

Annual Report and Financial Statements



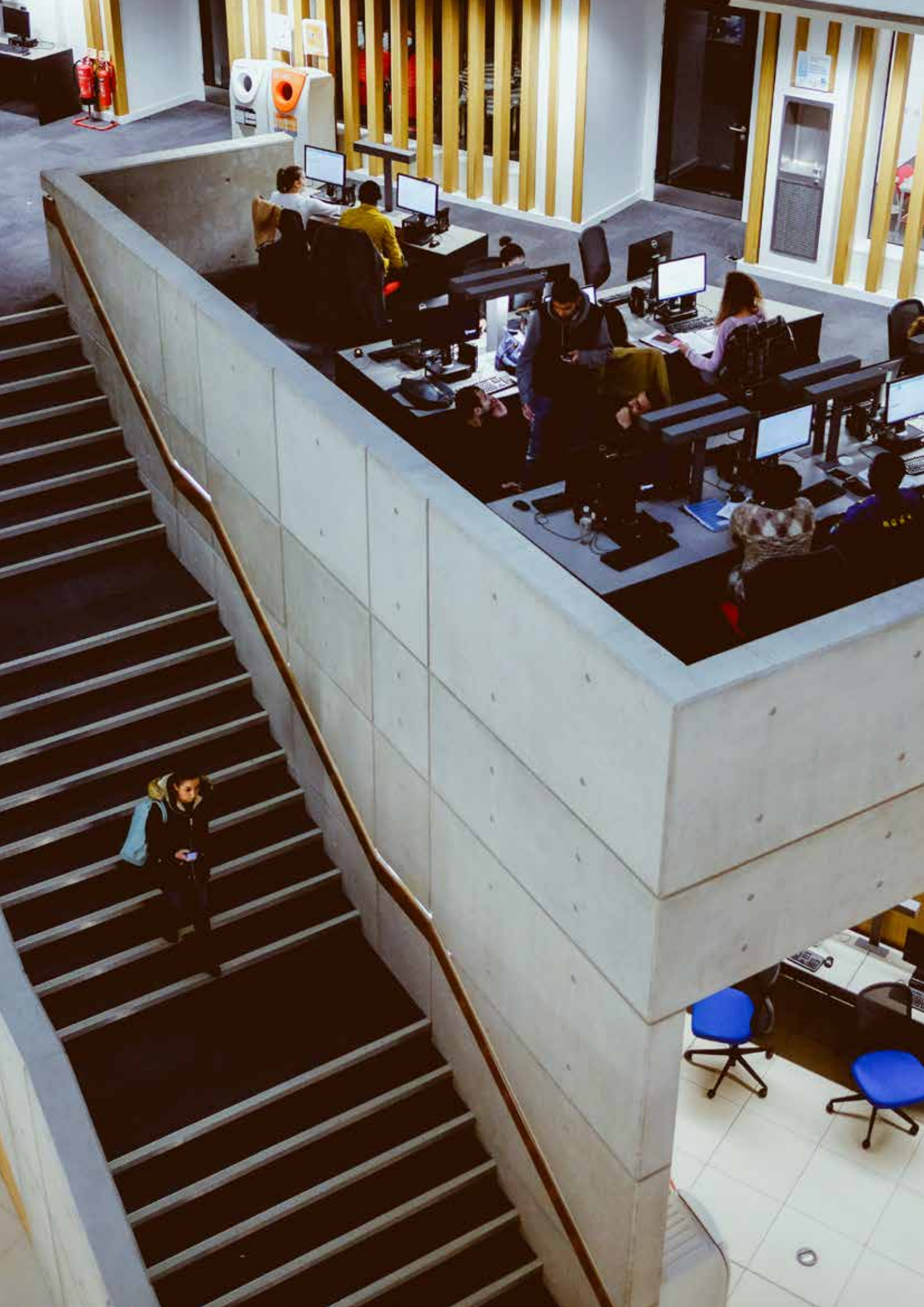
For the year ended 31 July 2017

London's Leading University for Civic Engagement



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Governors, Executives and Advisors

Board of Governors

Mr Geoffrey Thompson MBE
Mr Mark Stephens CBE (Chair)
Mr Solomon Alexis
Mr Stephen Amanwo
Mr Ayodele Ayeni
Ms Amy Butterworth-Fernandes
Ms Sunny Crouch OBE
Ms Sarah Davis
Dr Mark Hannam (Deputy Chair)
Dr Ian Jenkins
Professor John Joughin
Dr Omar Khan
Mr David King
Professor Mark McDermott
Mr Tommy MacDonnell
Mr Lee McGinty
Mr Anthony Mullee
Mr David Noyce
Mr Elham Peserlay
Mr Paul Samuel
Mr Jon Smith
Ms Aniekan Umoren
Ms Janette Withey

Period of office

Appointed 1 Sept 2017
Resigned 1 Sept 2017

Resigned July 2017
Appointed May 2017
Appointed 18 October 2016

Resigned 31 July 2017
Resigned 12 September 2017

Resigned 25 September 2017

Appointed July 2017

Resigned 31 July 2017

Vice-Chancellor's Group

Professor John Joughin Vice-Chancellor & Chief Executive Officer
Mr Dusty Amroliwala OBE Chief Operating Officer - resigned 11 April 2017
Professor Nora Ann Colton Deputy Vice-Chancellor
Dr Stella Cottrell Pro-Vice-Chancellor (Learning, Teaching & Student Engagement)
resigned 1 January 2017

Ms Holly Duglan Registrar and University Secretary – appointed 6 February 2017
Mr John Garnham Interim Director of Finance - appointed 5 June 2017
Mr John Headley Director of Finance - resigned 1 April 2017
Dr Lisa Mooney Pro-Vice Chancellor, Research
Mrs Elizabeth Thusso Head of Governance & Legal Services - resigned 31 December 2016

Auditors

Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

Bankers

Barclays Bank Plc
P O Box 1006
Barking IG11 8AT

Solicitors

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

Veale Wasbrough Vizards LLP
Barnards Inn
London
EC4A 1AD

Message from the Chair of Governors



I am delighted to be providing my first introduction to our Annual Report and Financial Statements as the new Chair of Governors.

My predecessor, Mark Stephens CBE, announced at the start of the year that he was seeking to step down as Chair after eight years in the post and I am honoured to have been entrusted with such a key leadership role during a time of great change within the higher education sector.

Academically, the University has made excellent progress and it is clear that the University's long-term strategic plan is now yielding results.

This year sees our highest ever satisfaction score in the National Student Survey and a big jump in the rankings for the second year in a row. In 2016/17, we have also achieved a significant increase in the proportion of our students securing graduate-level employment. The number of students graduating with good honours (1st or 2:1 classifications) has risen, while retention and completion rates have also increased.

These achievements reflect the enormous hard work of our staff over a long period of time. They also reflect the commitment of our Board of Governors to the Academic Strategy and to securing the University's financial sustainability.

The higher education environment I have entered is very different from when Mark began his tenure as Chair of Governors in 2009, not least in the radically different way universities are now funded, with reduced government spending and significantly increased tuition fees.

Changes to immigration criteria for international students have had a severe impact on international student recruitment, while the removal of the cap on student numbers in 2015 and the Brexit referendum result in 2016 have, respectively, led to greater competition in the education market and fewer applications by EU students.

It is in this context that UEL has had to 'cut its cloth' and posted a planned financial deficit in 2016/17.

To address the financial challenges being faced across the sector, UEL has undertaken a restructure of its academic management and a number of its support services. This has achieved significant cost savings and puts us in a better position to deliver inter-disciplinary teaching and research supported by efficient and professional service teams.

May I take this opportunity to thank Mark for his remarkable contribution to the University over the past eight years.

As well as improvements to student outcomes, Mark oversaw substantial progress in developing the University's physical infrastructure, adding landmark buildings such as our world-class SportsDock complex and the awarding-winning University Square Stratford and Stratford Library buildings.

The construction of SportsDock has also been the catalyst for unprecedented sporting success. From a base of zero sporting activity in 2009, UEL is now one of the UK's leading universities for sport, with scores of students having graced the highest international sporting stages such as the Olympics, Paralympics and various world championships.

This is something very dear to my heart as a former world champion athlete, sports administrator and advocate for young people. You can read more about my background on the next page.

Students have also had their university experience enriched by civic engagement projects, with projects in the past year ranging from trekking with disadvantaged youngsters in the Scottish Highlands to a fully funded trip by 50 students to develop their leadership skills in Mumbai.

While the University will undoubtedly face challenges and uncertainties in the years ahead, I am confident that we are in an excellent position to continue succeeding - and to continue offering transformational experiences and opportunities to students from east London and further afield.

I want to emphasise that none of this would be possible without the hard work and dedication of the University's staff and, on behalf of the Board, I would like to extend my thanks. May I also take this opportunity to thank my fellow Board members for their own hard work - and for the warm welcome they have shown me as the new Chair.



Mr Geoff Thompson
MBE FRSA DL
Chair of Governors

Biography of the new Chair of Governors

Geoff Thompson MBE FRSA DL, who succeeds Mark Stephens CBE as Chair of UEL's Board of Governors is a youth activist, humanitarian and a renowned expert in sports development and politics with over 25 years experience in the bidding and hosting and legacy of major games and the positive impact of sport, art, culture and digital technology in the social and human development of young people and communities. He has developed a global reputation for his expertise and knowledge of equality, diversity and inclusion in public, private, third sector and community organisations.

Raised in Hackney, Geoff was the World United Karate Organisation World Champion on five occasions between 1982 and 1986 as well the holder of more than 50 national and international titles.

He is the Founder and Executive Chair of the Youth Charter, a UK-based international charity and United Nations Non-Governmental Organisation that uses the ethics of sport and artistic excellence to tackle the problems of educational non-attainment, health inequality, anti-social behaviour and crime in some of the most troubled areas around the world.

In 1988, Geoff was a participant in the government's review of sport in inner cities following the

urban riots that swept through the UK. Two years later, he was appointed to the GB Sports Council (now Sport England) where he served for 11 years. He was part of the ambassadorial team involved in promoting Manchester's bid for the 2000 Olympics and the successful bid for the 2002 Commonwealth Games.

He has undertaken numerous public and private sector appointments, including chairing Sport England's Advisory Group on Racial Equality in Sport and serving as a member of its grant assessment panel.

Among other appointments, he has been a director of the Sports Council Trust Company, a board member of the New Opportunities fund, an honorary fellow of the former Institute of Leisure, Amenities and Management, fellow of the Royal Society of Arts and independent assessor for the Office of the Commissioner for Public Appointments.

In 1995, Geoff was appointed an MBE for his services to sport and for the past two years has been included in the Top 100 BAME (Black and Minority Ethnic) Leaders in Business List, in association with the Sunday Times. Geoff is also a Deputy Lieutenant for Greater Manchester.

Geoff Thompson, UEL's new Chair of Governors, with international athlete and UEL alumnus Adam Gemili



Acting Vice-Chancellor's message



This has been a year of significant progress for the University of East London, with unprecedented rises across a range of higher education ranking tables providing clear evidence that the changes we have made in implementing and adopting our Academic Strategy and service provision in recent years are now bearing fruit.

Our Vice-Chancellor, Professor John Joughin, was unfortunately taken ill during the early summer and, though he is on the way to making a full recovery, it falls to me in my capacity as Acting Vice-Chancellor to share the good news about our continued improvement.

We recorded our best ever results in the National Student Survey, with overall satisfaction among our students rising to 84 per cent. This elevated us 40 places in the 2017 NSS rankings to leave us in the top half of the table for the first time.

Having enjoyed a rise of 37 places in the 2016 NSS, our upward trajectory is now firmly established, reinforced by encouraging improvements in other rankings.

In the Complete University Guide league table, UEL was the UK's fifth most improved higher education institution, rising 13 places, while we also climbed eight places in the Guardian

University Guide and ten places in the Times Higher Education Student Experience survey.

Taken together, these indicators are an endorsement of the progress we have made in improving the university experience for our students and delivering high-quality courses that prepare them for graduate-level employment or postgraduate study.

Following the launch of our new Academic Strategy last year, we continue to strengthen our programme portfolio to provide the relevant, graduate-levels skills required to meet the needs of the east London economy. We have obtained approval by the Nursing and Midwifery Council (NMC) for a new degree in adult nursing and expanded our portfolio of degree apprenticeships.

To address the graduate-level skill shortages in east London and support local people to fulfil their employment aspirations, UEL has joined forces with six local colleges to become founding members of the East London Skills and Employment Federation.

