



University of
East London

2019 ANNUAL REPORT



**PIONEERS OF FUTURE CAREERS
& SUSTAINABLE INNOVATION
FOR A CHANGING WORLD**



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VISION 2028

Vision 2028 is an ambitious 10-year strategy to become the UK's leading careers-intensive university.

It aims to create a 4.0 education for learners: producing graduates with the skills, tools and competencies sought by employers and entrepreneurs in a rapidly changing world.

As one of the most diverse, vibrant and socially-inclusive universities in the UK, the strategy builds upon the institution's long-standing commitment to inclusion and social mobility and advances research and entrepreneurial knowledge to help people and planet. Our colleagues, students, alumni, industry and community partners and other supporters have contributed and consulted extensively on the development of Vision 2028, securing the commitment, innovative ideas and productive collaboration of our community for our 10-year journey.

The University of East London is the university which prepares its students for the jobs of the future. We have been doing that proudly for over 120 years, starting in 1898 during the second industrial revolution. Now, in the fourth industrial revolution – a world of artificial intelligence, quantum computing and the internet of things, the world of work is changing once more and so are we.



- 15k+** global learners (on-campus, learning whilst employed, in-partnership globally)
- 5th** most socially inclusive institution in the UK
- 150+** nationalities represented in our vibrant learning community
- 11,737** volunteered hours by students to the local community between 2018 and 2019
- London's leading university of sport inc. one of the largest number of elite athletes in professional pathways
- Industry award-winning students, graduates and academics
- Unique full-range connected campus for living, learning and working

LONDON'S MOVING EAST

We have 3 campuses in the youngest, fastest-growing and most diverse region in Europe.

BY 2025 THE BOROUGH OF NEWHAM WILL HAVE...

- 35,000+** new homes built
- £22bn** invested in East London area
- 100,000+** new jobs generated

Home to...	In development...
London City Airport	Royal Docks
ExCeL London	Silvertown Quays
Olympic Park	Crossrail station
Tilbury Port	Hackney Wick
Here East	

Enhancing lives and changing futures

Pioneering Futures Since 1898

STRATEGIC SUMMARY

Pioneers of future careers and sustainable innovation for a changing world.

Mission	We accelerate inclusive talent by realising potential wherever and whenever it is found		We advance knowledge and innovation to help people and planet	
Values	Passion, Diversity, Courage			
Strategic objectives	FUTURE GRADUATE Participation, progression, experience and successful attainment of life-changing, life-long education and training	FUTURE PROFESSIONAL To address industry and community skills gaps. Increasing access to and acceleration of graduate – level employment	FUTURE LIFE To increase the economic, social and cultural impact (reach and value) of our activities to the communities we serve	SUSTAINABILITY To increase financial, physical, digital, environmental and human resilience, maximising value, reducing waste and incentivising behaviour
2028 goals	<ul style="list-style-type: none"> • Top quartile student experience • Median student success • Gold TEF • 0% attainment gap • Enhanced learner transitions through a 4-104 year old educational eco-system • Sector-recognition as leading economy 4.0 education 	<ul style="list-style-type: none"> • Top quartile in sector for proportion of graduates employed by employers in Times Top 100 Employers • Top 50% in sector for CPD and Facilities-related income • Top quartile in sector for proportion of international students of total student body • Top third in sector for graduate start-ups • Top quartile in sector for apprenticeship numbers 	<ul style="list-style-type: none"> • Top quartile REF2028 Impact • Sector-recognition as leading economy 4.0 innovation • Economic and societal impact as anchor and in target glocal communities 	<ul style="list-style-type: none"> • £200m p.a. revenue • 3% surplus • 20K learners • Carbon neutral footprint • Sector mean operational efficiency • An engaged, economy 4.0-equipped workforce
Sub-strategies	Education & Experience	Careers & Enterprise	Impact & Innovation	Sustainable Growth & Diversification
Institutional KPIs	Learner experience Retention Attainment gap Learner success	Employment readiness Graduate employment International growth Employed learner growth	Research quality Innovation growth Research impact International growth	Financial performance Market attractiveness Operating efficiency Growth
Implementation pillars	Learning Futures: delivering the future of learning and work today	Building a glocal education, skills and innovation eco-system	Advancing knowledge and innovation to help people and planet	Developing operational competencies and business process optimisation
Transformation projects	Strategic Academic Development Framework Career Passport: developing professional fitness and mental wealth	A Learner Pathway Group Talent Futures	Impact Showcases Well-being, physical activity and sport	The Learner Journey

GOVERNORS, EXECUTIVES & ADVISORS AS OF 26 NOVEMBER 2019

Board of Governors	Period in office
Ms Anulika Ajufo (Chair)	Appointed as Chair on 1 Nov 2019 – Appointed Nov 2018
Mr Ismail Amla	Appointed July 2019
Ms Jackie Craissati	Appointed July 2019
Mr John Garwood	Appointed March 2018
Ms Bindi Karia	Appointed March 2018
Mr Mottie Kessler MBE	Appointed October 2018
Mr Tommy MacDonnell	Re-appointed July 2019
Mr Tony Mullee	Re-appointed July 2017
Mr Michael Nartey	Appointed March 2018
Mr Gary Stewart	Appointed March 2018
Mr Geoff Thompson MBE	Removed November 2019
Ms Janette Withey	Re-appointed July 2019

Co-opted Governors	Period in office
Mr Solomon Alexis	Ended term July 2019

Student Governors	Period in office
Mr Krunush Patel	Appointed August 2018
Mr Elham Peserlay	Appointed August 2017
Mr Ismail Mohammed	Appointed July 2019

Governors who resigned	Period in office
Ms Amy Butterworth Fernandes	Resigned May 2019
Ms Sally Dyson	Resigned October 2019
Professor Sunitha Narendran	Resigned August 2019

University Executive Board	Period in office
Professor Amanda Broderick	Vice-Chancellor and President – appointed September 2018
Mr Dean Curtis	Deputy Vice-Chancellor – appointed February 2018
Professor Hassan Abdalla	Pro-Vice Chancellor – Arts, Technology and Innovation Provost – appointed July 2019
Professor Verity Brown	Pro-Vice Chancellor – Impact and innovation – appointed March 2019
Professor Charles Egbu	Pro-Vice Chancellor – Education and Experience – appointed May 2019
Dr Paul Marshall	Pro-Vice Chancellor – Careers and Enterprise – appointed May 2019
Dr Ian Pickup	Chief Operating Officer – appointed April 2019
Mr Peter Gregory	Director of Human Resources – appointed January 2018
Mr Tristan Foot	Acting University Secretary – appointed May 2018
Ms Vanessa Varvas	Chief Marketing Officer – appointed March 2019
Professor Marcia A Wilson	Acting Executive Dean – appointed January 2019
Dr Lisa Mooney	Pro-Vice Chancellor, Research – resigned November 2018
Professor Carrie Weston	Acting Executive Dean – resigned August 2019
Professor Annette Cast	Pro-Vice Chancellor – College of Professional Services – resigned March 2019
Professor Fary Cachelin	Pro-Vice Chancellor – College of Applied Health and Communities – resigned March 2019

MESSAGE FROM THE CHAIR OF THE UNIVERSITY OF EAST LONDON BOARD OF GOVERNORS



Since 1898, the University of East London has provided our learners with the educational attainment and training required to realise life goals and career aspirations. The year 2018 saw the University begin a transformative 10-year journey to becoming the UK's leading careers-intensive university for a changing world. On completion of the first year of our 10-year journey, the core tenets of our transformative 10-year strategic plan – Vision 2028 – are now in place. With student success at the heart of all that we do, we are determined to ensure our students are equipped with the skills required to thrive in a rapidly evolving world.

We have achieved positive results this year, and remain firmly committed to equality, diversity, and inclusion, as well as increased participation for all. I am confident that the gains made will be multiplied over the next decade through strong leadership, motivated students, and committed staff.

As the newly appointed Chair of the Board of Governors, I would like to thank our out-going Chair, Geoff Thompson, for his service and unwavering commitment to the University during his tenure, and I re-commit to our students, staff and community that they remain our top priority. I look forward to working with the Vice-Chancellor and President, Professor Amanda Broderick, and the wider University of East London community in the coming months to realise Vision 2028. The University of East London has established a progressive and inclusive culture of change, innovation and success, and it is with confidence that we commence our 2019/20 academic year in a strong position to compete, flourish and thrive.

Anulika Ajufo
Chair, Board of Governors

WELCOME FROM THE VICE-CHANCELLOR & PRESIDENT

The 2018/19 academic year at the University of East London has seen a period of substantive and positive change and development. We launched our ambitious 10-year strategy to become the UK's leading careers-intensive university – Vision 2028. In the first year of our 10-year plan, we have made significant progress towards the realisation of our goals – an affirmation of the dedication, passion and energy of this University's stakeholders.

Vision 2028 aims to create a 4.0 education for learners, producing graduates with the skills, tools and competencies sought by employers and entrepreneurs in a rapidly changing world. As one of the most diverse, vibrant and socially-inclusive universities in the UK, the strategy builds upon the institution's long-standing commitment to inclusion and social mobility and advances research and entrepreneurial knowledge to help people and planet. Our colleagues, students, alumni, industry and community partners and other supporters have contributed and consulted extensively on the development of Vision 2028, securing the commitment, innovative ideas and productive collaboration of our community for our 10-year journey.

The University of East London is the university which prepares its students for the jobs of the future. We have been doing that proudly for over 120 years, starting in 1898 during the second industrial revolution. Now, in the fourth industrial revolution – a world of artificial intelligence, quantum computing and the internet of things, the world of work is changing once more and so are we.



