



HEFCE Annual Accountability Return

Outcome requested:	Council is requested to approve the submission of the HEFCE Annual Accountability Return.
Executive Summary:	<p>The December Annual Accountability Return is due for submission to HEFCE by 1 December 2015. The following documents form part of the Return and must be approved by Council prior to submission:</p> <ul style="list-style-type: none"> • Financial results tables for 2012/13 and 2014-15 (Appendix 1) • Commentary of key movements between 2014-15 forecast and 2014-15 actual financial performance (Appendix 2) • Annual assurance return (Appendix 3) • Annual sustainability statement (Appendix 4) <p>The financial tables show the 2013/14 financial position and the final financial position for 2014/15 which reconciles to the audited Financial Statements for 2014/15.</p>
Strategic Plan Aims	<p>EA2.1 Achievement of sufficient annual operating surpluses</p> <p>EA2.2 Containment of staff costs as a proportion of total turnover</p> <p>EA2.3 Reduction of financial dependence on HEFCE.</p> <p>EA2.5 Continuing development of the IT infrastructure</p> <p>EA2.6 Continued development of the Queen Mary estate</p>
Internal/external regulatory/statutory reference points	Compliance with HEFCE Annual Accountability Review requirements
Consideration of Strategic Risks:	<p>9. Effect on QM finances of changes to HEFCE and wider government funding model.</p> <p>37. Constraints on capital availability for buildings and infrastructure leading to failure to develop adequate facilities</p> <p>47. Poor College financial management and Professional Services Financial Management as a result of poor quality proactively to issues during the financial year.</p>
Confidential paper under FOIA/DPA:	No
Timing	Annual submission to HEFCE by 1 December 2015

Author(s) :	Joanne Jones, Finance Director
Date:	18 November 2015
Senior Management/Lay Sponsor (if applicable)	Mike Shore-Nye, Chief Operating Officer

Please ensure that the financial information completed for 2013-14 and 2014-15 in this workbook is consistent with your institution's audited financial statements and the data returned to the HESA Finance Statistics Return (FSR).

HEFCE assurance consultant: Julian Knight

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Financial indicators (automated table)		
Institution: Queen Mary University of London		
UKPRN: 10007775		
	Actual	Actual
	2013-14	2014-15
Historical cost surplus/(deficit) as a % of total income	4.6	4.8
Discretionary reserves excluding pension asset/(liability) as a % of total income	22.9	26.6
External borrowing as a % of total income	29.9	25.9
Net cash flow as a % of total income	9.1	11.0
Net liquidity days	28	15
Staff costs as a % of total income	58.4	57.3

Note: 'UKPRN' = 'UK Provider Reference Number'.

Earnings before interest, tax, depreciation and amortisation (EBITDA) - (partially automated table)		
Please complete cells with blue text. All other values will automatically be completed as you complete the financial tables.		
Institution: Queen Mary University of London		
UKPRN: 10007775		
	Actual	Actual
	2013-14	2014-15
	£000	£000
Surplus/(deficit) for the year retained within general reserves	17,101	19,364
Interest payable	3,028	2,972
Tax charges/(credits)	233	2,321
Depreciation	19,969	20,853
Release of deferred capital grants	-9,231	-9,333
Amortisation (for institution to complete)	0	0
Exceptional items as defined in FRS 3	-481	-233
FRS17 staff charges / (credit) (for institution to complete)	0	0
EBITDA	30,619	35,944

Note: 'FRS' = 'Financial Reporting Standard'.

