

UNIVERSITY OF WARWICK

STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31 JULY 1981

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## ACCOUNTING POLICIES

### Revenue Income and Expenditure

This account includes all revenue grants, fees and other income received and receivable for the year.

All revenue expenditure for the year is charged to this account including allocations to meet future expenditure which is chargeable against the revenue of the current year. Major allocations for future expenditure are transferred to funds created for that purpose. Minor allocations are carried forward in creditors.

Income from research grants is included to the extent of expenditure incurred during the year and unexpended grants are carried forward in creditors.

Gross investment income is credited to the income and expenditure account after transfers of notional interest have been made to part of the renewals fund and the special reserve.

Surpluses accumulated externally by academic departments are carried forward as creditors for future expenditure by those departments.

### Capital Expenditure

Capital expenditure is written off against grants and loans for specific purposes and the general revenue of the University. Loan interest and capital repayments are made from revenue.

### Debtors and Prepayments

Specific provisions are made for any debts considered to be doubtful and known bad debts are written off.

### Stocks

Stocks include goods for resale in catering departments, bars and the bookshop and are valued at the lower of cost and net realisable value. Stocks of consumable materials are written off to revenue as incurred.

### Specific Funds

Grants and revenue allocations are taken into funds to meet future expenditure for specific purposes.

### The University of Warwick Foundation Fund

The University of Warwick Foundation Fund is vested in and administered separately by the Trustees. It does not therefore form part of these accounts.

**REVENUE INCOME AND EXPENDITURE ACCOUNT  
YEAR ENDED 31 JULY 1981**

**INCOME**

1980		1981
£		£
	<b>Grants from University Grants Committee</b>	
10,725,000	Block recurrent	13,144,000
	<b>Other Grants</b>	
2,012,507	Grants for research (including from Foundation Fund)	2,713,051
245,807	Other grants (including from Foundation Fund)	233,347
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2,258,314		2,946,398
3,465,220	<b>Students' fees</b>	4,452,008
	<b>Other Income</b>	
314,053	Investment income (gross)	398,968
328,955	Miscellaneous income	413,923
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643,008		812,891
21,167	Withdrawal from Special Reserve	
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17,112,709	<b>Total Income</b>	21,355,297
	<b>Less:</b>	
17,069,785	<b>Total Expenditure</b>	20,654,568
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£ 42,924	<b>Surplus balance transferred to General Fund</b>	£ 700,729

**EXPENDITURE**

1980		1981
£		£
5,570,354	<b>Academic</b>	
1,212,608	Salaries of academic staff	7,053,897
1,998,236	Salaries and wages of other staff	1,636,943
923,001	Expenditure of research grants	2,690,227
310,728	Other expenses	1,021,231
	Computer Unit	434,230
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10,014,927		12,836,528
486,263	<b>Library</b>	
	Salaries and wages	634,960
255,189	Books, periodicals and binding:	
8,489	Financed from recurrent funds	312,547
50,944	Financed from outside funds	7,877
	Other expenses	77,077
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800,885		1,032,461
43,431	<b>General Educational Expenditure</b>	
19,915	Examinations	48,793
9,415	Fellowships, scholarships and prizes	29,665
	Staff attendance at conferences	10,584
	Contribution to University Central Council on Admissions	26,211
21,487	Vacation Grants and Field Courses	46,244
53,134	Other expenses	171,534
141,099		
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288,481		333,031
833,417	<b>Administration and Central Services</b>	
77,342	Salaries and Wages	1,075,632
138,007	Advertising and recruitment	59,213
163,225	Printing, stationery and postage	197,561
	Other expenses	184,210
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1,211,991		1,516,616
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12,316,284	<b>forward</b>	15,718,636

**EXPENDITURE - continued**

1980		1981
£	£	£
12,316,284	forward	15,718,636
<b>Premises</b>		
581,741	Rates	732,918
184,599	Telephones	233,217
40,883	Insurance	58,523
632,362	Heat, light, water and power	831,305
856,244	Cleaning and other running costs	994,271
573,323	Repairs and maintenance	728,615
<u>2,869,152</u>		<u>3,578,849</u>
<b>Staff and Student Facilities and Amenities</b>		
73,609	Careers Advisory Service	96,804
27,163	Lodgings Office	35,381
33,019	University Health Service	45,989
236,084	Grants to Union of Students	282,794
47,751	Rootes Hall	-
169,106	Other expenses	189,129
<u>586,732</u>		<u>650,097</u>
<b>Miscellaneous Expenditure</b>		
23,053	Hospitality and entertainment	19,864
500,000	Extension of Arts Building for Psychology	-
85,057	Non-recurrent expenditure	6,896
105,350	Provision for renewals	63,200
139,196	Debt Charges	151,069
55,355	Miscellaneous	54,660
-	Allocation for furniture and equipment	99,500
-	Allocation to Research & Innovations Fund	25,000
<u>908,011</u>		<u>420,189</u>
389,606	Capital Expenditure met from Income	286,797
<u>£ 17,069,785</u>	<b>Total Expenditure</b>	<u>£ 20,654,568</u>