While there is still much work to do, the groundwork has been laid and it points the way to success. Some headline achievements against our strategic objectives this year include:

SUSTAINABLE GROWTH & DIVERSIFICATION

- The University delivered a £1.7 million surplus in 2018/19 (for the first time since 2015), reflecting both increased market attractiveness and growth and robust financial management. This is particularly notable as the University had cautiously forecast a deficit at the start of the financial year. In-year prioritisation of the long-term sustainability of the institution has reaped dividends including: (i) the ability to pay off all borrowings, resulting in a new ability to utilise our assets for investment into our future public benefit mission; and (ii) our market attractiveness, particularly from higher entry tariff applicants, has significantly increased through this student recruitment cycle, with the trend continuing to date.
- Our ability to deliver a 10-year investment plan to realise our goal to become the UK's leading careers-intensive university has been underpinned by successful acquisition of a £103 million bond from Aberdeen and Standard. The resulting investment, aligned with our 2028 route-map of transformation projects, will facilitate our mission as pioneers of future careers and sustainable innovation for a changing world.
- Fittingly for a University undergoing a transformation, we launched a new brand and visual identity this year which has been overwhelmingly well-received. Unveiled at our first community-wide Royal Docks Education and Enterprise festival in June, it was created with the input of over 1,000 staff, students, alumni and other stakeholders. The new brand reflects the University's rich heritage and forward-facing future.

In June 2019 the University of East London signed a memorandum of understanding with Tongji University to create a London/Shanghai design-led innovation hub.

EDUCATION & EXPERIENCE

- We have re-developed, re-designed and validated 156 programmes across the University to reflect the needs of our learners and employer partners in a 4.0 economy. The 'Strategic Academic Portfolio Framework' Transformation Project has delivered key improvements including the implementation of a pioneering 'Developing Professional Fitness and Mental Wealth' suite of modules across all programmes which places the development of emotional, social, physical and cultural intelligence, together with the digital proficiency of our learners, at the heart of the curriculum.
- We have significantly strengthened our evolving position as the leading sporting University in London. The University is sector-leading in its ability to support and develop sporting talent in education and, alongside the world-class SportsDock, facilitates the University's new position as London's Talent Hub for Basketball England and lead partner for the London Lions, one of the British Basketball League's most successful teams. Other new partnerships established this year include the Football Association, Sport England TASS and West Ham United which will support women's academy football players.

CAREERS & ENTERPRISE

- We launched a ground-breaking collaboration with Amazon Web Services (AWS) which has the potential to become one of the most important and influential industry partnerships in the University's history, enhancing our students' employability and leading to us becoming the leading University showcase of cloud technology transformation in the UK. This far-reaching relationship includes the creation of a Data Economy Career Zone and Innovation Loft; the establishment of an industry research institute; and support for our Mental Wealth programme. Engagement with partners like AWS will play an increasingly important role as the University develops additional career zones and, in a broader sense, continues to solidify its place in the local and global landscape.
- We have launched a pilot 'Career Passport' which acts as both a digital repository of evidenced learner skills and competencies, together with a pledge by leading employers to support the strength and diversity of the talent pipeline.

In partnership with Amazon Web Services, we moved forward this year with development of our first employer-led Career Zone.

- Our apprenticeship provision has grown by over 159 per cent. Our proactive engagement with employers, 'Pioneering Careers', has resulted in degree-level learning in employment in nursing, policing, digital, computer sciences, cybersecurity, engineering and construction.
- The out-turn of the 2018/19 University recruitment cycle was a 56 per cent growth in international provision. We continue to be the largest provider of Transnational Education (TNE) in Greece and have put into place the mechanics to ensure we can continue to support our learners successfully both within the EU and globally, post-Brexit.

IMPACT & INNOVATION

- I am very proud that the University continues to be recognised for its work increasing access, participation and social mobility. This year we achieved the Race Equality Charter, affirming our commitment to supporting race equality. The University of East London is one of only twelve UK universities to have successfully achieved this award. Our New Beginnings programme, which provides a pathway to higher education for non-traditional learners, won a prestigious 2018 Times Higher Education Award in the 'Widening Participation or Outreach Initiative of the Year' category.

Looking ahead, progress will continue apace. None of our achievements would have been possible without the commitment of people across the University of East London and I would like to express my appreciation for the hard work of so many this year. The dedication of colleagues, students, alumni and the University's other stakeholders remains the strongest guarantor of future success.

With best wishes,

Professor Amanda J Broderick

BA (Hons) PhD DipM DipMRS PGCTL FRSA MBGS FCIM FHEA

Vice-Chancellor and President

FUTURE



SECTION 1

GRADUATE

FUTURE GRADUATE

Better for our students – by delivering life-changing, life-long education and training.

Our focus is on increasing participation, effective progression, transformative experience and successful attainment of life-changing, life-long education and training. In the first year of our 10-year strategic plan, our priorities have included redesigning our degree portfolio to reflect changing career needs, building a Professional Fitness and Mental Wealth provision across every programme and developing our first employer-led Career Zone.



In July 2019, Vice-Chancellor and President Amanda Broderick and Amazon Web Services Vice-President Teresa Carlson announced a ground-breaking collaboration.

CAREER ZONES



In partnership with Amazon Web Services, we moved forward this year with development of our first Career Zone. The Data Economy Career Zone will provide students with access to AWS Educate and AWS Academy, among other tools, giving them the resources needed to accelerate the cloud-related learning that drives innovation in fields such as artificial intelligence, voice and facial recognition, gaming, medical advancements and more, and ensuring they have the necessary skills to thrive in the careers of the future.

The space will also offer facilities for conferences, seminars and meetings equipped with the latest technology.

The University will create additional Career Zones over the next five years. These physical and digital hubs will be developed in collaboration with major employers and brands, and will reflect the skills and needs of that partner's industry. They will embed study-to-work and work-to-study support and opportunities throughout the student experience and after graduation. Students across a range of programmes and academic schools may access industry-specific information, support and experience through one or more Career Zones.

The lead industry partner of each Career Zone will also advocate for the University of East London's Career Passport, including the alignment of talent selection processes with our developing learner digital competency portfolio. We will also ensure there is a joint commitment to increasing the diversity of the talent pipeline.

PROFESSIONAL FITNESS & MENTAL WEALTH

The Fourth Industrial Revolution is bringing with it the growing use of automation, artificial intelligence, cyber-physical systems and cognitive computing.

A new set of skills is therefore needed to thrive in the careers of the future, including emotional intelligence, complex problem solving, critical thinking and creativity. It is this suite of skills that make up the Professional Fitness and Mental Wealth programme. They are taught through a series of modules – one at each level of study – that are embedded into every University of East London degree. The module composition is tailored to the degree cluster.

These skills will give our graduates a competitive edge in securing a job in the Industry 4.0 economy and accelerate their career progression in a rapidly adapting workforce. This is a joined-up, holistic approach to the whole student experience and learning lifecycle. We are creating an inclusive environment that will produce more-confident, more-resilient students equipped with skills for life. This is the added value contained within every University of East London degree.

Proof of a student's level of mastery in each skill will be contained in a digital repository called a Career Passport. Some of these skills will be validated externally, by the likes of Microsoft and Amazon, earning students an online badge, while others will be monitored and managed internally.

The Career Passport goes above and beyond the traditional CV, making learning more transparent and transferable across sectors. It provides employers with evidence of the applied skills, competencies and experience the graduate has developed from the Mental Wealth programme over and above the degree-level knowledge base.

ACADEMIC PORTFOLIO REVIEW

To succeed in delivering the ambitions contained in Vision 2028, we are ensuring that our degree portfolio reflects the needs both of the wider student market and of employers. Consequently, all 156 courses across the University were redesigned, validated and readied for delivery in September 2019. This ensured that they are career-optimised and will increase graduate outcomes by embedding the latest pedagogical advancements.

This new portfolio will enable us to grow and diversify through a multimode delivery framework – on campus and off campus, blended learning, multi-entry intake, apprenticeships and continuing professional development. It will offer more choice to students and improve the overall student experience.

As part of this review we arranged our undergraduate degrees into disciplinary-coherent 'clusters' from September 2019. These clusters share common foundation modules, reflecting core technical knowledge. Establishing clusters supports the signposting of career gateways and allows our students wider and more-effective opportunities to personalise their own study pathways to ensure that they make informed choices about the degree they graduate with.

The cluster concept offers an unparalleled opportunity to gain knowledge in a wide range of subjects within a cohesive discipline area, as well as building a network among a wider cohort. Modules throughout the cluster will embed the development of employability competencies in addition to technical and subject knowledge.

The world of work is changing...

...and so are our degrees.

FUTURE



SECTION 2

PROFESSIONAL

FUTURE PROFESSIONAL

Better for employers – by providing graduates equipped for the future of work.

We are addressing industry and community skills gaps, and increasing access to and acceleration of graduate-level employment. Among the ways we are doing this is by increasing our apprenticeship provision, expanding enterprise initiatives and creating opportunities for alumni.



APPRENTICESHIPS

The University of East London grew its apprenticeship provision by over 159 per cent, and developed relationships with over 20 employers across a range of sectors.

Partners for the new apprenticeship programmes include NHS trusts, large construction companies and school academy trusts.

There are now around 200 apprentices studying on seven subject areas including: civil engineering, geospatial mapping and science, digital and technology solutions, chartered management, nursing and teacher apprenticeships.

The University will introduce an additional four programmes, including a higher-level apprenticeship in digital and technology solutions, and registered nurse and police degree apprenticeships.

The University's positive relationship with employers has encouraged them to send further cohorts of apprentices each year. This provides a solid foundation for the years ahead and there are likely to be significant increases in the numbers studying the nurse associate and police constable apprenticeships.

The University also raised its profile at a government level with three MPs attending apprenticeship activities at the University during National Apprenticeship Week in March 2019.