This gives UEL the opportunity to play a key role in shaping the future workforce of east London by developing education and employment pathways, sharing knowledge and providing

apprenticeships tailored to the needs of local businesses. Our mission to make a transformational difference to our communities is evident in our wide-ranging civic engagement activities, with 15 innovative projects receiving close to £100,000 in funding this year. They included education and translation projects for refugees, mentoring disadvantaged young people on treks in the Scottish Highlands and the launch of Creative Wave – a student-led creative agency offering advertising and communications services pro bono to local groups.

One of our civic engagement initiatives, delivering a higher education course to refugees in the Calais ‘Jungle’, earned national recognition by winning a Guardian University Award in the category ‘Student diversity and widening participation’.

UEL’s sports programme also enjoyed a record-breaking year, winning a record 28 medals in British Universities and Colleges Sport (BUCS) events and achieving the University’s highest finish in the BUCS league table.

Three students represented Britain at the World Athletics and World Para Athletics Championships while a further two competed for Britain at the European Junior Athletics Championships. Other students

have achieved international honours in women’s football, swimming, rowing and canoe slalom.

Despite the many successes, 2016-17 has also brought challenges to the HE sector. Increasing competition for students, falling overall student numbers and the uncertainty caused by Brexit means UEL, like many HE institutions in the UK, has had to reduce costs to ensure financial sustainability.

Following consultations with staff and unions, the University has undertaken a restructure of academic management and a reshaping of some professional services to reduce staffing levels while minimising the impact on academic programmes and front-line teaching.

The restructuring includes the realignment of our academic Schools into three multi-disciplinary colleges. As well as delivering cost-saving efficiencies, such a structure will allow our academics to collaborate across disciplines, create greater opportunities for inter-disciplinary research funding and give our students transferrable, inter-disciplinary skills that will enhance their employability prospects.

I would like to take this opportunity to thank the Board

of Governors for their ongoing support and hard work and give a special thank-you to our outgoing Chair of Governors, Mark Stephens, for his remarkable contribution to the success of UEL.

During his eight years at the helm, Mark has overseen extensive developments to UEL’s physical and technical infrastructure and helped deliver improvements across a range of academic indicators. The positive statistics that I highlighted at the beginning of this message are, in no small measure, down to his leadership and vision.

May I also welcome Geoff Thompson as Mark’s successor. I know Geoff has many unique connections to east London and, as a passionate and charismatic advocate for young people, I am sure he will be an inspiration to our students.

Finally, I would like to thank our staff for their hard work and professionalism and our fantastic students for making UEL such a welcoming, inclusive and inspiring place to study and conduct research.



Professor Nora Ann Colton
Acting Vice-Chancellor

Highlights

40

UEL rose 40 places in the 2017 National Student Survey – Overall satisfaction rate rose from 83 to 84 per cent

37

UEL rose 37 places in the 2016 National Student Survey - Overall satisfaction rate rose from 78 to 83 per cent

13

UEL rose 13 places in the 2018 Complete University Guide league table

89%

graduate employment, Source: Destinations of Leavers from Higher Education (2015-16). Percentage in employment or further study six months after leaving.

10

UEL rose 10 places in the Times Higher Education's 2017 Student Experience league table

8

UEL climbed 8 places in the 2017 Guardian University Guide league table

28

A record 28 BUCS (British Universities and Colleges Sport) medals won by UEL athletes

10%

10 per cent increase in graduate-level employment, Destinations of Leavers from Higher Education (DLHE) survey 2015-16

Strategic review



The higher education landscape

Over the past year, higher education in the UK has seen historic change. The passage of the Higher Education and Research Act (2017) has brought new opportunities and challenges to the sector and ushers in a new regulator and funding council for universities – the Office for Students (OfS). The OfS will be responsible for quality and standards, approving new entrants into the sector and overseeing the granting of university title and degree awarding powers.

This year has seen the introduction of the first Teaching Excellence Framework (TEF) round. Participation by HE providers in the TEF is voluntary. Given that the TEF is focused on excellence, a pre-requisite to participate is that providers must meet the requirements of the Annual Provider Review (APR) process. APR therefore reflects baseline requirements for quality and standards and is a new annual process that will be undertaken by the OfS in succession to the Higher Education Funding Council for England (HEFCE), which carried out the 2016/17 APR. We received confirmation

of passing the 2016/17 APR ahead of receiving first-round TEF outcomes. Confirmation of a positive APR outcome means that we fully meet requirements for quality and standards, namely:

- our qualification standards are reliable and reasonably comparable to those across the UK;
- the student academic experience is of high quality;
- student outcomes are generally good or excellent and the provider has demonstrated continuous improvement in relation to them.

Subsequently, universities that participated in the first-round TEF were rated either Bronze, Silver or Gold. UEL achieved a bronze rating in the first round of the TEF. This means that UEL delivers teaching, learning and outcomes for its students that meet rigorous national quality requirements for UK higher education. Although UEL is pleased to have participated in this first round of TEF, the institution will be looking to achieve a Silver or Gold rating in future rounds.

< [The Teaching excellence framework seeks to ensure an excellent learning experience for students](#)

UEL wins Guardian University Award 2017

UEL won a Guardian University Award 2017 in the 'Student diversity and widening participation' category for our pioneering work in providing higher education for refugees in the Calais 'Jungle'.

“

We hope that our course, like the other educational initiatives in the camp, will be a starting point for ex-residents now pursuing their dreams of education – a powerful force that crosses many borders.

Professor Corinne Squire
project leader

The Government's intention is that the TEF:

- ensures all students receive an excellent teaching experience that encourages original thinking, drives up engagement and prepares them for the world of work (*Teaching Excellence and Student Outcomes Framework Specification, Department for Education, 2017*);
- builds a culture where teaching has equal status with research, with great teachers enjoying the same professional recognition and opportunities for career and pay progression as great researchers (*TEF process and guidance, Higher Education Funding Council for England*);
- stimulates a diverse HE market and provides students with the information they need to judge teaching quality (*Success as a Knowledge Economy: Teaching Excellence, Social Mobility and Student Choice, Department for Business, Innovation and Skills, 2016*);
- recognises those institutions that do the most to

welcome students from a range of backgrounds and support their retention and progression to further study or a graduate job (*Success as a Knowledge Economy: Teaching Excellence, Social Mobility and Student Choice, Department for Business, Innovation and Skills, 2016*)

UEL welcomes the opportunity to see its student outcomes highlighted in the TEF as it continues to drive student success as witnessed through key metrics. The TEF relies on data from the National Student Survey (NSS), in which UEL has climbed 79 places in the last two years, and the Destinations of Leavers from Higher Education (DLHE) survey, where UEL has seen graduate-level outcomes improve by ten per cent in the past year.

Consequently, UEL is well placed to continue to be recognised as an inclusive institution that is making a difference in the lives of its students while participating in the reshaping of the sector to better serve the needs of students and society.

Our corporate objectives

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

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

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

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

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

Objective 3: Connecting to students, staff and communities

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

Objective 4: Developing our infrastructure

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

In the following pages we tell the story of our university's progress during 2016/17 under the headings of our four key objectives.



From homeless child carer to university student

A former child carer, 'sofa surfer' and homeless hostel resident, second-year student Dale Taylor-Gentles has used his life challenges as a platform for homeless advocacy. This year he discussed his experiences with Prince William.

Dale is currently earning excellent grades at UEL in his Sociology with Criminology programme and aims to one day work in the field of counter-terrorism.

“

Now that I'm at UEL, things are much more stable. I'm really enjoying the course.

Dale Taylor-Gentles

Objective 1: Learning by doing

UEL's Academic Strategy

UEL is in the midst of driving forward a very ambitious Academic Strategy launched in 2016. The strategy serves as the key driver to a change initiative based on delivering student success in access and recruitment, retention and progression, employability and student satisfaction and engagement. Over the past year, UEL has continued to deliver on a number of promises made in its strategy.

As well as climbing an extraordinary 42 places in the National Student Survey table, UEL has achieved a ten per cent increase in its graduate level employment outcomes, as witnessed in the most recent Destinations of Leavers from Higher Education (DLHE) survey. The institution has also seen increases in the number of students with good honours increasing by 3.3 per cent.

These achievements are not by accident but design. They represent an alignment of the institution around ensuring student success. This alignment is being driven through UEL's successful Centre for Excellence in Learning and Teaching (CELT) and the newly formed Centre for Student Success (CfSS), which was launched earlier this

year. The centre brings together employability, student retention and academic support to create an integrated approach to student success.

Some of the exciting, high-impact practices being driven forward across the institution include:

- Embedding of a keystone module at level 4 across various disciplines that addresses academic and information literacy
- Capstone projects and dissertations at level 6 that ensure students experience these projects as part of learning communities
- A Professional Development Certificate (PDC) that provides co-curriculum experiences that are accredited so that students have the certificate to demonstrate their achievements
- Use of predictive learning analytics to assist us in identifying and supporting our students at risk of not completing or achieving
- The development of our first Competency Based Learning programme – a level 4 certificate in leadership and management
- Transforming our personal tutors into academic advisors who meet and assist our students on their journey to employment

In addition, we have continued to develop and reshape our academic portfolio, by adding an adult nursing programme as well as a number of higher degree apprenticeships.

UEL also launched the East London Skills and Employment Federation to enable and support local people to access the social and economic benefits of graduate level employment opportunities by working with a number of colleges and schools to ensure pathways to higher education.

As well as these cutting-edge projects, UEL embarked on a major restructure of its schools into colleges. Historically, UEL has been managed around a number of specific schools. In May 2017, the Board of Governors approved a movement from seven bespoke schools to three integrated colleges. This places a stronger emphasis on organising academic groups to optimise economies of scope and scale in driving academic synergies. Many institutions have adopted this approach depending on each institutions' particular agenda and leadership needs.

Visual arts programmes are now part of the new college of Arts, Technology and Innovation >

There is also a movement globally for such an approach for organising university management structures. This movement comes from an appreciation of an interdisciplinary professional education as a path to increased student recruitment, improved employability outcomes, more research funding and a generation of students who are better equipped to deal with the pressing challenges of the world. As important as professional qualifications are to employers, numerous studies emphasise the demand for academic programmes that bridge between disciplines to reflect the changing workplace. Data shows that there is a growing trend among donors and research funding bodies to encourage interdisciplinary approaches to addressing the challenges facing society today.



UEL's three new colleges are:

- **Professional Services**
(Business, Law, Social Sciences, Education and Social Work)
- **Applied Health and Community**
(Health, Sport, Bioscience, Nursing and Psychology)
- **Arts, Technology and Innovation**
(Architecture, Computer Science, Engineering, Visual Arts, Performing Arts, Humanities, Fashion, Film and Media)

As competition increases and the local, national and global higher education market continues to undergo unprecedented change, it is critical that UEL continues to establish a clear and strong position in the sector in order to secure its future through differentiation and student success as witnessed across this past year

The Centre for Student Success

UEL is committed to giving students not only a first-class education but the skills and experience necessary to negotiate the workplace once they graduate. With this in mind, the Centre for Student Success (CfSS) was launched in April under the directorship of Charles Prince.

The Centre's mission is to lead academic and employability initiatives using innovative approaches that impact students, staff, alumni and the University. The goal is for students to progress smoothly through their studies, graduate in a timely manner and be highly employable after graduation.

Through new targeted strategies that will have an impact on student success and employability, the Centre employs modern technologies to provide a high-quality support service.

The Centre has deployed learning analytics with the help of Civitas. This helps us target students who are at risk of dropping out of their studies with the goal

of reallocating time, energy and resources to those most in need of support.

These tools are also used to ensure that students who are more prepared are challenged at a level that enhances their academic success and employability.

The Centre's goals are fully aligned with the University's Academic Strategy and Corporate Plan, and its goal is to increase the student retention rate to above 90 per cent in the next five years. Improving the retention rate will also help us increase the graduation rate to above 90 per cent.

The Centre also provides support that helps students secure graduate-level employment or enter further study.

Library and Learning Services

Library and Learning Services achieved an 87 per cent satisfaction score in this year's National Student Survey (NSS), a testament to the integral role the service plays in the academic lives of our students.

Library and Learning Services also had several other notable accomplishments:

- Continuing to work with students who are parents and carers to provide an enhanced user experience
- Responding to student feedback by redeveloping space on the second floor in the Docklands Library and adding study spaces at Stratford Library to better serve the needs of students
- Revising the University's open access policy and helping UEL achieve compliance for REF 2021 by increasing deposits to our Open Access repository (ROAR)
- Continuing to innovate with materials, with a special focus on open educational resources as a viable alternative to traditional text books
- Offering growing 'relax with a book' collections at both library sites
- Creating graduate-level opportunities for UEL graduates and offering internships to current students. We also enhanced digital literacy skills through an induction programme

Library and Learning Services recently joined forces with the Centre for Excellence in Learning and Teaching (CELT) team and both services look forward to promoting the use of technology to UEL staff and students.



