benefits schemes: the London Borough of Barking and Dagenham Pension Scheme and the Teachers' Pension Scheme. It also operates a defined contribution scheme provided by Friends Provident. Two of the schemes are funded, but the Teachers' Pension Scheme is unfunded.

Details of the three pension schemes are set out as follows:

1. UEL Retirement and Savings Plan

The University has offered this defined contribution scheme operated by Friends Provident as an alternative to the London Borough of Barking and Dagenham Pensions Scheme and the Teachers' Pension Scheme since 2013. In January 2016 the university's subsidiary company UEL Professional Services LTD started trading. This subsidiary company also operates the UEL Savings and Retirement Plan.

UEL pays 10% of salary but staff can make contributions of up to 4% of salary and the University will match this on the basis of a 1.5% for every 1% of the staff member's contribution up to a maximum of 6% in addition to the 10%, making a maximum of 16% employer contribution.

2. Teachers' Pension Scheme (England and Wales)

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The key elements of the valuation are:

- employer contribution rates set at 16.48% of pensionable pay (2017: 16.4%)
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- total scheme liabilities for service to the effective date of £191.5 bn, and notional assets of £176.6 bn, giving a notional past service deficit of £15.0 bn.

The employer contribution rate is expected to be reassessed at the actuarial valuation to be carried out as at 31 March 2016 (and each subsequent four yearly valuation). The next revision to the employer contribution rate is expected to take effect from September 2019. The financial position relative to the employer cost cap will also be reconsidered at each four yearly valuation.

It is not possible to identify the University's share of the underlying assets and liabilities of the TPS. Therefore contributions are accounted for as if the TPS were a defined contribution scheme and pension costs are based on the amounts actually paid. In the year ending 31 July 2018, contributions by the Group to the scheme were £4.3 million (2017: £4.6 million).

3. London Borough of Barking and Dagenham Pension Scheme

This defined benefit scheme administered by London Borough of Barking and Dagenham Pension Fund, is subject to a triennial valuation by independent actuaries and the most recent being as at 31 March 2016. The contributions to the scheme by the University of East London is 28.3% of pensionable salaries for non-teaching staff (2016: 28.3%). The scheme actuary estimates that the employer's contribution for the year to 31 July 2019 would be approximately £4,398,000.

Assets	2018	2017
Equities	75%	76%
Bonds	17%	18%
Property	6%	6%
Cash	2%	0%

Assumptions

The financial assumptions used by the actuary:	2018	2017
Pension Increase rate	2.4%	2.5%
Salary Increase rate	2.9%	3.0%
Discount rate	2.8%	2.7%

The current mortality assumption is based on the Vita Curves with improvements in line with OMI 2013 model assuming current rates of improvement have peaked and will converge to a long term rate of 1.25% per annum.

	2018		2017	
	Males	Females	Males	Females
Current pensioners	22.0 years	24.7 years	21.8 years	24.0 years
Future pensioners	24.0 years	26.4 years	24.1 years	26.5 years

The assumptions used by the actuary are best estimates chosen from a range of possible actuarial assumptions.

The following table shows the fair value of the University's share of the scheme assets and liabilities in accordance with the requirements of FRS 102:

Analysis of changes to the balance sheet:	Fair value of employer assets		Defined Benefit obligation		Net liability recognised in balance sheet	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Opening Balance	151,334	136,970	(239,197)	(236,107)	(87,863)	(99,137)
Contributions by members	1,119	1,506	(1,119)	(1,506)	0	0
Contributions by the employer	5,307	5,798	0	0	5,307	5,798
Contributions in respect of unfunded benefits	581	622	0	0	581	622
Estimated benefits paid	(5,520)	(5,482)	5,520	5,482	0	0
Estimated unfunded benefits paid	(581)	(622)	581	622	0	0
Expected return on assets	4,095	3,307	0	0	4,095	3,307
Actuarial gains	9,375	9,235	9,988	4,190	19,363	13,425
Current service cost	0	0	(6,367)	(6,144)	(6,367)	(6,144)
Interest cost	0	0	(6,475)	(5,682)	(6,475)	(5,682)
Past service costs	0	0	0	0	0	0
Losses on curtailments	0	0	(157)	(52)	(157)	(52)
Closing Balance	165,710	151,334	(237,226)	(239,197)	(71,516)	(87,863)

	2018 £'000	2017 £'000
<i>The University's net pension liabilities were as follows:</i>		
Fair value of employer assets	165,710	151,334
Present value of funded obligations	(231,848)	(233,413)
Net under-funding in funded plans	(66,138)	(82,079)
Present value of unfunded obligations	(5,378)	(5,784)
Net pension liability	(71,516)	(87,863)

	2018 £'000	2017 £'000
<i>The University's net pension liabilities were as follows:</i>		
Current service cost	6,367	6,144
Past service cost (including curtailments)	157	52
Operating charge	6,524	6,196
Expected return on employer assets	(4,095)	(3,307)
Interest on pension scheme liabilities	6,475	5,682
Net Return	2,380	2,375
Net income and expenditure account cost	8,904	8,571

	2018 £'000	2017 £'000
<i>Analysis of Statement of Changes in Reserves</i>		
Actuarial return less expected return on pension scheme assets	9,375	9,235
Changes in demographic assumptions	0	1,860
Changes in assumptions underlying the present value of the scheme liabilities	10,025	(7,921)
Experience gains / (losses) on the scheme liabilities	(37)	10,251
Actuarial (losses) recognised in the Statement of Changes in Reserves	19,363	13,425

The Group pays contributions to the Fund at rates determined by the Fund's actuaries based on regular actuarial reviews of the financial position of the Fund. In the year ended 31 July 2018, contributions by the university to the scheme were £6.524 million (2017: £6.196 million)

<i>The experience gains and losses for the year ended 31 July</i>	2018 £'000	2017 £'000	2016 £'000	2015 £'000	2014 £'000
Difference between the expected and actual return on assets	9,375	9,235	9,459	5,875	(3,362)
Value of assets	165,710	151,334	136,970	119,902	107,717
Percentage of assets	5.7%	6.1%	6.9%	4.9%	(3.1%)
Experience gains / (losses) on liabilities	(37)	10,251	2,499	1,419	1,988
Present value of liabilities	237,226	239,197	236,107	204,528	184,799
Percentage of present value of liabilities	0.0%	4.3%	1.1%	0.7%	1.1%
Actuarial gains/(losses) recognised in Statement of Changes in Reserves	19,363	13,425	(12,465)	(5,709)	(13,530)
Present value of liabilities	237,226	239,197	236,107	204,528	184,799
Percentage of present value of liabilities	8.2%	5.6%	8.2%	(2.8%)	(7.3%)
Net pension liability	(71,516)	(87,863)	(99,137)	(84,626)	(77,082)

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