ENTERPRISE

During 2018/19 the Enterprise team grew its portfolio to over 10 enterprise programmes and engaged with over 1,200 undergraduates, postgraduates and alumni.

Dance: Urban Practice alumna Charlie Blair won £6,000 in the annual E-Factor entrepreneurial competition. Her business, The Blair Academy, is a dance company which uses hip-hop to help disengaged people overcome loneliness and improve their wellbeing.

At the Talent and Diversity Hackathon with Microsoft in April, over 30 local and national employers, 12 community partners and 70 students and staff helped develop innovative solutions to introducing diversity in the talent pipeline.

The University and the Pink Shoe Club, a business networking group, worked in partnership to enable women to achieve their maximum potential through fostering, supporting and accelerating female-led entrepreneurship.

Enterprise continued to open its doors to Newham residents with over 30 local residents attending a series of 'Start Up' workshops.

At the same time, we also increased global employability opportunities, signing an agreement with Western Sydney University to work together on projects in areas such as sustainable development and health innovation, and with Tongji University to create a London/Shanghai design-led innovation hub.

The University awarded five grants of £2,000 to students and alumni through the Boost Your Business programme, conducted in partnership with the Haberdashers' Livery Company.

KNOWLEDGE DOCK BUSINESS CENTRE

The Knowledge Dock Business Centre continued to grow, hosting exciting new businesses including alumni-led companies in the technology, food, finance and charity sectors. A key driver behind these businesses' decision to base themselves at Knowledge Dock is the ability to work with University students. A new pilot programme saw students undertake professional development opportunities with these companies including internships, placements and volunteering. Knowledge Dock also opened a new co-working space to support small start-ups, especially those run by students and alumni.

ALUMNI

The University of East London increased the range of engagement activities offered to its 100,000+ alumni community over the past year. This included new webinars and networking events as well as the activities of the Alumni Advisory Board (AAB), designed to be the voice of the alumni community. The board works with the University's Alumni team to drive projects that will make a difference to the experiences of future, current and past students.

The Alumni team produced 12 e-newsletters and the annual edition of alumni magazine Now & Then; hosted nine webinars and physical events with more than 900 attendees; and communicated important messages from the University to graduates across the globe.

The team focused on the success of University graduates through the Celebrating Alumni Success campaign. The campaign played a key part in the build-up to the announcement of the University's first Alumni Achievement Awards, awarded in October 2019.

Hosting alumni-led companies...

...in technology, food, finance and charity sectors.

FUTURE



SECTION 3

U L E E

FUTURE LIFE

Better for our communities
– by improving the
impact of our activities
on those we serve.

We are increasing the economic, social and cultural impact (the reach and value) of our activities to the communities we serve. We are doing this through impact-led research and knowledge exchange, outreach to schools and non-traditional learners and a continuing emphasis on civic engagement.

RESEARCH & KNOWLEDGE EXCHANGE

Impact-led research

The University of East London seeks to achieve a high level of impact in its research and to demonstrate its benefit to communities both local and global.

Our research focuses on four areas: tackling health inequalities; sustainable living, energy and green infrastructure; peace, justice and inclusion; and growing the inclusive data and AI economy.

Preparations for the 2021 Research Excellence Framework (REF) exercise accelerated as the University moved closer towards the 27 November 2020 deadline. Approximately 600 research outputs were reviewed and 40 impact case studies prepared to ensure the University submits an impressive body of work.

University academics secured over £3.2 million in grant capture, including £2.7 million in research, an increase from £1.6 million in 2017/18. Highlights included Dr Sam Wass, senior lecturer in the School of Psychology, winning a prestigious European Research Council grant to record the brain correlates of social learning during early life; Professor Julia Davidson in the School of Business and Law working with Unicef on child online protection policy in Rwanda; and Professor Jeremy Gilbert winning an Economic and Social Research Council grant to research 'left governmentality', participatory-democratic governance and the transformation of deflated consciousness.

Knowledge exchange activity around working with industry continued to be an area of growth with new projects, notably in the areas of data and artificial intelligence.

The Sustainability Research Institute (SRI) and the Institute for Health and Human Development (IHHD) continued to diversify and develop impactful projects working with a range of academic, private and public sector partners. IHHD won a major contract working with Hackney Borough Council to provide an embedded researcher to deliver the evaluation of the Connect Hackney programme, aimed at the over-50 population. SRI also secured a major economic development project to work with over 100 small businesses on sustainable innovation at the Barking Riverside development.

More than 200 academics from across the university gathered at the annual Research and Knowledge Exchange Conference in June, which showcased the collaborative approach and impact the University's research is having in both local and global contexts.

The presentations – on subjects ranging from artificial intelligence and peat bogs to social prescribing and problem gamblers – showed how the University is responding to global challenges such as climate change and mass migration. Other research looked at addressing the needs of the residents of Newham and Tower Hamlets, which have traditionally suffered high levels of inequality and poverty.

CIVIC ENGAGEMENT/ VOLUNTEERING

Civic engagement is delivered by a central team across the University through volunteering, community-based learning and projects to develop community connections. In 2018/19, students logged 11,738 hours of community volunteering through the Volunteering Hub.

The annual Student Volunteering Awards recognised 122 students for making volunteering contributions above 25 hours, with 13 students awarded for contributing over 500 hours and four students receiving Outstanding Contribution to Volunteering Awards, nominated by their host organisations. The event celebrated inspirational volunteering stories and highlighted the skills, knowledge and networks developed by students that will help support them along their journey to employment.

The Civic Engagement team delivered the first Community Café as part of the Royal Docks Education and Enterprise Festival. Local residents joined staff and student volunteers for tea and cake, and welcomed the opportunity to discuss their ideas for developing University–community connections.

Civic Engagement funding for the London Scholars and UEL Engage schemes supported a range of projects, including one that reviewed progress against the UN Sustainable Development Goals in two neighbourhood boroughs, with students sharing their findings at a University research conference.

Youth safety, engagement and empowerment remained a key focus with the establishment of a group to identify good practices and ways to implement improvements. As part of this, a pilot summer programme for Newham's Youth Service was delivered alongside the School of Arts and Digital Industries. Sixteen young people and two youth workers attended a Future Influencers programme exploring music production, identity and brand development, and showcasing music and film created by the young people.

The Civic Engagement team also supported the delivery of the Newham Civil Society Youth Commission in partnership with Telco, the East London Citizens Organisation. A range of civil society groups came together to discuss solutions with young people about the serious violence they had experienced.

WIDENING PARTICIPATION

Schools Team

The Schools team supports widening participation and social mobility for young people, from primary school through to post-16 education, with the aim of eliminating gaps in equality of opportunity. It delivers a series of outreach programmes and interventions that are relevant, meaningful, timely and informative. The team also manages the Student Ambassador and Curriculum Ambassador programmes.

In 2018/19 the team met over 7,000 young people at 320 events. The team also attended 120 higher education fairs.

Pre-Entry Programmes

In 2018/2019, 259 mature students from widening participation backgrounds were welcomed onto the various formats of the law short course and New Beginnings courses. Overall completion rate was 82 per cent, reflecting students' commitment to progressing to undergraduate study.

In November 2018, New Beginnings won the Times Higher Education Award for 'Widening Participation or Outreach Initiative of the Year'. This national recognition helped support the programme's success in increasing its range of undergraduate degree programmes.

The team also continued to develop its content delivery and its range of pre-entry courses. This included moving forward with plans for an additional course specific to STEM (Science, Technology, Engineering and Mathematics).

Information, Advice and Guidance

The Information, Advice and Guidance team carried out 2,807 consultations, answered 500 email enquiries and dealt with more than 2,000 telephone calls. Most of the clients were mature students, often from non-traditional backgrounds, wanting to explore their options for university. More than 91 per cent of clients who gave feedback said that they were very happy with the service received and were more likely to apply to university as a result of the contact.

£5.9M

University academics secured over **£3.2 million in grant capture**, including **£2.7 million in research**, an increase from £1.6 million in 2017/18.

SUSTAINABILITY

SECTION 4



SUSTAINABILITY



Better for the University – by increasing our financial, economic, environmental, human and social sustainability.

OUR PEOPLE (HR)

This year saw the formulation of a new senior executive team, under the stewardship of the vice-chancellor and president, with the recruitment of several prominent and highly experienced leaders committed to the delivery of Vision 2028.

Notable achievements from the Equality, Diversity and Inclusion action plan included an Athena SWAN gender equality award for the School of Psychology; a reduction in the University's gender pay gap to 9.3 per cent; and the soft launch of 'Report and Support', an online tool for the reporting of bullying and harassment.

The University received a Race Equality charter (REC) Bronze award in May 2019, recognising its commitment to racial equality, joining only 11 other higher education institution award holders. The University is now moving forward with plans to become one of a select group to achieve the Silver award.

Other achievements included the creation of a programme to support the introduction of Professional Fitness and Mental Wealth modules and the formulation of a new academic talent framework which will enhance the student experience and help academic staff achieve their career aspirations.

ESTATES AND FACILITIES MANAGEMENT

Estates and Facilities Management carried out a range of works in the past year to improve the attractiveness and functionality of the University estate.

The Stratford and Docklands campuses were formally opened to the public and security was brought in house. Improvements in security provision (physical and technological) were made across all sites.

There were also improvements to internal and external spaces, including the creation of more social spaces for residential students, improved standard of residential accommodation and general teaching spaces, and the incorporation of the new logo and branding in key areas.

New catering facilities, combined with social spaces, were put in place at Docklands with a new catering contractor. Facilities at Stratford are currently undergoing modification.

Estate and Facilities Management welcomed the addition of the new external Conferencing and Commercial Events team to manage the letting of rooms and outdoor spaces for external clients.