2015 Financial Tables - December 2015 submission

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Table 1: Income and expenditure account

Institution: Queen Mary University of London

UKPRN: 10007775

	Actual 2013-14 £000	Actual 2014-15 £000
Income		
1. Funding body grants	80,576	70,943
2. Tuition fees and education contracts	134,426	163,555
3. Research grants and contracts	83,947	93,162
4. Other income	49,393	48,478
5. Endowment and investment income	795	623
6. Total income	349,137	376,761
7. Less: share of income from joint venture(s)	0	0
8. Net income	349,137	376,761
Expenditure		
9. Staff costs	203,885	215,743
10. Other operating expenses	105,985	116,796
11. Depreciation	19,969	20,853
12. Interest and other finance costs	3,028	2,972
13. Total expenditure	332,867	356,364
14. Surplus/(Deficit)	16,270	20,397
15. Share of surplus/(deficit) in joint venture(s) and associates	-35	-35
16. Taxation	-233	-2,321
17. Minority interest	5	0
18. Exceptional items	481	233
19. Surplus/(deficit) for the year transferred to accumulated income in endowment funds	613	1,090
20. Surplus/(deficit) for the year retained within general reserves	17,101	19,364
Note of group historical cost surpluses and deficits for the year ended 31 July		
21. Surplus/(deficit) on continuing operations before taxation	16,721	20,595
22. Difference between a historical cost depreciation and the actual charge for the year calculated on the re-valued amount	159	157
23. Realisation of property revaluation gains of previous years	-481	-233
24. Historical cost surplus/(deficit) for the year before taxation	16,399	20,519
25. Historical cost surplus/(deficit) for the year after taxation	16,166	18,198

Note: Income in this table should INCLUDE income attributable to a share in joint venture(s).

2015 Financial Tables - December 2015 submission

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Table 1a: Analysis of income

Institution: Queen Mary University of London

UKPRN: 10007775

	Actual 2013-14 £000	Actual 2014-15 £000
1. Funding body grants		
a. HEFCE: teaching grant	38,173	29,285
b. HEFCE: research grant	32,449	32,330
c. HEFCE: other grants	3,643	2,818
d. NCTL funding	0	0
e. SFA grants	0	0
f. Release of deferred capital grants	6,311	6,510
g. Total funding body grants	80,576	70,943
2. Tuition fees and education contracts		
a. Full-time UG home and EU	63,769	78,983
b. Full-time postgraduate home and EU	7,457	8,576
c. Part-time fees - home and EU	3,201	3,798
d. Home and EU domicile fees paid by the Department of Health	680	693
e. NCTL fees	0	0
f. Non-EU domicile students	56,961	68,756
g. Other fees and support grants	2,358	2,749
h. Total tuition fees and education contracts	134,426	163,555
3. Research grants and contracts		
a. BIS Research Councils	22,406	23,481
b. UK-based charities	22,925	22,142
c. Other research grants and contracts	38,616	47,539
d. Total research grants and contracts	83,947	93,162
4. Other income		
a. Other services rendered	8,735	10,615
b. Residences and catering operations (including conferences)	16,001	16,316
c. Income from health and hospital authorities (excluding teaching contracts for student provision)	16,654	13,638
d. Other operating income	8,003	7,909
e. Total other income	49,393	48,478
5. Endowment and investment income	795	623
6. Total income	349,137	376,761

Note: Heading 2e is new, please complete as relevant and check these fees are not included in another heading.

Note: 'NCTL' = 'National College of Teaching and Leadership'; 'SFA' = 'Skills Funding Agency'; 'UG' = 'undergraduate'; 'EU' = 'European Union'; 'BIS' = 'Department for Business, Innovation and Skills'.

Table 1b: Analysis of staff costs

Institution: Queen Mary University of London

UKPRN: 10007775

	Actual 2013-14 £000	Actual 2014-15 £000
1. Salaries and wages	166,157	176,389
2. Social security costs	14,259	15,197
3. Employer pension costs	22,088	23,196
4. FRS17 adjustments	0	0
5. Other staff related costs	1,381	961
6. Total staff costs	203,885	215,743
7. Staff numbers (FTEs academic and other)	3,535	3,698

Note: 'FTE' = 'full-time equivalent'.

