

UNIVERSITY OF WARWICK

**STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31 JULY
1984**

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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 1984**

| INCOME | | |
|---------------|--|------------|
| 1983 | | 1984 |
| £ | £ | £ |
| | Grants from University Grants Committee | |
| 16,273,320 | Block recurrent | 17,484,330 |
| | Other Grants | |
| 3,325,661 | Grants for research (including from Foundation Fund) | 4,191,273 |
| 273,992 | Other grants (including from Foundation Fund) | 320,845 |
| 3,599,653 | | 4,512,118 |
| 3,646,775 | Students' fees | 4,012,814 |
| | Other Income | |
| 579,020 | Investment income (gross) | 624,296 |
| 688,028 | Miscellaneous income | 2,027,045 |
| 1,267,048 | | 2,651,341 |
| 113,244 | Withdrawal from General Fund | - |
| 24,900,040 | Total Income | 28,660,603 |
| | Less: | |
| 24,974,425 | Total Expenditure | 28,653,853 |
| (£74,385) | (Deficit)/Surplus balance transferred to General Fund | £6,750 |

| EXPENDITURE | | |
|--------------------|---|------------|
| 1983 | | 1984 |
| £ | £ | £ |
| | Academic | |
| 8,122,058 | Salaries of academic staff | 8,751,965 |
| 1,845,650 | Salaries and wages of other staff | 1,947,954 |
| 3,301,740 | Expenditure of research grants | 4,162,666 |
| 1,317,559 | Other expenses | 2,497,940 |
| 488,288 | Computer Unit | 492,943 |
| 15,075,295 | | 17,853,468 |
| | Library | |
| 675,520 | Salaries and wages | 712,007 |
| | Books, periodicals and binding: | |
| 427,962 | Financed from recurrent funds | 395,192 |
| 10,249 | Financed from outside funds | 8,747 |
| 264,075 | Other expenses | 133,145 |
| 1,377,806 | | 1,249,091 |
| | General Educational Expenditure | |
| 32,084 | Examinations | 49,223 |
| 8,021 | Fellowships, scholarships and prizes | 33,954 |
| 13,787 | Staff attendance at conferences | 13,666 |
| | Contribution to University Central Council on Admissions | 26,745 |
| 25,703 | Other expenses | 228,158 |
| 193,941 | | 351,746 |
| 273,536 | | 351,746 |
| | Administration and Central Services | |
| 1,201,257 | Salaries and wages | 1,267,795 |
| 51,840 | Advertising and recruitment | 125,736 |
| 182,308 | Printing, stationery and postage | 209,431 |
| 208,958 | Other expenses | 340,547 |
| 1,644,363 | | 1,943,509 |
| 18,371,000 | forward | 21,397,814 |

EXPENDITURE - continued

| 1983 | | 1984 |
|--|---|--------------------|
| £ | £ | £ |
| 18,371,000 | forward | 21,397,814 |
| Premises | | |
| 918,159 | Rates | 942,877 |
| 254,537 | Telephones | 273,889 |
| 66,630 | Insurance | 69,496 |
| 906,929 | Heat, light, water and power | 868,562 |
| 889,499 | Cleaning and other running costs | 981,146 |
| 1,164,216 | Repairs and maintenance | 1,529,442 |
| <hr/> | | <hr/> |
| 4,199,970 | | 4,665,412 |
| Staff and Students Facilities and Amenities | | |
| 122,885 | Careers Advisory Service | 113,013 |
| 40,833 | Lodgings Office | 42,034 |
| 46,390 | University Health Service | 45,563 |
| 317,000 | Grants to Union of Students | 329,700 |
| 191,596 | Other expenses | 210,231 |
| <hr/> | | <hr/> |
| 718,704 | | 740,541 |
| Miscellaneous Expenditure | | |
| 25,386 | Hospitality and entertainment | 27,613 |
| 121,973 | Non-recurrent expenditure | 183,124 |
| 75,700 | Provision for renewals | 79,450 |
| 121,912 | Debt charges | 89,267 |
| 88,437 | Miscellaneous | 126,536 |
| 100,000 | Allocation to Special Reserve | 279,000 |
| | Allocation to Research & Innovations Fund | 70,000 |
| 75,000 | | 70,000 |
| 82,343 | Allocation to Study Leave Fund | 54,200 |
| - | Allocation to Furniture & Equipment Fund | 75,000 |
| <hr/> | | <hr/> |
| 690,751 | | 984,190 |
| 994,000 | Capital Expenditure met from Income | 865,896 |
| <hr/> | | <hr/> |
| <u>£24,974,425</u> | Total Expenditure | <u>£28,653,853</u> |