IT SERVICES

IT Services worked hard to implement provisions of Vision 2028. It is expected that the 10-year plan's IT strategy will result in business services operating more efficiently; pedagogy to develop innovative learning programmes; and students utilising tools and developing skills which will enable them to succeed in their academic careers and after graduation.

The IT team upgraded the audio-visual provision in all bookable teaching rooms, replacing ageing computers with up-to-date hardware and installing audio capture facilities in all spaces. The Wi-Fi provision in the Docklands and Stratford libraries was upgraded, significantly improving the service to students using these facilities. A campus-wide upgrade of the Wi-Fi provision will be undertaken in 2019/2020.

In July, IT Services hired a new head of IT security, Tim Moore, who immediately embarked upon a review of IT security provision and new programmes and accreditations. The team introduced multifactor authentication and expanded the number of services covered by single sign-on (SSO), making user access to University systems more secure.

ENVIRONMENTAL SUSTAINABILITY

In November 2018, the University won an environmental Green Apple Gold Award for an energy improvement project which involved switching out windows and lights for new, energy-efficient replacements, and adding insulation, for improved thermal quality, and *brise soleil* – 'sun breakers' – to buildings to reduce solar heat gain. The award ceremony was held at the Houses of Parliament.

The team continued to improve utility metering systems across the estate, switching to automatic meters, which enabled the University to better track and manage its consumption, especially of water. This also provided the University with better ability to detect leaks and fix issues in the system before they become problems.

In December 2018, a team of University volunteers partnered with the Stratford Rotary Club to plant a mini woodland on the Docklands campus at the end of the East Building car park. The 190 young trees, which came as a donation from the Woodland Trust, are native species that thrive in urban environments and will enhance biodiversity on campus.

IT Services continued to support six apprentices studying for computer science degrees at the University.

CROSS-CUTTING INSTITUTIONAL PRIORITIES



NEW THINKING ABOUT ENERGY RESOURCES

A University of East London academic's pioneering new thinking about the impact of the digital world on energy resources won him nationwide recognition.

Dr Rabih Bashroush provided vital evidence to support the development of a new EU eco design directive to ensure that computer servers in data centres use less energy by reducing their idle state energy consumption.

His research is credited with savings of more than 27,000 tons of CO2 emissions. It secured him a place in the Universities UK's top 100 Best Breakthrough list.



TALENT & DIVERSITY HACKATHON

Improving the strength and diversity of the talent pipeline, especially for the 4.0 economy, is a core mission for the University of East London – and it was the focus of a Hackathon which drew more than 100 participants in April.

Members of academia, industry and the local community attended the Hackathon, organised by the University and Microsoft and hosted by ABP London. They were challenged to explore innovative ways to use technology to bridge skills gaps and meet employer needs.

The top groups competed in a Dragon's Den-style competition at the Royal Docks Education and Enterprise Festival in June. The winning team, Phantom Recruitment Method, devised an open source software package designed to make the hiring process anonymous.



COACHING STUDENTS TO SUCCESS

The University's career coaches programme experienced a 74 per cent increase this year in students accessing the service.

The Mathematics and Academic Writing tutoring teams also succeeded in reaching more students, with lifts of 44 per cent and 18 per cent, respectively. The Academic Writing team helped 4,595 students and registered 9,466 attendances.

The Mentoring team matched 568 students with a mentor or mentee. Student applications rose by 49 per cent and 145 per cent, respectively, for those services.

INDUSTRY 4.0 READINESS

HEALTH GAIN



SUPPORTING THE LEARNING DISABLED

Professor Andy Minnion was named in Universities UK's list of the top 100 individuals and groups who are saving lives and keeping people healthy.

Professor Minnion, director of the University's RIX Research and Media, was chosen as one of the MadeAtUni campaign's 'Nation's Lifesavers' for his work which helps people with learning disabilities control the way they are supported and cared for.

Professor Minnion said the work done at RIX Research and Media, in partnership with families, professionals and organisations, demonstrates the power of the centre's tools in ensuring learning disabled people have the best possible health and wellbeing, and are genuinely listened to and understood.



DEVELOPING MENTAL HEALTH TOOLS

The University of East London agreed to collaborate with educational, industry and charity partners to revolutionise the way the higher education sector identifies and supports mental health issues in students.

A £2 million big data initiative, which is supported by the Office for Students (OfS), will integrate technology, advanced educational data analytics, student relationship management tools and student support models to find ways to better support students experiencing mental health problems.

The University's work on the project includes leading on the development of an 'early alert' tool which will use data mining, analytics and customer service information to identify at-risk students.



EAST LONDON SPORT AIMS HIGH

The University of East London's reputation for sport continued to grow, underlined by the fact that four teams now compete at the highest level of UK university sport. East London Sport earned its most points ever in the British Universities and Colleges Sport (BUCS) league table, finishing in 43rd place. The Men's Basketball 1st team placed second in the BUCS Basketball Championships.

East London Sport also progressed its Workforce Development Programme this year, with over 277 students participating in placements with 40 partners, completing 19,500 hours of work and contributing the equivalent of £206,000 to the London economy.

New partnerships included a collaboration with the London Lions professional basketball team and the Football Association, Sport England TASS and West Ham United, which will support women's academy football players.

CROSS-CUTTING INSTITUTIONAL PRIORITIES

GLOCAL CONNECTED CAMPUS



COMMUNITY CELEBRATES ROYAL DOCKS FESTIVAL

Staff, alumni, business partners and community members came together in June for the inaugural Royal Docks Education and Enterprise Festival.

Held at the Docklands campus, the Festival offered a wide range of activities, including a concert by rapper Professor Green, the final of the Talent and Diversity Hackathon, interactive robots, live music, virtual reality experiments and an architecture showcase.

The Festival provided an opportunity to launch publicly the University's new 10-year strategy – Vision 2028 – and its new brand and visual identity.



UEL BUILDS ITS GLOBAL OUTLOOK

In 2018-2019, the University of East London focused on developing new international partners while strengthening existing relationships.

In June, the University signed a memorandum of understanding with Tongji University to create a London/Shanghai design-led innovation hub. The partnership envisions four core, interconnected areas of activity developed over the next five years.

In September, it signed a memorandum of understanding with Western Sydney University which outlined how the two universities can work together on projects in areas such as sustainable development and health innovation. The partnership will also champion exchanges for academics and students.

And the University continued to be the largest provider of Transnational Education (TNE) in Greece, supporting learners at Metropolitan College in Athens.



UEL WELCOMES #LONDONISOPEN

The Mayor of London, Sadiq Khan, visited the University's Stratford Campus in March as one of the first stops on his mobile immigration advice roadshow, aimed at EU Londoners and their families.

It was part of a four-day red bus tour of the capital, during which City Hall provided advice and guidance to European nationals who wish to remain in London post-Brexit.



NEW BEGINNINGS WINS 'THE' AWARD

The University of East London won a coveted Times Higher Education Award for its pioneering New Beginnings programme.

The initiative specialises in preparing people who have been out of education for a long time or do not have formal or sufficient qualifications to start undergraduate degree study.

It won the 2018 'Widening Participation or Outreach Initiative of the Year' category with the judges concluding it had a 'demonstrable record of success' and 'addresses many of the barriers to access experienced by mature students'.



FIRST-CLASS STUDENT WINS AWARD

Allison Vitalis champions education as a means to give people in hard-to-reach areas a chance of a better life. She graduated from the University in 2019 with a first-class degree in clinical and community psychology.

A mature student, Allison wants to use her degree to help the victims of knife-crime and youth violence. She is also a student ambassador for the University's widening participation team.

Allison's work led to her winning Student of the Year at the National Education Opportunities Network (NEON) awards in May 2019. She said the award gives her even more motivation to continue her dedicated work within the community.



UEL EARNS RACE EQUALITY CHARTER (REC) AWARD

The University of East London was recognised in 2019 with a Race Equality Charter (REC) Bronze award.

The University achieved the award by developing a robust action plan, in consultation with staff and students, to ensure that race equality is embedded across the institution. Key strategies going forward relate to tackling the attainment gap and addressing issues of representation and progression of our minority ethnic staff.

EQUALITY, DIVERSITY & INCLUSION

OPERATING REVIEW & FINANCIAL REVIEW

The University has delivered an excellent result in a very challenging year after three years of deficit, returning to a surplus of £1.7m (1.2% of total income) for the group. The total comprehensive income was for 2018/19 was a deficit of £17.1m which included an actuarial loss of £18.8m from the pension schemes. The actuarial loss identified in these accounts is common in the HE Sector where Universities have defined benefit pension schemes.

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

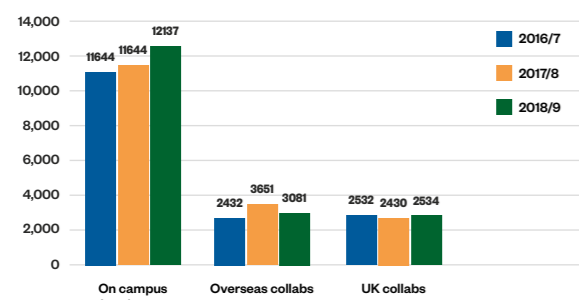
The University has turned around from an operating deficit of £0.5m in 2017/18 to a surplus of £1.7m in 2018/19, reflecting clearly the effective strategies put in place for the recruitment of international students which resulted in a 57% increase in the income, cost savings and restructuring plans over the year.

However, the total comprehensive income decreased from a surplus of £18.8m to a deficit of £17.1m due to the significant increase in pension liabilities from changes in financial assumptions in the discount rate and inclusion of equalisation treatment of the pension scheme.

The focused actions taken have enabled the University to repay its bank loan of £25.1m (including breakage cost of £4.1m), closing with a bank balance of £30.0m.