2015 Financial Tables - December 2015 submission

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Table 2: Balance sheet

Institution: Queen Mary University of London

UKPRN: 10007775

	Actual 31/7/14 £000	Actual 31/7/15 £000
1. Fixed assets		
a. Intangible assets	0	-470
b. Tangible assets	391,012	418,851
c. Investments	3,533	2,837
d. Investments in joint ventures: share of gross assets	55	70
e. Investments in joint ventures: share of gross liabilities	0	0
Total	394,600	421,288
2. Endowment assets	33,048	35,332
3. Current assets		
a. Stock	173	231
b. Debtors	40,143	45,319
c. Investments	0	0
d. Cash at bank and in hand	24,280	13,523
Total	64,596	59,073
4. Creditors: amounts falling due within one year		
a. Creditors	91,699	97,651
b. Current portion of long-term liabilities	12,019	22,093
c. Bank overdrafts	0	0
Total	103,718	119,744
5. Net current assets/(liabilities)	-39,122	-60,671
6. Total assets less current liabilities	388,526	395,949
7. Creditors: Amounts falling due after more than one year		
a. Repayable grants from the funding council	0	0
b. External borrowing	92,324	75,553
c. Other (including grant clawback)	500	500
Total	92,824	76,053
8. Provisions for liabilities and charges	0	0
9. Net assets excluding pension asset/(liability)	295,702	319,896
10. Pension asset/(liability)	-225	-161
11. Net assets including pension asset/(liability)	295,477	319,735
12. Deferred capital grants	180,877	183,031
13. Endowments		
a. Expendable	10,488	10,949
b. Permanent	22,560	24,383
Total endowments	33,048	35,332
14. Reserves		
a. Income and expenditure account	69,487	89,400
b. Pension reserve	-225	-161
c. Revaluation reserve	12,295	12,138
d. Minority interest	-5	-5
Total reserves	81,552	101,372
15. Total funds	295,477	319,735

Note: Heading 7 has been prefilled from HESA FSR data. Please correct where necessary.

Note: If you have previously included grant claw back in heading 7a of your FSR, please move this to heading 7c.

2015 Financial Tables - December 2015 submission

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Table 3: Cash flow statement

Institution: Queen Mary University of London

UKPRN: 10007775

	Actual 2013-14 £000	Actual 2014-15 £000
1. Net cash inflow/(outflow) from operating activities (Table 4 heading 15)	31,769	41,269
2. Returns on investments and servicing of finance		
a. Income from endowments	425	329
b. Income from short-term investments	370	294
c. Other interest received	0	0
d. Interest paid	-3,028	-2,972
e. Other items	-14	16
f. Net cash inflow/(outflow) from returns on investments and servicing of finance	-2,247	-2,333
3. Taxation	-233	-276
4. Capital expenditure and financial investment		
a. Payments to acquire tangible assets	-24,533	-50,606
b. Payments to acquire endowment asset investments	-10,933	-16,261
c. Total payments to acquire fixed/endowment assets	-35,466	-66,867
d. Receipts from sale of tangible assets	497	0
e. Receipts from sale of endowment assets	10,322	14,800
f. Deferred capital grants received	4,839	11,487
g. Endowments received	573	704
h. Other items	763	929
i. Net cash inflow/(outflow) from capital expenditure and financial investment	-18,472	-38,947
5. Management of liquid resources	0	0
6. Financing		
a. Capital element of finance lease repayments	-1,221	-11,514
b. Mortgages and loans acquired	0	0
c. Mortgage and loan capital repayments	-1,664	-802
d. Other items	0	0
e. Net cash inflow/(outflow) from financing	-2,885	-12,316
7. Increase/decrease in cash in the year	7,932	-12,603

