

# Report and Financial Statements

## 31 July 2022

Ravensbourne  
University London

Higher Education  
Corporation  
and Subsidiary  
Undertaking



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## Chair's and Vice-Chancellor's reports



## Chair's report

After the last two years of disruption, it has been a delight to have our buildings full again with students bringing their energy, enthusiasm and creativity to the university. I recognise the challenges which all our students and staff have had to face and thank them for the way in which they have responded so positively.

Financially we have had to take some hits on government funding and continuing cost increases but the board and executive leadership have maintained our vision for the university and its growth plans. We are a specialist university designed to transform industry and what we offer has never been more relevant to the growth of the economy and to the skills required in the post-pandemic world.

The creative industries and the technology industries will continue to be major drivers of growth in the UK and internationally and are essential for improving the quality of life. Ravensbourne aspires to develop the capabilities of people from diverse backgrounds to meet the challenges in these sectors and develop their ability to contribute to society. We continue to do this and remain committed to ambitious plans to grow the university over the next five years.

As a key part of this we have spent time in consultation with governors, staff and students on developing our values. We want to be relevant, connected, professional, dynamic, transformative and inclusive and we will be embedding these values in all our plans and the way in which we deliver them. This includes expanding our programmes, attracting students from wider constituencies both in the UK and internationally, and through new partnerships.

During the year, Alex Phillips, Jonathan Walmsley, Joanne Stimpson and Samantha Silver retired as Governors and I would like to thank them for the significant contribution each has made to the development of Ravensbourne University London. Our governors bring a diverse range of backgrounds and experiences to the board and we have been pleased to welcome Paul O'Grady as a new independent governor and Alberto Villanueva and Chiz Nwaosu as new staff governors.

The political landscape and the economic outlook are challenging for all universities but I remain confident that Ravensbourne University London is well positioned to meet these challenges and to strengthen its role as a leading provider of specialist digital, media and design education and in developing the creative leaders of the future.



**Andrew Summers CMG**  
Chair of Board of Governors  
16 November 2022

## Vice-Chancellor's report

### Introduction

As this review reports on the academic year 2021/22, I am given an opportunity to reflect on all that we have achieved over this past year. After a tremendously challenging period due to the pandemic, we are extremely proud of how we have planned and successfully actioned a return to campus, both for our staff and our students, the latter who were able to receive face to face teaching once again. I'm very pleased to see how our staff and student body have reintegrated and reconnected with the local community after almost two years of maintaining relationships virtually.

### Financial

From a financial perspective, the pandemic had an adverse impact on our budget both in terms of unexpected additional expenditure and reduced commercial and international student revenues. The financial year began with some difficult headwinds, such as the removal of government funding for London weighting, and some of our Arts based courses. Our recruitment situation was difficult due to the pandemic and students being nervous about going to university in uncertain times, not knowing if the teaching they would receive would be purely online or hybrid. However, we improved our retention rate to 93%, a figure we consider to be very positive, considering the incredibly challenging and changeable circumstances that our students and staff have faced.

This year, our graduates continued to benefit from the opportunities a Ravensbourne degree affords, and 87% of our graduates went into employment or further study which is an improvement from 83% last year. These strong results, despite the pandemic, show the value of a creative and digital based education to our students and the creative economy as a whole.

In the second half of the year we have started to diversify our income streams with an exciting new franchise partnership and another commercial

relationship targeted at increasing the number of international students coming to Ravensbourne. We are also consciously shifting our research efforts towards knowledge exchange.

In addition, we have worked hard to implement improvements in our financial management controls and information, and these factors have been instrumental in navigating the uncertainties that the global environment provided. It has been a significant achievement to finish the year ahead of our budget forecast under difficult external conditions.

### Course validation and other changes

After the appointment of several new executive staff positions, our senior management team is complete and ready to focus on working towards greater student success and satisfaction for the academic year ahead. A large number of our courses achieved outstanding student satisfaction scores in the NSS survey this year although it is also true to say that our overall institutional score requires significant improvement.

The validation of a number of new courses in business and technology disciplines has been a welcome success, as has the revalidation of all of our existing courses under a new Common Academic Framework. We have changed our teaching structure to give students the best possible opportunity to develop their skillset. Our students will now study 3 modules per semester and can expect 12 weeks of face to face teaching. We hope this will encourage a more efficient and focused way of working, allowing students to fully immerse themselves in collaboration and community building. We have also implemented professional life modules which help to build the employability skills required by industry and increased opportunities for formative feedback. All students will get a restorative break between semesters to relax, work, travel or visit friends and family.

## Vice-Chancellor's report (continued)

### Student successes

Our students have continued to impress us all with their outstanding achievements over the last year, many of which have been celebrated nationally and even globally. This list of accomplishments includes, but is not limited to, the Packaging Impact Design (PIDA) Gold Award, the Global Footwear Award, New Blood Awards for Design and Advertising, and the Creative Conscious Award. Several of our architecture students recently had their final year projects showcased in the world renowned Dezeen magazine, whilst our fashion students styled the shoot for 'Vogue Portugal'. Also attracting attention was a second-year design student, who created Kopparberg's first ever set of limited-edition bottles, drawing influence from local street art. Meanwhile, we cannot overlook our recent graduates, who have been involved in some incredibly exciting projects, from designing costumes for the popular Netflix original show 'Bridgerton', to selecting outfits for London Fashion Week. It is truly inspiring to witness the creativity and uniqueness of our Ravensbourne students and alumni.

### Strengthening our diversity

This year we have worked hard to implement and develop various initiatives and events that raise awareness of these important issues. We celebrated International Women's Day on 8 March with a zine making workshop led by artist Fiona Quadri, and we proudly displayed imagery of women who work in the film, design, architecture, and gaming around our building, showcasing the fantastic work that they have led on. For Black History Month, we partnered with Jamii – the home of black creators and makers – to host a craft fair in our building as well as featuring an 'In Conversation' interview with entrepreneur Tori Taiwo. These events received praise and good attendance from our students and staff, and directly support one of our key strategic aims: strengthening our diversity.

Alongside these celebrations we have developed a formal EDI strategy aimed at delivering meaningful change and our EDI committee meets regularly to discuss and assess our progress against this plan. We are pleased to have signed up for the Race & Equality Charter, and we are also undertaking a review of our people and recruitment processes.

To help us drive this change we have also refreshed our brand and restated our values. It is our ambition and aim to hold ourselves accountable to these brand values to further drive improvements in diversity, inclusion and culture.

### The Institute

Following the opening of 'The Institute for Creativity and Technology' last year, we are delighted to have now completed a full year of teaching in these vibrant facilities. The ICT building has been a hub of student activity throughout the last academic year. Students have utilised the space as a creative studio to produce work for Nike, the British Council and Atlantic Records. Throughout the summer, due to the international exchange programmes, the Institute building has welcomed visitors from various Universities in the USA.

### Ending on gratitude

I am particularly proud of how, following the pandemic, which created strange and unprecedented circumstances, our students and staff have settled back into life on campus with impressive enthusiasm. It was especially heart-warming to witness two cohorts worth of students graduate in person this year, surrounded by their family and friends, celebrating in the way that they deserve. I cannot end this without thanking our staff, who have worked tirelessly to make this event, and everything else, possible.



**Andrew Cook**  
Vice-Chancellor  
16 November 2022



## Operational and financial review



## Objectives and strategies

The Governors present their report and the audited group financial statements for the year ended 31 July 2022.

### Legal Status

Ravensbourne University London ('Ravensbourne') is an independent corporation, established as a university under the terms of the Education Reform Act 1988 and the Further and Higher Education Act 1992. The University is an exempt charity for the purposes of the Charities Act 2011. The financial statements comprise the consolidated results of the University and its subsidiary, Ravensbourne Limited.

Ravensbourne Limited undertakes activities which, for legal, commercial or tax reasons, are more appropriately channelled through a limited company. These activities are principally in the field of broadcasting short courses, facilities hire and commercial partnerships. The company makes a donation under Gift Aid from its taxable profits to Ravensbourne.

The University owned two further subsidiaries, Ravensbourne Regeneration and Ravensbourne Learning Resource Centre Limited, both of which were dissolved on the 6 October 2020.

Ravensbourne is a creative university designed for industry.

### Our mission

- To develop people ideas and innovation in collaboration with industry.

### Our vision

- We will influence the world through creativity and technology in learning, research and business.
- We will inspire a highly diverse range of people, valuable to and valued by the world beyond university.
- We will innovate as a resilient, agile and future-facing organisation, to extend our reach and relevance.

### Our values

#### Be creative

We provide a provocative, dynamic learning environment where students are challenged to become visionary professionals of the future. Working collaboratively and purposefully, we approach our endeavours with a mindset that is open and receptive to challenge. We empower our staff and students not just to imagine, but also to create the future.

#### Be integrated with industry

We value a rich and sustained engagement with our industry partners. This drives our practice-based approach to learning and teaching, research and knowledge exchange. We support creative leadership and innovation through partnerships, conversations and connections with industry. These reflect the professional and collaborative nature of our staff and the employability of our students.



## Objectives and strategies (continued)

### Our behaviours

#### Collaborative

We will search for opportunities to share diverse thinking to achieve goals both internally and externally, recognising and celebrating the success of the team.

#### Connected

We will develop influential networks that will help us to realise our goals and to remain informed in key areas of our academic and commercial operation.

#### Courageous

We will take brave but sound business decisions to forward the achievement of our strategy balancing risk with opportunity.

#### Socially Responsible

We cultivate an environment where everyone can flourish and where individuals are enabled to work and create to their fullest potential, celebrating the range of talents, qualities and cultures of those who form our community.

#### Resilient

We reflect on our practice and learn from our successes and mistakes. We adopt and encourage a positive approach to meeting the challenges of working life.

### Strategic plan

The University has initiated a new corporate plan for 2021 to 2026. The strategy refresh reflects the following aims:

- To provide a provocative, dynamic learning environment where students are challenged to become visionary professionals of the future. Working collaboratively and purposefully, we approach our endeavours with a mind-set that is open and receptive to challenge.
- To value a rich and sustained engagement with our industry partners. Driving our practice-based approach to learning and teaching, research, and knowledge exchange. We support creative leadership and innovation through partnerships, conversations and connections with industry, and the diversity of our governing body.
- To take pride in a culture that anticipates, supports, and celebrates equality. Reflecting the diversity of

our local community, we are proactive and holistic in our approach to promoting social mobility, internationalisation, and inclusion. Enabling change beyond Ravensbourne, to the socio-economic and ethnic profile of practitioners in the creative industries.