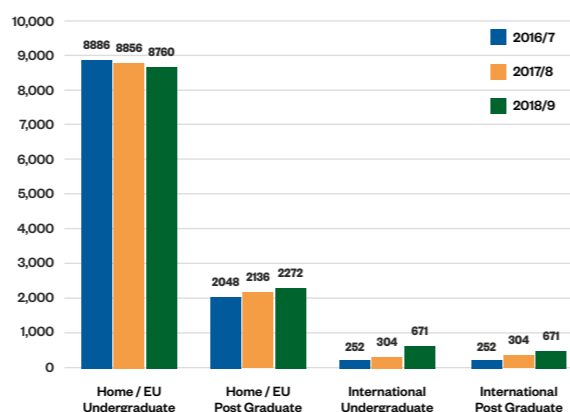
TOTAL STUDENT NUMBERS

Overall student numbers as recorded at 1 December 2018 were 17,752 with 12,137 on campus. This represents a slight increase of 0.2% (597) over 2017/18 arising mainly from on-campus and UK collaboratives, balanced by a decrease of 570 students from overseas collaborative activities.



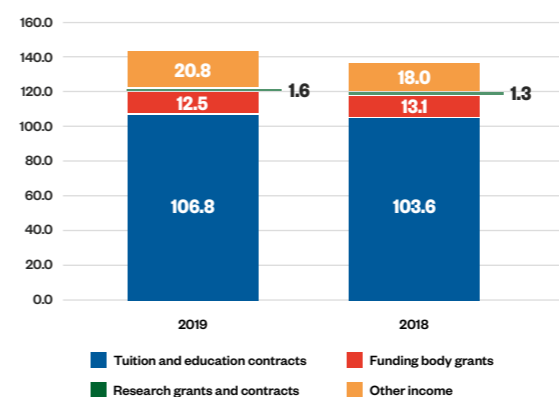
ON CAMPUS STUDENT NUMBERS

On-campus student numbers rose by 493 (4.2%) from 11,644 to 12,137, with strong growth from International UG numbers of 367, but a slight dip of 1.2% (106) in the Home / EU undergraduate market. Further analysis between Home / EU and International students is as shown in the graph below.



INCOME

Overall, total income increased by 4% from £136.1m to £141.7m in 2018/19. Tuition fees and education contracts remain the University's largest source of income and increased by 3.1% to £106.8m.

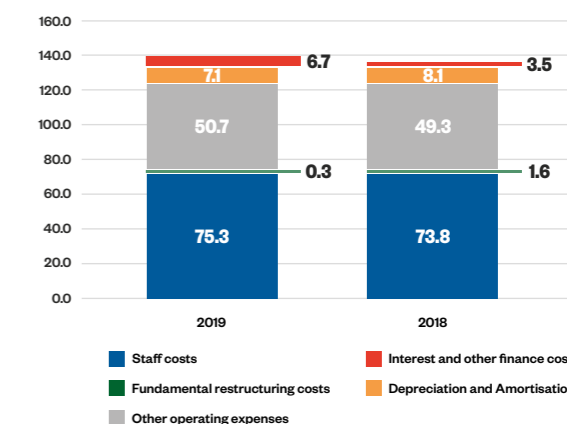


The largest area of growth came from non-EU category with an increase of £5.0m but with Home EU and education contracts showing a decrease in income generated compared to last year. Funding body grants, primarily from OfS, were down by £0.5m (equivalent to 4%). Research grants and contracts income increased from £1.3m to £1.6m in 2018/19.

Other income increased by £2.8m on the previous year due mainly to the increased income from residences, catering and conference activities.

ANALYSIS OF EXPENDITURE

Staff costs constitute the largest component of expenditure and increased by £1.5m from £73.8m (2017/18) to £75.3m (2018/19). The severance cost of £0.3m paid out in 2018/19 was the remaining pay out from the restructuring programme implemented in 2017/18. Average full-time equivalent staff numbers for the University decreased by 2.4% from 1,140 to 1,113.



Other operating expenses increased by £1.0m (2.0%) 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 decreased by £1.2m to £6.3m as the depreciation from level of capital investment in the year was lower than that of the fully depreciated assets.

Finance costs increased by £3.2m due mainly to the breakage cost incurred in the repayment of the Barclays loan in February 2019.

A summary of the University's consolidated income, expenditure and outturn for the year ended 31 July 2019 is shown in the table below. The table highlights the strong operating cash flow and bank balances at end of 31 July 2019 as compared to the previous year.

	2019 £m	2018 £m
Income	141.7	136.1
Expenditure	140.0	136.6
Surplus / (Deficit) before gains and losses	1.7	(0.5)
Actuarial (loss) / Gain from pension schemes	(18.8)	19.4
Total comprehensive income	(17.1)	18.8
Net operating cash flow	19.2	10.6
Cash current investments	30.0	39.0

Balance Sheet

Net assets as at 31 July 2019 totalled £90.3m, a decrease of £17.1m due mainly to the actuarial loss of £18.8m arising from the pension schemes. At year end, the pension scheme liabilities increased by £22.5m from £71.5m to £94.1m in 2018/19, representing a significant increase in liabilities.

Net current assets as at 31 July 2019 were £9.4m compared to £20.8m in 2017/18 due to the full repayment of the Barclays loan of £25.1m, including a breakage cost of £4.1m in February 2019. This has thereby reduced the long-term borrowings to a negligible amount. There are relatively small movements across other balance sheet items.

Cash flow, liquidity and treasury management

Total cash balance for the University and its subsidiary companies was £30.0m as at end of July 2019 after repayment of £25.1m of bank loan and breakage cost. This level of cash balance was achieved through minimum capital spending and stringent cost saving measures implemented in the year, resulting in a net cash inflow of £19.2m as compared to £10.6m in 2017/18. The cash, cash equivalents and current asset investments at year end represent 82 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.

Risks and uncertainties

As explained in the Corporate Governance statement, the University has in place an embedded risk management strategy and policy which has 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 increasing competition and the changing demands of undergraduate students, have contributed to these risks.

To address the risks, the University implemented in 2018/19 a new strategic planning framework aligning its governance structures to strategic objectives with a focus on outcomes for students. Governance structures have also been reviewed and aligned to strategic objectives. This work was underpinned by a targeted programme of internal audits in 2018/19 the recommendations from which contributed towards the design and implementation processes. In 2019/20, this work will continue with further internal audits of discreet elements of the risk management process.

In addition, the University Executive Board will participate in a programme of strategic risk workshops in 2019/20 with a view to implementing further improvements in the ways in which risk is both managed and reported to the Audit and Risk Committee.

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 marketplace, student loan review and government policies, just to name a few. Nevertheless, the Board has approved a plan that breaks even in 2019/20 and 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 benefits 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 Office for Students, which is the principal regulators of English higher education institutions.

Our charitable aims and objectives

The University launched its 10-year strategy – Vision 2028 – in January 2019. Vision 2028 comprises four key objectives:

FUTURE GRADUATE

Better for our students – by delivering life-changing, life-long education and training.

FUTURE PROFESSIONAL

Better for employers – by providing graduates equipped for the future of work.

FUTURE LIFE

Better for our communities – by improving the impact of our activities on those we serve.

SUSTAINABILITY

Better for the University – by increasing our financial, economic, environmental, human and social sustainability.



FINANCIAL INDICATORS

The indicators show that the cost measures implemented in the year have produced marked improvement in the areas of:

OPERATING SURPLUS / DEFICIT IMPROVES FROM -0.4% TO 1.2% ▲

STAFF COSTS DOWN FROM 54.2% TO 53.1% ▼

NET CASH FLOW UP FROM 7.8% TO 13.5% ▲

NET LIQUIDITY DAY COVER DOWN FROM 112 DAYS TO 82 DAYS ▼

(due mainly to the full repayment of £25m Barclays loans)

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 are regulated 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.

In order to operate more transparently and efficiently, the Board approved a set of internal bye-laws in November 2018. These bye-laws set out internal rules and procedures for certain decisions. They will be subject to regular review and updating.

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 University Executive Board 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 are represented on the Board of Governors. There is staff governor representation on the Governance and Search Committee. Members of the University Executive Board 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. Internal auditors considered academic governance as part of the internal audit plan for 2018/19 and the committees were reviewed and restructured to align with Vision 2028. Students are represented on these committees, which during 2018/19 were the Education and Experience Committee, the Careers and Enterprise Committee, the Impact and Innovation Committee and the Equality, Diversity and Inclusion 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. As part of the review of academic governance in 2018/19, a Scheme of Delegation for Academic Board and its committees was drawn up and subsequently approved.

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 chief executive 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 OfS regulatory framework, 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 University Executive Board, which in 2018/19 consisted of the Provost, the Deputy Vice-Chancellor and Chief Finance Officer, the Pro-Vice-Chancellor (Education and Experience), the Pro-Vice-Chancellor (Impact and Innovation), the Pro-Vice-Chancellor (Careers and Enterprise), the Chief Marketing Officer, the Chief Operating Officer, the Executive Deans of the three colleges, the Director of HR and the University Secretary. The University Executive Board works together with the University Management Board on executive and operational management. The Provost is responsible for the management of the academic affairs of the University, while the professional and support services are managed by the Deputy Vice-Chancellor and Chief Finance Office, the Chief Marketing Officer, the University Secretary and the Chief Operating Officer and other members of UEB as appropriate. The University Management Board 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 funding for higher education institutions published by the Office for Students up to 31 July 2019, 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 resume 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 the Office for Students (OfS) are used only for the purposes for which they have been given and in accordance with the OfS terms and conditions, and the regulatory framework and any other conditions which the OfS may from time to time prescribe;
- ensure that funds from the Education and Skills Funding Agency 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.
- ensure that funds from the Education and Skills Funding Agency 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.