**SUPPLEMENTARY ACCOUNTS
YEAR ENDED 31 JULY 1984**

| 1983 | | 1984 |
|-----------|---|-----------|
| £ | £ | £ |
| 1,757,245 | Catering Account | |
| | Income | 1,725,802 |
| | Expenditure:- | |
| 549,988 | Staffing | 585,658 |
| 934,215 | Food & Drink | 938,113 |
| 165,499 | Improvements & Renewals | 62,177 |
| 107,543 | Other Expenses | 139,854 |
| <hr/> | | <hr/> |
| 1,757,245 | | 1,725,802 |
| <hr/> | | <hr/> |
| - | | - |
| | Any surplus or deficit on trading is transferred to the Renewals and Improvements Fund to finance such expenditure. | |
| | Residential Account | |
| 1,958,443 | Income | 1,973,717 |
| | Expenditure:- | |
| 560,241 | Salaries & Wages | 564,283 |
| 401,842 | Heat, Light, Water, Power | 379,348 |
| 452,917 | Maintenance & Repairs | 460,902 |
| 331,934 | Loan Interest & Repayment | 324,054 |
| 211,509 | Other Expenses | 245,130 |
| <hr/> | | <hr/> |
| 1,958,443 | | 1,973,717 |
| <hr/> | | <hr/> |
| - | | - |
| | Any surplus or deficit on trading is transferred to the Loan Repayments Account. | |

SUPPLEMENTARY ACCOUNTS - continued

| 1983 | | 1984 |
|--|------------------|-----------------|
| £ | £ | £ |
| Arts Centre Account | | |
| 463,809 | Income | 531,377 |
| Expenditure:- | | |
| 265,695 | Production Costs | 323,577 |
| 184,486 | Administration | 204,788 |
| 13,628 | Other Expenses | 3,012 |
| <u>463,809</u> | | <u>531,377</u> |
| <u>-</u> | | <u>-</u> |
| Any surplus or deficit on trading is transferred to the Renewals Fund to finance such expenditure. | | |
| Bookshop Account | | |
| 485,525 | Income | 542,605 |
| Expenses:- | | |
| 86,048 | Salaries | 84,157 |
| 343,010 | Purchases | 384,853 |
| 30,415 | Other Expenses | 32,216 |
| <u>459,473</u> | | <u>501,226</u> |
| <u>£ 26,052</u> | Surplus for year | <u>£ 41,379</u> |

The surplus has been transferred to the Bookshop Accumulation Fund.

**STATEMENT OF NET ASSETS
AS AT 31 JULY 1984**

| 1983 | | 1984 |
|----------------------------|--|-------------------|
| £ | £ | £ |
| 53,238 | Loan Debtors (Note 6) | 45,698 |
| 46,151 | Projects Temporarily Unfinanced (Note 7) | 13,671 |
| 561,302 | Investments at Cost (Market Value £523,958) | 530,314 |
| Current Assets | | |
| | Amounts due from University Grants Committee and Computer Board for capital projects | 48,909 |
| 9,547 | Other debtors and prepayments | 2,638,586 |
| 1,676,520 | Stocks | 173,153 |
| 169,757 | Money at call and short notice | 6,410,000 |
| 5,460,000 | Bank balance and cash | 41,077 |
| 25,798 | Deposit account with H.M. Paymaster General | 27,000 |
| <u>-</u> | | <u>9,338,725</u> |
| 7,341,622 | | |
| Less: | | |
| Current Liabilities | | |
| 3,686,277 | Creditors and accrued liabilities (Note 4) | 3,912,450 |
| 117,368 | Current Account with University of Warwick Foundation (Note 8) | 587,787 |
| <u>3,803,645</u> | | <u>4,500,237</u> |
| 3,537,977 | | 4,838,488 |
| <u>£4,198,668</u> | | <u>£5,428,171</u> |
| Represented by | | |
| | Unexpended furniture and equipment grant | 188,985 |
| 14,346 | General Fund | 157,092 |
| 150,342 | Study Leave Fund | 31,724 |
| 77,559 | Other Specific Funds | 5,050,370 |
| 3,956,421 | | |
| <u>£4,198,668</u> | | <u>£5,428,171</u> |

SPECIFIC FUNDS

| | £ |
|--|---------|
| 1. Grants for Furniture and Equipment | |
| Balance 1 August 1983 | 14,346 |
| Grants and receipts during the year | 966,119 |
| | 980,465 |
| Expenditure during the year | 791,480 |
| | 188,985 |
| | 188,985 |

Of the grants and receipts during the year £27,000 (1983 £NIL) is held for the time being by H.M. Paymaster General.