- To equip our graduates with the core knowledge employers and the wider economy and society seek by integrating and attuning our course content to the changing needs of our industry partners. Our students will also leave with the wider skills, mindsets and network of contacts needed to thrive in their careers and in their lives more broadly.
- To foster a collaborative and mutually beneficial relationship with our industry partners. We will continue to play our part as an essential participant in the wider creative sector, including actively strengthening our alumni network.
- To exploit our natural strength in industry engagement through integrated working practices with industry and welcome our partners' people to our institution to apply their expertise to creative projects.

Notable achievements in line with the strategic plan during the 2021/2022 academic year include:

- Ravensbourne University London continues to enjoy strong employability figures, with 83% of students in employment or further study following graduation. These results from the national Graduate Outcomes Survey demonstrate that Ravensbourne students are highly employable and sought after. It is important to take into consideration the effects of the global pandemic during 2021 / 2022 and the impact this had on the job market. However, we are in line with our specialist competitors where the employment rate varied from 78% – 86%.
- High profile partnerships continue to grow, with well-known brands such as the BBC, Amazon, Sky Creative, Ford, The Tate Modern, Givenchy, Working Title Films, Barclays, Marks & Spencer, and Burberry, with our students being awarded placements at many of these and others.
- Our students have continued to impress us all with their outstanding achievements over the last year, many of which have been celebrated nationally and even globally. This list of accomplishments includes, but is not limited to, the Packaging Impact Design (PIDA) Gold Award, the Global Footwear Award,

## Objectives and strategies (continued)

New Blood Awards for Design and Advertising, and the Creative Conscious Award. Several architecture students recently had their final year projects showcased in the world renowned Dezeen magazine, whilst Ravensbourne fashion students styled the shoot for 'Vogue Portugal'. Also attracting attention was a second-year design student, who created Kopparberg's first ever set of limited-edition bottles, drawing influence from local street art. Ravensbourne's recent graduates, have completed exciting projects, from designing costumes for the popular Netflix original show 'Bridgerton', to selecting outfits for London Fashion Week.

- The new Common Academic Framework Structure initiated for Autumn 2022 is designed to ensure students are given the best opportunity to develop the skills they need for their continued success, not only while they are with us but also in their future careers. Students studying three modules a semester encourages a focused way of working and allowing individuals to fully immerse themselves in collaboration, community building and developing key skills through tailor-made modules and interdisciplinary practice. This includes professional life modules which will help students to build the employability skills desired by industry.

### Statement on public benefit

In setting our objectives and planning our activities our Governors have considered the Charity Commission's general guidance on public benefit and to its supplementary public benefit guidance on advancing education.

The students of Ravensbourne are the primary beneficiaries and are directly engaged in learning or research. However, beneficiaries also include employers and businesses in the creative industries sector as well as school children and alumni of Ravensbourne who may attend educational events organised by the University and use the academic facilities.

We do not believe that Ravensbourne causes any detriment or harm from carrying out its mission and we are not aware of views among others that such detriment or harm might arise.

Ravensbourne's public benefit activities are viewed and can be categorised under our corporate plan which reflects the University's aims for 2021–2026.

To elevate and enhance Ravensbourne's physical and digital presence locally, nationally, and internationally to provide greater opportunities for positive change.

Ravensbourne will be a leader for social mobility, inclusion, and equality of opportunity, in both higher education and the creative industries, ensuring that every member of our community can succeed, regardless of their background, allowing them to forge and maintain dynamic relationships with our UK and international partners in industry, higher education, and the cultural sector, the local community, and our alumni.

- A source for students and graduates who are advocates for positive change and who have the necessary skills to tackle real-world problems.
- A creator of research, ideas and knowledge which benefit wider society.
- An active contributor to environmental sustainability.
- An initiator of change in our local area, helping to develop a creative, diverse, and prosperous local community.

Our recruitment and outreach programme continues to grow, including progression agreements with schools and colleges across the UK. We continue to explore overseas progression agreements. These progression agreements will ensure that post-16 students and international students will experience higher education taster workshops, holiday schools, and UCAS/application support workshops. This also provides an excellent opportunity for our current students to act as mentors.

Our agreement with the Bergh's School for Communication has been renewed with an expansion of the courses offered and we anticipate a further cohort of students to join us in January 2023. In 2022, it was confirmed that Oxford International Education Group (OIEG) had been chosen by Ravensbourne University London to provide student application processing services. OIEG's Education Services will help grow Ravensbourne's international student intake and help students enjoy an even smoother application journey.

As part of the university outreach programme, we host subject masterclasses, Saturday clubs, taster days and holiday schools. Taster days and

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## Objectives and strategies (continued)

masterclasses allow prospective students to get a feel for studying a creative subject at university and an opportunity of individuals to find out what courses are available at Ravensbourne. We also hold workshops providing advice and support to students in Years 9 – 13 (including Access courses) who are considering applying for Higher Education courses in media and design. We have continued to provide a varied programme of activities and events during challenging times, expanding our collaborative work with London outreach networks. In July 2022, we delivered 7 Summer Schools over 5 weeks with 326 aspiring creatives, 58% were from the global majority, 14% were recipients of free school meals, 22% are in the care of the local authority and 33% would be the first in their family to go to university.

- Ravensbourne partnered with FutureLearn at the beginning of 2022, to offer an innovative, ground-breaking expert track, supported by CreativeUK. Interim Head of Design Practice, Derek Yates

created the courses, utilising the expertise of award-winning creatives who are revolutionising the industry. Individuals can learn how to create cohesive communication around a brand and how to structure campaigns to effectively utilise social media. The courses explore how to work with influencers and think about the possibilities in the immersive technologies that are evolving around the metaverse. The course is relevant for a range of creatives.

- Ravensbourne University London now has a brand-new neighbour, thanks to the opening of The Design District Canteen. The flourishing Greenwich peninsula is now home to a food hall offering delicious and diverse international street food. Ravensbourne have previously contributed to the Design District's programme of events, as they frequently showcase a collection of installations and exhibitions which students and the community can partake in, and we would like to continue expanding on community opportunities together.



## Financial position

### Results

The financial statements for the year ended 31 July 2022 have been prepared in accordance with the Statement of Recommended Practice (SORP) Accounting for Further and Higher Education 2019, Reporting Standard FRS102 and the accounts direction issued by the Office for Students.

The deficit, before the actuarial gain in respect of the Local Government Pension Scheme, for the year ended 31 July 2022 is £1,238,079 (2021: deficit £498,194).

### Liquidity

Cash and short-term cash deposits as at 31 July 2022 totalled £19,443,944, an increase of £1,626,823 from the position at 31 July 2021. Cash balances continue to reflect the University's strong liquidity position. During the year ended 31 July 2022 the University continued with repayments of its 25-year loan facility and entered into an agreement with Salix Finance Ltd in respect of an interest free loan to fund an upgrade to lighting within the University campus.

### Capital repayments and loan balances outstanding

Loans	Original Loan	Term Years	Outstanding 1 August 2021	Repayment	Outstanding 31 July 2022
	£		£	£	£
<b>Barclays plc 25-year loan</b>	6,000,000	25	3,672,162	(171,325)	3,500,837
<b>Salix Loan</b>	236,982	5	236,982	–	236,982
	6,236,982		3,909,144	(171,325)	3,737,819

Interest is payable at a fixed rate of 5.5 per cent per annum on the Barclays loan.

The Salix Finance loan is interest free.

## Financial position (continued)

### Reserves

The University continues to maintain healthy reserves of £41,036,538 (2021 £33,058,617). After adjusting for balances in respect of non-current assets, loan financing, the pension scheme liability and deferred capital grants, the University's free reserves total £15,618,443 (2021 £14,409,782). Ravensbourne reserves provide reassurance to support loan obligations and fund future investment opportunities as noted below;

- In the summer of 2021 Ravensbourne opened the Institute for Creativity and Technology, offering a digital destination for postgraduates, researchers and incubated businesses to experiment, exploit and discover new emerging skills that underpins and supports the future of digital media and design.
- Ravensbourne plans to launch a Digital Academy, offering new courses and specialism in the application of digital technology for the creative design and media industries. This new blueprint will overlay the traditional teaching model to blend and reshape the portfolio offer.

The Board of Governors and senior management of the University are currently implementing a strategic plan to 2026 but also looking beyond that point to identify the reserves to meet future needs and ensure financial sustainability.

### Cash flows

The net cash inflow from operating activities for the year ending 31 July 2022 was £2,261,718. During the year the University made capital payments in respect of bank and other loans of £171,325 and paid interest of £197,972. During the year the University entered into an agreement with Salix Finance Ltd and drew down an interest free loan of £236,982 to fund an upgrade to lighting within the University campus, repayment is over a five-year period commencing in 2022/23. As of 31 July 2022, cash and balances held on short-term deposit amounted to £19,443,944 an increase of £1,626,823 against the position as at 31 July 2021.

### Principal risks and uncertainties

Effective risk management is synonymous with good management and good governance. The University continues to review risk assessment and risk management arrangements to safeguard its interests and reputation as part of its strategic plan.

The Higher Education Sector is undergoing a paradigm cultural shift with students viewing themselves as consumers. This shift has brought an increased level of scrutiny and requires universities to demonstrate value for money for the quality of education received for the tuition fees paid. Ravensbourne recognises this challenge and strives to strike the right balance between financial sustainability and maximising its continued investment in high quality and affordable education.

The Corporate Risk Register is regularly reviewed by the Executive to identify opportunities and threats: likelihood of occurrence; potential impact; and active management of mitigating actions and is reviewed by the Audit Committee and approved by the Board of Governors annually. In addition, both the Audit Committee Chair and the Vice-Chancellor draw any significant emerging risks to the attention of the Board as soon as is practical. Operational Risk Registers are reviewed by the executive member of staff responsible for that operational area, with significant risks escalated to the Corporate Risk Register as appropriate.

The main risks to the effective delivery of the University's strategy and the responses to them are:

## Financial position (continued)

### Common Academic Framework

Following an institution-wide review of its curriculum the University is implementing a new Common Academic Framework. The Framework will transform the student experience and promote student success and interdisciplinarity. It will deliver a pioneering, creative educational offering, unconstrained by traditional assumptions and will encourage students to embrace and exploit the digital technologies available to them. Ravensbourne as a university built around access, inclusion and diversity, will continue to reach students from all backgrounds to ensure a rich and diverse experience is received by all students. As well as the positive benefits to the student experience, the Framework presents opportunities for the University to introduce economies of scale and to better manage the quality and consistency of the student experience.

To ensure the Framework is successfully delivered, its implementation is being managed through the University's PMO and is being monitored by a project board, chaired by the Deputy Vice-Chancellor.