STATEMENT ON INTERNAL CONTROL 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 terms and conditions of funding for higher education institutions with OfS up to 31 July 2019 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 only 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 2019 and up to the date of approval of the financial statements, the key elements of which are as follows:

- the Board meets six 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 10-year strategic plan – Vision 2028, adopted by the Board in January 2019, 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 University Executive Board 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 2018/19 was based;
- members of the University Executive Board 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, OfS and other bodies.

The review by the Board of the effectiveness of the system of internal control is informed by the work of the internal auditors, KPMG. They still operate to the standards defined in the HEFOE Accountability and Audit Code of Practice (as adopted by the OfS) 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.



Anulika Ajufu
Chair, Board of Governors



Amanda Broderick
Vice-Chancellor & President

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY OF THE UNIVERSITY OF EAST LONDON

We have audited the financial statements of The University of East London (the 'parent university') and its subsidiaries (the 'group') for the year ended 31st July 2019 which comprise the consolidated and University statement of comprehensive income and expenditure, the consolidated and University statement of changes in reserves, the consolidated and University balance sheet, the consolidated and University statement of cash flows 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 31st July 2019 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.

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 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, 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 THE OFFICE FOR STUDENT'S ('OFS') TERMS AND CONDITIONS OF FUNDING FOR HIGHER EDUCATION INSTITUTIONS (ISSUED MARCH 2018) AND THE OFS'S ACCOUNTS DIRECTION (ISSUED JUNE 2018)

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 the OfS and Research England have been applied in accordance with the relevant terms and conditions, and any other terms and conditions attached to them, and
- the requirements of the OfS's accounts direction (issued June 2018) 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 39, 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.

USE OF OUR REPORT

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.

Grant Thornton UK LLP

Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
London

Financial statements and notes to the accounts

	Notes	2019		2018	
		Consolidated	Institution	Consolidated	Institution
		£'000	£'000	£'000	£'000
Income					
Tuition fees and education contracts	1	106,764	106,764	103,582	103,582
Funding body grants	2	12,515	12,515	13,059	13,059
Research grants and contracts	3	1,598	1,467	1,337	1,298
Other income	4	20,791	21,718	17,955	18,488
Investment income	5	25	24	83	83
Total income before endowments and donations		141,693	142,488	136,016	136,510
Donations	6	18	563	67	632
Total income		141,711	143,051	136,083	137,142
Expenditure					
Staff costs	7	75,259	75,259	73,765	73,765
Fundamental restructuring costs		301	301	1,602	1,602
Other operating expenses	9	50,675	52,015	49,688	50,750
Amortisation	11	769	769	555	555
Depreciation	12	6,304	6,304	7,532	7,532
Interest and other finance costs	8	6,683	6,683	3,490	3,487
Total expenditure		139,991	141,331	136,632	137,691
Surplus/(Deficit) before other gains losses and share of operating surplus/(deficit) of joint ventures and associates.		1,720	1,720	(549)	(549)
(Loss) on disposal of fixed assets		0	0	(4)	(4)
(Loss)/Gain on investments		(1)	(1)	1	1
Surplus/(Deficit) before tax		1,719	1,719	(552)	(552)
Taxation	10	0	0	0	0
Surplus/(Deficit) for the year		1,719	1,719	(552)	(552)
Actuarial (loss)/gain in respect of pension schemes	26	(18,799)	(18,799)	19,363	19,363
Total comprehensive income for the year represented by:		(17,080)	(17,080)	18,811	18,811
Restricted comprehensive income for the year	19	16	16	(68)	(68)
Unrestricted comprehensive income for the year		(17,096)	(17,096)	18,879	18,879
		(17,080)	(17,080)	18,811	18,811

All items of income and expenditure relate to continuing activities

Consolidated and University statement of changes in reserves

Consolidated	Notes	Restricted	Unrestricted	Revaluation reserve	Total
		£'000	£'000	£'000	£'000
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 1 August 2018		86	51,708	55,555	107,349
Surplus from the income and expenditure statement		0	1,719	0	1,719
Other comprehensive income		0	(18,799)	0	(18,799)
Transfers between revaluation and income and expenditure reserve		0	139	(139)	0
Release of restricted funds spent in year	19	(16)	16	0	(0)
Total comprehensive income for the year		(16)	(16,925)	(139)	(17,080)
Balance at 31 July 2019		70	34,783	55,416	90,269
Institution					
	Notes	Restricted	Unrestricted	Revaluation reserve	Total
		£'000	£'000	£'000	£'000
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 1 August 2018		86	51,691	55,555	107,332
Surplus from the income and expenditure statement		0	1,719	0	1,719
Other comprehensive income		0	(18,799)	0	(18,799)
Transfers between revaluation and income and expenditure reserve		0	139	(139)	0
Release of restricted funds spent in year	19	(16)	16	0	0
Total comprehensive income for the year		(16)	(16,925)	(139)	(17,080)
Balance at 31 July 2019		70	34,766	55,416	90,252

Consolidated and University Balance Sheet

Notes	2019		2018		
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000	
Non-current assets					
Intangible assets	11	2,477	2,477	1,588	1,588
Fixed assets	12	223,586	223,586	227,997	227,997
Investments	13	34	234	34	234
		226,097	226,297	229,619	229,819
Current assets					
Trade and other receivables	14	6,993	7,368	7,587	8,176
Current investments	15	0	0	569	569
Cash and cash equivalents	20	30,024	28,677	38,972	38,598
		37,017	36,045	47,128	47,343
Less: Creditors: amounts falling within one year	16	(27,587)	(27,395)	(26,303)	(27,047)
Net current assets		9,430	8,650	20,825	20,296
Total assets less current liabilities					
		235,527	234,947	250,444	250,115
Creditors: amounts falling due after more than one year	17	(47,398)	(47,398)	(67,952)	(67,952)
Provisions					
Pension provisions	26	(94,055)	(94,055)	(71,516)	(71,516)
Other provisions	18	(3,805)	(3,242)	(3,627)	(3,315)
Total net assets		90,269	90,252	107,349	107,332
Restricted Reserves					
Income and expenditure reserve restricted reserve	19	70	70	86	86
Unrestricted Reserves					
Income and expenditure reserve unrestricted		34,783	34,766	51,708	51,691
Revaluation reserve		55,416	55,416	55,555	55,555
		90,199	90,182	107,263	107,246
Total Reserves		90,269	90,252	107,349	107,332

The financial statements were approved by the Board of Governors on 26 November 2019 and signed on behalf by:

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

Anulika Ajufo
Chair, Board of Governors

Consolidated Statement of cash flows

Notes	2019 £'000	2018 £'000	
Cash flow from operating activities			
Surplus / (Deficit) for the year	1,719	(552)	
Adjustment for non-cash items			
Depreciation	12	6,304	7,532
Amortisation of intangibles	11	769	555
Release of capital grant	2 & 4	(1,250)	(1,245)
Exchange differences		9	51
Decrease in debtors		601	307
Decrease in creditors		2,460	(738)
Pension costs less contributions payable		1,731	636
Decrease in other provisions	18	178	617
Adjustment for investing or financing activities			
Gain on investments		(1)	(1)
Investment income		(25)	(83)
Interest payable	8	6,683	3,490
Loss on the sale of fixed assets		0	4
Net cash inflow from operating activities	19,178	10,573	
Cash flows from investing activities			
Proceeds from sales of fixed assets	0	0	
Capital grants receipts	1,041	1,156	
Withdrawal of deposits	569	(2)	
Gain on investments	1	1	
Investment income	18	69	
Payments made to acquire fixed assets	(1,541)	(1,099)	
Payments made to acquire intangible assets	(1,160)	(220)	
Net cash (outflow) from investing activities	(1,072)	(95)	
Cash flows from financing activities			
Interest paid	(749)	(1,169)	
Breakage cost	(4,058)	0	
New unsecured loan	0	165	
Repayments of amounts borrowed	(22,247)	(1,997)	
Net cash (outflow) from financing activities	(27,054)	(3,001)	
(Decrease) / Increase in cash and cash equivalents in the year			
	(8,948)	7,477	
Cash and cash equivalents at beginning of the year	20	38,972	31,495
Cash and cash equivalents at end of the year	20	30,024	38,972

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 2019. 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 is 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 also acts as an agent in the collection and payment of training bursary to students under NCTL and NHS programmes. The administrative fees received from NCTL and NHS are included in 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.

Freehold, 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 classified 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. 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 instalment 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 know 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:

Pension

The annual pension statement is provided by the external actuaries 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.

Short-term staff benefits

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

Land revaluation and depreciation

We have adopted a one-off revaluation of the land at Docklands and Stratford campuses which includes long leasehold land. Long term leasehold land is considered to have indefinite useful life and is not depreciated.