2015 Financial Tables - December 2015 submission

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Table 4: Reconciliation of surplus/(deficit) for the year to net cash flow		
Institution: Queen Mary University of London		
UKPRN: 10007775		
	Actual 2013-14 £000	Actual 2014-15 £000
1. Surplus/(deficit) after depreciation of assets at valuation and before tax (from Table 1 heading 14 + heading 15 + heading 18)	16,716	20,595
2. Depreciation (from Table 1 heading 11)	19,969	20,853
3. Deferred capital grants released to income	-9,231	-9,333
4. (Increase)/decrease stocks	78	-49
5. (Increase)/decrease in debtors	-555	-7,497
6. Increase/(decrease) in creditors	2,798	14,333
7. Increase/(decrease) in provisions	0	0
8. Interest payable (from Table 1 heading 12)	3,028	2,972
9. Investment income	-795	-856
10. Profit on sale of endowment assets	-481	0
11. Net return on pension asset	6	6
12. Share of operating loss in associates & joint ventures	35	35
13 Tax and other reserves	233	276
14. Cash payment to reduce pension deficit	-32	-66
15. Net cash inflow/(outflow) from operating activities	31,769	41,269

Table 5: Supporting data		
Institution: Queen Mary University of London		
UKPRN: 10007775		
	Actual 2013-14 £000	Actual 2014-15 £000
1. Identification of items included in other operating expenses (Table 1 heading 10)		
a. Operating leases and other long-term operating expense commitments	3,212	4,103
b. Annual contract cost of PFI deals	0	0
c. Maintenance expenditure	3,464	4,991

Note: 'PFI' = 'Public Finance Initiative'.

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HE student number forecasts 2015

Table 6: HE student number forecasts (FTEs)		Please complete student numbers in FTEs		
		Actual 2014-15		Island and overseas
Institution: Queen Mary University of London UKPRN: 10007775		Home and EU	New-regime	
		Old-regime and other		
Total full-time and sandwich year-out	UG (incl FD)	1,457	8,039	1,684
	PGT	0	746	1,370
	PGR	592		337
	Total	2,049	8,785	3,391
Total part-time	UG (incl FD)	3	5	0
	PGT	4	291	15
	PGR	61		3
	Total	69	295	17

Note: 'FD' = 'foundation degree'; 'PGR' = 'postgraduate taught'; 'PGR' = 'postgraduate research'.

The numbers returned in this table should be consistent with population of students returned to the Higher Education Statistics Agency (HESA). A description of the HESA student population is available at

https://www.hesa.ac.uk/index.php?option=com_studrec&task=show_file&mnl=14051&href=coverage.html.

The information in this table will be used to provide context to the other financial tables and will not be used for funding purposes.

For further guidance on completing this table please see Annex C of 'Annual accountability returns 2015:

Request for information' (HEFCE 2015/16) available at <http://www.hefce.ac.uk/pubs/year/2015/201516>.

2015 Financial Tables - December 2015 submission

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Table 7: Balance of outstanding financial commitments and agreed financial commitments not yet drawn down at 31 July 2015

Institution: Queen Mary University of London

UKPRN: 10007775

If a nil return then please choose 'nil return' from the drop down menu:

Please review the financial commitments information returned to HEFCE in July 2015. Please review and update the capital sum owed (column E) and the interest rate (column L). Where an agreed commitment remains undrawn please enter the sum in column F.

The data returned in this table are used to review compliance with the Memorandum of assurance and accountability in relation to financial commitments. We also use these data to review and update the financial commitments threshold and to understand the borrowing behaviour in the sector.

Where any information on an existing financial commitments is incorrect please overwrite the existing data and then choose a reason for changing the data from the drop-down menu in column N. Any changes to the pre-filled data will be highlighted as red text; this is to aid HEFCE's use of the data. If a commitment has terminated, please delete the data in columns B to M and choose 'Repaid' or 'Expired' in column N.

If you have taken out a new financial commitment please enter the information about this commitment on a new row and choose 'New commitment - drawn' in column N if you have drawn down on this commitment or 'New commitment - undrawn' if you have not yet drawn down on this commitment. New financial commitments will be highlighted as red text; this is to aid HEFCE's use of the data.

Please review the validation checks for Table 7 on the 'Validation' worksheet.

