

UNIVERSITY OF WARWICK

STATEMENT OF ACCOUNTS FOR THE YEAR ENDED
31 JULY 1988

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Taxation

No current or deferred taxation has been provided as the University is a charity registered under the Charities Act 1960, and thereby exempt from United Kingdom taxation on its income.

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 1988

INCOME

1987 £000		1988 £000
23,038	Grants from University Grants Committee	25,521
5,832	Students' Fees	6,485
8,228	Research Grants & Contracts	10,110
4,829	Other Services Rendered	6,573
520	Investment Income	280
266	Net Income from Separable Activities	351
812	Miscellaneous Income	1,051
<hr/> 43,525 <hr/>	Total Income	<hr/> 50,371 <hr/>

EXPENDITURE

1987 £000		£000	1988 £000
	Academic		
11,783	Salaries of academic staff	13,652	
2,384	Salaries & wages of other staff	2,727	
1,777	Other expenses	2,307	
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15,944			18,686
	Academic Services		
1,445	Library	1,672	
637	Computing Services	715	
229	Other expenses	246	
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2,311			2,633
7,610	Research Grants & Contracts		9,280
4,265	Other Services Rendered		6,026
	General Educational Expenditure		
61	Examinations	64	
57	Fellowships, scholarships and prizes	57	
53	Contribution to U.C.C.A and C.V.C.P.	61	
157	Contribution to Arts Centre	166	
140	Music, Drama and Works of Art	166	
48	Other Expenses	48	
<hr/>		<hr/>	
516			562
	Premises		
1,360	Rates	1,578	
192	Telephones	87	
146	Insurance	164	
929	Heat, light, water and power	1,050	
1,162	Cleaning and other running costs	1,221	
1,429	Long term repairs and maintenance	1,899	
1,016	Ordinary repairs and maintenance	1,218	
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6,234			7,217
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36,880	forward		44,404

EXPENDITURE - Continued

1987 £000		£000	1988 £000
36,880	forward		44,404
	Administration and Central Services		
1,762	Salaries and wages	2,002	
216	Advertising and recruitment	217	
403	Printing, stationery and postage	407	
450	Other expenses	523	
<hr/>		<hr/>	
2,831			3,149
	Staff and Student Facilities and Amenities		
155	Careers Advisory Service	167	
114	Sports Grounds and Buildings	124	
376	Grants to Union of Students	395	
215	Other expenses	252	
<hr/>		<hr/>	
860			938
1,470	Capital Expenditure met from Income		284
1,407	Expenditure from Equipment Grant		1,607
	Miscellaneous Expenditure		
28	Hospitality and entertainment	24	
49	Non-recurrent expenditure	184	
100	Debt charges	80	
420	Other expenses	381	
<hr/>		<hr/>	
597			669
(520)	Deficit before transfers		(680)
<hr/>		<hr/>	
43,525			50,371
<hr/>		<hr/>	

EXPENDITURE - Continued

1987 £000		£000	1988 £000
(520)	Deficit before transfers		(680)
	Transfers to Reserves		
(1,417)	Long Term Maintenance	(396)	
(1,499)	Other	(1,708)	
<hr/>		<hr/>	
(2,916)		(2,104)	
	Transfers from Reserves		
1,456	Long Term Maintenance	1,417	
1,492	Other	1,568	
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2,948		2,985	
<hr/>		<hr/>	
32			881
<hr/>			<hr/>
(488)	Surplus/(Deficit) balance transferred to General Reserve		201
<hr/>			<hr/>

SUPPLEMENTARY ACCOUNTS

YEAR ENDED 31 JULY 1988

1987 £000		1988 £000
	Catering Account	
2,483	Income	2,779
	Expenditure	
912	Staffing	1,117
1,254	Food & drink	1,410
17	Improvements & renewals	442
196	Other expenses	217
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2,379		3,186
<hr/>		<hr/>
104	Surplus/(Deficit) for the year	(407)
	Allocation to Renewals & Improvements Fund	(88)
(121)	Withdrawal from Renewals & Improvements Fund	495
17		<hr/>
<hr/>		<hr/>
(104)		407
<hr/>		<hr/>
-		-
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	Any surplus or deficit on trading is transferred to the Renewals & Improvements Fund.	
	Residential Account	
2,190	Income	2,560
	Expenditure	
701	Salaries & wages	801
417	Heat, light, water & power	395
835	Maintenance & repairs	604
248	Loan interest & repayments	340
290	Other expenses	293
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2,491		2,433
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(301)	Surplus/(Deficit) for the year	127
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SUPPLEMENTARY ACCOUNTS - Continued