### Students

Student recruitment remains a key priority for the University as it continues its ambitious growth strategy. Key risks to this include the reduction in international and EU students, reducing the overall pool of students, as well as higher student achievement at Level 3 enabling students to enter high-tariff Universities. Despite this, Ravensbourne remains committed to its widening participation agenda and is seeking to diversify its portfolio to ensure it can continue to grow. Through the new Common Academic Framework we will be offering our courses in different ways to support student choice and to access working adults. The University continues its development of new courses and in September 2022 launched undergraduate and postgraduate courses in Computer Science and Business and Management, enhancing the attractiveness of our portfolio to a broader range of students. Through the curriculum of those courses, we will continue to stay true to our core ethos of creativity.

### Infrastructure and technology

The University is committed to offering an exceptional student experience, supported by first-class learning and teaching facilities.

Having occupied our main building for approximately 10 years, as some IT and estates infrastructure reach end of life, there is an increasing risk of service failure and/or down time. To mitigate this, the University has a phased capital implementation programme over five years to ensure the current provision is well maintained and developed in alignment with future organisational requirements. The capital investment plan is approved annually as part of the budget cycle to ensure investment reaches the most critical areas.

Ravensbourne continues to invest in its digital infrastructure and has moved to a more secure and better-connected Microsoft Office 365 platform with enhanced collaborative functionality and more flexible ways of working.

Ravensbourne's Institute for Creativity and Technology opened in summer 2021 and boasts a prototyping laboratory and a dedicated collaboration area for our postgraduate students, research teams and incubates. Nestled within London's Design District, it is hoped that this new creative space will inspire ground-breaking research, theorised and marketed for commercial success, and impactful solutions for future generations.

Ravensbourne continually monitors cyber threats, actively promoting IT security awareness to staff and students. The University has a dedicated Cyber Security Officer, has established a cyber security improvement programme to rapidly develop its organisational capability and has implemented an information system to autonomously monitor and control system events, to identify suspicious activity and protect its digital world.



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## Financial position (continued)

### Cost Inflation

The tragic events unfolding in Ukraine and the loss of life is appalling. This conflict is likely to have far reaching consequences for many years to come with two of the foremost concerns being the potential for a global food crisis and an unprecedented increase in global energy prices which have both pushed up inflation rates across the world.

The Office for National Statistics in the UK reported that the Consumer Prices Index (CPI) rose by 8.6% in the twelve months to August 2022. In real terms, inflation reduces the purchasing power of money as more is required to purchase the same items. Very high price inflation such as that currently being witnessed within the UK is a serious concern as it makes planning and investment decisions harder, and at a macro level, it can lead to cutbacks in spending and staff unrest if wages are not seen to keep pace with price increases.

The University is taking active steps to protect itself from rising costs, including increased pay, pensions and non-pay costs, particularly of utilities. New posts continue to be scrutinised by a weekly Cases for Staff review. Electricity prices are fixed until October 2023 and the University will place greater reliance on its biomass boiler over this coming winter. Departmental budgets continue to be scrutinised on a monthly basis with HR and Finance business partners working hand-in-glove with Delegated Budget Holders to help advise, monitor and control spending.

For our students, we are concerned that cost inflation makes it much more challenging for them to be able to afford Further or Higher Education in the first place – particularly disadvantaged students – and to stay the course with us and complete their studies through to graduation. With this in mind we are redoubling our efforts to succeed in our one million pounds Access and Participation Plan (APP). We are engaged in an innovative pilot study with Aspire Cash to make it easier for disadvantaged students to access the hardship grants we provide them and are expanding our investment in mental health, counselling and Student Union activities.

## Financial key performance indicators

The University continues to refine key performance indicators (KPIs) to facilitate the oversight of all its business affairs at a strategic level by the board of Governors. The critical financial KPIs monitored during the year were:

KPI	Description	Target	5Y Av.	Current
<b>Profitability</b>	Historic cost surplus as % of total income	2.0	(0.1)	(4.5)
<b>Reserves</b>	Discretionary reserves as % of income	120	118	112
<b>Borrowings</b>	Borrowings as a % of income	<20	14.5	13.5
<b>Liquidity</b>	Net cash flow as a % of income	10	9.1	8.2
<b>Liquidity</b>	Net liquidity days	200	280	256
<b>Covenants</b>	Debt service cover	>150%	639%	575%
<b>Covenants</b>	Operational leverage	<500%	188%	167%

Financial KPIs, although important, represent only one aspect of the University's business. Other KPIs include for example student recruitment numbers, National Student Satisfaction (NSS) review feedback, destination of leavers data, staff qualifications, staff diversity in terms of ethnicity, disability and gender and staff turnover.

## Current, future developments and performance

The University believes that it is well placed to meet the challenges ahead as it operates in a specialist area of provision with a large demand for the courses it offers. As noted explicitly in the Teaching Excellence Framework, Ravensbourne also has excellent outcomes for its students.

Ravensbourne achieved full University status, effective from 21 May 2018, successfully meeting the main objective from the 2015-18 strategic plan. In addition to gaining Taught Degree Awarding Powers (TDAP in 2017, and then full University status in 2018, there has also been a modest growth in student numbers. At the same time, the University has maintained its distinctive, industry-led and cutting-edge digital focus and retains its extremely successful metrics in terms of partnerships, student achievements and awards, and employability.

The strategy for the longer period of 2021–2026, supplemented by a new and enabling Digital First transformation programme and the Institute of Creativity and Technology in the adjacent Design District (ten-year operating lease beginning November 2020), sets out the direction for Ravensbourne University London for the future.

Our strategy is focused on the following areas:

- Academic excellence
- Student experience
- Access and success
- Alliances and collaboration
- Place making – the creative industries and wider society.

Each area is supported by an individual plan that is refreshed every six months. In addition, the University continues to respond to the challenges faced throughout the sector due to increased competition, the effect of the COVID-19 pandemic, major regulatory reform, a demographic decline in 18 year olds as well as the impact of the decision to leave the European Union, where the full consequences are still unknown. We have continued to proactively engage with significant policy changes relating to education, Brexit and industrial strategy, participating at the highest level in sector and industry representative bodies.

Our course portfolio is under continual review to ensure that it remains relevant and provides an unrivalled education that will keep our graduates at the forefront of innovation and creativity, and provide them with the mindset and skillsets to succeed.

The five guiding principles are:

**Originate:** where creativity meets technology

**Cultivate:** providing a learning experience where the individual thrives

**Collaborate:** enabling disciplines to evolve

**Integrate:** enabling engagement and collaboration across education and industry

**Advocate:** where purpose meets practice

We now have a Director of Student Recruitment and Success to assist us in ensuring that we deliver the best outcomes possible for students and that we are well placed to meet the challenges of the recruitment market.

We continue to explore opportunities to expand our portfolio of revenue generating activities.



## Stakeholder and disability considerations

In line with other colleges and universities Ravensbourne has many stakeholders. These include:

- Students;
- Alumni;
- Local, regional and national employers;
- Local community organisations;
- Staff past and present;
- Creative industry networks;
- Commercial partners serving the creative industries; and
- Other higher and further education institutions.

We recognise the importance of all stakeholder relationships and facilitate and nurture these through various channels: intranet, email communications, digital and social platforms, partnership agreements and in-person meetings.

As the University does not employ any trade union representatives there is no time cost to the University, so there is nothing to disclose in relation to the Trade Union (Facility Time Publication Requirements) Regulations 2017.

### Equal opportunities and employment of disabled persons

Ravensbourne is an equal opportunities employer. As such, the university considers all applications for employment from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled every effort is made to ensure that employment with the University continues. The University's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees.

### Disability statement

The university seeks to achieve the objectives set down in the Equality Act 2010.

### Disabled staff policy and procedure

The University recognises and is committed to meeting its responsibilities towards its staff and the community at large to ensure that disabled people are afforded equal opportunities to enter employment and progress within the University.

As such, the University has established the following policy and procedures to ensure this is achieved:

- The university aims to be recognised by the community as an employer which provides good employment opportunities for disabled people, and we would like individuals who apply to us for employment to know that they will receive fair treatment and be considered solely on their ability to do the job. Ravensbourne abides by the Two Ticks Scheme which ensures all candidates who have a disability and meet the essential requirements of the role are given an interview.
- If an employee becomes disabled during the course of their employment with the University, all reasonable steps will be taken to accommodate the individual's disability by making reasonable adjustments to working practices and arrangements, or by offering redeployment and appropriate retraining to enable them to remain in employment with the university wherever that is possible. All disabled employees are offered the opportunity to meet with a member of the HR department on an annual basis to discuss any reasonable adjustments they may require.
- All staffing policies have been reviewed to ensure that the policies, procedures and practices are supportive of disabled staff at the University and its disability management process. Impact assessments are carried out on an annual basis and on changing or introducing new policies to ensure there are no negative impacts on staff with a disability.
- The University aims to continue to raise awareness of disability throughout the organisation in order to promote equality and positive attitudes towards disabled people. For example, the University will continue to provide staff training on disability awareness for all staff involved in recruitment and selection processes and managers are briefed on their responsibilities in relation to equal opportunities, which includes issues relating to disability.

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## Stakeholder and disability considerations (continued)

### Services for students with disabilities

As a smaller specialist University, we pride ourselves on being able to respond to individual students' requirements flexibly and effectively. Student Services are the first point of contact for any student with a disability who might wish to discuss any requirements they have. Student Services is also the main point of contact for prospective students who wish to discuss any learning requirements prior to coming to Ravensbourne. The service is confidential and offers help and advice on a range of other matters including:

- Providing equipment where appropriate
- Co-ordinating the provision of additional support services such as non-medical helpers and note-takers
- Providing assistance with applications for the Disabled Students' Allowance
- Co-ordinating access to additional learning support and building accessibility
- Providing general advice on concerns or difficulties should they arise
- Facilitating advice from external agencies to help resolve any difficulties and concerns. For example, referral to a disabled person support group.

Disabled students will be provided with the opportunity to review any support at least once per year in a formal way and as often as required informally.

## Disclosure of information to auditors

The members of the Board of Governors who held office at the date of approval of this report confirm that as far as they are each aware, there is no relevant audit information of which the University's auditors are unaware; each member of the Board of Governors has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the University's auditors are aware of that information.