The Centre for Excellence in Learning and Teaching (CELT)

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

- An upgrade to Moodle, UEL's virtual learning environment, and the development of a set of minimum baseline standards, called CORE, that will be used to ensure all academic modules offer a consistent and engaging student experience
- The development of a module mapping service for the Lynda online learning video platform. Academics can now incorporate video content into their module delivery – an important part of our approach to blended learning. The service works by giving academic staff a playlist of videos customised to their module. They can then work with learning technologists to embed the videos in their Moodle site
- A collaboration with academics to expand and develop our ability to provide lectures and short summary videos to students

- An initiative with Kortext, a digital textbook platform, to support academics as they explore the collaborative learning tools the platform provides through on-demand workshops for schools

Degree apprenticeships

UEL welcomed its first cohort of apprentices last September with the launch of its new degree apprenticeship: Digital and Technology Solutions. The course, which allows apprentices to 'earn and learn' by spending one day a week studying on campus and four days working for their companies, attracted apprentices from Barclays, DG3 and UEL itself.

A further four degree apprenticeship courses will begin in September 2017: Chartered Manager; Construction Design Management; Construction Site Management; Civil Engineering Site Management.

Thanks to a major promotional push to employers early this year, the target of 55 apprentices studying at UEL in 2017-18 is likely to be exceeded by approximately 20 per cent. Employers interested in working with UEL to deliver their apprenticeships include Accenture, Barclays, Laing

O'Rourke, Skanska, Ardmere and Barking Health Care Trust.

It is envisaged that the number of apprentices studying at UEL will expand as large employers adjust to the Government's new Apprenticeship Levy, which came into force in April. This requires organisations with an annual pay bill of more than £3million to pay 0.5 per cent of the total into an apprenticeship service account. They can then draw down this money to pay for apprenticeship training at a Government-approved training provider such as UEL.

UEL will also be launching a new Competency Based Learning (CBL) e-learning course during the next academic year, entitled *YourWay*. Delivered entirely online, this will offer a dual Level 4 award in leadership and management and, like the degree apprenticeships, will be marketed to employers.



Student hubs

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

Our Annual Survey had its largest response rate ever with over 900 students taking part. The positive strides the hubs have made since 2015 was reflected in both the quantitative and the qualitative sections of the survey. The 2017 results showed a consolidation of the significant increase in student satisfaction recorded by the 2016 survey. The overall satisfaction mark this year was

a remarkable 90 per cent, a two per cent increase from 2016 and a significant 21 per cent increase from 2015.

The 2017 survey results showed significant gains in the following areas:

- 88 per cent of students were satisfied that their query had been resolved to their complete satisfaction (a 14 per cent increase from 2016)
- 88 per cent of students were happy/very happy with the speed and efficiency at which the hubs were able to respond to their query (a seven per cent increase from 2016)
- 98 per cent of students were satisfied that the hubs advisor who dealt with their query was helpful/very helpful and were satisfied with the level of experience of the advisor (a nine per cent increase from 2016)
- 97 per cent of students were satisfied/very satisfied overall with the service provided by the hubs (a nine per cent increase from 2016)

The resolution of queries at first touch (RAFT) by staff at the hubs improved this year by five per cent to 81 per cent. This exceeded a target of 80 per cent.

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



UEL is one of the country's leading modern universities for research

Research and Knowledge Exchange

The research and knowledge exchange we undertake at UEL makes a difference to our local communities in east London, as well as communities nationally and globally. This year our high-quality research outputs and innovative partnerships helped solidify our position as one of the UK's leading modern universities for research, as well as London's leading university for civic engagement.

Dr Lisa Mooney, our Pro Vice-Chancellor for research and knowledge exchange, has spent her first year at UEL evaluating and finding new ways to grow a thriving research culture and environment, particularly in areas of interdisciplinary research.

Dr Mooney will help shape the national conversation around interdisciplinary research as a member of the prestigious Research Excellence Framework (REF) Interdisciplinary Research Advisory Panel (IDAP). She is one of just 15 academics on the panel, and the only one who works for a post-1992 university. The panel will advise the REF team, REF panel chairs and UK funding bodies on the best approach to supporting interdisciplinary research in the REF.

This year UEL was also one of only 13 higher education institutions to be recognised by the Higher Education Funding Council for England (HEFCE) for our exemplary knowledge exchange strategy. Our plan, which maps out the University's engagement with society and the economy over the next five years, aims to establish UEL as the leading institution in London for social innovation and entrepreneurship. We will do this by creating a sustainable platform for connecting and re-engaging businesses and academia in east London.

In the past academic year, the University has generated £2.4 million in research grants and contracts that reflect the success and recognition of our research at UEL. These include investment from Research Councils UK, charitable bodies,

local government, business and industry, and those secured through European funds.

Some highlights on the past year that reflect the range, success and visibility of our research include:

- The REACH (Research for Equitable Antenatal Care and Health) Pregnancy Programme run by the Institute for Health and Human Development was nominated for the 2017 Royal College of Midwives Annual Midwifery Awards in the 'Reducing Inequalities' category. The pioneering programme gives expectant mothers in east London the chance to meet in groups and share pregnancy experiences.
- Dr Stuart Connop and Dr Paula Vandegart of the Sustainability Research Institute (SRI) received £545,313 in European Union funding to participate in a project which aims to position Europe as a global leader in using nature to improve urban living.
- This year we also partnered with UCL and the Bloomsbury Colleges group of institutions to form a Doctoral Training Partnership (DTP) that will offer 40 PhD

studentships over the next six years. UEL will contribute to the partnership by providing studentships in its Schools of Arts and Digital Industries, Psychology and Social Sciences. The project is funded by the Economic and Social Research Council (ESRC).

UEL currently has over 700 doctoral students, of which 277 are registered MPhil and PhD students studying across all of UEL's key research areas. In the coming year we are developing a concerted campaign to ensure that as many of our new PhD Scholarships are informed and co-supported by industry, with a view to establishing UEL as a leading institution for collaborative doctoral education across health, arts and science and professional practice.

Objective 3: Connecting to students, staff and communities

Civic engagement

Civic engagement, working in partnership with our communities and stakeholders, and providing opportunities for our students to ‘learn by doing’, are core features of the UEL experience.

The Civic Engagement Fund supports the development of hands-on projects which positively impact local communities, while the London Scholars Fund, overseen by UEL’s Noon Centre for Equality and Diversity, offers opportunities for students to develop research skills while addressing some of London’s most pressing challenges.

This year UEL selected 15 innovative Civic Engagement and London Scholars projects through a competitive process, allocating almost £100,000 in funding to support innovation and development in co-curricular and curriculum-based experiences for students.

Students supported the voluntary and community sector with brand development and social media; trained in digital storytelling and used skills to help young homeless people tell their life stories; supported education and translation projects for refugees; and trekked with at-risk youths in the Scottish Highlands

to assess the impact of outdoor and wilderness education. Other projects developed content and activities for underserved communities in a variety of different areas from health to heritage, both in neighbourhoods close to our campuses and out in Essex coastal communities.

Each project provided relevant opportunities for students to develop skills and networks, to apply learning in real-world settings and to work in collaboration with staff, fellow students and external partners. The projects have strengthened relationships with key stakeholders through fresh and new ideas for future projects; proposals for joint funding applications; and opportunities for students to learn in real world settings.

Over 140 organisations are active on the Volunteering Hub, providing students with a wide range of volunteering opportunities. Students contributed over 10,000 hours of community volunteering this year, managed by the Volunteering Team. The team also provided bespoke volunteering fairs, bringing in organisations closely aligned to our curriculum.

Staff and students continued to engage with communities both within and outside the curriculum, including through

research, module development and through the delivery of (high-impact) activities such as the Young Black Ethnic Professionals mentoring programme and the Mumbai leadership programme, which provided an immersive study abroad experience for 50 students. Students spent five days in Mumbai working with their Indian peers to find solutions to some of the city’s most pressing problems.



UEL provided £100,000 in funding to support civic engagement projects in the past year

Widening participation

Equality and inclusion are integral components of UEL's core mission. This is reflected in our diverse community. In 2016-2017, over 65 per cent of our first-year undergraduates and 58 per cent of our new postgraduates were from a black, Asian and minority ethnic background (BAME).

Over 60 per cent of first-year undergraduates and 60 per cent of new postgraduate students were women.

A key part of our commitment to civic engagement is social mobility. UEL wants to ensure that our students have the opportunity to initiate change in their lives, maximise their potential and attain the educational experience that enables them to succeed in their chosen career, whatever their background.

Our Education and Community Partnerships Department hosted 300 outreach events this year, giving 7,500 students at 150 schools and colleges in east London and Essex the chance to experience university and receive the guidance necessary to make the step to higher education.

We provided 3,500 free Samsung Galaxy Note tablets and core e-books to new students, helping them develop their digital and study skills.

We distributed 3,409 welcome bursaries, 87 care leaver bursaries, 326 disability, hardship, and progression bursaries, and 183 New Beginnings 'Introduction to law and criminology' and 'Introduction to business' bursaries, providing much-needed financial help to new students.

Our Information, Advice, and Guidance (IAG) team made contact with 2,535 people, the majority of whom were mature enquirers from non-traditional backgrounds.

There were 245 mature learners who completed the IAG's 12-week New Beginnings courses, which equip aspiring students without formal or sufficient educational qualifications to gain the skills needed to apply to UEL.

The IAG team also launched New Beginnings Intensive, which condenses the standard 12-week New Beginnings course into five days. Staff ran three intensive courses, catering to high-achieving applications who were largely ready to enter university.

Our campus support services also continued to help populations such as student parents and those with learning, mental and physical disabilities, ensuring they received the aid necessary for them to have a positive student experience and thrive in their studies.

Launching an advertising agency for the community

This year the advertising programme launched Creative Wave, a student-led agency that offers advertising and communications services pro bono to local groups which otherwise would not be able to afford them.

“

What I hope happens is that the students take that sense of civic engagement which is so important to us at UEL and really make it their own and become active citizens of the east London area.

Allan Taylor
Lecturer on the BA (Hons)
Advertising course

UEL is now ranked third in the UK for athletics
and in the top five for basketball and volleyball



Sport

UEL's sports programme goes from strength to strength after enjoying a record-breaking year across a range of sports in 2016-17.

Overall, the University finished the year in its highest ever position in the British Universities and Colleges Sport (BUCS) league table, rising to 42nd place out of 154 universities and colleges.

The achievement is all the more remarkable given that UEL only joined the BUCS league in 2010, when it finished 124th. The 28 medals won by UEL athletes across BUCS events was also the largest medal haul achieved by UEL in a single season.

The backbone of that success was provided by the athletics team, who are now ranked third in the UK – the University's highest ever national ranking for an individual sport. This followed an impressive performance at the BUCS Outdoor Athletics Championships in Bedford, where the team amassed 11 medals, eight of them gold.

UEL welcomed its largest and most diverse cohort of sports scholars onto its high performance programme in 2016-17, with 102 students

competing in UEL colours across 16 sports. They included a number of elite athletes who also represented their countries in international competitions.

Among them was Paralympian Vanessa Wallace, who competed for Britain at the World Para Athletic Championships in London during the summer and broke her own UK record on two occasions in her seated shot put event.

At the World Athletics Championships, also in London, UEL students Shannon Hylton and Corinne Humphreys were selected for sprint events alongside recent graduates Bianca Williams and Adam Gemili. Adam was a member of the Great Britain team that won gold in the 4 x 100 metres relay.

Two students – Maya Bruney and Lauren Russell – raced at the European Junior Athletics Championships in Grosseto, Italy, where Maya was the stand-out performer as she sprinted to a gold medal and two bronzes.

Away from the track, UEL also flourished in team sports. The University is now ranked in the top UK five for both its basketball and volleyball programmes. In London, it is ranked first for football, tennis, basketball and volleyball.

Under the guidance of five-time Paralympian Ann Wild OBE, UEL's wheelchair basketball team won the 2017 University Wheelchair Basketball Championships – another first for the University.

Meanwhile, 19-year-old footballer Rinsola Babjide was selected to represent England at the Women's Under-19 European Championships in August.

UEL excelled on water as well as dry land. Chris Bowers won the GB canoe slalom trials to gain selection for the senior World Championships while fellow canoe slalom specialist Zachary Allin earned a place at the under-23 World Championships.

On flat water, UEL also celebrated the success of rower Callum McBrierty, who won gold on his debut in GB's coxless four at the World Cup regatta in Belgrade.