**STATEMENT OF NET ASSETS**

**AS AT 31 JULY 1981**

1980		1981
£	£	£
72,794	<b>Loan Debtors</b>	63,709
119,483	<b>Projects Temporarily Unfinanced</b>	104,262
481,802	<b>Investments at cost (Market Value £465, 822)</b>	481,802
<b>Current Assets</b>		
	Amounts due from University Grants Committee for capital projects	88,638
	Current account with University of Warwick Foundation	768,955
75,660	Other debtors and prepayments	1,467,725
250,650	Stocks	159,823
1,212,044	Money at call and short notice	2,029,315
71,017	Bank balance and cash	6,889
1,329,315	Deposit account with H.M. Paymaster General	-
48,628		
20,474		
<u>3,007,788</u>		<u>4,521,345</u>
<b>Less:-</b>		
<b>Current Liabilities</b>		
	Creditors and accrued liabilities (Note 4)	2,309,076
1,493,428	Bank Overdraft	167,103
-		
1,493,428		<u>2,476,179</u>
1,514,360		<u>2,045,166</u>
<u>£ 2,188,439</u>		<u>£ 2,694,939</u>
<b>Represented by</b>		
	Unexpended furniture and equipment grant	124,214
95,911	DR General Fund	558,370
125,669	Sabbatical Leave Fund	86,749
2,127,411	Other Specific Funds	1,925,606
<u>£ 2,188,439</u>		<u>£ 2,694,939</u>

**SPECIFIC FUNDS**

£

<b>1. Grants for Furniture and Equipment</b>		
Balance 1 August 1980		31,270
Grants and receipts during the year		745,897
		<u>777,167</u>
Expenditure during the year		652,953
		<u>124,214</u>

Of the grants and receipts during the year £nil (1980 £20,474) is held for the time being by HM Paymaster General.

<b>2. General Fund</b>			
	£		
Balance 1 August 1980		95,911	DR
Surplus on Income and Expenditure account for the year ended 31 July 1981	700,729		
Allocation to Sabbatical Leave Fund	46,448	654,281	
		<u>558,370</u>	

The balance at 31 July 1981 includes commitments and allocations totalling £90,740 (1980 £60,624) carried forward to 1981/82.

<b>3. Sabbatical Leave Fund</b>		
	£	
Balance 1 August 1980		125,669
Half savings accruing from salaries of staff on unpaid leave of absence during the year	46,448	
Less replacement teaching costs during the year	85,368	38,920
		<u>86,749</u>

The Sabbatical Leave Fund represents the savings accruing from salaries of staff on unpaid leave of absence since 1966 and is available for funding sabbatical leave.

**SPECIFIC FUNDS - Continued**

**4. Other Specific Funds**

	Balance 1 August 1980	Receipts and Allocations during the year	Expenditure during the year	Balance 31 July 1981
	£	£	£	£
Special Reserve	185,372	73,666	-	259,038
Residential & Catering				
Renewals	509,275	258,407	324,561	443,121
Other Renewals	232,503	73,305	107,741	198,067
Major Repairs and Replacements	77,478	-	28,527	48,951
Research & Innovations	197,783	25,000	41,014	181,769
Psychology Building	500,000		106,755	393,245
Arden Conversion	200,000	46,500	199,755	46,745
Energy Conservation	150,000	180,000	106,984	223,016
Arts Centre Conversion	55,000		55,000	-
Landscaping	20,000			20,000
Bookshop Accumulation	-	111,654		111,654
	<u>2,127,411</u>	<u>768,532</u>	<u>970,337</u>	<u>1,925,606</u>

The £111,654 Bookshop Accumulation Fund includes £78,271 accumulated at 31 July 1980 following the merger of the Bookshop accounts with those of the University as from 1 August 1980.

## NOTES ON THE ACCOUNTS

1. Capital expenditure during the year ended 31 July 1981 has been financed as follows:-

	Capital Expenditure		Source of Finance
	£		£
Buildings	1,031,737	University Grants	820,622
Playing Fields	8,106	Committee	
Site Works and Services	60,990	Grants & Loans from	
Furniture, books and equipment	1,925,899	Foundation Fund & other sources	1,119,258
		Contributions from revenue & specific funds	1,086,852
	<u>3,026,732</u>		<u>3,026,732</u>

2. At 31 July 1981 loans in respect of capital expenditure previously incurred and outstanding to the Foundation Fund were £2,162,777 (1980 £2,202,267) and secured loans repayable to Building Societies were £714,308 (1980 £716,719).
3. For insurance purposes, the buildings and equipment are valued at £96,242,000
4. Creditors and accrued liabilities  
Included in creditors and accrued liabilities are specific items amounting to £126,710 (1980 £20,474) provided from revenue for future expenditure, and also surplus balances amounting to £180,290 (1980 £120,194) accumulated externally by academic departments.
5. Charitable Status  
The University is a charity in accordance with Section 4 of the Charities Act 1960.
6. Loan Debtors  
Loan Debtors represent amounts expended on certain capital projects which are recoverable by way of future revenue surpluses generated from those projects.
7. Projects Temporarily Unfinanced  
Projects temporarily unfinanced represent amounts expended by the University on certain capital and other projects which will eventually be financed from other sources.

## AUDITORS' REPORT TO THE COUNCIL OF THE UNIVERSITY OF WARWICK

We have audited the accounts on pages 1 to 8 in accordance with approved Auditing Standards. The accounts have been prepared under the historical cost convention.

We draw attention to the accounting policies set out on page 1 which set out the bases on which these accounts have been prepared.

In our opinion the accounts give a true and fair view of the income and expenditure of the University for the year ended 31 July 1981 and of its funds at that date.

We have examined the records of moneys expended during the year out of non-recurrent grants made to the University for specific purposes. In our opinion the grants have been properly applied for the purposes intended.

Coventry  
16 November 1981

Coopers & Lybrand  
Chartered Accountants