Financial commitments drawn and commitments agreed with lender but not drawn down at 31 July 2015

Lender	Type of commitment (Note 1)	Capital sum	Capital	Undrawn	Date drawn down	Period of	Date due to be repaid	Interest rate	Interest rate fixed,	Reason for difference in financial commitment compared with last			
		originally committed	sum owed at 31/07/15								sum	loan	at 31/07/15 (estimate for undrawn facilities)
		£000s	£000s	£000s	month	year	month	year	%				
Financial commitments exceeding 12 months, such as term loans													
1										Other			
2										Other			
3										Other			
4										Other			
5	Barclays		13,251	13,251	0	Dec	2007	27	Dec	2034	5.3	Fixed	
6	Barclays		3,730	3,730	0	Sep	2008	26	Aug	2034	5.3	Fixed	
7	Santander		5,165	1,892	0	Jul	2012	7	Jul	2019	2.7	Fixed	New commitment
8	Lloyds		46,572	46,572	0	May	2014	28	Mar	2042	5.0	Fixed	Refinanced
9	Lloyds		8,297	8,037	0	May	2014	28	Mar	2042	0.7	Variable	Other
10	Cisco		1,867	1,586	0	Jul	2014	5	Jul	2019	0.0	Fixed	New commitment
11	RBS		80,000	0	80,000	Jul	2015	3	Apr	2017	1.3	Variable	Other
12													Expired
13	Lloyds		10,537	484	0	Oct	2003	17	Oct	2020	0.5	Variable	Other
14													
15													
16													
17													
18													
19													
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21													
22													
23													
24													
25													
26													
27													
28													
Total financial commitments exceeding 12 months			169,420	75,552	80,000								

2015 Financial Tables - December 2015 submission

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Financial commitments less than 12 months, such as overdrafts							
29	Santander	Finance Lease	1,317	1,317	0	2.7	Other
30	Lloyds	Finance Lease	19,461	19,461	0	0.5	Other
31	Cisco	Finance lease	466	466	0	0.5	Other
32	Lloyds	Term Loan	589	589	0	5.0	Other
33	Lloyds	Term Loan	262	262	0	0.7	Other
Total financial commitments less than 12 months			22,094	22,094	0		
Total financial commitments drawn and commitments available as at 31 July 2015			191,514	97,646	80,000		

Notes

1 For further information refer to Annex C in 'Annual accountability returns 2015: Request for information' (HEFCE 2015/16), available at <http://www.hefce.ac.uk/pubs/year/2015/201516>.

Queen Mary University of London – UKPRN 10007775

Commentary for the HEFCE Annual Assurance Review – December 2015 Return

Key movements between 14-15 Forecast and 14-15 Actual Financial Performance

Income and Expenditure

The last forecast sent to HEFCE in July 2015 showed an overall surplus of £15.1m. The final surplus was £19.4m, an increase of £4.3m. The key variances are as follows:

- +£7.2m (net of tax) in RDEC receipts representing the full amount claimed in relation periods up to and including 2014-15.
- -£2.3m cost correction relating to a finance lease that had not been accounted for previously.
- -£1.3m in lower research overheads following detailed year end review of recognition
- +£1.1m surplus on endowment funds; we had assumed a net nil movement.
- -£0.7m of HEFCE grant cuts notified to us just prior to year end
- +£0.6m of savings on interest due to lower interest rates than forecast and not needing to borrow an anticipated £15.0m ahead of year end.
- -£0.3m various

Balance Sheet

Key balance sheet variances are:

- Tangible assets £20.4m lower than forecast due to an £12.5m prior year adjustment to write off assets that had been previously disposed or demolished, £5.5m reduction in additions primarily due to underspends in the capital programme and £1m reduction due to the write off of projects previously capitalised.
- Debtors £5.2m higher than forecast due to £7.4m RDEC in accrued income that was accounted for at the end of the year offset by lower debtors relating to our Chinese joint programmes due to earlier receipt of cash than expected.
- Creditors £6.5m higher than forecast; the majority of this (£4.7m) is due to an increase in research grant creditors where the amount of cash received has exceeded that spent; this will partly relate to grants where QMUL is the lead partner and is due to distribute receipts to other partners.
- External borrowing £14.7m lower than forecast as we had higher cash balances than forecast at year end, which is related to underspends on tangible assets noted above, favourable creditor movements and earlier than expected receipt of cash (£6.4m) from our Chinese joint programmes. We did draw down £10.0m for one month on August 2015.