Approved by order of the Board and signed on its behalf by



**Chair of the Board of Governors**  
16 November 2022

### Professional Advisers

#### Bankers

**Barclays Bank PLC**  
1 Churchill Place  
Canary Wharf  
London E14 5HP

#### Santander UK PLC

2 Triton Square  
Regent's Place  
London NW1 3AN

#### Nationwide Commercial

1 Threadneedle Street  
London EC2R 8AW

#### Internal Auditor

**KPMG LLP**  
15 Canada Square East  
Canary Wharf  
London E14 5GL

#### External Auditor

**Buzzacott LLP**  
130 Wood St  
London EC2V 6DL

#### Solicitors

**Eversheds LLP**  
85 Queen Victoria St  
London EC4V 4JL



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## Statement of corporate governance and internal control



## Introduction

**Ravensbourne University London is an independent corporation, established as a university under the terms of the Educational Reform Act 1988 and the Further and Higher Education Act 1992. It is an exempt charity for the purposes of the Charity Act 2011. The University title was approved by the Privy Council in May 2018.**

The University's objects, powers and framework of governance are set out in the Instrument and Articles of Government, which were updated and approved by the Privy Council in May 2018. The Articles of Government require the University to have a Board of Governors and an Academic Board, each with clearly defined functions and responsibilities, to oversee and manage its activities.

### Governance

The Board of Governors applies the HE Code of Governance (the CUC Code) in its entirety and is confident that the six key elements as set out in the code are met as well as adhering to the HE Senior Staff Remuneration Code. Adherence to both Codes is monitored by the Governance and Nominations Committee and Organisational Development & Remuneration Committees respectively on an annual basis.

An internal review was undertaken by the University Secretary and Chief Compliance Officer against the September 2020 HE Code of Governance which determined that the overall corporate governance arrangements at the University are effective and in line with the Code. Over the next twelve months, the university will undertake a governance review with externality.

Over the past year, the Board has considered a wide range of matters, including, but not limited to:

- Student outcomes and the student experience, including the development and implementation of a new common Academic Framework and the university's access and participation work;
- The university's strategy, including the university's brand and strategic growth initiatives; and
- Financial sustainability, including consideration of the university budget and key risks.

The University is committed to best practice in all aspects of its corporate governance and to conducting its affairs in a responsible and transparent way. This statement takes into account the requirements of the Office for Students (OfS), the UK Corporate Governance Code as it applies to higher education, and the Higher Education Code of Governance. Its purpose is to help the reader of the financial statements understand how the principles have been applied.

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## The Board of Governors

The Board of Governors is the governing body of the University, responsible for the finance, property and staffing of the University. It is specifically required to determine the educational character and mission of the University and to set its general strategic direction. The Board has adopted a Statement of Primary Responsibilities, and delegates day-to-day management responsibility to the Vice-Chancellor, as the Accountable Officer to the OfS, for maintaining a sound system of internal control that supports the achievement of the university's policies, aims and objectives.

All members of the Board are strongly committed to the University's values of creativity, integration with industry and inclusivity. All members are expected to observe the highest standards of corporate governance in exercising their responsibilities, including the Seven Principles of Public Life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

The Board of Governors has a majority of independent members appointed in accordance with the University's Instrument and Articles of Government and the Chair and Deputy Chair are appointed from its external members.

There is provision for the appointment of co-opted members, some of whom are members of the staff of the University, and for representatives of the academic staff and of the student body. All members of the Board may claim reasonable expenses but none receive regular remuneration for their role as governors.

The University maintains a Register of Interests of members of the Board and senior officers which is available on the website, and declarations of any conflicts of interest are made at the start of each Board and committee meeting.

# Ravensbourne University London

The members who served on the Board of Governors during the year and up to the date of signature of this report are listed below:

## Board of Governors

### Independent and Co-opted Governors

<b>Dr Andrew Summers CMG</b> (e,f,h,n)	Chair of the Board, Chair of Governance and Nominations Committee
<b>Dr Kion Ahadi</b> (a)	
<b>Mr Zaid Al-Zaidy</b>	
<b>Ms Shoku Amirani</b> (h)	
<b>Mr Richard Bee</b> (f,h)	Chair of the Finance Committee, Appointed September 2021
<b>Professor Lizbeth Goodman</b>	
<b>Ms Kate Gregory</b> (f,h)	
<b>Professor Helen Higson OBE</b> (h,n)	Deputy Chair
<b>Mr Paul O'Grady</b> (f)	Appointed, April 2022
<b>Ms Noeline Sanders</b> (a,h)	Chair of the Audit Committee
<b>Mrs Joanne Stimpson</b> (f,h,e)	Chair of the Finance Committee, resigned September 2021
<b>Mr Alex Phillips</b> (f,n)	Resigned March 2022
<b>Dr Jonathan Walmsley</b> (a,e,h)	Chair of OD & Remuneration Committee, resigned May 2022
<b>Mr Lee Wilkinson</b>	
<b>Mr Stephen Woodford</b> (a,n)	

### Ex-Officio

<b>Mr Andrew Cook</b> (f,n)	Vice-Chancellor
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### Professional Services Staff Governors

<b>Ms Samantha Silver</b> (n)	Resigned, February 2022
<b>Mr Chiwueze Nwaosu</b> (n)	Appointed, May 2022

### Academic Staff Governors

<b>Mr Alberto Villanueva</b> (h)	Appointed, November 2021
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### Student Governors

<b>Ms Zahra Shahsavari</b> (n)	Student Union President
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## Ravensbourne University London (continued)

### External member of committees

**Mr Richard Bee** (f)

Appointed Independent Governor from September 2021

**Ms Gerry Murphy** (a)

### Other Principal Officers regularly in attendance

**Ms Margaret Bird**

Director of Human Resources and Organisational Development, resigned August 2022

**Mr Christopher Costigan**

University Secretary and Chief Compliance Officer

**Mr Lawrence Lartey**

Director of Innovation, Industry and Enterprise, appointed February 2022

**Mr Phil MacDonald** (f)

Director of Finance

**Ms Stephanie Power**

Interim Director of Human Resources and Organisational Development, appointed August 2022

**Mr Andrew Rees**

Dean, appointed February 2022

**Professor Simon Robertshaw**

Deputy Vice-Chancellor, appointed December 2021

**Mr Andrew Robinson**

Director of Projects and Operations

**Ms Emma Shailer**

Director of Student Recruitment and Success

**Ms Maureen Skinner**

Interim Clerk to the Board of Governors

**Ms Dianna Taylor-Gearing**

Interim Dean of Students, resigned December 2021

a – Member of the Audit Committee

f – Member of the Finance Committee

h – Member of the OD & Remuneration Committee

n – Member of the Governance & Nominations Committee

e – Member of the Emergency Committee

### Registered Office

Ravensbourne University London,  
6 Penrose Way,  
Greenwich  
London  
SE10 0EW

## Board of Governors, delegation and control

**Much of the Board's detailed work is initially handled by committees, the decisions and recommendations of which are reported to the Board in accordance with the agreed formal Scheme of Delegation.**

### The Vice-Chancellor

The Vice-Chancellor is the Head of the University, and has a general responsibility to the Board of Governors for the organisation, direction and management of the University. Under the terms and conditions of the Office for Students' funding agreement, the Vice-Chancellor is the Accountable Officer of the University.

As the Chief Executive, the Vice-Chancellor exercises considerable influence upon the development of University strategy, the identification and planning of new developments and the shaping of the University ethos. The senior academic and administrative officers contribute in various ways, but the ultimate responsibility for what is done rests with the Vice-Chancellor.

### The Academic Board

Subject to the overall responsibility of the Board of Governors, the Academic Board has oversight of the academic affairs of the University and draws its Membership from the staff and the students of the University. The Academic Board is particularly concerned with general issues relating to the teaching and research work of the University and is chaired by the Vice-Chancellor. Two members of the board are regularly in attendance.

### Committees of the Board of Governors

Much of the Board's detailed work is initially handled by committees, the decisions and recommendations of which are reported to the Board in accordance with the agreed formal Scheme of Delegation, as adopted by the Board in June 2015 and reviewed regularly. The last review took place in July 2022.

The Board's sub-committees are as follows:

#### Audit Committee

Responsible for:

- Ensuring effective systems for accounting, financial record keeping, payments to employees and creditors.
- Receiving the draft financial statements and reporting to the Board with recommendations.
- Keeping under review all matters (including governance, management, quality, reputation and finance) with potential for impact on the University's financial position and viability, and its capacity to achieve its strategic and operational objectives.
- Advising the Board on the appointment and remuneration of internal and external auditors, considering and advising the Board on external audit reports and management letters, and reviewing and agreeing the scope and priorities of the annual internal audit plan.
- Reporting annually to the Board and to the OfS on the adequacy and effectiveness of the internal financial and risk monitoring and risk control system, arrangements to deliver value for money, the management and quality of data provided to agencies, and, implementation of recommendations by internal and external auditors.

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## Board of Governors, delegation and control (continued)

### Finance Committee

Responsible for:

- Safeguarding the financial solvency of the University on behalf of the board.
- Considering the budget, financial forecasts and financial statements in detail and recommending them to the Board of Governors.
- Overseeing the University's treasury policies and insurance arrangements.

### Organisational Development and Remuneration Committee

Responsible for:

- Advising the Board upon the remuneration and conditions of service of senior post holders (Vice-Chancellor, and University Secretary and Chief Compliance Officer.
- Reviewing the pay (including any annual pay award) and conditions of service of other staff, including members of the Executive team who are not senior post holders.
- Ensuring compliance with the HE Senior Staff Remuneration Code.
- HR and OD strategy
- Overseeing severance policy and payments.
- Overseeing procedures governing staff grievances.
- Overseeing matters of equality and diversity.

### Governance and Nominations Committee

Responsible for:

- Seeking out, considering, and making recommendations to the board upon nominations for membership of the board, in accordance with agreed criteria and priorities.
- Organising reviews of the Board's effectiveness and for overseeing the implementation of any recommendations arising from such reviews.
- Determining policies and processes related to membership of the board of Governors, i.e. induction, training and development, and appraisal.
- Compliance with the HE Code of Governance.

### Emergency Committee

Responsible for:

- Considering and forming a response to any matters of urgency (the matter will be set up in writing following an initial meeting of the Committee).

## Statement of internal control

**The University's Board of Governors is ultimately responsible for the University's system of control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.**

An ongoing process for identifying, evaluating and managing the University's significant risks is in place. As well as the Executive, the Finance Committee, the Audit Committee and the Board of Governors consider the key risks regularly and actively monitor the actions that are being taken to mitigate them. Ravensbourne's risk management framework covers the areas of student recruitment, retention and satisfaction, business continuity, finance, regulatory and legislative compliance, data protection and academic quality.

The principal strategic risks, for example student recruitment and student satisfaction, are also covered by substantive agenda items as appropriate throughout the year.

The adequacy of the control environment and the risks being addressed are regularly reviewed by the Executive and corrective action taken where necessary.