SportsDock, the University's world-class sports complex at the Docklands campus, continues to make a big impact on the University and the wider community. The gym has a membership of around 3,000 while the sports arenas are in constant demand from outside organisations.

Graduation and campus events

UEL continues to produce and host many exciting events. Our academic year commenced with a major highlight – the welcoming of a new Chancellor, Shabir Randeree CBE, at a formal inauguration in October at our University Square Stratford (USS) campus.

The evening included a special welcome by the Mayor of London, Sadiq Khan, who paid tribute to Shabir's character and achievements before an audience of key stakeholders, including industry professionals, the UEL Board of Governors, staff and students.

One month later, the new Chancellor congratulated more than 3,000 graduates at our annual graduation ceremonies and formally conferred honorary doctorates on Sir Keith Pearson, the Chair of Health Education England; internationally recognised actor and author Ruby Wax; UEL alumnus and charity founder Firoz Patel; international lawyer Fatou Bensouda; Malaysian politician Dr Zambry Abd Kadir; and television and stage actor Ann Mitchell.

This year we also celebrated the achievements of Sir Terry Morgan, the Chairman of Crossrail, by holding a private honorary award ceremony.

This was filmed and shown at the graduation ceremony for the School of Architecture, Computing and Engineering.

Annual events such as E Factor, which unlocks the entrepreneurial potential of UEL students, and the Sports Awards drew large audiences at Canary Wharf and Indigo at the o2, respectively, and provided a platform for student interaction with potential employers and mentors.

At the Sports Awards, UEL honoured the CEO of Women in Sport, Ruth Holdaway, with both an Honorary Doctorate of Science and a lifetime achievement award.

This year also saw the launch of several events that could become annual favourites, including the first annual Psychology Conference, where postgraduate students displayed their research to an audience of 100 peers, alumni and potential employers.

UEL also worked in partnership with Common Purpose on their first UK programme, 33Sixty London. This is a leadership course that equips aspiring Commonwealth leaders aged 18-30 with the skills and the networks to make a difference. Thirty-five students were selected to take part in a week-long London programme,

and a further 50 students participated in an all-expenses paid trip to Mumbai, India.

UEL also launched its degree apprenticeships to a large gathering of employers at the Knowledge Dock building on our Docklands Campus.

Conferencing, an area within the University that rents space to external businesses, surpassed its financial targets and facilitated events including the annual Delivering Skills for London conference. The team also built important relationships with Transport for London, Channel 4 and Westfield shopping centre, and cemented ongoing relationships with the London Borough of Newham, Stratford Original and a number of key Stratford businesses.

[Our Going Global bursaries give students the opportunity to broaden their horizons in countries all over the world](#) >



Alumna is first female Sikh elected to Parliament

In June, UEL graduate Preet Kaur Gill became the first-ever female Sikh to serve as a Member of Parliament (MP) in the UK when she was elected to represent Labour in Birmingham Edgbaston.

She joins fellow UEL alumnae and Labour MPs Kate Osamor, Edmonton, and Dr Rupa Huq, Ealing Central and Acton, in Westminster.

“

It's a real privilege to be representing the people and the place where I was born and raised and lived

Preet Kaur Gill

Objective 4: Developing our infrastructure



IT Services

IT Services delivered a strong portfolio of projects this year in support of the University's core mission.

These efforts include:

- A new research management system which supported the University's expanding research programme
- An upgrade to our CRM (customer relationship management) system which expanded functionality in support of student recruitment and marketing
- An online expenses system which simplified the processing of staff purchasing card transactions
- An upgrade to our SITS (student records management) system which delivered key improvements to our core student information system
- Support of UEL's competency-based learning initiatives
- Support of the Civitas system, which delivers learning analytics in support of student retention

IT Services successfully delivered the configuration and deployment of tablets to all eligible students entering UEL, delivered a rolling programme of audio-visual kit replacement and

upgraded and enhanced teaching spaces. Staff also implemented new software in support of UEL's managed print service, which produced savings and efficiencies in both student and staff printing.

With security high on the agenda across the sector, IT Services embarked on a number of initiatives to increase security measures. New policies have been published and an identity management project, including mobile device management, is underway. A team has been commissioned to focus on our General Data Protection Regulation (GDPR) readiness, which will introduce step changes in the way the entire University manages its data storage and retention.

IT Services also delivered £1.5 million of efficiency savings through software consolidations, contract renegotiations and a service restructure which better aligned UEL's staffing resources in support of the University's technical requirements.

Estates and Facilities

Our Estates and Facilities team continues to implement improvements in its services.

Our Print Centre increased its engagement with local businesses. It also enhanced bespoke printing for students.

Our maintenance department implemented a new Helpdesk system which makes the reporting and tracking of maintenance works more efficient. Other achievements include finishing all high-priority long-term maintenance works and moving towards a system of proactive 'preventative', not just reactive, maintenance.

The facilities and campus management teams made a number of improvements to their cleaning service as well as modifications to the timetable of the inter-site bus system. The latter maximises the popular service's usefulness and efficiency for students and staff.

The space management team accommodated changes to schools and services across UEL, including establishing a physical base for the New Beginnings admissions team and improving Students' Union space.

The security team introduced new emergency help points and increased security patrols.



Students lead young people on Scottish voyage of self-discovery

Applied Sport and Exercise Science students took 'disengaged' young people from their home environments and brought them to Scotland to help turn their lives around.

The students accompanied the teenagers on a series of treks in the Scottish Highlands, each lasting between four and seven days.

“

The young people had the time and space to think about their problems and they became noticeably calmer.

Sport, PE and Development student
Dominic Stevens



UEL's work in promoting gender equality was recognised with an Athena SWAN bronze award

Our people

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

The University moved forward with its important work supporting and encouraging gender equality. In 2017, we were awarded an Athena SWAN Bronze award by the Equality Challenge Unit. The process involved a self-assessment which took place over approximately one year. It gave us a better understanding of gender equality issues experienced at UEL and helped us develop an action plan to address the issues raised.

Within our action plan we aim to achieve real progress by embedding actions within key UEL agendas and through alignment with the UEL Corporate Plan and Academic Strategy.

Our Women's Network, which supported efforts around the Athena SWAN charter, continued to sponsor regular events

aimed at promoting gender equality principles. To celebrate International Women's Day, the Women's Network offered a career empowerment workshop in Stratford which drew more than 60 University employees.

Our Athena SWAN mentoring programme, which matches UEL staff and students, also continued to be popular and effective for participants.

UEL's Equality, Diversity and Inclusion strategy aims to support the implementation of the University's EDI policy by setting out a framework to deliver an environment and culture that is truly inclusive. The strategy includes anti-bullying campaigns and a new campaign for a Race and Equality Charter mark.

The Race and Equality Charter mark is a framework through which institutions work to identify and self-reflect on institutional and cultural barriers standing in the way of minority ethnic staff and students. UEL will begin its campaign in September with a survey to collate views of both the staff and students on the issues.

Towards the end of the financial year UEL undertook an organisational review and management restructure to secure our future, build on our recent successes and ensure we are equipped to deliver our ambitions. The restructuring included the realignment of our seven academic schools into three multi-disciplinary colleges. This change will allow us to better meet the needs of our students, promote world-class inter-disciplinary research and to ensure the University's financial sustainability.

UEL students take the trip of a lifetime

Fifty students from across UEL enjoyed a life-changing trip to India this summer – all fully funded by the University.

The students spent five days in Mumbai, focusing on global awareness, social justice, sustainability, smart cities and inclusion.

“

Helping students to get a deepening sense of 'others' is at the heart of what we do at UEL, and what good global learning is all about.

Dr Jana Javornik
Director of the Noon Centre

Sustainability

UEL demonstrated its ongoing commitment to environmental sustainability in 2016-2017 with strong management and governance initiatives and efforts to engage with staff and students.

Staff ensured that UEL retained its accreditation under ISO14001:2004 following a surveillance audit in March. As part of this, UEL developed environmental aspects and legal registers for the University which closely monitor our compliance with environmental legislation. UEL also successfully passed an Environment Agency audit on our compliance with the Carbon Reduction Commitment Energy Efficiency Scheme.

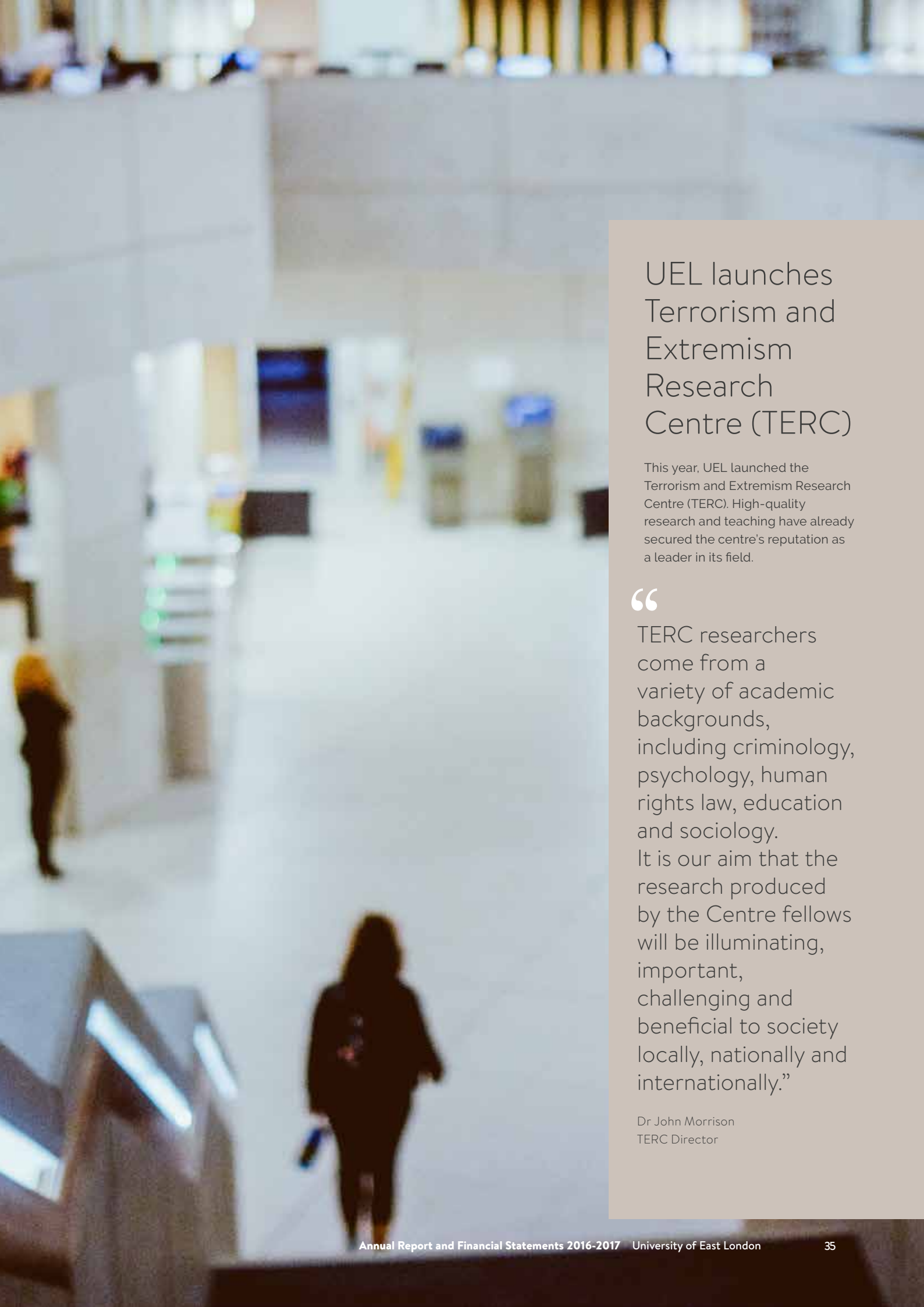
Our environmental programmes now fall under six main categories: emissions to air; energy use; land use; releases to water; waste management; and water use. Our efforts in those areas include securing ongoing financial incentives from our renewable energy technologies, delivering an energy saving campaign and hosting university community gardening.

The newly formed Environmental Sustainability Committee (ESC) now has a direct reporting line to UEL's Board of Governors, and the committee's chair presented our Environmental Sustainability Annual Report at the Board of Governors' Annual General Meeting. UEL's new Environmental Sustainability Policy, endorsed by Vice Chancellor Professor John Joughin, was one of the major achievements communicated to the Board.

Meanwhile, the Sustainability team grew to three full-time members of staff and continued to engage staff and students. We presented 17 UEL staff teams with Green Impact awards for taking measures to make their departments and offices more environmentally friendly. The ceremony took place at The Crystal in east London – one of the world's most sustainable buildings. The Sustainability team also hired a paid student intern this year.