Cashflow

A net decrease in cash of £9.3m had been forecast which became a net £12.6m reported decrease:

- £11.5m greater cash inflow from operations due to earlier than expected receipt of £6.4m cash from our Chinese joint programmes and an increase in creditors (see balance sheet).
- £0.6m less paid out in interest for the reasons noted in the I&E commentary.
- £16.3m in payments to acquire endowment assets offset by £14.8m of receipts from the sale of such assets; we do not forecast for these movements in the expectation that they will broadly offset each other.
- Payments to acquire tangible fixed assets £5.0m lower than forecast due to capital programme underspend. This will now be rephrased in 2015/16.
- Forecast cash inflows of £15.0m from drawdown of revolving credit facility did not materialise for the reasons noted in the balance sheet commentary.
- A forecast £4.8m inflow from 'financing - other items' was a cashflow forecast error and did not occur.

Borrowing

The table below shows the relationship between the figures reported in the AAR table 7, our current HEFCE borrowing approval and our latest borrowing requirements.

	HEFCE Approval Sep-14 £m	AAR Return Nov-15 £m	In negotiations £m	Latest position Borrowing Requirements £m
Loans drawn down and Finance leases	106.4	97.6		97.6
Royal Bank of Scotland Loan	80.0	80.0		80.0
Revolving Credit Facility	15.0		15.0	15.0
Alumno student residence lease	41.0		41.0	41.0
Total	242.4	177.6	56.0	233.6

Please note the following:

The existing revolving credit facility of £15m ceased in May 2015, we have been negotiating covenant terms and we expect to have this in place in the next few weeks.

We are still negotiating heads of terms for the Alumno student residence transaction, this has taken longer than expected due to a change of funder, but we still anticipate proceeding with this, subject to maintaining the terms and benefits previously reported to you.

In view of the above our current borrowing requirement is £233.6m

HEFCE 2015/16 Annual accountability returns 2015: Request for information

Annex E: Annual assurance return template for completion

1. This return is to be submitted as part of the annual accountability returns exercise and its purpose is to confirm that each higher education institution (HEI) has met its obligations to HEFCE under the Memorandum of Assurance and Accountability. The return also confirms that the institution is complying with its duties as a charity, thus enabling HEFCE to fulfil its responsibility as principal regulator.
2. The return is in two parts.
 - a. Part 1 should be signed by the accountable officer, for all HEIs.
 - b. Part 2 is **not** required from HEIs that either:
 - are not a charity or
 - are registered with and make an annual return directly to the Charity Commission.

For all other HEIs, Part 2 should be signed by the accountable officer, unless they are not a trustee, in which case it should be signed by an appropriately authorised trustee. The return should normally have been approved by the governing body.

Institution Queen Mary University of London
Year ended 31 July 2015

Part 1	Yes/No/Comment
Can you confirm that in this period the institution has met its responsibilities to HEFCE (the conditions of grant) as set out in the Memorandum of Assurance and Accountability?	Yes
Please indicate whether the institution has been able to comply with the Concordat to support research integrity.	Yes. A review was completed in 2013/14 and a revised Research Integrity Policy which incorporates the principles of the Concordat came into effect in December 2014.