The internal auditors perform an annual programme of work overseen by the Audit Committee and the Audit Committee considers review reports from Internal Audit at every meeting on key aspects of the University's business. The Audit Committee reports annually to the Board of Governors, assuring it of the adequacy and effectiveness of governance and risk management processes and internal control, value for money and management and quality of data.

The key elements of the University's system of internal controls include the following:

- Clear definitions of the responsibilities of, and the authority delegated to, heads of academic and administrative departments.
- A comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets.
- Regular defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by the governing body which are reviewed annually.

- Comprehensive Financial Regulations, detailing financial controls and procedures, approved by the Audit Committee and the Finance Committee.
- A professional Internal Audit team whose annual programme is approved by the Audit Committee and endorsed by the governing body and supports the University's internal control system and the delivery of value for money.
- A professional External Audit team who scrutinise the University's internal controls and assist it in delivering value for money.

Ravensbourne University London's statement of internal control covers the period 1 August 2021 to 31 July 2022 and up to the date of approval of the audited financial statements. No issues relating to weaknesses or failures of internal control have been identified during this period.

### Going Concern

After making appropriate enquiries, the Board of Governors considers that the University has adequate resources to continue in operational existence for the foreseeable future. For these reasons, it continues to adopt the going concern basis in preparing the financial statements.



**Christopher Costigan**

University Secretary and Chief Compliance Officer  
16 November 2022



## Statement of responsibilities of the Board of Governors

The financial statements for the year ended 31 July 2022 have been prepared on behalf of the Vice-Chancellor and ultimately the board of Governors by the Director of Finance. It is reviewed by the Finance Committee and Audit Committee and informed by the opinion of the external auditors. The financial statements confirm that:

- Suitable accounting policies are selected and applied consistently in accordance with UK generally accepted accounting principles and the 'Statement of recommended practice: Accounting for further and higher education', and relevant legislation.
  - Judgements and estimates are made that are reasonable and prudent.
  - Applicable accounting standards have been followed subject to any material departures which would be disclosed and explained in the financial statements.
  - Financial statements are prepared on the going concern basis unless it is inappropriate to presume that Ravensbourne University London will continue in operation. The Board of Governors are satisfied that the University has adequate resources to continue in operation for the foreseeable future. For this reason the going concern basis continues to be adopted in the preparation of the financial statements.
- The Board has taken reasonable steps, through the assurance received through its committees and the Vice-Chancellor to ensure:
- Public funds are used only in accordance with the Terms and Conditions of Funding as issued by the OfS or any other conditions that the OfS or other funding bodies may from time to time prescribe
  - Reasonable discretion is exercised in the use of public funds and account taken of any relevant guidance on accountability, sustainability or propriety
  - The establishment and monitoring of systems of control and accountability, including financial and operational controls, with ultimate responsibility for the effective and efficient use of resources
  - Safeguarding of the assets of the University and establishment of systems for prevention and detection of fraud, bribery and wider corruption
  - The University is delivering Value for Money (VfM) from public funds.

# Independent auditor's report to the Board of Governors at Ravensbourne

## Opinion

We have audited the financial statements of Ravensbourne University London (the 'University') and its subsidiaries (the 'Group') for the year ended 31 July 2022 which comprise the group statement of comprehensive income, the group and the university balance sheets, the group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice, Accounting for Further and Higher Education.

## In our opinion

- The financial statements give a true and fair view of the state of affairs of the Group as at 31 July 2022 and of its surplus of income over expenditure, gains and losses changes in reserves, funds and cash flows for the year then ended.
- The financial statements have been properly prepared in accordance with the UK Generally Accepted Accounting Practice and the Statement of Recommended Practice Accounting for further and higher education and relevant legislation.
- In all material aspects, funds received from whatever source administered by the University have been applied only for the purposes for which they were received and managed in accordance with relevant legislation.
- In all material aspects, funds from the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education administered by the University have been applied only for the purposes for which they were received.
- The requirements of the Office for Student's accounts direction have been met.

We have nothing to report in respect of the following matters in relation to which the Office for Students requires us to report to you, if in our opinion:

- The University's grant and fee income, as disclosed in note 5 to these accounts has been materially misstated.
- The University's expenditure on access and participation activities for the financial year has been materially misstated.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the University's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

## Independent auditor's report to the Board of Governors at Ravensbourne (continued)

### Other information

The Governors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the memorandum of assurance and accountability issued by the Higher Education Funding Council for England and the accounts direction issued by the OfS requires us to report to you if, in our opinion:

- Proper accounting records have not been kept by the University;

or

- The University's financial statements are not in agreement with the accounting records and returns;

or

- We have not received all the information and explanations we require for our audit.

### Responsibilities of the governors

As explained more fully in the statement of responsibilities of Members of the Governors, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 governors are responsible for assessing the Group's and the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intends to liquidate the Group or the University or to cease operations, or has no realistic alternative but to do so.

## Independent auditor's report to the Board of Governors at Ravensbourne (continued)

### 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the University through discussions with management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the University, including the Further and Higher Education Act 1992, funding agreements with the ESFA and associated funding rules, ESFA regulations, data protection legislation, anti-bribery, safeguarding, employment, health and safety legislation, some conditions of OfS registration;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.
- we assessed the susceptibility of the University's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.



## Independent auditor's report to the Board of Governors at Ravensbourne (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing the minutes of Governors' meetings;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any available correspondence with HMRC and the University's legal advisors (although none was noted as being received by the University).

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Board of Governors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the Governors, as a body. Our audit work has been undertaken so that we might state to the Governors those matters we are required to state to them 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 Governors as a body, for our audit work, for this report, or for the opinions we have formed.



**Buzzacott LLP**  
Statutory Auditor  
130 Wood Street,  
London EC2V 6DL

**24 November 2022**



# Financial Statements

## Year ended 31 July 2022





## Consolidated statement of comprehensive income

### Year ended 31 July 2022

	Note	2022 £	2021 £
<b>Income</b>			
Tuition fees & education contracts	2	23,947,353	23,655,051
Funding body grants	3	2,483,564	3,646,178
Other income	4	1,095,409	975,003
Investment income	6	88,322	68,495
<b>Total income</b>		<b>27,614,648</b>	<b>28,344,727</b>
<b>Expenditure</b>			
Staff costs	7	16,929,660	17,604,297
Other operating expenses	8	9,883,170	9,248,530
Depreciation	12	1,707,925	1,633,022
Interest & other finance costs	9	331,972	357,072
<b>Total expenditure</b>		<b>28,852,727</b>	<b>28,842,921</b>
Deficit before other gains and losses and taxation		(1,238,079)	(498,194)
Profit on disposal of fixed assets		–	–
<b>Deficit before taxation</b>		<b>(1,238,079)</b>	<b>(498,194)</b>
Taxation	10	–	–
<b>Deficit for the year</b>	11, 20	<b>(1,238,079)</b>	<b>(498,194)</b>
Actuarial gain in respect of pension scheme	17, 19	9,216,000	2,566,000
<b>Total comprehensive income for the year</b>		<b>7,977,921</b>	<b>2,067,806</b>
Income and expenditure reserves at 1 August		33,058,617	30,990,811
Total comprehensive income for the year		7,977,921	2,067,806
Income and expenditure reserves at 31 July		41,036,538	33,058,617

All income and expenditure relates to unrestricted reserves. There are no revaluations of balances and all amounts are presented in accordance with the historic cost convention. As a result, all changes in reserves are detailed above and no statement of changes in reserves is presented. The income and expenditure reported above is in respect of continuing operations.

## Group consolidated balance sheet

### 31 July 2022

	Note	2022 £	2021 £
<b>Non-current assets</b>			
Tangible assets	12	48,167,702	49,284,725
Investments	13	4,936	4,991
Total non-current assets		48,172,638	49,289,716
<b>Current assets</b>			
Debtors	14	907,451	974,865
Investments		12,000,000	12,000,000
Cash and cash equivalents		7,443,944	5,817,121
Total current assets		20,351,395	18,791,986
<b>Creditors</b>			
Amounts due within one year	15	(5,462,701)	(5,056,597)
<b>Net current assets</b>		14,888,694	13,735,389
<b>Total assets less current liabilities</b>		63,061,332	63,025,105
<b>Creditors</b>			
Amounts due after more than one year	16	(20,644,123)	(21,131,954)
Provisions	17	(1,380,671)	(8,834,534)
<b>Net Assets</b>		<b>41,036,538</b>	<b>33,058,617</b>
<b>Reserves</b>			
Income and expenditure – unrestricted	20	41,036,538	33,058,617
<b>Total reserves</b>		<b>41,036,538</b>	<b>33,058,617</b>



**Andrew Summers CMG**  
Chair of the Board of Governors



**Andrew Cook**  
Accountable Officer, Vice-Chancellor

These Financial Statements were approved  
by the Governing Body on 16 November 2022.

# University balance sheet

## 31 July 2022

	Note	2022 £	2021 £
<b>Non-current assets</b>			
Tangible assets	12	48,167,702	49,284,725
Investments	13	5,036	5,091
Total non-current assets		48,172,738	49,289,816
<b>Current assets</b>			
Debtors	14	956,564	965,865
Investments		12,000,000	12,000,000
Cash and cash equivalents		7,439,352	5,812,767
Total current assets		20,395,916	18,778,632
<b>Creditors</b>			
Amounts due within one year	15	(5,427,824)	(4,970,733)
<b>Net current assets</b>		14,968,092	13,807,899
<b>Total assets less current liabilities</b>		63,140,830	63,097,715
<b>Creditors</b>			
Amounts due after more than one year	16	(20,644,123)	(21,131,954)
Provisions	17	(1,380,671)	(8,834,534)
<b>Net Assets</b>		<b>41,116,036</b>	<b>33,131,227</b>
<b>Reserves</b>			
Income and expenditure – unrestricted	20	41,116,036	33,131,227
<b>Total reserves</b>		<b>41,116,036</b>	<b>33,131,227</b>



**Andrew Summers CMG**  
Chair of the Board of Governors



**Andrew Cook**  
Accountable Officer, Vice-Chancellor

These Financial Statements were approved  
by the Governing Body on 16 November 2022.