Notes to the accounts year ended 31 July 2019

	2019		2018	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
1				
Tuition Fees and Education Contracts				
UK Higher Education students	70,956	70,956	72,453	72,453
European Union (excluding UK students)	13,139	13,139	12,849	12,849
Non European Union students	13,820	13,820	8,797	8,797
Part-time students	6,976	6,976	6,372	6,372
	104,891	104,891	100,471	100,471
Education contracts	1,873	1,873	3,111	3,111
	106,764	106,764	103,582	103,582

	2019		2018	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
2				
Funding Body Grants				
Recurrent grant				
Office for Students	11,403	11,403	11,995	11,995
Capital Grant	702	702	698	698
Specific grants				
Higher Education Innovation Fund	396	396	358	358
National College for Teaching & Leadership	1	1	0	0
ESFA Apprenticeship - Other Income	13	13	8	8
	12,515	12,515	13,059	13,059

	2019		2018	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
3				
Research Grants and Contracts				
Research councils	139	139	177	177
UK based charities	214	214	135	135
European Commission	203	203	365	365
Other grants and contracts	1,042	911	660	621
	1,598	1,467	1,337	1,298

	2019		2018	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
4				
Other Income				
Residences, catering and conferences	11,778	11,778	10,486	10,486
Collaborative agreements	3,873	3,873	1,993	1,993
Release of Non-HEFCE capital grants	547	547	547	547
Other income	4,593	5,520	4,929	5,462
	20,791	21,718	17,955	18,488

	2019		2018	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
5				
Investment Income				
Other investment income	25	24	83	83

	2019		2018	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
6				
Donations and Endowments				
Donations with restrictions	1	1	0	0
Unrestricted donations	17	562	67	632
	18	563	67	632

	2019		2018	
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
7				
Staff costs				
Salaries	57,063	46,237	56,095	49,084
Social security costs	7,188	6,094	6,782	6,086
Other pension costs	11,018	9,832	10,888	10,141
Agency costs	0	13,096	0	8,454
Total	75,259	75,259	73,765	73,765

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 £1,707,293 (2017/18: £1,740,027) paid to 559 (2017/18: 682) 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 33 full time equivalent academic staff in 2018/19 (2017/18: 34 academic staff).

Governors

No Board Members received any remuneration for the year 2018/19 and 2017/18. In 2018/19 the former 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 former 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 payment of £46,315.22 paid in August, October and November 2018. In 2018/19, an amount of £15,481.41 was incurred in relation to the set up of the Youth Charter for which the former Chair of Governors is one of the Directors of the charity.

This is repeated below in note 25 related party transactions.

The details of the non-staff governors expenses are as shown in the table below. The expenses for 2017/18 have been restated from £13,966 to £34,106 to include expenses incurred by the former Chair of Governors but paid on behalf of the former Chair of Governors by the University.

Non-staff Governors	2018/19	2017/18
Geoff Thompson	39,146	26,930
Anthony Mullee	2,357	1,693
Janette Withey	312	0
David Noyce	0	3,405
Ian Jenkins	0	788
Jon Smith	0	120
Lee McGinty	0	144
Mark Hannam	0	36
Paul Samuel	0	8
Sunny Crouch	0	984
	41,815	34,107

Emoluments of the Vice-Chancellor (Current and previous post holders):	Professor Amanda Broderick From 10/9/18 to 31/7/19		Mr Dean Curtis Acting from 1/4/18 to 9/9/18		Professor John Joughin From 1/8/17 to 31/3/18		Professor Nora Ann Colton Acting from 23/8/17 to 31/3/18	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Salary	214	n/a	19	63	0	166	0	90
Benefits	22	n/a	4	3	0	3	0	31
Pension contributions	0	n/a	19	9	0	25	0	19
Payment in Lieu of Pension	25	n/a	0	0	0	0	0	0
Compensation for Loss of Office	0	n/a	0	0	0	183	0	0
	261	0	42	75	0	377	0	140

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 benefits of £10,622.03 paid to or on behalf of the Vice-Chancellor included: Insurance - £2,315.66; Accommodation £4,594.39; Travel £3,711.98

The Vice-Chancellor and President took office on September 10, 2018, following an extensive, transparent and diverse recruitment and selection process. Given the challenging financial context and the uncertain political climate, it was essential that the University appoint a high-quality, energetic, experienced and commercial individual to restore stability and develop and deliver a new strategic direction for the institution. Professor Broderick was identified as the candidate best equipped to meet this challenge. UEL's bold strategy 'Vision 2028', to establish itself as the leading careers-led University for the 21st century, was approved by the Board of Governors in late 2018. Her performance will be monitored by the Remuneration Committee.

The Vice-Chancellor and President's base salary, £225,000, was established by comparison to the remuneration of comparators at similar post-92 institutions in the south east of England and falls in the lower half of this comparator group. It also falls below the median pay for University Heads of £253,000, as reported in The Times Higher Education Pay Survey 2018. At the time of joining, the pay multiple was 5.2. In addition Professor Broderick is eligible to receive a performance related payment in addition to base salary, of up to a maximum of £15,000 per annum. At the start of each financial year, the Vice-Chancellor and President will agree with the former Chair of the Board of Governors a set of objectives to be delivered in that financial year. These objectives will be reviewed and ratified by the Remuneration Committee who will make a determination of any award of up to £15,000 based on her performance against the agreed objectives.

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 Amanda Broderick From 10/9/18 to 31/7/19		Mr Dean Curtis Acting from 1/4/18 to 9/9/18		Professor John Joughin From 1/8/17 to 31/3/18		Professor Nora Ann Colton Acting from 23/8/17 to 31/3/18	
	2019	2018	2019	2018	2019	2018	2019	2018
Basic Salary	225	n/a	150	195	n/a	250	n/a	200
Total Remuneration	289	n/a	227	222	n/a	295	n/a	229
Median pay of all employees	36.3	n/a	36.3	39.1	n/a	39.1	n/a	39.1
Pay ratio - Basic Salary to Median Pay	6.2	n/a	4.1	5.0	n/a	6.4	n/a	5.1
Pay ratio - Total Remuneration to Median Pay	8.0	n/a	6.3	5.7	n/a	7.5	n/a	5.9

Average staff numbers by major category	2019		2018	
	No.	No.	No.	No.
Senior Management Staff	14	6		
Teaching Staff	471	494		
Research Staff	17	23		
Professional, Administrative, Technical and Other Support Staff	612	617		
Total	1,114	1,140		

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:

Higher paid staff	2019		2018	
	No.	No.	No.	No.
£100,001 - £105,000	5	5		
£105,001 - £110,000	2	0		
£110,001 - £115,000	1	2		
£115,001 - £120,000	0	2		
£120,001 - £125,000	0	0		
£125,001 - £130,000	1	1		
£130,001 - £135,000	1	0		
£145,001 - £150,000	0	1		
£155,001 - £160,000	1	0		
	11	11		

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 University Executive Board. Members of the UEB are listed on page 2 of the annual report.

	2019	2018
	£'000	£'000
Total	1,444	950

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

	2019	2019	2018	2018
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
8				
Interest and other finance costs				
Loan interest	625	625	1,161	1,158
Breakage cost	4,058	4,058	0	0
Exchange differences	(9)	(9)	(51)	(51)
Net charge on pension scheme	2,009	2,009	2,380	2,380
	6,683	6,683	3,490	3,487

The breakage cost was incurred when the Barclays Bank loan was repaid in full on 7th February 2019

	2019	2019	2018	2018
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
9				
Analysis of total expenditure by activity				
Academic departments	6,421	6,421	6,082	6,082
Research grants and contracts	592	592	555	555
Bursaries and scholarships	6,013	6,013	6,543	6,543
Academic services	1,536	1,536	1,763	1,763
Administration and central services	14,787	14,787	13,092	13,091
Residences, catering and conferences	4,509	4,509	2,845	2,845
Other expenses	3,369	4,709	4,355	5,418
Information Technology	2,730	2,730	2,844	2,844
Premises	10,718	10,718	11,609	11,609
	50,675	52,015	49,688	50,750

Other expenses include

External auditor's remuneration:

Fees payable to the university's auditor for the audit of the university's annual accounts	53	53	51	51
The audit of the university's subsidiaries, pursuant to legislation	7	7	6	6
Other audit services	7	7	1	1
Internal auditor's remuneration	93	93	76	76
Losses on disposal of tangible fixed assets	0	0	4	4
Students' Union grant	687	687	695	695
Rentals paid during the year under operating leases:				
Hire of plant and machinery	320	320	471	471

10**Taxation**

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

	2019	2019	2018	2018
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
11				
Intangible assets: Software Cost				
At 1 August 2018	4,428	4,428	4,204	4,204
Additions	1,658	1,658	224	224
As at July 19	6,086	6,086	4,428	4,428
Amortisation				
At 1 August 2018	2,840	2,840	2,285	2,285
Charge for the year	769	769	555	555
As at July 19	3,609	3,609	2,840	2,840
Net book value				
As at July 19	2,477	2,477	1,588	1,588
As at July 18	1,588	1,588	1,919	1,919

	Freehold Land and Buildings	Leasehold Land and Buildings	Equipment and furniture	Assets in construction	Total
	£'000	£'000	£'000	£'000	£'000
12					
Fixed Assets Group					
Cost or valuation					
At 1 August 2018	245,406	28,790	25,401	0	299,597
Additions	780	0	1,074	39	1,893
At 31 July 2019	246,186	28,790	26,475	39	301,490
Depreciation					
At 1 August 2018	51,090	709	19,801	0	71,600
Charge for the year	4,747	65	1,492	0	6,304
At 31 July 2019	55,837	774	21,293	0	77,904
Net book value					
At 31 July 2019	190,349	28,016	5,182	39	223,586
At 31 July 2018	194,319	28,082	5,596	0	227,997
Institution					
Cost and valuation					
At 1 August 2018	245,406	28,790	25,401	0	299,597
Additions	780	0	1,074	39	1,893
At 31 July 2019	246,186	28,790	26,475	39	301,490
Depreciation					
At 1 August 2018	51,090	709	19,801	0	71,600
Charge for the year	4,747	65	1,492	0	6,304
At 31 July 2019	55,837	774	21,293	0	77,904
Net book value					
At 31 July 2019	190,349	28,016	5,182	39	223,586
At 31 July 2018	194,316	28,081	5,600	0	227,997

	Subsidiary companies	Other fixed assets	Total
	£'000	£'000	£'000
13			
Non-Current Investments Consolidated			
At 1 August 2018	0	34	34
At 31 July 2019	0	34	34
Institution			
At 1 August 2018	200	34	234
At 31 July 2019	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:	2019	2018
	£'000	£'000
Consolidated and Institution		
Universities UK	34	34