<p>Please confirm that:</p> <p>a. Your institution has reviewed its arrangements for identifying and addressing early signs of student concerns or complaints;</p> <p>b. A report of this review, including analysis of any high frequency or particularly serious complaints, has been scrutinised by the relevant governance body within the institution; and</p> <p>c. Any early signs of issues or complaints identified in the report have, or are being, addressed.</p>	<p>Yes. Regulations for handling complaints were revised in light of the OIA Good Practice Framework and an internal survey of returning undergraduates was introduced to complement the existing annual survey by the Students' Union. Senate receives an annual report on complaints which from 2015/16 will also be considered by Council. The outcomes of internal surveys are considered by the relevant Boards of Senate and were presented to Council in May 2015.</p>
<p>Please confirm that any Teaching and/or Research Capital Investment Funding you received in 2014-15 has been spent within the year for the purposes intended.</p>	<p>The TCIF grant was fully spent in 2014/15, however as £657k of it was utilised for a capital project that was in the course of construction at the 14/15 year end, the release of this element of the grant to the income and expenditure will occur in 2015/16.</p> <p>£1,256k RCIF grant (including £467k 15/16 allocation paid in March 15) will be spent in 2015/16.</p>
<p>If you have received funding for very high cost science, technology, engineering and mathematics subjects, please confirm that your institution has maintained provision of taught programmes in these disciplines.</p>	<p>Yes</p>
<p>Have there been any changes of senior officer in the period that have not been reported to HEFCE, including to the chairs of the governing body and audit committee, or the heads of finance and internal audit?</p>	<p>No, the change from Jane Tirard as Director of Finance to the interim post holder Nirmal Borkhataria and then the new post holder Joanne Jones have been communicated to HEFCE. The chairs of Audit and Risk and Finance and Investment committee and the Chair of Council have not changed.</p>

<p>Have there been any material adverse changes that should have been notified during the period or to date that now need to be brought to our attention in line with paragraph 57 of the Memorandum of Assurance and Accountability? If so, please provide details.</p>	<p>No</p>
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This is to confirm that the data and annual accountability returns submitted to HEFCE conform to the requirements of the Memorandum of Assurance and Accountability. The data has been subject to effective oversight and management review. Quality assurance has been provided to the audit committee, which in turn has been able to provide assurance to the governing body and myself as accountable officer.

Signed

Print name Professor S J Gaskell

Date

Part 2

I confirm that, in all material respects, the institution has conducted its affairs during the year in accordance with its status as a charity.

Apart from material adverse changes (see Part 1), the institution either:

- has reported any serious incidents (as defined in the Memorandum of Assurance and Accountability, paragraphs 10 to 17 in Annex E); or
- now attaches a report of serious incidents not previously reported.

I confirm that the institution has no paragraph 28 connected exempt charities.

Signed as a trustee on behalf of all of the trustees:

Signed

Print name Professor S J Gaskell

Date

2014/15 Sustainability Statement of Queen Mary University of London Council

Our current strategic plan to 2018/19 reinforces our explicit purpose to be dedicated the public good, pursuing the creation and dissemination of knowledge to the highest international standards, thereby transforming wider society and the lives of our students and staff.

The strategic plan identifies 6 strategic aims with a number of KPIs to inform progress. These cover both financial and non-financial performance and are designed to promote the continued growth in quality, reputation and financial sustainability of the University.

In monitoring our future sustainability we consider KPIs in the following areas:

- Knowledge creation, through research grants, their diversity, contract income and our research quality rankings.
- Knowledge dissemination and student experience, through recruitment analysis and feedback from surveys such as the NSS.
- Financial health, particularly to ensure we generate sufficient cash for investment for our strategic priorities including our estate and IT infrastructure.

Throughout 2014/15 Council and its sub committees have received and reviewed regular reports to enable us to monitor performance across the university and progress made against the Strategy, Strategic Aims and key KPIs. We have also reviewed and considered the 'Annual stocktake' presented which shows an in depth review for the full academic / financial year.

In addition the Queen Mary Senior Executive monitors performance across the institution taking informed decisions when required to keep the organisation aligned with the Strategic Plan. A comprehensive risk register is maintained and processes are followed so that issues and risks can be highlighted and managed or, if necessary, remedial action is taken.

As a result of the above, the Council of Queen Mary University of London is satisfied that the performance and progress achieved against the KPIs, our regular monitoring of them and their applicability to the mission of QMUL enables us to be assured of the institution's future sustainability.

Signed

Chair of Council

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President and Principal (Accounting Officer)