# Consolidated statement of cash flows

## Year ended 31 July 2022

	Note	2022 £	2021 £
<b>Cash flow from operating activities</b>			
Deficit for the year		(1,238,079)	(498,194)
<b>Adjustments for non-cash items</b>			
Release of deferred capital grants	18	(498,077)	(498,076)
Depreciation	12	1,707,925	1,633,022
Profit on disposal of fixed assets		–	–
Decrease in debtors		67,414	87,150
Increase in creditors		350,693	751,855
Decrease in provisions		(4,863)	(16,920)
Loss/(gain) on investments		55	(702)
Pension costs less contributions payable		1,767,000	1,573,000
<b>Adjustments for investing or financing activities</b>			
Investment income	6	(88,322)	(68,495)
Interest payable	9	197,972	209,072
<b>Net cash provided by operating activities</b>		<b>2,261,718</b>	<b>3,171,712</b>
<b>Cash flow from investing activities</b>			
Payments made to acquire fixed assets	12	(590,902)	(1,852,401)
Investment income	6	88,322	68,495
<b>Net cash used in investing activities</b>		<b>(502,580)</b>	<b>(1,783,906)</b>
<b>Cash flow from financing activities</b>			
Interest paid	9	(197,972)	(209,072)
New loan drawdown		236,982	–
Repayments of amount borrowed:			
Bank loan		(171,325)	(162,281)
Other loan repayments		–	(100,000)
<b>Net cash used in financing activities</b>		<b>(132,315)</b>	<b>(471,353)</b>
<b>Increase in cash in the year</b>		<b>1,626,823</b>	<b>916,453</b>
Cash and cash equivalents at 1 August		5,817,121	4,900,668
Cash and cash equivalents at 31 July		7,443,944	5,817,121
<b>Increase in cash in the year</b>		<b>1,626,823</b>	<b>916,453</b>

## Consolidated statement of cash flows

### Year ended 31 July 2022 (continued)

	2022 £	2021 £
<b>Reconciliation of movements in investments and cash and cash equivalents as stated in the group balance sheet.</b>		
<b>At 1 August</b>		
Investments	12,000,000	12,000,000
Cash and cash equivalents	5,817,121	4,900,668
	<b>17,817,121</b>	<b>16,900,668</b>
Increase/(decrease) in investments	–	–
Increase in cash and cash equivalents	1,626,823	916,453
Increase/(decrease) in investments and cash and cash equivalents	1,626,823	916,453
<b>At 31 July</b>		
Investments	12,000,000	12,000,000
Cash and cash equivalents	7,443,944	5,817,121
	<b>19,443,944</b>	<b>17,817,121</b>

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# Notes to the Financial Statements

## Year ended 31 July 2022



# 1. Accounting policies

## Basis of Preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 ("2019 FE HE SORP") and in accordance with Financial Reporting Standards (FRS102). The University is a public benefit entity and therefore, has applied the relevant public benefit requirement of FRS102. The financial statements are prepared in accordance with the historical cost convention.

## Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the University and its subsidiary undertakings for the year ended 31 July 2022.

The University has taken advantage of the exemptions provided in FRS 102 1.12 and the 2019 Further and Higher Education SORP 3.3, and has not included a separate statement of its own cash flows. These cash flows are included within the Consolidated Statement of Cash Flows, and the University balance sheet discloses cash at both the current and preceding reporting dates.

## Going Concern

The activities of the University, together with the factors likely to affect its future development and performance are set out in the Governors' Report. The financial position of the University, its cash flow, liquidity and borrowings are presented in the Financial Statements and accompanying Notes. The University currently has £3.7m of loans outstanding and £19.4m of cash, cash equivalents and cash on deposit.

The University's forecasts and financial projections indicate that it will be able to operate within this existing facility and associated covenants for the foreseeable future. Accordingly, the University has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future, and for this reason will continue to adopt the going concern basis in the preparation of its financial statements. The effects of the Covid-19 pandemic on the activities of the Group have been fully considered in reaching this conclusion.

## Recognition of Income

### Grant Funding

Government Grants – Government revenue grants are received from the Office for Students and the Education and Skills Funding Agency. These grants are recognised in income as they become due or as the relevant expenditure is incurred. Government grants to acquire tangible fixed assets are credited to income over the estimated useful life of the individual assets concerned. The portion of such grants, which have not yet been amortised, are included as deferred income within creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate.

Non-Government Grants – Grants from non-governmental sources are recognised in income when the University is entitled to the income and when any performance requirements to receive the income have been met. Income received in advance of any performance requirements being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

### Tuition Fees

Tuition fees are accounted for on an accruals basis and are payable on enrolment or on a termly or monthly basis for those electing to pay by instalments. Where fees are paid through tuition fee loans payments are normally received in three instalments in October, February and May. Where a fee waiver has been granted, the fee income has been stated net of the waiver to reflect the actual fee charged to the student.

# 1. Accounting policies (continued)

## Pension Scheme Arrangements

The University has fully implemented FRS102 Retirement Benefits in these financial statements and recognized its share of the pension scheme deficit in the Local Government Pension Scheme in its balance sheet. Gains and losses in the scheme have been recognised in the Consolidated Statement of Comprehensive Income.

Under the definitions set out in FRS102 the Teachers' Pension Scheme is a multi-employer pension scheme. The University is unable to identify its share of the underlying assets and consequently the scheme has been accounted for as if it were a defined-contribution scheme.

## Enhanced Pension

The actual cost of any enhanced ongoing pension to a former member of staff is paid by the University monthly. An estimate of the expected future costs of any enhancement to the ongoing pension of a former member of staff is charged in full to the University's income and expenditure account in the year of retirement. In subsequent years a charge is made based on actuarial principles.

## Employment Benefits

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

## Termination Payments

Compensation payments for loss of office are accrued where, prior to the reporting date, the staff concerned have been consulted and the University irrevocably committed to the arrangement. Where costs cannot be determined accurately an estimated approach is used.

## Borrowing Costs

Borrowing costs are recognised as expenditure in the period in which they are incurred.

## Tangible Fixed Assets

Additions to fixed assets are those assets with an individual cost greater than £3,000 and a useful economic life in excess of one year.

Donated assets are capitalised at current value on receipt and are depreciated in the same way as purchased assets. The value of donated assets are credited in full to the Consolidated Statement of Comprehensive Income and Expenditure in the year that the assets were donated. The policy is therefore consistent with a donation being received and then being used to purchase a fixed asset. Fixed asset additions are included at cost. Government capital grants are shown as deferred income in the balance sheet within creditors due within one year and creditors due after more than one year as appropriate.

Non-government capital grants are recorded as deferred income until performance conditions have been met. Fixtures, fittings and equipment are depreciated by equal annual instalments over their estimated useful lives, commencing from the date that they are brought into use, as follows:

**Leasehold land and buildings** length of lease, subject to a maximum of 50 years.

**Building fit out costs** 20 years

**Leased assets** period of lease

**Other fixtures, fittings and equipment** 3–10 years

**Computer Software and Systems** 5–10 years

**Fit out costs for leased premises** period of lease

Depreciation charged to expenditure on assets acquired by government capital grants is funded from the release of the related deferred credits.

A review of impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable.

Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Comprehensive Income.



## 1. Accounting policies (continued)

### Investments

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements. Cash deposits for more than three months have been disclosed as current asset investments.

### Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. Cash deposits for less than three months have been disclosed as cash and cash equivalents.

### Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

### Creditors

Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the University anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### Financial Liabilities

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. All loans, investments and short-term deposits held by the University are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost).

### Provisions

Provisions are recognised 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 obligation.

### Operating Leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term to the statement of comprehensive income.

### Foreign Currency Translation

Transactions denominated in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the financial period with all resulting exchange differences being taken to the income and expenditure account in the period in which they arise.

### Taxation Status

The University is an exempt charity within the meaning of the Charities Act 2011 and as such, is a charity within the meaning of Section 506 (1) of the Taxes Act 1988.

Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied exclusively for charitable purposes. The University receives no similar exemption in respect of Value Added Tax.

### Student Union

The University's student union activities are undertaken entirely by the University and not through any separate entity. Included under "Other operating expenses" is the cost to the University of the Student Union activities during the year.

# 1. Accounting policies (continued)

## Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, management and the Governing Body have made the following judgements:

- Determining whether leases entered into by the University either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determining whether provisions are required in respect of trade debtors. The amount of provisions recognised in the financial statements is based on the University's assessment of the expected recoverable amount.

## Other key sources of estimation uncertainty were as follows:

### Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

### Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost of pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 July 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

### Accrual for outstanding staff holiday

The accrual for staff holiday is made as a best estimate of the value of holiday entitlement based upon pay rates and outstanding leave at the balance sheet date.

## 2. Tuition fees and education contracts

	2022 £	2021 £
Home and European Union students	21,197,016	21,237,137
International students	2,750,337	2,417,914
	<b>23,947,353</b>	<b>23,655,051</b>

## 3. Funding body grants

	2022 £	2021 £
OfS – Main allocation	863,006	1,734,162
– other	59,968	460,936
Research England	253,667	–
ESFA – main allocation	1,155,013	1,242,818
– other	54,090	110,442
	<b>2,385,744</b>	<b>3,548,358</b>
<b>Deferred grants released in year (note 18)</b>		
Buildings	39,640	39,640
Equipment	58,180	58,180
	<b>97,820</b>	<b>97,820</b>
	<b>2,483,564</b>	<b>3,646,178</b>

## 4. Other income

	2022 £	2021 £
<b>Non grant income</b>	<b>546,355</b>	<b>255,419</b>
<b>Grant income</b>		
Deferred capital grants released in year – Buildings (note 18)	400,257	400,257
Revenue grants received	148,797	319,327
<b>Total grant income</b>	<b>549,054</b>	<b>719,584</b>
<b>Total grant and other income</b>	<b>1,095,409</b>	<b>975,003</b>

## 5. Details of grant and fee income

	2022 £	2021 £
Grant income from the OfS	922,974	2,195,098
Grant income from other bodies	1,462,770	1,353,260
<b>Total grant Income</b>	<b>2,385,744</b>	<b>3,548,358</b>
Fee income for taught awards	23,947,353	23,655,051
<b>Total grant and fee income</b>	<b>26,333,097</b>	<b>27,203,409</b>

## 6. Investment income

	2022 £	2021 £
Income from short-term deposits	88,322	68,495

## 7. Staff costs

	2022 No.	2021 No.
<b>The average number of persons employed by the University during the year expressed as full-time equivalents.</b>		
Academic staff	105	110
Administrative and technical staff	156	167
	<b>261</b>	<b>277</b>
	2022 £	2021 £
<b>Wages and salaries, social security and pension costs</b>		
Wages and Salaries	12,085,800	12,717,366
Social Security costs	1,267,391	1,301,007
Pension costs	1,936,571	2,150,643
	<b>15,289,762</b>	<b>16,169,016</b>
<b>Other staff costs</b>		
Adjustment to contribution to reflect defined benefit pension scheme service costs (note 19)	1,595,000	1,387,000
Apprenticeship Levy	44,898	48,281
	<b>1,639,898</b>	<b>1,435,281</b>
<b>Total staff costs</b>	<b>16,929,660</b>	<b>17,604,297</b>
	2022 £	2021 £
<b>Analysis of wages and salaries, social security and pension costs</b>		
Academic staff	7,266,728	7,795,068
Administrative and technical staff	8,023,034	8,373,948
	<b>15,289,762</b>	<b>16,169,016</b>



## 7. Staff costs (continued)

	2022 £	2021 £
<b>Compensation paid to former staff</b>		
Included within staff costs are amounts paid as compensation to former personnel for loss of office	392,455	755,922
	2022 No	2021 No
Number of personnel receiving payment	22	20

The University has given regard to the guidance in decisions taken about severance payments published by the Committee of University Chairs.