Our Sustainability Strategy consultation is now underway. Staff and students are taking part in surveys and focus groups that will contribute to outlining the direction UEL will take to improve its environment. This Sustainability Strategy will be launched over the next year.





UEL launches Terrorism and Extremism Research Centre (TERC)

This year, UEL launched the Terrorism and Extremism Research Centre (TERC). High-quality research and teaching have already secured the centre's reputation as a leader in its field.

“

TERC researchers come from a variety of academic backgrounds, including criminology, psychology, human rights law, education and sociology. It is our aim that the research produced by the Centre fellows will be illuminating, important, challenging and beneficial to society locally, nationally and internationally.”

Dr John Morrison
TERC Director

Financial review

The Group's total comprehensive income for 2016/17 was £2.5m which included an actuarial gain in respect of its defined benefit pension scheme of £13.4m. The operating deficit for the year was £10.9m and, as explained in more detail in

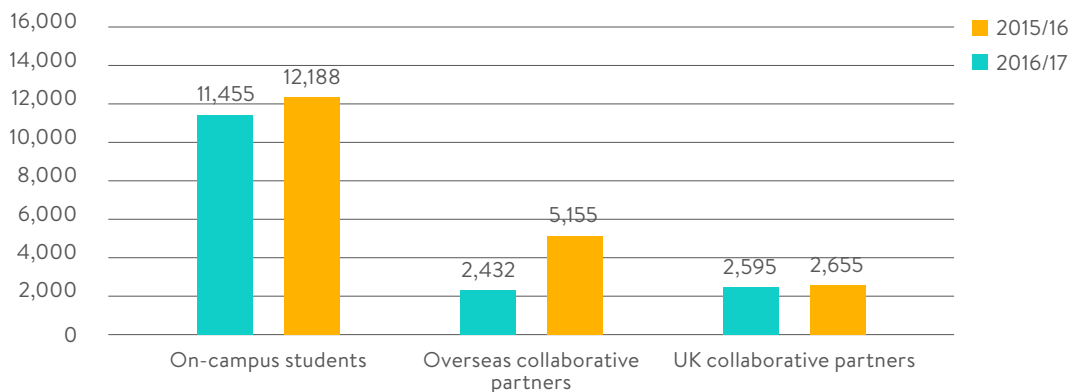
the Expenditure section below, there were one-off restructuring costs of £4m.

The following sections focus on student numbers, income and expenditure, balance sheet and treasury management during the year.

Student numbers

The total number of students for 2016/17 was 16,482 (2015/16: 19,998). The following graph shows a breakdown of students studying on campus and those at collaborative partner institutions.

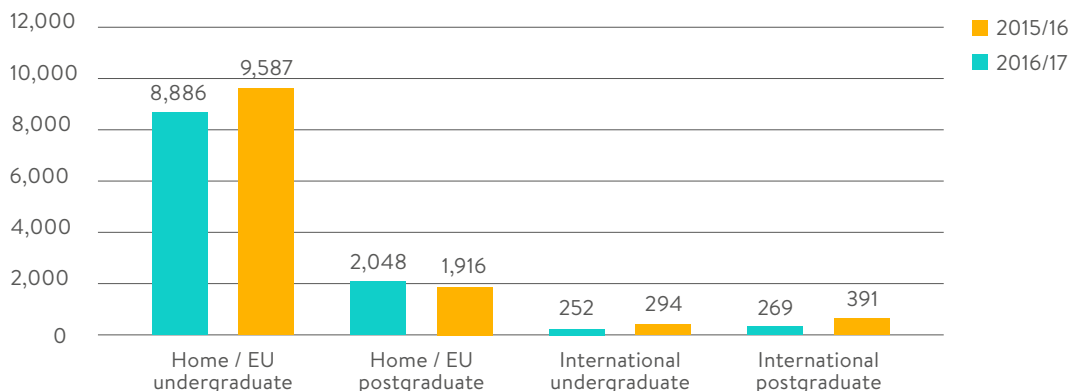
Total Student Numbers



The fall in overseas students (off campus) from 5,155 to 2,432 is disappointing. The Academic Partnerships Office will work closely with Student Recruitment and Marketing to ensure the fall in off campus student numbers is reversed in 2017-18.

The on-campus student numbers are further analysed between Home/EU and International Students in the graph below.

On campus Student Numbers



The graph above shows an overall 7% drop in on campus student numbers at undergraduate level and in international postgraduates. The Home/EU postgraduate recruitment rose by 7% to 2,048 due to student loans being extended to postgraduates for the first time.

Income and Expenditure

	2017 £m	2016 £m
Income	132.6	138.0
Expenditure	143.4	144.3
Deficit before fixed asset disposals	(10.8)	(6.3)
Loss on disposal / investment	(0.1)	(0.5)
Operating Deficit for the year	(10.9)	(6.8)
Add: actuarial pension gains / (losses)	13.4	(12.4)
Total comprehensive income	2.5	(19.2)

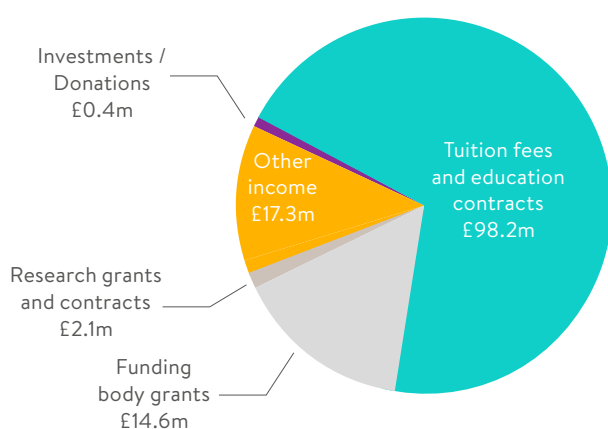
The operating deficit for 2016/17 of £10.9m is before taking into account the actuarial gain on the pension scheme which resulted in total comprehensive income for the year of £2.5m, compared with total comprehensive income of *minus* £19.2m in 2015/16.

Income

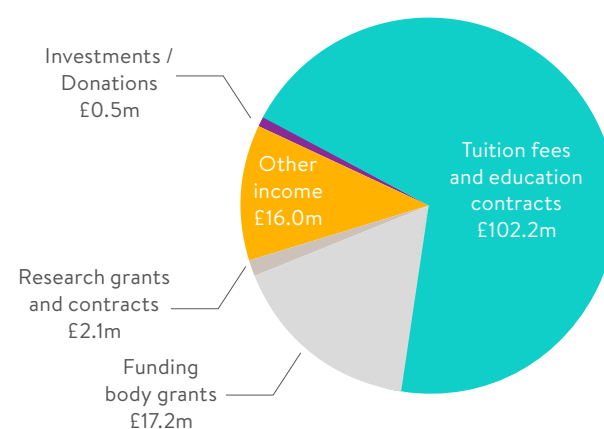
Overall, total income was £132.6m, which represents a decline of 4% compared with 2015/16. Tuition fee income fell by 3.9%, due to a reduction in student numbers shown above, and funding body grants were down by £2.6m (equivalent to 15.1%) on

2015/16. Other income increased by £1.3m on the previous year mainly due to increased income from residences, catering and conference activities. The breakdown of the sources of the University's income is shown below:

2016/17



2015/16



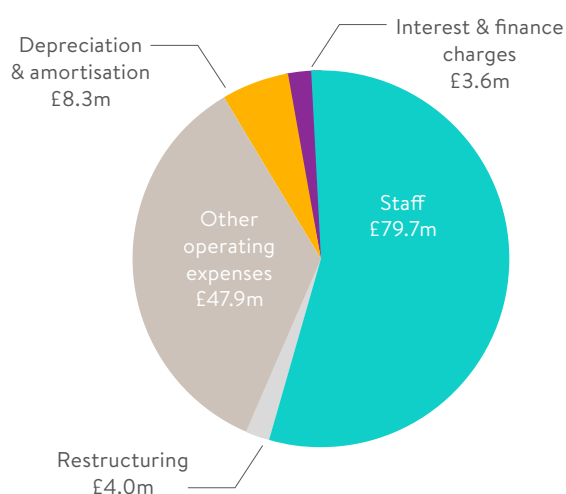
Expenditure

Staff numbers for the year decreased by 2% but staff costs increased by 1% due mainly to the first full year's impact of the abolition of the contracted out National Insurance rate and to national pay increases. The increase in restructuring costs of £3.1m relate mostly to the cost of severance packages arising from a restructure which commenced in June 2017. The severance costs had to be accounted for in 2016/17 even though the financial benefits will be realised in future years.

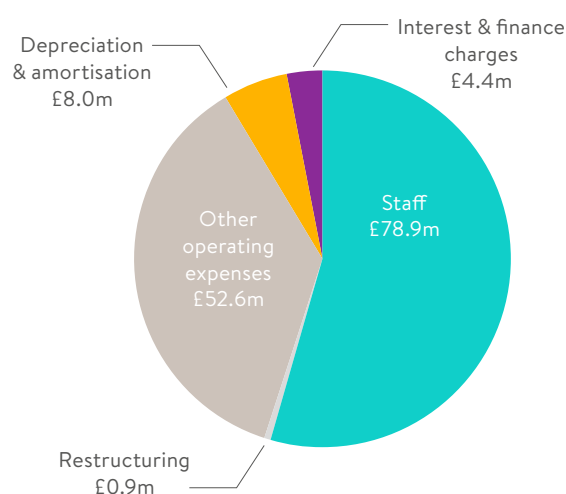
The other operating expenses decreased by £4.7m (8.9%) as compared to previous year, reflecting the cost control measures as set out by the University's Board and achieved across the departments.

Finance costs reduced by £0.8m due mainly to reduced pension interest charges, £2.3m in 2017 as compared to £3.0m in 2016.

2016/17



2015/16



Balance Sheet

Net current liabilities of £8.9m are shown on the balance sheet and, as more fully explained in Note 17 to the financial statements, this is due to the reclassification of the two long term loans following a technical breach of certain loan covenants. The loan renegotiation has continued since 31 July 2017 and a new facility was agreed between UEL and the lender on 15 November 2017.

The balance sheet has improved following the actuarial valuation of one of the University's defined benefit schemes. At year end, pension scheme liabilities fell to £87.9m, compared with £99.1m in 2016.

Key financial risks

The University faces three major financial risks. Firstly, the University needs to increase recruitment and retention of students in a more competitive environment. Secondly, the cost savings arising from the restructure which commenced in June

2017 have been achieved but it will be necessary to ensure that they remain and that further efficiency savings are realised. Thirdly, the University must seek to diversify its income streams to reduce its dependency on undergraduate tuition fees.

Treasury management

Total cash and current investments held by the University and its subsidiary companies were £32.1m as at 31 July 2017, held in BlackRock, Columbia Threadneedle UK Social Bond Fund and Barclays bank accounts. The University has a treasury management policy agreed by the Finance and Capital Projects Committee and each year the

Committee sets the minimum liquid cash holding level for the year. In 2016/17, this holding was equivalent to 50 days (40 days for specific months) of operating costs. The liquid cash holding was monitored on a monthly basis and remained within cash policy limits throughout the year.

Subsidiaries

The University has two fully owned subsidiaries: Knowledge Dock Limited, which is set up to manage training and consultancy assignments; and UEL Professional Services Limited, which is set up to

provide employment services to UEL. The results of the subsidiaries have been incorporated into the income and expenditure account and the balance sheet.

Financial Indicators

The University continues to monitor several key financial indicators as follows:

Measure	2017	2016
Operating deficit as a % of income	-8.2%	-4.9%
Staff costs as a % of total income	60.1%	57.2%
Net Cash flow from operating activities as a % of total income	-1.3%	-1.7%
Net liquidity as number of days expenditure	87	102
External borrowings as a % of total income	18.5%	19.0%
Discretionary reserves excluding pension deficit as a % of total income	91.0%	93.9%
Discretionary reserves including pension deficit as a % of total income	24.7%	22.1%

The indicators show that the University has financial challenges. These indicators will improve with the plan to return to operating surpluses from 2018/19.

Future plan

The University anticipates a further, smaller operating deficit in 2017/18. The Board has approved a plan to return to surplus in 2018/19 which aligns with the Academic Strategy and comprises student recruitment activity, a focus on improved student retention, new income streams and operating efficiencies.

The budgeted deficit for 2017/18 is expected to be fully covered by reserves.

The University's medium term financial forecasts show continued solvency and the University can be considered a going concern.