| | £ |
|---|---------|
| 2. General Fund | |
| Balance 1 August 1983 | 150,342 |
| Surplus on Income and Expenditure Account for year ended 31 July 1984 | 6,750 |
| | 157,092 |
| | 157,092 |

| | £ | £ |
|---|---------|---------|
| 3. Study Leave Fund | | |
| Balance 1 August 1983 | 77,559 | |
| Allocation during the year | 54,200 | |
| | 131,759 | |
| Less replacement teaching costs during the year | 50,035 | |
| contribution towards Central Computer | 50,000 | 100,035 |
| | 100,035 | |
| Balance 31 July 1984 | | 31,724 |

SPECIFIC FUNDS - continued

| | Balance 1 August 1983 | Receipts & Allocations during the year | Expenditure during the year | Balance 31 July 1984 |
|---|-----------------------------|---|-----------------------------------|----------------------------|
| | £ | £ | £ | £ |
| 4. Other Specific Funds | | | | |
| Special Reserve | 418,300 | 279,000 | - | 697,300 |
| Residential Renewals & Catering Renewals and Improvements | 599,282 | 245,606 | 239,295 | 605,593 |
| Other Renewals | 268,047 | 95,659 | 59,449 | 304,257 |
| Major Repairs & Replacements | 48,951 | - | 338 | 48,613 |
| Research & Innovations | 140,508 | 70,000 | 80,807 | 129,701 |
| Psychology Building | 45,812 | 3,000 | 4,055 | 44,757 |
| Arden Conversion | 262,769 | 30,000 | 230,028 | 62,741 |
| Energy Conservation | 27,426 | - | 14,567 | 12,859 |
| Bookshop Accumulation | 160,189 | 41,379 | 18,808 | 182,760 |
| Improved Heating Facilities | 143,586 | 15,000 | 22,712 | 135,874 |
| Heating Mains & Library Tiles | 40,680 | - | 2,111 | 38,569 |
| Westwood Conversion | 219,416 | - | 208,762 | 10,654 |
| Rootes Social Building Improvements | 31,364 | 209,775 | 31,680 | 209,459 |
| Biotechnology Building Social Studies Extension | 682,344 | (508,787) | 77,705 | 95,852 |
| Arts Centre | 270,000 | 303,300 | 10,520 | 562,780 |
| Arts Centre Extension | 33,000 | 604,397 | 33,000 | 604,397 |
| Information Technology Extension | - | 400,000 | - | 400,000 |
| Central Computing Facilities | - | 130,000 | - | 130,000 |
| Other Funds | 564,747 | 602,954 | 393,497 | 774,204 |
| | £3,956,421 | £2,521,283 | £1,427,334 | £5,050,370 |
| | £3,956,421 | £2,521,283 | £1,427,334 | £5,050,370 |

£538,037 allocated in 1982/83 for the Biotechnology Building has been re-allocated in 1983/84 to the Arts Centre Extension.

NOTES ON THE ACCOUNTS

1. Capital expenditure during the year ended 31 July 1984 has been financed as follows:-

| | Capital Expenditure £ | | Source of Finance £ |
|----------------------------|-----------------------------|---|---------------------------|
| Buildings | 1,443,413 | University Grants | |
| Site Works and Services | 25,172 | Comittee | 738,071 |
| Furniture and Equipment | 1,920,890 | Grants & Loans from Foundation Fund & other sources | 1,193,167 |
| | | Contribution from revenue & specific funds | 1,458,237 |
| | <u>£3,389,475</u> | | <u>£3,389,475</u> |
| | <u>£3,389,475</u> | | <u>£3,389,475</u> |

2. At 31 July 1984 loans in respect of capital expenditure previously incurred and outstanding to the Foundation Fund were £1,613,125 (1983 £1,767,581) and secured loans repayable to Building Societies were £691,926 (1983 £700,967).
3. For insurance purposes, the buildings and equipment are valued at £129,773,214.
4. Creditors and Accrued Liabilities.
Included in creditors and accrued liabilities are specific items amounting to £75,850 (1983 £68,160) provided from revenue for future expenditure, and also surplus balances amounting to £582,046 (1983 £427,907) 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.

8. Current Account with University of Warwick Foundation.

The University acts as a paying agent for the Foundation Fund and the current account reflects the net indebtedness between the two parties.

9. In exchange for the gift of land and further investment, the University holds 35620 Shares of £1 each and a 1% Debenture loan of £774,180 issued by University of Warwick Science Park Limited. The University also holds 25,000 "A" Ordinary 10p Shares in Orbec Limited.

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

We have audited the accounts on pages 1 to 11 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 1984 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
12 November 1984

Coopers & Lybrand
Chartered Accountants