	2022 No	2021 No
<b>Key management personnel</b>		
The number of key management personnel expressed as full-time equivalents	7.8	8.2

	2022 £	2021 £
<b>Costs of key management personnel</b>	1,143,620	1,522,456

	2022 No	2021 No
<b>Remuneration of higher paid staff, including the Vice Chancellor, earning over £100,000, excluding employer pension and social security costs.</b>		
£100,000 – £104,999	–	1
£170,000 – £174,999	1	1

## 7. Staff costs (continued)

	2022 £	2021 £
<b>Vice-Chancellor's remuneration</b>		
Basic Pay	172,981	170,000
Contribution to defined benefit pension scheme	24,563	24,140
	<b>197,544</b>	<b>194,140</b>

In reviewing the salaries of senior post holders who fall directly within its remit the HR & Remuneration Committee considers performance in year, internal salary relativity, benchmarking data and affordability in determining any increase.

The HR & Remuneration Committee agrees arrangements for the Vice-Chancellor's remuneration which, in common with most of the sector, consists of base remuneration and a bonus payment. The Committee sets clear performance targets, aligned to Ravensbourne's strategy, which, if reached, trigger the release of a bonus payment.

In determining the level of termination payments made to senior staff, the University has given regard to the 'Higher Education Senior Staff Code' published by the Committee of University Chairs.

As at 31 July 2022, the Vice-Chancellor's basic salary is 3.7 times (2021: 3.8 times) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for all staff contracted with an annual salary. Including payments for performance related pay the Vice-Chancellor's total remuneration at 31 July 2022 is 3.7 times (2021: 3.8 times) the median total remuneration paid to all staff contracted on an annual salary basis.

## 8. Other operating expenses

	2022 £	2021 £
Student residences	(19,512)	31,626
Direct course costs	491,462	458,628
Academic services	2,293,679	2,129,095
Premises	2,784,069	2,382,569
Student bursaries	832,085	818,501
Examination and validation expenses	48,190	36,700
Staff recruitment and temporary support	628,987	400,346
Other administration expenditure	2,824,210	2,991,065
	<b>9,883,170</b>	<b>9,248,530</b>

Included within other administration expenditure are amounts payable to the University's auditors in respect of:

Audit fees	52,440	49,920
Other services	3,720	8,480
	<b>56,160</b>	<b>58,400</b>

## 9. Interest and other finance costs

	2022 £	2021 £
Interest payable	197,972	209,072
Pension scheme finance costs (note 19)	134,000	148,000
	<b>331,972</b>	<b>357,072</b>

## 10. Taxation

There was no United Kingdom corporation tax payable on the surplus of the group in the current or prior year.

## 11. Surplus for the year

	2022 £	2021 £
University's deficit for the year	(1,231,191)	(421,103)
Loss on dissolution of Ravensbourne Learning Resource Centre Ltd	–	1,956
Ravensbourne Limited		
Net loss for the year	(6,888)	(74,252)
Gift aid distribution	–	(4,795)
	(6,888)	(79,047)
Ravensbourne Learning Resource Centre Limited	–	–
<b>Group deficit for the year</b>	<b>(1,238,079)</b>	<b>(498,194)</b>

Ravensbourne Limited generated an operating loss of £6,888; (2021: £74,252) and made no distribution under gift aid (2021; £4,795).

Ravensbourne Learning Resource Centre Limited was dissolved on 6 October 2020.

## 12. Tangible fixed assets

	Leasehold land and building £	Fixtures, Fittings Equipment and Projects £	Total £
<b>Group and University</b>			
<b>Cost</b>			
At 1 August 2021	58,491,187	12,942,052	71,433,239
Additions	–	590,902	590,902
Disposals	–	–	–
At 31 July 2022	<b>58,491,187</b>	<b>13,532,954</b>	<b>72,024,141</b>
<b>Accumulated depreciation</b>			
At 1 August 2021	11,859,499	10,289,015	22,148,514
Charge for the year	1,293,226	414,699	1,707,925
Adjusted for disposals	–	–	–
At 31 July 2022	<b>13,152,725</b>	<b>10,703,714</b>	<b>23,856,439</b>
<b>Net book Value</b>			
At 31 July 2022	<b>45,338,462</b>	<b>2,829,240</b>	<b>48,167,702</b>
At 31 July 2021	<b>46,631,688</b>	<b>2,653,037</b>	<b>49,284,725</b>
<b>The depreciation charge has been funded by:</b>			
<b>Group and University</b>		<b>2022 £</b>	<b>2021 £</b>
Deferred capital grants released (note 18)		498,077	498,076
General income		1,209,848	1,134,946
		<b>1,707,925</b>	<b>1,633,022</b>



## 13. Non-current investments

	Group		University	
	2022	2021	2022	2021
	£	£	£	£
COIF Memorial Trust				
255 ordinary shares – at market value	4,936	4,991	4,936	4,991
<b>University</b>				
Ravensbourne University London owns 100% of the called-up share capital of Ravensbourne Limited, a company registered in England and Wales whose principal activity is the provision of short courses.				
100 ordinary shares of £1 each	–	–	100	100
Ravensbourne University London owned 100% of the called-up share capital of Ravensbourne Learning Resource Centre Limited, a company registered in England and Wales. The company was dissolved on 6 October 2020.				
1 ordinary share of £1 each	–	–	–	–
	<b>4,936</b>	<b>4,991</b>	<b>5,036</b>	<b>5,091</b>

## 14. Debtors

	Group		University	
	2022	2021	2022	2021
	£	£	£	£
Student debtors	70,395	153,521	70,395	153,521
Trade debtors	324,335	426,128	323,399	417,128
Amounts due from subsidiary undertakings	–	–	50,049	–
Interest receivable	33,637	15,280	33,637	15,280
Other debtors	6,676	4,698	6,676	4,698
Prepayments	472,408	375,238	472,408	375,238
	<b>907,451</b>	<b>974,865</b>	<b>956,564</b>	<b>965,865</b>

## 15. Creditors: amounts falling due within one year

	Group		University	
	2022	2021	2022	2021
	£	£	£	£
<b>Bank and other loans:</b>				
Bank Loan	179,339	171,325	179,339	171,325
Salix Loan	47,397	–	47,397	–
	<b>226,736</b>	<b>171,325</b>	<b>226,736</b>	<b>171,325</b>
<b>Other amounts falling due within one year:</b>				
Trade creditors	1,663,272	1,252,038	1,663,272	1,249,493
Other creditors	54	856	54	856
Amounts due to subsidiary undertakings	–	–	–	31,717
Staff benefits compensation	543,833	586,440	543,833	586,440
Accruals and deferred income (see below)	1,928,650	1,972,319	1,893,773	1,857,283
Tax and social security	602,079	575,542	602,079	575,542
Deferred government capital grants (note 17)	498,077	498,077	498,077	498,077
	<b>5,235,965</b>	<b>4,885,272</b>	<b>5,201,088</b>	<b>4,799,408</b>
	<b>5,462,701</b>	<b>5,056,597</b>	<b>5,427,824</b>	<b>4,970,733</b>

The balance outstanding in respect of bank and other loans represents the current portion of long-term debt (note 16). Included within accruals and deferred income is deferred revenue grant income of

£55,197 (2021: £176,624), which will be credited to the Consolidated Statement of Comprehensive Income when the University is entitled to the income or where performance conditions have been met.

Under the Statement of Recommended Practice (SORP) Accounting for Further and Higher Education 2019 and Financial Reporting Standard FRS102 the University has utilised the “accruals method” in the accounting for deferred capital government grants at 31 July 2022 and 31 July 2021.

Staff benefits compensation relates to a provision in respect of the accrued costs of unutilised staff benefits.

## 16. Creditors: amounts falling due after more than one year

	2022 £	2021 £
<b>Group and University</b>		
<b>Bank loan</b>		
– between one and two years	189,985	179,339
– between two and five years	638,391	603,583
– over five years	2,493,122	2,717,915
	<b>3,321,498</b>	<b>3,500,837</b>
<b>Salix Loan</b>		
– between one and two years	47,396	–
– between two and five years	142,189	–
	189,585	–
<b>Total long-term loans</b>	<b>3,511,083</b>	<b>3,500,837</b>
<b>Deferred government capital grants</b> (note 18)		
– between one and two years	498,077	498,076
– between two and five years	1,494,230	1,494,230
– over five years	15,140,733	15,638,811
<b>Total deferred grants</b>	<b>17,133,040</b>	<b>17,631,117</b>
	<b>20,644,123</b>	<b>21,131,954</b>

The bank loan represents a long-term loan facility. Interest is payable on this loan at a fixed rate of 5.5 per cent per annum.

The Salix loan is interest free.

Under the Statement of Recommended Practice (SORP) Accounting for Further and Higher Education 2019 and Financial Reporting Standard FRS102 the University has utilised the “accruals method” in the accounting for deferred capital government grants at 31 July 2022 and 31 July 2021.

## 17. Provisions

	Enhanced Pension Provision	Pension Scheme Provision under FRS102	Total Pension Provisions
	£	£	£
<b>Group and University</b>			
At 1 August 2021	(166,534)	(8,668,000)	(8,834,534)
Net payments in year	16,257	–	16,257
Adjustment to pension provision (see below)	(11,394)	–	(11,394)
Service costs (note 7)	–	(1,595,000)	(1,595,000)
Pension finance costs (note 9)	–	(134,000)	(134,000)
Administration expenses	–	(38,000)	(38,000)
Actuarial gain (note 19)	–	9,216,000	9,216,000
At 31 July 2022	<b>(161,671)</b>	<b>(1,219,000)</b>	<b>(1,380,671)</b>

### Enhanced pension provision

The actual cost of enhanced ongoing pension payments to former employees is paid by the university monthly. During the year the university has reviewed the expected cost of providing these pensions and based on current life expectancy, taking into account the current age of the pensioner and projected increases in the Consumer Prices Index, concluded that an additional provision of £11,394 is required. This amount has been charged to the Consolidated Statement of Comprehensive income as other administration expenditure (note 8).