Public benefit statement

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

Our charitable aims and objectives

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

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

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

2. Creating and disseminating knowledge and ideas that make a difference

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

3. Connecting to students, staff and communities

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

4. Developing our infrastructure

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

Our progress in 2016/17 pursuing these objectives is set out in the Strategic Review section of this Annual Report on pages 12 to 42.





Corporate governance

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

Principles

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

Legal Status

The University is an independent corporation, established as a Higher Education Corporation under the terms of the Education Reform Act 1988 and the Further and Higher Education Act 1992. Its objects, powers and framework of governance are set out in its Instrument and Articles of Government. Its Instrument of Government was approved by the Privy Council on 5 March 1993. The current version of the Articles came into operation on 11 July 2006. The University is an exempt charity whose charitable affairs are regulated by the Higher Education Funding Council for England. 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 HEFCE’s Memorandum of Assurance and Accountability, with the Vice-Chancellor 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, 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 the staff members of the Board are paid employees of the University of East London but no member of the Board receives any reimbursement for the work they do as a Governor. The Board of Governors meets at least five times each academic year and holds an annual 'Development Day', at which it discusses strategy.

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

Reporting to the Board of Governors are the Audit Committee, the Finance and Capital Projects Committee, the Employment Committee, the Governance and Search Committee, the Remuneration Committee and the International Development and Commercial Activities 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 and on the Finance and Capital Projects Committee, the International Development and Commercial Activities Committee and the Capital Projects Steering Group. There is staff governor representation on the Governance and Search Committee and the Finance and Capital Projects Committee includes a member of staff attending meetings as an observer. Members of the Vice-Chancellor's Group attend as required.

The Academic Board is responsible for all matters relating to the research, scholarship, teaching and courses at the University, subject to the overall direction of the Board of Governors, drawing its membership entirely from the staff and the students of the institution. Reporting to the Academic Board are a number of key academic committees, all of which have particular roles to play in ensuring the quality of the student experience. Students are represented on these committees, which during 2016/17 were the Education and Student Success Committee, the Learning, Teaching and Quality Committee, the International Development Sub-Committee, the Student Recruitment Marketing and Fees Sub-Committee, the Research Ethics Committee, the Research and Knowledge Exchange Committee and the Research Degrees Sub-Committee. These committees are responsible for developing, approving and monitoring the key strategies of the University's core academic business. They receive regular reports from Schools and relevant Services and are in turn required to report regularly to the Academic Board.

The University also has formal standing committees in the areas of Health and Safety, Environmental Sustainability, and Equality and Diversity, which report direct to the Board of Governors and to the Academic Board as appropriate.

Management

The Vice-Chancellor and Chief Executive 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 exercises considerable influence upon the development of institutional strategy, the identification and planning of new developments and the shaping of the institutional ethos. Under the terms of the Memorandum of Assurance and Accountability between HEFCE and the institution, the Vice-Chancellor 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 is supported by the Vice-Chancellor's Group, which in 2016/17 consisted of the Deputy Vice-Chancellor, the Pro-Vice-Chancellor (Research and Knowledge Exchange), the Director of Finance, the Registrar & University Secretary and the Chief Operating Officer. The Vice-Chancellor's Group works together with the PVC-Deans (formerly Deans of Schools) and Directors of Services on executive and operational management. The Deputy Vice-Chancellor is responsible for the management of the academic affairs of the University, while the professional and support services are managed by the Registrar & University Secretary, the Chief Operating Officer and other members of VCG as appropriate. The University Leadership Team is a wider forum of academic and services managers that also meets on a regular basis.

Responsibilities of the Board

The Board of Governors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the institution and enable it to ensure that the financial statements are prepared in accordance with its instruments and articles, the Statement of Recommended Practice: Accounting for Further and Higher Education and other relevant accounting standards. In addition, within the terms and conditions of Memorandum of Assurance and Accountability agreed between the Higher Education Funding Council for England and the Board of Governors, the Board of Governors, through its designated office holder, is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University of East London and of the surplus or deficit, cash flow and total recognised gains or losses for that year.

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

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

The Board of Governors has taken reasonable steps to:

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

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

- comprehensive Financial Regulations and Schedule of Delegation, detailing financial controls and procedures, approved annually by the Audit 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.

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 the Memorandum of Assurance and Accountability with HEFCE.

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 2017 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 Corporate Plan 2015-2020, adopted by the Board in January 2015, sets the framework of strategic aims and objectives against which risks are assessed and performance is monitored and reported;
- a University Risk Register which assesses key risks at institutional level, is maintained and is reviewed regularly by the Vice-Chancellor's Group and other senior staff as required;
- all Schools and Services have risk registers, which are tested during the annual planning round, as well as forming part of their ongoing management processes;
- the University Risk Register is reviewed at every meeting of the Audit 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 is expected to alert the Board to any emergent risks;
- a report on risk management is submitted to the Board annually;
- the Audit 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 2016/17 was based;
- members of the Vice-Chancellor's Group are tasked with implementing the various Internal Audit recommendations and reporting progress to the Audit Committee;
- the Audit 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 considers an annual report from the Audit Committee, which gives assurance on systems for:
 - o risk management, control and governance;
 - o economy, efficiency and effectiveness (value for money);
 - o management and quality assurance of data submitted to the Higher Education Statistics Agency, the Student Loans Company, HEFCE 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, BDO LLP. They operate to the standards defined in the HEFCE's Accountability and Audit Code of Practice and submits regular reports on the adequacy and effectiveness of the system of internal controls, together with recommendations for improvement. Our review of the effectiveness of the system of internal control is also informed by the work of the executive managers within the University, who have responsibility for the development and maintenance of the internal control framework and by comments made by the external auditors in their management letter and other reports.

The Corporate Governance Statement was approved by the Board on 28 November 2017 and signed on its behalf by:



Geoff Thompson MBE
Chair of the Board
of Governors



Professor Nora Ann Colton
Acting Vice-Chancellor
University of East London

Independent auditor's report to the Board of Governors of University of East London

Opinion

We have audited the financial statements of University of East London (the 'parent university') and its subsidiaries (the 'group') for the year ended 31 July 2017 which comprise the consolidated and University comprehensive income and expenditure, consolidated and University statement of changes in reserves, the consolidated and University balance sheet, the consolidated cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent university's affairs as at 31 July 2017 and of the group's and parent university's income and expenditure, gains and losses, changes in reserves and group's cash flows for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice: Accounting for Further and Higher Education published in March 2014.

Basis for opinion

We have been appointed as auditor under the Education Reform Act 1988 and report in accordance with regulations made under those Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the

financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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

Conclusions relating to going concern

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

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

Other information

The Governing Body is responsible for the other information. The other information comprises the information included in the annual report set out on pages 3 to 48, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by HEFCE's Memorandum of assurance and accountability dated July 2017 and the funding agreement with the National College for Teaching and Leadership

In our opinion, in all material respects:

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

Responsibilities of Governing Body for the financial statements

As explained more fully in the Statement of responsibilities of the Governing Body set out on page 46, the Governing Body is responsible for the preparation of the financial statements and for being satisfied they give a true and fair view, and for such internal control as the Governing Body determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Grant Thornton UK LLP

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
Date: *28 November 2017*



Financial statements and notes to the accounts



Consolidated and University statement of comprehensive income and expenditure

		2017	2017	2016	2016
		Consolidated	University	Consolidated	University
	Notes	£'000	£'000	£'000	£'000
Income					
Tuition fees and education contracts	1	98,271	98,271	102,247	102,247
Funding body grants	2	14,619	14,619	17,224	17,224
Research grants and contracts	3	2,084	2,084	2,080	2,030
Other income	4	17,276	17,292	16,003	15,689
Investment income	5	43	43	233	233
Total income before endowments and donations		132,293	132,309	137,787	137,423
Donations	6	352	352	224	224
Total income		132,645	132,661	138,011	137,647
Expenditure					
Staff costs	7	79,698	79,698	78,907	78,907
Fundamental restructuring costs		3,969	3,969	880	880
Other operating expenses	9	47,887	48,240	52,101	51,737
Amortisation	11	587	587	344	344
Depreciation	12	7,680	7,680	7,619	7,616
Interest and other finance costs	8	3,621	3,621	4,429	4,429
Total expenditure		143,442	143,795	144,280	143,913
(Deficit) before other gains losses and share of operating surplus/deficit of joint ventures and associates		(10,797)	(11,134)	(6,269)	(6,266)
Loss on disposal of fixed assets		(119)	(119)	(43)	(43)
Gain / (Loss) of investments		17	17	(456)	(456)
(Deficit) before tax		(10,899)	(11,236)	(6,768)	(6,765)
Taxation	10	0	0	0	0
(Deficit) for the year		(10,899)	(11,236)	(6,768)	(6,765)
Actuarial gain / (loss) in respect of pension schemes	27	13,425	13,425	(12,465)	(12,465)
Total comprehensive income for the year represented by:		2,526	2,189	(19,233)	(19,230)
Restricted comprehensive income	20	12	12	(68)	(68)
Unrestricted comprehensive income		2,514	2,177	(19,165)	(19,162)
		2,526	2,189	(19,233)	(19,230)

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 2016		60	30,315	55,972	86,347
Prior Year adjustment: Transfers between revaluation and income and expenditure reserve		0	139	(139)	0
Re-stated Balance at 1 August 2016		60	30,454	55,833	86,347
(Deficit) from the income and expenditure statement		0	(10,899)	0	(10,899)
Other comprehensive income		0	13,425	0	13,425
Transfers between revaluation and income and expenditure reserve		0	139	(139)	0
Release of restricted funds spent in year	20	(12)	12	0	0
Total comprehensive income for the year		(12)	2,677	(139)	2,526
Gift Aid from subsidiaries		0	(335)	0	(335)
Balance at 31 July 2017		48	32,796	55,694	88,538

Prior year adjustment was made to reflect the appropriate transfer between reserve categories.

University	Notes	Restricted	Unrestricted	Revaluation reserve	Total
		£'000	£'000	£'000	£'000
Balance at 1 August 2016		60	30,300	55,972	86,332
Prior Year adjustment: Transfers between revaluation and income and expenditure reserve		0	139	(139)	0
Re-stated Balance at 1 August 2016		60	30,439	55,833	86,332
(Deficit) from the income and expenditure statement		0	(11,236)	0	(11,236)
Other comprehensive income		0	13,425	0	13,425
Transfers between revaluation and income and expenditure reserve		0	139	(139)	0
Release of restricted funds spent in year	20	(12)	12	0	0
Total comprehensive income for the year		(12)	2,340	(139)	2,189
Balance at 31 July 2017		48	32,779	55,694	88,521

Consolidated	Notes	Restricted	Unrestricted	Revaluation reserve	Total
		£'000	£'000	£'000	£'000
Balance at 1 August 2015		128	49,480	55,972	105,580
(Deficit) from the income and expenditure statement		0	(6,768)	0	(6,768)
Other comprehensive income		0	(12,465)	0	(12,465)
Transfers between revaluation and income and expenditure reserve		0	0	0	0
Release of restricted funds spent in year		(68)	68	0	0
Total comprehensive income for the year		(68)	(19,165)	0	(19,233)
Balance at 31 July 2016		60	30,315	55,972	86,347

University	Notes	Restricted	Unrestricted	Revaluation reserve	Total
		£'000	£'000	£'000	£'000
Balance at 1 August 2015		128	49,462	55,972	105,562
(Deficit) from the income and expenditure statement		0	(6,765)	0	(6,765)
Other comprehensive income		0	(12,465)	0	(12,465)
Transfers between revaluation and income and expenditure reserve		0	0	0	0
Release of restricted funds spent in year		(68)	68	0	0
Total comprehensive income for the year		(68)	(19,162)	0	(19,230)
Balance at 31 July 2016		60	30,300	55,972	86,332

Consolidated and University balance sheet

		2017	2017	2016	2016
		Consolidated	University	Consolidated	University
Notes		£'000	£'000	£'000	£'000
Non-current assets					
Intangible assets	11	1,919	1,919	2,191	2,191
Fixed assets	12	234,358	234,358	240,922	240,906
Investments	13	34	234	34	234
		236,311	236,511	243,147	243,331
Current assets					
Stock	14	0	0	8	0
Trade and other receivables	15	7,664	7,820	7,283	7,854
Receivable after more than one year	15	216	216	90	90
Current Investments	16	567	567	550	550
Cash and cash equivalents	21	31,495	31,080	37,569	36,858
		39,942	39,683	45,500	45,352
Less: Creditors: amounts falling within one year	17	(48,870)	(49,018)	(27,521)	(27,572)
Net current (liabilities) / assets		(8,928)	(9,335)	17,979	17,780
Total assets less current liabilities		227,383	227,176	261,126	261,111
Creditors: amounts falling due after more than one year	18	(47,972)	(47,972)	(72,117)	(72,117)
Provisions					
Pension provisions	27	(87,863)	(87,863)	(99,137)	(99,137)
Other provisions	19	(3,010)	(2,820)	(3,525)	(3,525)
Total net assets		88,538	88,521	86,347	86,332
Restricted Reserves					
Income and expenditure reserve restricted reserve	20	48	48	60	60
Unrestricted Reserves					
Income and expenditure reserve unrestricted		32,796	32,779	30,454	30,439
Revaluation reserve		55,694	55,694	55,833	55,833
		88,490	88,473	86,287	86,272
Total Reserves		88,538	88,521	86,347	86,332