1987 £000		£000	1988 £000
(301)	Surplus/(Deficit) for the year		127
(174)	Allocation to Renewals Fund	(332)	
475	Withdrawal from Renewals Fund	205	
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301			(127)
<hr/>			<hr/>
-			-
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	Any surplus on trading is transferred to the Renewals and Improvements Fund		
	Arts Centre Account		
837	Income		1,013
	Expenditure		
535	Production costs	654	
299	Administration	347	
<hr/>		<hr/>	
834			1,001
<hr/>			<hr/>
3	Surplus for the year		12
(3)	Allocation to Renewals & Development Fund	(14)	
-	Withdrawal from Renewals & Development Fund	2	
<hr/>		<hr/>	
(3)			12
<hr/>			<hr/>
-			-
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	Any surplus or deficit on trading is transferred to the Renewals & Development Fund.		

SUPPLEMENTARY ACCOUNTS - Continued

1987 £000		£000	1988 £000
	Bookshop Account		
738	Income		905
	Expenses		
129	Salaries	140	
505	Purchases	621	
50	Other expenses	52	
<hr/>		<hr/>	
684			813
<hr/>			<hr/>
54	Surplus for the year		92
-	Allocation to Renewals Fund		10
<hr/>			<hr/>
54	Surplus for the year		82
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The surplus has been included in
University Miscellaneous Income.

BALANCE SHEET

AS AT 31 JULY 1988

1987		1988
£000	£000	£000
1,019	Projects Temporarily Unfinanced (Note 1)	1,268
3	Investments at Cost	-
1,558	Loan to University of Warwick Foundation (Note 2)	1,215
	Current Assets	
5,447	Debtors and prepayments	6,003
293	Stocks	282
2,190	Money at call and short notice	2,140
26	Bank balance and cash	26
87	Deposit account with H.M. Paymaster General	179
8,043		8,630
	Current Liabilities	
3,618	Creditors and accrued liabilities	3,445
148	Bank overdraft	746
3,766		4,191
4,277		4,439
6,857		6,922

BALANCE SHEET continued

1987 £000		£000	1988 £000
	Represented by:		
1,251	Restricted Funds (Note 3)		1,396
	General Funds (Note 4)		
1,989	Reserves	2,523	
(409)	General Reserve	(208)	
1,580			2,315
	Provisions (Note 5)		
290	Long Term Maintenance	225	
3,736	Other	2,986	
4,026			3,211
6,857			6,922

C. BRUMMITT
FINANCE OFFICER

SOURCE AND APPLICATION OF FUNDS

For the year ended 31 July 1988

1987 £000		£000	1988 £000
	Source of Funds		
530	Sale of Investments		3
1,766	Transfer to Restricted Funds		1,901
412	Transfers to General Funds		692
3,257	Transfers to Provisions		2,715
1,589	Grants for Capital expenditure		3,636
-	Surplus for the Year		181
7,554			9,128
	Application of Funds		
488	Deficit for the year	-	
2,364	Expenditure on Restricted Funds	1,756	
165	Expenditure on General Funds	158	
4,611	Expenditure on Provisions	3,510	
1,589	Capital expenditure	3,636	
9,217			9,060
(1,663)			68
	Movement in Working Capital		
730	Increase in Projects Temporarily Unfinanced		249
1,938	Increase in Debtors & Prepayments		556
43	Increase/(Decrease) in Stocks		(11)
(1,581)	(Increase)/Decrease in Creditors		173
610	Increase/(Decrease) in Loan to University of Warwick Foundation		(343)
1,740			624
	Movement in Net Liquid Funds		
(3,340)	Decrease in Short- term deposits	(50)	
(150)	Decrease in Bank balance & cash	(598)	
87	Increase in Deposit account with H.M. Paymaster General	92	
(3,403)			(556)
(1,663)			68

NOTES TO THE ACCOUNTS

1. 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.