	2019	2019	2018	2018
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
14				
Trade and other receivables				
Amounts receivable within one year				
Trade and other receivables	3,494	3,362	4,632	4,478
Other debtors	439	438	347	347
Prepayments and accrued income	3,060	3,568	2,608	3,351
	6,993	7,368	7,587	8,176

	2019	2019	2018	2018
	Consolidated	Institution	Consolidated	Institution
	£'000	£'000	£'000	£'000
15				
Current Investments				
Investment in social fund	0	0	569	569

	2019		2018	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
16				
Creditors: Amounts falling due within one year				
Other loans repayable within one year	191	191	2,091	2,091
Trade creditors	13,160	13,157	8,266	8,266
Other creditors	337	277	131	50
Taxation and social security	2,300	1,956	2,375	2,095
Accruals and deferred income	11,599	11,498	13,440	13,269
Amounts owed to subsidiary undertaking	0	316	0	1,276
	27,587	27,395	26,303	27,047

	2019		2018	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
17				
Creditors: Amounts falling due after more than one year				
Deferred income	47,183	47,183	47,390	47,390
Other loans - Bank (Secured)				
Between one and two years	0	0	1,900	1,900
Between two and five years	0	0	5,699	5,699
In five years or more	0	0	12,496	12,496
Other loans - HEFCE & Salix Finance Ltd (unsecured)				
Between one and two years	130	130	191	191
Between two and five years	85	85	276	276
	47,398	47,398	67,952	67,952

Analysis of Deferred Capital Grant:				
Due within one year	1,244	1,244	1,245	1,245
Due between one and two years	2,478	2,478	2,472	2,472
Due between two and five years	3,712	3,712	3,694	3,694
Due in five years or more	40,993	40,993	41,224	41,224
Due after more than one year	47,183	47,183	47,390	47,390
Total Deferred Capital Grant	48,427	48,427	48,635	48,635

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

The bank loans were repaid in full on the 7th February 2019.

Analysis of unsecured loans:				
Due within one year	191	191	191	191
Due between one and two years	130	130	191	191
Due between two and five years	85	85	276	276
Due after more than one year	215	215	467	467
Total unsecured loans	406	406	658	658

Details of loans:	Principal Amount	Term	Interest rate	Borrower
	£'000		%	
Lender				
Other (HEFCE)	485	8 years	0.00	University
Salix Finance Ltd	349	5 years	0.00	University
Total	834			

	2019		2018	
	Consolidated and Institution £'000	Consolidated and Institution £'000	Consolidated and Institution £'000	Consolidated and Institution £'000
18				
Provision for liabilities				
Balance at 1 August	3,627		3,010	
Release of provisions	0		0	
Additional provision	178		617	
Balance at 31 July	3,805		3,627	

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

	2019		2018	
	Consolidated and Institution £'000	Consolidated and Institution £'000	Consolidated and Institution £'000	Consolidated and Institution £'000
19				
Restricted Reserves				
Balances at 1 August 2018	86		48	
New donations	0		50	
	86		98	
Release of restricted funds spent in year	(16)		(12)	
At 31 July 2019	70		86	

The restricted reserves relate to donations from the Noon Foundation. £Nil (2017/18: £86,000).

	At 1 August 2018		Cash Flows		At 31 July 2019	
	£'000	£'000	£'000	£'000	£'000	£'000
20						
Cash and cash equivalents						
Consolidated						
Cash and cash equivalents	38,972	(8,948)			30,024	
University						
Cash and cash equivalents	38,598	(9,921)			28,677	

	2019		2018	
	Consolidated £'000	Institution £'000	Consolidated £'000	Institution £'000
21				
Capital and other commitments				
Commitments contracted for but not provided for in the financial statements	1,882	1,882	5	5
Authorised by the Board of Governors but not yet contracted for	2,708	2,708	841	841
	4,590	4,590	846	846

The main commitments contracted at 31 July 2019 include £529,248 - SITS Continuous Improvement, £370,174 - Audio Visual Rolling Programme, £219,131 - Students Systems Upgrade, £152,998 - CRM Upgrade, £146,930 - Sitecore Audit and £131,905 - Web-Sitecore. The main capital commitments authorised by the Executives but not yet contracted include Audio Visual Refresh Rolling Programme - £766,356, University House Window Replacement - £400,000 and Salto Lock Replacement (Halls) - £310,000.

22
Contingent liabilities
The University does not have any contingent liabilities in 2019 and 2018.

	2019		2018	
	£'000	£'000	£'000	£'000
23				
Lease obligations				
Total rentals payable under operating leases:				
Payable during the year	320		471	
Equipment and Furniture				
Due within one year	282		148	
Due between two and five years	439		85	
Future lease payments due	721		233	
Total Lease obligations	1,041		704	

The above lease commitments for less than one year relates to Xerox Finance Ltd - £84,541.38, expiry date 30th June 2020; and Neopost Finance Ltd-UK - £8,912.50, expiry date 30th April 2020. The lease commitments between two and five years are in respect of lease agreements with Canon (UK) Limited - £122,348.64, expiry date 30th April 2023 and Glide Student and Residential Ltd - £66,184.84, expiry date 30th August 2021.

24**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 Dook Ltd	The supply of consultancy and business rentals.	100% owned
UEL Professional Services Limited	The supply of staff to the University of East London	100% owned

25**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	712	164	876
Annual support grant		-	687,000	-

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

The £887k 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 2018/19 and 2017/18. In 2018/19 the former 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 former 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 payment of £46,315.22 paid in August, October and November 2018.

In 2018/19, an amount of £15,481.41 was incurred in relation to the set up of the Youth Charter for which the former Chair of Governors is one of the Directors of the charity.

26**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 Aviva. 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 Aviva 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 2016 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% (will change to 23.68% from 1 September 2019) of pensionable pay (2018: 16.48%)
- 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 was 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 will take effect from 1 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 2019, contributions by the Group to the scheme were £4.2 million (2018: £4.3 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 2020 would be approximately £4,398,000.

The major categories of plan assets as a percentage of total plan assets were:

Assets	2019	2018
Equities	77%	75%
Bonds	16%	17%
Property	6%	6%
Cash	1%	2%

Assumptions

The financial assumptions used by the actuary were:

	2019	2018
Pension increase rate	2.4%	2.4%
Salary increase rate	2.9%	2.9%
Discount rate	2.1%	2.8%

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

	2019		2018	
	Males	Females	Males	Females
Current pensioners	20.9 years	23.3 years	22.0 years	24.7 years
Future pensioners	22.2 years	24.7 years	24.0 years	26.4 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	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Opening Balance	165,710	151,334	(237,226)	(239,197)	(71,516)	(87,863)
Contributions by members	968	1,119	(968)	(1,119)	0	0
Contributions by the employer	3,911	5,307	0	0	3,911	5,307
Contributions in respect of unfunded benefits	528	581	0	0	528	581
Estimated benefits paid	(5,645)	(5,520)	5,645	5,520	0	0
Estimated unfunded benefits paid	(528)	(581)	528	581	0	0
Expected return on assets	4,626	4,095	0	0	4,626	4,095
Actuarial gains	5,009	9,375	(23,808)	9,988	(18,799)	19,363
Current service cost	0	0	(5,006)	(6,367)	(5,006)	(6,367)
Interest cost	0	0	(6,635)	(6,475)	(6,635)	(6,475)
Past service costs	0	0	0	0	0	0
Losses on curtailments	0	0	(1,164)	(157)	(1,164)	(157)
Closing Balance	174,579	165,710	(268,634)	(237,226)	(94,055)	(71,516)

	2019 £'000	2018 £'000
The University's net pension liabilities were as follows:		
Fair value of employer assets	174,579	165,710
Present value of funded obligations	(264,133)	(231,848)
Net under-funding in funded plans	(89,554)	(66,138)
Present value of unfunded obligations	(4,501)	(5,379)
Net pension liability	(94,055)	(71,516)

	2019 £'000	2018 £'000
Analysis of amount charged to the income and expenditure account:		
Current service cost	5,006	6,367
Past service cost (including curtailments)	1,164	157
Operating charge	6,170	6,524
Expected return on employer assets	(4,626)	(4,095)
Interest on pension scheme liabilities	6,635	6,475
Net Return	2,009	2,380
Net income and expenditure account cost	8,179	8,904

	2019 £'000	2018 £'000
Analysis of Statement of Changes in Reserves		
Actuarial return less expected return on pension scheme assets	5,009	9,375
Changes in demographic assumptions	13,866	0
Changes in assumptions underlying the present value of the scheme liabilities	(38,000)	10,025
Experience gains / (losses) on the scheme liabilities	336	(37)
Actuarial (losses) recognised in the Statement of Changes in Reserves	(18,799)	19,363

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 2019, contributions by the university to the scheme were £3.995 million (2018: £6.524 million).

The experience gains and losses for the year ended 31 July were:	2019 £'000	2018 £'000	2017 £'000	2016 £'000	2015 £'000
Difference between the expected and actual return on assets	5,009	9,375	9,235	9,469	5,875
Value of assets	174,579	165,710	151,334	136,970	119,902
Percentage of assets	2.9%	5.7%	6.1%	6.9%	4.9%
Experience gains on liabilities	336	(37)	10,251	2,499	1,419
Present value of liabilities	268,634	237,226	239,197	236,107	204,628
Percentage of present value of liabilities	0.1%	0.0%	4.3%	1.1%	0.7%
Actuarial gains/(losses) recognised in Statement of Changes in Reserves	(18,799)	19,363	13,425	(12,465)	(5,709)
Present value of liabilities	268,634	237,226	239,197	236,107	204,628
Percentage of present value of liabilities	(7.0%)	8.2%	5.6%	8.2%	(2.8%)
Net pension liability	(94,055)	(71,516)	(87,863)	(99,137)	(84,626)



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