The financial statements were approved by the Board of Governors on 28 November 2017 and signed on its behalf by:



Geoff Thompson MBE
Chair of Governors



Professor N Colton
Acting Vice-Chancellor



Mr John Garnham
Director of Finance
(Interim)

Consolidated cash flow

	Notes	2017 £'000	2016 £'000
Cash flow from operating activities			
(Deficit) for the year		(10,899)	(6,768)
Adjustment for non-cash items			
Depreciation	12	7,680	7,619
Amortisation of intangibles	11	587	344
Release of capital grant	2 & 4	(1,225)	(1,130)
Release of donations	6	0	(68)
Exchange differences		13	(45)
Decrease in stock	14	8	9
(Increase) / Decrease in debtors		(520)	2,062
(Decrease) in creditors		(333)	(7,439)
Pension costs less contributions payable		(224)	(983)
(Decrease) in other provisions	19	(515)	(658)
Adjustment for investing or financing activities			
(Gain) / Loss on investments		(17)	456
Investment income	5	(43)	(233)
Interest payable	8	3,621	4,429
Loss on the sale of fixed assets		119	43
Net cash (outflow) from operating activities		(1,748)	(2,362)
Cash flows from investing activities			
Proceeds from sales of fixed assets		1	3
Capital grants receipts		1,005	1,811
Withdrawal of deposits		(17)	8,582
Gain / (Loss) on investments		17	(456)
Investment income		56	243
Payments made to acquire fixed assets		(1,570)	(4,043)
Payments made to acquire intangible assets		(790)	(1,637)
Net cash (outflow) / inflow from investing activities		(1,298)	4,503
Cash flows from financing activities			
Interest paid		(1,273)	(1,366)
New unsecured loan	18	184	464
Repayments of amounts borrowed		(1,939)	(2,300)
Net cash (outflow) from financing activities		(3,028)	(3,202)
(Decrease)/increase in cash and cash equivalents in the year			
Cash and cash equivalents at beginning of the year	21	37,569	38,630
Cash and cash equivalents at end of the year	21	31,495	37,569

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 the historical cost convention and the accounts have been prepared on a going concern basis. The accounts are presented in £ Sterling.

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 2017. 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 subsidiary are prepared in accordance with the requirements of the Companies Act 2006.

3. Income recognition

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

i) Tuition Fee income

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

ii) Investment income

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

iii) Grant funding

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

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

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

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

iv) Donations

are non-exchange transactions which are accounted for using the performance method, and are 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 bursaries to students under NCTL and NHS programmes. The administrative fees received from the NCTL and the 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 its 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 its 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 assets

In accordance with FRS 102, software costs have been reclassified as intangible assets and amortised on a straight line basis over a period of 5 years.

9. Pension scheme arrangements

The University participates in two defined benefits schemes: the London Borough of Barking and Dagenham Pension Scheme and the Teachers' Pension Scheme. It also operates a defined contribution scheme. 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 in equal instalments and the

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

13. Investments

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

14. Cash and cash equivalents

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

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

15. Taxation

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

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

16. Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

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

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

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

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

17. Foreign currency

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

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

18. Reserves

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

19. Going concern

The Board of Governors considers that the University has sufficient financial resources and is confident that its future income streams will maintain these resources. The Board believes that the University is well placed to effectively manage its business risks despite the uncertain economic situation.

Creditors falling due within one year exceed current assets as at 31 July 2017. This is due to the reclassification of two long term loans, arising from a technical breach in one of the financial covenants. These have been shown as current liabilities as reported in Note 17 in the Notes to the Financial Statements. A new loan facility was signed on 15 November 2017 and this has removed the risk of the bank being able to demand immediate repayment but, under FRS 102, the new loan facility is a non-

adjusting post balance sheet event.

The Board's Finance and Capital Projects Committee reviews cash flow projections and receives reports from management on the financial position at every meeting.

20. Key judgement and estimates

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

a. Pension

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

b. Short term staff benefits

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

c. Land revaluation and depreciation

We have adopted a one off revaluation of the land at the 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 2017

	2017 Consolidated £'000	2017 University £'000	2016 Consolidated £'000	2016 University £'000
1				
Tuition Fees and Education Contracts				
UK Higher Education students	71,889	71,889	75,079	75,079
European Union (excluding UK students)	11,684	11,684	11,696	11,696
Non-European Union students	5,438	5,438	6,818	6,818
Part-time students	6,186	6,186	5,405	5,405
	95,197	95,197	98,998	98,998
Education contracts	3,074	3,074	3,249	3,249
	98,271	98,271	102,247	102,247

	2017 Consolidated £'000	2017 University £'000	2016 Consolidated £'000	2016 University £'000
2				
Funding Body Grants				
Recurrent grant				
Higher Education Funding Council	13,395	13,395	15,775	15,775
Capital grant	679	679	579	579
Specific grants				
Higher Education Innovation Fund	180	180	389	389
National Scholarship Programme	8	8	0	0
Postgraduate Support Scheme / Collaborative outreach	32	32	217	217
Learning Gain	100	100	93	93
National College for Teaching & Leadership	225	225	171	171
	14,619	14,619	17,224	17,224

	2017 Consolidated £'000	2017 University £'000	2016 Consolidated £'000	2016 University £'000
3				
Research Grants and Contracts				
Research Councils	155	155	335	335
UK based charities	179	179	129	129
European Commission	612	612	416	416
Other grants and contracts	1,138	1,138	1,200	1,150
	2,084	2,084	2,080	2,030

UK based charities includes income of £9,935 from the Aldgate and Allhallows Foundation (2015/16: £nil) and £3,000 from The Henry Moore Foundation in 2015/16.

	2017 Consolidated £'000	2017 University £'000	2016 Consolidated £'000	2016 University £'000
4				
Other Income				
Residences, catering and conferences	9,612	9,612	8,560	8,560
Collaborative agreements	1,576	1,576	1,675	1,675
Release of Non-HEFCE capital grants	547	547	552	552
Other income	5,541	5,557	5,216	4,902
	17,276	17,292	16,003	15,689

Other income includes income of £55,951 (2015/16: £60,410) from Sport England, £554 in 2015/16 from the Wates Family Enterprise Trust and £51,091 in 2015/16 from The Royal British Legion.

	2017 Consolidated £'000	2017 University £'000	2016 Consolidated £'000	2016 University £'000
5				
Investment Income				
Other investment income	43	43	233	233

	2017 Consolidated £'000	2017 University £'000	2016 Consolidated £'000	2016 University £'000
6				
Donations and Endowments				
Unrestricted donations	352	352	224	224
	352	352	224	224

	2017 Consolidated £'000	2017 University £'000	2016 Consolidated £'000	2016 University £'000
7				
Staff costs				
Salaries	60,652	56,825	61,499	61,499
Social security costs	6,722	6,355	5,849	5,849
Other pension costs	12,324	11,934	11,559	11,559
Agency costs	0	4,584	0	0
Total	79,698	79,698	78,907	78,907

The staff costs exclude restructuring costs of £3,969k (2015/16: £880k). All new staff are signed on through UEL Professional Services Ltd and the costs are reflected in the agency costs line.

	2017 £'000	2016 £'000
Emoluments of the Vice-Chancellor:		
Salary	250	250
Benefits	3	3
Pension contributions	41	41
	294	294

The emoluments of the Vice-Chancellor are shown on the same basis as for higher paid staff and exclude employer's national insurance contributions. The Vice-Chancellor's remuneration for 2016/17 is made up of a salary of £250,000 plus health insurance provided by the University. The University's pension contributions to the Teachers' Pension Scheme in respect of the Vice-Chancellor are paid at the same rates as for other academic staff. This represents employer's pension contributions of 16.4% (2015/16: 16.4%). No Board Members received any remuneration for the years 2016/17 and 2015/16. Four non-staff governors were paid £6,092 in expenses in 2016/17 (2015/16: four non-staff governors were paid £6,134).

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

	2017 No.	2016 No.
Higher paid staff		
£100,001 - £110,000	2	1
£110,001 - £120,000	1	2
£120,001 - £130,000	1	0
£130,001 - £140,000	1	0
£140,001 - £150,000	0	0
£150,001 - £160,000	2	2
£160,001 - £170,000	0	1
£170,001 - £180,000	0	0
£180,001 - £190,000	0	1
	7	7

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 are members of Vice-Chancellor's Group led by the Vice-Chancellor

Deputy Vice-Chancellor and Chief Operating Officer		
Deputy Vice-Chancellor		
Pro-Vice-Chancellor (Learning, Teaching & Student Engagement)		
Head of Governance and Legal Services		
Director of Finance		
Registrar and University Secretary		
Pro-Vice-Chancellor (Research)		
	2017	2016
	£'000	£'000

Key management personnel compensation

	899	940
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The compensation consists of salary, benefits, employer's NI and pension contribution.

	2017 £'000	2016 £'000
Average staff numbers by major category		
Senior Management Staff	6	6
Teaching Staff	553	559
Research Staff	26	34
Professional, Administrative, Technical and Other Support Staff	728	736
	1,313	1,335

Included in the staff costs are salaries totalling £1,738,890 (2015/16: £1,891,400) paid to 719 (2015/16: 760) 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 35 full time equivalent academic staff in 2016/17 (2015/16: 38 academic staff).

	2017 Consolidated £'000	2017 University £'000	2016 Consolidated £'000	2016 University £'000
8				

Interest and other finance costs

Loan interest	1,259	1,259	1,355	1,355
Exchange differences	(13)	(13)	45	45
Net charge on pension scheme	2,375	2,375	3,029	3,029
	3,621	3,621	4,429	4,429

	2017 Consolidated £'000	2017 University £'000	2016 Consolidated £'000	2016 University £'000
9				

Analysis of total expenditure by activity

Academic departments	7,902	7,902	9,784	9,784
Research grants and contracts	978	978	684	684
Bursaries and scholarships	7,241	7,241	8,180	8,180
Academic services	1,654	1,654	1,691	1,691
Administration and central services	12,276	12,629	11,642	11,642
Residences, catering and conferences	2,102	2,102	2,718	2,718
Other expenses	2,024	2,024	1,670	1,306
Information Technology	3,139	3,139	4,455	4,455
Premises	10,571	10,571	11,277	11,277
	47,887	48,240	52,101	51,737

Other expenses include

External auditor's remuneration:				
Fees payable for the audit of the university's annual accounts	55	55	54	54
The audit of the university's subsidiary, pursuant to legislation	6	0	6	0
Other audit services	6	6	7	7
Internal auditor's remuneration	71	71	107	107
Losses on disposal of tangible fixed assets	119	119	43	43
Students' Union grant	731	731	706	706
Rentals paid during the year under operating leases:				
Hire of plant and machinery	479	479	648	648

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Taxation

The University and its subsidiary companies were not liable for Corporation Tax.

	2017 Consolidated £'000	2017 University £'000	2016 Consolidated £'000	2016 University £'000
11				
Intangible assets: Software				
Cost				
At 1 August	3,898	3,898	2,577	2,577
Additions	333	333	1,321	1,321
Disposals	(93)	(93)	0	0
Transfers to intangibles	66	66	0	0
As at 31 July	4,204	4,204	3,898	3,898
Amortisation				
At 1 August	1,707	1,707	1,363	1,363
Charge for the year	587	587	344	344
Disposals	(9)	(9)	0	0
As at 31 July	2,285	2,285	1,707	1,707
Net book value				
Closing balance for the year	1,919	1,919	2,191	2,191
Opening balance for the year	2,191	2,191	1,214	1,214

The addition during the year relates to the purchase of software intangible assets.