2. Loan to 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.

3. Restricted Funds

	Balance 1 August 1987 £000	Receipts & Allocations during the year £000	Expenditure & Transfers during the year £000	Balance 31 July 1988 £000
Research Grants & Contracts	729	441	-	1,170
Premature Retirement Compensation Scheme	147	112	119	140
Furniture & Equipment	375	1,348	1,637	86
	<u>1,251</u>	<u>1,901</u>	<u>1,756</u>	<u>1,396</u>
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

4. General Funds

	Balance 1 August 1987 £000	Receipts & Allocations during the year £000	Expenditure & Transfers during the year £000	Balance 31 July 1988 £000
Research & Innovations	146	55	85	116
Study Leave	28	59	73	14
Conference Account	322	59	-	381
Departmental Balances	1,493	519	-	2,012
General Reserve	(409)	201	-	(208)
	<u>1,580</u>	<u>893</u>	<u>158</u>	<u>2,315</u>
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

Departmental Balances represent surplus balances accumulated externally by academic departments

NOTES TO THE ACCOUNTS
(Continued)

5. Provisions

	Balance 1 August 1987 £000	Receipts & Allocations during the year £000	Expenditure & Transfers during the year £000	Balance 31 July 1988 £000
Long Term Maintenance	290	210	275	225
Residential Renewals and Improvements	292	382	205	469
Catering Renewals and Improvements	537	88	495	130
Other Renewals	287	357	121	523
Sale of Land and Property	100	247	158	189
Energy Conservation	122	-	62	60
Rootes Social Building Improvements	277	-	277	-
Social Studies Extension	156	-	104	52
Infrastructure	123	-	114	9
Heating Mains	519	612	1,084	47
Information Technology Extension	108	(36)	62	10
Westwood Development	35	450	283	202
Other Provisions	1,180	385	270	1,295
	<u>4,026</u>	<u>2,695</u>	<u>3,510</u>	<u>3,211</u>
	<u><u>4,026</u></u>	<u><u>2,695</u></u>	<u><u>3,510</u></u>	<u><u>3,211</u></u>

Projects having balances or movements of less than £100,000 are included in Other Provisions

NOTES TO THE ACCOUNTS
(Continued)

6. Capital expenditure during the year ended 31 July 1988 has been financed as follows:-

	Capital Expenditure		Source of Finance
	£000		£000
Buildings	2,663	University Grants Committee	1,618
Furniture and equipment	4,088	Grants & loans from Foundation Fund & other sources	2,936
Site works & services	1,148	Contribution from revenue & specific funds	3,345
	<hr style="width: 100%; border: 0.5px solid black;"/>		<hr style="width: 100%; border: 0.5px solid black;"/>
	7,899		7,899
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7. At 31 July 1988 loans in respect of capital expenditure previously incurred and outstanding to the Foundation Fund were £1,326,000 (1987 £1,409,000) and secured loans repayable to Building Societies were £2,314,000 (1987 £673,000).
8. For insurance purposes, the buildings and equipment are valued at £134,779,000.
9. The University holds 9130 shares of £1 each and a 1% debenture loan of £774,180 issued by University of Warwick Science Park Limited. The investment has been included in the accounts at nil value.
10. The University is involved in a legal dispute over faults which have developed in tiling facades to a number of University buildings. The cost of the rectification work and legal costs paid to 31st July 1988 have been included in the University's Income & Expenditure Account. No provision for continuing legal costs has been made however, as the University considers that it is likely that such costs will be recovered.

AUDITORS' REPORT TO THE COUNCIL
OF THE UNIVERSITY OF WARWICK

We have audited the accounts on pages 1 to 15 in accordance with approved Auditing Standards.

In our opinion:

- (a) the accounts, which have been prepared in accordance with the accounting policies on pages 1 and 2, give a true and fair view of the state of the University's affairs as at the 31st July 1988 and of its income and expenditure and source and application of funds for the year then ended, and
- (b) monies expended during the year out of non-recurrent grants and other funds administered by the University for specific purposes have been properly applied to the purposes for which they were received.

Birmingham
14th November 1988

Coopers & Lybrand
Chartered Accountants