### Pension scheme provision under FRS102

Under Financial Reporting Standard FRS102 the University has recognised its share of the pension scheme deficit in the Local Government Pension Scheme in its balance sheet. Financing, servicing costs and gains and losses in the scheme have been recognised in the Consolidated Statement of Comprehensive Income (note 19).

## 18. Deferred capital grants

	2022 £	2021 £
<b>Group and University</b>		
At 1 August		
Buildings	17,595,882	18,035,778
Equipment	533,312	591,492
<b>Total</b>	<b>18,129,194</b>	<b>18,627,270</b>
Released to income and expenditure		
Funding council grants (note 3)		
Buildings	39,640	39,640
Equipment	58,180	58,180
Other grants (note 4)		
Buildings	400,257	400,256
<b>Total</b>	<b>498,077</b>	<b>498,076</b>
At 31 July		
Buildings	17,155,985	17,595,882
Equipment	475,132	533,312
<b>Total</b>	<b>17,631,117</b>	<b>18,129,194</b>

As at 31 July 2022 and 31 July 2021 all balances relate to government grants. Under Financial Reporting Standard 102 the “accruals method” has been applied in respect of these grants, and the amount of deferred

capital grants have been treated as deferred income and included in creditors, amounts falling due within one year and creditors, amounts falling due after more than one year, as below:

<b>Group and University</b>		
Due within one year (note 15)	498,077	498,077
Due after more than one year (note 16)	17,133,040	17,631,117
	<b>17,631,117</b>	<b>18,129,194</b>

<b>Group and university</b>		
Released against depreciation charges	<b>498,077</b>	<b>498,076</b>

## 19. Pension costs and obligations

**The University's employees belong principally to two pension schemes, the Teachers' Pensions Scheme for academic staff and the London Borough of Bromley Superannuation Scheme for non-academic staff. Both are defined benefit schemes; the assets being held in separate trustee administered funds.**

### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments.

Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above regulations. Retirement and other pension benefits are paid by public funds provided by Parliament

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The University is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the University has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The University has set out below the information available on the plan and the implications for the University in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (DfE) in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196 billion, giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). The Department for Education has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019/20 academic year.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The employer's pension costs paid to TPS in the period amounted to £1,176,105 (2021: £1,217,077).



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## 19. Pension costs and obligations (continued)

### London Borough of Bromley Superannuation Scheme

The London Borough of Bromley Superannuation Scheme is valued every three years by a professional qualified independent actuary, in accordance with the provisions of the Local Government Superannuation Regulations, the rates of contribution payable being determined by the actuary.

The employer's contribution rate was 14.20% throughout the period.

Employer contributions payable to the scheme during the year were £760,466 (2021: £933,566)

For the purposes of meeting the requirements of reporting standard FRS 102, retirement benefits, the actuary has used the triennial valuation dated 31 March 2019 to assess the assets and liabilities of the scheme as at 31 July 2022.

## 19. Pension costs and obligations (continued)

The financial assumptions used by the actuary were:

	2022	2021	2020
	% per annum	% per annum	% per annum
Rate of increase in Consumer Price Index	2.6	2.6	2.3
Rate of increase in salaries	4.1	4.1	3.8
Rate of increase in pensions and prices	2.7	2.7	2.4
Discount rate	3.5	1.6	1.6

Life expectancy assumptions used by the actuary were:

		2022	2021
Current pensioner age 65	Males	22.8 years	22.9 years
	Females	25.3 years	25.3 years
Future pensioner age 65 in 20 years' time	Males	24.6 years	24.8 years
	Females	27.2 years	27.3 years

The estimated asset allocation for the University is as follows:

	31 July 2022		31 July 2021	
	Allocation of Investments	University Share of fund	Allocation of Investments	University Share of fund
	%	£'000	%	£'000
Equities	62.4	16,741	65.2	17,975
Government Bonds	2.5	671	3.0	827
Bonds	8.0	2,146	7.9	2,178
Property	7.2	1,932	4.9	1,351
Cash/liquidity	2.3	617	1.3	358
Other	17.6	4,722	17.7	4,880
	<b>100.0</b>	<b>26,829</b>	<b>100.0</b>	<b>27,569</b>

## 19. Pension costs and obligations (continued)

### Net liability in balance sheet

	2022 £'000	2021 £'000
Fair value of scheme assets	26,829	27,569
Present value of funded obligations	(28,048)	(36,237)
<b>Net liability in balance sheet</b>	<b>(1,219)</b>	<b>(8,668)</b>

### Reconciliation of assets and liabilities

	2022 £'000	2021 £'000
<b>Defined benefit obligation at 1 August</b>	<b>36,237</b>	<b>31,940</b>
Service cost	2,370	2,160
Interest cost	586	511
Past service cost	-	-
Actuarial (gain)/loss	(11,779)	1,573
Estimated benefits paid (net of transfers in)	224	(355)
Contributions by scheme participants	410	408
<b>Defined benefit obligation at 31 July</b>	<b>28,048</b>	<b>36,237</b>
<b>Fair value of scheme assets at 1 August</b>	<b>27,569</b>	<b>22,279</b>
Expected return on scheme assets	452	363
Actuarial (loss)/gain	(2,563)	4,139
Administration expenses	(38)	(38)
Contribution by employer	775	773
Contributions by scheme participants	410	408
Estimated benefits paid (net of transfers in)	224	(355)
<b>Fair value of scheme assets at 31 July</b>	<b>26,829</b>	<b>27,569</b>

## 19. Pension costs and obligations (continued)

### Reconciliation of assets and liabilities

	2022 £'000	2021 £'000
<b>Deficit in scheme at 1 August</b>	<b>(8,668)</b>	<b>(9,661)</b>
Movement in year		
Employer service cost (net of employee contributions)	(2,370)	(2,160)
Employer contributions	775	773
Past service costs	-	-
Finance costs on pension scheme liabilities	(134)	(148)
Administration expenses	(38)	(38)
Actuarial gain	9,216	2,566
<b>Deficit in scheme at 31 July</b>	<b>(1,219)</b>	<b>(8,668)</b>

### Analysis of the amount credited/charged to the Consolidated Statement of Comprehensive Income.

	2022 £'000	2021 £'000
<b>Service costs</b>		
Employer service costs (net of employee contributions)	2,370	2,160
Employer contributions	(775)	(773)
Past service cost	-	-
Staff costs (note 7)	1,595	1,387
<b>Pension finance costs</b>		
Expected return on pension scheme assets	452	363
Interest on pension liabilities	(586)	(511)
Pension scheme finance costs (note 9)	(134)	(148)
<b>Administration expenses</b>		
Included within other administration expenditure (note 8)	(38)	(38)

## 19. Pension costs and obligations (continued)

Analysis of amounts charged to the Consolidated Statement of Comprehensive Income in respect of the actuarial gain/(loss) in the pension scheme.

	2022 £'000	2021 £'000
<b>Actuarial losses in pension scheme</b>		
Changes in assumptions underlying the present value of the scheme liabilities	11,779	(1,573)
Actuarial return less expected return on pension scheme assets	(2,563)	4,139
<b>Total recognised gains for the year</b>	<b>9,216</b>	<b>2,566</b>

### History of experience gains and losses

	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Defined benefit obligation	(28,048)	(36,237)	(31,940)	(26,250)	(20,524)
Scheme assets	26,829	27,569	22,279	19,870	17,501
Deficit in pension scheme	(1,219)	(8,668)	(9,661)	(6,380)	(3,023)
Experience adjustments on scheme liabilities	–	–	–	–	–
Percentage of scheme liabilities	–	–	–	–	–
Experience adjustments on scheme assets	(2,563)	4,139	1,283	1,234	1,233
Percentage of scheme assets	(9.6%)	15.1%	5.8%	6.2%	7.0%

### Sensitivity analysis at 31 July 2022

	Central	Sensitivity 1 +0.1% pa discount rate	Sensitivity 2 +0.1% pa inflation	Sensitivity 3 +0.1% pa pay growth	Sensitivity 4 +1 year Increase in life expectancy
	£'000	£'000	£'000	£'000	£'000
Liabilities	28,048	27,451	28,658	28,058	28,699
Assets	(26,829)	(26,829)	(26,829)	(26,829)	(26,829)
Deficit	1,219	622	1,829	1,229	1,870
Projected service cost for next year	1,242	1,198	1,287	1,242	1,278
Projected net interest cost for next year	29	8	50	29	52

## 20. Reserves

	Group £	University £
<b>Income and expenditure reserve</b>		
At 1 August 2021	33,058,617	30,990,811
Actuarial gain in respect of pension scheme	9,216,000	2,566,000
Deficit for the year	(1,238,079)	(498,194)
<b>At 31 July 2022</b>	<b>41,036,538</b>	<b>33,058,617</b>

## 21. Financial commitments

At 31 July the University had commitments under non-cancellable operating leases

	2022 £'000	2021 £'000
Due within one year	455,983	281,649
Due between two and five years	209,201	666,437
	<b>665,184</b>	<b>948,086</b>



## 22. Access and participation expenditure

	2022			2021		
	Staff Costs	Non-Pay Costs	Total Costs	Staff Costs	Non-Pay Costs	Total Costs
	£	£	£	£	£	£
Access Investment	359,293	58,434	417,727	376,648	37,602	414,250
Financial Support	–	558,210	558,210	–	417,639	417,639
Support for disabled students	131,229	244,825	376,054	320,381	215,132	535,513
Research and evaluation	75,923	–	75,923	65,002	756	65,758
	<b>566,445</b>	<b>861,469</b>	<b>1,427,914</b>	<b>762,031</b>	<b>671,129</b>	<b>1,433,160</b>

The Access and Participation Plan for Ravensbourne University London can be found at:

<https://www.ravensbourne.ac.uk/asset-bucket/prod/2021-03/Access%20and%20Participation%20Plan%202020%20-2025.pdf>

Amounts in respect of Staff are included within the University's total staff costs (note 7). Amounts in respect of non-pay costs are included within note 8.


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## 23. Related party transactions

Owing to the nature of the University's operations and the composition of the Board of Governors being drawn from local public and private sectors organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures.

During the year ended 31 July 2022 amounts totalling £2,600 (2021: £4,900) were paid to Tower View Consulting, a sole trader entity operated by Professor Helen Higson. At 31 July 2022 there were no balances outstanding and unpaid, (2021: £nil).

No Governor receives payment in respect of their duties; however, trustees are entitled to claim expenses and payments totalling £821 were made to three trustees (2021; £361 to one trustee).



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