	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Equipment and furniture £'000	Assets under construction £'000	Total £'000
12					
Fixed Assets Group					
Cost or valuation					
At 1 August 2016	242,032	28,790	25,290	1,745	297,857
Additions	1,024	0	302	135	1,461
Disposals	0	0	(441)	0	(441)
Transfers to/(from)	1,653	0	0	(1,653)	0
Transfer to intangibles	0	0	(66)	0	(66)
Adjustment	0	0	0	(227)	(227)
At 31 July 2017	244,709	28,790	25,085	0	298,584

Depreciation					
At 1 August 2016	41,734	579	14,622	0	56,935
Charge for the year	4,666	65	2,949	0	7,680
Disposals	0	0	(389)	0	(389)
At 31 July 2017	46,400	644	17,182	0	64,226
Net book value					
At 31 July 2017	198,309	28,146	7,903	0	234,358
At 31 July 2016	200,298	28,211	10,668	1,745	240,922
University Cost or valuation					
At 1 August 2016	242,032	28,790	25,269	1,745	297,836
Additions	1,024	0	302	135	1,461
Disposals	0	0	(420)	0	(420)
Transfers to/(from)	1,653	0	0	(1,653)	0
Transfer to intangibles	0	0	(66)	0	(66)
Adjustment	0	0	0	(227)	(227)
At 31 July 2017	244,709	28,790	25,085	0	298,584
Depreciation					
At 1 August 2016	41,734	579	14,617	0	56,930
Charge for the year	4,666	65	2,949	0	7,680
Disposals	0	0	(384)	0	(384)
At 31 July 2017	46,400	644	17,182	0	64,226
Net book value					
At 31 July 2017	198,309	28,146	7,903	0	234,358
At 31 July 2016	200,298	28,211	10,652	1,745	240,906

Capitalised interest of £944,116 (2015/16: £970,258) is included within Freehold land and buildings and it is depreciated at the same rate as the building constructed with the loan.

Leased assets included above:	Freehold Land and Buildings	Leasehold Land and Buildings	Equipment and furniture	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000
At 31 July 2017	0	28,146	0	0	28,146
At 31 July 2016	0	28,211	0	0	28,211

13	Subsidiary companies £'000	Other fixed assets investments £'000	Total £'000
Non-Current Investments Consolidated			
At 1 August 2016	0	34	34
Additions	0	0	0
At 31 July 2017	0	34	34
University			
At 1 August 2016	200	34	234
Additions	0	0	0
At 31 July 2017	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 :	2017 £'000	2016 £'000
	34	34

Consolidated and University

Universities UK	34	34
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14	2017 £'000	2016 £'000
Consolidated Stock	0	8

The stock held by Knowledge Dock Limited relates to fabric as cost per metre and consumables as cost per item. The unit was closed and the stock was disposed of during the year.

15	2017 Consolidated £'000	2017 University £'000	2016 Consolidated £'000	2016 University £'000
Trade and other receivables				
Amounts receivable within one year				
Trade and other receivables	3,975	3,890	4,568	4,612
Amounts owed by subsidiary undertaking	0	0	0	281
Other debtors	540	505	92	210
Prepayments and accrued income	3,149	3,425	2,623	2,751
	7,664	7,820	7,283	7,854
Amounts receivable after more than one year				
General prepayments and accrued income: between one and two years	216	216	90	90
	7,880	8,036	7,373	7,944

16	2017	2017	2016	2016
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Current Investments				
Investment in social fund	567	567	550	550
Current investments	567	567	550	550

17	2017	2017	2016	2016
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Creditors: Amounts falling due within one year				
Other loans repayable within one year	23,990	23,990	1,960	1,960
Trade creditors	10,534	10,478	12,105	12,425
Other creditors	217	157	445	445
Taxation and social security	2,347	2,137	2,369	2,335
Amounts owed to subsidiary	0	49	0	0
Accruals and deferred income	11,782	12,207	10,642	10,407
	48,870	49,018	27,521	27,572

The loan agreements in place at 31 July 2017 contained financial covenants. The University was in technical breach of one of the relevant financial covenants, namely the operating cash flow to debt servicing costs. The testing of the covenants was due to take place on 31 January 2018 based on the audited financial statements as at 31 July 2017. The University and the lender agreed a new loan facility on 15 November 2017, which effectively refinances the loans in place at 31 July 2017. As a result, the technical breach is no longer relevant.

	2017 Consolidated £'000	2017 University £'000	2016 Consolidated £'000	2016 University £'000
18				
Creditors: Amounts falling due after more than one year				
Deferred income	47,480	47,480	47,820	47,820
Other loans – Bank (secured)				
Between one and two years	0	0	1,899	1,899
Between two and five years	0	0	5,699	5,699
In five years or more	0	0	16,295	16,295
Other loans – HEFCE (unsecured)				
Between one and two years	97	97	61	61
Between two and five years	274	274	182	182
In five years or more	121	121	161	161
	47,972	47,972	72,117	72,117
Analysis of secured and unsecured loans:				
Due within one year or on demand	23,990	23,990	1,960	1,960
Due between one and two years	97	97	1,960	1,960
Due between two and five years	274	274	5,880	5,880
Due in five years or more	121	121	16,456	16,456
Due after more than one year	492	492	24,296	24,296
Total secured and unsecured loans	24,482	24,482	26,256	26,256

The bank loans are secured against certain leasehold land and property at the Docklands campus. The bank would have right to ownership of the land and buildings should the University default on the loan payment.

The secured loans have been reclassified under loans repayable within one year - see note 17.

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

	2017 Consolidated and University £'000	2016 Consolidated and University £'000
19		
Provisions for liabilities		
Balance at 1 August	3,525	4,183
Release of provisions	(515)	(658)
Balance at 31 July	3,010	3,525

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

	2017 Consolidated and University £'000	2016 Consolidated and University £'000
20		
Restricted Reserves		
Balances at 1 August 2016	60	128
Release of restricted funds spent in year	(12)	(68)
At 31 July 2017	48	60

The restricted reserves relate to donations from the Noon Foundation £48,000 (2015/16: £60,000).

	At 1 August 2016 £'000	Cash Flows £'000	At 31 July 2017 £'000
21			
Cash and cash equivalents Consolidated			
Cash and cash equivalents	37,569	(6,074)	31,495
Cash and cash equivalents University			
Cash and cash equivalents	36,858	(5,778)	31,080

	2017	2017	2016	2016
	Consolidated	University	Consolidated	University
22	£'000	£'000	£'000	£'000

Capital and other commitments

Commitments contracted for but not provided for in the financial statements	575	575	523	523
Authorised by the Board of Governors but not yet contracted for	382	382	2,155	2,155
	957	957	2,678	2,678

Commitments contracted at 31 July 2017 include £470,617 in respect of window replacement in the Arthur Edwards Building at the Stratford Campus. It also includes £100,000 in respect of committed costs for the R Building replacement at the Stratford Campus. Capital commitments authorised by the Board of Governors but not yet contracted, include the Nursing Simulation Ward at Stratford Campus (£190,313), UEL's share for University Square Stratford (£129,935), and SportsDock at the Docklands Campus (£62,018).

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Contingent liabilities

The University does not have any contingent liabilities.

	2017	2016
24	£'000	£'000

Lease obligations

Total rentals payable under operating leases:

Payable during the year	479	648
-------------------------	-----	-----

Equipment and Furniture
£'000

Future lease payments due

Due within one year	471	479
Due between two and five years	233	704
Due after five years	0	0
	704	1,183

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Subsidiary undertakings

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

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

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 or (expenditure) for the year £	Closing debtor or (creditor) £
UEL Students' Union	Elected President			
Other services: income		292	(674)	(382)
Annual support grant		—	(731,000)	—

The student union other services income is a combination of utility costs, other recharges and printing services. The £731k is in regards to the annual support grant received by the Student Union inclusive of staff costs relating to responsibility allowances.

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 by Friends Life. Two of the schemes are funded, but the Teachers' Pension Scheme is unfunded.

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

1. UEL Retirement and Savings Plan

The University has offered this defined contribution scheme operated by Friends Life 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 Retirement and Savings Plan.

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

2. Teachers' Pension Scheme (England and Wales)

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.4% of pensionable pay (2016: 16.4%)
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- total scheme liabilities for service to the effective date of £191.5 bn, and notional assets of £176.6 bn, giving a notional past service deficit of £15.0 bn.

The new employer contribution rate of 16.4% was implemented on 1 September 2015.

The employer contribution rate is expected to be reassessed at the actuarial valuation to be carried out as at 31 March 2016 (and each subsequent four yearly valuation). The next revision to the employer contribution rate is expected to take effect from 1 April 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 (i.e. cash amounts) in accordance with paragraphs 28.10 of FRS 102. In the year ending 31 July 2017 contributions by the Group to the scheme were £4.6 million (2016: £4.5 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. The valuation used for FRS 102 disclosures has been based on the most recent actuarial valuation at 31 March 2013 and updated by Hymans Robertson to take account of FRS 102 in order to assess the liabilities of the scheme as at 31 July 2017.

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 2018 would be approximately £5,799,000.

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

Assets	31-Jul-17	31-Jul-16
Equities	76%	69%
Bonds	18%	20%
Property	6%	7%
Cash	0%	4%

Assumptions

The financial assumptions used by the actuary were:

	31-Jul-17	31-Jul-16
Pension Increase rate	2.5%	1.9% pa
Salary Increase rate	3.0%	3.4% pa
Discount rate	2.7%	2.4% pa

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

	31-Jul-17		31-Jul-16	
	Males	Females	Males	Females
Current pensioners	22.0%	24.7%	21.8 years	24.0 years
Future pensioners	24.0%	26.4%	24.1 years	26.5 years

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

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

Analysis of changes to the balance sheet:	Fair value of employer assets		Defined Benefit obligation		Net liability recognised in balance sheet	
	2017	2016	2017	2016	2017	2016
	£'000	£'000	£'000	£'000	£'000	£'000
Opening Balance	136,970	119,902	(236,107)	(204,528)	(99,137)	(84,626)
Contributions by members	1,506	1,754	(1,506)	(1,754)	0	0
Contributions by the employer	5,798	6,520	0	0	5,798	6,520
Contributions in respect of unfunded benefits	622	660	0	0	622	660
Estimated benefits paid	(5,482)	(5,039)	5,482	5,039	0	0
Estimated unfunded benefits paid	(622)	(660)	622	660	0	0
Expected return on assets	3,307	4,374	0	0	3,307	4,374
Actuarial gains/(losses)	9,235	9,459	4,190	(21,924)	13,425	(12,465)
Current service cost	0	0	(6,144)	(6,129)	(6,144)	(6,129)
Interest cost	0	0	(5,682)	(7,403)	(5,682)	(7,403)
Past service costs	0	0	0	0	0	0
Losses on curtailments	0	0	(52)	(68)	(52)	(68)
Closing Balance	151,334	136,970	(239,197)	(236,107)	(87,863)	(99,137)

	2017	2016
	£'000	£'000
The University's net pension liabilities were as follows:		
Fair value of employer assets	151,334	136,970
Present value of funded obligations	(233,413)	(229,803)
Net under-funding in funded plans	(82,079)	(92,833)
Present value of unfunded obligations	(5,784)	(6,304)
Net pension liability	(87,863)	(99,137)
Analysis of amount charged to the income and expenditure account:		
Current service cost	6,144	6129
Past service cost (including curtailments)	52	68
Operating charge	6,196	6,197
Expected return on employer assets	(3,307)	(4,374)
Interest on pension scheme liabilities	5,682	7,403
Net Return	2,375	3,029
Net income and expenditure account cost	8,571	9,226
Analysis of Statement of Changes in Reserves		
Actuarial return less expected return on pension scheme assets	9,235	9,459
Changes in demographic assumptions	1,860	0
Changes in assumptions underlying the present value of the scheme liabilities	(7,921)	(24,423)
Experience gains / (losses) on the scheme liabilities	10,251	2,499
Actuarial (losses) recognised in the Statement of Changes in Reserves	13,425	(12,465)

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 2017, contributions by the University to the scheme were £6.196 million (2016: £6.197 million).

	2017	2016	2015	2014	2013
	£'000	£'000	£'000	£'000	£'000
The experience gains and losses for the year ended 31 July were:					
Difference between the expected and actual return on assets	9,235	9,459	5,875	(3,362)	7,169
Value of assets	151,334	136,970	119,902	107,717	103,376
Percentage of assets	6.1%	6.9%	4.9%	(3.1%)	6.9%
Experience gains/(losses) on liabilities	10,251	2,499	1,419	1,988	(103)
Present value of liabilities	239,197	236,107	204,528	184,799	165,064
Percentage of present value of liabilities	4.3%	1.1%	0.7%	1.1%	(0.1%)
Actuarial gains/(losses) recognised in Statement of Changes in Reserves	13,425	(12,465)	(5,709)	(13,530)	3,710
Present value of liabilities	239,197	236,107	204,528	184,799	165,064
Percentage of present value of liabilities	5.6%	(5.3%)	(2.8%)	(7.3%)	2.2%
Net pension liability	(87,863)	(99,137)	(84,626)	(77,082)	(61,688)

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